

Detail of base budget changes by cost centre**Annex A**

	2023/24 budget	Pay inflation	Contracts	Reverse one offs	Budget change	2024/25 budget	2022/2023 Actual	2023/2024 Budget	2024/2025 Estimate
Assets	(2,480,306)	64,432		(39,137)	63,509	(2,391,502)	(2,228,555)	(2,480,306)	(2,391,502)
Waste & Environmental	7,092,966	24,811	826,014	(10,250)	(134,773)	7,798,768	7,234,391	7,092,966	7,798,768
Comms & Marketing	176,787	10,169			11,982	198,938	165,399	176,787	198,938
Contracts	314,947	12,144	(441,171)	(575,813)	(2,814)	(692,707)	(80,497)	314,947	(692,707)
Corporate Finance	1,654,621	41,166	275,000	(47,550)	313,796	2,237,033	2,065,229	1,654,621	2,237,033
Corporate Responsibility	1,675,701	34,402		(12,033)	65,211	1,763,281	1,559,769	1,675,701	1,763,281
Customer Experience	1,144,301	78,416		(8,060)	(70,278)	1,144,379	968,552	1,144,301	1,144,379
Development Management	830,162	133,084		(166,000)	(17,330)	779,916	534,327	830,162	779,916
Env'l & Regulatory Services	102,932	6,322			(944)	108,310	95,815	102,932	108,310
Finance	828,270	39,375			4,572	872,217	790,612	828,270	872,217
Insight & Intelligence	594,355	72,829			31,211	698,395	568,609	594,355	698,395
Localities	641,221	20,454			(62,455)	599,220	596,499	641,221	599,220
Operational Services	1,707,271	110,269			(42,575)	1,774,965	1,398,051	1,707,271	1,774,965
People	318,931	18,798			(4,008)	333,721	295,180	318,931	333,721
Technology	1,414,271	86,431			(14,090)	1,486,612	1,158,558	1,414,271	1,486,612
	16,016,431	753,102	659,843	(858,843)	141,014	16,711,547	15,121,938	16,016,431	16,711,547

Assets:

This budget covers our operational buildings, commercial properties and our climate change programme. Investment property voids have been included in the budget on an individual tenancy basis, not as a generic percentage in order to more accurately identify expected rental income in 2024/25. Also included are any existing rent free periods, now an industry standard when establishing a new 10 to 15 year lease. The level of income will ebb and flow over time as premises are vacated and tenanted, but over the life of a 10 year lease the income foregone by the Council for a rent free period is 5% of the total.

The Climate Change programme has benefited from significant investment in additional resource in the last financial year in order to help deliver on the Council's Priorities. There is over £100,000 in earmarked reserves which will fund initiatives going forward.

Waste & Environmental:

This budget covers grounds maintenance and waste and contains large parts of the Ubico budget. Work is being carried out to develop a range of options to deliver long term revenue savings from the Waste Service to offset the unsustainable annual increases seen in the last 3 financial years. The income budget for Green Waste has been increased by £165,000 reflecting a proposed uplift of £5 in license fee to £50 a year for 2024/25. This is against the average 2023/24 cost of a licence in our 10 nearest Local Authorities of £54 a year.

The Ubico budget has been increased by £826,014. This figure reflects the general uplift in pay inflation in response to the cost of living crisis and a significant rise in vehicle hire costs to supplement the phasing of the proposed Waste Vehicle replacement programme which will be brought to Executive for approval in February 2024.

Communications and Marketing:

Individual Business Managers have input into their marketing spend but work directly with the specialists in the Comms team who bring their expertise to each task and find the most effective and cost efficient way to reach the largest number of people. It is a priority to increase our engagement with residents via Social Media as well as more traditional channels. There are no material changes to the 2024/25 budget.

Contracts:

The main item in this budget is the Leisure contract. The expected reduction in budget comes from the reversal of an income contingency in 2023/24 of the contracted Management Fee due for the year, shown in the table above. Senior Officers continue to work with our leisure provider, GLL, to stabilise the West Oxfordshire leisure offering and maximise the ability of GLL to remit the full management fee. All realistic options on how the contract is delivered have been assessed with an update coming forward to Members in the new year.

Corporate Finance:

This section covers centralised services like Legal and Treasury. The increase of £275,000 in the table above relates to the expenditure included in the budget for the initial costs of the Publica review which Executive have agreed to fund from earmarked reserves.

Corporate Responsibility:

These are central governance costs, members costs, election costs etc. The budget changes in the above table relate to the pay awards agreed in 2023/24 and a 6% increase in Members allowances - agreed by which independent committee?

Customer Experience:

There are a variety of services contained in this area from Customer Services and Front of House to Homelessness. The additional expenditure identified for 2024/25 has been funded by savings in other parts of the service.

Development Management:

Planning applications, appeals, conservation and flood defence are covered by this budget which has seen an increase in both income and costs. The government announced an increase of 25% to planning application fees and a 35% increase for major applications from 6th December 2023. The budget therefore includes increased Planning fee income of £182,00 of which half is lost to an increase in external legal costs to support the Council at Planning Appeals. Each appeal costs on average from £20,000 to £60,000 dependent on the complexity and we have seen these costs rise considerably over the last two years.

Environmental and Regulatory Services:

There are no significant changes to highlight in this budget.

Finance:

There are no significant changes to highlight in this budget, the movement in the above table relates to the pay award agreed in 2023/24.

Insight and Intelligence:

The main focus of this budget is planning policy and economic development. There are two new FTC posts in this area in 2024/25, a Strategic Housing Officer who will work to bring forward a Strategic Housing Plan in the second half of 2024/25 addressing the pressures on the supply of affordable housing in the District and an Economic Development Assistant who will help support local businesses.

Localities:

These are the budgets for communities, arts and tourism. Savings have been identified in legacy budgets, excluding staff, and have been removed in 2024/25. There have been no other material changes to this budget.

Operational Services:

This department covers all aspects of benefit payments and revenue collection, including fraud investigation. It also covers Pollution Control, Food Safety and Markets. There are a number of modest revenue savings that have been identified and removed from legacy budget lines. The number of households presenting as homeless has tripled since March 2020 and is continuing to rise. The Council is able to provide 22 units of homelessness accommodation in its own properties with the excess demand utilising Bed & Breakfasts or Hotels. The approval to make some FTC posts in the Homelessness team permanent in 2023/24 will stabilise the service and allow officers to better support clients and help to move them out of temporary accommodation and into more secure tenancies.

People:

People covers human resources and training. There are no significant changes to highlight in this budget.

Technology:

This budget predominantly covers ICT. There are increases in software licence support & maintenance to reflect the current market rate increases, which are linked to inflation. These rises have been deferred and negotiated down where possible and, as much as we can, we've found or generated savings to offset them. Additional cyber security protection is required to increase the Council's resilience and is included in the base budget as part of the software licence support costs.