

**To:** City Executive Board  
Council

**Date:** 13th February 2013  
18<sup>th</sup> February 2013

**Report of:** Head of Finance

**Title of Report:** MEDIUM TERM FINANCIAL STRATEGY 2013-14 TO  
2016-17 AND 2013-14 BUDGET

## Summary and Recommendations

**Purpose of report:** To present the Council's Medium Term Financial Strategy for 2013/14 to 2016-17 and the Council's 2013/14 Budget for recommendation to Council.

**Key decision** No

**Executive lead member:** Councillor Ed Turner

**Policy Framework:** The Council's Corporate Plan

**Recommendation(s):** The City Executive Board is asked to consider the outcome of the public consultation, agree the amendments to the Consultation Budget as set out in Tables 8 below and recommend that Council:

- a) approves the Council's General Fund Budget Requirement of £25,027k for 2013/14 and in doing so approves an increase in the Band D Council Tax of 1.99% or £5.23 per annum representing a Band D council tax of £268.19 per annum;
- b) approves the Council's General Fund Medium Term Financial Strategy for 2014-15 to 2016-17 and indicative budgets as set out in Appendices 1-5 attached;
- c) approves the Housing Revenue Account budget for 2013/14 as set out in Appendix 5 and in doing so approves an increase in average dwelling rent of 4.62% (£4.27 per week) resulting in an annual average rent of £96.83;
- d) approves the Capital Programme for 2013/14 -2016-17 as set out in Appendix 6; and
- e) approves the Fees & Charges schedule as set out in Appendix 7;
- f) approves the level of exemptions and discounts on empty homes and unoccupied properties as outlined in para 20-21 below.

## **Appendices to the report:**

- Appendix 1. Summary of Proposed Budget and Medium Term Financial Plan 2013-14 to 2016-17 by Service
- Appendix 2. Detail of General Fund Revenue Budget by Service 2013-14
- Appendix 3. Detailed Service Budgets 2013-14
- Appendix 4. Oxford City Council's Housing Revenue Account
- Appendix 5. Housing Revenue Account Rent increases by property type
- Appendix 6. Oxford City Council's Draft Capital Programme 2013-14 to 2016-17
- Appendix 7. Fees and Charges Schedule
- Appendix 8 Risk Register
- Appendix 9 Draft Equalities Impact Assessment

## **INTRODUCTION**

- 1 This report sets out the Council's Medium Term Financial Strategy (MTFS) and associated spending plans for the next four years (2013/14 to 2016/17) including the Council's 2013/14 budget together with recommended increases in Council Tax, Housing Rent and Fees and Charges. The report covers all aspects of the Council's spend: General Fund Revenue expenditure funded by the council tax payer, Housing Revenue Account expenditure, funded by council tenants and the Council's Capital Programme funded by Capital Receipts, revenue and borrowing.
- Budget Consultation**
- 2 The Council's draft budget for consultation was agreed by the City Executive Board on the 19<sup>th</sup> December. The Consultation period began on 21<sup>st</sup> December 2012 and ended on 31<sup>st</sup> January 2013. The consultation document was available on the Council's website and a shortened version of the survey was published in the Oxford Mail. Paper copies were also available at the Town Hall.
- 3 A total of 84 key organisations were invited to take part in the consultation via our online eConsult system. These included key stakeholders such as the universities, district and county councils, the PCT, and cultural groups across the City.
- 4 A further 547 people were invited to take part in the consultation; they were people that were registered on our eConsult system and had expressed an interest in taking part in consultation relating to Council priorities and budgets. A total of 84 responses were received to this consultation. The consultation concentrated on three main areas, the results of which are shown in the body of the report as follows :
  - Council Tax exemptions and discounts (para 20)
  - Council Tax increase (para 27)
  - New investment (para 30)
- 5 For ease of reading; the remainder of this report is split into three sections:  
  
Section A General Fund Revenue Budget  
Section B Housing Revenue Account (HRA) Budget  
Section C Capital Budget

## Section A – General Fund Revenue Budget

- 6 The budget for consultation approved by the City Executive Board (CEB) on the 19th December 2012 set out a balanced budget for the next four years. Since the publication of the Consultation Budget a number of key issues have been raised and these are summarised below:

### Issues arising since the publication of the consultation budget

#### Provisional Local Government Finance Settlement Formula Grant

- 7 The Provisional Local Government Finance Settlement was announced on 19th December 2012 with a consultation period ending on 15<sup>th</sup> January 2013. The provisional settlement gave provisional indications of the amount of grant to be received in 2013/14 and 2014/15 the last two years of the Comprehensive Spending Review (CSR10). It also brought with it changes in methodology for calculating Government Grant and significantly reduced the amount of grant allocated to local authorities from that indicated in the early years of CSR10. The provisional settlement figures were confirmed on 4<sup>th</sup> February 2013 and are set out in Table 4 below.
- 8 The new allocation basis brings with it considerable risk and uncertainty about the level of grant to be received both next year and for the following four years of the Council's Medium Term Financial Strategy and whereas previously the level of grant once finalised was known at least for the following year, the level of grant the Council receives now is not and almost certainly will differ from the amount of grant indicated in the settlement figures.

### Changes in Methodology for allocation of Grant

#### 9 Start Up Funding Assessment

The total start up funding assessment is allocated to local authorities in two parts

- **Formula grant** – calculated by reference to 'relative need' and relative resources and then subsequently 'damped' to smooth out variations. In Oxford's case this produces the following results for 2013/14

**Table 1 Formula Funding 2013/14**

	<b>2013/14</b>
	<b>£000's</b>
Relative Need	5,224
Relative Resources	(1,850)
Central Allocation	6,629
Damping	848
Formula funding	10,852

This is subsequently split between RSG and Business rates on a predetermined ration of 10.1 : 15.2 between Business Rates retention and RSG resulting in a split of £4,335k and £6,517k respectively.

- **Specific Grants** – From 2013/14 a number of grants have been rolled into funding split between RSG and Retained Business Rates. These include
  - **Council tax support scheme** - This grant has been subject to a 10% reduction based on last years subsidy paid and for 2013/14 totals £1.570 million. From 2014/15 onwards the grant is not separately shown and therefore the amount allocated is not known.
  - **Preventing homelessness** – For 2013/14 the grant remains as for previous years at £957k split between Revenue Support Grant funding Retained Business Rates. A similar amount of expenditure has been included in the Consultation Budget changes shown in Table 8, below.
  - **Council tax freeze grant** – this is in respect of the last two years of the 2011/12 grant.

These grants are shown split between RSG and Retained Business Rates as follows:

**Table 2 Start Up Funding – 2013/14**

	<b>Revenue Support Grant</b>	<b>Retained Business Rates</b>	<b>Total</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
2011-12 Council Tax Freeze	185	123	308
Council Tax Support	943	627	1,570
Homelessness	574	382	956
<b>Grants total</b>	<b>1,702</b>	<b>1,132</b>	<b>2,834</b>
Formula funding as per Table 1	6,517	4,335	10,852
<b>Total start up funding</b>	<b>8,220</b>	<b>5,468</b>	<b>13,688</b>

- 10 **Retained Business Rates** – Whilst the funding from Revenue Support Grant is fixed and therefore certain, grant funding from Retained Business Rates is now dependant on the amount of business rates collected. Total business rates collected after allowing for appeals and losses on collection will be split 50/50 between the billing authority and the Government known as the Local Share and Central Share respectively. The billing authority will in turn split the local share between itself and the County Council on an 80/20 basis. A tariff payment, calculated by the government, will be taken and the balance is retained by the Billing Authority. This retained amount is in turn compared to the baseline funding figure (for Oxford £5.468

million) and a levy of 50% is payable to the Government based on the excess, leaving the balance with the Billing Authority.

- 11 The Councils calculation of its Business Rates estimates for 2013/14 are set out in form NNDR1 form which was returned to Government on 31<sup>st</sup> January and is replicated below :

**Table 3 Estimates of Business Rates 2013/14**

	<b>Estimates for 2013/14</b>
	<b>£000's</b>
Estimated Business rates net yield 2013/14	80,761
Retained by Oxford Council 40% of business rates yield	32,304
Less tariff for authority in Settlement	(26,450)
<b>Retained Business Rates for Oxford</b>	<b>5,854</b>
Less Business Rates baseline funding for authority	5,468
<b>Excess of business rates over baseline</b>	<b>386</b>
Less Levy at 50% payable to DCLG	(192)
<b>Estimated Business Rates retained by Oxford City Council</b>	<b>5,660</b>

- 12 The tariff for the authority is fixed and is increased in line with inflation each year. Since business rates yield can vary due to appeals, losses on collection and business closures or start-ups the resulting amount of grant derived from Retained business rates can also vary. The government have set a safety net if business rate income in comparison to baseline funding falls by more than 7.5%. In Oxford's case this safety net will kick should business rate income fall below the baseline by £410k.
- 13 The overall level of grant funding for Oxford City Council for the period 2013/14 to 2016/17 is shown in table 4 below. Figures for 2013/14 and 2014/15 have now been confirmed and estimates have been adjusted in the MTFP to take account of risk around council tax capping and the recent announcement of the next spending review.

**Table 4 Grant 2013/14 to 2016/17**

	<b>RSG</b>		<b>Retained Rates</b>		<b>Total</b>	<b>Variance</b>
	<b>Formula funding</b>	<b>Specific Grant</b>	<b>Formula funding</b>	<b>Specific Grant</b>		
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>		
2013/14	6,517	1,703	4,528	1,132	13,880	(4.40)
2014/15	5,657	745	5,139	522	12,063	(13.10)
2015/16 Est	4,808	633	4,368	445	10,254	(15.00)
2016/17 Est	4,327	570	4,149	423	9,469	(7.70)

### **New Homes Bonus**

- 14 In 2011/12 the Government brought in a system to pay grant to local authorities based on the net growth in housing (new build less demolitions) over a 12 month period. The Government provides a 'bonus' for the net number of new homes by match funding the additional Council Tax raised from new homes and empty properties brought back into use, with an additional amount for affordable homes for the following six years. The figures for 2013/14 based on years 1, 2 and 3 of the scheme have been confirmed and will be paid for 6 years. The figure for 2013/14 has increased slightly from that included in the consultation budget by £124k per annum. Based on conservative estimates of growth bonus payments are estimated to be as follows:

<b>2013/14</b>	<b>£1,684,617</b>
<b>2014/15</b>	<b>£1,955,509</b>
<b>2015/16</b>	<b>£2,233,898</b>
<b>2016/17</b>	<b>£2,520,009</b>

- 15 Currently it is understood that New Homes Bonus will continue at least until 2020 by top slicing an amount from the Business Rate Central Share although in the longer term there is some uncertainty over the overall amount of support to be received.

### **16 Localising Support for Council Tax**

On 2<sup>nd</sup> August 2011 the Government issued a consultation paper on their proposals for the Localisation of Council Tax Support from 2013/14. This confirmed a 10% reduction in the grant provided for Council Tax Benefit, and stated that pensioners were not intended to be worse off. The scheme allows for a reduction in the Council's Tax Base (band D equivalent properties used to calculate Council Tax income) equivalent to the amount of council tax discount given against each property band. The loss of Council Tax income resulting from the reduced tax base is reimbursed in the form of a grant less a 10% reduction based on the previous years spend. The Council Tax Reduction Scheme forward has been agreed by all Districts across Oxfordshire and replicates to a large extent the existing scheme. Following consultation the scheme was agreed and adopted at CEB on 5<sup>th</sup> December 2012

### **17 Implications for Oxford**

- The reduction in the Council's Tax Base is estimated at 6,863 properties which is equivalent to a reduction of £1.860 million of Council Tax income.
- In the Finance Settlement the Government have provisionally indicated that the council will receive a grant of around £1.570 million. This grant also includes an element to cover reduced council tax income from Council Tax support given to those living in parishes (£24,033) The allocation of grant is based on the loss of income in each parish and is shown in Table 8 as a change to the Consultation Budget.
- The difference between loss of Council Tax income through Council Tax support and the amount of Council Tax support grant represents a

shortfall of around £188,000, which is partially offset by a one-off transitional grant of £42,000, resulting in a net deficit of £146,000. This deficit is offset by decreases in Council Tax discounts and exemptions on empty homes which is explained in more detail below

### Council Tax Exemptions and Discounts

- 18 In October 2011 the Department for Communities and Local Government released a consultation paper on reforms to the Council Tax system and proposals to give Billing Authorities greater discretion over relief's in respect of second homes and empty properties and other potential reforms of the Council Tax system.
- 19 To finance the Council's Local Council Tax support scheme the following changes to discounts and exemptions were recommended and subsequently consulted on in the Councils Budget Consultation:
- **Exemption Class A** – Recently built or uninhabitable due to work (current 100% exemption for a time limit of 12 months then full charge)– **Proposal** - 25% exemption for a time limit of 12 months, then full charge
  - **Exemption Class C** – Vacant – empty and unfurnished (current 100% exemption for a time limit of 6 months then full charge)– **Proposal** 25% exemption for a time limit of 3 months, then full charge
  - **Exemption Class L** – Unoccupied where the mortgagee is in possession (current 100% exemption)– **Proposal** 0% exemption, i.e. full charge
  - **Second Homes Discount** – (current 10% discount) –**Proposal** 0% discount i.e. full charge
  - **Empty Homes Premium** – left unoccupied or unfurnished for two years or more (current 100% exemption for a time limit of 6 months and then full charge in line with class C) **Proposal** charge 150% council tax after 2 years empty

- 20 Table 5 below shows the outcome of the consultation feedback as follows:

**Table 5 Consultation Results for Proposals to change exemptions and Discounts**

Changes	Agree	Disagree, make cuts elsewhere	Don't know
	%	%	%
Class A	79	12	9
Class C	89	5	5
Class L	87	8	5
Second Homes	96	3	1
Premium	93	5	1

21 Class L exemptions in respect of mortgage repossessions are at this point in time still subject to consultation between the Government and the banks and building societies and as such cannot be changed at this stage. Since the number of properties at this stage in Oxford is minimal it makes little or no difference to the overall income estimates.

### **Pay Settlement**

22 In January 2013 the unions Unite and Unison balloted members on a new pay deal which gives staff :

- A five year pay deal with inflationary rises of 1.5% which compounds to 7.73% over the five year period
- Incremental progression for those on the lowest spinal points subject to satisfactory performance and attendance every other year commencing from October 2013
- For those staff above mid-point the ability to achieve the partnership payment of up to £500 subject to satisfactory performance and attendance

The outcome of the ballot was that a very strong majority from both unions were in favour of the new deal.

23 The effects of the agreed pay settlement over the allowance made in the consultation budget is reflected in Table 8.

### **24 Promotion of Economic Growth**

The allocation of grant monies through Retained Business Rates brings with it an opportunity for the Council to benefit from increased business rates income and the city to benefit from the increase in jobs. To facilitate this growth additional officer support will be required, estimated at around £150k per annum for the next three years. This has been included in changes to the consultation budget in Table 8.

### **Council Tax Increase**

25 For the third year the Government has announced the payment of a Council Tax Freeze Grant. For 2013/14 the Government has announced a 2 year grant equivalent to a 1% increase in its Band D Council Tax A 1% increase in the Band D tax is equivalent to £109,000 per annum.

26 In addition the Government has advised that any council planning to raise its Council Tax above 2% will be required to hold a referendum. Triggering a referendum could cost the Council as much as a 1% Council Tax rise.

27 In the Budget Consultation consultees were invited to comment on the council tax increase of 2% with the following results



**Table 6 Results of consultation on council tax increase**

	Percentage In Favour
Freeze council tax and make cuts elsewhere	39
Increase council tax by 2%	61

28 However, in light of the longer term impact of freezing Council Tax (£627k over the life of the MTFP), the Consultation budget proposed increasing Council Tax by 2%. However following recent publicity and concern from the DCLG about increases in Council Tax generally it is proposed that the 2013/14 increase is reduced to 1.99% and in subsequent years to 1%.

29 **Collection Fund Surplus**

In January of each year the Council is required to calculate the amount of surplus on the Collection Fund for the preceding financial year. This is subsequently shared out between the major preceptors including the City Council in proportion to their precepts. For 2011/12 the City Councils share is estimated at £73k

**New Investment**

30 In addition to the consulting on exemptions and discounts and the council tax rise consultees were asked to what extent they agreed with the Councils new investments proposals. The results were as follows :

**Table 7 Budget Consultation – New Investment**

	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
	%	%	%	%	%
Dial a ride	43	24	18	10	5
Older peoples support grant	44	34	14	5	3
Apprenticeships	42	38	13	4	3
Grants	39	26	18	9	8
Free bulky collection	39	27	13	14	7

In conclusion there was general agreement for all the new investment proposals contained within the Consultation Budget

**Changes to Consultation Budget**

31 The changes to the Council's General Fund Consultation Budget are summarised in table 8 below, with details shown in Appendices 1 -3

**Table 8 Changes to Consultation Budget**

	2013/14	2014/15	2015/16	2016/17
	£000's	£000's	£000's	£000's
<b>Net expenditure per consultation budget</b>	<b>24,133</b>	<b>23,323</b>	<b>22,043</b>	<b>21,891</b>
Additional New Homes Bonus	(124)	(124)	(124)	(124)
Pay settlement	(507)	(1,047)	(1,309)	(1,433)
Homelessness prevention	957	957	957	957
Economic Development	150	150	150	0
Parish council tax support grant	24	0	0	0
Council tax grant shown in funding below	278	285	0	0
Direct revenue funding of capital	116	(241)	(53)	(241)
<b>Net Budget Requirement</b>	<b>25,027</b>	<b>23,303</b>	<b>21,664</b>	<b>21,050</b>
<b>FUNDING</b>				
Formula Grant and specific grants	13,880	12,063	10,254	9,469
Council Tax	11,074	11,240	11,410	11,581
Collection fund surplus	73	0	0	0
<b>Total Funding</b>	<b>25,027</b>	<b>23,303</b>	<b>21,664</b>	<b>21,050</b>

<b>GENERAL FUND WORKING BALANCE</b>				
Opening	3,621	3,621	3,621	3,621
Transferred to/(from)	0	0	0	0
<b>Closing</b>	<b>3,621</b>	<b>3,621</b>	<b>3,621</b>	<b>3,621</b>

### **Risk Implications**

32 The main risks to the General Fund budget are set out in Appendix 8, they include:

- Closure of businesses in the city will adversely affect the Council's financial position through loss of business rate income if not covered by the safety net
- The Council's Revenue Support Grant is significantly worse than estimated in future years following the outcome of the next spending review
- Welfare reforms which will come in from 2013/14 may affect the authority more adversely than estimated, for instance by increased homelessness, or by Housing Benefit Administration Grant being reduced by the government (we are scheduled to receive around

£1million in 2013/14 but there are no guarantees about this grant thereafter) without workload reducing

- Localising support for Council Tax may cost the Council more than estimated as the grant awarded to the Council may be insufficient should caseload increase.
- New Homes Bonus - This is based on estimated numbers of new dwellings constructed and occupied during a given 12 month period, clearly this will be subject to variation. Whilst any reduction in NHB can be partially offset by reducing the Capital Program and subsequently revenue contributions this does not cover the whole of the bonus.
- Interest rates falling lower than projected
- Additional pressures on the 2012-13 budget between now and the year end that could impact on 2013-14.
- Efficiencies and savings especially those arising from trading are not delivered. Trading income from Direct Services in areas such as engineering, motor and building works provides contributions to offset overheads in the order of £500,000 per annum. This 'translates' into turnover of £4.4 million per annum. The Direct Services unit is currently proactively bidding for a number of contracts with other authorities and Housing Associations but failure to win contacts to meet the expected turnover could lead to significant business restructuring in order to reduce cost. Whilst this is being mitigated in the short to medium term by the holding of contingencies it will undermine the longer term financial stability of the council if this activity is not successful.

## **Section B Housing Revenue Account Budget**

### **Issues arising since the publication of the consultation budget**

- 33 Following agreement of the Council's HRA Consultation Budget on the 19<sup>th</sup> December 2012 the Government have published the final Housing Determinations. There are no changes to the provisional determinations and hence no financial impact on the Council's HRA
- Rental assumptions in the settlement will be as previously stated, namely that the rent restructuring formulae will continue to be adopted. The RPI used is the September prior to the beginning of the new financial year. So for 2013/14 the RPI used, will be September 2012, which was 2.6%.
  - The cap on housing debt will be measured through the Housing Capital Financing Requirement (which is the long-term need for borrowing to support the business plan). It is estimated this will not change and will remain the same as for 2012/13, namely £241m.
  - The HRA ring fence remains.

- Clarity regarding the use of Right To Buy receipts has now been received following the Government's initiative to re-invigorate the RTB agenda. Despite the offer of increasing the maximum discount cap to £75k, there have been no completions to date during 2012/13 although there has been a marked increase in the numbers of applications.. This may be down to general economic factors, availability and cost of current mortgage products and the demographics of the Council's existing tenant population. Briefly the Government's policy (that the Council has signed up to) states that pooling of RTB receipts remains for the numbers within Department for Communities and Local Government's self-financing valuation. For Oxford City Council this equates to 9-10 properties per year. Any RTB sales above this figure and the associated capital receipts will not be subject to pooling as long as the Council spends them within 3 years on new affordable housing schemes.

### **Rent Increase**

- 34 In light of the final determination the rent restructuring formula remains under self-financing and increases will be based on RPI at 2.6% + 0.5% + £2. This will mean that average rents for 2013/14 will rise by **£4.27/week or 4.61%** meaning that the average rent for 2013/14 will be £96.83/week. This is expected to produce an additional £1.58 million per annum. A detailed summary of the range of increases for each dwelling type within the stock (excluding leased properties) is provided at Appendix 5.

It is fair to say that whilst rental convergence dates are part of the rent setting formula, in reality it is unlikely that all Council tenants will converge to the formula rents within this timescale.

The policy in which property rents are automatically placed at the formula level following a void period will continue during 2013/14, thus ensuring many properties converge. Once this occurs rent increases thereafter would be limited to RPI + 0.5%.

### **Tenant Consultation**

- 35 During January 2013 a number of events were held with tenants to explain the reasons for rent increases and the amount of rent increase and service charge increases recommended. In addition information was also included within the Tenants Newsletter. The response to the consultation was low but of those responses received the majority either supported the rent increase and/or were positive on the level of service currently being offered by the Council.
- 36 Appendix 4 gives a detailed analysis of the HRA for the period 2013/14 to 2016/17 which is summarised below:

**Table 9**

**DRAFT HOUSING REVENUE ACCOUNT PROJECTIONS 2013/17**  
**Oxford City Council**

	2013-14 £'000	2014-15 £'000	2015-16 £'000	2016-17 £'000
<b>Total Income</b>	<b>(42,818)</b>	<b>(44,537)</b>	<b>(46,578)</b>	<b>(48,416)</b>
<b>Total Revenue Expenditure</b>	<b>34,480</b>	<b>35,039</b>	<b>35,422</b>	<b>35,832</b>
<b>Net Operating Expenditure/(Income)</b>	<b>(8,338)</b>	<b>(9,498)</b>	<b>(11,156)</b>	<b>(12,584)</b>
<b>Total Appropriations</b>	<b>11,467</b>	<b>10,709</b>	<b>6,541</b>	<b>15,714</b>
<b>ANNUAL (SURPLUS) / DEFICIT</b>	<b>3,129</b>	<b>1,211</b>	<b>(4,615)</b>	<b>3,130</b>
Opening Balance	(8,799)	(5,670)	(4,459)	(9,074)
Closing Balance	<b>(5,670)</b>	<b>(4,459)</b>	<b>(9,074)</b>	<b>(5,944)</b>

**Working Balance**

- 37 The working balance levels allow sufficient monies for the funding of future years capital programme and also the repayment of the debt described above. Within this amount the Section 151 officer has recommended an amount of £3.5 million as being required to cover unexpected eventualities such as increased rent arrears, falling investment income or increased costs.

**Risk Implications**

- 38 The main risks to the balanced position of the consultation budget (Appendix 8) are:
- Increased tenants arrears due to the introduction of the Direct Payments Scheme, HB changes and other benefit changes arising from welfare reform e.g. Local Housing Allowance.
  - Increased RTB sales. Whilst robust revenue budget implications are identified in the BP the impact on the Housing Service and the Council as a whole if the stock does start to rapidly diminish need to be identified, evaluated and managed.
  - Non-achievement of planned efficiencies.
  - Since the capital programme is now largely funded by revenue, variations in the cost of schemes may have an adverse effect on the plan if the position is not closely monitored

## Section C Capital Budget

39 The Consultation Budget proposed a Capital Programme of over £115 million over the four year period. In 2013/14 there were over £13 million of General Fund new schemes. Changes to the Consultation Budget include

- Slippages carried forward from 2012/13 identified in the current financial year to date
- Oxford Spires –£200k contribution to the development of the Academies Sports Centre for community use
- Town Hall remedial works totaling £200k to enable letting of the 1930s extension

40 Appendix 6 attached details the Council's Draft Capital Programme for 2013/14 to 2016/17 and this is summarized in table 11 below

**Table 10 Summary of Capital Programme – 2013/14 to 2016/17**

<b>Capital Programme 2013/14 to 2016/17</b>				
	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>Consultation Budget</b>				
New Bids	4,244	4,848	790	2,215
Other General Fund	16,886	5,058	3,846	967
Housing Revenue Account	19,054	21,247	14,310	22,360
<b>Total Consultation Budget</b>	<b>40,184</b>	<b>31,153</b>	<b>18,946</b>	<b>25,542</b>
<b>Slippages from 2012/13</b>	2,817	0	0	0
<b>Oxford Spires</b>	200			
<b>Town Hall</b>	200			
<b>Total Programme</b>	<b>43,401</b>	<b>31,153</b>	<b>18,946</b>	<b>25,542</b>

### **Risk Implications impacting on the Capital Programme**

41 The main risks to the balanced position of the consultation budget (Appendix 8) are:

- Slippage in the Capital Programme and impact on delivery of priorities.

- Disposals not secured causing a shortfall in funding of schemes to mitigate this it is anticipated that as in previous years any uncommitted underspend within the current financial year will be carried forward to capital.

#### **Fees & Charges**

42 The Budget for 203/14 includes additional income of £1.692 million from fees, charges and trading. Appendix 7 attached provides a schedule of the proposed fees and charges for 2013/14, these have been proposed in accordance with the income strategy.

#### **Financial Implications**

43 These are covered within the main body of the report

#### **Legal Implications**

44 Under Section 30 of the Local Government Finance Act 1992 the Council is required to set a Council Tax by 11<sup>th</sup> March 2013 for the 2013/14 financial year.

#### **Risk Implications**

45 These are outlined above and detailed in Appendix 9 attached.

#### **Equalities Impact Assessment**

46 The Council is committed to ensuring equality in service provision and the impact of budget and service changes are considered in relation to the 9 protected characteristics as identified in the Equalities Act 2010. The Equalities Impact Assessment in relation to this report showing the implications on the recommended budget is attached at Appendix 9

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**List of background papers:**

**Version number:**

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