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Committee: **Budget Planning Committee**

Date: **Tuesday 16 September 2025**

Time: **6.30 pm**

Venue: **39 Castle Quay, Banbury, OX16 5FD**

Membership

Councillor Edward Fraser Reeves (Chair)
Councillor Dom Vaitkus (Vice-Chair)
Councillor Tom Beckett
Councillor Gordon Blakeway
Councillor Mark Cherry
Councillor Andrew Crichton
Councillor Frank Ideh
Councillor Robert Parkinson
Councillor Rob Pattenden
Councillor David Rogers
Councillor Les Sibley
Councillor Barry Wood

AGENDA

1. Apologies for Absence and Notification of Substitute Members

2. Declarations of Interest

Members are asked to declare any interest and the nature of that interest which they may have in any of the items under consideration at this meeting.

3. Minutes (Pages 5 - 10)

To confirm as a correct record the minutes of the meeting held on 8 July 2025.

4. Chair's Announcements

To receive communications from the Chair.

5. Requests to Address the Meeting

The Chair to report on any requests to address the meeting.

6. Urgent Business

The Chair to advise whether they have agreed to any item of urgent business being admitted to the agenda.

7. Quarter 1 Finance Monthly Performance Report 2025-2026 (Pages 11 - 40)

Report of Assistant Director of Finance (Section 151 Officer)

Purpose of report

To report to the Committee the council's financial position at the end of the financial year 2025-2026.

Recommendation

The Budget Planning Committee resolves:

1.1 To note the contents of this report.

8. Budget Process 2026/27 (Pages 41 - 56)

Report of Assistant Director of Finance (Section 151 Officer)

Purpose of the report

This report is to inform the Committee of the proposed approach to the 2026/27 Budget Process, as approved by the Executive at its meeting 2 September 2025. The report provides context and background information on the existing Medium-Term Financial Strategy and information on latest government announcements relevant to the Strategy.

Recommendations

The Budget Planning Committee resolves:

1.1 To note the Budget Process for 2026/27.

1.2 To note the base assumptions to be used for the 2026/27 budget.

1.3 To note that a five-year period for the Medium-Term Financial Strategy to 2030/31 and five-year period for the Capital Programme to 2030/31 has been set.

9. Review of Committee Work Plan (Pages 57 - 58)

To review the Committee Work Plan.

Councillors are requested to collect any post from their pigeon hole in the Members Lounge at the end of the meeting.

Information about this Meeting

Apologies for Absence
Apologies for absence should be notified to democracy@cherwell-dc.gov.uk or 01295 221534 prior to the start of the meeting.

Declarations of Interest
Members are asked to declare interests at item 2 on the agenda or if arriving after the start of the meeting, at the start of the relevant agenda item.

Local Government and Finance Act 1992 – Budget Setting, Contracts & Supplementary Estimates
Members are reminded that any member who is two months in arrears with Council Tax must declare the fact and may speak but not vote on any decision which involves budget setting, extending or agreeing contracts or incurring expenditure not provided for in the agreed budget for a given year and could affect calculations on the level of Council Tax.

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Queries Regarding this Agenda
Please contact Matt Swinford, Democratic and Elections Team democracy@cherwell-dc.gov.uk, 01295 221534

Shiraz Sheikh
Monitoring Officer

Published on Monday 8 September 2025

Cherwell District Council

Budget Planning Committee

Minutes of a meeting of the Budget Planning Committee held at 39 Castle Quay, Banbury, OX16 5FD, on 8 July 2025 at 6.30 pm

Present:

Councillor Edward Fraser Reeves (Chair)
Councillor Dom Vaitkus (Vice-Chair)
Councillor Tom Beckett
Councillor Gordon Blakeway
Councillor Mark Cherry
Councillor Andrew Crichton
Councillor Frank Ideh
Councillor Rob Pattenden
Councillor David Rogers
Councillor Les Sibley
Councillor Barry Wood

Substitute Members:

Councillor Gemma Coton (In place of Councillor Robert Parkinson)

Apologies for absence:

Councillor Robert Parkinson

Also Present:

Councillor Lesley McLean, Deputy Leader and Portfolio Holder for Finance, Property and Regeneration

Officers:

Michael Furness, Assistant Director Finance & S151 Officer
Joanne Kaye, Head of Finance and Deputy Section 151 Officer
Jacey Scott, Head of Revenues and Benefits
Matt Swinford, Democratic and Elections Officer

Officers Attending Virtually:

Leanne Lock, Strategic Business Partner - Business Partnering & Controls

3 Declarations of Interest

There were no declarations of interest.

4 Minutes

The Minutes of the meetings of the Committee held on 4 March 2025 and 21 May 2025 were agreed as correct records and signed by the Chair.

5 Chair's Announcements

There were no Chair's announcements.

6 Requests to Address the Meeting

There were no requests to address the meeting.

7 Urgent Business

There were no items of urgent business.

8 Finance Monitoring Report

The Assistant Director of Finance (Section 151 Officer) submitted a report to advise of the Council's financial positions at the end of the financial year 2024-2025.

In introducing the report, the Portfolio Holder for Finance, Property and Regeneration advised the Committee that the Councils' capital outturn position for 2024/25 was a surplus of £162k after the proposed contributions made to reserves of £2.02million. The outturn position showed pressures of £730k which had been offset by an underspend of £2.733mil across policy contingency and executive matters.

Regarding reserves, the Portfolio Holder for Finance, Property and Regeneration explained that, subject to Executive approval, there was a closing balance of £41mil revenue and £5mil capital. Under the delegated authority outlined in the reserves policy, the Assistant Director of Finance (Section 151 Officer) had approved the contributions to and uses of capital reserves for 2024/25. This included the usage of £1.496m of capital receipts and £0.679m of capital grants unapplied which was used to support the overall funding of the capital programme. This usage reduced the Council's Capital Financing Requirement and therefore the associated ongoing Minimum Revenue Provision which was met from the revenue budget.

In response to a question by the Committee querying if the £2mil amount proposed to be moved to reserves was a one off or could become normal practice in future years, the Assistant Director of Finance advised that this was down to good treasury management by officers however the amount was not an amount expected in future years and in the long term.

Resolved

(1) That the report be noted.

9 **Council Tax Reduction Scheme 2026/27**

The Assistant Director of Finance (S151 Officer) submitted a report for Members to consider the proposed banded scheme for Council Tax Reduction (CTR) for 2026/27.

In introducing the report, the Portfolio Holder for Finance, Property and Regeneration advised the Committee that the scheme was an update to the current scheme that was introduced in April. There were no proposed changes to the scheme and it was recommended that the current scheme, uprated for inflationary factors, continue.

The Portfolio Holder for Finance, Property and Regeneration explained that there was a proposed change to the administration of the process to include Universal Credit customers as Council Tax Reduction (CTR) applicants by accepting the DWP information through the data sharing agreement. There was an anticipated nominal increase of £72k in the cost of the scheme, however this would be offset by the streamlined administration of onboarding new CTR claims at the point of the customer claiming Universal Credit.

Members of the Committee commented that it was an excellent scheme and the proposed change to the administration would make the scheme even better for those eligible. Members commended officers for the 98.02%Council Tax collection rate in Cherwell, which was reported as the highest rate for all authorities within Oxfordshire.

Resolved

(1) That the contents of the report and any financial implications for the Council be noted.

(2) That, having given due consideration, Executive be recommended to agree that the current scheme is retained for 2026/27.

10 **Business Rates Reset Consultation**

The Assistant Director Finance (S151 Officer) submitted a report to update the Committee on the Business Rates Reset consultations; one of which took place in April and a follow up that was launched 20 June for responses in mid-

August. These consultations related directly to the Medium-Term Financial Strategy (MTFS) 2026/27 – 2030/31.

In introducing the report, the Portfolio Holder for Finance, Property and Regeneration advised the Committee that the Government had launched a consultation earlier in the year on the technical aspects that officers had responded to, however a second consultation was launched on 20 June with a closing date of 15 August. Officers would be drafting a response and comments from the Committee were invited.

At the Committee's request, the Assistant Director Finance explained, in layman's terms, the proposed business rates reset. The Assistant Director Finance advised that currently the Council was able to retain a proportion of business rates revenue collected with the remaining percentage going to central government. The central share was redistributed to local government through grants. Councils could keep the revenue generated from businesses in their area and the Cherwell district had good growth during the last 12 years. The Assistant Director Finance explained that the Government's proposed business rates reset was a full reset which would mean that the distribution of the rates would change and it was expected the impact of the changes would reduce the council's funding by 40%.

In answer to a question from a member of the Committee regarding the impact of the Business Rates Reset on the agreed Medium Term Financial Strategy (MTFS), the Assistant Director Finance advised that the approved MTFS made the broad assumption that there would be a full business rates reset and would be phased over three years which was the approach given by government in the consultation.

Resolved

(1) That the Council's response to the Business Rates Reset consultation which was open between 8 April and 2 June be noted.

(2) That the Fair Funding 2.0 consultation that was launched on 20 June with a closing date of 15 August be noted.

11 **Review of Committee Work Plan**

The Committee considered it's work plan. In response to a Committee member query if the Committee was able to propose and consider an assessment from officers on the budgetary impacts of the proposed incoming legislation that required the council to collect glass at the kerbside instead of glass bottle banks, the Chair requested officers provide a written response to the query.

Resolved

(1) That the work programme be noted.

The meeting ended at 7.17 pm

Chair:

Date:

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This report is public	
Quarter 1 Finance Monthly Performance Report 2025-2026	
Committee	Budget Planning Committee
Date of Committee	16 September 2025
Portfolio Holder presenting the report	Councillor Lesley McLean, Portfolio Holder for Finance, Property and Regeneration
Date Portfolio Holder agreed report	5 September 2025
Report of	Assistant Director of Finance (Section 151 Officer), Michael Furness

Purpose of report

To report to the committee the council's financial position at the end of the financial year 2025-2026.

1. Recommendations

The Budget Planning Committee resolves:

1.1 To note the contents of this report.

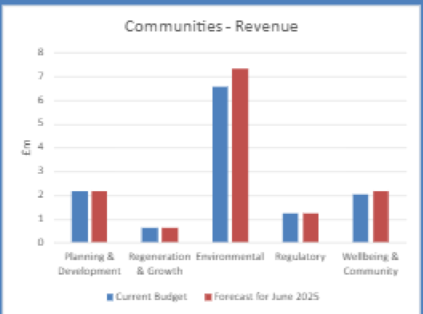
2. Executive Summary

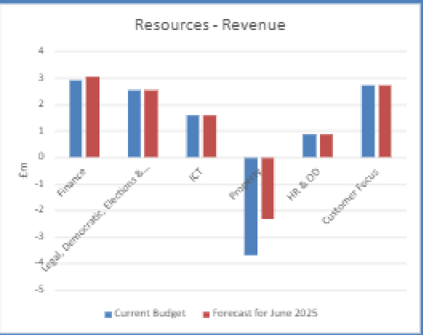
2.1 CDC monitors its financial position on a monthly basis. This report provides the forecast outturn position for the year end based on the position as at 30 June 2025.

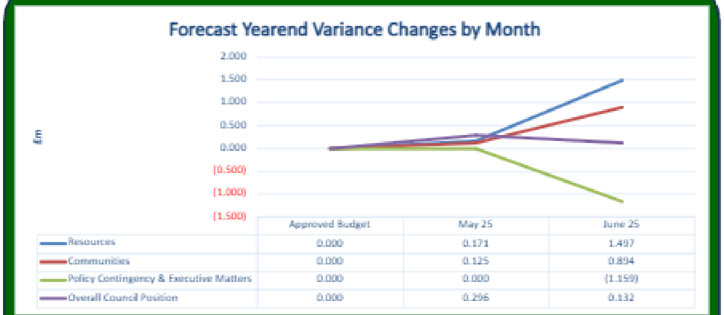
2.2 The Finance section presents the forecast yearend revenue position for the 2025/26 financial year. It is concerning that there are significant forecast overspends identified in the Directorates for which mitigations have not been identified or proposed. The budget is the financial interpretation of the priorities of the council. Therefore, a service forecasting an overspend should always look to identify what mitigations could be put in place to reduce expenditure before expecting other services to look to reduce theirs; expenditure reductions may result in service delivery implications, which would require approval before being implemented.

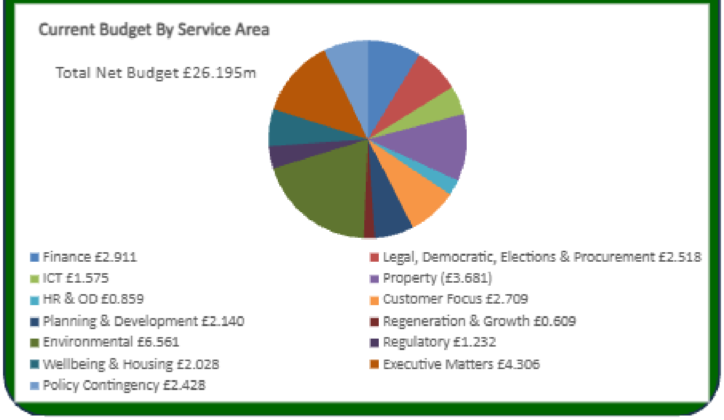
2.3 It is critical for the council, in order to maintain strong levels of budgetary control, that it is recognised that service delivery cannot be maintained at the expense of budget management. Identifying budget mitigations is a fundamental part of budgetary control within the council and it must be applied across all areas. Whilst corporate mitigations have been partially identified for 2025/26, this does not reduce the responsibility of the services to operate within their approved budget. As a result, the council will resume discussion with those services with significant forecast overspends with the Budget Oversight Group so that mitigations can be identified and service implications considered. Where necessary mitigations will be brought before the committee for approval.

2.4 The summary position is provided in the dashboard:









Service Analysis

Service	Finance	Legal, Democratic, Elections & Procurement	ICT	Property	HR & OD	Customer Focus	Planning & Development	Growth & Economy	Environmental	Regulatory	Wellbeing & Housing	Executive Matters	Policy Contingency	Total
Budget approved by Council	2.911	2.518	1.575	-3.681	0.859	2.709	2.140	0.609	6.561	1.232	2.028	4.306	2.428	26.195
Budget Adjustments approved:														
Current Budget	2.911	2.518	1.575	-3.681	0.859	2.709	2.14	0.609	6.561	1.232	2.028	4.306	2.428	26.195
Finance Overspend - Universal credit & fewer court summons	0.115													0.115
delay in overtime policy					0.024									0.024
Top slice of grants & IT license costs											0.125			0.125
Environmental - gate fees, agency									0.769					0.769
Property				1.343									-1.100	0.243
IT			0.015											0.015
Additional EPR funding												-0.309		-0.309
Treasury												-0.350		-0.350
Dividend												-0.500		-0.500
Current (Under)/Overspends	0.115	0.000	0.015	1.343	0.024	0.000	0.000	0.000	0.769	0.000	0.125	-1.159	-1.100	0.132

Mitigation Table

Service	Forecast Overspend	Potential Mitigations	Potential revised Forecast Outturn	Detail on mitigation
Finance	0.115		0.115	
Legal, Democratic, Elections & Procurement	0.000		0.000	
ICT	0.015		0.015	Filling a vacant post part way through the year
Property	1.343	(0.034)	1.309	Windfall Insurance Income for car park damages
HR & OD	0.024		0.024	
Customer Focus	0.000		0.000	
Resources & Transformation	1.497	-0.034	1.463	
Planning & Development	0.000		0.000	
Regeneration & Growth	0.000		0.000	
Environmental	0.769		0.769	
Regulatory	0.000		0.000	
Wellbeing & Housing	0.125		0.125	
Communities	0.894	0.000	0.894	
Total	2.082	-0.034	2.048	
FUNDING	0	0	0	
Potential Revised Forecast (Surplus)/Deficit			2.048	

Implications & Impact Assessments

Implications	Commentary
Finance	There are no financial implications associated directly with this report. Financial and Resource implications are detailed within sections 4.1 and 4.2 of this report. The reserves policy requires Executive to agree transfers to and from earmarked reserves and general balances during the financial year. It is critical for the council, in order to maintain strong levels of budgetary control, that it is recognised that service delivery cannot be maintained at the expense of budget management. Identifying budget mitigations is a fundamental part of budgetary control within the council and it must be applied across all areas. Whilst corporate mitigations have been partially identified for 2025/26, this does not reduce the responsibility of the services to operate within their approved budget. As a result, the council will resume discussion with those services with significant forecast overspends with the Budget Oversight Group so that mitigations can be identified and service implications considered. Where necessary mitigations will be brought before the committee for approval. Michael Furness, Assistant Director of Finance, 2 September 2025
Legal	There are no legal implications arising at this stage. However the report emphasises the importance of budget management and the need to maintain budgetary control. The Council has a fiduciary duty to council taxpayers, which means it must consider the prudent use of resources, including control of expenditure, financial prudence in the short and long term and the need to act in good faith in relation to compliance with statutory duties and exercising statutory powers. The Council has a statutory obligation to maintain a balanced budget and the monitoring process enables Executive to remain aware of issues and understand the actions being taken to maintain a balanced budget.

	The report sets out as at June 2025 finance position for the Council as part of its fiduciary duty to implement budgetary controls and monitoring. Denzil Turbervill, Head of Legal, 2nd September 2025			
Risk Management	There are no risk implications arising directly from this report. Financial resilience risk is managed, and reported quarterly, through the Leadership Risk register. Celia Prado-Teeling, Performance & Insight Team Leader, 22 August 2025			
Impact Assessments	Positive	Neutral	Negative	Commentary
Equality Impact		X		There are no equalities implications arising directly from this report. Celia Prado-Teeling, Performance & Insight Team Leader, 22 August 2025
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Climate & Environmental Impact		X		N/A
ICT & Digital Impact		X		N/A
Data Impact		X		N/A
Procurement & subsidy		X		N/A
Council Priorities	N/A			
Human Resources	N/A			
Property	N/A			
Consultation & Engagement	This report sets out the financial forecast for the financial year ended 31 March 2026, therefore no formal consultation or engagement is required.			

Supporting Information

3. Background

3.1 The council actively and regularly monitors its financial position to ensure it can deliver its corporate priorities and respond effectively to emerging issues.

3.2 This monitoring takes place monthly for finance, so the council can identify potential issues at the earliest opportunity and put measures in place to mitigate them.

4. Details

4.1.1 As of June, directorates are forecasting an overall year end overspend of £2.391m (12.3% of net budget), a significant increase from the forecast year end position of £0.296m in May. This is driven mainly by pressures in Property (£1.343m) and Environmental Services (£0.769m). The Property overspend reflects a sharp deterioration since May. These pressures are partially offset by stable performance in most other services.

4.1.2 Within Executive Matters there is an underspend on treasury of £0.35m and officers believe it that given the last two years of dividends from Graven Hill it would not be imprudent to forecast a further £0.5m receipt this year. Finally, it is proposed that £1.1m of Market Risk be released from Policy Contingency to offset the remaining forecast directorate overspend until mitigations are put in place. The total forecast deficit, after funding, stands at £0.132m.

4.1.3 The projected outturn for services is summarised below in Table 1 and further detailed explanations for variances can be found in Appendix 2. The graph below shows the Budget compared with the forecast to the end of the financial year.

Graph 1: Budget compared with Forecast

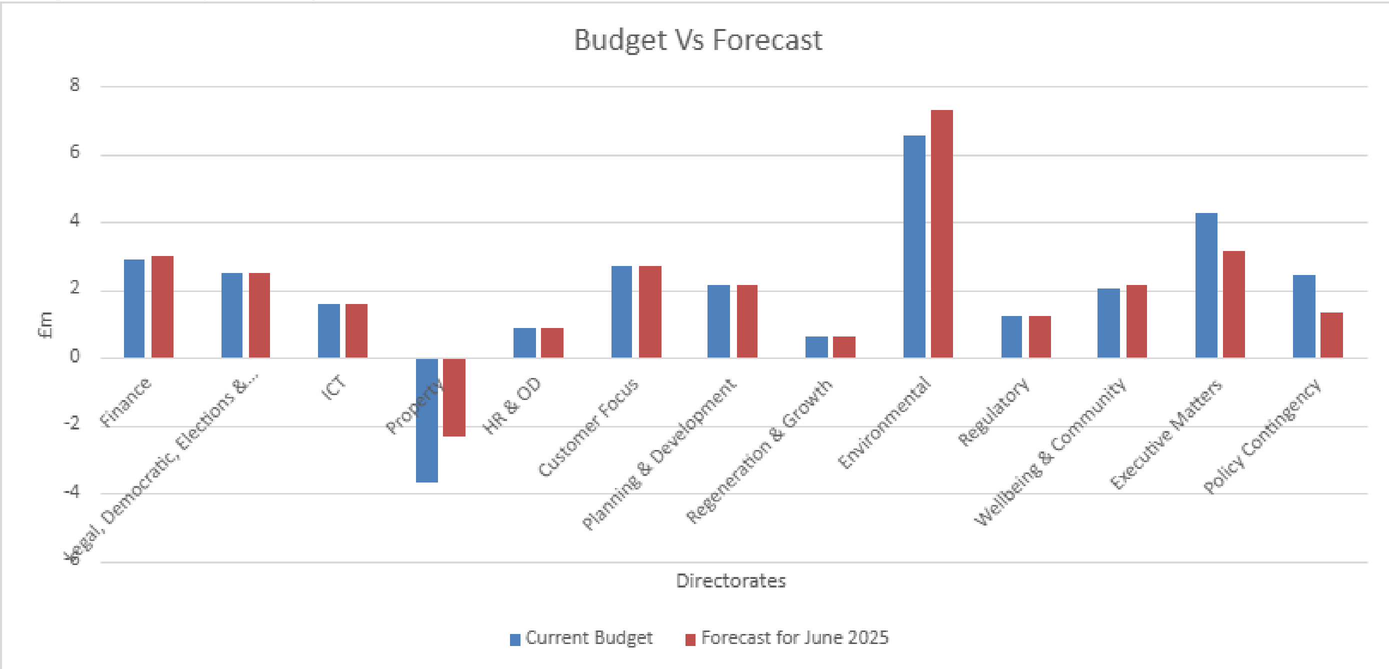


Table 1: Year End Position

Service	Current Budget £m	June Forecast Outturn £m	June Variance (Under) / Over £m	% Variance to current budget %	May Variance (Under) / Over £m	Change since Previous (better) / worse £m
Finance	2.911	3.026	0.115	4.0%	0.147	(0.032)
Legal, Democratic, Elections & Procurement	2.518	2.518	0.000	0.0%	0.000	0.000
ICT	1.575	1.590	0.015	1.0%	0.000	0.015
Property	(3.681)	(2.338)	1.343	36.5%	0.000	1.343
HR & OD	0.859	0.883	0.024	2.8%	0.024	0.000
Customer Focus	2.709	2.709	0.000	0.0%	0.000	0.000
Resources & Transformation	**6.891**	**8.388**	**1.497**	**21.7%**	**0.171**	**1.326**
Planning & Development	2.140	2.140	0.000	0.0%	0.000	0.000
Regeneration & Growth	0.609	0.609	0.000	0.0%	0.000	0.000
Environmental	6.561	7.330	0.769	11.7%	0.000	0.769
Regulatory	1.232	1.232	0.000	0.0%	0.000	0.000
Wellbeing & Housing	2.028	2.153	0.125	6.2%	0.125	0.000
Communities	**12.570**	**13.464**	**0.894**	**7.1%**	**0.125**	**0.769**
Subtotal for Directorates	**19.461**	**21.852**	**2.391**	**12.3%**	**0.296**	**2.095**
Executive Matters	4.306	3.147	(1.159)	-26.9%	0.000	(1.159)
Policy Contingency	2.428	1.328	(1.100)	-45.3%	0.000	(1.100)
Total	**26.195**	**26.327**	**0.132**	**0.00%**	**0.296**	**(0.164)**
FUNDING	**(26.195)**	**(26.195)**	**0.000**	**0.0%**	**0.000**	**0.000**
Forecast (Surplus)/Deficit	**0.000**	**0.132**	**0.132**		**0.296**	**(0.164)**

Note: A positive variance is an overspend or a reduction in forecast income and a (negative) is an underspend or extra income received. Green represents an underspend and red represents a overspend for the current month's forecast.

4.1.4 Table 2 below analyses the variances to distinguish between base budget variances and variances resulting from the non-delivery of previously approved savings. The non-delivery of savings has a knock-on impact on the Medium-Term Financial Strategy as failure to deliver on an ongoing basis adds to future pressures.

Table 2: Analysis of Variance – June 2025

Breakdown of current month forecast	June Forecast Outturn £m	Base Budget Over/ (Under) £m	Savings Non-Delivery £m
Resources	1.497	1.451	0.046
Communities	0.894	0.894	0.000
Subtotal Directorates	**2.391**	**2.345**	**0.046**
Executive Matters	(1.159)	(1.159)	0.000
Policy Contingency	(1.100)	(1.100)	0.000
Total	**0.132**	**0.086**	**0.046**
FUNDING	**0.000**	**0.000**	**0.000**
(Surplus)/Deficit	**0.132**	**0.086**	**0.046**

Savings Non-Delivery as detailed above relates to:

- Removing vacant job posts where possible £0.019m
- Simplifying the job evaluation process by using one scheme instead of two – contract with Zellis not being renewed in November 2025 £0.007m
- Reducing weekday overtime rates to standard pay £0.020m

4.1.5 Table 3 below summarises the major forecast variances for the reporting period. Further details can be found in Appendix 2.

Table 3: Top Major Variances:

Service	Current Budget	Variance	% Variance
Property	3.681	1.343	36.5%
Environmental	6.561	0.769	11.7%
Wellbeing & Housing	2.028	0.125	6.2%
Finance	2.911	0.115	4.0%
Total	**10.242**	**2.112**	

4.1.6 Allocations to and from reserves are made according to the Reserves Policy. There have been no further requests between 31 May and 30 June 2025.

Table 4: Reserves:

Reserves	Balance 1 April 2025 £m	Original Budgeted use/ (contribution) £m	Changes agreed since budget setting £m	Changes proposed June 2025 £m	Balance 31 March 2026 £m
General Balance	(7.853)	0.000	0.000	0.000	(7.853)
Earmarked	(31.264)	(2.444)	(1.635)	0.000	(35.343)
Non-Ringfenced Grant timing Difference	(0.033)	0.000	0.033	0.000	0.000
Ringfenced Grant	(1.918)	0.523	0.165	0.000	(1.230)
Subtotal Revenue	**(41.068)**	**(1.921)**	**(1.437)**	**0.000**	**(44.426)**
Capital*	(7.482)	0.720	0.000	0.000	(6.762)
Total	**(48.550)**	**(1.201)**	**(1.437)**	**0.000**	**(51.188)**

*According to the Reserves Policy Executive are not required to approve contributions to Capital Reserves.

4.2 Capital

4.2.1 Table 5 below summarises the forecast spend against the full capital programme (i.e. spend across all years of the capital programme).

Table 5: Capital Project Forecast Outturn

Directorate	Project Total Budget £m	Total Forecast Project Spend £m	Variance to Budget £m
Resources & Transformation	14.316	14.208	(0.108)
Communities	33.840	27.959	(5.881)
Total	**48.156**	**42.167**	**(5.989)**

For further detail on individual schemes please see Appendix 1.

Note: A positive variance is an overspend or a reduction in forecast income and a (negative) is an underspend or extra income received.
Green represents an underspend and red represents a overspend for the outturn position.

Table 6: How the Capital Programme is financed

Financing	Prior Years' Spend £m	Profiled Spend 2025/26 £m	Profiled Spend Future Years £m	Projected Total £m
Borrowing	4.046	4.370	7.505	15.922
Capital Grants	2.560	5.112	10.062	17.733
Capital Receipts	5.213	0.062	0.000	5.275
S106 Receipts	0.213	0.924	2.099	3.237
	12.032	**10.468**	**19.666**	**42.167**

4.2.2 Table 7 below summarises the capital projects that are being requested to be reprofiled beyond 2025/26. The reprofiling of these projects has been reflected in Appendix 1 and in Tables 5 and 6 above.

Table 7: Requested Capital Budget Reprofiling

Code	Service	Project	Project Total Budget £m	Reprofiled Beyond 25/26 £m	Removed from Progamme	Move to pipeline projects	Virements	Additional Capital Budget	% Change
40255	Property	Installation of Photovoltaic at CDC Property	0.079	(0.071)					-89.87%
40263	Property	Kidlington Leisure New Electrical Main	0.200	(0.020)					-10.00%
40278	Property	Development of New Land Bicester Depot	3.975	(2.541)					-63.92%
40279	Property	Spiceball Sports Centre - Solar PV Car Ports	0.177	(0.170)					-96.05%
40280	Property	Kidlington Sports Centre - Solar PV Car Ports	0.135	(0.135)					-100.00%
40281	Property	Noth Oxfordshire Academy - Solar Panels	0.018	(0.018)					-100.00%
40282	Property	Community Centre Solar Panels	0.106	(0.106)					-100.00%
40283	Property	Thorpe Lane - Solar Panels	0.034	(0.034)					-100.00%
40284	Property	Thorpe Lane Heater Replacement	0.028	(0.024)					-85.71%
40237	ICT	Council Website & Digital Service	0.250		(0.122)				-48.80%
40326	ICT	Digital Futures Programme (Business Cases Required)	0.217		(0.217)				-100.00%
40062	Regeneration & Growth	East West Railways	4.350		(4.194)				-96.41%
40216	Environmental	Street Scene Furniture and Fencing project	0.060	(0.015)					-25.00%
40218	Environmental	Depot Fuel System Renewal	0.050		(0.035)				-70.00%
40222	Environmental	Burnehyll - Bicester Country Park	0.246	(0.061)					-24.80%
40320	Environmental	Net Zero Capital Projects (Business Cases Required)	0.064			(0.064)			-100.00%
40321	Environmental	Landscape Software Upgrade	0.025		(0.025)				-100.00%
40322	Environmental	Upgrade of Street Cleansing IT System	0.025		(0.008)				-32.00%
40019	Wellbeing & Housing	Bicester Leisure Centre Extension	0.122			(0.079)			-64.75%
40251	Wellbeing & Housing	Longford Park Art	0.045	(0.045)					-100.00%
40294	Wellbeing & Housing	S106 - Ambrosden Community Facility Project	0.020		(0.020)				-100.00%
40295	Wellbeing & Housing	S106 - Ambrosden Indoor Sport Project	0.065		(0.065)				-100.00%
40296	Wellbeing & Housing	S106 - Ambrosden Outdoor Sports	0.130		(0.130)				-100.00%
40297	Wellbeing & Housing	S106 - Ardley & Fewcott Play Area Project	0.008		(0.008)				-100.00%
40300	Wellbeing & Housing	S106 - Bicester Leisure Centre Extension	1.154			(1.154)			-100.00%

40301	Wellbeing & Housing	S106 - Graven Hill Outdoor Sport Project	0.052		(0.052)				-100.00%
40307	Wellbeing & Housing	S106 - Kidlington & Gosford Leisure Centre	0.020		(0.020)				-100.00%
40308	Wellbeing & Housing	S106 - Milton Road Community Facility & Sports Pitch	0.479	(0.471)					-98.33%
40310	Wellbeing & Housing	S106 - Spiceball Leisure Centre Improvements	0.014				(0.014)		-100.00%
40311	Wellbeing & Housing	S106 - The Hill Improvements Project	0.050		(0.050)				-100.00%
40319	Wellbeing & Housing	Local Authority Housing Fund R2	1.641		(0.007)				-0.43%
40329	Wellbeing & Housing	Spiceball Leisure Centre Structural Beams	0.130				0.014	0.029	33.08%
40336	Wellbeing & Housing	S106 - Kingsmere Public Art	0.028	(0.028)					-100.00%
			13.997	**(3.739)**	**(4.953)**	**(1.297)**	**0.000**	**0.029**	

For further detail please see Appendix 1.

5. Alternative Options and Reasons for Rejection

5.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: This report summarises the council's forecast financial position up to the end of Quarter 1 2025, therefore there are no alternative options to consider.

6 Conclusion and Reasons for Recommendations

6.1 It is recommended that the contents of the report are noted.

Decision Information

Key Decision	N/A
Subject to Call in	N/A
If not, why not subject to call in	N/A
Ward(s) Affected	All

Document Information

Appendices	
Appendix 1	Capital Forecast June 2025
Appendix 2	Detailed Revenue Narrative on Forecast June 2025
Appendix 3	Virements June 2025
Appendix 4	Funding June 2025
Background Papers	N/A
Reference Papers	N/A

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Appendix 1 **CHERWELL TOTAL CAPITAL PROJECT EXPENDITURE**

CODE	DESCRIPTION	Previous year(s) spend	Forecast Spend 25/26 Forecast	26/27 Forecast	27/28 Forecast	28/29 Forecast	29/30 Forecast	Project Total forecast	Project Total Budget	Project Total Variance	Narrative
40144	Castle Quay	2,814	88					2,902	2,815	87	
40224	Fairway Flats Refurbishment	44	321					365	365	(0)	Project going out to tender currently.
40242	H&S Works to Banbury Shopping Arcade	35	105					140	127	13	Project going out to tender currently.
40254	Thorpe Lane Depot - Renewal of Electrical Incoming Main	104	164					268	268	(0)	Transfer from the network operator about to happen, expecting the project to complete later this year
40255	Installation of Photovoltaic at CDC Property	8		71				79	79	0	Reprofiled to 26/27 due to resource capacity
40263	Kidlington Leisure New Electrical Main	180		20				200	200	0	Reprofiled to 26/27, continuing with stakeholder engagement
40278	Development of New Land Bicester Depot	165	1,270	2,541				3,976	3,975	1	Planning application in process, some of the spend reprofiled to 26/27 to align with current timelines.
40279	Spiceball Sports Centre - Solar PV Car Ports	7		170				177	177	0	Reprofiled to 26/27 due to resource capacity
40280	Kidlington Sports Centre - Solar PV Car Ports	0		135				135	135	0	Reprofiled to 26/27. Depends on electrical main project 40263 above.
40281	North Oxfordshire Academy - Solar Panels	0		18				18	18	0	Reprofiled to 26/27 due to resource capacity
40282	Community Centre Solar Panels	0		106				106	106	0	Reprofiled to 26/27
40283	Thorpe Lane - Solar Panels	0		34				34	34	0	Reprofiled to 26/27. Depends on electrical main project 40254 above.
40284	Thorpe Lane - Heater Replacement (Gas to Electric)	4		24				28	28	0	Reprofiled to 26/27. Depends on electrical main project 40254 above.
40316	CDC Office Relocation to Castle Quay	5213	62					5,275	5,146	129	
40327	Thorpe Place Roofing Works	16	97					113	113	0	Extent of works required for the roof has increased following survey. Additional budget to be requested before proceeding.
40342	Unit 5 & 6 Castle Quay	0	100					100	100	0	Budget approved at July Executive. Expected to complete this year.
Property		**8,591**	**2,207**	**3,119**	**0**	**0**	**0**	**13,917**	**13,686**	**231**	
40237	Council Website & Digital Service	132						132	250	(118)	Recommend to remove this from the capital programme as no firm plans at moment to spend.
40326	Digital Futures Programme (Business Cases Required)	0						0	217	(217)	Recommend to remove this from the capital programme as no firm plans at moment to spend.
40334	Robotic Process Automation Pilot	105	28					133	133	0	On track to complete in 2025/26
40337	ESRI Software Upgrade	0	25					25	30	(5)	Procurement process ongoing, currently expecting contract to be 5k under budget.
ICT		**238**	**53**	**0**	**0**	**0**	**0**	**291**	**630**	**(339)**	
Resources & Transformation		**8,829**	**2,260**	**3,119**	**0**	**0**	**0**	**14,208**	**14,316**	**(108)**	
40062	East West Railways	156						156	4,350	(4,194)	Recommend this is removed from the capital programme as no current plans for any further spend.
40286	Transforming Market Square Bicester	144	816	3,335				4,295	4,295	(0)	Design stage now complete, project on track subject to approval from Executive of the design.
40287	UK Shared Prosperity Fund (UK SPF) Year Two Investment Plan Programme	231	76					307	306	1	On track to spend in 2025/26
40288	UKSPF Rural Fund	551	11					562	562	0	On track to spend in 2025/26
Regeneration & Growth		**1,082**	**903**	**3,335**	**0**	**0**	**0**	**5,320**	**9,513**	**(4,193)**	
40028	Vehicle Replacement Programme	Rolling Programme	1,465	1,066	1,066	1,066	1,066	5,730	5,730	0	On track to spend in 2025/26
40216	Street Scene Furniture and Fencing project	45		15				60	60	0	Reprofiled to 2026/27 to align with capacity
40218	Depot Fuel System Renewal	15						15	50	(35)	No current plans to spend - so recommend to remove from programme

40222	Burnehyll- Bicester Country Park	125	60	31	30			246	246	(0)	Reprofile spend over 3 years to align with capacity
40258	Kidlington Public Convenience Refurbishment	0	90					90	90	0	On track to spend in 2025/26
40259	Market Equipment Replacement	5	10					15	15	(0)	
40320	Net Zero	0						0	64	(64)	£561k vired to Public Sector Decarbonisation Scheme 4 in line with grant acceptance executive report taken to Executive in June. Recommend to move the remaining £64k to the pipeline until a project is identified.
40321	Landscape Software Upgrade	0						0	25	(25)	The software will be cloud based and therefore revenue expenditure. Recommend that this is removed from the programme.
40322	Street Cleansing IT System	0	17					17	25	(8)	Expecting 17k spent in 2025/26, remainder of budget to be given up as related to software costs which will be revenue expenditure due to the software being cloud based.
40331	Additional Commercial Waste Containers	29	25					54	54	0	On track to spend in 2025/26
40341	Public Sector Decarbonisation Scheme (PSDS) 4	0	1,090	377	193			1,661	1,661	0	Project approved by Executive in June - currently in early stages of project development but expect to spend the grant funded portion by end of financial year.
Environmental		**219**	**2,757**	**1,490**	**1,289**	**1,066**	**1,066**	**7,888**	**8,020**	**(132)**	
40019	Bicester Leisure Centre Extension	43						43	122	(80)	Move to pipeline projects until S106 funding identified for whole project - not expected until 2029/30
40083	Disabled Facilities Grants	Rolling Programme	1,719	1,539	1,539	1,539	1,539	7,875	7,875	0	Full spend of 25/26 grant allocation anticipated
40251	Longford Park Art	0		45				45	45	0	Reprofile to 26/27 - will not be able to start until development consortium transfers ownership to the council
40294	S106 - Ambrosden Community Facility Project	0						0	20	(20)	Recommend to take out of programme until a project is identified.
40295	S106 - Ambrosden Indoor Sport Project	0						0	65	(65)	Recommend to take out of programme until a project is identified.
40296	S106 - Ambrosden Outdoor Sports	0						0	130	(130)	Recommend to take out of programme until a project is identified.
40297	S106 - Ardley & Fewcott Play Area Project	0						0	8	(8)	Recommend to take out of capital programme as no specific project currently identified.
40300	S106 - Bicester Leisure Centre Extension	0						0	1,154	(1,154)	Move to pipeline projects until S106 funding identified for whole project - not expected until 2029/30
40301	S106 - Graven Hill Outdoor Sport Project	0						0	52	(52)	Recommend to take out of programme until project is ready for delivery.
40303	S106 - Hanwell Fields Community Centre Projects	16	344					360	360	0	Anticipate spending in 2025/26 - currently awaiting planning permission.
40304	S106 - Hook Norton Sport And Social Club Project	0	80					80	80	0	On track to be used in summer 2025/26
40305	S106 - Horley Cricket Club Pavilion Project	0	110					110	110	0	On track to complete in 2025/26
40307	S106 - Kidlington & Gosford Leisure Centre	0						0	20	(20)	Recommend to take out of programme until a project is identified.
40308	S106 - Milton Road Community Facility and Sports Pitch Project	8		471				479	479	(0)	In talks with parish to agree specification of the facility - not expected to spend until next year so reprofiled to 2026/27.
40310	S106 - Spiceball Leisure Centre Improvements	0						0	14	(14)	14k budget to be vired to Spiceball Leisure Centre Structural Beams project 40329 below.
40311	S106 - The Hill Improvements Project	0						0	50	(50)	Recommend to take out of programme until a project is identified.
40312	S106 - Whitelands Farm Sports Ground (Pedestrian crossing and various works)	127	33					160	160	0	On track to complete in 2025/26
40313	S106 - Woodgreen Leisure Centre Improvements	23	139					161	161	0	On track to complete in 2025/26
40319	Local Authority Housing Fund R2	1634						1,634	1,641	(7)	Recommend 7k be vired to Town Centre House - 40262

40323	NOA 3G Pitch Development	0		1,600				1,600	1,600	0	Currently 840k s106 funding has been received. The original capital bid was made on the basis this would be fully funded from S106, however a new capital bid to fund the remainder from borrowing is being proposed as part of the 26/27 budget setting cycle. If this bid is unsuccessful this project will be recommended to be moved to the pipeline until funding is received
40324	Development of Activity Play Zones	4	158					162	162	(0)	On track to complete in 2025/26
40325	Graven Hill Community and Infrastructure Projects	0	80					80	80	0	On track to spend on design in 2025/26
40328	S106 - Windmill Community & Sports Centre Tennis Courts	35	16					51	51	0	On track to complete in 2025/26
40329	Spiceball Leisure Centre Structural Beams	13	160					173	130	43	Budget at start of year was 117k, but expecting spend of 160k in 2025/26 to complete the work on the beams. 14k to be vired from S106 spiceball leisure centre above. Recommend that an additional 29k of budget be approved to cover the remaining difference, which will be funded from S106 contributions.
40336	S106 Kingsmere Public Art	0		28				28	28	0	Reprofile to 2026/27 while a location is identified for the art.
40338	LAHF R3	0	1,400					1,400	1,400	0	Grant has been transferred to SOHA to complete delivery of the project.
40339	S106 - Windmill Centre Kitchen Refurb	0	11					11	11	0	Completed
40340	S106 - Steeple Aston Playground	0	34					34	34	0	On track to complete in 2025/26
Wellbeing & Housing		**1,903**	**4,284**	**3,683**	**1,539**	**1,539**	**1,539**	**14,487**	**16,042**	**(1,555)**	
40245	Enable Agile Working	0	15					15	15	0	This funding is intended to be used to purchase the IT hardware required to enable the teams in Regulatory Services to use the case management system (Idox Cloud) whilst on-site carrying out inspection work or investigations etc. The release of the app that will support this agile working continues to be delayed but is progressing; the Beta release of the app has taken place and the full version is expected in Q2 of 25/26.
40333	CCTV Thames Valley Project	0	250					250	250	0	Upgrade the public open space CCTVC network and cameras to me the necessary threshold to be included in the OPCC Thames Valley CCTV project. This expenditure is dependant upon the TVCCTV partnership progressing which has been delayed. It is expected that the partnership agreement will be signed in Q2 of 25/26 and the subsequent capital spend will happen before the end of 25/26.
Regulatory Services		**0**	**265**	**0**	**0**	**0**	**0**	**265**	**265**	**0**	
Communities		**3,204**	**8,208**	**8,508**	**2,828**	**2,605**	**2,605**	**27,959**	**33,840**	**(5,881)**	

Capital Total	**12,032**	**10,468**	**11,627**	**2,828**	**2,605**	**2,605**	**42,167**	**48,156**	**(5,989)**	

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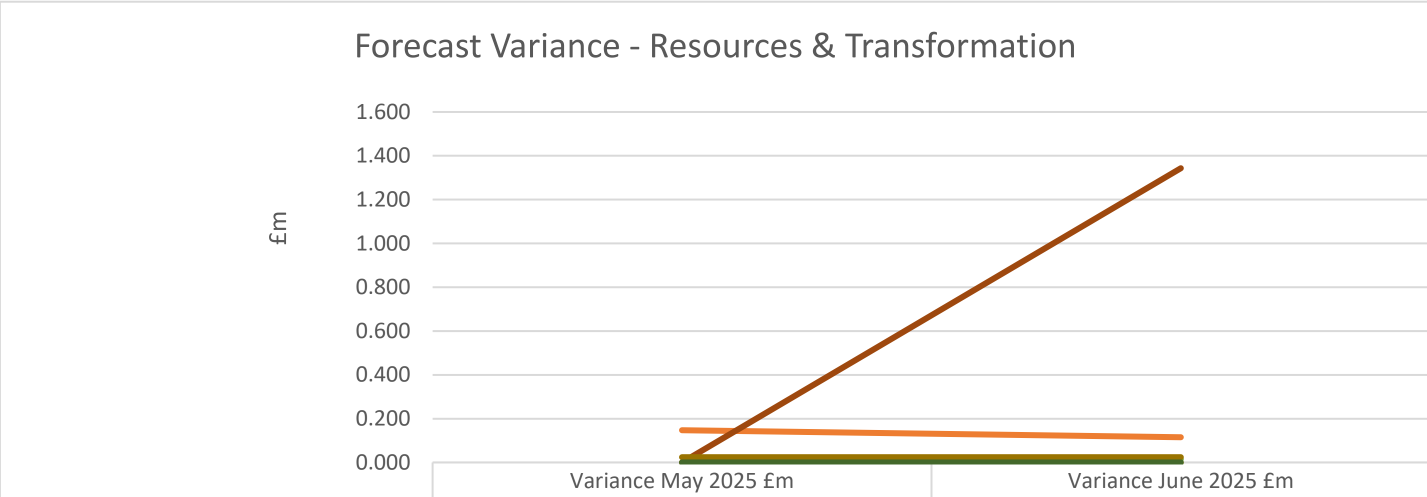
Appendix 2 - Report Details – Additional Revenue narrative

Resources & Transformation

Revenue:

Resources & Transformation are forecasting £1.497m overspend against a budget of £6.891m (21.7%).



	Variance May 2025 £m	Variance June 2025 £m
Finance	0.147	0.115
Legal, Democratic, Elections & Procurement	0.000	0.000
ICT	0.000	0.015
Property	0.000	1.343
HR & OD	0.024	0.024
Customer Focus	0.000	0.000

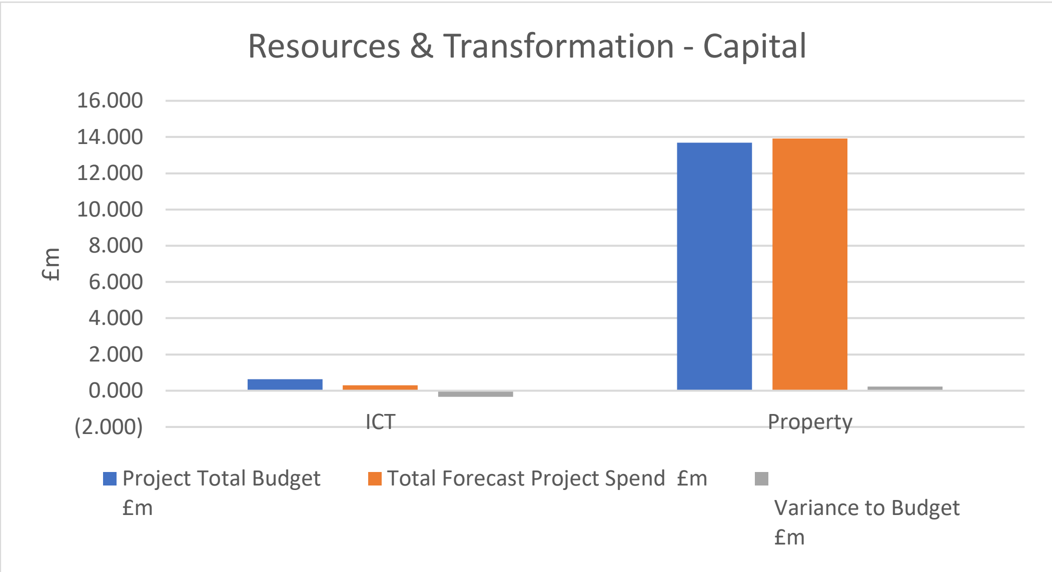
Finance	
Variation £0.115m Overspend	Overview of Forecast: The Forecast overspend is primarily due to a forecast overspend in corporate costs relating to bank charges for processing payments electronically. As the council makes more payments electronically these costs increase. The forecast overspend is £0.085m. The remaining overspend is a net £0.030m made up of lower than budgeted forecast income from Court Costs and Housing Benefit Overpayments, mostly offset by over recovery of grant income.
Variation to May's Forecast (£0.032m)	Changes since last month: Additional recovery of grant income has been achieved to broadly offset the forecast reductions in income in Housing

	Benefit Over Payments and Court Costs. This results in a net overspend of £0.030m across the majority of Finance. However, forecast bank charges have increased to an overspend of £0.085m. This is the costs of the whole council doing financial transactions electronically – so as more payments are made by bank transfer and/or card payment, the council incurs additional costs within the Finance budget.
Legal, Democratic, Elections & Procurement Variation £0.000m Overspend Variation to May's Forecast £0.000m	Legal, Democratic, Elections & Procurement are currently reporting on target.
ICT Variation £0.015m Overspend Variation to May's Forecast £0.015m	ICT are currently forecasting minor variations across the service. Mitigations for the overspend through vacancies within the service.
Property Variation £1.343m Variation to May's Forecast £1.343m	Property are forecast an overspend of £1.343m the main reason for this forecast is : Property has experienced a shortfall in projected income and higher-than-anticipated costs associated with managing its properties during the current financial period. Income under-recovery is primarily due to slower-than-expected tenant uptake, compounded by broader economic challenges impacting the market and the need to agree competitive lease terms to attract tenants. Void property costs exceeded budget due to extended vacancy periods and increased operational costs required

	to maintain the properties in a safe and marketable condition. We are intensifying marketing efforts to secure new tenants, reviewing cost controls on properties, and updating our financial forecasts regularly to ensure they reflect the most up to date tenancy and property information. These variances are being actively managed and monitored.
Variation to May's Forecast £1.343m	**Under-Recovery of Income:** • Slower-than-expected tenant uptake. • Market challenges affecting the property sector. **Mitigations:** • Intensified marketing to attract occupiers • Cost control measures across the service. • Regular review of financial forecasts to reflect current position. • Ongoing review of procurement and oversight processes.
Customer Focus	
Variation 0.000m	Customer Focus are forecasting on track.
Variation to May's Forecast £0.000m	
HR & OD	
Variations £0.024m Overspend	The forecast for June is an overspend of £0.024m by year-end. The overspend assumes that changes to the current overtime policy will be delayed due to ongoing consultation. Other overspends relate to the need to retain resources in the HR team to carry out HR functions.
Variation to May's Forecast £0.000m	

Capital

Service	Project Total Budget £m	Total Forecast Project Spend £m	Variance to Budget £m	
ICT	0.630	0.291	(0.339)	
Property	13.686	13.917	0.231	
Total	**14.316**	**14.208**	**(0.108)**	

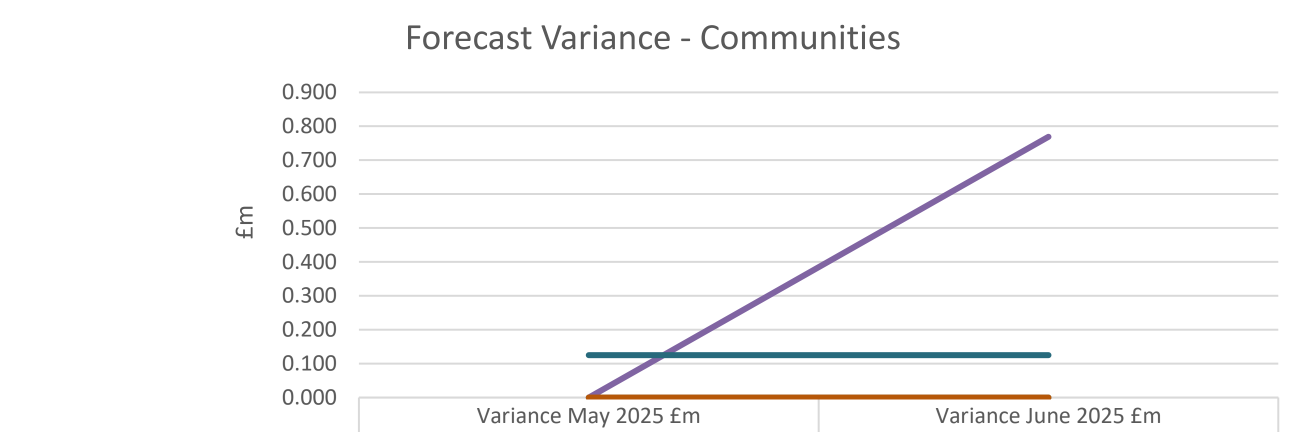


For further information on capital see Appendix 1.

Communities

Revenue:

Communities are forecasting a £0.894m overspend against a budget of £12.570m, (7.1%).
The directorate recognises the overspend, in particular the pressure around staff sickness and the potential operational impact to waste collections. The team are working hard over the summer period to identify in year mitigations.



	Variance May 2025 £m	Variance June 2025 £m
Planning & Development	0.000	0.000
Regeneration & Growth	0.000	0.000
Environmental	0.000	0.769
Regulatory	0.000	0.000
Wellbeing & Community	0.125	0.125

Planning & Development	
Variation £0.000m	Forecast to be on budget at the present time.
Variation to May's Forecast £0.000m	There are no changes to the current forecast for the end of year. No over or under spend is currently expected.

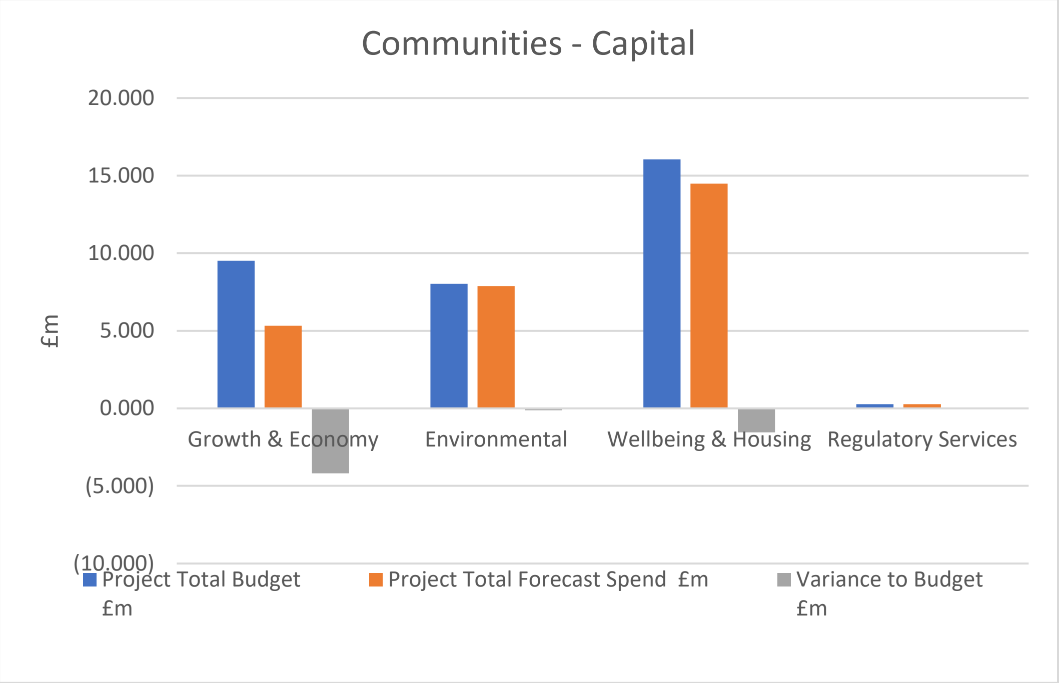
Regeneration & Growth	
Variation £0.000m	Regeneration & Growth are reporting on budget for June.
Variation to May's Forecast £0.000m	
Environmental	
Variation £0.769m	The forecasted pressure of £0.769m within Environmental Services is primarily due to staffing pressures and agency costs of £0.424m within Waste and Recycling, this continues to be closely monitored and managed alongside HR. Higher than anticipated residual waste tonnage being direct delivered to Transfer station has resulted in an overspend of £0.094m of which £0.038m relates to 2024/25. Delays to contract start date for new dry recycling processor have increased costs by £0.078m, this is also a result of a fall in commodity prices worldwide resulting in 67% increase in gate fee. A reduction in garden waste subscriptions due to a predicted 1,400 less uptake compared to 2024/25 resulting in an under recovery of income of £0.076m. The income received from sale of glass collected is currently reporting a £0.139m overspend compared to budget this is due to a 40% reduction in glass rebates received from the processor, due to a reduction in glass income and PRN's (packaging recovery notes) on the international market. This is partly offset by non-recruitment to vacant posts of (£0.021m) within Environmental Services Admin, Street Scene and Street Cleansing.
Variation to May's Forecast £0.769m	The Waste and Recycling service are looking at ways to mitigate this overspends, one being a reduction in food waste vehicles to reduce vehicle and fuel costs. An increase in advertising for Garden Waste through social media and collection crews stickering and leaving bins without a current subscription.

	This will be continued to be monitored and mitigations identified throughout the year including non-recruitment to vacant posts and stopping any noncritical services to offset this overspend.
Regulatory Variation £0.000m	 Regulatory Services and Community Safety are forecasting a balanced outturn.
Variation to May's Forecast £0.000m	
Wellbeing & Housing Variation £0.125m overspend	 The forecast is based on whole year expenses being needed as budgeted and accounts for increased IT license costs and the corporate top slice of grants to support corporate costs.
Variation to May's Forecast £0.000m	Engagement of external expert legal support to ensure compliance through changes to contract terms. Over the course of the year, it may be possible to underspend on some provisions within the budget and reduce the forecasted overspend. Much will depend on the demand for temporary accommodation

Capital

Service	Project Total Budget £m	Project Total Forecast Spend £m	Variance to Budget £m	
Growth & Economy	9.513	5.320	(4.193)	
Environmental	8.020	7.888	(0.132)	
Wellbeing & Housing	16.042	14.487	(1.555)	

Regulatory Services	0.265	0.265	0.000	
Total	**33.840**	**27.959**	**(5.881)**	

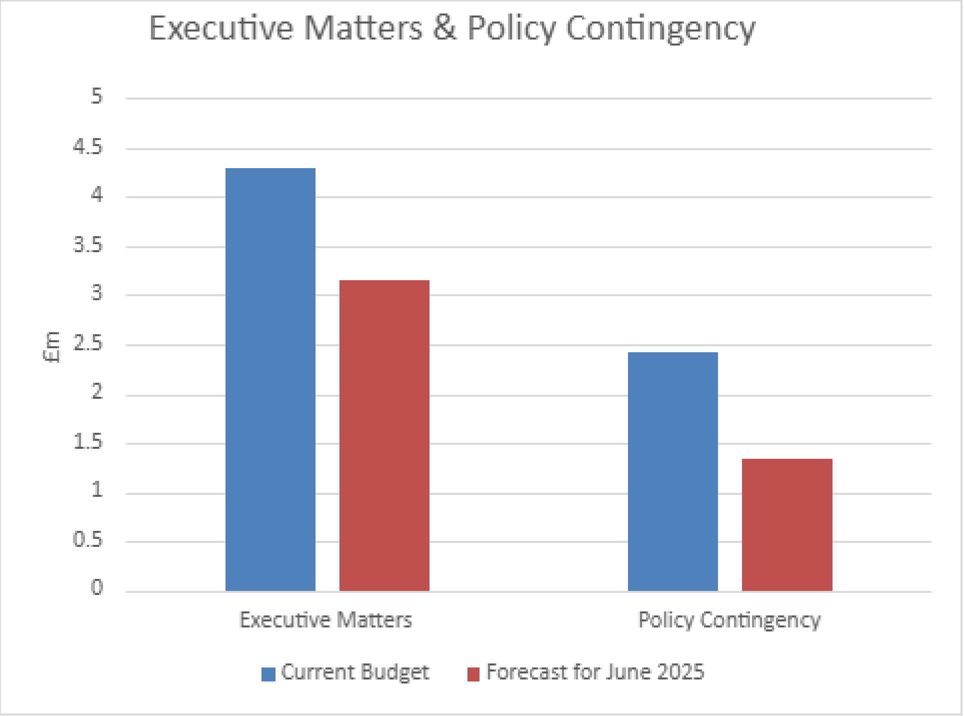


For further information on capital see Appendix 1.

Executive Matters

Revenue:

Executive Matters is reporting an underspend of (£1.159m) against a budget of £4.306m (26.9%).



Executive Matters	
Variation (£1.159m) Underspend	Executive Matters are forecasting an underspend of (£1.159m) made up of (£0.309m) additional Extended Producer Responsibility funding that is due to be received in July, (£0.500m) dividend expected from Graven Hill and an over recovery of net interest of (£0.350m).
Variation to May's Forecast (£1.159m)	

Policy Contingency

Policy Contingency is forecasting an underspend of (£1.1m) against a budget of £2.428m, (45.0%)

Policy Contingency	
Variation (£1.100m)	Policy Contingency includes £1.100m for Market Risk. This has been released (and shown as an underspend) in order to offset overspends in the directorates.
Variation to May's Forecast (£1.100m)	

Appendix 3 - Virement Summary

Virement Movement

This table shows the movement in Net Budget from May 2025 to June 2025.

Virements - Movement in Net Budget	£m
Directorate Net Budget - June 2025	19.461
Directorate Net Budget - May 2025	19.461
Movement	**0.000**

Breakdown of Movements	£m
Total	**0.000**

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Appendix 4 - Funding for 2025/26

Specific Funding received since budget was set:

Dept.	Grant Name	Funding
		£
DLUHC	Homelessness Prevention Grant	(£0.246)
DLUHC	Rough Sleepers Accommodation Programme	(£0.035)
DLUHC	Redmond Review Implementation	(£0.024)
DLUHC	Local Audit Backstop New Burdens	(£0.046)
DLUHC	New Burdens Funding for Accommodation-based Domestic Abuse	(£0.037)
DLUHC	UKSPF	(£0.335)
DEFRA	Biodiversity Net Gain Grant	(£0.027)
DWP	Welfare Reform New Burdens Funding	(£0.035)
DWP	Housing Benefit Award Accuracy Iniative	(£0.017)
Home Office	Afghan Relocations and Assistance Policy	(£1.299)
Home Office	Syrian Resettlement Programme	(£0.023)
		(£2.124)

Grants included as part of Budget setting:

Directorate	Grant Name	£m
Communities	Afghan Relocations and Assistance Policy	(0.244)
	Asylum Accommodation Dispersal	(0.029)
	Homeless Prevention Grant	(0.763)
	Syrian Resettlement Scheme	(0.183)
	Homes for Ukraine	(0.417)
	UK Shared Prosperity Fund	(0.335)
	Communities Total	**(1.972)**
Resources	NNDR Cost of Collection Allowance	(0.231)
	Rent Allowances	(25.004)
	Resources Total	**(25.235)**
Services Sub-total		**(27.207)**
Corporate	Extended Producer Responsibility	(1.400)
	Funding Floor	(3.400)
	National Insurance Contribution Compensation	(0.258)
	Corporate Total	**(5.058)**
Cost of Services total		**(32.265)**
Funding	Business Rates Retained Scheme	(7.490)
	New Homes Bonus	(0.935)
	Revenue Support Grant	(0.368)
	Funding Total	**(8.793)**

Government Grants Total	**(41.058)**

This report is public.	
Budget Process 2026-27	
Committee	Budget Planning Committee
Date of Committee	16 September 2025
Portfolio Holder presenting the report	Cllr McLean, Portfolio Holder for Finance, Property and Regeneration
Date Portfolio Holder agreed report	12 August 2025
Report of	Assistant Director of Finance (S151 Officer)

Purpose of report

This report is to inform the Committee of the proposed approach to the 2026/27 Budget Process, as approved by the Executive at its meeting 2 September 2025. The report provides context and background information on the existing Medium-Term Financial Strategy and information on latest government announcements relevant to the Strategy.

1.0 Recommendations

The Budget Planning Committee resolves:

1.1 To note the Budget Process for 2026/27.

1.2 To note the base assumptions to be used for the 2026/27 budget.

1.3 To note that a five-year period for the Medium-Term Financial Strategy to 2030/31 and five-year period for the Capital Programme to 2030/31 has been set.

2.0 Introduction

2.1 This report is the first in the series on the Budget process for the forthcoming year. It forms context and background information and is part of the process which will culminate in Council setting a budget for 2026/27; a medium-term financial strategy to 2030/31, the capital programme to 2030/31 and a Corporate Plan in February 2026.

2.2 The Corporate Plan will set out the council's vision and strategic priorities, aims and activities over a five-year period. It will be underpinned annually through the production of an Annual Delivery Plan, which will set out clearly the key objectives and deliverables for the year ahead. This will ensure there is a clear direction for the Council on an annual basis to support the delivery of its overarching vision and strategic priorities.

2.3 The Corporate Plan will inform the Medium-Term Financial Strategy, a key policy framework of the Council, through ensuring that the annual budget and Annual

Delivery Plans are aligned. Therefore, Annual Delivery Plans will form part of the annual planning cycle and approval process for the Council.

2.4 The Medium-Term Financial Strategy (MTFS) to 2029/30, agreed by Council in February 2025, identified savings of £4.997m to be delivered in 2026/27. The MTFS also reflects expected growth for demographic and other additional directorate spending needs and inflationary costs plus impacts of agreed savings and other income growth.

2.5 Information on latest government announcements and their impact, as well as an overview of new and emerging pressures which will need addressing through the Budget process for 2026/27, are set out in the report.

2.6 There is uncertainty in government funding for 2026/27 and beyond; however, the government have committed to providing a 3-year settlement. The Council does not expect to have received the Provisional Financial Settlement until late November. In addition, formal announcements are awaited with regards to the introduction of a new Fairer Funding Formula, alongside a Business Rates Reset, and in what form transitional relief will be provided. The government have consulted on phased relief and the use of funding floors. The planning assumption in the MTFS as at February 2025 is for the Fairer Funding formula and a reset of business rates to be phased over three years, beginning in 2026/27. This will remain until the government provide a policy statement in October. This level of uncertainty remains high; however, in reviewing and updating the MTFS prudent assumptions will be made based on the latest information available.

Implications & Impact Assessments

Implications	**Commentary**			
Finance	There are no immediate financial implications associated with agreeing a budget process. Joanne Kaye, Head of Finance, 30 July 2025			
Legal	The Council legally has to set a balanced budget each year. Ensuring there is a robust process in place will help it to achieve that. Denzil Turbervill, Head of Legal, 6 August 2025			
Risk Management	The Council faces significant risks given the scale of the financial challenge for 2025/26 and 2026/27. Having a robust process in place to develop budget proposals and the associated Corporate Plan will help to mitigate these. These risks are managed as part of the operational and leadership risk register. Celia Prado-Teeling, Performance Team Leader, 31 July 2025			
Impact Assessments	Positive	Neutral	Negative	Commentary
Equality Impact		X		There are no Equality, Diversity and Inclusion implications arising as a direct consequence of this report. However, as per our equalities framework,

				all proposals are developed in line with the Equality Act 2010. Celia Prado-Teeling, Performance Team Leader, 31 July 2025
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Climate & Environmental Impact		X		There are no sustainability implications arising directly from this report to initiate the budget process. However, the implications of proposals arising from the process will need to be reviewed to consider whether they have sustainability impacts. As the Council looks to reduce its spend it would be hoped that this would also lead to a reduction in carbon impact as well. Jo Miskin, Climate Action Manager, 31 July 2025
Council Priorities	All			
Consultation & Engagement	See section 3.26 – 3.30			

Supporting Information

3.0 Report Details

3.1 This initial report sets the context and the timetable for the Budget process. It sets out the assumptions on which the existing MTFS agreed in February 2025 is based, information arising from government and other announcements plus new and emerging financial issues for 2026/27 and beyond which impact on the existing MTFS.

3.2 The following appendices are attached to this report:

- Appendix 1: Previously agreed Savings and Income Opportunities 2025/26 – 2029/30
- Appendix 2: Previously agreed Service Investments 2025/26 – 2029/30
- Appendix 3: Budget Planning timetable for 2026/27

3.3 It is proposed that the MTFS continues to cover a five-year time frame given the financial challenges the Council is facing and is therefore extended by one year to cover 2030/31. It is also proposed that the Capital Programme also cover the same five-year period to 2030/31 as the MTFS.

Assumptions in the approved Medium-Term Financial Strategy

Additional Spending & Savings

3.4 The 2025/26 – 2029/30 MTFS agreed by Council in February 2025 identified the requirement for additional annual savings of £4.997m in 2026/27 to offset funding reductions and to meet additional expenditure needs – this is in addition to the £0.0463m savings already planned for 2026/27. Delivery of savings identified in February 2025 for implementation in 2025/26 of £1.232m are being monitored through the monthly reporting to Executive throughout the financial year. To the extent that savings anticipated in 2025/26 are not delivered on an ongoing basis this will increase the level of savings required in 2026/27. The Council is working to minimise any ongoing savings non-delivery in 2025/26.

3.5 The existing MTFS has provided for inflation on pay, contracts, and fees and charges within the budget. It assumes that there will be 2.5 percent pay award over the MTFS period. Contract inflation had been provided for at 2 percent in all years of the MTFS. Fees and charges have been reviewed and increased by a minimum of 2 percent for 2026/27 (where the fee is set by the council) to reflect cost recovery and are then assumed to increase by 2 percent annually for the remainder of the MTFS period.

3.6 Details of the savings and service investments assumed in the existing MTFS, approved by Council in February 2025, for 2025/26 to 2029/30 are set out in Appendix 1 and 2.

Funding

3.7 The MTFS for 2025/26 approved by Council in February 2025, is set out in Table 1 below. This represents the scenario where the business rates reset is introduced in 2026/27, but the impact is phased over three years rather than the entire impact being felt in 2026/27 in line with the recent consultation from the Government.

3.8 There remains much uncertainty regarding this position over the medium term with the expected funding reforms. However, estimates were based on the most recent information available from the Government. The forecast effects of these changes are the equivalent to a 36 percent reduction in net funding. This is a result of:

- The assumption that the business rates baseline is reset in 2026/27, phased over three years, and average growth of 1.3 percent thereafter (the council has grown business rates significantly in recent years and this baseline reset results in the council losing the benefit of this retained growth)
- the phasing out of New Homes Bonus, with a one-off payment in relation to growth in 2024/25 payable in 2025/26; the Government has previously said it will consult on a replacement NHB scheme, but it is unclear what the financial benefit will be for the council at this stage. Therefore, to be prudent the Council is assumed that NHB at 2025/26 levels is phased out over three years in line with the business rates reset assumptions.
- Time limited grants announced by the Government for the 2025/26 financial year, e.g. Funding Floor, are expected to be received in 2025/26. The prudent assumption here is also to assume a phased reduction over three years in line with Government consultation proposal around transitional arrangements.
- The cessation of core Revenue Support Grant (RSG), Council Tax increases of £5 per annum with on average 1.2 percent annual growth of the Council Tax base from 2025/26.
- Other than the assumption above, no assumptions have been made that the council will receive any additional transitional finance support.
- Taken together, the fallout of New Homes Bonus and time-limited grant funding identified above is assumed to approximate the annual 3.2% real terms reduction in funding that will be required on average by non-protected services as well as any implications from the Fair Funding Review.

3.9 The existing MTFS approved in February 2025 indicates that, with all of the assumptions around national funding changes, Cherwell will have a gap between its net budget requirement and its funding of £4.997m in 2026/27.

3.10 Details of the MTFS approved in February 2025 are set out in Table 1 below.

Table 1: MTFS as approved February 2025

MTFS Movements	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	Total £m
Base budget b/f	26.987	0.000	0.000	0.000	0.000	26.987
Investments	0.587	(0.188)	(0.093)	0.001	0.001	0.308
Efficiencies & Income	(1.232)	(0.463)	(0.161)	(0.100)	(0.111)	(2.067)
Capital Impact	0.106	0.037	0.208	0.165	0.210	0.726
Corporate changes	(0.992)	(0.060)	0.051	0.176	0.108	(0.597)
Inflation	0.986	0.816	0.835	0.800	0.800	4.237
Use of reserves	(0.494)	(1.396)	0.000	0.000	0.000	(1.890)
Transfer from Reserves	0.170	1.163	0.050	0.000	0.000	1.383
Transfer to Reserves	1.893	(0.892)	0.000	0.000	0.000	1.001
Additional government grants	(1.817)	2.867	0.967	0.966	0.000	2.983
Net Budget Requirement	**26.194**	**2.004**	**1.857**	**2.008**	**1.008**	**33.071**
Revenue Support Grant	(0.368)	0.368	0.000	0.000	0.000	0.000
Council Tax	(9.903)	(0.041)	(0.440)	(0.452)	0.000	(10.836)
Business Rates	(14.988)	2.354	3.433	3.458	(0.071)	(5.814)
New Homes Bonus	(0.935)	0.312	0.312	0.311	0.000	0.000
Total Income	**(26.194)**	**2.993**	**3.305**	**3.317**	**(0.071)**	**(16.650)**
Funding Gap / (Surplus)	**0.000**	**4.997**	**5.162**	**5.325**	**0.937**	**16.421**

Earmarked Reserves and General Balances

3.11 When the Council set its budget in February 2025, earmarked reserves (reserves held for a specific purpose) were forecast to be £31.3m as at the end of 2025/26. The latest forecast estimates that general balances will remain around £8m at the end of 2025/26. As with general balances, the level of earmarked reserves is reviewed each year as part of the Budget process. A risk assessment to determine the level of appropriate balances will also be undertaken as part of the Budget process.

Revised assumptions in the updated Medium Term Financial Strategy

3.12 The MTFS approved in February 2025, has now been reviewed and prudent assumptions made based on the latest information available and using scenarios and a sensitivity analysis to form a view.

Fair Funding Review

3.13 In June 2025, the government published a consultation paper on its proposed changes in local government funding, the Fair Funding Review 2.0. Our funding advisors, PIXEL Financial Management, have modelled the impact of the proposals on individual authorities, but there are still elements where uncertainties remain. There are still data updates make and changes in response to the consultation paper.

3.14 There are two types of damping within the Fair Funding Review 2.0 proposals. The first is to phase in changes over 3 years. The second is for a 0% (cash flat) funding floor.

3.15 Those authorities with the largest losses from the proposals, and who will be furthest from their target funding, will have a floor that is less than 0%. The government have proposed their funding floor would be between -5% and -7% in 2026-27, and 0% in the following two years.

3.16 Based on the latest version of the PIXEL model, the revised planning assumptions within the MTFS are:

- The full reset of business rates related income moves to 2026/27 and phased over three years.
- New Homes Bonus will be abolished in 2026/27, and the funding from NHB will be rolled into Revenue Support Grant from 2026/27.
- Time limited grants paid in 2025/26 including Minimum Funding Guarantee and the Employers NIC grant will also be rolled into Revenue Support Grant from 2026/27.
- Funding from the Homelessness Prevention Grant relating to temporary accommodation will be rolled into the annual Revenue Support Grant from 2026/27.
- Additional transitional support is due in 2027/28 and 2028/29 when resource losses are -7% lower than the funding floor.

3.17 Details of the MTFS movements due to the Fair Funding Review proposals are set out in Table 2 below.

Table 2: MTFS Movements – Fair Funding Review 2.0 proposals

MTFS Movements	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m	Total £m
Fair Funding Transition						
Reverse MTFS profile	7.369	(3.685)	(3.684)	0.000	0.000	0.000
New MTFS profile	(8.608)	(0.300)	(0.408)	3.624	(0.165)	(5.857)
Net movement	**(1.239)**	**(3.985)**	**(4.092)**	**3.624**	**(0.165)**	**(5.857)**

Government Announcements

3.18 Since Council approved the 2025/26 budget, MTFS and Capital Programme, the government has issued a consultation on the business rates reset (April) and a consultation on Fairer Funding (July) as described above.

Further Medium-Term Uncertainty

3.19 Despite the government committing to a three-year settlement, there is uncertainty in government funding for 2026/27 and beyond. The Council does not expect to have received the Provisional Financial Settlement until November.

3.20 As there is so much uncertainty around future local government funding, in particular from 2026/27 onwards, the MTFS will continue to be updated based on the latest information available.

Savings Proposals and Income Opportunities

3.21 Given the challenging situation relating to funding and the high levels of uncertainty, the Council will undertake to identify savings options to address the MTFS gap should it materialise.

3.22 In line with the MTFS approved in February 2025 the Council will:

- Adopt a transformational approach to service delivery to shape the thinking for the future design of the Council.
- Review the Council's service level priorities and alignment of resources to maximise delivery of priorities within the resources available.
- Maximise income opportunities.
- Continue to lobby policy makers.

3.23 Savings proposals and income opportunities will take the form of both expenditure reduction and increases in income. These will take into account the impacts identified in the MTFS approved in February 2025. Assumptions will be revisited and revised as information becomes clearer, but it is important to note that the actual implications will not be known until very late in the Budget process.

3.24 The Budget process will consider the impact that savings proposals may have on the strategic priorities of:

- Economic prosperity
- Community leadership
- Environmental stewardship
- Quality housing and place making

3.25 The strategy for identifying savings will be based on the plan to address the MTFS gap which was approved by Council in February 2025. The Council will look to identify what savings can be provided by services and how they impact on priorities. In addition, the Council will undertake a cross-cutting review of the Council's strategic delivery themes identified in the Corporate Plan. The council is enhancing the planning process by developing a baseline for service provision, which will allow the council to identify the implications of differing service level options in the future.

Consultation and Engagement

3.26 Residents and service users expect to be consulted about council spending and council tax levels. There are no prescriptive guidelines on how and when councils should consult. Some councils prefer to consult early and explore the principles by which the council could approach balancing its budget i.e. on the 'shape of the budget', whereas others prefer to consult later and consult on the 'substance' of the budget when more formed proposals have been developed. Some council's do both and some do neither.

3.27 The common law duty to consult applies to budget consultation as residents' and service users' views and feedback could legitimately be expected to inform the council's budget setting process. There are also legal duties to consult residents and services users on the detail of specific service change proposals and particularly cuts, and these are judged on a case-by-case basis.

3.28 Under section 65 of the Local Government Finance Act 1992, billing authorities must ‘consult persons or bodies appearing to be representative of persons subject to non-domestic rates under section 43 and 45 of the 1998 Act about the rateable value (hereditaments) of properties.’ We will engage businesses in our autumn consultation set out below.

Formal consultation

3.29 A public consultation will be published at the end of November on the ‘substance’ of the budget, to give the wider population and stakeholders (including businesses to meet our statutory duty) the opportunity to feedback on the council’s ‘formed’ budget proposals. It does not, however, replace the need to specifically consult on service change proposals relating to significant service changes and where there is a legal requirement to do so.

3.30 Our approach will be digital first, using Cherwell District Council’s consultation platform, Citizens Space Cherwell. In line with our commitment to Equality, Diversity and Inclusion, paper copies of both the booklet and questionnaire will also be available and customer services will be fully briefed to support residents if they need to request materials in alternative formats A communications promotional plan will support this exercise.

Budget and Business Planning Timetable

3.31 An online public consultation on CDC’s budget proposals will commence when the information is published at the end of November 2025, with Budget Planning Committee (BPC) considering the budget pressures, savings and Fees & Charges proposals on 9 December 2025. Comments from BPC, along with other responses, will feed into the final formulation of proposals. As in previous years, we will look to invite all members to BPC, so they have the opportunity to comment on the proposals, subject to the Committee Chair’s approval for this approach.

3.32 Capital proposals will also be considered by Budget Planning Committee on 9 December 2025. The Capital & Investment Strategy which incorporates the Treasury Management Strategy will be considered at the meeting in January 2026.

3.33 At this time, there are no firm dates when we can expect the provisional local government finance settlement, though it is anticipated that it could be received in late November, slightly earlier than previous years. This will confirm the general Government funding available to the Council for 2026/27 – 2028/29 and the Council Tax referendum limit to be applied.

3.34 The Executive will take into consideration the comments from the BPC in December 2025 and comments from the public consultation alongside the funding available announced as part of the provisional settlement, at its meeting on 3 February 2026 in setting out its proposed budget to Council.

3.35 The Council meeting to agree the 2026/27 revenue budget, MTFS and capital programme will take place on 23 February 2026.

3.36 A timetable for the Budget process is attached at Appendix 3.

4.0 Conclusion and Reasons for Recommendations

4.1 The Council has a legal obligation to set a balanced budget and ensure it maintains a suitable level of reserves each year. The process laid out in this report will allow CDC to develop budget proposals that will allow it to meet these legal obligations.

5.0 Consultation

5.1 None required.

6.0 Alternative Options and Reasons for Rejection

6.1 The Council has a legal obligation to set a balanced budget and evaluate its level of reserves to ensure they are held at a suitable level. Therefore, there are no alternative options other than to carry out a budget process that reviews the levels of reserves and identifies a budget proposal that can be delivered within the overall level of resources available to the Council.

Decision Information

Key Decision	N/A
Subject to Call in	N/A
If not, why not subject to call in	N/A
Ward(s) Affected	All

Document Information

Appendices	
Appendix 1	Previously agreed Service Efficiencies and Income Proposals 2025/26 – 2029/30
Appendix 2	Previously agreed Service Investments 2025/26 – 2029/30
Appendix 3	Budget Timetable for the 2026/27 Process
Background Papers	None
Reference Papers	Council 24 February 2025: Budget Setting for 2025/26 and the Medium-Term Financial Strategy up to 2029/30
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Appendix 1 - Previously agreed Service Efficiencies & Income Proposals

Figures are shown as an incremental, year on year change to the budget

Communities

Reference	Existing, New or Income	Service	Title	Description	2025/26 (£m)	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	2029/30 (£m)	Total MTFS (£m)
SBCON221	Existing	Building Control	Building Control fees	Increase Building Control fees	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.005)
SMUSE221	Existing	Banbury Museum	Reduction in Banbury Museum grant	Reduce the grant funding to the Banbury Museum Trust - delayed by 1 year to 2025/26	(0.025)	(0.050)	-	-	-	(0.075)
SMUSE231	Existing	Banbury Museum	Gradual reduction in support to Banbury Museum	We are proposing a gradual reduction in the funding we give to Banbury Museum - delayed by 1 year to 2025/26	(0.020)	(0.025)	-	-	-	(0.045)
SBICR231	Existing	Bicester Regeneration	Gradual reduction in grant to Bicester Vision	We currently contribute £15k towards the work on Bicester Vision, which is the only contribution we make to organisations leading similar projects across the district. By tapering this contribution off over three years as a saving we can ensure we are treating these organisations equally and provide resilience for Bicester Vision to adapt its funding streams	(0.005)	-	-	-	-	(0.005)
SECON233	Existing	Economic Growth	Cutting grant to Experience Oxfordshire	Continuation of phased reduction of grant to Experience Oxfordshire	(0.005)	-	-	-	-	(0.005)
SADGE241	Existing	Growth & Economy	Recharge staff time to projects	A proportion of staff time will be recharged, for the relevant financial year, to externally funded projects	0.017	-	-	-	-	0.017
SDMAN242	Existing	Development Management	National agreed increase in planning fees	National agreed increase in planning fees	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.005)
SECON241	Existing	Economic Growth	One Year delay of Economic Prosperity Strategy	The proposal is to delay the Economic Prosperity Strategy for one year	0.041	-	-	-	-	0.041
SECON242	Existing	Economic Growth	Officer time recharged to projects	Selected and proportionate recharging of revenue costs to one off grants (Bicester Garden Town Capacity fund and UKSPF)	0.127	-	-	-	-	0.127
EEV22503	New	Environmental	Development Monitoring	Charging developers for extra monitoring and defect checks	(0.006)	-	-	-	-	(0.006)
DHW2503	New	Housing & Wellbeing	Leisure Contracts	Reducing costs in our leisure contracts	(0.350)	-	-	-	-	(0.350)
EHW2501	New	Housing & Wellbeing	Youth Activator Mileage	Using electric pool cars to save on mileage expenses and reduce carbon emissions	(0.006)	-	-	-	-	(0.006)
DHW2502	New	Housing & Wellbeing	Holiday Programme	Transferring the 5 to 11 year olds' holiday programme to our leisure provider	(0.006)	-	-	-	-	(0.006)
ERG2504	New	Regulatory	Health Protection and Compliance	Removing vacant job posts where possible	(0.025)	-	-	-	-	(0.025)
IPD2501	Income	Planning & Development	Land Drainage	Increase Land Drainage Recovery Costs	(0.008)	-	-	-	-	(0.008)
IPD2502	Income	Planning & Development	Street Naming Fees	Street Naming Fee Increase	(0.009)	-	-	-	-	(0.009)
IPD2504	Income	Planning & Development	Planning Pre-applications	Review of Pre-application Service	(0.044)	-	-	-	-	(0.044)
IPD2505	Income	Planning & Development	Planning Performance Agreements	Planning Performance Agreements	(0.050)	-	-	-	-	(0.050)
IREG2501	Income	Regulatory	Primary Authority Scheme	Primary Authority Scheme Increase	(0.004)	-	-	-	-	(0.004)
	Income	Environmental	Garden Waste	Garden Waste Subscription fee increase from £49 to £59	-	(0.207)	-	-	-	(0.207)
				Total	**(0.380)**	**(0.284)**	**(0.002)**	**(0.002)**	**(0.002)**	**(0.670)**

Appendix 1 - Previously agreed Service Efficiencies & Income Proposals

Figures are shown as an incremental, year on year change to the budget

Resources

Reference	Existing, New or Income	Service	Title	Description	2025/26 (£m)	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	2029/30 (£m)	Total MTFS (£m)
SELEC221	Existing	Elections	Parish Election Charges	Review of recharges to Parishes for CDC running Parish Elections	-	(0.002)	(0.001)	-	-	(0.003)
SINVP221	Existing	Property	Commercial Rents	Change in rental income from commercial council properties through contractual lease reviews	0.020	(0.035)	-	-	-	(0.015)
SCARP222	Existing	Car Parking	Car park fees	Increase annual car parking charge of no more than 10p per hour	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.500)
SFCOS231	Existing	Finance	Ensure services funded through external grants reflect the costs of support services required	Through adopting a new approach to allocating any grants we receive towards services we can deliver savings on existing and future grants by ensuring they take into account all the costs of providing the services	(0.080)	-	-	-	-	(0.080)
SPERF231	Existing	Performance	Performance System Contract	Our performance system contract needs to be renewed every other year	(0.010)	0.010	(0.010)	0.010	-	0.000
EFI2503	New	Finance	Vacant Post	Removing vacant job posts where possible	(0.140)	-	-	-	-	(0.140)
EDI2502	New	Digital & Innovation	Laptops as Corporate Assets	Centralising our computer budgets and making our equipment replacement programme more efficient	(0.010)	-	-	-	-	(0.010)
EHR2503	New	Human Resources	Review JE system	Simplifying the job evaluation process by using one scheme instead of two	(0.010)	-	-	-	-	(0.010)
EHR2504	New	Human Resources	Removal of Apprenticeship	Removing vacant job posts where possible	(0.019)	-	-	-	-	(0.019)
EHR2507	New	Human Resources	Overtime Review	Reducing weekday overtime rates to standard pay	(0.081)	-	-	-	-	(0.081)
ELG2501	New	Law & Governance	Electronic Sealing and Signing	Introducing a secure electronic document signing and sealing system to save time and money	(0.004)	(0.003)	-	-	-	(0.007)
EPROP2504	New	Property	Facilities Management	Finding efficiencies within facilities management	(0.018)	(0.040)	(0.040)	-	-	(0.098)
EPROP2506	New	Property	Community Assets	Clarifying tenant's responsibilities to avoid extra work and costs	(0.005)	-	-	-	-	(0.005)
EHW2504	New	Property	Maintenance Contractor Framework	Exploring a shared contractor framework covering property, wellbeing and housing repairs to reduce costs	(0.005)	-	-	-	-	(0.005)
ICF2501	Income	Customer Focus	Land Charges	Increase of new Land Charges to supplement an income which declines	(0.005)	-	-	-	-	(0.005)
IPROP2501,2,3,6	Income	Property	Leasehold Management	Leasehold Management	(0.050)	-	-	-	-	(0.050)
				Total	**(0.517)**	**(0.170)**	**(0.151)**	**(0.090)**	**(0.100)**	**(1.028)**

Exec Matters

Reference	Existing, New or Income	Service	Title	Description	2025/26 (£m)	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	2029/30 (£m)	Total MTFS (£m)
EFI2501 EFI2504	New	Exec Matters	Balance Sheet Review	After reviewing our balance sheet, using available resources to help lower borrowing costs	(0.335)	(0.009)	(0.008)	(0.008)	(0.009)	(0.369)
				Total	**(0.335)**	**(0.009)**	**(0.008)**	**(0.008)**	**(0.009)**	**(0.369)**

				Total Existing Efficiencies	**(0.042)**	**(0.204)**	**(0.113)**	**(0.092)**	**(0.102)**	**(0.553)**
				Total New Efficiencies	**(1.020)**	**(0.052)**	**(0.048)**	**(0.008)**	**(0.009)**	**(1.137)**
				Total Income	**(0.170)**	**(0.207)**	-	-	-	**(0.377)**
				Total Savings	**(1.232)**	**(0.463)**	**(0.161)**	**(0.100)**	**(0.111)**	**(2.067)**

Appendix 2 - Previously agreed Service Investments

Figures are shown as an incremental, year on year change to the budget

Communities

Reference	Existing, Savings Non-Delivery, or New	Service	Title	Description	2025/26 (£m)	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	2029/30 (£m)	Total MTFS (£m)
SBCON221	Savings Non-delivery	Building Control	Building Control fees	Increase Building Control fees	0.001	0.001	0.001	0.001	0.001	0.005
PWAST231	Existing	Waste & Recycling	Additional crew and vehicle for growth of the district	Housing growth in the district is rising rapidly, which means a new waste crew is required approximately every 3 years. As this is entirely dependent on the level of housing growth we cannot predict exactly when this need will arise. We anticipate needing an additional crew in 2026/27 and we have identified an additional vehicle through the vehicle replacement programme.	-	0.170		-	-	0.170
PEMPL231	Existing	Emergency Planning	Inflationary costs in relation to the Council's Emergency Planning responsibilities	Cherwell District Council is supported by Oxfordshire County Council to prepare for and respond to emergency incidents that may arise in the district. Cherwell District Council pays for this support through a service level agreement with the County Council which includes provision for the rise in staffing costs	0.001	0.001	0.001	-	-	0.003
PPPOL241	Existing	Planning Policy	Local Plan	Increasing the budget to reflect the true costs of Local Plan Examinations - to be offset by use of other reserves	(0.125)	-	-	-	-	(0.125)
PAFFH242	Existing	Affordable Housing	Change in income	Revised profile of income due to the building being vacant whilst roof is repaired	(0.066)	-	-	-	-	(0.066)
MOTION	Existing	Planning Policy	Kidlington & Yarnton Vision 2050	To develop a holistic strategy for Kidlington's Infrastructure	(0.020)	-	(0.095)	-	-	(0.115)
MOTION	Existing	Environmental Strategies	Solar Energy Strategy	To commission a robust, research-based strategy for solar electricity production in Cherwell, in order to achieve the optimum balance of power generation by solar farms, by roof panels on new commercial and residential developments, and, crucially, their retrofitting on existing public, business and domestic buildings.	(0.020)	-	-	-	-	(0.020)
DEV22501	New	Environmental	Tree Inspections	Tree inspections required more frequently to minimise risks to the public in line with legislation	0.035	-	-	-	-	0.035
DHW2502	New	Housing & Wellbeing	Temporary Accomodation	Demand for temporary accomodation rising throughout this year and expected to continue into 2025/26. Placements create financial pressure.	0.250	-	-	-	-	0.250
DPD2503	New	Planning & Development	Community Infastructure Levy	One off implementation costs of CIL is required	0.079	(0.080)	-	-	-	(0.001)
DPD2504	New	Planning & Development	Conservation Areas	To support a new programme of Conservation Area Appraisals	-	0.020	-	-	-	0.020
DRG2501	New	Regulatory	Environmental Enforcement/Dog Service	The costs for the collection and kennelling of stray dogs has increased	0.024	-	-	-	-	0.024
Council	New	Wellbeing & Housing	Heating Hardship Fund	To support pensioners who are struggling during the cost-of-living crisis	0.100	(0.100)	-	-	-	-
Council	New	Wellbeing & Housing	Homelessness Support	Additional homelessness prevention support	0.065	(0.065)	-	-	-	-
Council	New	Planning & Development	Land Drainage Officer	To provide additional flood support	0.051	-	-	-	-	0.051
				Total	**0.375**	**(0.053)**	**(0.093)**	**0.001**	**0.001**	**0.231**

Resources

Reference	Existing, Savings Non-Delivery, or New	Service	Title	Description	2025/26 (£m)	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	2029/30 (£m)	Total MTFS (£m)
SAV2193	Existing	Property	Commercial Rent	Forecast change in rental incomes for Council owned properties	0.012	-	-	-	-	0.012
PPREV241	Existing	Property	Asset Management Plan Condition Surveys	As part of the creation of the Council's property asset management plan condition surveys of all of the corporate and commercial property stock. To be offset by use of property reserve.	(0.075)	-	-	-	-	(0.075)
	Savings non-delivery	Finance	Grant Top Slicing	The Pan Regional Partnership which contributes the majority of this target grant top slice to contribute to overheads is expected to end in 24/25	0.075	-	-	-	-	0.075
DFI2501	New	Finance	Financial System Upgrade	The Unit4 financial management system requires an upgrade as the version we are currently using will cease to be supported	0.050	(0.050)	-	-	-	0.000
DHR2501	New	Human Resources	Graduate Trainees x 2	One off funding for graduate training positions	0.075	(0.075)	-	-	-	0.000
DLG2501	New	Law & Governance	Committee Management System (CMS) Hosting Arrangements	Enable cloud hosting environment	0.024	(0.010)	-	-	-	0.014
DLG2504	New	Law & Governance	Increase in Legal Services Budget	One additional Solicitor	0.051	-	-	-	-	0.051
				Total	**0.212**	**(0.135)**	**-**	**-**	**-**	**0.077**
				Total Existing Investments	**(0.293)**	**0.171**	**(0.094)**	**-**	**-**	**(0.216)**
				Total New Investments	**0.804**	**(0.360)**	**-**	**-**	**-**	**0.444**
				Total Savings Non-Delivery	**0.076**	**0.001**	**0.001**	**0.001**	**0.001**	**0.080**
				Total	**0.587**	**(0.188)**	**(0.093)**	**0.001**	**0.001**	**0.308**

Budget Process High Level Timetable

Action	Date
Budget and Business Planning Process Report considered by Executive	2 September 2025
Budget Consultation Published	End November 2025
Budget Proposals considered by Budget Planning Committee	9 December 2025
Council Tax Reduction Scheme considered by Council	15 December 2025
Provisional Local Government Finance Settlement	Late-November 2025
Council Tax Base considered by Executive	6 January 2026
Draft Treasury Management and Capital & Investment Strategies considered by Accounts, Audit and Risk Committee	14 January 2026
Draft Capital & Investment Strategies considered by Budget Planning Committee	20 January 2026
Proposed Budget from Executive	3 February 2026
Council to agree 2026/27 Budget	23 February 2026

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Budget Planning Committee	
Work Programme 2025/2026	
Date	**Agenda Items**
09 December 2025	2026/2027 Budget Proposals – Revenue & Capital (including fees & Charges)
	Finance Monitoring Report – Pd 7 (October 2025)
	Work Programme Update
20 January 2026	Draft 2026/27 Capital and Investment Strategy
	Draft 2026/27 Reserves Strategy and Medium-Term Reserves Plan
	Budget Management Period 8 (November)
	Work Programme Update
10 March 2026	Finance Monitoring Report – Q3 (December 2025)
	Work Programme Update

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