

# Supplementary Papers

## Cabinet

held on Friday 1 February 2019 at 10.30 am  
in the Meeting Room 1, 135 Eastern Avenue, Milton Park, Milton, OX14 4SB

**Open to the public including the press**

14. **Capital strategy** (Pages 2 - 13)  
To consider the head of finance's report.
15. **Revenue Budget 2019/20 and Capital Programme to 2023/24** (Pages 14 - 48)  
To consider the head of finance's report.



# Cabinet Report

Report of Head of Finance

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To: CABINET

Date: 01 February 2019

## Capital strategy 2019/20 to 2028/29

### Recommendation

That cabinet recommends council to approve the capital strategy 2019/20 to 2028/29 which is contained in appendix one of the report of the head of finance to cabinet on 01 February 2019

### Purpose of Report

1. To request cabinet to recommend council to approve the capital strategy for 2019/20 to 2028/29. The capital strategy outlines the councils approach to capital spending, based on the council's corporate strategy, and is linked to the council's, corporate objectives, medium term financial strategy, and management of projects and programmes.

### Strategic Objectives

2. The capital strategy assists the council in meeting its strategic objectives. It will provide a high-level overview of how capital expenditure; capital financing and treasury management activity contribute to the provision of services. By determining the framework within which decisions on capital expenditure and investment are made the strategy will ensure that such decisions assist the council in meeting its corporate strategic objectives.

### Background

3. The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code requires local authorities to produce a capital strategy to demonstrate that capital expenditure and investment decisions are taken in line with service objectives and take account of stewardship, value for money, prudence, sustainability and affordability.

Under the Code, a capital strategy is required to be agreed ahead of the 2019/20 financial year and will be reviewed on an annual basis.

4. The capital strategy for 2019/20 to 2028/29 is attached as appendix one to this report. The strategy provides the overall policy framework for capital expenditure and investment. It does this by bringing together the requirements of the council's strategic objectives, and the constraints of its medium term financial plan, and within the parameters set by those it determines how capital schemes can be progressed from initial idea through to conclusion.
5. There are number of key "building blocks" that are essential to underpin the strategy that are currently being developed. These include:
  - An asset management strategy and maintenance plan
  - Medium term service planning
  - Consistent management of projects and programmes
6. The capital strategy will be a key document for the Council going forward. It will provide a high-level overview of how capital expenditure; capital financing and treasury management activity contribute to the provision of services. It will also provide an overview of how associated risk is managed and the implications for future financial sustainability. It will increase transparency in the planning, approval and monitoring of capital expenditure.

## **Financial Implications**

7. There are no direct financial implications arising from implementing the strategy.

## **Legal Implications**

8. None.

## **Conclusion**

9. This report provides details of the proposed capital strategy for 2019/20 to 2028/29 and asks cabinet to recommend the capital strategy to council. These documents provide the parameters within which capital expenditure and investment decisions will be made once the supporting requirements are in place.

## **Background Papers**

The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code for Capital Finance in Local Authorities.

## **Appendices**

Appendix one Capital strategy 2019/20 to 2028/29

**Capital Strategy  
2019/20 – 2028/29**

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## **1 Introduction**

The council's capital strategy represents its approach to future investment. The council has a significant capital investment programme for the period from 2019/20 to 2024/25. The council faces a number of competing demands on finite resources. To achieve its aims the council seeks to work with partners who share its ambitions for improved outcomes for residents.

## **2 Purpose**

The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code requires local authorities to produce a capital strategy to demonstrate that capital expenditure and investment decisions are taken in line with long-term objectives and take account of stewardship, value for money, prudence, sustainability and affordability.

The Capital Strategy will be a key document for the Council and will form part of the authority's integrated revenue, capital and balance sheet planning. It will provide a high-level overview of how capital expenditure; capital financing and treasury management activity contribute to the provision of services. It will also provide an overview of how associated risk is managed and the implications for future financial sustainability. It will include an overview of the governance processes for developing proposals, approval and monitoring of capital expenditure.

## **3 Scope**

This Capital Strategy will include all capital expenditure and capital investment decisions, not only as an individual local authority but also any entered into under joint arrangements. It sets out the long-term context in which decisions are made with reference to the life of the projects/assets and will stress the need for evidence-based decision making.

## **4 Capital Expenditure**

Capital expenditure is incurred on the acquisition or creation of assets, or expenditure that enhances or adds to the life or value of an existing fixed asset that is needed to provide services. Fixed assets are tangible or intangible assets that yield benefits to the Council generally for a period of more than one year, e.g. land, buildings, vehicles. This contrasts with revenue expenditure which is spending on the day to day running costs of services such as employee costs and supplies and services.

The capital programme is the authority's plan of capital works for future years, including details on the funding of the schemes. Included are the projects such as the purchase of land and buildings, the construction of new buildings, design fees and the acquisition of vehicles and major items of equipment. Also included would be commercial investments.

## **5 Capital vs. Treasury Management Investments**

Treasury Management investment activity covers those investments which arise from the organisation's cash flows and debt management activity, and ultimately represent balances which need to be invested until the cash is required for use during the course of business.

For Treasury Management investments the security and liquidity of funds are placed ahead of the investment return. The management of associated risk is set out in the Treasury Management Policy and the Annual Investment Strategy, see under linked documents.

The CIPFA Treasury Management Code recognises that organisations may make investments for policy reasons outside of normal treasury management activity. These may include service and commercial investments.

## **6 Delivery and Commercial Investments**

These are investments for policy reasons outside of normal treasury management activity. These may include:

### **6.1 Delivery investments**

These are investments held clearly and explicitly in the course of the provision, and for the purposes, of operational delivery, including regeneration.

### **6.2 Commercial investments**

These are investments taken for mainly financial reasons. These may include:

1. investments arising as part of business structures, such as shares and loans in subsidiaries or other outsourcing structures such as IT providers or building services providers;
2. investments explicitly taken with the aim of making a financial surplus for the Council.

Commercial investments also include fixed assets which are held primarily for financial benefit, such as investment properties.

Due to the nature of the assets or for valid investment reasons, such investments do not always give priority to security and liquidity over yield. In these cases, such a decision will be explicit, with the additional risks set out and the impact on financial sustainability identified and reported.

The Section 151 Officer/Head of Finance will ensure that the Council has the appropriate legal powers to undertake such investments and will also ensure the proportionality of all investments so that the Council does not undertake a level of investing which exposes it to an excessive level of risk compared to its financial resources.

## **7 Due Diligence**

For all capital investments, it is proposed that the appropriate level of due diligence will be undertaken with the extent and depth reflecting the level of additional risk being considered.

The process and procedures will include effective scrutiny of proposed investments that will, for example, consider:

- identification of the risk to both the capital sums invested and the returns;
- understanding the extent and nature of any external underwriting of those risks;
- the potential impact on the financial sustainability of the Council if those risks come to fruition;
- identification of the assets being held for security against debt and any prior charges on those assets;
- where necessary independent and expert advice will be sought.

The Section 151 Officer / Head of Finance will ensure that members are adequately informed and understand the risk exposures being taken. Internal control and policy compliance will regularly be assessed by Joint Audit and Governance Committee.

## **8 Council Objectives**

The Council has a set of corporate aims, priorities and objectives which shapes the provision of services. These are set out in the Corporate Plan. Capital investment projects if, and when undertaken, must be in line with these overall objectives and considered in the longer term.

## **9 The Capital Budget Setting Process**

### **9.1 Key Criteria for Strategy**

For any budget setting year, the key criteria by which proposals would be considered will be set. These may include for example:

- Maintenance of the essential infrastructure of the organisation;
- Essential Health and Safety works;
- Essential rolling programmes;
- Invest to save schemes;
- Match funded investment for regeneration projects;
- The outcome of feasibility studies.



## **9.2 Deciding which Schemes are to be put forward for review**

When decisions on capital projects to be put forward are made it is proposed that consideration is given to the following:

### **Prudence:**

- Recognition of the ability to prioritise and refocus following changes to the Council's Corporate Plan;
- Recognition of the capacity in the organisation to deliver such a programme;
- Recognition of the knowledge and skills available and whether these are commensurate with the appetite for risk;
- Recognition of the future vision of the authority;
- The approach to commercial activities including ensuring effective due diligence, defining the risk appetite and considerations of proportionality in respect of overall resources;
- The approach to treasury management and the management of risk is set out in the Treasury Management Strategy.

### **Affordability:**

- Revenue impact of the proposals on the Medium Term Financial Plan;
- The borrowing position of the Council as required, projections of external debt and the use of internal borrowing to support capital expenditure;
- The authorised limits and operational boundaries;
- Whether schemes are profiled to the appropriate financial year.

### **Sustainability:**

- An overview of asset management planning including maintenance requirements and planned disposals;
- A long-term view of capital expenditure plans, where long term is defined by the financing strategy of and risks faced with reference to the life of the project/assets;
- If the need to borrow is approved provision for the repayment of debt over the life of the underlying debt as set out in the Minimum Revenue Provision policy and consideration by Joint Audit and Governance Committee of the impact on the repayment on future viability.

All proposals would be produced in line with the agreed budget timetable with consideration for the financial information contained within the bid.

Sources of funding would be considered for each of the proposed capital schemes. Each project would be considered in terms of revenue funding to cover the operational running costs of the asset and any borrowing repayment costs, and how the asset would be funded in terms of capital expenditure. This is known as whole life budgeting.

### **9.3 Prioritisation of Schemes put forward**

A system for prioritising capital projects will be adopted. This will result in a list of proposals to be considered as part of that year's budget setting process.

### **9.4 Options Appraisals and Feasibility Studies**

As part of the process of producing a list of potential schemes the capital programme option appraisals will be required to determine the most cost effective and best service delivery options.

Some projects may require a feasibility study. As part of any feasibility study an assessment of the maintenance costs per annum averaged over the whole life of the asset will be calculated.

### **9.5 In Year Opportunities**

Schemes which arise during the year will only be considered for inclusion in the capital programme if they meet key criteria set out in section 9.1 or one or more of the following criteria:

- The location of the property to be purchased will bring added value to the estate;
- The requirement for the asset is an extraordinary service demand which could not be anticipated in the normal planning processes.

### **9.6 Member Approval Process**

As part of the annual budget cycle.

## **10 Monitoring of the Capital Programme Expenditure**

The Capital Budget Monitoring Report is currently produced quarterly, listing provisional and approved capital schemes, giving details of the project manager, budgets, year to date spend, brought forward spend and capital financing.

The report is sent to budget managers of each department for comment and reports are returned to Finance Team for incorporating into the Capital Budget Monitoring Report that is sent to the Strategic Management Team for review to ensure schemes are on target.

When the capital schemes are completed a full evaluation report will be made available.

## **11 Multi-Year Schemes**

Payments for capital schemes often occur over many years, depending on the size and complexity of the project. Estimated payment patterns are calculated for each

project so that the expected capital expenditure per year is known. This is known as a cash flow projection and is key to analysing funding requirements.

The length of the planning period is defined by the financing strategy and the risks faced with reference to the life of the project/assets. For example, some schemes may span two or three whereas others may be over much longer timeframes.

This allows greater integration of the revenue budget and capital programme and matches the time requirement for scheme planning and implementation since schemes have a considerable initial development phase.

## **12 Funding Strategy and Capital Policies**

This section sets out the policies of the Council in relation to funding capital expenditure and investment.

### **12.1 External Funding**

The Council will seek to maximise external funding wherever possible to support capital schemes. This can be in the form of grants and contributions from outside bodies including central government.

Prior to submitting proposals for grant funding, an assessment of the risk of a contract price increase, associated with market conditions or abnormal building plan demands attached to some grants, must be completed to estimate the likelihood of additional funding being needed.

### **12.2 Capital Receipts**

A capital receipt is an amount of money which is received from the sale of an asset. In most cases they cannot be spent on revenue items.

### **12.3 Prudential/Unsupported Borrowing**

Local Authorities can set their own borrowing levels based on their capital need and their ability to pay for the borrowing. The levels will be set by using the indicators and factors set out in the Prudential Code. This borrowing may also be referred to as Prudential Borrowing.

Section 151 Officer / Head of Finance will make an assessment of the overall prudence, affordability and sustainability of the total borrowing which is reviewed by the Joint Audit and Governance Committee before approval by the Council. The impact of this borrowing will be reported in the Treasury Management Strategy alongside the Prudential Indicators required by CIPFA's Prudential Code for Capital Finance.

The view of Section 151 Officer / Head of Finance will be fed into the corporate budget process so that, should the required borrowing levels be unaffordable or not

prudent, then the schemes will be prioritised against the available funding from borrowing using the corporate prioritisation system.

Section 151 Officer / Head of Finance will also determine whether the borrowing should be from internal resources, or whether to enter external borrowing.

#### **12.4 Invest to Save Schemes**

Occasionally projects arise which require set-up costs of projects which may bring long term service delivery improvements and/or cost savings. The initial set up costs may be of a revenue or capital nature. Assistance for these schemes must be considered on an individual basis.

For 'invest to save' schemes it is expected that in the longer term these schemes will produce savings and/or additional income that will support the revenue budget.

#### **12.5 Leasing**

Section 151 Officer / Head of Finance may enter into finance leasing agreements to fund capital expenditure. However, a full option appraisal and comparison of other funding sources will be made, and Section 151 Officer / Head of Finance will ascertain that leasing provides the best value for money method of funding the scheme.

Under the Prudential Code finance leasing agreements are counted against the overall borrowing levels when looking at the prudence of the authority's borrowing.

### **13 Procurement and Value for Money**

Procurement is the purchase of goods and services, with a strategy being developed to assist with the definition of quality standards and securing provision of the best possible services for local people for a given price.

The Council uses Capita and In-House Procurement that ensures they provide value for money and to see where efficiency savings can be achieved. This also covers capital procurement.

It is essential that all procurement activities comply with EU procurement directives and adhere to the relevant requirements. Guidance on this can be sought from the Procurement team. Procurement must also comply with the Councils policies and regulations such as Contract Procedural Rules and Financial Regulations.

The main aim is to hold 'value for money' as a key goal in all procurement activity to optimise the combination of cost and quality and ensure all expenditure is appropriate.

### **14 Performance Management**

Clear measurable outcomes will be developed for each capital scheme. After the scheme has been completed, a review can be undertaken.

Reviews will look at the effectiveness of the whole project in terms of operational delivery outcomes, design and construction, financing etc. and identify good practice and lessons to be learnt in delivering future projects.

## **15 Risk Management**

To manage risk effectively, the risks associated with each capital project will be identified, analysed, and monitored.

It is important to identify the appetite for risk (see below) by each scheme and for the capital programme, especially when investing in capital assets held primarily for financial returns. Under the CIPFA Prudential Code these are defined as investments and so the key principle of control of risk and optimising returns consistent with the level of risk applies.

Section 151 Officer / Head of Finance will explicitly identify the affordability and risk associated with the Capital Strategy. Where appropriate they will consider specialised advice to assist in decision making.

An assessment of risk will therefore be built into every capital project and major risks recorded in a Risk Register, before consideration by Council.

# **Report to: Cabinet Scrutiny Committee Council**

Report of Head of Finance

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To: CABINET

1 February 2019

To: SCRUTINY COMMITTEE

7 February 2019

To: COUNCIL

13 February 2019

**AGENDA ITEM NO  
XX**

## **Revenue Budget 2019/20 and Capital Programme to 2023/24**

### **RECOMMENDATIONS**

1. That cabinet agrees to maintain car park fees and charges at current levels
2. That cabinet recommends to council that it:
  - a. sets the revenue budget for 2019/20 as set out in appendix A.1 to this report,
  - b. approves the capital programme for 2019/20 to 2023/24 as set out in appendix D.1 to this report, together with the capital growth bids set out in appendix D.3 of this report,
  - c. sets the council's prudential limits as listed in appendix E to this report,
  - d. approves the medium term financial plan to 2023/24 as set out in appendix F.1 to this report.
3. That cabinet agrees that the cabinet member for finance may make minor adjustments to this report and the prudential indicators, in conjunction with the head of finance, should they prove necessary following the publication of the final local government settlement and prior to its submission to council on 13 February 2019.

## Purpose of report

### 1. This report:

- brings together all relevant information to allow cabinet to recommend to council a revenue budget for 2019/20 and a capital programme for 2019/20 to 2023/24;
- 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.

## Strategic objectives

2. 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.
3. 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 the budget proposals and these are identified in **appendix B.1** (revenue), and **appendix D.3** (capital).

## Revenue budget 2019/20

4. **Appendix A.1** summarises the movements in the base budget from £15,295,641 in 2018/19 to £15,131,709 in 2019/20. These movements are detailed below.
5. **Opening budget adjustment reduction £1,290,673 (appendix A.2)**. This includes the removal of one-off growth items relating to 2018/19 and before, and the realisation of the full-year effect of savings proposals identified in previous years.
6. Additions to the base budget:
  - **Inflation, salary increments and other salary adjustments £1,192,936 (appendix A.3)**. The salary and contract inflation totals £412,121, representing an average increase of 2.8 per cent on the 2018/19 net expenditure budgets. For council employees an overall increase in salary costs of 2.7 per cent is budgeted for 2019/20. Increments payable to council employees not at the top of their salary range total £66,133. Other salary adjustments of £714,682 primarily reflect the cost of the council staff restructure. This cost is offset by base budget reductions and revisions to the managed vacancy factor and contingency budgets. Discretionary fees and charges have been increased by inflation, except for car park fees and

charges which are proposed to remain at current levels, pending a more detailed review in 2019/20.

- **Essential growth – one-off £165,136 and ongoing £682,994 (appendix A.4).** These items comprise additional expenditure which has been identified by officers and the cabinet member to be unavoidable and reflect changes that have occurred in the current year or which are known will happen in 2019/20.

7. Deductions from the base budget:

- **Base budget reductions £511,497 (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. This was facilitated by the Chartered Institute of Public Finance and Accountancy (CIPFA) who, as reported to cabinet on 7 December 2018, supported us in challenging the budget. Included in this figure is £110,000 that is required to be found to fund the staff restructure and identified as being available by our recent work with CIPFA, but has yet to be allocated to services.
- **Increase in managed vacancy factor £261,948,** this provision is set at 4 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.
- **Reduction in revenue contingency £140,880.** This reduces the overall contingency budget to £200,000 as officers are confident that the budget challenge process has reduced the need for a larger contingency.

8. As a result of these changes the council's revised base budget for 2018/19 is **£15,131,709**, £163,934 less than the £15,295,641 for 2017/18

### Revenue growth proposals

9. A limited number of revenue growth proposals are being recommended to council for inclusion in the budget for 2019/20. These are detailed in **appendix B.1** and total **£227,500**. The growth proposals have been selected by the cabinet member on the basis that they support the council's key aims as set out in the council's corporate plan and enhance service provision.
10. Highways England is currently working on proposals for a new expressway road between Oxford and Cambridge. An announcement on preferred route options expected later in 2019. Depending upon the route selected, the council may choose to take part in public engagement and inquiry processes at which point costs may be incurred. No budget has been created in 2019/20 for potential costs nor have potential costs been reflected in the MTFP, as the council's view and response to this issue cannot be determined at this time.

### Gross treasury income

11. Investment returns for 2019/20 are used to finance expenditure in-year. It is currently forecast that **£762,124** will be earned in 2019/20.



12. More details of treasury income can be found in the council's Treasury Management Strategy report<sup>1</sup>.
13. Including growth and gross treasury income results in a net expenditure budget for the council of **£14,597,085**, compared with £14,845,521 for 2018/19

### Reserves and other funding

#### New Homes Bonus (NHB)

14. The provisional government allocation for NHB payment for 2019/20 is **£4,815,732**. Projections of future NHB earnings and how they will be used are detailed later in this report.

#### Transfers to/ from earmarked reserves

15. The proposed transfer to reserves of **£349,430** reflects the transfer of the affordable homes element of the NHB payment for 2019/20 to reserves.

### Funding

#### Local government settlement

16. 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 for the period 2016/17 to 2019/20. Table 1 below details the funding for the council up to 2019/20.

**Table 1: Settlement funding assessment (provisional)**

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Revenue Support Grant	1,082	513	165	0
Business Rates Baseline Funding Level	2,169	2,213	2,280	2,332
<b>Settlement Funding Assessment</b>	<b>3,251</b>	<b>2,726</b>	<b>2,445</b>	<b>2,332</b>
Tariff/Top-Up adjustment	0	0	0	0
<b>Total</b>	<b>3,251</b>	<b>2,726</b>	<b>2,445</b>	<b>2,332</b>

17. The provisional settlement for 2019/20 is 4.6 per cent lower than 2018/19. Whilst the baseline funding element of the settlement is increasing in line with the increase in business rates, Revenue Support Grant (RSG) is reduced to nil in 2019/20. Figures previously circulated for 2019/20 originally indicated that an additional tariff payment will be due, reflecting a redistribution of government funding. This has commonly been referred to as negative RSG. However, for 2019/20 only the government has provisionally confirmed that this will not now occur.
18. Rural services delivery grant of **£6,102** has been allocated to the council for 2019/20. No funding has been assumed after 2019/20.

<sup>1</sup> Considered by Cabinet 1 February 2019, Council 13 February 2019

19. The importance of NHB funding has increased over recent years and is critical to the sustainability of the council's MTFP. As identified above, funding has been provisionally announced along with the settlement this year at £4,815,732 for 2019/20.
20. As reported to Cabinet on 7 December 2018, government confirmed that 2019/20 is the final year of the NHB scheme in its current form. It is assumed at this stage that the government will honour existing awards of NHB funding through to 2022/23. No assumption has been made regarding income that could be receivable in future under a replacement for the NHB scheme.
21. Estimates of future receipts of new homes bonus are shown in table 2 below and are also included in the MTFP (detailed in row 42). In total the council is expected to receive £12.5 million during the MTFP period.

**Table 2: New Homes Bonus**

Year Earned	Year of Receipt				
	2019/20 Budget £'000	2020/21 Indicative £'000	2021/22 Indicative £'000	2022/23 Indicative £'000	2023/24 Indicative £'000
2016/17	1106				
2017/18	1218	1218			
2018/19	1042	1042	1042		
2019/20	1449	1448	1449	1449	
2020/21					
<b>Total</b>	<b>4815</b>	<b>3708</b>	<b>2491</b>	<b>1449</b>	<b>0</b>

22. 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**

23. For budget setting purposes it has been assumed that the council's share of business rates income after payment of tariff will remain below the safety net for the period of the MTFP. However, and as discussed in the budget setting update report considered by Cabinet in December 2018, the actual funding generated will depend on the outcome of the review of the retained business rates scheme which is highly likely to include changes to:
  - The percentage of business rates growth is retained by the different tiers of local government,
  - the baseline in accordance with the fair funding review.
24. For 2019/20 this shortfall between baseline and safety net is estimated to be **£174,904** (MTFP row 48). Should the actual business rate receipt prove to be in excess of the safety net the additional revenue generated will be added to the council's general fund balance.

25. Business rates retained by the council as planning authority relating to facilities generating renewable energy within the district is estimated at **£233,909** (MTFP row 52).

### **Collection fund**

26. The surplus on the collection fund is estimated in 2019/20 to be **£447,077** (MTFP row 54).

### **Use of reserves**

27. The difference between expenditure requirement and the funding available is smoothed over the medium term financial plan by earmarked reserves and the general fund balance. The net impact of these budget proposals is a draw on New Homes Bonus reserves of **£474,359** in 2019/20.

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

28. Based on the amendments detailed above, and as shown in **appendix A.1** of this report, the budget proposal, including growth, is for a budget requirement of **£9,656,424**. This revenue budget as proposed would result in an increase of £5.00 to current band "D" council tax to **£131.69**. **Appendix C** shows the breakdown of the revenue budget.

## **Capital programme 2019/20 to 2023/24**

### **Current capital programme**

29. The latest capital programme (before growth) is shown in **Appendix D.1** and summarised in table 3 below. It is the capital programme as set by council in February 2018 plus:

- slippage (caused by delays to projects) carried forward from 2017/18,
- new schemes approved by council during 2018/19,
- re-profiling of expenditure on schemes from the 2018/19 financial year to future years where delays to schemes have occurred,
- the deletion of previously agreed schemes that have completed or are not being pursued at this time in their original form.

30. As reported to Cabinet on 7 December 2018, non-essential capital spending has been paused due to the current uncertainty over future funding. Schemes that have been affected by this include the proposed new Wessex Leisure Centre for Wantage and Grove. These schemes have been moved to "The Preparation Pool", which details schemes that, pending their affordability being established, will be considered for inclusion in the capital programme in the future. These schemes are detailed in **Appendix D.2**.

## Cabinet capital programme proposals

31. **Appendix D.3** contains a list of new capital schemes that are being recommended as part of this budget proposal. Officers will amend the capital programme to include the proposals if approved by cabinet and council.

### Financing the capital programme

32. Where permitted, capital expenditure is funded in the first instance from specific government grants, earmarked reserves and other external contributions. The balance of the programme is funded from the council's capital receipts reserve.

33. **Table 3** contains a schedule 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 **£21.7** million over 5 years.

**Table 3: current and proposed capital programme with financing**

	2018/19 latest estimate £000	2019/20 estimate £000	2020/21 estimate £000	2021/22 estimate £000	2022/23 estimate £000	2023/24 estimate £000	GRAND TOTAL £000
Capital programme approved	3,221	3,764	1,783	1,566	1,566	1,566	13,466
Cabinet capital growth proposals	0	5,332	2,910	0	0	0	8,242
<b>Total expenditure</b>	<b>3,221</b>	<b>9,096</b>	<b>4,693</b>	<b>1,566</b>	<b>1,566</b>	<b>1,566</b>	<b>21,708</b>
<b>Financing</b>							
Grant funding	1,025	6,103	3,723	813	813	813	13,290
Developers' contributions	351	386	175	0	0	0	912
Usable capital receipts/revenue reserves	1,845	2,607	795	753	753	753	7,506
<b>Total financing</b>	<b>3,221</b>	<b>9,096</b>	<b>4,693</b>	<b>1,566</b>	<b>1,566</b>	<b>1,566</b>	<b>21,708</b>
<b>Estimated balances as at 31 March 2024</b>							
Usable capital receipts							<b>5,102</b>

### Future pressures on the capital programme

34. The council's usable capital receipts, based on current estimates, are expected to be £5.1 million by the end of 2023/24.

### The prudential code and prudential indicators

35. In setting its revenue and capital budgets for 2019/20, 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.

36. 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.

37. 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. The council must approve the indicators through the budget process before 1 April each year, but they can be revised during the year if required.
38. 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.
39. 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.
40. 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.
41. **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)**

42. The MTFP provides a forward budget model for the next five years. **Appendix F.1** contains the MTFP for 2019/20 to 2023/24. This is a projection of the revenue budget up to 31 March 2024. The projection includes 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. These could rise or fall depending on market conditions.
43. The MTFP identifies serious challenges for the council. It reflects the updated provisional settlement figures published in draft in December 2019. Ongoing funding after 2019/20 is an estimate by officers and is subject to change. The estimates will be refined as more information on future funding schemes becomes available. Estimates of future receipts of NHB are shown in table 2 above.

44. Whilst, based on current assumptions and estimates, the council can set a balanced budget for the first four years of the MTFP period by drawing heavily on reserves, on current projections this is not possible for the fifth year. Although this is not an immediate problem, officers consider that significant work on the council's revenue budgets and income streams is required in the next twelve months to ensure that a balanced revenue budget can be set throughout the MTFP period and beyond that does not rely so heavily on reserves.

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

45. 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.

46. The construction of the budget has been managed by qualified accountants and has been subject to challenge, specifically by the head of finance, other heads of service and cabinet members. The process of building the budget within accountancy has been more challenging than previous years due to the departure, in-year, of experienced accountants following a restructuring of its service by Capita. The team building the 2019/20 budget was both smaller and far less experienced than the team in previous years.

47. On 10 December 2018 the management accounting function was in-sourced from Capita and additional resources were deployed on budget setting. This has allowed the necessary officer security and challenge of the budget information. Informal meetings of cabinet have considered the budget, and informal briefings will also be provided to opposition group leaders. An informal 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.

48. The heavy reliance on the use of reserves during the MTFP reflects the fact that revenue expenditure exceeds revenue income each year. Based on current projections of government funding, which are themselves subject to uncertainty pending further information on the outcome of the fair funding review, the review of NHB and the 2019 Spending Review, the budget is not sustainable over the medium to long term. This will necessitate a fundamental review of expenditure and income over the next twelve months.

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

### **Legal Implications**

50. The cabinet needs to make recommendations to the council on its spending proposals. Under the Local Government Act 2000 it is the council that must agree the revenue and capital spending plans, and then set the council tax. Council will meet on 13 February 2019 in order to set the budget, and the council tax including amounts set by the town and parish councils, Oxfordshire County Council and the Police and Crime Commissioner for Thames Valley.

51. The requirement placed on the council by the Local Government Act 2003 to set prudential indicators and for the head of finance as 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.

## **Other Implications**

52. 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.

## **Conclusion**

53. This report provides details of the revenue base budget for 2019/20, the capital programme 2019/20 to 2023/24, government grants (the settlement), uncommitted reserves and balances, the cabinet member for finance's budget proposals and the resulting prudential indicators.

54. 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 2018/19
- 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.3 Planning
- Appendix C.1 Service budget analysis
- Appendix D.1 Capital programme before growth
- Appendix D.2 Capital preparation pool
- Appendix D.3 Capital growth bids
- Appendix E Prudential indicators
- Appendix F.1 Medium term financial plan
- Appendix F.2 Earmarked reserves 2019/20 to 2023/24

## **Background Papers**

Provisional settlement figures (December 2018)  
Council tax base 2019/20 – Cabinet 7 December 2018, Council 12 December 2018  
Treasury Management Strategy – Cabinet 1 February 2019, Council 13 February 2019

## Vale of White Horse DC - revenue budget summary 2019/20

	2018/19 Budget	2019/20 Budget	Appendix Ref:
<b>Opening base budget 2018/19</b>		<b>15,295,641</b>	
<b>Revisions to base budget</b>			
Opening budget adjustments		(1,290,673)	Appendix A.2
Inflation, salary increments and other salary adjustments		1,192,936	Appendix A.3
Essential growth - one-off		165,136	Appendix A.4
Essential growth - ongoing		682,994	Appendix A.5
Base budget savings		(511,497)	Appendix A.6
Reduction in revenue contingency (not included above)		(140,880)	Appendix A.6
Movement in managed vacancy factor		(261,948)	
<b>Total base budget after revisions</b>	<b>15,295,641</b>	<b>15,131,709</b>	
<b>Growth proposals</b>			
Revenue - one-off		222,500	Appendix B.1
Revenue - ongoing		5,000	Appendix D.2
Capital (revenue consequences of)	0	0	Appendix B.2
<b>Savings proposals</b>			
Gross treasury income	(450,120)	(762,124)	
Borrowing costs		0	
<b>Net expenditure</b>	<b>14,845,521</b>	<b>14,597,085</b>	
<b>Funding</b>			
Funding from reserves	(5,562,885)	(4,940,661)	Appendix C
Budget funding requirement	(9,282,636)	(9,656,424)	
<b>Total Funding</b>	<b>(14,845,521)</b>	<b>(14,597,085)</b>	
<b>Council tax yield required</b>	<b>(6,391,738)</b>	<b>(6,809,189)</b>	



**Vale of White Horse DC - 2019/20 budget build changes**  
**Opening budget adjustments relating to previous year's budget decisions**

Year of bid	Summary	Spending profile:				
		2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
<b>ALL SERVICES</b>						
2016/17	All services - employers pension costs	15,000	15,000	15,000	15,000	15,000
2018/19	Additional staff resources	(113,143)	(158,197)	(212,493)	(212,493)	(212,493)
		<b>(98,143)</b>	<b>(143,197)</b>	<b>(197,493)</b>	<b>(197,493)</b>	<b>(197,493)</b>
<b>COMMUNITY SERVICES</b>						
2017/18	Coffee shop reversal of growth	(6,206)	(6,206)	(6,206)	(6,206)	(6,206)
2016/17	Income from future leisure centre build	0	(314,000)	(314,000)	(314,000)	(314,000)
2018/19	NHB grant scheme	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
2018/19	Options for Wantage Leisure Centre	0	(30,000)	(30,000)	(30,000)	(30,000)
2018/19	Go Active Gold	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
2018/19	Growth bids Wantage leisure	(10,000)	(14,000)	(15,000)	(15,000)	(15,000)
		<b>(126,206)</b>	<b>(474,206)</b>	<b>(475,206)</b>	<b>(475,206)</b>	<b>(475,206)</b>
<b>CORPORATE MANAGEMENT</b>						
2018/19	Management restructure	23,271	23,271	23,271	23,271	23,271
		<b>23,271</b>	<b>23,271</b>	<b>23,271</b>	<b>23,271</b>	<b>23,271</b>
<b>CORPORATE SERVICES</b>						
2018/19	Data Protection Officer	0	0	(21,500)	(21,500)	(21,500)
2018/19	Staff development & culture	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)
2013/14	Bi-annual residents survey	24,000	0	24,000	0	24,000
		<b>(21,000)</b>	<b>(45,000)</b>	<b>(42,500)</b>	<b>(66,500)</b>	<b>(42,500)</b>

**Vale of White Horse DC - 2019/20 budget build changes**  
**Opening budget adjustments relating to previous year's budget decisions**

Year of bid	Summary	Spending profile:				
		2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
<b>DEVELOPMENT &amp; REGENERATION</b>						
2016/17	Contribution to growth board	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
2018/19	Head office rent	0	(315,000)	(315,000)	(315,000)	(315,000)
2017/18	Abingdon BID	0	0	(12,982)	(12,982)	(12,982)
2017/18	BID additional business rates	201	406	(10,056)	(10,056)	(10,056)
2017/18	Strategic advice for property	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
2018/19	Growth Board	60,000	15,000	0	0	0
		<b>(39,799)</b>	<b>(399,594)</b>	<b>(438,038)</b>	<b>(438,038)</b>	<b>(438,038)</b>
<b>FINANCE</b>						
2014/15	Actuarial fees	0	15,000	0	0	15,000
		<b>0</b>	<b>15,000</b>	<b>0</b>	<b>0</b>	<b>15,000</b>
<b>HOUSING &amp; ENVIRONMENT</b>						
2015/16	Net increase in waste and recycling cost	30,278	30,278	30,278	30,278	30,278
2017/18	Grounds maintenance contract uplift	0	(89,000)	(89,000)	(89,000)	(89,000)
2017/18	Support for rough sleepers	0	(36,300)	(36,300)	(36,300)	(36,300)
2017/18	Grass cutting	0	(25,000)	(25,000)	(25,000)	(25,000)
2018/19	Environmental improvement team (public realm)	0	0	(250,000)	(250,000)	(250,000)
2018/19	OCC waste management agreement	50,000	50,000	50,000	50,000	50,000
2018/19	Repairs to Foster Lane Cumnor	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
2018/19	Electric vehicle charging points feasibility	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
2018/19	Flexible Homelessness Support Grant	(60,000)	(102,000)	(102,000)	(102,000)	(102,000)
		<b>(9,722)</b>	<b>(202,022)</b>	<b>(452,022)</b>	<b>(452,022)</b>	<b>(452,022)</b>
<b>LEGAL &amp; DEMOCRATIC</b>						
2018/19	District elections	50,000	(50,000)	0	0	50,000
		<b>50,000</b>	<b>(50,000)</b>	<b>0</b>	<b>0</b>	<b>50,000</b>

**Vale of White Horse DC - 2019/20 budget build changes**  
**Opening budget adjustments relating to previous year's budget decisions**

Year of bid	Summary	Spending profile:				
		2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
<b>PARTNERSHIP AND INSIGHT</b>						
2017/18	5 Councils contract reprofiling	(683,991)	(790,991)	(939,701)	(1,040,255)	(1,040,255)
2017/18	Building capacity and accelerated housing growth	(79,083)	(79,083)	(79,083)	(79,083)	(79,083)
2018/19	GDPR implementation	(47,000)	(47,000)	(47,000)	(47,000)	(47,000)
		<b>(810,074)</b>	<b>(917,074)</b>	<b>(1,065,784)</b>	<b>(1,166,338)</b>	<b>(1,166,338)</b>
<b>PLANNING</b>						
2018/19	Vale local plan part 2	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
2018/19	Development Plan Document Didcot Garden Town	(135,000)	(135,000)	(135,000)	(135,000)	(135,000)
2017/18	Neighbourhood planning support	0	0	(38,000)	(38,000)	(38,000)
2018/19	Central Planning recruitment & retention	(62,000)	(62,000)	(62,000)	(62,000)	(62,000)
2017/18	Planning appeals support	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)
		<b>(259,000)</b>	<b>(259,000)</b>	<b>(297,000)</b>	<b>(297,000)</b>	<b>(297,000)</b>
<b>GRAND TOTAL</b>		<b>(1,290,673)</b>	<b>(2,451,822)</b>	<b>(2,944,772)</b>	<b>(3,069,326)</b>	<b>(2,980,326)</b>

**Vale of White Horse DC - 2019/20 budget build changes**  
**Inflation, salary increments and other salary adjustments**

Detail	Spending profile:				
	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
<b>ALL SERVICES</b>					
Salary inflation	261,047	590,362	897,550	1,213,033	1,537,034
Salary increments	66,133	134,052	203,804	275,440	349,010
Other salary adjustments	714,682	714,682	714,682	714,682	714,682
Other inflation	151,074	258,596	369,021	482,427	598,895
<b>Grand total</b>	<b>1,192,936</b>	<b>1,697,691</b>	<b>2,185,057</b>	<b>2,685,582</b>	<b>3,199,621</b>

Vale of White Horse DC - 2019/20 budget build changes  
Essential growth

No	Title of bid	Summary	One-off/ Ongoing	Spending profile:				
				2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
<b>COMMUNITY SERVICES</b>								
<b>CMSR1</b>	<b>Reduction of income for proposed leisure facility for Wantage/Grove</b>	The proposed leisure facility for Wantage/Grove has moved to the preparation pool and therefore the predicted future income should be removed.	Ongoing	0	314,000	314,000	314,000	314,000
				<b>0</b>	<b>314,000</b>	<b>314,000</b>	<b>314,000</b>	<b>314,000</b>
<b>CORPORATE SERVICES</b>								
<b>CSVR1</b>	<b>Insurance increase</b>	Growth bid to cover increased insurance premiums, partly related to increases in insurance premium tax.	Ongoing	25,267	25,267	25,267	25,267	25,267
<b>CSVR2</b>	<b>Health and Wellbeing Corporate group</b>	The 2019/20 collective agreement between SODC, VWHDC and Unison includes a budget of £5,000 per council to be held by the Head of Corporate Services to support wellbeing working group objectives which is an officer group implementing staff welfare initiatives.	Ongoing	5,000	5,000	5,000	5,000	5,000
				<b>30,267</b>	<b>30,267</b>	<b>30,267</b>	<b>30,267</b>	<b>30,267</b>
<b>DEVELOPMENT AND REGENERATION</b>								
<b>DARR1</b>	<b>Lease of 135 Eastern Avenue and associated overflow car parking</b>	The current lease of 135 Eastern Avenue ends in 2019 and terms for a new lease are being agreed to cover occupation until the new HQ at Crowmarsh is ready for occupation. Officers have identified that at the current time a new lease of Eastern Avenue is the most cost effective method to provide suitable accommodation for both councils. As these costs are split 50:50 with South, this relates to Vale's element.	One-off	40,000	355,000	355,000	177,500	0
				<b>40,000</b>	<b>355,000</b>	<b>355,000</b>	<b>177,500</b>	<b>0</b>
<b>Finance</b>								
<b>FINR1</b>	<b>Housing Benefits</b>	Net movement in housing benefit volumes and subsidy.	Ongoing	72,330	72,330	72,330	72,330	72,330
<b>FINR2</b>	<b>Finance</b>	Increase the management accounting function to support the move to monthly budget monitoring, increased benchmarking and active finance involvement in procurement decisions.	Ongoing	46,000	46,000	46,000	46,000	46,000
				<b>118,330</b>	<b>118,330</b>	<b>118,330</b>	<b>118,330</b>	<b>118,330</b>

Vale of White Horse DC - 2019/20 budget build changes  
Essential growth

No	Title of bid	Summary	One-off/ Ongoing	Spending profile:				
				2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
<b>HOUSING &amp; ENVIRONMENT</b>								
HAER1	<b>Homelessness prevention and supported accommodation</b>	VWHDC received £109,210 Flexible Homelessness Support Grant from government in 2018/19. The grant "may be used only to prevent and deal with homelessness". It will be used to: a) continue to fund supported housing for VWHDC residents who are homeless or at risk of becoming homeless for 2020/21; b) to help households secure accommodation and c) to extend the contracts of 3.5FTE fixed term staff, currently engaged in homeless prevention activities, to 31.03.2020. <b>FULLY FUNDED.</b>	One-off	54,605	54,605	0	0	0
HAER2	<b>Homelessness prevention and tenancy support</b>	VWHDC received £25,531 new burdens funding from government in 2018/19 to assist with the implementation of the Homelessness Reduction Act. The funding will be used to prevent homelessness through issuing rent-in-advance loans, deposit bonds and tenancy support payments to help households at risk of homelessness to secure or remain in accommodation. <b>FULLY FUNDED.</b>	One-off	25,531	0	0	0	0
HAER3	<b>Housing register</b>	Housing register contributions are expected to decrease.	Ongoing	10,000	10,000	10,000	10,000	10,000
HAER4	<b>Biffa Waste Services</b>	Increased contract costs to Biffa for waste collection services, due to an increase in properties, increased subscribers to the garden waste service and 2018/19 indexation not included in the base budget.	Ongoing	185,000	185,000	185,000	185,000	185,000
HAER5	<b>Street litter bins</b>	Litter bin review has highlighted a large number of bins that need replacing as they are damaged. The funding will be used to replace the bins that are deemed to be a health and safety risk to the public.	Ongoing	10,000	10,000	10,000	10,000	10,000
HAER6	<b>Software licensing</b>	An annual charge for licensing software (Idox and environmental protection software).	Ongoing	17,300	17,300	17,300	17,300	17,300
HAER7	<b>Feasibility study for Civil Parking Enforcement</b>	Estimated cost of conducting a feasibility study to ascertain the cost of introducing Civil Parking Enforcement (CPE).	One-off	30,000				
HAER8	<b>Increase in NNDR in car parks</b>	Increase in non domestic rates in car parks based on actual spend in 2018-19 of £36,000 but saving as NNDR removed from public conveniences of £8,000 therefore totalling to a net increase of £28,000.	Ongoing	28,000	28,000	28,000	28,000	28,000
				<b>360,436</b>	<b>304,905</b>	<b>250,300</b>	<b>250,300</b>	<b>250,300</b>

Vale of White Horse DC - 2019/20 budget build changes  
Essential growth

No	Title of bid	Summary	One-off/ Ongoing	Spending profile:				
				2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
<b>LEGAL &amp; DEMOCRATIC</b>								
LEGR1	<b>Elections May 2019</b>	This bid covers the majority of the costs for the delivery of the May 2019 district and parish council elections that will be incurred from April 2019 onwards. The base budget includes £100,000 but further work on the likely costs indicates a budget requirement of £115,000.	One-off	15,000	0	0	0	15,000
				<b>15,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,000</b>
<b>PARTNERSHIP &amp; INSIGHT</b>								
PAIR1	<b>5CP contract costs</b>	Estimated revision to the 5 Councils Partnership contract payments following renegotiation of the contract and the Inter Authority Agreement. These costs are partially offset by lower actual costs than budgeted in the earlier years of the contract.	Ongoing	284,097	360,068	407,267	407,267	407,267
				<b>284,097</b>	<b>360,068</b>	<b>407,267</b>	<b>407,267</b>	<b>407,267</b>
<b>PLANNING</b>								
PLAR1	<b>Local Plan</b>	A new local plan. There is a statutory duty to review our local plan every five years. Although, we have yet to finalise our current local plan (LPP2), we need to start the review process. This currently should run in parallel with the development of the Oxfordshire Plan 2050.	One-Off	0	220,000	25,000	0	0
				<b>0</b>	<b>220,000</b>	<b>25,000</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>				<b>848,130</b>	<b>1,702,570</b>	<b>1,500,164</b>	<b>1,297,664</b>	<b>1,135,164</b>

Vale of White Horse DC - 2019/20 budget build changes  
Base budget savings

Item	Summary	One-off or ongoing?	Spending profile:				
			2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
<b>COMMUNITY SERVICES</b>							
1	Sports development budget has been rightsized to expected actual expenditure.	Ongoing	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
2	Leisure facilities management budget rightsized to expected actual expenditure.	Ongoing	(23,029)	(23,029)	(23,029)	(23,029)	(23,029)
			<b>(24,029)</b>	<b>(24,029)</b>	<b>(24,029)</b>	<b>(24,029)</b>	<b>(24,029)</b>
<b>CORPORATE SERVICES</b>							
1	MFD (Multi Functional devices) budget has been rightsized to expected actual expenditure.	Ongoing	(12,290)	(12,290)	(12,290)	(12,290)	(12,290)
2	Street naming and number material and consumables budget has been rightsized to actual figures from last year.	Ongoing	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
			<b>(17,290)</b>	<b>(17,290)</b>	<b>(17,290)</b>	<b>(17,290)</b>	<b>(17,290)</b>
<b>DEVELOPMENT &amp; REGENERATION</b>							
1	Funding for membership for the River Thames Alliance - no longer required.	Ongoing	(500)	(500)	(500)	(500)	(500)
			<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>
<b>FINANCE</b>							
1	Net movement in housing benefit volumes and subsidy.	Ongoing	(24,430)	(24,430)	(24,430)	(24,430)	(24,430)
			<b>(24,430)</b>	<b>(24,430)</b>	<b>(24,430)</b>	<b>(24,430)</b>	<b>(24,430)</b>



Vale of White Horse DC - 2019/20 budget build changes  
Base budget savings

Item	Summary	One-off or ongoing?	Spending profile:				
			2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
<b>HOUSING &amp; ENVIRONMENT</b>							
1	Private sector budget for agency staff is no longer required.	Ongoing	(280)	(280)	(280)	(280)	(280)
2	Income for private sector housing licenses fees reviewed and increased.	Ongoing	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
3	There is expected to be an increase in income of other reimbursements of £10,000 for homelessness. (Rent in advance/ deposit bond repayments).	Ongoing	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
4	Budget for Dog Warden services amended to reflect previous years actual spend.	Ongoing	(14,000)	(14,000)	(14,000)	(14,000)	(14,000)
5	Refuse collection budgeted income rightsized.	Ongoing	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
6	After a review of the budget for Parks & Open Spaces, expenditure for repairs and maintenance, purchase of equipment and purchase of plants can be reduced by £10,000, £2000 and £2000 respectively. In addition reimbursements from other authorities (particularly Oxfordshire CC and Abingdon Town Council) have been higher than base budget. To reflect these expected actuals, budgeted income has been increased by an additional £13,627.	Ongoing	(27,637)	(27,637)	(27,637)	(27,637)	(27,637)
7	Car parking income budget amended to reflect volume of previous years.	Ongoing	(57,128)	(57,128)	(57,128)	(57,128)	(57,128)
8	The budget for grants within land drainage has been reduced to what is expected.	Ongoing	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
9	Sewage treatment works and pump stations budget has been rightsized to reflect actual figures from last year.	Ongoing	(25,250)	(25,250)	(25,250)	(25,250)	(25,250)
10	Mobile homes park budget expenditure has increased by £20,000 for water rates. This is offset against an income increase in the 10% commission and rent amounting to £41,580.	Ongoing	(23,580)	(23,580)	(23,580)	(23,580)	(23,580)
11	Food Safety budgets have been reviewed, resulting in a reduction in staff travel expenses and agency costs.	Ongoing	(3,478)	(3,478)	(3,478)	(3,478)	(3,478)
12	Flexible homeless support grant. This is an earmarked grant for homeless projects.	One-off	(113,492)	0	0	0	0
			<b>(297,845)</b>	<b>(184,353)</b>	<b>(184,353)</b>	<b>(184,353)</b>	<b>(184,353)</b>

**Vale of White Horse DC - 2019/20 budget build changes**  
**Base budget savings**

Item	Summary	One-off or ongoing?	Spending profile:				
			2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
<b>LEGAL AND DEMOCRATIC</b>							
1	An increase in income from Legal fees are anticipated by the Legal Services.	Ongoing	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
2	Local land charges income is expected to increase due to fees for services.	Ongoing	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
3	Democratic service's budgets have been rightsized to expected actual expenditure. This includes legal services, subscriptions, software purchase and licences.	Ongoing	(3,080)	(3,080)	(3,080)	(3,080)	(3,080)
4	Electoral registration has rightsized the budget for basic pay casuals and other expenses. Equally, government grants income is no longer expected.	Ongoing	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)
			<b>(17,680)</b>	<b>(17,680)</b>	<b>(17,680)</b>	<b>(17,680)</b>	<b>(17,680)</b>
<b>PLANNING</b>							
1	Conservation has reduced the staff travel expense budget following a review of actual spend 2018/19.	Ongoing	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)
2	Development Management has reduced the staff travel expense budget following a review of actual spend 2018/19. Also, there is a reduced budget for statutory advertisements of planning/listed building applications following a review of the process and a new supplier.	Ongoing	(17,203)	(17,203)	(17,203)	(17,203)	(17,203)
3	Central Planning budget reduction has been implemented on books, publications and advertisement.	Ongoing	(920)	(920)	(920)	(920)	(920)
4	Development Policy expenses and subsistence budgets have been reduced by equal amounts of £200.	Ongoing	(400)	(400)	(400)	(400)	(400)
			<b>(19,723)</b>	<b>(19,723)</b>	<b>(19,723)</b>	<b>(19,723)</b>	<b>(19,723)</b>
<b>ALL SERVICES</b>							
1	Unallocated base budget savings to be identified	Ongoing	(110,000)	(110,000)	(110,000)	(110,000)	(110,000)
			<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>	<b>(110,000)</b>
			<b>(511,497)</b>	<b>(398,005)</b>	<b>(398,005)</b>	<b>(398,005)</b>	<b>(398,005)</b>

## Vale of White Horse DC - 2019/20 revenue budgets bids

No	Title of bid	Summary	One-off or ongoing?	Vale only or joint bid?	Spending profile:				
					2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
<b>COMMUNITY SERVICES</b>									
1	<b>Seed funding for Happier Healthier Communities</b>	To provide seed funding for any projects that arise from the Happier Healthier Communities.	On-going	Joint	5,000	7,500	7,500	7,500	7,500
2	<b>New Homes Bonus grant</b>	To provide revenue grants for community projects.	One-off	Vale	75,000	0	0	0	0
					<b>80,000</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>
<b>CORPORATE MANAGEMENT TEAM</b>									
1	<b>Shared partnership work on the Oxford to Cambridge arc</b>	Provision for the council to participate in shared partnership work on the Oxford to Cambridge arc, for example by contributing towards evidence studies for growth and development.	One Off	Joint	20,000	0	0	0	0
					<b>20,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CORPORATE SERVICES</b>									
1	<b>External advice for officers/members induction</b>	To support and strengthen the officers and members Induction process in relation to governance roles and responsibilities.	One Off	Joint	15,000	0	0	0	0
					<b>15,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PARTNERSHIP AND INSIGHT</b>									
1	<b>Reservoir</b>	Thames Water is proposing a reservoir to the west of Abingdon. A public inquiry is expected to be held and this growth bid provides for legal and planning expertise towards the public inquiry.	One-Off	Vale	112,500	37,500	0	0	0
					<b>112,500</b>	<b>37,500</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PLANNING</b>									
1	<b>Building Control data digitisation</b>	Capturing scanned documents so they link to our GIS mapping to assist with searches including land charges. This temporary post will be supported by additional income following improved marketing.	One-off	Vale	25,000	25,000	0	0	0
2	<b>Building Control data digitisation</b>	Additional income relating to data digitisation.	One-off	Vale	(25,000)	(25,000)	0	0	0
					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL</b>					<b>227,500</b>	<b>45,000</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>

<b>Vale of White Horse DC Service budget analysis 2019/20</b>		
<b>Budget head</b>	<b>Base Budget £</b>	<b>Final Budget £</b>
Community Services		78,853
Corporate Management Team		742,712
Corporate Services		2,809,852
Development & Regeneration		715,289
Finance		(643,225)
Housing & Environment		6,487,633
Legal Services		1,082,574
Partnership & Insight		3,574,341
Planning		843,673
Contingency - vacancy factor		(422,493)
Contingency - other		90,000
<b>Net cost of delivering services</b>		<b>15,359,209</b>
Gross treasury income		(762,124)
<b>Net expenditure</b>		<b>14,597,085</b>
<b>Government grant funding:</b>		
New Homes Bonus	(4,815,732)	
<b>Transfer from reserves</b>		
New Homes Bonus	(474,359)	
<b>Transfer To reserves</b>		
Contribution to Earmarked Reserves	349,430	(4,940,661)
<b>Budget funding requirement</b>		<b>9,656,424</b>

**VALE OF WHITE HORSE DISTRICT COUNCIL  
CAPITAL PROGRAMME TO 31 MARCH 2024**

No.	App/Prov	Costc	2018/19 Original Budget	2018/19 Latest Budget £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
<b>APPROVED PROGRAMME</b>									
Community Services	APP		999	1,315	1,272	247	30	30	30
Corporate Services	App		18	20	0	0	0	0	0
Development & Regeneration	App		2	0	121	0	0	0	0
Housing & Environment	App		2,199	1,261	1,671	1,536	1,536	1,536	1,536
Partnership & Insight	App		250	68	0	0	0	0	0
Planning	App		0	0	0	0	0	0	0
Contingency	App		1,494	50	700	0	0	0	0
<b>TOTAL APPROVED PROGRAMME</b>	Both		4,962	2,714	3,764	1,783	1,566	1,566	1,566
<b>PREPARATION POOL</b>				507					
<b>GRAND TOTAL</b>	both		4,962	3,221	3,764	1,783	1,566	1,566	1,566

<b>Cumulative Total Budget</b>	both
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13,466
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**VALE OF WHITE HORSE DISTRICT COUNCIL  
CAPITAL PROGRAMME TO 31 MARCH 2024**

No.	App/Prov	Costc	2018/19 Original Budget	2018/19 Latest Budget £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
<b>CAPITAL FINANCING</b>									
Public arts projects funded by developer contributions	App	YC15	8	110					
Chilton Public Art, funded from developer contribution	App	YC34	73	0	68				
Great Western Park public art, funded from developer contribution	App	YC35	156	80					
Fitness Extension Development WHLC	App	YC56		38	97				
WHLC gym equipment upgrade	App	YC59		0	0	175			
Faringdon LC gym equipment replacement	App	YC60		0	16				
Faringdon LC sports pitch	App	YC67		0	75				
Faringdon Wetside Changing funded by developers contributions	App	YC70		48	130				
Wantage LC tennis courts	App	YC71		75					
Support development of social housing, funded from developer cor	App	YH01	305	0					
Mandatory Disabled Facilities Grants, government funding	App	YH05	523	1,025	813	813	813	813	813
<b>Total external funding</b>			<b>1,065</b>	<b>1,376</b>	<b>1,199</b>	<b>988</b>	<b>813</b>	<b>813</b>	<b>813</b>
Balance from capital receipts	both		7	1,845	2,565	795	753	753	753
Borrowing	both								
General fund balance	both								
Balance from New Homes Bonus	both		3,890						
<b>GRAND TOTAL</b>	<b>both</b>		<b>4,962</b>	<b>3,221</b>	<b>3,764</b>	<b>1,783</b>	<b>1,566</b>	<b>1,566</b>	<b>1,566</b>
Capital receipts b/f from previous year	both	B7402	12,608	12,608	10,763	8,198	7,403	6,650	5,897
projected increase in capital receipts in year	both		0	0	0	0	0	0	0
capital receipt balance to c/f	both		12,601	10,763	8,198	7,403	6,650	5,897	5,144

0                      0                      0                      0                      0                      0                      0

**VALE OF WHITE HORSE DISTRICT COUNCIL  
CAPITAL PROGRAMME TO 31 MARCH 2024**

No.	App/Prov	Costc	2018/19 Original Budget	2018/19 Latest Budget £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
<b>Community Services</b>									
<b>Leisure</b>									
	App	YC41		7	83				
	App	YC42		60			0		
	App	YC43		15					
	App	YC50		100					
201516 (11)	App	YC51	196	242	30				
	App	YC56		38	97				
	App	YC57		12					
	App	YC59		0		184			
	App	YC60		0	16				
	App	YC67	783	8	824				
2017/18 (4)	App	YC68		413		33			
	App	YC70		48	130				
	App	YC71		75					
<b>Arts Development</b>									
201314 (9)	App	YC34		0	72				
201314 (10)	App	YC35		80					
	App	YC15		110					
<b>Civic Hall</b>									
201516 (7)	App	YC31	20	15	20	30	30	30	30
<b>Community Grants</b>									
	APP	YC66		36					
		YC69		56					
			999	1,315	1,272	247	30	30	30

**VALE OF WHITE HORSE DISTRICT COUNCIL  
CAPITAL PROGRAMME TO 31 MARCH 2024**

No.	App/Prov	Costc	2018/19 Original Budget	2018/19 Latest Budget £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
<b>Corporate Services</b>									
<b>Climate Change</b> Energy reduction plan	201415 (2)	App	YA31	5	0				
<b>Communications</b> New Website	201617 (3)	App	YD13	13	20				
				18	20	0	0	0	0
<b>Development &amp; Regeneration</b>									
<b>Property</b> Essential Refurbishment of Operational Property Assets		App	YA29		0	121			
<b>Economic Development</b> Wi-fi for Vale Towns		App	YC27	2	0				
				2	0	121	0	0	0



**VALE OF WHITE HORSE DISTRICT COUNCIL  
CAPITAL PROGRAMME TO 31 MARCH 2024**

No.	App/Prov	Costc	2018/19 Original Budget	2018/19 Latest Budget £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
<b>Housing &amp; Environment</b>									
<b>Car Parking</b>									
		App	YA33	89	39	50			
	201415 (6)	App	YA34	45	0	85			
		App	YA41	36	0				
<b>Public Sector Housing</b>									
	201617 (1)	App	YH05	1,750	1,025	1,353	1,353	1,353	1,353
		App	YH06	80	60	84	84	84	84
<b>Community Safety/CCTV</b>									
		App	YH19		2				
<b>Waste Services</b>									
		App	YC23	74	74	74	74	74	74
<b>Parks &amp; Open Spaces</b>									
		App	YC03	15	15	15	15	15	15
	201516 (3)	App	YC46		6				
	201617 (2)	App	YC64	30	30				
	201516 (14)	App	YA38	70	0				
<b>Energy</b>									
		App	YC54	10	10	10	10	10	10
				2,199	1,261	1,671	1,536	1,536	1,536

**VALE OF WHITE HORSE DISTRICT COUNCIL  
CAPITAL PROGRAMME TO 31 MARCH 2024**

No.	App/Prov	Costc	2018/19 Original Budget	2018/19 Latest Budget £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
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**Partnership & Insight**

Abingdon Flood Relief	201516 (13)	App	YA37	250	68	0	0	0	
				250	68	0	0	0	0

**Contingency**

Capital Contingency		App	YZ01	1,494	50	700			
				1,494	50	700	0	0	0

## Appendix D.2 Capital Preparation Pool

The cost and profiling of the capital schemes shown below reflects the schemes as they were when they were transferred to the preparation pool.

	Scheme Total £000	2018/19 Latest Budget £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
<b>PREPARATION POOL</b>							
Community Services	20,938	351	2,734	10,801	5,909	743	400
Development & Regeneration	37	0	37	0	0	0	0
Housing & Environment	2,538	56	2,136	45	45	45	45
<b>GRAND TOTAL</b>	<b>23,513</b>	<b>407</b>	<b>4,907</b>	<b>10,846</b>	<b>5,954</b>	<b>788</b>	<b>445</b>
<b>Cumulative Total Preparation Pool Budget</b>							<b>23,347</b>
<b>Community Services</b>							
<b>Leisure</b>							
Wantage/Grove Leisure Facility	18,219	200	1,766	10,401	5,509	343	
Leisure Centre Capital Works	2,119	67	852	300	300	300	300
<b>Community Grants</b>							
Community Grants Fund	600	84	116	100	100	100	100
	20,938	351	2,734	10,801	5,909	743	400
<b>Development &amp; Regeneration</b>							
<b>Economic Development</b>							
Broadband	20	0	20				
<b>Facilities</b>							
Gas Boiler	17	0	17				
	37	0	37	0	0	0	0
<b>Housing &amp; Environment</b>							
<b>Car Parking</b>							
Car Park Signs	12	12					
Renovation Charter Car Park	765	0	765				
<b>Licensing</b>							
Licensing software project	3	0	3				
<b>Flooding/Drainage/STWs</b>							
Flood Prevention	225	0	45	45	45	45	45
Sewage Works	100	0	17				
Upgrade of Sewage Treatment Works - Challow & Sparsholt	47	0	47				
Sparsholt Sewage Works	200	0	200				
<b>Housing Register &amp; Homelessness</b>							
Housing Allocations	7	0	7				
Housing Abingdon	885	0	885				
Elmside Hostel, Faringdon	12	0	12				
<b>Community Safety/CCTV</b>							
CCTV Capital Works	132	44	5				
<b>Public Conveniences</b>							
Improvements to Charter WC	150	0	150				
	2,538	56	2,136	45	45	45	45

No	Title of bid	Summary	One-off or rolling	Vale only or joint bid?	CAPITAL SPEND					REVENUE CONSEQUENCES				
					Spending profile:					Spending profile:				
					2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
<b>Partnership &amp; Insight</b>														
1	<b>Affordable Homes Delivery Plan</b>	Grant from Oxfordshire Affordable Homes Delivery Plan allocated to Vale of White Horse DC to fund the affordable homes scheme - FULLY FUNDED.	One-off	Joint (grant paid to a number of local cocouncils including both South and Vale	5,290,000	2,910,000								
					<b>5,290,000</b>	<b>2,910,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Development &amp; Regeneration</b>														
1	<b>Purchase of Vans</b>	Purchase of two vans for use by property team to carry out regular repairs and maintenance work to council buildings and property assets.	One-off	Joint (Three Vans in total, 2 for Vale and 1 for South	42,350									
					<b>42,350</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL</b>					<b>5,332,350</b>	<b>2,910,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 2: Financing of capital programme and growth proposals**

	<b>2018/19 latest estimate £000</b>	<b>2019/20 estimate £000</b>	<b>2020/21 estimate £000</b>	<b>2021/22 estimate £000</b>	<b>2022/23 estimate £000</b>	<b>2023/24 estimate £000</b>	<b>GRAND TOTAL £000</b>
Capital programme approved	3,221	3,764	1,783	1,566	1,566	1,566	13,466
Cabinet capital growth proposals	0	5,332	2,910	0	0	0	8,242
<b>Total expenditure</b>	<b>3,221</b>	<b>9,096</b>	<b>4,693</b>	<b>1,566</b>	<b>1,566</b>	<b>1,566</b>	<b>21,708</b>
<b>Financing</b>							
Grant funding	1,025	6,103	3,723	813	813	813	13,290
Developers' contributions	351	386	175	0	0	0	912
Usable capital receipts/revenue reserves	1,845	2,607	795	753	753	753	7,506
<b>Total financing</b>	<b>3,221</b>	<b>9,096</b>	<b>4,693</b>	<b>1,566</b>	<b>1,566</b>	<b>1,566</b>	<b>21,708</b>
<b>Estimated balances as at 31 March 2024</b>							
Usable capital receipts							<b>5,102</b>

	A	B	C	D	E	F
1	Vale of White Horse District Council	Budget	Indicative	Indicative	Indicative	Indicative
2		2019/20	2020/21	2021/22	2022/23	2023/24
3		£	£	£	£	£
16	<b>Base budget bfwd</b>	<b>15,295,641</b>	<b>15,295,641</b>	<b>15,295,641</b>	<b>15,295,641</b>	<b>15,295,641</b>
17	<b>Revisions to base budget</b>					
18	Opening budget adjustments	(1,290,673)	(2,451,822)	(2,944,772)	(3,069,326)	(2,980,326)
19	Inflation, salary increments and adjustments	1,192,936	1,697,691	2,185,057	2,685,582	3,199,621
20	Essential growth - one-off	165,136	629,605	380,000	177,500	15,000
21	Essential growth - ongoing	682,994	1,072,965	1,120,164	1,120,164	1,120,164
22	Base budget savings	(511,497)	(398,005)	(398,005)	(398,005)	(398,005)
23	Movement in revenue contingency	(140,880)	(140,880)	(140,880)	(140,880)	(140,880)
24	Movement in managed vacancy factor	(261,948)	(261,948)	(261,948)	(261,948)	(261,948)
25	<b>Total revised base budget</b>	<b>15,131,709</b>	<b>15,443,247</b>	<b>15,235,257</b>	<b>15,408,728</b>	<b>15,849,268</b>
26	<b>Growth, savings and other budget adjustments</b>					
28	<b>Growth proposals</b>					
29	Revenue - one-off	222,500	37,500	0	0	0
30	Revenue - ongoing	5,000	7,500	7,500	7,500	7,500
35	Assumed future essential growth	0	500,000	1,000,000	1,500,000	2,000,000
36	<b>Net cost of services</b>	<b>15,359,209</b>	<b>15,988,247</b>	<b>16,242,757</b>	<b>16,916,228</b>	<b>17,856,768</b>
37	Gross treasury income	(762,124)	(841,223)	(956,983)	(792,870)	(657,670)
41	<b>Net expenditure</b>	<b>14,597,085</b>	<b>15,147,024</b>	<b>15,285,774</b>	<b>16,123,359</b>	<b>17,199,098</b>
42	New Homes Bonus	(4,815,732)	(3,709,387)	(2,491,400)	(1,449,434)	0
43	Transfers to / (from) earmarked reserves	349,430	278,030	209,430	115,350	0
44	<b>Amount to be financed</b>	<b>10,130,783</b>	<b>11,715,667</b>	<b>13,003,804</b>	<b>14,789,275</b>	<b>17,199,098</b>
45	<b>Financing</b>					
46	Business rates retention scheme	(2,332,050)	(2,378,691)	(2,426,265)	(2,474,790)	(2,524,286)
47	Less - tariff adjustment	0	228,354	232,921	237,580	242,331
48	+ / - estimated NNDR over/under collection	174,904	178,402	181,970	185,609	189,321
49	<b>Settlement Funding Assessment</b>	<b>(2,157,146)</b>	<b>(1,971,935)</b>	<b>(2,011,374)</b>	<b>(2,051,601)</b>	<b>(2,092,633)</b>
50						
51	Add - Rural Services Delivery Grant	(9,102)	0	0	0	0
52	Add - renewable energy	(233,909)	(233,909)	(233,909)	(233,909)	(233,909)
54	Collection fund (surplus)/deficit	(447,077)	(400,000)	(400,000)	(400,000)	(400,000)
55	<b>Council tax requirement before use of reserves</b>	<b>7,283,548</b>	<b>9,109,823</b>	<b>10,358,522</b>	<b>12,103,765</b>	<b>14,472,556</b>
56	Use of New Homes Bonus	(474,359)	(1,852,814)	(2,589,801)	(3,788,349)	(1,464,459)
57	Use of reserves	0	(0)	0	0	(4,147,884)
58	<b>Council tax requirement after use of reserves</b>	<b>6,809,189</b>	<b>7,257,009</b>	<b>7,768,721</b>	<b>8,315,416</b>	<b>8,860,213</b>
59	Tax base	51,706.2	53,091.0	54,829.0	56,687.0	58,410.0
60	Band D Council tax (£)	131.69	136.69	141.69	146.69	151.69
61	Council tax increase from previous year	3.9%	3.8%	3.7%	3.5%	3.4%
62	<b>Reserves at year end</b>					
64	General fund balance at 31 March	(2,603,759)	(2,603,759)	(2,603,759)	(2,603,759)	1,544,125
65	Earmarked revenue reserves - unallocated	(9,695,423)	(7,842,609)	(5,252,808)	(1,464,459)	0
66	Earmarked revenue reserves - allocated	(2,993,083)	(3,271,113)	(3,480,543)	(3,595,893)	(3,595,893)
67	Earmarked revenue reserves	(12,688,506)	(11,113,722)	(8,733,351)	(5,060,352)	(3,595,893)

# RESERVES FUNDING

Earmarked revenue reserves (ER)	Actual Balance 31.3.18 £	Budgeted Contrib to funds £	Budgeted Use of Funds £	Funding to capital £	Budgeted Balance 31.3.19 £	Budgeted Contrib to funds £	Budgeted Use of Funds £	Funding to capital £	Budgeted Balance 31.3.20 £	Budgeted Contrib to funds £	Budgeted Use of Funds £	Funding to capital £	Budgeted Balance 31.3.21 £
<b>General Fund Balance</b>	(5,676,000)	(40,000)	2,648,241		(3,067,759)	0	0		(3,067,759)				(3,067,759)
Collection fund adj account	464,000				464,000				464,000				464,000
Cfwd reserve (taken out to ensure balances correct Yr 5)	0				0				0				0
<b>Balance available for funding this years budget</b>	<b>(5,212,000)</b>	<b>(40,000)</b>	<b>2,648,241</b>	<b>0</b>	<b>(2,603,759)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,603,759)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,603,759)</b>
Building Regulations Trading					0				0				0
Community Grants Awards	(27,000)	0			(27,000)				(27,000)				(27,000)
Election Equalisation reserve	(80,000)	40,000			(40,000)				(40,000)				(40,000)
Local Development Framework	(153,000)	0			(153,000)				(153,000)				(153,000)
Rent Deposit Guarantee Scheme	(12,000)	0			(12,000)				(12,000)				(12,000)
Reservoir reserve	(10,000)	0			(10,000)				(10,000)				(10,000)
Insurance excess reserve	(49,000)	0			(49,000)				(49,000)				(49,000)
Cabinet Grant Fund	(50,000)	0			(50,000)				(50,000)				(50,000)
Building Regulations	(30,000)	30,000			0				0				0
Besselsleigh Wood management	(1,000)	0			(1,000)				(1,000)				(1,000)
Revenue grants funding	(1,426,000)	27,347			(1,398,653)				(1,398,653)				(1,398,653)
Revenue grants funding balancing figure					0				0				0
Leisure	0				0				0				0
<b>Total ER</b>	<b>(1,838,000)</b>	<b>97,347</b>	<b>0</b>	<b>0</b>	<b>(1,740,653)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,740,653)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,740,653)</b>
<b>Revenue Government Grant</b>	<b>Actual Balance 31.3.18 £</b>	<b>Budgeted Contrib to funds £</b>	<b>Budgeted Use of Funds £</b>	<b>Funding to capital £</b>	<b>Budgeted Balance 31.3.19 £</b>	<b>Budgeted Contrib to funds £</b>	<b>Budgeted Use of Funds £</b>	<b>Funding to capital £</b>	<b>Budgeted Balance 31.3.20 £</b>	<b>Budgeted Contrib to funds £</b>	<b>Budgeted Use of Funds £</b>	<b>Funding to capital £</b>	<b>Budgeted Balance 31.3.21 £</b>
<b>New Homes Bonus (NHB)</b>					0				0				0
Service and Infrastructure reserve	(10,248,760)	(3,921,022)	4,000,000		(10,169,782)		474,359		(9,695,423)		1,852,814		(7,842,609)
Affordable Homes element	(674,240)	(228,760)		0	(903,000)	(349,430)			(1,252,430)	(278,030)			(1,530,460)
<b>Total NHB</b>	<b>(10,923,000)</b>	<b>(4,149,782)</b>	<b>4,000,000</b>	<b>0</b>	<b>(11,072,782)</b>	<b>(4,102,466)</b>	<b>474,359</b>	<b>0</b>	<b>(10,947,853)</b>	<b>(4,815,732)</b>	<b>1,852,814</b>	<b>0</b>	<b>(9,373,069)</b>
<b>Overall total</b>	<b>(12,761,000)</b>	<b>(4,052,435)</b>	<b>4,000,000</b>	<b>0</b>	<b>(12,813,435)</b>	<b>(4,102,466)</b>	<b>474,359</b>	<b>0</b>	<b>(12,688,506)</b>	<b>(4,815,732)</b>	<b>1,852,814</b>	<b>0</b>	<b>(11,113,722)</b>

# RESERVES FUNDING

Earmarked revenue reserves (ER)	Actual Balance 31.3.18 £	Budgeted Contrib to funds £	Budgeted Use of Funds £	Funding to capital £	Budgeted Balance 31.3.22 £	Budgeted Contrib to funds £	Budgeted Use of Funds £	Funding to capital £	Budgeted Balance 31.3.23 £	Budgeted Contrib to funds £	Budgeted Use of Funds £	Funding to capital £	Budgeted Balance 31.3.24 £
<b>General Fund Balance</b>	(5,676,000)				(3,067,759)				(3,067,759)		4,147,884	0	1,080,125
<b>Collection fund adj account</b>	464,000				464,000				464,000				464,000
<b>Cfwd reserve (taken out to ensure balances correct Yr 5)</b>	0				0				0				0
<b>Balance available for funding this years budget</b>	<b>(5,212,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,603,759)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,603,759)</b>	<b>0</b>	<b>4,147,884</b>	<b>0</b>	<b>1,544,125</b>
Building Regulations Trading					0				0				0
Community Grants Awards	(27,000)				(27,000)				(27,000)				(27,000)
Election Equalisation reserve	(80,000)				(40,000)				(40,000)				(40,000)
Local Development Framework	(153,000)				(153,000)				(153,000)				(153,000)
Rent Deposit Guarantee Scheme	(12,000)				(12,000)				(12,000)				(12,000)
Reservoir reserve	(10,000)				(10,000)				(10,000)				(10,000)
Insurance excess reserve	(49,000)				(49,000)				(49,000)				(49,000)
Cabinet Grant Fund	(50,000)				(50,000)				(50,000)				(50,000)
Building Regulations	(30,000)												
Besselsleigh Wood management	(1,000)				(1,000)				(1,000)				(1,000)
Revenue grants funding	(1,426,000)				(1,398,653)				(1,398,653)				(1,398,653)
Revenue grants funding balancing figure					0				0				0
Leisure	0				0				0				0
<b>Total ER</b>	<b>(1,838,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,740,653)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,740,653)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,740,653)</b>
<b>Revenue Government Grant</b>	<b>Actual Balance 31.3.18</b> <b>£</b>	<b>Budgeted Contrib to funds</b> <b>£</b>	<b>Budgeted Use of Funds</b> <b>£</b>	<b>Funding to capital</b> <b>£</b>	<b>Budgeted Balance 31.3.22</b> <b>£</b>	<b>Budgeted Contrib to funds</b> <b>£</b>	<b>Budgeted Use of Funds</b> <b>£</b>	<b>Funding to capital</b> <b>£</b>	<b>Budgeted Balance 31.3.23</b> <b>£</b>	<b>Budgeted Contrib to funds</b> <b>£</b>	<b>Budgeted Use of Funds</b> <b>£</b>	<b>Funding to capital</b> <b>£</b>	<b>Budgeted Balance 31.3.24</b> <b>£</b>
<b>New Homes Bonus (NHB)</b>					0				0				0
Service and Infrastructure reserve	(10,248,760)		2,589,801		(5,252,808)		3,788,349		(1,464,459)	0	1,464,459		0
Affordable Homes element	(674,240)	(209,430)			(1,739,890)	(115,350)			(1,855,240)	0			(1,855,240)
<b>Total NHB</b>	<b>(10,923,000)</b>	<b>(3,709,387)</b>	<b>2,589,801</b>	<b>0</b>	<b>(6,992,698)</b>	<b>(2,491,400)</b>	<b>3,788,349</b>	<b>0</b>	<b>(3,319,699)</b>	<b>0</b>	<b>1,464,459</b>	<b>0</b>	<b>(1,855,240)</b>
<b>Overall total</b>	<b>(12,761,000)</b>	<b>(3,709,387)</b>	<b>2,589,801</b>	<b>0</b>	<b>(8,733,351)</b>	<b>(2,491,400)</b>	<b>3,788,349</b>	<b>0</b>	<b>(5,060,352)</b>	<b>0</b>	<b>1,464,459</b>	<b>0</b>	<b>(3,595,893)</b>