

Council Agenda



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Date: 10 February 2015
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Summons to attend a meeting of Council

to be held on Wednesday, 18 February 2015 at 7.00 pm
The Ridgeway (main hall first floor), The Beacon, (formerly Wantage Civic Hall), Portway, Wantage, OX12 9BY

A handwritten signature in black ink, appearing to read "M Reed".

Margaret Reed
Head of Legal and Democratic Services

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Agenda

Open to the public including the press

Council's vision

The council's vision is to take care of your interests across the Vale with enterprise, energy and efficiency.

1. Apologies for absence

To receive apologies for absence.

2. Minutes

To adopt and sign as a correct record the council minutes of the meeting held on 10 December 2014.

3. Declarations of interest

To receive any declarations of disclosable pecuniary interests in respect of items on the agenda for this meeting.

4. Chairman's announcements

To receive any announcements from the chairman.

5. Statements, petitions and questions from the public relating to matters affecting the council.

Any statements, petitions and questions from the public under standing order 32 will be made or presented at the meeting.

6. Urgent business

To receive notification of any matters which the chairman determines should be considered as urgent business and the special circumstances which have made the matters urgent.

7. Petitions under standing order 13

To receive petitions from members of the council under standing order 13 (if any).

8. Questions under standing order 12

To receive questions from members of the council under standing order 12.

1. Question from Councillor Jeanette Halliday to Councillor Matthew Barber, Cabinet Member for Legal and Democratic Services

As each individual elector has to register to vote annually in future, could the elections office send their current letter telling people they have successfully registered, with postal voting information on the back of the letter, to voters who are not registered for a postal vote, and a new letter to voters registered for a postal vote saying that their application has been successful and they are still registered for their postal vote WITHOUT the postal voting information on the back of this letter?

2. Question from Councillor Judy Roberts to Councillor Matthew Barber, Cabinet Member for Legal and Democratic Services

Would the leader be in agreement that a written response to all petitions is provided by the officer/committee to all councillors and the petition presenter?

3. Question from Councillor Pat Lonergan to Councillor Mike Murray, Cabinet Member for Planning Policy

Notwithstanding the procedure for housing site selection outlined last month by the Cabinet Member for Planning Policy, do you expect the people of Abingdon to believe that there were not plenty of sites outside the Oxford Green Belt which could have been included in the list of strategic sites, had there been the will, and that the 200-house limit was a technical consideration, rather than an administrative convenience?

4. Question from Councillor Tony de Vere to Councillor Elaine Ware, Cabinet Member for Economy Leisure and Property

Please can you tell me when you or any other member of the cabinet last met representatives of Scottish Widows to discuss the Charter area?

5. Question from Councillor Catherine Webber to Councillor Elaine Ware, Cabinet Member for Economy, Leisure and Property

Has the Cabinet member modified her stated position in a written answer to question asked in Council two years ago that air quality considerations should not be allowed to impede economic growth?

6. Question from Councillor Jim Halliday to Councillor Mike Murray, Cabinet Member for Planning Policy

Assuming that he looked into a variety of ways of publishing information about the local plan, please could he give the estimated cost of printing an 8 page newspaper and distributing it to 59,499 residential properties?

7. Question from Councillor Debby Hallett to Councillor Elaine Ware, Cabinet Member for Economy Leisure and Property

Last year, Councillor Ware told us wifi in Botley was operational. However, I've visited the West Way Shopping Centre several times since the New Year, and could find no Vale wifi network. When will people in the West Way Shopping Centre in Botley be able to access the free wifi provided by the Vale?

8. Question from Councillor Jenny Hannaby to Councillor Matthew Barber, Leader of the council

Can Matthew Barber confirm that local members and Grove Parish Council had seen the final 106 agreements being signed off by landowners and were they content?

9. Question from Councillor Richard Webber to Councillor Matthew Barber, Leader of the council

Does the Leader intend to follow the example set by Councillor Hudspeth of Oxfordshire County Council, and abolish the post of chief executive?

10. Question from Councillor Jenny Hannaby to Councillor Elaine Ware, Cabinet Member for Economy, Leisure and Property

Please can she confirm that local Vale councillors have been, and will be, invited to meetings of the recently-formed Steering Group for the Beacon?

9. Community infrastructure levy - draft charging schedule

Prior to the Council meeting Councillor Mike Murray, Cabinet member for planning policy, will take an individual Cabinet member decision on the consultation comments received on the Community Infrastructure Levy Preliminary Draft Charging Schedule and recommend changes to the Draft Charging Schedule for public consultation and to submit to the Secretary of State for formal examination.

Councillor Murray's recommendations will be circulated prior to the meeting.

10. Treasury management mid-year monitoring report 2014/15

Cabinet, at its meeting on 6 February 2015, considered the treasury management mid-year monitoring report of the head of finance.

The report of the head of finance, considered by the Cabinet on 6 February 2015, was circulated to all councillors. Hard copies are available on request.

RECOMMENDATION TO COUNCIL:

1. to note the treasury management mid-year monitoring report 2014/15, and
2. to note that Cabinet is satisfied that the treasury activities are carried out in accordance with the treasury management strategy and policy.

11. Treasury management and investment strategy 2014/15

Cabinet, at its meeting on 6 February 2015, considered the report of the head of finance on the treasury management strategy, the annual investment strategy and the prudential indicators.

The report of the head of finance, considered by the Cabinet on 6 February 2015, was circulated to all councillors. Hard copies are available on request.

RECOMMENDATION TO COUNCIL to:

1. approve the treasury management strategy 2015/16 as set out in appendix A to the head of finance's report;

2. approve the prudential indicators and limits for 2015/16 to 2017/18 as set out in table 2, appendix A to the report;
3. approve the annual investment strategy 2015/16 set out in appendix A to the report and the lending criteria detailed in table 5.

12. Revenue budget 2015/16 and capital programme to 2019/20

(Pages 8 - 48)

Cabinet, at its meeting on 6 February 2015, considered the report of the head of finance on the draft revenue budget 2015/16, and the capital programme to 2019/20.

The report of the head of finance, considered by the Cabinet on 6 February 2015, is attached.

Cabinet supported the draft budget, and emphasised that should there be no change to the new homes bonus scheme then the leader of the council might wish to use an element of the remaining new homes bonus balance to fund infrastructure projects.

Cabinet made the following amendments to the draft budget:

- In appendix B item 5 under Economy, Leisure and Property, the title of the bid should be amended to 'strategic property – additional professional support'
- In appendix D.2 item 1 under Corporate Management Team, the title of the bid should read 'South Hinksey rail crossing' and 'South Hinksey' should replace 'North Hinksey' in the summary text
- In appendix D.2 item 2 under HR, IT and Technical Services, the title of the bid should read 'Abingdon flood defences' and the summary text should be amended to 'Funding of Abingdon flood defences including St Helen's Mill and River Ock retention scheme'

Revised appendices B and D2 reflecting the above changes are attached.

Cabinet agreed that the leader of the council could make minor adjustments to the draft budget proposals and 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 18 February 2015.

RESOLVED to recommend Council that it:

- (a) sets the revenue budget for 2015/16 as set out in the appendix A.1 to the head of finance's report;
- (b) approves the capital programme for 2015/16 to 2019/20 as set out in appendix D.1 to the head of finance's report, together with the capital growth bids set out in appendix D.2 of the head of finance's report;
- (c) sets the council's prudential limits as listed in appendix E to the head of finance's report;
- (d) approves the medium term financial plan to 2019/20 as set out in appendix F.1 to the head of finance's report.

13. Council tax 2015/16

To consider the report of the head of finance regarding the setting of the council tax for the 2015/16 financial year (**report to follow**).

14. Pay policy statement 2015/16

(Pages 49 - 52)

To consider the report of the head of HR, IT and technical services on the adoption of a pay policy statement to meet the requirements of the Localism Act (**report attached**).

15. Post fire update

The chief executive to provide an update on developments since the fire at the Crowmarsh offices.

16. Report of the leader of the council

(1) Urgent cabinet decisions

In accordance with the overview and scrutiny procedure rules, a cabinet decision can be taken as a matter of urgency, if any delay by the call-in process would seriously prejudice the council's or the public's interest. Treating the decision as a matter of urgency must be agreed by the chairman of the Scrutiny Committee and must be reported to the next meeting of the council, together with the reasons for urgency.

Councillor Matthew Barber, Leader of the council will report that on 23 December 2014 he took a decision to approve a £22,500 virement from contingency in 2014/15 to provide additional funding for the delivery of the broadband project. The chairman of the scrutiny committee agreed to waive call-in because any delay could delay the project and prejudice both the council's and the public's interests.

He will report that on 24 December 2014 Councillor Mike Murray, Cabinet Member for Planning Policy, took a decision that the Drayton Neighbourhood Plan should proceed to referendum. The chairman of the scrutiny committee agreed to waive call-in because any delay could impact on the referendum date and prejudice both the council's and the public's interests.

(2) Delegation of cabinet functions

To receive details of any changes to the leader's scheme of delegation.

(3) Matters affecting the authority arising from meetings of joint committees, partnerships and other meetings

To receive the report of the leader (if any).

17. Notices of motion under standing order 11

To receive notices of motion under standing order 11.

- (1) Motion to be proposed by Councillor Jim Halliday, seconded by Councillor Pat Lonergan:

Council requests that the Chief Executive write to the County Council highlighting Vale Council's continued concern about the Wootton Road/Dunmore Road/Copenhagen Drive roundabout: Subsequent to 16 July 2014 (when Council last debated the matter), the County Council has carried out changes to the road markings and undertaken to carry out further monitoring. However, the latest changes appear not to have reduced driver confusion, but have resulted in longer queues at peak times. Council requests the County Council to carry out a thorough review of the roundabout and its approach roads.

- (2) Motion to be proposed by Councillor Jeanette Halliday, seconded by Councillor Jim Halliday:

Council notes that despite Vale Council's formal objection, the Cabinet of Oxfordshire County Council has recently agreed that the pedestrian crossing on Marcham Road, Abingdon, should be re-sited and an additional pedestrian crossing installed on Ock Street, and that the impact of the changes on traffic flow and pedestrian safety should be monitored. Recognising that one of this Council's main concerns was the possible impact on air quality in the vicinity, Council requests that appropriate air quality monitoring should be installed on Ock Street, Spring Road, Marcham Road, and Drayton Road as soon as reasonably practical so that a full set of "before" and "after" measurements can be obtained.

- (3) Motion to be proposed by Councillor Bob Johnston, seconded by Councillor Jerry Patterson:

This Council calls for any full review of the Oxford Green Belt to be carried out in an open and transparent manner. It should be held in public with an independent Chairman and able to take evidence from all interested bodies, including members of the public. Once formulated any draft should be subject to an EiP (Examination in Public) followed by a final report with recommendations to be ratified by all the Councils involved.

**Report to:
Cabinet
Scrutiny Committee
Council**



Report of Head of Finance

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Wards affected: All

Cabinet Member responsible: Matthew Barber

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To: CABINET

6 February 2015

To: SCRUTINY COMMITTEE

11 February 2015

To: COUNCIL

18 February 2015

AGENDA ITEM NO
XX

**Revenue Budget 2015/16 and Capital
Programme to 2019/20**

RECOMMENDATIONS

1. That cabinet recommends to council that it:
 - a. sets the revenue budget for 2015/16 as set out in appendix A.1 to this report,
 - b. approves the capital programme for 2015/16 to 2019/20 as set out in appendix D.1 to this report, together with the capital growth bids set out in appendix D.2 of this report,
 - c. sets the council's prudential limits as listed in appendix E to this report,,
 - d. approves the medium term financial plan to 2019/20 as set out in appendix F.1 to this report.

2. That cabinet authorises the leader of the council to 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 18 February 2015.

Purpose of report

1. This report:

- brings together all relevant information to allow cabinet to recommend to council a revenue budget for 2015/16 and a capital programme for 2015/16 to 2019/20;
- 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 which provides details of the forward budget model for the next five years.

Strategic objectives

2. Setting the budget in accordance with prescribed timetables enables the council to comply with its strategic objective of managing our business effectively.
3. 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.
4. Where officers have made growth proposals (known as growth bids), each bid sets out how it will help achieve the council's objectives. The leader of the council has chosen to include some growth bids in his budget proposals and these are identified in **appendix B** (revenue) and **appendix D.2** (capital).

Revenue budget 2015/16

5. **Appendix A.1** summarises the movements in the base budget from £13,212,193 in 2014/15 to £11,715,918 in 2015/16. These movements are detailed below.
6. **Opening budget adjustment reduction £404,908 (appendix A.2)**. This includes the removal of one-off growth items relating to 2014/15 and before, and the realisation of the full-year effect of savings proposals identified in previous years.
7. Additions to the base budget:
 - **inflation, salary increments and other salary adjustments £226,298 (appendix A.3)** . The salary and contract inflation totals £201,876, representing an average increase of 1.86 per cent on the 2014/15 net expenditure budgets. For council employees an overall increase in salary costs of two per cent is budgeted for 2015/16. Should the award when agreed be greater than this it will be met from the contingency budget. Increments payable to council employees not at the top of their salary range total £48,625.

Other salary adjustments represent a net reduction of £24,202. This includes an increase in the managed vacancy factor of £6,479.¹

- **essential growth – one-off £376,838 and ongoing £161,928 (appendix A.4).** These items comprise additional expenditure which is considered unavoidable, and reflect changes that have occurred in the current year or which are known will happen in 2015/16.

8. Deductions from the base budget:

- **base budget savings £1,777,209 (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.
- **Office accommodation savings £134,000.** This brings the savings resulting from the sharing of accommodation at Abbey House with Oxfordshire County Council (OCC) and the move of council staff to the South Oxfordshire DC offices at Crowmarsh Gifford up to an annual equivalent. At this stage it is too early to assess the financial impact of the recent fire at the Crowmarsh offices on the council's budgets.

9. Other changes to corporate base budgets:

- **additional revenue contingency (appendix A.6) £213,600.** This brings the level of revenue contingency up to £644,000. This includes specific provision for certain events should they occur, together with a general contingency amount.

10. As a result of these changes the council's revised base budget for 2015/16 is **£11,715,918.**

Revenue growth proposals

11. A number of revenue growth proposals have been selected by the leader of the council to be included in the budget for 2015/16. These are detailed in **appendix B** and total **£760,636**. The growth proposals have been selected on the basis that they support the council's key aims as set out in the council's corporate plan and enhance service provision.
12. There are also costs in the revenue budget of **£6,500** arising from the capital growth proposals shown in **appendix D.2**. These are discussed later in the report.

¹ In order to recognise a level of establishment vacancies which occur every year, a managed vacancy factor is used. This reduces the employee budgets across the council from the 100 per cent of the establishment list to 98 per cent.

Net property income

13. Net property income represents the council's income from its investment property portfolio less expenditure, and for 2015/16 is estimated at **£932,150**.

Gross treasury income

14. Investment returns for 2015/16 are used to finance expenditure in-year. As interest rates are expected to remain low for the short/medium term, it is currently forecast that **£411,640** will be earned in 2015/16.
15. More details of treasury income can be found in the council's Treasury Management Strategy 2015/16 report (see Cabinet 6 February 2015, Council 18 February 2015).
16. Including growth, property and treasury income results in a net expenditure budget for the council of **£11,139,264**.

Reserves and other funding

New Homes Bonus (NHB)

17. The provisional government allocations for NHB payment for 2015/16 is **£2,823,094**. For 2015/16 this will all be transferred to reserves, apart from a sum of £100,000 which will be used to fund the NHB community grants scheme. Projections of future NHB earnings and how they will be used are detailed later in this report.

Council Tax Freeze Grant

18. It is proposed that council tax will remain at the same level as 2014/15 and as a result of this, the council will receive **£58,949** of Council Tax Freeze Grant for 2015/16. This grant equates to the funding the council would have generated by increasing council tax by one per cent.

Transfers to/ from earmarked reserves

19. In addition to the transfer to reserves of the NHB payment referred to in paragraph 18 above, there will be a transfer of **£100,000** from the election equalisation reserve to fund the costs of the district council elections in 2015.
20. The new leisure services contract that came into force on the 1 September 2014 promised the council enhanced management fee income in exchange for the council funding the capital works agreed within the contract. As a result **£1,142,902** will be used for this purpose.
21. Based on the above use of reserves and other funding, the amount of revenue expenditure to be financed in 2015/16 is **£12,023,217**.

Funding

Final local government settlement

22. On December 18 2014, the government announced the provisional 2015/16 local government settlement. At the time of writing we have not received the final

settlement. Officers consider that any changes to the settlement at this stage would not be material. Table 1 below details the provisional funding outlined for the council for 2015/16.

Table 1: settlement funding assessment 2015/16 (provisional)

	Provisional 2015/16 settlement funding assessment		
	Revenue support grant	Baseline funding level	Total
	£	£	£
Lower tier funding	1,493,162	2,057,190	3,550,352
Council tax freeze compensation:			
• 2011/12	81,468	58,636	140,104
• 2013/14	58,155	0	58,155
• 2014/15	58,422	0	58,422
Homelessness prevention funding	48,119	35,275	83,394
Other:			
• Rural services delivery funding	1,741	0	1,741
Total	1,741,067	2,151,101	3,892,168

23. The provisional settlement for 2015/16 is 14.2 per cent lower than 2014/15.

24. Whilst the baseline funding element of the settlement is increasing in line with the increase in national non domestic rates, to achieve the overall reduction in funding the government has significantly reduced the revenue support grant element. It should be noted that these figures exclude NHB funding which is discussed later in the report.

Council tax reduction scheme grant – payments to town and parish councils

25. As agreed by Council on December 10 2014 and explained to parish councils during consultation, the council tax support grant contribution payable to town and parish councils will be **£120,445** for 2015/16. The proposed MTFP shows that this contribution will be gradually phased out by a 20 per cent reduction annually.

Business rate retention scheme

26. 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 2015/16 this shortfall is estimated to **£161,333**. Should the actual business rate receipt prove to be in excess of the safety net surpluses generated will be added to the council's reserves.

27. Should the council decide to join the Oxfordshire Business Rate Pooling Distribution Group surpluses arising will be added to the council's reserves at the end of the financial year. Further information about this can be found in the report to Cabinet on Business Rate Pooling and Business Rate Distribution on 5 December 2014.

Collection fund

28. The surplus on the collection fund is estimated to be **£250,932**.

Use of general fund balance

29. The difference between expenditure requirement and the funding available is smoothed over the medium term financial plan by transfers to and from earmarked reserves and the general fund balance. The net impact of the leader of the council's proposals detailed in this report is a draw on general fund balances of **£2,611,757** in 2015/16.

Leader of the council's revenue budget proposal

30. Based on the amendments detailed above, and as shown in **appendix A1** of this report, the cabinet member's budget proposal, including growth, is for a budget requirement of **£9,411,460**. This revenue budget proposal includes a freeze of the current band "D" council tax at **£116.69**. **Appendix C** shows the breakdown of the revenue budget.

31. A draft MTFP and proposed growth bids were published on the council's website in December 2014. No comments on the published MTFP and growth bids have been received by officers or by the leader of the council.

Capital programme 2015/16 to 2019/20

Current capital programme

32. The latest capital programme (before growth) is summarised in table 2 below. It is the capital programme as set by council in February 2014 plus:-

- slippage (caused by delays to projects) carried forward from 2013/14
- new schemes approved by council during 2014/15
- re-profiling of expenditure on schemes from the 2014/15 financial year to future years where delays to schemes have occurred
- the deletion of previously agreed schemes that have completed or are no longer to be pursued.

Table 2: current capital programme (before growth)

2014/15 latest estimate £000	2015/16 estimate £000	2016/17 estimate £000	2017/18 estimate £000	2018/19 estimate £000	2019/20 estimate £000
7,418	7,614	1,442	1,177	1,147	1,147

Cabinet capital programme proposals

33. **Appendix D.2** contains a list of new capital schemes that the leader of the council is proposing as part of his budget proposals. Officers will amend the capital programme to include the proposals if approved by cabinet and council.

Financing the capital programme

34. 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, and then from NHB when this is extinguished. The council is permitted to borrow to fund the programme, provided any borrowing is prudent, sustainable and affordable. NHB is discussed further below.
35. At present there is no requirement to borrow to fund the programme as proposed. Any future borrowing would require a provision to be made in the revenue budget for repayment.

Future pressures on the capital programme

36. **Appendix D.1** also shows the use of capital receipts to fund the capital programme (excluding growth) and the balance of receipts over the five-year programme. Officers advise cabinet not to earmark all available resources (including NHB) in proposing the budget to council, as the prudential code requires local authorities to set sustainable budgets. By retaining an unallocated balance, cabinet can demonstrate that through a combination of this and future income (that can be expected beyond the period of the budget) it can fund future pressures.
37. There is some uncertainty about the future of NHB after the May 2015 general election. A new government may choose to review and reform the distribution methodology.

The prudential code and prudential indicators

38. In setting its revenue and capital budgets for 2015/16, 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.
39. 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.
40. 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.
41. 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.

42. 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.
43. 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.
44. **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)

45. The MTFP provides a forward budget model for the next five years, and highlights the known estimated budget pressures for new responsibilities and changes in legislation, predicted investment and capital receipts.
46. **Appendix F.1** contains the MTFP for 2015/16 to 2019/20. This is a projection of the revenue budget up to 31 March 2020. The projection identifies 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.
47. The MTFP identifies some significant challenges ahead for the council. It assumes that government grant funding will fall by 36 per cent from 2015/16 to 2019/20. This is only an estimate by officers, and the fall could be greater or less. It also incorporates assumptions on interest income, and other known pressures on the council, such as inflation and salary increments.
48. Estimates of future receipts of new homes bonus are shown in table 3 below, and are also included in the MTFP (detailed in row 39). In total the council is expected to have received in excess of £23.4 million during the MTFP period.
49. The element of the bonus that relates to the new homes bonus premium is ring-fenced to support the provision of additional affordable housing.

Table 3: New Homes Bonus

Year earned	Year of receipt				
	2015/16 budget £000	2016/17 indicative £000	2017/18 indicative £000	2018/19 indicative £000	2019/20 indicative £000
2011/12	452	452	0	0	0
2012/13	546	546	546	0	0
2013/14	376	376	376	376	0
2014/15	713	713	713	713	713
2015/16	736	736	736	736	736
2016/17	0	1,031	1,031	1,031	1,031
2017/18	0	0	1,350	1,350	1,350
2018/19	0	0	0	1,391	1,391
2019/20	0	0	0	0	1,104
Total	2,823	3,854	4,752	5,597	6,325

50. Officers consider that any pressures in the period covered by the MTFP are manageable in light of the level of reserves and balances available to the council, particularly when combined with our ability to vary budgets and redirect funding in the later years of the plan. However, it is expected that further savings will be required to balance the budget in future years, and this represents a significant challenge. Management team are already looking at ways in which the budget requirement in future years can be managed without continual calls upon the council's reserves. A summary of the council's earmarked reserves over the life of the MTFP is attached at **appendix F.2**.

The robustness of the estimates and the adequacy of reserves

51. 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.

52. The construction of the budget has been managed by qualified accountants and has been subject to challenge, specifically by strategic management board, head of finance, other heads of service and cabinet members. Informal meetings of cabinet have considered the budget, and a briefing has been/will be given to the council's scrutiny committee members. 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.

53. The head of finance is satisfied that this allows retention of sufficient uncommitted balances at the end of the period to ensure that the overall level of reserves is adequate in relation to the proposed revenue budget and capital programme and that the budgets are sustainable.

54. The one significant risk identified is a possible change to the NHB scheme. Should this happen a fundamental review of the council's budget will be necessary. Table 4 below shows that £13.587 million of expenditure budgeted for within the MTFP and the capital programme from 2017/18 onwards is dependent on the receipt of

NHB not yet received or confirmed as payable by the government. The Head of Finance and leader of the council will determine which expenditure should not commence until further certainty over the future of NHB is received. This will be reflected in the 2015/16 capital programme.

Table 4.1 New Homes Bonus account

Year	Opening balance £000	Receipt £000	Revenue expenditure £000	Capital expenditure £000	Closing balance £000
2015/16	4,728	2,823	(100)	(1,590)	5,861
2016/17	5,861	3,854	(2,455)	(907)	6,353
2017/18	6,353	4,752	(2,606)	(5,240)	3,259
2018/19	3,503	5,597	(1,592)	(3,371)	4,137
2019/20	4,137	6,325	(1,706)	(1,571)	6,941
Total		23,351	(8,459)	(12,679)	

Note that the figures in **bold** represent monies confirmed or received. The closing balance of £6.941 million includes £2.007 million has been ring fenced by the council for affordable housing.

Table 4.2 Expenditure at risk

	£000
Total expenditure to be funded from NHB per table 4	(21,138)
NHB funding received or confirmed (2015/16 in bold) note 2	7,551
Expenditure to be funded from NHB not yet received or confirmed	13,587

55. Should there be no change to the NHB scheme then the leader of the council has indicated that he may want to use an element of the remaining NHB balance to front fund infrastructure projects.

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

Legal Implications

57. 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 18 February 2015 in order to set the budget, and the council tax (including amounts set by Oxfordshire County Council and the Police and Crime Commissioner for Thames Valley).

58. 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

59. 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

60. This report provides details of the revenue base budget for 2015/16, the capital programme 2015/16 to 2019/20, government grants (the settlement), uncommitted reserves and balances, the leader of the council's budget proposals and the resulting prudential indicators.

61. 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 2015/16
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	Revenue growth
Appendix C	Service budget analysis
Appendix D.1	Capital programme before growth
Appendix D.2	Capital growth bids
Appendix E	Prudential indicators
Appendix F.1	Medium term financial plan
Appendix F.2	Earmarked reserves 2015/16 to 2019/20

Background Papers

- Provisional settlement figures (December 2014)
- Council tax base 2015/16 – Cabinet 5 December 2014, Council 10 December 2014
- Council tax reduction scheme grant for town and parish councils – Cabinet 5 December 2014, Council 10 December 2014
- Treasury Management Strategy – Cabinet 6 February 2015, Council 18 February 2015
- Business Rate Pooling and Business Rate Distribution - Cabinet 5 December 2015

Vale of White Horse DC - revenue budget summary 2015/16

	2014/15 Budget	2015/16 Base	Appendix Ref:
Opening base budget			
Base service budgets 2014/15	12,940,051	12,940,051	
Contingency	430,400	430,400	
Managed vacancy factor	(158,258)	(158,258)	
Total opening base budget	13,212,193	13,212,193	
Revisions to base budget			
Opening budget adjustments		(404,908)	Appendix A.2
Inflation, salary increments and other salary adjustments		226,298	Appendix A.3
Essential growth - one-off		376,838	Appendix A.4
Essential growth - ongoing		161,928	
Base budget savings		(1,777,209)	Appendix A.5
Additional revenue contingency		213,600	Appendix A.6
Office accommodation savings		(134,000)	
Changes in property budgets included in ** below		(158,822)	
Total revised base budget	13,212,193	11,715,918	
Growth proposals			
Revenue - one-off		463,022	Appendix B
Revenue - ongoing		297,614	
Capital (revenue consequences of)		6,500	Appendix D.2
Net property income**	(1,090,972)	(932,150)	
Gross treasury income	(355,500)	(411,640)	
Net expenditure	11,765,721	11,139,264	
Funding from reserves			(11,765,721)
New homes bonus	(2,086,928)	(2,823,094)	
Council tax freeze grant 2015/16	0	(58,949)	
Council tax freeze grant 2014/15	(54,425)	0	
Transfers to/from earmarked reserves	2,006,928	3,765,996	
Budget funding requirement before use of General fund balances	11,631,296	12,023,217	
Contribution to/from general fund balances	(1,732,085)	(2,611,757)	
Budget funding requirement	9,899,211	9,411,460	Appendix C
Funded by:			
Settlement funding assessment	(4,537,887)	(3,892,168)	
Less - Parish share of council tax support grant	160,593	120,445	
+ / - estimated NNDR over/under collection	158,308	161,333	
Collection fund (surplus)/deficit	(237,745)	(250,932)	
Council tax requirement	(5,442,480)	(5,550,138)	
Total Funding	(9,899,211)	(9,411,460)	
Council tax yield required	5,442,480	5,550,138	

Vale of White Horse DC - 2015/16 budget build changes

Opening budget adjustments

Year of bid	Summary	Spending profile:				
		2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
CORPORATE MANAGEMENT TEAM						
2013/14	Enterprise zone - financial software	0	0	0	(1,800)	(1,800)
2014/15	Corporate services contract renewal	10,000	(5,000)	(15,000)	(15,000)	(15,000)
		10,000	(5,000)	(15,000)	(16,800)	(16,800)
CORPORATE STRATEGY & WASTE						
2014/15	Increase in new properties' waste costs	13,590	27,180	40,770	54,360	67,950
2014/15	New Homes Bonus grant funding	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
2014/15	Thrupp lake / Abbey fishponds	10,000	5,000	(10,000)	(10,000)	(10,000)
2014/15	Biannual residents survey	24,000	0	24,000	0	24,000
2014/15	Community right to bid 14/15	7,855	7,855	7,855	7,855	7,855
2014/15	Community right to challenge 14/15	8,547	8,547	8,547	8,547	8,547
2014/15	Reduction in income from recycling credits	50,000	100,000	100,000	100,000	100,000
		13,992	48,582	71,172	60,762	98,352
DEVELOPMENT & HOUSING						
2014/15	Housing refurbishment Abingdon	10,000	(20,400)	(20,400)	(20,400)	(20,400)
2014/15	Increased rental income	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)
		3,000	(27,400)	(27,400)	(27,400)	(27,400)
ECONOMY LEISURE AND PROPERTY						
2014/15	Leisure development officer	(15,785)	(15,785)	(15,785)	(15,785)	(15,785)
2014/15	Reduction in rental income EMCOR	(13,232)	(13,232)	(13,232)	(13,232)	(13,232)
2014/15	Tilsley park ongoing savings	(91,000)	(91,000)	(91,000)	(91,000)	(91,000)
2014/15	New Leisure contract - savings	(260,000)	(260,000)	(260,000)	(260,000)	(260,000)
2012/13	Leisure consultancy support	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
2013/14	Go Active project	(24,550)	(24,550)	(24,550)	(24,550)	(24,550)
2013/14	Scanning of deed packets	(8,000)	(8,000)	(8,000)	(8,000)	(8,000)
2013/14	Additional leisure staff 5 years	0	11,090	0	0	0
2014/15	Strategic property technical support	0	(9,200)	(9,200)	(9,200)	(9,200)
2014/15	Choose Abingdon partnership	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)

Vale of White Horse DC - 2015/16 budget build changes

Opening budget adjustments

Year of bid	Summary	Spending profile:				
		2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
ECONOMY LEISURE AND PROPERTY CONTINUED						
2014/15	Market town support Faringdon and Wantage	(46,000)	(46,000)	(46,000)	(46,000)	(46,000)
2014/15	Wantage Grove leisure centre feasibility	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
2010/11	Increase in utility variation payable to SOLL	(3,180)	(3,180)	(3,180)	(3,180)	(3,180)
		(629,747)	(627,857)	(638,947)	(638,947)	(638,947)
FINANCE						
2014/15	Pension costs	29,000	29,000	29,000	29,000	29,000
2014/15	Actuarial fees	(15,000)	(15,000)	0	(15,000)	(15,000)
		14,000	14,000	29,000	14,000	14,000
HR, IT & TECHNICAL						
2011/12	Delete one IT support role	(13,000)	(13,000)	(13,000)	(13,000)	(13,000)
2014/15	Civil parking enforcement	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
2014/15	Training	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
2014/15	Pension hidden costs	(47,000)	(56,000)	(56,000)	(56,000)	(56,000)
2013/14	Student to help with flooding	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)
		(107,000)	(116,000)	(116,000)	(116,000)	(116,000)
LEGAL & DEMOCRATIC						
2014/15	Parish community review	(17,000)	(17,000)	(17,000)	(17,000)	(17,000)
2014/15	2015 District council elections	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
2014/15	2015 parliamentary and local elections	100,000	0	0	0	0
2014/15	Restructure in democratic and electoral services	(4,037)	(8,075)	(8,075)	(8,075)	(8,075)
2014/15	Additional 0.49 FTE solicitors post	(6,426)	(6,426)	(6,426)	(6,426)	(6,426)
2012/13	External legal fees re Leisure management contract	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
2014/15	Reduction in Community Safety Partnership funding	(8,000)	(8,000)	(8,000)	(8,000)	(8,000)
		39,537	(64,501)	(64,501)	(64,501)	(64,501)

Vale of White Horse DC - 2015/16 budget build changes
Opening budget adjustments

Year of bid	Summary	Spending profile:				
		2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
PLANNING						
2014/15	Community engagement	22,500	0	(48,000)	(48,000)	(48,000)
2014/15	Local plan	(100,000)	(150,000)	(150,000)	(150,000)	(150,000)
2014/15	CIL examination	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
2014/15	Neighbourhood plan	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)
2014/15	Master planning and SPD work	0	(100,000)	(100,000)	(100,000)	(100,000)
2014/15	Area action planning	(25,000)	(75,000)	(75,000)	(75,000)	(75,000)
2014/15	Identify and evidence infrastructure requirements	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
2014/15	Joint planning policy work	0	24,000	24,000	24,000	24,000
2014/15	S106 strategic review	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
2014/15	Progress CIL and complete S106 background work	(21,600)	(60,000)	(60,000)	(60,000)	(60,000)
2014/15	Major applications	0	0	(203,000)	(203,000)	(203,000)
2014/15	Pre applications advice	(29,000)	(29,000)	(87,000)	(87,000)	(87,000)
2014/15	On-line planning	(5,000)	(5,000)	0	0	0
2014/15	Expected increase in planning income 2014/15	544,410	544,410	544,410	544,410	544,410
		251,310	14,410	(289,590)	(289,590)	(289,590)
GRAND TOTAL		(404,908)	(763,766)	(1,051,266)	(1,078,476)	(1,040,886)

Vale of White Horse DC - 2015/16 budget build changes
Inflation, salary increments and other salary adjustments

Detail	Spending profile:				
	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
ALL SERVICES					
Salary inflation	131,477	265,584	402,372	541,897	684,212
Salary increments	48,625	98,223	148,812	200,412	253,045
Other salary adjustments	(24,203)	(24,204)	(24,203)	(24,203)	(24,203)
Other inflation	70,399	142,206	215,449	290,157	366,359
Grand total	226,298	481,809	742,430	1,008,263	1,279,413

Vale of White Horse DC - 2015/16 budget build changes

Essential growth

No	Title of bid	Summary	One-off/ Ongoing	Spending profile:				
				2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
ALL SERVICES								
1	Staff travel expenses	Staff travel costs following relocation to one site	One-off	61,838	0	0	0	0
2	Business rates	Changes in business rates liabilities over and above inflation	Ongoing	15,095	15,095	15,095	15,095	15,095
				76,933	15,095	15,095	15,095	15,095

CORPORATE STRATEGY AND WASTE								
1	Increased grounds maintenance costs	New areas adopted from developers and added to the grounds maintenance contract.	Ongoing	10,000	10,000	10,000	10,000	10,000
2	Refuse - Increased refuse collection payments to Biffa.	Increased refuse collection payments to Biffa for additional properties. Based on 557 new properties each year being the 231 actual increase over last five months and a predicted increase of 326 for the remainder of this year. A growth of 250 properties per year is already in the budget so this bid is for a further 307	Ongoing	12,766	25,532	38,298	51,064	63,830
3	Recycling - Increased recycling collection payments to Biffa.	Increased dry recycling and food collection payments to Biffa for additional properties. Based on 557 new properties, 231 actual increase over last five months and a predicted increase of 326 for the remainder of this year. A growth of 250 properties per year is already in the budget so this bid is for a further 307	Ongoing	17,512	35,024	52,536	70,048	87,560

Vale of White Horse DC - 2015/16 budget build changes

Essential growth

No	Title of bid	Summary	One-off/ Ongoing	Spending profile:				
				2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
CORPORATE STRATEGY AND WASTE CONTINUED								
4	Garden Waste - Increased garden waste recycling collection payments.	Third Party Payments. Increased garden waste collection payments to Biffa based on an increase of 1313 actual customers (April - August 2014) and predicted 377 for the remainder of this year. This growth bid can be funded from increased income from within this cost centre which has been credited to base budget savings.	Ongoing	39,929	39,929	39,929	39,929	39,929
5	Bulky Waste - Increased waste collection payments to Biffa.	Because OCC have commissioned the incinerator we have had to change the collection of bulky waste items from weekday collections to weekends. This means we have to pay the crews to work the weekends. The alternative is to continue collecting during the week but this would mean we have to buy additional vehicles and pay for additional drivers. In addition there has been an increase in clinical collections.	Ongoing	26,244	26,244	26,244	26,244	26,244
6	Increase the corporate projects officer post to full time	This part time post is currently 50:50 with South and deals with projects such as councillor development, assets of community value etc. The hours are insufficient to deliver the work allocated. We received new burdens money for the assets of community value work for three years totalling £13,420 (for both councils) each year, but in the past two years we had not spent it. However now the number of assets coming through requires additional resource to manage the work load.	Ongoing	10,287	10,287	10,287	10,287	10,287

Vale of White Horse DC - 2015/16 budget build changes

Essential growth

No	Title of bid	Summary	One-off/ Ongoing	Spending profile:				
				2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
CORPORATE STRATEGY AND WASTE CONTINUED								
7	Funding for tree works	Funding to address works identified as required through the tree surveys undertaken throughout 2014/15. This would be required for two years to deal with the backlog of works and then be reduced for subsequent years. The risk to the council of not doing this work is liability for insurance claims for subsidence and potential damage to property, there are also potential health and safety issues if we do not manage our trees.	Ongoing	10,000	10,000	10,000	5,000	5,000
8	Great Western Park – running costs of Boundary Park Sports Pavilion	Vale share of running costs of Boundary Park Pavilion (2:1 Vale/South to reflect pitch numbers in each district)	Ongoing	0	48,000	48,000	48,000	48,000
				126,738	205,016	235,294	260,572	290,850

Vale of White Horse DC - 2015/16 budget build changes

Essential growth

No	Title of bid	Summary	One-off/ Ongoing	Spending profile:				
				2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
ECONOMY, LEISURE AND PROPERTY								
1	Abingdon BID - additional business rates	If the Abingdon BID is successful, then there will be a 1.75 per cent levy in 2015/16 for the Vale Council-owned property within the BID area.	Ongoing	10,095	10,095	10,095	10,095	10,095
2	The Beacon - additional budget for buying stock	Increase in expenditure budget to cover additional stock required for the growing business at The Beacon. This will generate a further £4,400 income in addition to the £18,400 which has already been included in the base budget.	Ongoing	10,000	10,000	10,000	10,000	10,000
3	Reduction in rental income from EMCOR House during void period	There will be a reduction in rent income from EMCOR House, Hatfield, during the void period after the lease expired in September 2014. The 2014/15 growth bid assumed a tenant would be found, but in a slow market the property is likely to remain empty or let under a rent free initial period	One-off	145,000	0	0	0	0
				165,095	20,095	20,095	20,095	20,095
LEGAL AND DEMOCRATIC								
1	Corporate services contract	External legal costs to support corporate services contract procurement	One-off	100,000	25,000	0	0	0
2	2015 district and parish elections	To deliver the 2015 district and parish elections. This is a provisional figure which we will refine to reflect outcome of staff resource planning and project planning sessions. 2015/16 base budget includes £100,000	One-off	70,000	0	0	0	0
				170,000	25,000	0	0	0
GRAND TOTAL				538,766	265,206	270,484	295,762	326,040

Vale of White Horse - 2015/16 budget build changes

Base budget savings

Item		2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
CORPORATE MANAGEMENT TEAM						
1	Reduction in number of strategic directors	(62,507)	(62,507)	(62,507)	(62,507)	(62,507)
2	Other budget savings across service	(2,510)	(2,510)	(2,510)	(2,510)	(2,510)
		(65,017)	(65,017)	(65,017)	(65,017)	(65,017)

CORPORATE STRATEGY						
1	Reduction to net waste budget	(211,768)	(211,768)	(211,768)	(211,768)	(211,768)
2	Reduced partnership contributions	(27,500)	(27,500)	(27,500)	(27,500)	(27,500)
3	Environmental protection salary savings	(15,460)	(15,460)	(15,460)	(15,460)	(15,460)
4	Other budget savings across service	(1,482)	(1,482)	(1,482)	(1,482)	(1,482)
		(256,210)	(256,210)	(256,210)	(256,210)	(256,210)

DEVELOPMENT & HOUSING						
1	Budget savings across service	(450)	(450)	(450)	(450)	(450)
		(450)	(450)	(450)	(450)	(450)

ECONOMY, LEISURE AND PROPERTY						
1	New leisure contract savings	(721,256)	(721,256)	(721,256)	(721,256)	(721,256)
2	Property savings	(12,500)	(12,500)	(12,500)	(12,500)	(12,500)
3	Other budget savings across service	(187)	(187)	(187)	(187)	(187)
		(733,943)	(733,943)	(733,943)	(733,943)	(733,943)

Vale of White Horse - 2015/16 budget build changes

Base budget savings

Item		2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
FINANCE						
1	Accountancy savings through restructure	(21,196)	(21,196)	(21,196)	(21,196)	(21,196)
2	Reduced bank charges	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
3	Housing benefit savings	(5,764)	(5,764)	(5,764)	(5,764)	(5,764)
4	Other budget savings across service	(1,230)	(1,230)	(1,230)	(1,230)	(1,230)
		(31,190)	(31,190)	(31,190)	(31,190)	(31,190)
HR, IT & TECHNICAL						
1	Facilities savings	(10,211)	(10,211)	(10,211)	(10,211)	(10,211)
2	Other budget savings across service	(8,930)	(8,930)	(8,930)	(8,930)	(8,930)
		(19,141)	(19,141)	(19,141)	(19,141)	(19,141)
LEGAL AND DEMOCRATIC						
1	Expected increase in taxi licensing income	(33,410)	(33,410)	(33,410)	(33,410)	(33,410)
2	Other budget savings across service	(6,020)	(6,020)	(6,020)	(6,020)	(6,020)
		(39,430)	(39,430)	(39,430)	(39,430)	(39,430)
PLANNING						
1	Increased development management income	(631,828)	(631,828)	(631,828)	(631,828)	(631,828)
		(631,828)	(631,828)	(631,828)	(631,828)	(631,828)
Overall total		(1,777,209)	(1,777,209)	(1,777,209)	(1,777,209)	(1,777,209)

Vale of White Horse DC - 2015/16 budget build changes

Contingency

SUMMARY			Provision 2015/16 £	
Revenue contingency 2014/15			430,400	
Movement 2014/15-2015/16				
Unused specific budget release			(28,600)	
General contingency Bfwd			401,800	
Uplift to contingency provision 2015/16			242,200	
Total revenue contingency budget 2014/15			644,000	
DETAIL			Provision 2015/16 £	
			Worst case liability (£)	
			Probability (%)	
			£	
			%	
ALL SERVICES			£	
1	General contingency	N/A	100	150,000
				150,000
CORPORATE STRATEGY				
2	Waste contract inflation costs - assumes contract will rise by 1%	46,400	100	46,400
				46,400
FINANCE				
3	Capita pay and performance mechanism - council tax	18,000	100	18,000
4	Capita pay and performance mechanism - benefits	160,000	100	160,000
				178,000
HEALTH & HOUSING				
5	Homelessness preventions payments	85,000	25	21,250
6	Rent Income from Vale properties used for temporary housing	229,000	90	206,100
				227,350
LEGAL AND DEMOCRATIC				
7	External legal costs for major projects	35,000	75	26,250
8	External legal costs	20,000	50	10,000
9	By-elections	14,000	25	3,500
10	Code of conduct investigations	10,000	25	2,500
				42,250
Overall total				644,000

Vale of White Horse DC - 2015/16 revenue growth bids

No	Title of bid	Summary	One-off or ongoing	Spending profile:				
				2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
CORPORATE MANAGEMENT TEAM								
1	Change support programme	Consultancy costs to support in-house teams in preparing for corporate services tendering exercise.	One-off	37,500	0	0	0	0
				37,500	0	0	0	0
CORPORATE STRATEGY AND WASTE								
1	Freeze garden waste fee	A growth bid to enable the price for the garden waste service to remain the same and not be increased by inflation. This is based on the current number of garden waste customers	Ongoing	22,000	22,000	22,000	22,000	22,000
2	Community grants	To fund another year of the New Homes Bonus Community grants scheme	One-off	100,000	0	0	0	0
3	Grade 5 tree officer	This is a Grade 5 tree officer post to manage the council's tree stock of around 30,000 trees. This post would undertake regular scheduled inspections to assist in mitigating any insurance claim against the council. This bid includes on costs of 22.4 per cent. Costs reflect the different size of tree stocks at south and vale. Vale share of this post is 60 per cent.	Ongoing	21,600	21,600	21,600	21,600	21,600
	Oxfordshire Safeguarding Childrens Board	Increase funding to OSCB from £2,000 to £5,000 annually to help ensure that the protection of children is given priority in the council	Ongoing	3,000	3,000	3,000	3,000	3,000
5	Highway verges grass cutting	Funding for grass cutting of highway verges in the main urban areas to bridge the gap from a reduction in grant from OCC. This would enable the standard of maintenance to remain the same. We are still in discussions, along with the other district and city council, with OCC on actual figures.	One-off	25,000	0	0	0	0
6	Councillor development programme	Councillor development programme - programme of training to support new and returning councillors post 2015 elections.	One-off	13,500	0	0	0	0
				185,100	46,600	46,600	46,600	46,600

Vale of White Horse DC - 2015/16 revenue growth bids

No	Title of bid	Summary	One-off or ongoing	Spending profile:				
				2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
DEVELOPMENT AND HOUSING								
1	Growth Board / LEP Support Officer+delivery support	Recruit a Growth Board/LEP Officer to co-ordinate the actions coming out of the Growth Board/ LEP/ County Council Infrastructure programmes to inform SO/Vale Councils so that they are best represented.	Ongoing	24,000	24,000	24,000	24,000	24,000
2	Science Vale Project Manager	Creation of a Science Vale project manager post to work within the LEP, Science Vale board, Oxfordshire growth board framework, writing the SV sections of Oxon strategies and growth bids, leading on production of business cases and co-ordinating actions that flow from the above boards to optimise income to S&V	Ongoing	35,000	35,000	35,000	35,000	35,000
				59,000	59,000	59,000	59,000	59,000

ECONOMY, LEISURE AND PROPERTY								
1	Beacon staffing increase	In view of growing usage of The Beacon, we wish to maintain the development of our existing business (includes making the temporary marketing officer and coffee shop assistant posts into permanent posts, and additional casual staff + provision of annual £10,000 marketing budget) and to grow new areas of our business (includes a part-time duty officer) at a cost of £73,594. However, we expect this expenditure to generate additional income of £43,450, and this bid is for the net cost of £30,144.	Ongoing	30,144	30,144	30,144	30,144	30,144
2	Leisure administration apprentice - make temporary full-time post a permanent post	Following the successful completion of our first apprenticeship, we want to provide routine admin support for the leisure team through this route. The post is a full-time grade 1 position and is split 50 per cent South : 50 per cent Vale. This will be a rolling programme of a two year fixed-term contract for each apprentice, but will be a permanent post on the establishment list.	Ongoing	9,370	9,370	9,370	9,370	9,370
3	Market towns support	Market town support for Faringdon and Wantage. To continue the successful posts of market town co-ordinators in both towns for a further year, plus funding to deliver specific projects. We will seek contributions from town councils towards cost of these posts..	One-off	46,000	0	0	0	0
4	Business support officer	To extend post of business support officer in the legal team from March 2015 until March 2016 to complete the Vale's first registration work (Botley and villages outstanding) in partnership with strategic property team and clearly identify sub projects to be delivered. The bid includes on-costs.	One-off	16,022	0	0	0	0

Vale of White Horse DC - 2015/16 revenue growth bids

No	Title of bid	Summary	One-off or ongoing	Spending profile:				
				2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
ECONOMY, LEISURE AND PROPERTY continued								
5	Strategic property - additional professional support	To provide additional resources for the strategic property team, by means of property consultancy advice and/or temporary surveyor support, to deliver specific projects and workstreams. The bid is split 67 per cent Vale: 33 per cent South, from 1 April 2015.	Ongoing	20,000	20,000	20,000	20,000	20,000
6	Strategic property technical assistant - make temporary part-time post a permanent part-time post	To make the temporary part-time strategic property technical assistant a permanent part-time post from 1 April 2015 (current growth bid for temporary post expires March 2016). The bid includes on-costs and is split 67 per cent Vale: 33 per cent South. The additional cost would be incurred from 2016/17 onwards.	Ongoing	0	13,524	13,524	13,524	13,524
				121,536	73,038	73,038	73,038	73,038
HR, IT & TECHNICAL								
1	Statutory compliance officer	New roles to cover statutory health and safety compliance requirements.	One-off	21,000	21,000	0	0	0
	Mastering management training for new managers	Additional funding for Mastering Management. To cover two years worth of courses for those newly appointed / promoted to team leader or manager (48 people in total based on 24 per year). Amount dependent on specific numbers on the course and which supplier gets the work.	One-off	9,000	9,000	0	0	0
	Data capture	Complete historic data capture of planning applications and building control applications, putting information online and enabling staff to move off paper records.	One-off	145,000	145,000	145,000	0	0
4	FOI officer	Admin support (FOI) - due to the increase in number of FOI requests	Ongoing	12,000	12,000	12,000	12,000	12,000
				187,000	187,000	157,000	12,000	12,000
LEGAL AND DEMOCRATIC								
1	Funding to support victims of crime	Reduction in Police and Crime Commissioner funding. The Community Safety Partnership cannot sustain the funding of projects to support victims of crime/vulnerable people and the cost of partnership staff. This represents the funding required to mainstream the two partnership members of staff. £8,000 was agreed for 2014/15 on a one-off basis.	Ongoing	35,000	35,000	35,000	35,000	35,000
				35,000	35,000	35,000	35,000	35,000

Vale of White Horse DC - 2015/16 revenue growth bids

No	Title of bid	Summary	One-off or ongoing	Spending profile:					
				2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £	
PLANNING									
1	Enforcement officer	Enforcement Officer (joint) - following increases in planning applications (18 per cent up this year South, 15 per cent up at Vale - ontop of last years planning application workload increase of approx 20 per cent) and major applications for housing development, more proactive monitoring of new development during construction to improve credibility with local communities that council managing plan/condition compliance	Ongoing	17,500	17,500	17,500	17,500	17,500	
2	Neighbourhood planning officer	Neighbourhood Planning Officer (Joint) to support Parish Councils in preparation of their neighbourhood plans (NPs) and to meet expectations and ensure NPs are sound for submission. Expecting increase in NPs following Local Plan process over next two years. Conference in Feb 2015 will help reduce some workload, but expertise still required to guide and assist sound NPs.	Ongoing	23,000	23,000	23,000	23,000	23,000	
3	SHMA2	SHMA2 Following agreement by districts to secure resources to second staff (and backfill) and contribute to Oxfordshire wide studies (watercycle, transport). This bottom up approach, overseen by the Growth Board, will help deal with Oxford City's un met housing need.	One-off	50,000	0	0	0	0	
	S106/CIL monitoring officer	S106/CIL monitoring officer (Joint) - Following a review of our processes, we need to ensure S106 contributions are collected and monitored. Similarly this will be required by CIL. Post holder will invoice, chase , monitor spend/clarification of spend and keeping live data for public inspection (web site). This requires an administrative resource to assist across the two councils. Potential income to fund post from S106 obligations and 5% CIL will be recoverable (approx 2yr time)	Ongoing	20,000	20,000	20,000	20,000	20,000	
		CIL funding		0	0	(20,000)	(20,000)	(20,000)	
5	Digital satellite imagery	Joint procurement of high quality digital satellite imagery rather than aerial photography which is no longer fit for propose (don't fly, not uptodate for district and quality poor). The satellite images will be updated every 3 months and are at significantly higher resolution, adding a great deal of value to the service / councils. The councils planning data will be shared with wider corporate benefits. Can additionally secure back images.	Ongoing	25,000	25,000	25,000	25,000	25,000	
				135,500	85,500	65,500	65,500	65,500	
GRAND TOTAL				760,636	486,138	436,138	291,138	291,138	

Vale of White Horse DC Service budget analysis 2015/16

Budget head	Final Budget £
Corporate management team	390,758
Corporate strategy	5,267,148
Development & Housing	586,676
Economy leisure & property	(409,760)
Finance	2,033,330
HR IT & Technical	1,840,225
Legal & democratic services	1,289,308
Planning	1,005,036
Contingency	644,000
Managed Vacancy Factor	(163,667)
Net cost of delivering services	12,483,054
Net property income	(932,150)
Gross treasury income	(411,640)
Net expenditure	11,139,264
Government grant funding:	
Council tax freeze grant	(58,949)
New Homes Bonus	(2,823,094)
Transfer to reserves	
SIF	2,666,014
Affordable homes	157,080
Leisure funding	1,142,902
Funding from existing resources:	
Election equalisation reserve	(100,000)
New home bonus	(100,000)
Contribution to/from General fund balances	(2,611,757)
Budget funding requirement	9,411,460

**VALE OF WHITE HORSE DISTRICT COUNCIL
CAPITAL PROGRAMME TO 31 MARCH 2020**

	2014/15 original budget £000	2014/15 latest budget £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
APPROVED PROGRAMME							
Corporate Strategy	1,139	1,479	1,168	1,102	1,102	1,102	1,102
Development and Housing	1,707	143	1,814	0	0	0	0
Economy, Leisure and Property	1,623	2,399	3,341	250	0	0	0
Finance	2	4	0	0	0	0	0
HR, IT and Technical Services	1,608	881	1,076	75	75	45	45
Legal and Democratic Services	61	61	15	15	0	0	0
Planning	95	164	0	0	0	0	0
Contingency	2,200	2,287	200	0	0	0	0
TOTAL APPROVED PROGRAMME	8,435	7,418	7,614	1,442	1,177	1,147	1,147
PROVISIONAL PROGRAMME	0	0	0	0	0	0	0
GRAND TOTAL	8,435	7,418	7,614	1,442	1,177	1,147	1,147
Cumulative Total Budget						19,945	
CAPITAL FINANCING							
Public arts projects funded by developer contributions	57	68					
Wantage Civic Hall Capital Works, funded from developer contribution	55	55					
Wantage Leisure Facilities, funded from developer contribution	46	0	46				
Chilton Public Art, funded from developer contribution	78	83					
Great Western Park public art, funded from developer contribution	153	156					
Marlborough Gardens Play Area, funded from developer contribution		5					
Tower Close Play Area, funded from developer contribution		22					
Wantage leisure centre capital investment direct revenue financing		131	131				
WHLTC capital investment direct revenue financing		125	538	716	581		
Faringdon leisure centre capital investment direct revenue financing		315	473	203			
Support development of social housing, funded from developer contributions	305	0	305				
Mandatory Disabled Facilities Grants, government funding	523	523	523	523	523	523	523
Community Safety Partnership grants LAA1 CDRP funding	24	16					
Electronic delivery of planning service PDG	22	22					
Cyclepath Willow Walk, funded from developer contribution		48					
Balance from reserves and capital receipts	7,172	5,850	5,598	0	73	624	624
GRAND TOTAL	8,435	7,418	7,614	1,442	1,177	1,147	1,147
Capital receipts b/f from previous year	6,207	6,207	3,929	0	0	0	0
Projected increase in capital receipts in year	3,550	3,572	1,425	0	0	0	0
Other resources			244	0	73	624	624

**VALE OF WHITE HORSE DISTRICT COUNCIL
CAPITAL PROGRAMME TO 31 MARCH 2020**

	2014/15 original budget £000	2014/15 latest budget £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Capital receipt balance to c/f	2,585	3,929	0	0	0	0	0

**VALE OF WHITE HORSE DISTRICT COUNCIL
CAPITAL PROGRAMME TO 31 MARCH 2020**

2014/15 original budget £000	2014/15 latest budget £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
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Corporate Strategy

Energy reduction plan	25	25	25				
New and Upgraded Parks Facilities	15	15	15	15	15	15	15
Additional Wheeled Bins for New Properties	47	47	47	47	47	47	47
Community Grants Fund	100	153	141	100	100	100	100
Marlborough Gardens Play Area	0	5					
Tower Close Play Area	0	22					
Disabled Facilities Grants	850	1,110	850	850	850	850	850
Home Repairs Target	90	90	90	90	90	90	90
IT for Mobile Working in EH	12	12					
	1,139	1,479	1,168	1,102	1,102	1,102	1,102

Development and Housing

Support Development of Social Housing	387	0	387				
Online Housing Applications	0	13					
Open Market Homebuy Scheme	200	105	42				
Implementation of Online Housing Advice	0	25					
Housing Allocations	0	0	13				
Refurbish Abingdon Temporary Accommodation	0	0	252				
Refurbish Tiverton House	200	0	200				
Housing Abingdon	920	0	920				
	1,707	143	1,814	0	0	0	0

**VALE OF WHITE HORSE DISTRICT COUNCIL
CAPITAL PROGRAMME TO 31 MARCH 2020**

2014/15 original budget £000	2014/15 latest budget £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
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Economy, Leisure and Property

Great Coxwell Wall Reinstatement	25	25				
Essential Refurbishment of Operational Property Assets	200	0	200			
West Way Shopping Centre Refurbishment	50	0	50			
Refurbishment of Emcor House, Hatfield	150	0	150			
Public Art Projects (funded by contributions)	57	68				
Maintain Building Fabric - Leisure Facilities	113	143				
Wi-fi for Vale Towns	1	10	8			
Wantage Civic Hall Capital Works	55	55				
WHLTC Car Park Extension	435	420	14			
Wantage Leisure Facilities	46	0	46			
Chilton Public Art	78	83				
Great Western Park Public Art	153	156				
Abingdon Riverbank Repairs	10	0	600			
Leisure Centre Essential Works	250	65	435	250		
Wantage leisure centre capital investment	0	261				
WHLTC capital investment	0	249	1,711			
Faringdon leisure centre capital investment	0	864	127			
	1,623	2,399	3,341	250	0	0

Finance

Fixed Asset System	2	4				
	2	4	0	0	0	0

**VALE OF WHITE HORSE DISTRICT COUNCIL
CAPITAL PROGRAMME TO 31 MARCH 2020**

2014/15 original budget £000	2014/15 latest budget £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
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HR, IT and Technical Services

Flood Prevention	45	65	170	45	45	45	45
Sewage Works	17	17					
MHP - Junct. Box Replacement	20	9					
Upgrade of Sewage Treatment Works - Challow & Sparsholt	50	50					
Development of Additional Plots at MHP	836	0	836				
Hales Meadow Public Convenience	100	200					
Mobile Home Parks Improvement Works	18	18					
Woodlands watercourse	30	30					
Car park lighting improvements	36	36	30	30	30		
Changes to Rye Farm car park	5	5	40				
IT Infrastructure Investment	187	187					
IT Applications Investment	14	14					
IT Infrastructure (improvements identified under FftF)	250	250					
	1,608	881	1,076	75	75	45	45

Legal and Democratic Services

CCTV Capital Works	37	37	15	15			
Community Safety Partnership Grants	24	16					
Legal Case Management System	0	1					
Licensing software project	0	7					
	61	61	15	15	0	0	0

Planning

Wantage & Grove Integrated Transport Study	30	30					
Electronic Delivery of Planning Service	22	22					
New Paths/Cycleways	0	77					
Computerising Property Planning Software	33	25					
Capture Planning Constraints	10	10					
	95	164	0	0	0	0	0

**VALE OF WHITE HORSE DISTRICT COUNCIL
CAPITAL PROGRAMME TO 31 MARCH 2020**

2014/15 original budget £000	2014/15 latest budget £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
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Contingency

Capital Contingency	2,200	2,287	200				
	2,200	2,287	200	0	0	0	0

Notes

- CORC-(1) Capital growth bid approved as part of 2014/15 budget setting process.
 CORC-(2) 2014/15 Working Budget allocations reflect budget slipped from 2013/14
 CORC-(3) Scheme t/f'd from Health and Housing
 CORC-(4) £22k added to programme (ICMD February 2014)
 DAHC-(1) 2014/15 Working Budget allocations reflect budget slipped from 2013/14
 DAHC-(2) Capital growth bid approved as part of 2014/15 budget setting process.
 ELPC-(1) 2014/15 Working Budget allocations reflect budget slipped from 2013/14
 ELPC-(2) Capital growth bid approved as part of 2014/15 budget setting process.
 ELPC-(3) Capital growth bid approved as part of 2012/13 budget setting process.
 ELPC-(4) £250k growth bid approved as part of 2012/13 budget setting process. Further growth of £250k approved as part of 2014/15 budget setting process.
 ELPC-(5) Addition to programme per Joint Cabinet lesiure management contract (May 2014). £175 moved from 16/17 to 25/26
 FINC-(1) 2014/15 Working Budget allocations reflect budget slipped from 2013/14
 HITC-(1) 2014/15 Working Budget allocations reflect budget slipped from 2013/14
 HITC-(2) Capital growth bid approved as part of 2014/15 budget setting process.
 HITC-(3) Schemes transferred from Economy, Leisure and Property
 LEGC-(1) 2014/15 Working Budget allocations reflect budget slipped from 2013/14
 PLAC-(1) 2014/15 Working Budget allocations reflect budget slipped from 2013/14
 CONC-(1) £2m capital growth bid approved as part of 2014/15 budget setting process added to existing scheme.
 CONC-(2) 2014/15 Working Budget allocations reflect budget slipped from 2013/14

No	Title of bid	Summary	One-off or rolling	CAPITAL SPEND					REVENUE CONSEQUENCES					
				Spending profile:					Spending profile:					
				2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £	
CORPORATE MANAGEMENT TEAM														
1	South Hinksey rail crossing	The crossing is an essential link for the communities of South Hinksey, New Hinksey and Kennington. The contribution to Network Rail from OCC, Oxford City Council and Vale for including ramps in the crossing specification will be £250,000 split evenly between partners.	One-off	83,333	0	0	0	0	0	0	0	0	0	0
2	Fencing at Redbridge Hollow	OCC are willing to install security fencing around the perimeter of the Redbridge Hollow romany traveller site to reduce the risk of further flytipping. Vale and other partners are to make a financial contributions to the cost. Estimated at £60,000. Cost to Vale is £15,000	One-off	15,000	0	0	0	0	0	0	0	0	0	0
				98,333	0	0	0	0	0	0	0	0	0	0

CORPORATE STRATEGY & WASTE														
1	Wantage memorial park	Refurbish Wantage Memorial Park play area, in conjunction with the community fund raising and consultation that has taken place.	One-off	77,000	0	0	0	0	0	0	0	0	0	0
2	Pye street play area	Refurbish Pye street play area, Faringdon	One-off	77,000	0	0	0	0	0	0	0	0	0	0
3	Additional kerbside recycling	Contractor payment to Biffa for the introduction of additional recycling streams from the kerbside such as textiles and small electrical items. This will pay for the cages under the vehicles	One-off	10,500	0	0	0	0	0	0	0	0	0	0
	Purchase of new bins	For the purchase of new household waste bins.	Rolling	27,000	27,000	27,000	27,000	27,000	0	0	0	0	0	0
				191,500	27,000	27,000	27,000	27,000	0	0	0	0	0	0

ECONOMY LEISURE AND PROPERTY														
1	Beacon capital works	To establish a five year rolling programme for essential capital works at The Beacon. This will include electronic booking system, new stage curtains and fridges for the bar in year 2015/16 and further works in subsequent years.	Rolling	30,000	20,000	20,000	20,000	20,000	500	500	500	500	500	500
2	Broadband	To increase superfast broadband coverage across the district by provision of a capital grant fund for communities.	One-off	250,000	0	0	0	0	0	0	0	0	0	0
3	Leisure centre capital works	To provide refurbishment works in the Vale leisure facilities during 2019/20 to comply with the Vale Council's contractual requirements and maintaining key public assets.	Rolling	0	0	0	0	250,000	0	0	0	0	0	0
4	Wantage / Grove leisure facility	The Wantage and Grove leisure facility project will see the construction of a new building. There are a number of significant issues which prohibit the existing centre being a viable option. The leisure and sports facilities study identified that in order to meet the capacity requirements of planned housing growth a new replacement leisure centre is required to be delivered by 2019. This project will provide a long-term solution for the leisure facility needs of the Wantage and Grove locality.	One-off	50,000	560,000	7,120,000	4,200,000	0	0	0	0	0	0	0
S106 funding				0	0	(2,500,000)	(2,500,000)	0	0	0	0	0	0	0

No	Title of bid	Summary	One-off or rolling	CAPITAL SPEND					REVENUE CONSEQUENCES				
				Spending profile:					Spending profile:				
				2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
ECONOMY LEISURE AND PROPERTY CONTINUED													
5	Abbey Meadows and Gardens improvements	To deliver improvements to Abbey Meadows and Abbey Gardens, identified by public consultation, to encourage greater use of the grounds by both visitors and residents, to make the grounds appeal to an even wider demographic and to attract visitors to the grounds all year round. The bid may need to be amended in the light of whatever improvements are agreed.	One-off	500,000	0	0	0	0	0	0	0	0	
				830,000	580,000	4,640,000	1,720,000	270,000	500	500	500	500	
HR, IT& TECHNICAL													
1	Wantage PC	Demolish the existing public conveniences in Wantage rec and replace with newly designed, modern, unisex block.	One-off	70,000	0	0	0	0	0	0	0	0	
2	Abingdon flood relief	Funding of Abingdon flood defences including St Helen's Mill and Ock flood retention scheme.	One-off	50,000	300,000	500,000	1,000,000	650,000	0	0	0	0	
3	Abbey meadows public convenience	To replace the public conveniences in Abbey Meadows, Abingdon. On-going cost from existing WC budget plus £6,000 pa to keep them open all year, as currently only open at weekends in winter.	One-off	70,000	0	0	0	0	6,000	6,000	6,000	6,000	
4	Car park signs	To replace the car park tariff boards in all the car parks, to show details of new payment methods and directions to alternative car parks.	One-off	15,000	0	0	0	0	0	0	0	0	
	Gas boiler	New gas boiler at Abbey House (pricing assumes 30 per cent contribution from OCC as per lease agreement)	One-off	21,000	0	0	0	0	0	0	0	0	
				226,000	300,000	500,000	1,000,000	650,000	6,000	6,000	6,000	6,000	
GRAND TOTAL				1,345,833	907,000	5,167,000	2,747,000	947,000	6,500	6,500	6,500	6,500	

Prudential indicators

1 Affordability

1.1 Ratio of financing costs to net revenue stream

These indicators compare the net interest payable less investment income receivable to the overall net revenue spending of the council. Because the council has a high level of investment income and no long term borrowing this indicator is negative.

Indicator A-1	2015/16	2016/17	2017/18	2018/19	2019/20
Ratio of financing costs to net revenue stream	estimate	estimate	estimate	estimate	estimate
Non – HRA	(2.9%)	(4.2%)	(5.6%)	(6.8%)	(7.3%)

Even though this indicator is negative it is still important for the council as it shows a slight increase over the period. This is due to the expected slow rise in interest rates, which will impact on the investment income earned by the council, and the expected fall in the council's net revenue spending as government grant income falls.

The key point to note for this authority is that in the Medium Term Financial Plan (MTFP) the council will be using the projected returns from investment income to help mitigate the effects of the reduction in government grant income over this period.

1.2 Estimated incremental impact of capital investment decisions on the council tax

This indicator estimates the incremental impact of capital investment decisions on the council tax by comparing the likely council tax based on the current capital programme and the likely council tax based on the proposed capital programme.

Indicator A-2	2015/16	2016/17	2017/18	2018/19	2019/20
Incremental impact of capital investment decisions on council tax	estimate	estimate	estimate	estimate	estimate
	£	£	£	£	£
Band D council tax	0.37	0.32	2.35	1.49	0.55

This demonstrates the potential increase in band D council tax if this was viewed in isolation. However the MTFP shows that the capital expenditure proposals, when viewed alongside the revenue proposals, are sustainable over the medium term, in accordance with the assumptions included in the MTFP.

2 Prudence

2.1 Net borrowing and the capital financing requirement

It is prudent to ensure that borrowing is only used to fund capital (as opposed to revenue) expenditure. The indicator to measure whether this is achieved is to demonstrate that net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. For this council this means that the value of investments should be equal to or higher than the capital financing requirement.

<i>Indicator P-1</i>	2013/14 actual £000	2014/15 estimate £000	2015/16 estimate £000	2016/17 estimate £000
Capital financing requirement	(0)	(0)	(0)	(0)
Average level of investments	34,400	31,500	30,000	30,000

In this instance the capital financing requirement is shown as zero; this reflects the on-going debt-free status of the council.

The head of finance reports that the authority had no difficulty meeting this requirement in 2013/14, nor are there any difficulties envisaged for the current or future years. This view takes into account current commitments, existing plans, and the proposals in the 2015/16 budget.

3 Capital expenditure

3.1 Capital expenditure

The first indicator shows the total capital expenditure plans of the council's existing programme including the capital growth proposals put forward.

<i>Indicator C-1</i>	2014/15 estimate £000	2015/16 estimate £000	2016/17 estimate £000	2017/18 estimate £000	2018/19 estimate £000	2019/20 estimate £000
Estimates of capital expenditure	7,418	8,960	2,349	6,344	3,894	2,094

The second indicator records actual capital expenditure for the previous financial year.

<i>Indicator C-2</i>	2013/14 estimate £000	2013/14 actual £000
Actual capital expenditure	3,497	2,701

3.2 Borrowing need

This indicator reflects the authority's underlying need to borrow for a capital purpose, its Capital Financing Requirement (CFR). This borrowing may not need to take place externally, and the council may judge it prudent to make use of cash that it has already invested for long term purposes.

<i>Indicator C-3</i>	31/3/2015 estimate £000	31/3/2016 estimate £000	31/3/2017 estimate £000	31/3/2018 estimate £000	31/3/2019 estimate £000	31/3/2020 estimate £000
Estimate of capital financing requirement						
Non-HRA	0	0	0	0	0	0
Estimate of movement in year						
Non-HRA	0	0	0	0	0	0

The capital financing requirement as at 31 March each year is derived from specific balances within the balance sheet, and adjustments are made for capital expenditure, and the resources applied to finance the expenditure. As all the authority's capital expenditure is resourced immediately from capital receipts, reserves, grants, contributions and directly from revenue, the CFR remains zero throughout.

The actual CFR for 31 March 2014 is shown below.

	31/3/2014
<i>Indicator C-4</i>	actual
	£000
Actual capital financing requirement	
Non-HRA	0
Actual movement in year	
Non-HRA	0

	A	B	C	D	E	F	G
1	Vale of White Horse District Council	Budget	Indicative	Indicative	Indicative	Indicative	
2		2015/16	2016/17	2017/18	2018/19	2019/20	
3		£	£	£	£	£	
4	Base budget						
5	Corporate management	401,413	401,413	401,413	401,413	401,413	
6	Corporate strategy	5,153,444	5,153,444	5,153,444	5,153,444	5,153,444	
7	Development & Housing	476,289	476,289	476,289	476,289	476,289	
8	Economy, leisure and property	845,480	845,480	845,480	845,480	845,480	
9	Finance	1,986,466	1,986,466	1,986,466	1,986,466	1,986,466	
10	HR, IT, & technical	1,811,236	1,811,236	1,811,236	1,811,236	1,811,236	
11	Legal and democratic	1,055,109	1,055,109	1,055,109	1,055,109	1,055,109	
12	Planning	1,210,614	1,210,614	1,210,614	1,210,614	1,210,614	
13	Managed vacancy factor	(158,258)	(158,258)	(158,258)	(158,258)	(158,258)	
14	Contingency	430,400	430,400	430,400	430,400	430,400	
15	Total base budget	13,212,193	13,212,193	13,212,193	13,212,193	13,212,193	
16	Revisions to base budget						
17	Opening budget adjustments	(404,908)	(763,766)	(1,051,266)	(1,078,476)	(1,040,886)	
18	Inflation, salary increments and adjustments	226,298	481,809	742,430	1,008,263	1,279,413	
19	Essential growth - one-off	376,838	25,000	0	0	0	
20	Essential growth - ongoing	161,928	240,206	270,484	295,762	326,040	
21	Base budget savings	(1,777,209)	(1,777,209)	(1,777,209)	(1,777,209)	(1,777,209)	
22	Additional revenue contingency	213,600	213,600	213,600	213,600	213,600	
23	Office accommodation savings	(134,000)	(134,000)	(134,000)	(134,000)	(134,000)	
24	Corporate contract savings	0	(50,000)	(100,000)	(100,000)	(100,000)	
25	Other budget adjustments	(158,822)	(13,822)	(13,822)	(13,822)	(13,822)	
26	Total revised base budget	11,715,918	11,434,011	11,362,410	11,626,311	11,965,329	
27	Growth, savings and other budget adjustments						
29	Growth proposals						
30	Revenue - one-off	463,022	175,000	145,000	0	0	
31	Revenue - ongoing	297,614	311,138	291,138	291,138	291,138	
32	Capital (revenue consequences of)	6,500	6,500	6,500	6,500	6,500	
33	Assumed future essential growth	0	100,000	200,000	300,000	400,000	
35	Net cost of services	12,483,054	12,026,649	12,005,048	12,223,949	12,662,967	
36	Net property income	(932,150)	(1,077,150)	(1,077,150)	(1,077,150)	(1,077,150)	
37	Gross treasury income	(411,640)	(514,000)	(670,000)	(814,000)	(886,000)	
38	Net expenditure	11,139,264	10,435,499	10,257,898	10,332,799	10,699,817	
39	New Homes Bonus	(2,823,094)	(3,854,170)	(4,751,884)	(5,596,921)	(6,325,111)	
40	CT freeze grant 2015/16 tranche	(58,949)	0	0	0	0	
41	Transfers to / (from) earmarked reserves	3,765,996	2,582,448	3,286,992	4,024,152	4,519,368	
42	Amount to be financed	12,023,217	9,163,777	8,793,006	8,760,030	8,894,074	
43	Financing						
44	Revenue support grant	(1,741,067)	(1,114,220)	(574,086)	(248,117)	(150,000)	
45	Business rates retention scheme	(2,151,101)	(2,194,123)	(2,238,005)	(2,282,766)	(2,328,421)	
46	Total start-up funding allocation	(3,892,168)	(3,308,343)	(2,812,091)	(2,530,882)	(2,478,421)	
47	Less - Parish share of council tax support grant	120,445	80,297	40,148	0	0	
48	+ / - estimated NNDR over/under collection	161,333	164,559	167,850	171,207	174,632	
49	Collection fund (surplus)/deficit	(250,932)	(200,000)	(200,000)	(200,000)	(200,000)	
50	Council tax requirement before use of reserves	8,161,895	5,900,290	5,988,914	6,200,355	6,390,285	
51	Use of general fund balance	(2,611,757)	(155,595)	(17,754)	7,497	36,709	
52	Council tax requirement after use of reserves	5,550,138	5,744,696	5,971,160	6,207,852	6,426,994	
53	Tax base	47,563.1	48,265.1	49,184.1	50,131.1	50,883.1	
54	Band D Council tax (£)	116.69	119.02	121.40	123.83	126.31	
55	Council tax increase from previous year	0.0%	2.0%	2.0%	2.0%	2.0%	
56	Reserves at year end						
57	opening GFB	(3,810,916)	(1,199,159)	(1,043,565)	(1,025,811)	(1,033,308)	
58	General fund balance	(1,199,159)	(1,043,565)	(1,025,811)	(1,033,308)	(1,070,018)	
59	Earmarked revenue reserves	(6,231,931)	(6,764,477)	(3,710,433)	(4,363,585)	(7,311,953)	

Council Report



Report of Head of HR, IT and Technical Services

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To: Council

Date: 18 February 2015



Pay policy statement 2015-16

Recommendation

That Council approve the attached statement of pay policy for 2015-16.

Purpose of report

1. The Localism Act 2011 requires the council to produce and publish annually a pay policy statement. By approving the attached statement the council will discharge this responsibility.

Background

2. The purpose of the pay policy statement is to promote transparency on public sector pay, particularly in relation to remuneration of senior officers. Comparisons are also made with the remuneration of the lowest paid employees and with average salaries.
3. The pay policy statement must be approved by 31 March each year, by a meeting of the full council. The pay policy statement may be amended during the year by further resolution of the council.
4. Once approved, the pay policy statement must be published on the council website and by any other means that the council sees fit.
5. Because officers of each council are placed at the disposal of the other and their costs are shared, the pay policy statement attached has been drafted jointly with South Oxfordshire District Council.

Recommendation

6. Council is asked to approve the pay policy statement for 2015-16.

Background papers

None

Pay Policy Statement for 2015-16

INTRODUCTION

1. This is a joint statement of South Oxfordshire and Vale of White Horse District Councils.
2. The Localism Act 2011 requires each council to produce and publish annually a pay policy statement. The statement must be approved by 31 March each year, by a meeting of the full council, and must then be published on the council's website. The pay policy statement may be amended during the year by further resolution of the council.
3. The pay policy statement must as a minimum include details of the council's policy on:
 - the remuneration of its chief officers
 - the remuneration of its lowest-paid employees
 - the relationship between the remuneration of its chief officers and other officers.
4. For the purposes of the Localism Act 2011 and this statement, the term "chief officers" is defined by Section 2 of the Local Government and Housing Act 1989. For these councils, the term "chief officers" refers to the chief executive, strategic directors, and heads of service.
5. Chief officers may be employed by either council, and are placed at the disposal of the other by means of an agreement made under Section 113 of the Local Government Act 1972.

REMUNERATION OF CHIEF OFFICERS

6. Chief officers are paid a spot salary. The spot salaries which apply for the whole of 2015-16 are increased by 2.0 per cent from the 2014-15 salaries, and are as follows:
 - chief executive: £134,919
 - strategic directors: £103,137
 - heads of service: £77,418.

7. Where heads of service have previously received additional allowances for the responsibilities of monitoring officer or Section 151 officer, their total salaries may be protected at a higher level.
8. Chief officers do not receive any performance-related pay or bonuses.
9. The chief executive has been appointed as the councils' returning officer. In this role he receives additional remuneration, which varies from year to year. He may also employ other chief officers to support him in his work. Fees payable for district and parish council elections have been agreed by each council. Fees for other types of election are agreed and payable by the government or other bodies such as Oxfordshire County Council.
10. Chief officers do not receive essential car user allowances, overtime, on-call or stand-by payments.
11. On recruitment of a new strategic director or head of service, the gross base salary on recruitment will be the spot salary stated in paragraph 6.
12. On recruitment of a new chief executive, the gross base salary will be recommended by the Joint Cabinet Board and put to the vote at each full council.
13. In the event of a chief officer's post becoming redundant, any severance payment will be made on the same basis as to any other employee, according to the council's managing organisational change policy. Other than any pension to which they are statutorily entitled, no other payments will be made to chief officers on their ceasing to be employees of the council unless in settlement of any dispute.
14. Chief officers' contributions to the Local Government Pension Scheme (LGPS) are determined by their salary and by the rules of the scheme. For those who are members of the LGPS and paying contributions on the whole of their salary, heads of service currently pay 9.9 per cent of their salary into the scheme, while directors and the chief executive pay 11.4 per cent.
15. No enhancements will normally be paid to chief officers' pensions other than in the event of a chief officer being offered early retirement on efficiency grounds, and only then with the approval of the Audit and Corporate Governance Committee (South), or Council or a committee with delegated authority (Vale).
16. The councils will not re-employ a chief officer who has left their employment and is now drawing a local government pension, unless there are exceptional circumstances.

LOWEST-PAID EMPLOYEES

17. Although the councils have not sought accreditation as a "Living Wage Employer", our policy is that our employees' salaries should meet or exceed the Living Wage rate which is currently £7.85 per hour.

18. The lowest salary paid for 2015-16 to staff currently on the payroll will be £16,617. The chief executive's salary is thus 8.12 times the salary of the lowest-paid member of staff.

REMUNERATION OF CHIEF OFFICERS COMPARED WITH OTHER OFFICERS

19. Employees who are not chief officers are paid according to locally agreed pay scales, with annual increments paid until the employee reaches the top of the scale. These pay scales will increase by 2.0 per cent with effect from 1 April 2015.
20. The Department for Communities and Local Government (DCLG) published in September 2011 a code of recommended practice for local authorities on data transparency. This code of practice recommends publishing the "pay multiple", the ratio between the highest paid salary and the median average salary of the whole of the authority's workforce. For these councils the median salary during 2015-16 will be £32,314 (based on current data). The pay multiple defined above is thus 4.18.