

# Supplement for

## Finance and Performance Panel (Panel of the Scrutiny Committee)

On **Monday 5 September 2022** At **6.00 pm**

### Agenda Supplement - Full Agenda Pack including Cabinet Reports

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1.	<b>Apologies</b>	
2.	<b>Declarations of Interest</b>	
3.	<b>Finance and Performance Panel Work Plan</b>	5 - 6
	The Finance and Performance Panel is asked to note its work plan and agree any amendments.	
4.	<b>Notes of Previous Meeting</b>	7 - 10
	<b>Recommendation:</b> that the notes of the meeting of 07 July 2022 are approved as a true and accurate record.	
5.	<b>Integrated Performance Report Q1</b>	11 - 30
	The Integrated Performance Report Q1 will be considered by Cabinet on 14 September 2022. Nigel Kennedy, Head of Financial Services and Anna Winship, Management Accountancy Manager will attend to present the report and answer questions.	

The Panel is asked to consider the report and agree any recommendations it wishes to make to Cabinet.

6. **Treasury Management Annual Report 2021/22** 31 - 40

The Treasury Management Annual Report 2021/22 will be considered by Cabinet on 14 September 2022. Nigel Kennedy, Head of Financial Services will attend to present the report and answer questions.

The Panel is asked to consider the report and agree any recommendations it wishes to make to Cabinet.

7. **Council Tax Reduction Scheme 2022/23** 41 - 64

The Council Tax Reduction Scheme 2022/23 will be considered by Cabinet on 14 September 2022. Nigel Kennedy, Head of Financial Services and Laura Bessell, Benefit Manager will attend to present the report and answer questions.

The Panel is asked to consider the report and agree any recommendations it wishes to make to Cabinet.

8. **Scrutiny Performance Monitoring** 65 - 70

The Finance and Performance Panel has agreed to have Scrutiny Performance Monitoring as a standing item on its agendas.

The Panel is recommended to note the performance monitoring update, identify any questions it wishes to receive written responses to, or agree to invite relevant officers to a future meeting.

The Panel is also recommended to receive any written responses to questions raised at previous meetings.

9. **Dates of Future Meetings**

The Finance and Performance Panel is scheduled to meet on the following dates:

- 07 December 2022
- 23 January 2023
- 28 March 2023

All meetings start at 6.00pm.

The agenda, reports and any additional supplements can be found together with this supplement on the committee meeting webpage.

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# Finance and Performance Panel Work Plan

September 2022 to November 2022

Published on 24/08/22

www.oxford.gov.uk



This work plan is provisional and subject to change, usually relating to changes on the Forward Plan. Changes made outside meetings are agreed in consultation with the Panel Chair.

The work plan covers items due for consideration over a three-month period.

## Finance and Performance Panel

### 05 September 2022

Agenda item	Cabinet item	Description	Cabinet portfolio	Lead officer
Council Tax Reduction Scheme for 2023/24	Yes	To seek approval to consult on the Council Tax Reduction Scheme for 2023/24.	Cabinet Member for Inclusive Communities and Culture	Phil McGaskill, Revenues Manager
Integrated Performance Report for Q1	Yes	A report to Members on Finance, Risk & Performance as at 30 June 2022.	Deputy Leader (Statutory) - Finance and Asset Management	Anna Winship, Management Accountancy Manager
Treasury Management Annual Report 2021/22	Yes	To set out the Council's Treasury Management activity and performance for the financial year 2021/22.	Deputy Leader (Statutory) - Finance and Asset Management	Bill Lewis, Financial Accounting Manager
Scrutiny Performance	No	To note the performance monitoring update, identify any questions the Panel wishes to receive written responses to, or agree to invite relevant	N/A	N/A

Monitoring		officers to a future meeting.		
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## **Minutes of a meeting of the Finance and Performance Panel (Panel of the Scrutiny Committee) on Thursday 7 July 2022**



### **Committee members present:**

Councillor Fry (Chair)

Councillor Jarvis

Councillor Latif

### **Officers present for all or part of the meeting:**

Nigel Kennedy, Head of Financial Services

Alice Courtney, Committee and Member Services Manager (Interim Acting)

#### **1. Apologies**

None.

#### **2. Declarations of Interest**

None.

#### **3. Finance and Performance Panel Work Plan**

*Cllr Latif joined the meeting.*

The Panel noted the Work Plan and requested that the Scrutiny Officer seek an alternative date for the Panel meeting in September 2022, due to availability of the Chair.

#### **4. Medium Term Financial Strategy 2023-24 to 2026-27**

Nigel Kennedy, Head of Financial Services presented the report, which set out the budget setting strategy for the forthcoming Medium Term Financial Plan 2023-24 to 2026-27. In response to questions, the Head of Financial Services confirmed that:

- A report setting out the lessons learnt from the QL system failure was being prepared and would be presented to the Audit and Governance Committee in due course. The Council was approximately 6 weeks behind schedule on getting the QL system back up and running as intended, but it was anticipated it would be 'business as usual' in the first week of August 2022.
- He would provide a list of all non-statutory services and their budgetary costs, together with information about external funding where relevant. He added that he expected the £5.5m budget deficit to widen as a result of increased costs (e.g. increased energy costs).

- There was limited scope to draw on reserves to plug the budget deficit. He added that no further COVID-19 related support was expected from central Government.
- He would produce a report for the Finance and Performance Panel related to the cost-benefit of the Council's transformation programme. This would include a list of savings which had already been achieved and the savings anticipated from current and future work to ensure that savings were not being counted more than once.
- No additional dividend was expected from OCHL, therefore no assumptions were included around that. The last OCHL dividend was expected in 2025/26 and any dividend beyond then was uncertain – however the position would be clearer in September when OCHL produced the next iteration of its Business Plan.
- Any income from OxWED LLP or South Oxford Science Village LLP was not included in the current strategy; it was too early to make any assumptions as those ventures were still being developed.
- The rise in corporate costs was as a result of an increase in Minimum Revenue Provision (MRP) due to increased lending; however the position was an improvement on the original assumptions as MRP seemed to focus more on commercial loans rather than all loans.
- No assumptions were included in the strategy around increases to utilities costs, therefore the budget deficit was expected to increase.
- He would explore the presentation of the information in the tables – particularly whether it could be highlighted which categories certain aspects (e.g. utilities and salaries) came under and the nature of risk associated with them.
- There had been no news from the Government related to fairer funding.
- The Council was fairly on track to achieve the stated efficiencies. The Panel requested the Head of Corporate Property be invited to the next meeting to present a report on income from Council assets.
- He would request a case study on the savings achieved by implementing renewable energy sources at Blackbird Leys and Hinksey Leisure Centres to get a sense of the Council savings that could be achieved by using solar panels; the Council had recently invested in a solar farm.
- The current provision for bad debt was £6.8m for commercial lets.
- Town Hall lettings income was getting back to normality but was still not at pre-pandemic levels; it was forecast that pre-pandemic levels would be achieved next year.
- A report on park and rides was due to be considered by Cabinet in July 2022.
- He would produce a report on park and ride/car parking income to be presented at a future Panel meeting.
- The formula for increasing social housing rents was CPI +1%, which would be modelled as part of the budget setting process, although it was unlikely that the agreed rent increase would be as high as this and the Government was thought to be considering a cap.
- The price for the purchase of HRA properties was fixed at the time of signing the contract with OCHL.

The Chair thanked the Head of Financial Services for attending to present the report.

The Panel noted the contents of the report.



## **ACTION:**

- **Head of Financial Services** to provide a list of all non-statutory services and their budgetary costs during the Budget process, together with information about external funding where relevant.
- **Head of Financial Services** to incorporate within future monitoring reports the cost-benefit of the Council's transformation programme, to include a list of savings already achieved and savings anticipated from current and future work.
- **Scrutiny Officer** to invite the Head of Corporate Property to the next Panel meeting to present a report on income from Council assets.
- **Head of Financial Services** to liaise with the Head of Corporate Strategy to present information during the Budget process on the savings achieved by implementing renewable energy sources at Leisure sites and the potential savings that could be achieved by using solar panels or other invest to save initiatives in the area.
- **Head of Financial Services** to produce a report on park and ride/car parking income to be presented at a future Panel meeting.

## **5. Scrutiny Performance Monitoring**

The Panel considered the report, which had been produced to support it in selecting the Key Performance Indicators (KPIs) it wished to monitor over the 2022/23 municipal year.

The Panel:

- **Noted** the end of year performance report for KPIs selected by the Finance and Performance Panel in the 2021/22 municipal year.
- **Agreed** to have Scrutiny Performance Monitoring as a standing item on the Finance and Performance Panel agenda, where written questions or invitations to relevant officers to attend the next meeting could be agreed, and previous written responses considered.
- **Agreed** to confirm the list of KPIs it wished to continue to monitor in 2022/23 via email.

## **ACTION:**

- Scrutiny Officer to circulate Appendix A of the report to the Panel for agreement on which KPIs should be taken out for 2022/23 Scrutiny monitoring.

## **6. Dates of Future Meetings**

The dates of future meetings were note.

The Panel requested that the Scrutiny Officer seek an alternative date for the Panel meeting in September 2022, due to availability of the Chair.

Cllr Jarvis advised that he was unavailable for the Panel meeting scheduled for 07 December 2022.

**The meeting started at 6.00 pm and ended at 7.35 pm**

**Chair .....**

**Date: Monday 5 September 2022**

*When decisions take effect:*

*Cabinet: after the call-in and review period has expired*

*Planning Committees: after the call-in and review period has expired and the formal decision notice is issued*

*All other committees: immediately.*

*Details are in the Council's Constitution.*

**To:** Cabinet  
**Date:** 14 September 2022  
**Report of:** Head of Financial Services  
 Head of Business Improvement  
**Title of Report:** Integrated Performance Report for Quarter 1 2022/23

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	To update the Cabinet on Finance, Risk and Corporate Performance matters as at 30 <sup>th</sup> June 2022.
<b>Key decision:</b>	No
<b>Cabinet Member:</b>	Councillor Ed Turner, Cabinet Member for Finance and Asset Management
<b>Corporate Priority:</b>	All
<b>Policy Framework:</b>	Council Strategy 2020-24
<b>Recommendation(s): That the Cabinet resolves to:</b>	
1.	<b>Note</b> the projected financial outturn as well as the current position on risk and performance as at 30 June 2022.

<b>Appendices</b>	
Appendix A	General Fund - June 2022 Forecast Outturn
Appendix B	Housing Revenue Account - June 2022 Forecast Outturn
Appendix C	Capital Programme – June 2022
Appendix D	Corporate KPI's June 2022

## Introduction and background

1. This report updates the Cabinet on the financial, corporate performance and corporate risk positions of the Council as at 30<sup>th</sup> June 2022. A brief summary is as follows:

## Financial Position

- **General Fund** – the outturn position is forecasting an favourable variance of £0.100 million against the net budget agreed by Council in February 2022 of £22.382 million;

- **Housing Revenue Account** – The budgeted surplus agreed by the Council in February 2022 was £0.064 million and is currently on budget;
  - **Capital Programme** – The budget, as approved at Council in February 2022, was set at £210.981 million with carry forward of unspent balances in 2021-22 and a reprofile of the HRA budget, this was subsequently revised to the latest budget of £208.714 million. The outturn forecast position is currently £184.726 million with a total slippage of £23.988 million.
2. **Performance** – There are 25 Corporate Indicators for the current financial year, 9 of which are rated Green (on target); 2 are rated Amber (within a tolerance of target) and 3 are rated Red (outside of target), there are also 11 indicators which are tracking indicators or have no data available. More details can be found in paragraph 15.
  3. **Corporate Risk Management** – There are five red corporate risks at the end of quarter one. These relate to actions taken to ensure housing delivery and supply for the city of Oxford and to enable sufficient house building and investment; local, national or international factors adversely affecting the economic growth of the city; negative impacts of Climate Change; potential terrorist incident in the city that affects normal life and delivery of services by external suppliers and partners. More details of the risks can be found in paragraphs 13 to 14;

## Financial Position

### General Fund Revenue

4. The overall Net Budget Requirement agreed by the Council in February 2022 was £22.382 million. Since setting the budget, service area expenditure has increased by a net total of £0.645 million. This is mainly due to the release of pay inflation to services from the contingency pot in line with the agreed pay award. The Net Budget Requirement remains unchanged since this is simply a virement.
5. As at 30<sup>th</sup> June 2022 the General Fund Service Areas are a limited number of variances against the latest budget of £33.580 million. A number of key areas however continue to be monitored closely as they recover from the impact of COVID 19. These include :
  - **Car Park income** – income for the first quarter is slightly above budget and usage is increasing steadily in most car parks. However the usage and income is still down in comparison to 2019/20 (pre COVID) levels, by an average of 16% on usage and 9% on income. At Cabinet on 13<sup>th</sup> July 2022 the Council agreed an adjustment in park and ride charges for a 6 month period commencing in September in order to safeguard the future of the park and ride facility and encourage usage rather than driving into the city centre;
  - **Property rental** – the base budget for the year is £12.408 million an increase of £2.36 million from the previous year, some of this increase relates to bringing the budget back to pre COVID 19 levels. Work is ongoing to increase these levels further although in the immediate future this remains unlikely. This has been reflected in the MTFP. Outstanding debt is approximately £6million and a provision for bad debt for high risk debts stands at around £4million. Proactive action is taking place to recover

outstanding debt and determine what level of write off will be charged against the provision. It should be noted that for the period of the COVID pandemic, enforcement action for unpaid commercial property debts was largely suspended, and there remain particular rules in place for the treatment of debts from this period going forward.

- **Town Hall income** – the income budget was increased by £0.336 million for the year to £0.808 million reflecting some recovery from COVID 19. This target is currently forecast to be met during the year.
- **Financial Services** – bank charges continue to be above budget due to non-compliance of Payment Card Industry Data Security Standards (PCIDSS), work on which is currently in progress to resolve. Additionally court cost income continues to be below budget for the first quarter of the financial year due to successful arrears recovery processes. Together an adverse variance of £0.100 million is forecast.
- **Oxford Direct Services** ODS board have declared a dividend for 2020-21 of £0.600 million which is payable to the Council in this financial year, this has slipped from 2021-22 and therefore an additional £0.600 million for the year is forecast. The 2021-22 dividend is not expected to be declared until the sign off of the accounts which is expected by December 2022, but early indication is that the surplus is expected to be on budget at around £1.1 million and the company's intention that this is also paid to the shareholder.
- **Oxford City Housing Limited** – the revised business plan as at May 2022 has recently been presented to shareholders. Based on this plan interest returns will reduce in 2022-23 by around £0.400 million given the extensive slippage in the OCHL build program. This has been reflected in the forecast outturn position of the corporate accounts.
- **Utility costs** – Work is ongoing to estimate the impact of the significant increases in the cost of electric and gas for council owned buildings. The market is very volatile and fluctuating on a daily basis. Based on the latest prices it is estimated that the current cost of utilities of £1.6 million per annum could rise to between £2.4 million and £5.5 million, some of which will be charged to the HRA and some to General Fund. An optimistic scenario would be an additional £2.5 to £3.0 million per annum, £1.5 million for the half year from October 2022, with approximately a 75/25 split between General Fund and HRA. The Council currently purchases its utilities through the Laser Energy Consortium with prices fixed up until October 2022. In recent weeks the Council has moved a number of supplies to flexible purchase in advance (PIA) contracts as opposed to Fixed Term Fixed Price (FTFP) contracts, which are more suited to extremely volatile and unpredictable energy markets. We are continuing to seek such PIA deals for other suppliers although prices that do become available can change within hours such is the volatility of the market. This is clearly a significant cost pressure to the Council's budget which will need close monitoring over the coming months.

## Efficiencies

6. £2.351 million of new efficiencies were introduced within this year's budget and work is ongoing to ensure that these are all achieved. Most are on target

however there is a saving for £0.050 million in procurement to be made from contract for supplies and services across the Council, which still needs to be identified. The saving in relation to St Aldates Chambers is also waiting for decisions to be made regarding the letting of the building. The savings in respect of the Leisure services review are on target but rising utility costs which need to be paid by the contractor propose a risk to this.

	Budgeted savings 2022/23 £000's	On track Y/N	Comments
<b>Efficiencies</b>			
St Aldates Chambers	199	Y	Decision on options pending
ICT Contracts - Strategic review	200	Y	System rationalisation, as contracts come to an end should be achievable
Service Integration Project	480	Y	Post savings in Communities £168k; £90k saving on Director rols, post in HIA £46k and £176k turnover savings across the teams
Housing Needs System and Structure change	200	Y	On track to deliver £238k in 22/23 and a further £50k in 23/24 and 24/25
County Wide rough sleeping recommissioning strategy efficiencies	142	Y	savings across a variety of areas identified to make the total saving
Council Tax Reduction Scheme	120	Y	Linkage to channel shift and Civica Open Revenues introduction
Replacement Revenues and Benefits system	100	Y	Linkage to channel shift and Civica Open Revenues introduction
Leisure services review	100	Y	Full management fee of £500k agreed , need to get a better picutre of the impact of increasing utility costs will have
Review of voluntary sector grants	200	Y	savings identified
Cashless payments	20	Y	partially implemented, trials on cashless carparks looking successful
Printing and scanning	50	Y	working with suppliers to achieve savings
Selective licencing	369	Y	work has commenced with implementation date of Sept 2022
<b>Transformation projects</b>			
Procurement	50	N	at risk but procurement are working with services to identify savings
Customer services	63	Y	customer experience savings
Service based savings	46	Y	customer experience savings
CORVU replacement	12	Y	CORVU has been taken off line so savings will be made
	<b>2,351</b>		

## Housing Revenue Account (“the HRA”)

- The HRA budgeted surplus agreed by the Council in February 2022 was £0.064 million. The forecast outturn indicates that this budgeted position will be met at year end. The accounts are showing an underspend on the year to date position and this relates to delays with identifying work in progress job costs through QL. All transactions for completed jobs have been accounted for but the work in progress valuation for work undertaken by ODS has been more difficult to analyse, therefore the year to date position is showing an underspend on responsive and cyclical repairs.

## Capital

- The budget, as approved by the Council at its meeting in February 2022, was set at £210.981 million. Since that date the budget has been increased to take account of unspent balances rolled forward from 2021-22, and a reprofiling of the HRA capital programme, giving a latest budget of £208.714 million
- Spend against the budget is £5.709 million which equated to 3% of the latest budget, and the forecast outturn is £184.726 million with a total of £23.988 million slippage.

## General Fund

- A summary of the General Fund schemes by project type is shown below and this provides an insight into the value of development projects that the Council

is undergoing. It also highlights that a significant % of the capital programme relates to Housing Company Loans of which the spend is reliant on the progress of the Housing company development programme.

Project Classification	Projects	In Delivery Stage	Latest Budget 22/23	Spend to Date	% Spent	Projects Forecasting Variance	Latest Forecast Variance	22/23 Forecast Spend
Project - Development	35	6	45,245,200	- 104,849	0%	3	- 961,275	44,283,925
Project - ICT	12	6	859,757	46,746	5%	0	-	859,757
Project - Compliance	4	2	274,477	- 36,798	-13%	0	-	274,477
Project - Other	15	3	3,044,349	20,876	1%	0	-	3,044,349
Rolling Programme	7	0	8,020,070	576,265	7%	0	-	8,020,070
Housing Company Loans	3	0	41,727,851	1,195,494	3%	3	- 6,044,510	35,683,341
Other Capital Spend	17	1	28,954,949	1,913,248	7%	2	- 16,982,622	11,972,327
<b>General Fund Total</b>	<b>93</b>	<b>18</b>	<b>128,126,653</b>	<b>3,610,982</b>	<b>3%</b>	<b>8</b>	<b>- 23,988,407</b>	<b>104,138,246</b>

11. Details of that slippage are:

- Regeneration Property – budget of £17.0 million has been slipped into future years as one purchase is pending but as other options remain limited the remaining budget has been slipped, if an opportunity does arise in year the budget can be brought forwards
- Barton Park and Housing company loans – net slippage of £6.044 million to reflect the reprofiling of the developments schemes in line with the revised OX Place business plan
- Depot Rationalisation – slippage of £0.967 million leaving £0.500 million in the current year to cover feasibility and Cowley Marsh extension work.

## HRA

12. A summary of the HRA schemes by project type is shown in the table below, and this shows that a significant element of the capital programme is a rolling programme, for example Kitchen and bathroom replacements, heating and electrics etc. The other large element is the Other Capital Spend classification, and these schemes relate to acquisitions and developments.

Project Classification	Projects	In Delivery Stage	Latest Budget 22/23	Spend to Date	% Spent	Projects Forecasting Variance	22/23 Forecast Variance	22/23 Forecast Spend
Project - Development	4	1	5,542,152	53,161	1%	0	-	5,542,152
Project - Other	1	0	333,753	-	0%	0	-	333,753
Rolling Programme	20	4	20,213,815	374,979	2%	0	-	20,213,815
Other Capital Spend	9	3	54,395,677	1,669,858	3%	0	-	54,395,677
<b>HRA Total</b>	<b>35</b>	<b>8</b>	<b>80,587,397</b>	<b>2,097,999</b>	<b>3%</b>	<b>-</b>	<b>-</b>	<b>80,587,397</b>

## Corporate Risk

13. There are five red risks on the current Corporate Risk Register, which are as follows:

- **Housing** – the Council has key priorities around housing which include ensuring housing delivery and supply for the city of Oxford and enabling sufficient house building and investment. Insufficient housing in Oxford leads to an increase in homelessness which has an impact on residents. There are also health and quality of life issues. The Council is implementing delivery methods for temporary accommodation and accommodation for homelessness prevention which include a rent guarantee scheme, a growth deal to facilitate additional affordable housing and a tranche of property purchases to be delivered via real lettings. In addition the Council's housing

companies are in the process of constructing new affordable homes the social housing elements will be purchased by the Council;

- **Economic Growth** – this relates to local, national or international factors adversely affecting the economic growth of the City. Whilst COVID 19 restrictions are currently lifted, the supply chain challenges relating to Brexit, the war in Europe, energy security and related inflationary issues are a heightened risk. The Council is able to affect this risk through the delivery of the Oxford Economic Strategy and City Centre Vision Action Plan, This aims to stimulate recovery through targeted measures and the Council will work with Economic Growth Board & City Centre Task Force and engage with businesses to understand long term impact of COVID and EU Transition, taking action where possible, Macroeconomic impacts are outside the Council’s direct control but the effects can be managed and mitigated at the local level;
- **Negative Impact of Climate change** – areas of concern are flooding, which is highly weather dependent; poor air quality and increased episodes of excess heat. The Council does not have control over the global climate positions but it can make changes and improvements within its sphere of influence. The Council has made action on climate change one of its corporate priorities and has stepped up its programme of action, partnering and influencing to seek to mitigate social health and environmental impacts on the City. The Oxford Flood Alleviation Scheme (OFAS) scheme continues to progress. Work is ongoing through Zero Carbon Oxfordshire Partnership (ZCOP) to reduce carbon emissions across the City. Oxford City Council’s Carbon Management Plan, ongoing work around flood mitigation, tree planting and partnership with EA-led programme to deliver the OFAS scheme. Control measure relating to advocacy, clear communication and negotiation over our land assets, in particular at Seacourt and Redbridge Park and Ride sites are also employed.
- **Terrorism** – this relates to a potential terrorist incident in the city centre that adversely affect normal life in the city, including a negative impact on the Council’s business or targets an individual event such as May Morning or St. Giles’ Fair. Dependent on nature of attack and where it occurs could result in lock down of buildings, including Council offices, severe travel disruption and a need to disperse large numbers of people to places of safety. The Council cannot prevent a terrorist attack but working with partners, particularly the Police and County Council on the Crowded Places Plan, which includes mitigation intervention, it can hopefully help reduce impact.
- **Delivery of Services by External Suppliers/Partners/Supply Chain** – this relates to the Council’s arrangements for the management of its leisure centres by an external body. The external partner continues to focus on embedding their new delivery model which in summary is a reduction of staff in the Oxford contract, a concierge cashless system, they have exited their offices, reduced support services, alongside implementing COVID safe procedures. Recruitment is a challenge and there is a requirement for



safeguarding checks, induction and mandatory training before employees can commence duties.

14. The table below shows the level of Red, Amber and Green current risks over the last 12 months:

<b>Current Risk</b>	<b>Q2 2021/22</b>	<b>Q3 2021/22</b>	<b>Q4 2021/22</b>	<b>Q1 2022/23</b>
Red	3	3	3	5
Amber	10	11	11	9
Green	1	0	0	0
<b>Total Risks</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>

### **Performance Indicators**

15. There are three red corporate performance indicators being reported at the end of quarter 1, these relate to:

- % of Council spend with local businesses including SME's – target 45% with an actual of 38.97%. Statistics are being investigated to ensure that grants are excluded (since these distort spending statistics) and also ensure OX Place construction contracts are fully accounted for, and we will look at ways to step up local spend as part of the forthcoming review of the Procurement Strategy;
- Number of rough sleepers without an offer of accommodation – target of 34 with an actual of 30 – there were 40 persons rough sleeping in the city at the end of June and 34 of those did not have an offer of accommodation. We are working with all groups of rough sleepers to move them into supported accommodation. Nationally there has been a rise in rough sleeping post-pandemic as pandemic measures and funding has been removed;
- Reduction of number of face to face visits – target of 10% with an actual increase of 32%. Tracking 244 more visits year to date this year than last;

### **Financial implications**

16. All financial implications are covered in the body of this report and the Appendices, as required by 8.14b of the Council's constitution.

### **Legal issues**

17. There are no legal implications arising directly from this report.

### **Level of risk**

18. All risk implications are covered in the body of this report and the Appendices.

## Equalities impact

19. There are no equalities impacts arising directly from this report.

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**Background Papers:** None

General Fund Outturn Report 22/23 @ 30 June 2022	Approved Budget (per Budget book)	Previous Months Budget	Current Month Virements & Ear Marked Reserve Transfers	Latest Budget	Projected Outturn against Latest Budget	PO Variance
	£000's	£000's	£000's	£000's	£000's	£000's
S13 - Housing Services	4,718	4,619		4,619	4,619	
S15 - Regulatory Services & Community Safety	722	623	4	627	627	
S22 - Community Services	5,010	4,851		4,851	4,851	
<b>Communities &amp; People</b>	<b>10,450</b>	<b>10,093</b>	<b>4</b>	<b>10,097</b>	<b>10,097</b>	
S09 - Corporate Property	(9,068)	(9,131)		(9,131)	(8,031)	1,100
S10 - Regeneration & Economy	723	691		691	691	
S16 - Planning Services	570	494		494	494	
<b>Development</b>	<b>(7,775)</b>	<b>(7,946)</b>		<b>(7,946)</b>	<b>(6,846)</b>	<b>1,100</b>
S01 - Corporate Strategy	907	873		873	873	
S20 - Environmental Sustainability	1,130	1,170	(35)	1,135	1,135	
Chief Executive	2,037	2,043	(35)	2,008	2,008	
S26 - Oxford Direct Services Client	13,051	13,401	10	13,411	12,811	(600)
<b>ODS Development Director</b>	<b>13,051</b>	<b>13,401</b>	<b>10</b>	<b>13,411</b>	<b>12,811</b>	<b>(600)</b>
S03 - Business Improvement	9,730	9,527		9,527	9,527	
S32 - Financial Services	3,169	3,021		3,021	3,121	100
S34 - Law and Governance	3,563	3,462		3,462	3,462	
<b>Corporate Resources</b>	<b>16,462</b>	<b>16,010</b>		<b>16,010</b>	<b>16,110</b>	<b>100</b>
<b>Directorate Total Excl SLA's &amp; Capital Charges</b>	<b>34,225</b>	<b>33,601</b>	<b>(21)</b>	<b>33,580</b>	<b>34,180</b>	<b>600</b>
<b>SLA's &amp; Capital Charges</b>	<b>(9,632)</b>	<b>(9,632)</b>		<b>(9,632)</b>	<b>(9,632)</b>	
<b>Corporate Accounts</b>	<b>(1,466)</b>	<b>(1,466)</b>		<b>(1,466)</b>	<b>(2,166)</b>	<b>(700)</b>
<b>Contingencies</b>	<b>1,238</b>	<b>1,903</b>	<b>(10)</b>	<b>1,893</b>	<b>1,893</b>	
<b>Total Corporate Accounts &amp; Contingencies</b>	<b>(228)</b>	<b>437</b>	<b>(10)</b>	<b>427</b>	<b>(273)</b>	<b>(700)</b>
<b>Net Expenditure Budget</b>	<b>24,365</b>	<b>24,406</b>	<b>(31)</b>	<b>24,375</b>	<b>24,275</b>	<b>(100)</b>
S48D - Transfers To/From Earmarked Reserves	(1,983)	(2,023)	31	(1,992)	(1,992)	
<b>Net Budget Required</b>	<b>22,382</b>	<b>22,383</b>		<b>22,383</b>	<b>22,283</b>	<b>(100)</b>
<b>Funding</b>						
S47E - New Homes Bonus	471	471		471	471	
S47B - Council Tax Funding	15,028	15,029		15,029	15,029	
S47C - Parish Precept	(271)	(271)		(271)	(271)	
S47D - NDR Funding	7,154	7,154		7,154	7,154	
<b>Total Funding Available</b>	<b>22,382</b>	<b>22,383</b>		<b>22,383</b>	<b>22,383</b>	
<b>(Surplus) / Deficit for the year</b>					<b>(100)</b>	<b>(100)</b>

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HRA Report 22/23 @ Jun 2022	Approved Budget (per Budget book)	Latest Budget @ 30th Jun 2022	Actual YTD	Budget YTD	Variance YTD	Projected Outturn against Latest Budget @ 30th Jun 2022	Projected Outturn Variance	Projected Outturn Variance Mvt from Previous Month
	£000's	£'000's	£000's	£000's	£'000's	£'000's	£000's	£'000's
Dwelling Rent	(44,733)	(44,733)	(11,091)	(11,188)	98	(44,733)		
Service Charges	(2,091)	(2,091)	(566)	(525)	(42)	(2,091)		
Garage Income	(226)	(226)	(66)	(56)	(9)	(226)		
Miscellaneous Income	(781)	(781)	(233)	(221)	(12)	(781)		
Right to Buy (RAF)	(52)	(52)	(14)	(13)	(1)	(52)		
<b>Net Income</b>	<b>(47,882)</b>	<b>(47,882)</b>	<b>(11,970)</b>	<b>(12,004)</b>	<b>34</b>	<b>(47,882)</b>		
Management & Services (Stock Related)	11,434	11,434	2,633	2,804	(171)	11,434		
Other Revenue Spend (Stock Related)	1,127	1,127	71	75	(4)	1,127		
Misc Expenditure (Not Stock Related)	1,021	1,021	85	113	(28)	1,021		
Bad Debt Provision	786	786	10	10	()	786		
Responsive & Cyclical Repairs	15,498	15,498	1,430	3,693	(2,263)	15,498		
Interest Paid	8,620	8,620	2,155	2,155		8,620		
Depreciation	9,412	9,412				9,412		
<b>Total Expenditure</b>	<b>47,899</b>	<b>47,899</b>	<b>6,384</b>	<b>8,850</b>	<b>(2,466)</b>	<b>47,899</b>		
<b>Net Operating Expenditure/(Income)</b>	<b>16</b>	<b>16</b>	<b>(5,586)</b>	<b>(3,154)</b>	<b>(2,433)</b>	<b>16</b>		
Investment Income	(81)	(81)	(20)	(20)	()	(81)		
Other HRA Reserve Adjustment			122		122			
Transfer (to)/from MR/OR								
<b>Total Appropriations</b>	<b>(81)</b>	<b>(81)</b>	<b>102</b>	<b>(20)</b>	<b>122</b>	<b>(81)</b>		
<b>Total HRA (Surplus)/Deficit</b>	<b>(64)</b>	<b>(64)</b>	<b>(5,484)</b>	<b>(3,174)</b>	<b>(2,311)</b>	<b>(64)</b>		

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Capital Budget and Spend as at 30th June 22													
Cost Centre	Capital Scheme	Progress Update Provider	GF / HRA	2022/23 Original Budget	Carry Forwards	Adjustments Since Original Budget	Latest Budget	Spend to 30/06/2022	Budget Remaining	2022/23 Variance			
										Forecast Variance	Variance due to Slippage	Over / Under Spend	2022/23 Outturn Forecast
				£	£	£	£	£	£	£	£	£	£
<b>General Fund Capital Programme</b>													
<b>Communities and People Directorate</b>													
<b>Community Services Projects</b>													
A4820	Upgrade Existing Tennis Courts	Hagan Lewisman	GF	-	-	35,000	35,000	-	35,000	-	-	-	35,000
A4847	Rose Hill Community Centre - Parking Management	Dave Morrell	GF	-	-	10,000	10,000	-	10,000	-	-	-	10,000
B0075	Museum of Oxford Development	David Hunt	GF	-	1,016,395	(1,016,395)	-	(245,040)	245,040	-	-	-	0
B0083	East Oxford Community Centre	Douglas Kerrigan	GF	3,547,154	218,048	(95,163)	3,670,039	71,182	3,598,857	-	-	-	3,670,039
B0084	Jericho Community Centre	Hagan Lewisman	GF	-	-	-	-	-	-	-	-	-	0
B0096	Bullingdon Community Centre	Douglas Kerrigan	GF	1,064,578	33,427	(146,082)	951,923	(400,570)	1,352,493	-	-	-	951,923
<b>Community Services Projects Total</b>				<b>4,611,732</b>	<b>1,267,870</b>	<b>(1,212,649)</b>	<b>4,666,962</b>	<b>(674,428)</b>	<b>5,241,390</b>	-	-	-	<b>4,666,962</b>
<b>Housing Services Projects</b>													
B0102	Replace or refurbish Lifts	Steve Stansfield	GF	76,190	76,190	(32,896)	119,484	-	119,484	-	-	-	119,484
B0108	Floyds Row Refurbishment	0	GF	-	-	99,217	99,217	(35,683)	134,900	-	-	-	99,217
C3057	Housing System Replacement	Dave Shaw	GF	-	128,595	(128,595)	-	69,294	(69,294)	-	-	-	0
M5038	Roken House	Dave Scholes	GF	230,000	128,596	1,300,904	1,659,500	1,405,981	253,520	-	-	-	1,659,500
M5019	Purchase of Homeless Properties (CLOSED)	0	GF	-	-	-	-	(720)	720	-	-	-	0
<b>Housing Services Projects Total</b>				<b>306,190</b>	<b>333,381</b>	<b>1,238,630</b>	<b>1,878,201</b>	<b>1,438,871</b>	<b>439,330</b>	-	-	-	<b>1,878,201</b>
<b>Regulatory &amp; Community Safety Projects</b>													
A4845	CCTV Suite Upgrade	Richard Adams	GF	-	-	10,583	10,583	7,275	3,308	-	-	-	10,583
A4852	Bodycams for Community Safety Team	Dan Courtenay	GF	-	-	60,450	60,450	-	60,450	-	-	-	60,450
E3511	Essential Repairs Grant	Becky Walker	GF	15,000	(7,138)	12,153	20,015	(3,945)	23,960	-	-	-	20,015
E3521	Disabled Facilities Grants	Becky Walker	GF	1,400,000	135,000	43,548	1,578,548	163,002	1,415,546	17,378	17,378	-	1,595,926
E3563	Additional DFG Funding (CLOSED)	0	GF	-	98,682	(98,682)	-	5,816	(5,816)	-	-	-	0
<b>Regulatory &amp; Community Safety Projects Total</b>				<b>1,415,000</b>	<b>226,544</b>	<b>28,052</b>	<b>1,669,596</b>	<b>172,148</b>	<b>1,497,448</b>	<b>17,378</b>	<b>17,378</b>	-	<b>1,686,974</b>
<b>Communities and People Directorate Total</b>				<b>6,332,922</b>	<b>1,827,795</b>	<b>54,042</b>	<b>8,214,759</b>	<b>1,036,592</b>	<b>7,178,167</b>	<b>17,378</b>	<b>17,378</b>	-	<b>8,232,137</b>
<b>Development Directorate</b>													
<b>Corporate Property Projects</b>													
B0100	Gloucester Green Car Park (H&S)	Jonathan Wright	GF	262,123	187,144	(207,351)	241,916	(22,633)	264,549	-	-	-	241,916
B0101	Capital Works at Covered Market	Jonathan Wright	GF	-	36,308	(7,445)	28,863	2,500	26,363	180	180	-	29,043
B0106	Covered Market Roof Works (Capitalised Planned)	Richard Davison	GF	426,000	122,023	9,383	557,406	70,112	487,294	-	-	-	557,406
B0111	Town Hall Dry Risers	Jonathan Wright	GF	-	86,473	(74,363)	12,110	(28,399)	40,509	-	-	-	12,110
B0117	Regeneration Property	Emma Gubbins	GF	20,000,000	-	-	20,000,000	-	20,000,000	(17,000,000)	(17,000,000)	-	3,000,000
B0126	Asset Surveys	Jonathan Wright	GF	-	300,000	-	300,000	-	300,000	-	-	-	300,000
B0136	Covered Market CCTV	Elaine Phillips	GF	-	(30,149)	103,797	73,648	39,549	34,099	-	-	-	73,648
B0138	Enabling works - Decarbonisation Project	Onsmus Mazanzi	GF	-	-	698,610	698,610	60,511	638,099	-	-	-	698,610
B0139	SAC Works to Enable Letting (Feasibility)	Lisa Smith	GF	-	-	37,965	37,965	52,040	(14,075)	-	-	-	37,965
B0143	SAC Works to Enable Letting	Lisa Smith	GF	1,000,000	1	(1)	1,000,000	-	1,000,000	-	-	-	1,000,000
B0142	Stock condition surveys (including bridge works)	Jonathan Wright	GF	2,362,500	1	(770,001)	1,592,500	-	1,592,500	-	-	-	1,592,500
B0147	Repairs to 2-4 Gloucester Street and 24-26 George St	Jonathan Wright	GF	-	2	769,998	770,000	-	770,000	-	-	-	770,000
<b>Corporate Property Projects Total</b>				<b>24,050,623</b>	<b>701,803</b>	<b>560,592</b>	<b>25,313,018</b>	<b>173,681</b>	<b>25,139,337</b>	<b>(16,999,820)</b>	<b>(16,999,820)</b>	-	<b>8,313,198</b>
<b>Regeneration &amp; Economy Projects</b>													
M5033	Blackbird Leys Regeneration (GF Element)	Andrew Humpherson	GF	8,387,991	824	291,441	8,680,256	25,071	8,655,185	-	-	-	8,680,256
A4853	City Wide Cycling Infrastructure Contribution	Mim Norvell	GF	109,956	2,456	10,044	122,456	16,581	105,875	-	-	-	122,456
B0081	Car Parking Oxpens	Lisa Smith	GF	225,355	192,355	(192,872)	224,838	3,923	220,915	-	-	-	224,838
B0086	Seacourt Park & Ride Extension	Douglas Kerrigan	GF	-	262,499	(124,653)	137,846	39,272	98,574	-	-	-	137,846
B0092	Cave Street Development (Standingford House)	Andrew Humpherson	GF	2,948,824	68,450	33,825	3,051,099	35,484	3,015,615	-	-	-	3,051,099
B0098	1-3 George Street	Lisa Smith	GF	1,226,769	291,569	(461,493)	1,056,845	(113,093)	1,169,938	-	-	-	1,056,845
B0116	Osney Mead Infrastructure	Steve Weitzel	GF	5,300,000	60,000	62,914	5,422,914	15,784	5,407,130	-	-	-	5,422,914
B0120	Osney Bridge	Steve Weitzel	GF	4,583,745	283,745	(172,796)	4,694,694	165,200	4,529,494	-	-	-	4,694,694
B0122	City Cycle Schemes (Growth Deal)	Douglas Kerrigan	GF	751,662	451,662	(333,560)	869,764	3,413	866,351	-	-	-	869,764
B0125	City Centre Restart	Matt Peachey	GF	50,000	100,000	(50,000)	100,000	-	100,000	-	-	-	100,000
B0131	Meanwhile In Oxfordshire	Steve Weitzel	GF	253,874	(30,150)	311,646	535,370	324,683	210,687	-	-	-	535,370
B0130	CIL Feasibility	0	GF	-	-	100,000	100,000	-	100,000	-	-	-	100,000
B0074	R & D Feasibility Fund	Anna Winship	GF	740,576	-	(601,714)	138,862	-	138,862	-	-	-	138,862
<b>Allocated Feasibility Funding (various schemes)</b>				<b>-</b>	<b>353,363</b>	<b>634,209</b>	<b>987,572</b>	<b>120,373</b>	<b>867,199</b>	<b>5,208</b>	<b>5,208</b>	-	<b>992,780</b>

<b>Regeneration &amp; Economy Projects Total</b>				<b>24,578,752</b>	<b>2,036,773</b>	<b>(493,000)</b>	<b>26,122,516</b>	<b>636,690</b>	<b>25,485,826</b>	<b>5,208</b>	<b>5,208</b>	<b>-</b>	<b>26,127,724</b>
<b>Housing Delivery Projects</b>													
M5025	Barton Park - Purchase by Council	David Watt	GF	8,455,017	2,495,819	(1,448,350)	9,502,486	1,195,494	8,306,992	809,379	809,379	-	10,311,865
M5026	Housing Company Loans (excl Barton Park)	David Watt	GF	5,234,291	(5,665,831)	23,168,420	22,736,880	-	22,736,880	(7,677,269)	(7,677,269)	-	15,059,611
M5032	Barton Park - loan to OCHL	David Watt	GF	8,455,017	2,462,819	(1,429,351)	9,488,485	-	9,488,485	823,380	823,380	-	10,311,865
M5034	Affordable Housing Supply	Dave Scholes	GF	914,000	-	-	914,000	-	914,000	-	-	-	914,000
M5035	Growth Deal Registered Provider Payments	Dave Scholes	GF	2,560,000	-	781,000	3,341,000	-	3,341,000	-	-	-	3,341,000
M5037	Northern Gateway (Oxford North)	Jenny Barker	GF	9,300,000	-	693,538	9,993,538	-	9,993,538	-	-	-	9,993,538
<b>Housing Delivery Projects Total</b>				<b>34,918,325</b>	<b>(787,193)</b>	<b>21,765,257</b>	<b>55,976,389</b>	<b>1,195,494</b>	<b>54,780,895</b>	<b>(6,044,510)</b>	<b>(6,044,510)</b>	<b>-</b>	<b>49,931,879</b>
<b>Planning Projects</b>													
F7007	Woodfarm / Headington Community Centre	Jonathan Wright	GF	-	8,397	(8,397)	-	-	-	-	-	-	0
F7011	Headington Environmental Improvements	Jonathan Wright	GF	60,781	1,152	(28,102)	33,831	(27,731)	61,562	-	-	-	33,831
F7024	St Clements Environmental Improvements	Lorraine Freeman	GF	20,000	30,000	-	50,000	-	50,000	-	-	-	50,000
<b>Planning Projects Total</b>				<b>80,781</b>	<b>39,549</b>	<b>(36,499)</b>	<b>83,831</b>	<b>(27,731)</b>	<b>111,562</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>83,831</b>
<b>Development Directorate Total</b>				<b>83,628,481</b>	<b>2,070,932</b>	<b>21,796,341</b>	<b>107,495,754</b>	<b>1,978,134</b>	<b>105,517,620</b>	<b>(23,039,122)</b>	<b>(23,039,122)</b>	<b>-</b>	<b>84,456,632</b>
<b>Chief Executive</b>													
<b>Business Improvement Projects</b>													
C3044	ICT Software and Licences	Rocco Labellarte	GF	245,000	-	-	245,000	224,430	20,570	-	-	-	245,000
C3058	CRM Replacement	Rocco Labellarte	GF	100,275	120,275	(169,620)	50,930	-	50,930	-	-	-	50,930
C3060	End-Point Devices (Desktops/Laptops)	Rocco Labellarte	GF	153,485	5,775	14,762	174,022	-	174,022	-	-	-	174,022
C3066	Telephony Device Refresh	Rocco Labellarte	GF	60,000	9,271	(26,258)	43,013	1,942	41,071	-	-	-	43,013
C3067	Paris Payment System, Replacement / PCI DSS	Tim Martin	GF	-	14,760	83,544	98,304	2,220	96,084	-	-	-	98,304
C3068	Windows 2008 Server Replacement	Rocco Labellarte	GF	109,345	47,676	(48,751)	108,270	1,140	107,130	-	-	-	108,270
C3072	Council Website Refresh	Rocco Labellarte	GF	-	36,170	50,938	87,108	-	87,108	-	-	-	87,108
C3078	Revs and Bens System Replacement	Shaun Butler	GF	-	218,737	(211,115)	7,622	12,556	(4,934)	-	-	-	7,622
C3080	Telephony Contract Replacement	Rocco Labellarte	GF	-	36,171	5,504	41,675	-	41,675	-	-	-	41,675
C3081	Capitalised ICT Projects	Rocco Labellarte	GF	386,600	36,172	(36,172)	386,600	-	386,600	-	-	-	386,600
<b>Business Improvement Projects Total</b>				<b>1,054,705</b>	<b>525,007</b>	<b>(337,168)</b>	<b>1,242,544</b>	<b>242,287</b>	<b>1,000,257</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,242,544</b>
<b>Law &amp; Governance</b>													
L1000	Audio & Visual Equipment	Alice Courtney	GF	-	36,171	73,829	110,000	-	110,000	-	-	-	110,000
<b>Law &amp; Governance Projects Total</b>				<b>-</b>	<b>36,171</b>	<b>73,829</b>	<b>110,000</b>	<b>-</b>	<b>110,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>110,000</b>
<b>Financial Services Projects</b>													
M5023	OxWED Restructure	Bill Lewis	GF	-	36,171	(36,171)	-	-	-	-	-	-	0
B0144	Salary Costs across the Council to be capitalised	0	GF	480,000	36,171	(36,171)	480,000	-	480,000	-	-	-	480,000
<b>Financial Services Projects Total</b>				<b>480,000</b>	<b>72,342</b>	<b>(72,342)</b>	<b>480,000</b>	<b>-</b>	<b>480,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>480,000</b>
<b>Environmental Sustainability Projects</b>													
E3557	Oxford and Abingdon Flood Alleviation Scheme	Tina Mould	GF	-	2,306	(2,306)	-	-	-	-	-	-	0
E3558	Go Ultra Low Oxford - On Street	Vikki Robins	GF	500,000	556,605	(537,985)	518,620	1,820	516,800	-	-	-	518,620
E3560	Go Ultra Low Oxford - Taxis	Sarah Hassenpflug	GF	-	203,220	(65,729)	137,491	-	137,491	-	-	-	137,491
E3563	Clean Bus Technology Grants	Mai Jarvis	GF	-	564,350	(390,290)	174,060	-	174,060	-	-	-	174,060
E3565	Decarbonisation Fund - OCC element	Onsmus Mazanzi	GF	-	(11,250)	916,867	905,617	173,748	731,869	-	-	-	905,617
E3567	Town Hall Lighting Upgrade (SALIX)	Keith Reynolds	GF	-	-	-	-	(24,412)	24,412	-	-	-	0
<b>Environmental Sustainability Projects Total</b>				<b>500,000</b>	<b>1,315,231</b>	<b>(79,443)</b>	<b>1,735,788</b>	<b>151,156</b>	<b>1,584,632</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,735,788</b>
<b>Oxford Direct Services Projects</b>													
R0005	MT Vehicles/Plant Replacement Programme.	Owain Pearce	GF	4,277,121	981,444	880,283	6,138,848	341,579	5,797,269	-	-	-	6,138,848
T2273	Car Parks Resurfacing	Jason Munro/ Suzanne	GF	335,864	35,864	370,569	742,297	(61,798)	804,095	-	-	-	742,297
T2299	Controlled Parking Zones	Amanda Ford	GF	250,000	50,000	200,000	500,000	-	500,000	-	-	-	500,000
T2301	Depot Rationalisation	Douglas Kerrigan, Oliver	GF	996,663	-	470,000	1,466,663	2,944	1,463,719	(966,663)	(966,663)	-	500,000
T2307	Transformation Funding	Suzanne White	GF	130,798	-	(130,798)	-	-	-	-	-	-	0
T2308	Additional Technology Requirements	Suzanne White	GF	537,000	-	(537,000)	-	(79,913)	79,913	-	-	-	0
<b>Oxford Direct Services Projects Total</b>				<b>6,527,446</b>	<b>1,067,308</b>	<b>1,253,054</b>	<b>8,847,808</b>	<b>202,812</b>	<b>8,644,996</b>	<b>(966,663)</b>	<b>(966,663)</b>	<b>-</b>	<b>7,881,145</b>
<b>Chief Executive Total</b>				<b>8,562,151</b>	<b>3,016,059</b>	<b>837,930</b>	<b>12,416,140</b>	<b>596,256</b>	<b>11,819,884</b>	<b>(966,663)</b>	<b>(966,663)</b>	<b>-</b>	<b>11,449,477</b>
<b>General Fund Total</b>				<b>98,523,554</b>	<b>6,914,786</b>	<b>22,688,313</b>	<b>128,126,653</b>	<b>3,610,982</b>	<b>124,515,671</b>	<b>(23,988,407)</b>	<b>(23,988,407)</b>	<b>-</b>	<b>104,138,246</b>



Housing Revenue Account Capital Programme													
N6384	Tower Blocks	Darowen Jones	HRA	-	883,642		883,642	20,250	863,392	-	-	883,642	
N6385	Adaptations for disabled	Mark Smart	HRA	756,000		400,000	1,156,000	72,833	1,083,167	-	-	1,156,000	
N6386	Structural	Mark Smart	HRA	2,000,000	283,008	433,467	2,716,475	59,822	2,656,653	-	-	2,716,475	
N6387	Controlled Entry	Mark Smart	HRA	133,000	11,522	150,000	294,522	9,011	285,511	-	-	294,522	
N6388	Major Voids	Mark Smart	HRA	515,000	(72,350)	172,000	614,650	(405)	615,055	-	-	614,650	
N6389	Damp-proof works (K&B)	Mark Smart	HRA	75,000	3,883	44,000	122,883	12,510	110,373	-	-	122,883	
N6390	Kitchens and Bathrooms	Mark Smart	HRA	1,300,000			1,300,000	-	1,300,000	-	-	1,300,000	
N7057	Kitchens	Mark Smart	HRA	-	32,475	641,039	673,514	93,693	579,821	-	-	673,514	
N7058	Bathrooms	Mark Smart	HRA	-	(31,949)	457,731	425,782	24,312	401,470	-	-	425,782	
N6392	Roofing	Mark Smart	HRA	700,000	(238,332)	263,521	725,189	(215,314)	940,503	-	-	725,189	
N6395	Electrics	Mark Smart	HRA	695,000	(21,701)	619,175	1,292,474	194,177	1,098,297	-	-	1,292,474	
N6434	Doors and Windows	Mark Smart	HRA	500,000	(105,913)	113,000	507,087	92,013	415,074	-	-	507,087	
N7020	Extensions & Major Adaption	Mark Smart	HRA	735,000	370,892		1,105,892	6,779	1,099,113	-	-	1,105,892	
N7026	Communal Areas	Mark Smart	HRA	213,000	29,884	488,889	731,773	2,520	729,253	-	-	731,773	
N7032	Great Estates Programme	Mark Smart	HRA	1,109,000	352,817	126,437	1,588,254	(165,618)	1,753,872	-	-	1,588,254	
N7033	Energy Efficiency Initiatives	Mark Smart	HRA	1,985,000	90,915		2,075,915	195,644	1,880,271	-	-	2,075,915	
N7042	Barton Regeneration	Mark Smart	HRA	-	18,150	600,000	618,150	(4,110)	622,260	-	-	618,150	
N7044	Lift Replacement Programme	Mark Smart	HRA	125,000	123,713	125,186	373,899	(32,612)	406,511	-	-	373,899	
N7047	Social Rented Housing Acquisitions	Dave Scholes	HRA	-	317,918	500,000	817,918	218,513	599,405	-	-	817,918	
N7048	Fire doors	Steve Stansfield	HRA	1,500,000	228,615	608,979	2,337,594	-	2,337,594	-	-	2,337,594	
N7067	Renewal Of Fire Alarm Panels	Steve Stansfield	HRA	102,000			102,000	-	102,000	-	-	102,000	
N7050	East Oxford development	Dave Scholes	HRA	2,813,000	607,060		3,420,060	490	3,419,570	-	-	3,420,060	
N7051	Acquisition of Additional Units	Dave Scholes	HRA	2,000,000	25,318	25,000	2,050,318	-	2,050,318	-	-	2,050,318	
N7052	HRA Stock Condition Survey	Mark Smart	HRA	195,000	138,753		333,753	-	333,753	-	-	333,753	
N7054	Properties Purchased From OCHL	Dave Scholes	HRA	74,698,000	(1,467,427)	(31,498,682)	41,731,891	2,237	41,729,654	-	-	41,731,891	
N7055	Use Of Recycled Capital Grants	Dave Scholes	HRA	-	27,737		27,737	-	27,737	-	-	27,737	
N6391	Heating	Mark Smart	HRA	2,352,000		(458,325)	1,893,675	-	1,893,675	-	-	1,893,675	
N7059	Boilers Only	Mark Smart	HRA	-		816,087	816,087	47,030	769,057	-	-	816,087	
N7060	Heating Systems	Mark Smart	HRA	-	(458,325)	458,325	-	55,529	(55,529)	-	-	0	
N7061	Northfield Hostel	Dave Scholes	HRA	11,740,000	1,734,116	(11,527,116)	1,947,000	1,414,550	532,450	-	-	1,947,000	
N7062	Lanham Way	Dave Scholes	HRA	3,555,000	813,030		4,368,030	12,715	4,355,315	-	-	4,368,030	
N7068	Juniper	Dave Scholes	HRA	1,586,000	(51,170)	51,170	1,586,000	(51,170)	1,637,170	-	-	1,586,000	
N7066	Next Steps Accommodation Programme	Dave Scholes	HRA	-	710,783		710,783	180	710,603	-	-	710,783	
N7070	Major Refurbishment Masons Road	Mark Smart	HRA	750,000			750,000	-	750,000	-	-	750,000	
N7040	Blackbird Leys Regeneration (HRA)	Andrew Humpherson	HRA	325,000		163,450	488,450	32,421	456,029	-	-	488,450	
<b>Housing Revenue Account Total</b>				<b>112,457,000</b>	<b>4,357,064</b>	<b>(36,226,667)</b>	<b>80,587,397</b>	<b>2,097,999</b>	<b>78,489,398</b>	<b>-</b>	<b>-</b>	<b>80,587,397</b>	
<b>Grand Total</b>				<b>210,980,554</b>	<b>11,271,850</b>	<b>(13,538,354)</b>	<b>208,714,050</b>	<b>5,708,981</b>	<b>203,005,069</b>	<b>(23,988,407)</b>	<b>(23,988,407)</b>	<b>-</b>	<b>184,725,643</b>
								<b>% Latest Budget</b>	<b>% Original Budget</b>				
<b>General Fund Spend v Budget</b>								3%	4%				
<b>HRA Spend v Budget</b>								3%	2%				
<b>Total Spend v Budget</b>								3%	3%				

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## Appendix D

Measure	Name	Owner	Year End target	June 22 / Q1 target	June 22/ Q1 actual	Mar 22 / Q4 Actual	Comments
FSC002	% of Council spend with local businesses including SMEs	Nigel Kennedy	46%	45%	38.97%	41.35%	Statistics are being investigated to ensure that grants are excluded (since these distort spending statistics) and also ensure OX Place construction contracts are accounted for, and we will look at ways to step up local spend as part of the forthcoming review of the Procurement Strategy
HSCO23	Number of rough sleepers without an offer of accommodation	Nerys Parry	30	30	34		At the end of June, a total of 40 persons were rough sleeping in the city, 34 of those did not have an offer of accommodation. There has been a lack of voids in supported accommodation during the quarter, and although there are persons who are ready to move on from such accommodation, they are unable to do so as there is a lack of affordable move-on options. Bringing online Housing First units over the coming quarter, will help ease pressure on the system by creating more capacity. There are also a number of people who are rough sleeping in the city who do not have recourse to public funds. Options for this group are limited, but we are working with providers to access projects set up to cater for this group, as well as assisting with regularising immigration status. The government acknowledges that there is little local authorities can do to assist persons with NRPF other than help them to access support to regularise their status. Nationally, there has been a rise in rough sleeping post-pandemic as pandemic measures and funding has been removed.
BIC025	Reduction of number of face to face visits	Helen Bishop	10%	10%	-32%	1024	380 visits in June, 85 more than last year, tracking 244 more visits year to date this year than last although we did only re-open mid-April last year which affected volumes. Q4 actual given as number of visits.
FSC019a	Total income collection as % of plan (Council Tax)	Nigel Kennedy	96.5%	29.5%	29.11%	94.52%	
PSC022	Provide a quarterly update on the five year housing delivery supply	Adrian Arnold, Rachel Williams	567	142	115		At this moment we are expecting 460 completions over 22/23 from known site allocations that are building out and existing commitments. This takes into account non site allocations but in the trajectory. This would give a quarterly figure of 108 dwellings per quarter. The target is higher because this is using the housing requirement in the Ox Local plan 2036 and this takes account of the windfall developments (less than 10 units). We have made an assumption given passed delivery of 136 windfalls per annum so this added to the trajectory figure gives a target of 142  Sites include Oxford North has a permission, Wolvercote Paper Mill, Littlemore mental health (18), Murco Garage 38 units, Lucy Faithfull 36 units, Simon House 30 units, Cowley above Tesco 55, Geoffrey Arthur 34, Barton Phase 65  <b>Mitigating Actions</b>  To continue to ensure we are regularly going on site to check when development commencements because it is the windfall developments that help us to achieve our targets.
FSC019b	Total income collection as % of plan (Business Rates)	Nigel Kennedy	95%	27.5%	27.76%	89.74%	On target
CSC009	Satisfaction with parks and green spaces	Ian Brooke	91%	91%	92%	92%	This is an annual survey and results are expected in September 2022.

Measure	Name	Owner	Year End target	June 22 / Q1 target	June 22/ Q1 actual	Mar 22 / Q4 Actual	Comments
CSC012	Physically active adults	Ian Brooke	76	76	76	73.09%	Although activity has dropped slightly in this reporting period, Oxford is still within the top quartile of performing district Council's in the Country. The reporting period is Nov 2020-21, so lags quite a long way behind and picks up reporting data from during the pandemic with the variety of stop start leisure centre and public building issues. A number of interventions have been launched since this date including GO-Active outdoors, GO-Active Families and YouMove as well as the successful Move together.
RSC006	% of privately rented homes improved	Ian Wright	60%	60%	63%	69%	
FSC003	% of Council spend with local businesses (excluding ODS and OCHL)	Nigel Kennedy	65%	65%	66.31	45.09%	As per target.
BIC024	Reduction of call volume into Customer Contact Centre	Mark Chandler	5	5	0.50%	50861	16006 calls received in June, 2405 less than last year, year to date tracking 246 calls less than previous year - 0.5%. Q4 actual given as number of calls.
FSC021	Efficiencies delivered against plan	Anna Winship,	£2,904,100	£726,025	£726,025	£1,806,000	All savings actively worked on and on track at this stage in the year
REC002	Number of Oxford Living Wage employers and employees	Carolyn Ploszynski	90	n/a	60	67	
REC001	Jobs in the city created or saved by OCC	Carolyn Ploszynski	1000			137	
CPC017	Oxford residents' satisfaction with City Council services	Mish Tullar	Tracking indicator	n/a		Baseline to be set 22/23	Baseline needs to be established through a full Residents Panel Survey, which was planned in 2021/22 but delayed to 22/23. We will work with Ipsos Mori to update the membership of the Oxford Residents Panel - a measure required every 2 years due to natural churn, but delayed due to COVID. Following the recruitment of replacement Panel members a baseline survey will be set for 2022.
BIC018	% of BAME staff	Helen Bishop	15.5%	n/a	14.59%	14.46%	This is a target for 31 <sup>st</sup> March 2023, and so far the % of BAME staff for 22/23 is showing a slight increase from 31 <sup>st</sup> March 2022 position. The targeted work of the workforce equalities action plan has made a difference to the BAME profile of the Council's workforce. An EDI Officer recruitment campaign is currently underway, which when successfully recruited to, will ensure the work with the Equalities Action Plan will gain momentum again.
HPC005	Total number of affordable homes in Oxford completed in year	Adrian Arnold, Stephen Clarke	Tracking indicator	TBC	36	190	
HSC014	Percentage of council owned stock that has an EPC below C	Nerys Parry	38%	TBC	Not applicable - reporting end of financial year	32%	The end of year target is for 38% of our domestic housing stock to have an EPC rating of C or below. We are working with colleagues across the Council and ODS to deliver works to homes, with 24.37% of HRA properties having an EPC below C. This means that we have already achieved the target set for 2022/23. This target was set as a 3-4 target profile when originally set, and we are ahead of the profiled target for this year.
ESC015	Improvement in overall city centre air quality	Mish Tullar	37	TBC	23.6	35	Target TBC

Measure	Name	Owner	Year End target	June 22 / Q1 target	June 22/ Q1 actual	Mar 22 / Q4 Actual	Comments
ESC013	Reduction of greenhouse emissions linked to Oxford City Council's operations (where it pays the bill) consistent with achieving net zero carbon Council by 2030.	Mish Tullar	526 tonnes of CO2 equivalent	TBC	n/a		Progressing work with the decarbonisation of leisure centres using the ca £11m PSDS grant funding - 3 of the 4 sites now are into full seasonal commissioning phase and heating the pools using the more efficient heat pumps with limited gas consumption. Battery assets are being assessed to determine most effective use - to for example charge over night when energy is cheaper and lower carbon and discharge in the daytime when energy prices are higher. Hinksey pool has had the majority of its decarbonisation plant installed but cannot commission until upgrade of substation by SSEN is completed. At present it is using the existing gas system for pool heating. Current estimates are heat pump commissioning in late Sept/Early October but this is dependent on SSEN timings. Heat decarbonisation plans have been completed for the Town Hall, St Aldates Chambers and Barton Neighbourhood centre - outlining viable options for heat decarb in these buildings and providing useful supporting data for any future heat decarbonisation grant funding bids. Funding has been applied for to carry out similar at Horspath Depot and Rosehill Comm Centre. LED lighting upgrades in leisure centres is a large Salix funded project on the horizon to be tackled this financial year if viable. Annual Greenhouse Gas report completed for ODS as part of its statutory reporting requirements (Streamlined Energy & Carbon reporting - SECR report) and similar GHG report for the Oxford City council complete estate (not including housing or commercial lease properties) and operations is in progress to inform progress with year on year carbon emissions targets/progress. GHG report targeted for completion by Sept 22
ESC016	Total carbon emissions for the city	Mish Tullar	Tracking indicator	n/a	See Commentary	No Data (see commentary)	The data we use to track this come from BEIS on an annual basis and is two years in arrears. So We will continue to maintain high ambition for citywide carbon reduction
FSC020	Discretionary funding won by the Council	Anna Winship, Nigel Kennedy	Tracking indicator	n/a	0	£7,023,745	No Successful bids awarded so far in year
BIC022	Number of online forms completed and submitted as a proportion of total enquiries	Helen Bishop	Tracking indicator	TBC		Baseline to be set 22/23	As a new KPI, the baseline data is under review so that a realistic target can be set
CSC004a	Number of people supported into work placements, apprenticeships, training, or back	Carolyn Ploszynski	Tracking indicator	TBC	48		
CSC004b	The percentage who are from deprived areas or ethnic minority backgrounds	Carolyn Ploszynski	90	TBC	48		

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**To:** Cabinet  
**Date:** 14 September 2022  
**Report of:** Head of Financial Services  
**Title of Report:** Treasury Management Annual Report 2021/22

<b>Summary and Recommendations</b>	
<b>Purpose of report:</b>	The report sets out the Council's Treasury Management activity and performance for the financial year 2021/22
<b>Key decision:</b>	No
<b>Cabinet Member:</b>	Councillor Ed Turner, Deputy Leader (Statutory) – Finance and Asset Management
<b>Corporate Priority:</b>	All
<b>Policy Framework:</b>	Treasury Management Strategy
<b>Recommendation:</b> That Cabinet resolves to:	
1. <b>Note</b> the report.	

<b>Appendices</b>
None.

## Executive Summary

- This is a “backward looking” report covering Treasury Management activity over the 2021-22 financial year. The Council held investments of £112,053 million, including property and multi-asset funds and money market funds as at 31st March 2022. Net General Fund interest earned during the year, including from loans to companies and external borrowing costs, was £4.82 million against a target of £4.73 million, a favourable variance of £0.09million. This relates to two factors:
  - Higher returns of £0.22 million from investment interest than anticipated primarily due to higher investment levels arising from a reduction in internal borrowing associated with capital programme slippage;
  - Interest from companies was lower than anticipated due to lower than anticipated as lending by the council to the housing company was not as high as forecast however this was offset as the Councils borrowing requirement from PWLB was reduced due to the lower capital spend.

2. The average rate of return on the Council's investments in 2021/22 was 0.32% compared to 0.82% in 2020/21. The Bank of England base rate remained at 0.10% until 16th December 2021 when it increased by 0.15% to 0.25% it then increased again on 3rd February 2022 by 0.25% and then again on 17th March 2022 by 0.25% with the base rate finishing on 0.75% for the year ending 2021/22.
3. The Council held £198.5 million of fixed rate Public Works Loan Board (PWLB) debt as at 31st March 2022. The debt was borrowed in March 2012 to fund the self-financing of the Housing Revenue Account (HRA). All of the debt relates to housing and the maturity profile ranges from 5 to 50 years. Interest paid on the debt in 2021/22 and charged to the HRA was £6.40 million.

## **Background**

4. The primary principle governing the Council's investment decisions is the security of the investment, with liquidity and yield being secondary considerations.
5. The Council has a statutory duty to set, monitor and report on its prudential indicators in accordance with the Prudential Code, which aims to ensure that the capital investment plans of local authorities are affordable, prudent and sustainable.
6. When considering whether to borrow, the Council's Debt Strategy requires a number of factors to be considered. These include:
  - prevailing interest rates;
  - the profile of the Council's debt portfolio;
  - the type of asset being financed; and
  - the availability of cash balances to finance capital expenditure.
7. The Council fully complied with its Treasury Management Strategy in relation to both debt and investment management in 2021/22.
8. The prudential indicators detailed in the body of this report compare the Council's outturn position against the target set for 2021/22.



## Financing the Capital Programme 2021/22

9. Table 1 below shows actual capital expenditure and financing compared to the original budget.

<b>Table 1 Capital Expenditure and Financing 2021-22</b>			
<b>Capital Expenditure</b>	<b>2021/22 Original Budget £'000</b>	<b>2021/22 Actual £'000</b>	<b>Variation £'000</b>
Non-HRA Capital Expenditure	97,031	33,865	-63,166
HRA Capital Expenditure	79,728	44,154	-35,574
<b>Total Capital Expenditure</b>	<b>176,759</b>	<b>78,019</b>	<b>-98,740</b>
<b>Resourced by:</b>			
Developer Contributions	5,987	0	-5,987
Capital Receipts	6,463	11,619	5,157
Capital Grants and contributions	21,340	22,938	1,598
Major Repairs Reserve	9,136	8,201	-935
Prudential Borrowing	116,720	6,463	-110,257
Revenue	17,114	28,798	11,684
<b>Total Capital Resources</b>	<b>176,759</b>	<b>78,019</b>	<b>-98,740</b>

10. Much of the variation to the original budget relates to slippage in the programme, the resources for which will be moved into funding the expenditure in future financial years.

### The Council's Overall Borrowing Need

11. The Council's underlying need to borrow, or Capital Financing Requirement (CFR), is the measurement and control of the Council's overall debt position. It represents all prior years' net capital expenditure which has not been financed by other means, i.e. revenue, capital receipts, grants etc.

12. The CFR can be reduced by:

- The application of additional capital resources, such as unapplied capital receipts; or
- Charging a Minimum Revenue Provision (MRP), or a Voluntary Revenue Provision (VRP).

13. Table 2 below shows the Council’s CFR as at the 31<sup>st</sup> March 2022, this is a key prudential indicator, and shows that actual borrowing is below the CFR:

<b>Table 2 Capital Financing Requirement (CFR) 2020-21 and 2021-22</b>			
<b>CFR</b>	<b>31st March 2022 Estimate £'000</b>	<b>31st March 2022 Actual £'000</b>	<b>Variation £'000</b>
<b>Opening Balance</b>	<b>403,525</b>	<b>289,497</b>	<b>-114,028</b>
Prudential Borrowing	116,720	6,463	-110,257
Minimum Revenue Provision	-165	-37	128
Capital Debtor Repayment	0	-616	-616
<b>CFR Closing Balance</b>	<b>520,080</b>	<b>295,307</b>	<b>-224,773</b>
<b>External Borrowing</b>	<b>198,528</b>	<b>198,528</b>	<b>0</b>
<b>Internal Borrowing</b>	<b>321,552</b>	<b>96,779</b>	<b>-224,773</b>

14. No new external debt was taken out during 2021/22 and as at 31st March 2022 the Council’s total external debt was £198.5 million. This is below the CFR and indicates that the Council continues to internally borrow from its cash balances which is the cheapest form of borrowing.

#### **Treasury Position at 31st March 2022**

15. Whilst the Council’s gauge of its underlying need to borrow is the CFR, the treasury function manages the Council’s actual need to borrow by either:
- Borrowing to the CFR;
  - Choosing to utilise temporary cash flow funds, instead of borrowing (known as “under borrowing”); or
  - Borrowing for future increases in the CFR (borrowing in advance of need).

16. The Council's treasury position as at the 31<sup>st</sup> March 2022 for both debt and investments, compared with the previous year is set out in Table 3 below:

<b>Table 3 : Borrowing and Investments 2020-2021 and 2021 and 2022</b>				
<b>Treasury Position</b>	<b>31st March 2021</b>		<b>31st March 2022</b>	
	<b>Principal £'000</b>	<b>Average Rate %</b>	<b>Principal £'000</b>	<b>Average Rate %</b>
<b>Borrowing</b>				
Fixed Interest Rate Debt	198,528	3.15	198,528	3.15
<b>Total Debt</b>	<b>198,528</b>	<b>3.15</b>	<b>198,528</b>	<b>3.15</b>
<b>Investments</b>				
Fixed Interest Investments	48,000	0.48	65,500	0.19
Call Accounts	7,500	0.90	0	0.00
Variable Interest Investments	8,940	0.01	26,553	0.01
Investment Funds	15,000	3.54	20,000	3.58
<b>Total Investments</b>	<b>79,440</b>	<b>0.82</b>	<b>112,053</b>	<b>0.32</b>
<b>Net Position</b>	<b>119,088</b>		<b>86,475</b>	

17. Overall, the Council earned a weighted average return of 0.32% on its investment which is above the target of 0.2% above average base rate, which equated to 0.12% as at 31st March 2022.

### **Prudential Indicators and Compliance Issues**

18. Some of the prudential indicators provide an overview, others a specific limit on treasury activity. These are detailed below:

19. **Net Borrowing and the CFR** – In order to ensure that borrowing levels are prudent, the Council's external borrowing (net of investments) over the medium-term must only be for a capital purpose, and not exceed the CFR except in the short-term. In the short term the Council can borrow for cash flow purposes. Table 4 below highlights the Council's net borrowing position against the CFR, and shows that it is significantly below the limit, due to the level of internal borrowing that has been undertaken.

<b>Table 4 : Net Borrowing CFR 2020-21 and 2021-22</b>		
<b>Net Borrowing &amp; CFR</b>	<b>31st March 2021 Actual £'000</b>	<b>31st March 2022 Actual £'000</b>
Total Debt	198,528	198,528
Total Investment	79,440	112,053
<b>Net Borrowing Position</b>	<b>119,088</b>	<b>86,475</b>
<b>CFR</b>	<b>289,497</b>	<b>295,307</b>
<b>Under Borrowing plus Investments</b>	<b>170,409</b>	<b>208,832</b>

20. In the current climate, internal borrowing is preferable to borrowing externally as the interest rate payable on an external loan is much higher than that which can be earned on investments. Therefore, forfeiting interest receivable on investments is more economical than paying additional interest charges for new external debt. If the net borrowing position, interest rate position and/or CFR changed significantly, the prospect of taking on additional debt would be reviewed.
21. **The Authorised Limit** – The Authorised Limit is the ‘affordable borrowing limit’ required by section 3 of the Local Government Act 2003. The Council does not have the power to borrow above this level unless it explicitly agrees to do so. Table 5 below demonstrates that during 2021/22 the Council’s gross borrowing was within its Authorised Limit. The Authorised Limit allows for some headroom above the Council’s projected CFR.

<b>Table 5 : Authorised Lending Limits 2020-21 and 2021-22</b>				
<b>Authorised Limit compared to Actual Borrowing</b>	<b>31st March 2021</b>		<b>31st March 2022</b>	
	<b>Limit £'000</b>	<b>Actual £'000</b>	<b>Limit £'000</b>	<b>Actual £'000</b>
Borrowing	532,111	198,528	662,122	198,528
Other Long Term Liabilities	0	0	0	0
<b>Total Borrowed</b>	<b>532,111</b>	<b>198,528</b>	<b>662,122</b>	<b>198,528</b>
<b>Amount under Limit</b>	<b>333,583</b>		<b>463,594</b>	

22. **The Operational Boundary Limit** – the Operational Boundary Limit is the expected borrowing position of the Council during the year. It is possible to exceed the Operational Boundary Limit, for a short period of time, providing that the Authorised Borrowing Limit is not breached. Table 6 below shows the limits for the last two financial years. Actual borrowing remained unchanged at £198.5m hence the limits were not breached during either period.

<b>Table 6 : Operational Boundary Limits 2020-21 and 2021-22</b>		
<b>Operational Boundaries</b>	<b>31st March 2021 £'000</b>	<b>31st March 2022 £'000</b>
Operational Borrowing Limit	353,523	423,525
Other Long Term Liabilities	0	0
<b>Totals</b>	<b>353,523</b>	<b>423,525</b>

23. **Actual financing costs as a proportion of net revenue stream** – this indicator identifies the trend in the net cost of capital against the net revenue stream and is an indicator of affordability. Table 7 below shows that for the General Fund, the ratio is negative as external loans have been repaid and investment income is positive. The HRA ratio has improved slightly after last year’s reducing income stream, meaning that financing costs as a proportion have also fallen.

<b>Table 7 : Financing Cost 2019-20 and 2020-21</b>		
<b>Actual Finance Costs</b>	<b>2020/21 £'000</b>	<b>2021/22 £'000</b>
<b>Revenue Stream</b>		
General Fund	29,412	26,080
Housing Revenue Account	45,458	45,605
<b>Comparison to Actual Revenue Position</b>		
Financing Costs as a proportion of Net Revenue Stream - General Fund	-7.02%	-8.04%
Financing Costs as a proportion of Net Revenue Stream - HRA	16.35%	16.49%

Note that the General Fund Revenue Stream above has been adjusted to remove the additional £23.6 million section 31 grants paid in advance of in 2021/22 by the government.

### **Investment Income**

24. The Council manages its investments in-house and invests with institutions listed in the Council’s approved counterparty list. The Council invests for a range of periods from overnight to 364 days, dependant on cash flow requirements, its view on interest rates and duration limits set out in the Council’s Investment Strategy.
25. During 2021/22, the Council maintained an average investment balance of £102 million and received an average return of 0.82%. The upper limit of non-specified investments allowed in the strategy is 30% of the average investment balance for the preceding calendar year or £30 million, whichever is the higher. The average balance for 2021-22 was £101 million giving a limit on non-specified investments of £30 million. Property funds and the Multi Asset Funds fell into the non-

specified investment category; their original investment value was £20 million which is within the non-specified limit.

26. The property funds and the Multi asset Fund are classified as Non-specified Investments within the approved Investment Strategy. The current rate of return on the investments is circa 4.4% per annum. The capital value of the Communities, Churches and Local Authorities (CCLA) Fund has increased by 46.5% between April 2013 and March 2022. The overall value of the Lothbury property fund investment has increased by 32.13% since inception in August 2014. Artemis Multi asset funds capital value increased by 6.81%. Fidelity multi asset fund decreased in value by 5.12%. It is important to understand that fluctuations in value are to be expected with property and multi asset fund investments over the short term and that they are a long term investment; as such, any gains and losses in fund value should be considered over the long term.
27. Actual investment income for 2021/22 was £1.01 million; £0.22 million higher than the budgeted estimate of £0.79 million. The difference is primarily due to investment balances and lower internal borrowing than anticipated.
28. Fluctuations in the Council's balances have been managed through a mix of instant access and notice accounts, money market funds and short term deposits (up to 364 days). This approach is in line with the Investment Strategy approved by the Council.

### **Interest Rates since 31<sup>st</sup> March 2022**

29. The Council takes advice from Link Asset Services on the appropriate durations to place investments with counterparties. These durations and also the availability of individual counterparties are subject to change dependant on market conditions and the credit ratings of the individual institutions. This means that the investment portfolio has to be actively managed to ensure both the availability of enough suitable counterparties and that the Council achieves the best interest rates possible within the agreed security and liquidity parameters.
30. Over the last two years, the coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings until raising it to 0.25% at its meeting on 16th December 2021, 0.50% at its meeting of 4th February 2022, 0.75% in March 2022, 1.00% in May 2022, 1.25% in June 2022 and then 1.75% in August 2022. Although the Interest rates are more favourable for investments it takes time for existing investments to mature in order to take advantage of the enhanced rates.

### **Environmental Social and Governance**

31. The Council adopted an ethical investment policy in 2015/16. No changes were made to the policy in setting the 2020/21 Treasury Management Strategy which is set out below:

The Council will not knowingly invest directly in businesses whose activities and practices pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the Council's mission and values. This would include, inter alia, avoiding direct investment in institutions with material links to:

- a. Human rights abuse (e.g. child labour, political oppression)
  - b. Environmentally harmful activities (e.g. pollutants, destruction of habitat, fossil fuels)
  - c. Socially harmful activities (e.g. tobacco, gambling).
32. There is a more detailed Environmental Social and Governance policy within the 2022/23 Treasury Strategy and this will continue to be developed over time. Environmental, social, and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors use to inform potential investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights. Support for how this could be implemented when considering the placing treasury investments alongside the normal Security Liquidity Yield principles is being looked at by the Councils Treasury advisors Link.

### **Minimum Revenue Provision (MRP)**

33. Following a consultation by the Department for Levelling Up, Housing and Communities on proposed changes to regulations, aimed at strengthening compliance with the duty to make Minimum Revenue Provision (MRP) which ran for 10 weeks from 30 November 2021 until 8 February 2022, the government were made aware of concerns raised by a number of authorities that the changes may have unintended consequences where authorities have made capital loans. The Council were foremost on lobbying the Local Government Association (LGA) and also the Department for Levelling Up Housing and Communities on these issues.

The Government's stated intent for the changes was to make sure that prudent MRP is made each year, as well as prevent practices that result in under-provision of MRP, the government has also been clear that it does not want to stymie sensible investment or cause undue financial pressures. A post consultation proposal has been launched by the Government with responses required between 27th June 2022 and 8th July 2022. The intent of this survey is to test these proposals with the sector and stakeholders to make sure that they address the specific concerns raised but do not create additional risk to either the government's objectives or to the sector. This is particularly important given the technical nature of the changes. The evidence gathered in this exercise will inform the government's final response.

The Council's response in the post consultation is that as the proposals currently stand, they allow the payment of a loan or lease to substitute for MRP and also only require an MRP if there is an impairment or expected impairment of the asset. This is as per our current treatment in accordance with the council's

current MRP policy. This avoids the double counting of MRP and capital receipt. The exception to this is commercial loans which is in line with the government agenda and it was expected that these would still be subject to an annual MRP because of that.

### **Financial implications**

34. These are set out within the body of the report.

### **Legal Issues**

35. The Council is required by regulations issued under the Local Government Act 2003 including The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 SI 2003 No 3146 and subsequent amendments' to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2021/22. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

### **Level of risk**

36. The key risk going forward is around uncertainty caused by the aftermath of the Covid19 pandemic and the national and global markets, both geo-political and economic. Risk assessment and management is a key part of Treasury Management activity, especially in the selection of counterparties when investment is being considered. The Council uses external advisors and counterparty credit ratings issued by the rating agencies to assist in this process.

### **Equalities impact**

37. The Council follows an ethical investment policy, and investment interest helps provide council services, which has a beneficial equalities impact.

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**Background Papers:** None



**To:** Cabinet  
**Date:** 14 September 2022  
**Report of:** The Head of Financial Services  
**Title of Report:** Council Tax Reduction Scheme 2023/24

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	To seek approval for proposals for consultation on changes to the Council's Council Tax Reduction Scheme for 2023/24
<b>Key decision:</b>	Yes
<b>Cabinet Member:</b>	Councillor Shaista Aziz, Cabinet Member for Inclusive Communities and Culture
<b>Corporate Priority:</b>	Enable an Inclusive Economy Support thriving communities
<b>Policy Framework:</b>	Council Strategy 2020-24
<b>Recommendation(s): That Cabinet resolves to:</b>	
1.	<b>Agree</b> that the proposals for the 2023/24 Council Tax Reduction Scheme outlined in the report be subject to consultation for an 8 week period from 19th September 2022 and
2.	<b>Note the intention of the</b> Head of Financial Services to bring a further report to Cabinet in January 2023 to outline the outcome of the consultation process and make proposals for the 2023/24 Council Tax Reduction Scheme

<b>Appendices</b>	
Appendix 1	Consultation questions
Appendix 2	Risk register
Appendix 3	Initial Equality Impact Assessment

## Introduction and background

1. In April 2013 the national Council Tax Benefit (CTB) scheme was replaced by a new Council Tax Reduction (CTR) scheme. The CTB scheme was funded by the Department for Work and Pensions (DWP) and supported people on low incomes by reducing the amount of council tax they had to pay.
2. The CTR scheme is for working age customers and determined locally by Councils rather than nationally by the DWP. The separate scheme that exists for pension age recipients is

a national scheme prescribed by regulation and cannot be varied locally. The basic calculation for CTR is an assessment of the household income versus the amount of money that central government says the household needs to live off. A household can be a single person, couples, families with children etc. The scheme works by applying discounts against the council tax liability based on the financial circumstances of a homeowner. The discount reduces the amount of council tax income to be collected by the authority. Whilst the Government initially provided funding for the new local schemes through the Revenue Support Grant, since the Grant has now reduced to zero there is no funding provided by central government for any CTR scheme.

3. Councils are required to review their CTR working age scheme annually, and determine whether or not to revise it. In order to change its scheme a council is required by law to:
  - Consult with the major precepting authorities
  - Consult with other persons it considers are likely to have an interest in the operation of the scheme.

The CTR scheme itself must be adopted by the Council, and the approval of the scheme cannot be delegated to an officer or committee.

4. The CTR scheme must take account of and support:
  - Work incentives and in particular avoid disincentives for those moving into work;
  - The Council's duties to protect vulnerable people (under the Equality Act 2010, the Care Act 2014, the Child Poverty Act 2010, the Housing Act 1996); and
  - The Armed Forces Covenant which protect those people who have served in the British armies.
5. 2018/19 was the first year that Oxford City Council (OCC) amended its CTR scheme to that introduced by the Government in 2013-14. From 2019/20 and subsequent years, further amendments were made, including moving to an Income Banded Scheme initially for Universal Credit claimants and then across all Working Age claimants. The Council's scheme still provides a reduction of up to 100% against the council tax liability.
6. When the Council set its budget in February 2022 the annual estimated total loss of council tax income arising from CTR was £12.3 million based on the current CTR caseload. The Council's share of this loss of income based on the Council's Band D council tax at the time that the budget was set was £1.8m
7. The balance of the income loss is picked up by the major preceptors, Oxfordshire County Council and Thames Valley Police and Crime Commissioners
8. Due to COVID 19 there has been an increase in caseload despite a pause in the roll out of Universal Credit as the DWP diverted resources to deal with new claims. The cost to the Council and its major preceptors from loss of council tax income has therefore increased. Caseload is now the highest it has been during the previous 5 years (as at 7th August 2022) with 7002 benefitting from the local scheme in April 2022.
9. Any increase in the amount of Council Tax due each April will see the amount of CTR increase proportionally, thus increasing the cost of the CTR scheme.
10. Table 1 below sets out the cost and caseload (number of CTR claimants) for the OCC CTR scheme since its introduction. The cost of the scheme is shared by Oxford City Council (15.31%), Oxfordshire County Council (73.83%) and Thames Valley Police and Crime Commissioner (10.86%) in accordance with the proportion of council tax levied by each. The table shows the increase in the cost of the scheme to the authority since it was introduced in 2018-19. Our latest forecast would indicate an increase in the cost since we set the budget for 2022-23 of around £174k.

Table 1 Cost of CTR to the City Council and its major preceptors					
	2018/19	2019/20	2020/21	2021/22	2022/23 as of 07/08/22
Cost of Pension Age	£3,284,610	£3,554,232	£3,841,522	£3,408,679	£3,418,595
Pension Age caseload	2,990	2,918	2,964	2,657	2,549
Cost of Working Age	£6,541,638	£6,459,250	£7,609,169	£8,977,962	£9,478,093
Working age caseload	5,558	5,303	5,871	7,002	6,628
Total Cost	£9,826,248	£10,013,482	£11,450,691*	£12,386,641	£12,896,688
Total Caseload	8,548	8,221	8,835	9,659	9,177
Cost of the scheme to OCC	<b>£1,561,391</b>	<b>£1,579,126</b>	<b>£1,774,857*</b>	<b>£1,893,876*</b>	<b>£1,974,444</b>

Note that figures marked \* are net of any discretionary amounts awarded under s13a. During 2020/2021 and 2021/2022 additional funding was received that allowed us to award a discretionary CTR amount to those liable to pay Council Tax.

11. The Council's caseload has increased by 342 cases since the start of the 2020/21 due to the Covid pandemic. The table shows that whilst the caseload increased significantly in 2021/22, it has again dropped to the current level of 6,628. Expenditure is increased due to the increase in the council tax charge. The Council still receives on average 40 claims per week, demonstrating that the demand is high for this support.
12. In making proposals for the 2023/24 consultation, officers have considered a range of options for changing the CTR scheme which seek to continue to streamline the process of award and ongoing administration and also provide options on reducing cost to the Council. Regard has been given to the cost of living increase to the public and the Councils current and forecast financial pressures.
13. Appendix 1 shows the suggested consultation questions for the 2023/24 scheme. These are summarised as:
  - Whether or not to increase the Income Bands or to freeze at current levels. With CPI inflation estimated to in excess of 10% in September 2022, the large increase to the bands will increase the cost to the scheme overall.
  - The income bandings currently being used are shown in Table 2. The figures have been calculated using the following;
    - Band 1 is equivalent to 16 hours on the National Minimum Wage (NMW £9.50 per hour from April 2022) rounded upwards
    - Band 2 is equivalent to 24 hours on the NMW rounded upwards
    - Band 3 is equivalent to 30 hours on the Oxford living wage (OLW £10.50 per hour from April 2022) rounded upwards
    - Band 4 equivalent to the difference between the top of Band 3 and the Band 5 figure
    - Band 5 is the Benefit Cap amount for couples (£384.62) increased by CPI at Sept 21 of 3.1%.

Table 2

<b>Band</b>	<b>Weekly Income</b>	<b>Discount received</b>
1	£0 - £152.00	100%
2	£152.01 - £228.00	75%
3	£228.01 - £315.00	50%
4	£315.01 - £396.99	25%
5	£397 and above	0%

- If we do increase, to use CPI instead of RPI, in line with the DWP up-ratings. CPI is generally lower than RPI and notwithstanding the comments above will lead to lower CTR payments.
- To consider if the banded income approach should take into account family size. Currently the scheme has a single structure for a total income for all applications, with no regard to household composition

A review has been undertaken by staff to review other schemes across the County. Cherwell also has a banded scheme and their scheme take into account disability and claims with children.

- To consider giving a reduction of up to 100% for passported cases, limiting the reduction to a % or a fixed weekly amount for all other claims. If we were to reduce the % award, or ask all claimants to pay a set amount, our tax base would increase in future years, as there would be fewer Band D equivalents lost as a result of awarding CTR.
  - *If everyone were required to pay £1 per week (so a £52 annual charge being a minimum contribution), based on the City Council's share Council Tax at 15.31%:*
    - Estimated Saving of £48k per annum on CTR expenditure before any tax base amendments
    - The Council may need to consider increasing the write-off provision as other authorities have advised small amounts of CT do not get paid, and we do not take court action for debts below £50.
  - *If everyone were required to pay £2 per week (so a £104 annual charge being a minimum contribution), based on the City Council's share of Council Tax at 15.31%:*
    - Estimated saving of £96k per annum on CTR expenditure before any tax base amendments
    - May need to consider increasing income collection staff resources as this could increase the number of cases requiring court action for non-payment.
    - May need to consider increasing the bad debt provision as more debts could be written off as people may make a partial payment to bring the level of debt down to under £50
- To automatically reduce the CTR award to a maximum of 75% if there is a non-dependant in the property. In cases where there is a disability benefit in payment for the applicant or an additional adult, then the reduction would not be applied. This mirrors the application of the single person discount.

14. Within the Consultation provision has been made to consult on whether a minimum council tax amount should be made by all working age claimants. Consulting whether claimants should contribute some amount of council tax before the discount is applied will retain the option for the Council to initiate this change from 1<sup>st</sup> April 2023, compared to savings in other areas of the Council's budget, should the Councils forthcoming budget setting round require significant savings to be made from overall net spend.

15. Consultation will be carried out using the Council's online consultation system, and also making use of paper questionnaires. As with previous years, paper consultations will be made available in the library in the City Centre. The consultation will be promoted by the Council's Communications Team. The consultation will last for a period of eight weeks beginning on 19 September 2022. The proposed consultation document is included at Appendix 1.

### **Discretionary support**

16. The Council Tax Regulations make provision for discretionary support to be made available on application by a customer who is facing difficulty paying their Council Tax.

### **Financial implications**

17. The current cost of the CTR Scheme has been factored into the Council's Medium Term Financial Plan with the Council bearing the full cost of its share estimated at £1.9m for 2022-23 from council tax income foregone. The cost of the scheme has already increased due to increased CTR arising from the pandemic, and this may increase further as the cost of living crisis affects people within the city with the burden of paying household bills. Any further increases in the council tax charge in 2022/23 will also lead to increased CTR and reduced income for the Council.

18. The proposed consultation seeks views on changes which affect the future affordability of the scheme. It is worth noting that any changes to the scheme can only affect working age claimants as the scheme for pensioners as set by central government may not be changed. This limits the impact of the total cost of the whole scheme as the council only has the jurisdiction to make changes to part of the expenditure.

The increase in the loss of income from increased council tax support given to claimants does not get accounted for by the authority until the following financial year as it comes through as losses through the Collection Fund.

### **Legal implications**

19. Local Council Tax Support came into effect on 1 April 2013 pursuant to the Local Government Finance Act 1992. Section 13A(2) of that Act (as amended) provides:

'Each billing authority in England must make a scheme specifying the reductions which are to apply to amounts of council tax payable, in respect of dwellings situated in its area, by—

- (a) persons whom the authority considers to be in financial need, or
- (b) persons in classes consisting of persons whom the authority considers to be, in general, in financial need.'

20. Schedule 1A of that Act prescribes what must be included in a Council Tax Reduction Scheme, and places a duty on the authority, each financial year, to consider whether to revise its scheme or replace it with another scheme. The scheme states the classes of person who are to be entitled to a reduction, the type of reduction and whether there are different reductions for different classes. The scheme should also set out the procedure to apply for a reduction and the appeal procedure.

21. Before preparing a scheme, the authority must (in the following order)—

- (a) Consult any major precepting authority which has power to issue a precept to it,
- (b) Publish a draft scheme in such manner as it thinks fit, and
- (c) consult such other persons as it considers are likely to have an interest in the operation of the scheme.

22. The Council Tax Reduction Schemes (Prescribed Requirements) (England) 2012 further prescribes what must be included in the scheme.
23. The scheme must be approved by Full Council no later than 11 March before the financial year it relates to. After approval, the scheme must be published.
24. Since the introduction of CTR schemes, there have been a number of legal challenges against other local schemes. Most of these challenges have been in relation to the consultation undertaken and have questioned whether due regard was given to any equality impact assessment when changes were made to schemes. A Supreme Court ruling in 2014 (R. (on the application of Moseley) v London Borough of Haringey) determined that consultation on changes to council tax reduction schemes must provide such information as necessary in order for consultees to express meaningful views on the proposal. Enough had to be said about realistic alternatives, and the reasons for a preferred choice, to enable the consultees to make an intelligent response in respect of the scheme. This would include an option for any current scheme to be retained on the same level of funding with a consequent reduction in funding for other services. There are questions in the consultation paper on these options.

### **Carbon and Environmental Considerations**

25. By sending details of the consultation electronically we are reducing the use of paper and reducing the environmental impact of transporting these by post.
26. No other carbon or environmental impacts have been identified as a result of this proposal.

### **Level of risk**

27. A risk register is attached at Appendix 2. The identified risks relate to the undertaking of consultation, rather than the changes to the CTR scheme.

### **Equalities impact**

28. An Initial Equalities Impact Assessment is attached at Appendix 3.

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**Background Papers:** None

## **Council Tax Reduction Consultation- 2023/24**

### **Background**

The Council Tax Reduction (CTR) scheme provides help for Oxford residents on benefits or low incomes to pay their council tax. This help is provided as a reduction in the amount of Council Tax to pay. The reduction can be up to 100% of the Council Tax bill.

Since the end of national council tax benefit (CTB) in April 2013, councils have been responsible for drawing up their own schemes of support. Because of government cuts to funding and an increase in caseload due to the Covid-19 pandemic, our CTR scheme will cost us more than £1.9 million this year.

In Oxford, 9,659 people currently get help to pay their council tax, of which 7,002 are working age. The amount of help they get depends on their income and their household, with people on some benefits not having to pay anything. These benefits include income-based Jobseeker's Allowance (JSA), Income Support (IS), Guarantee Credit and income-related Employment and Support Allowance (ESA). People in equivalent circumstances on Universal Credit (UC) will also get 100% CTR support thus protecting the most financially vulnerable. The scheme also currently protects claimants with children and disabled people as this income is ignored when calculating the income band for CTR entitlement.

The Council is proposing some amendments to the scheme for 2023/24, and this means we have to ask you for your views on the changes we want to make.

Your CTR will not be affected by our proposals below if you are pension age. Pensioners are still covered by a national scheme of support.

We are consulting you on the following changes we would like to make to our working age CTR scheme:

### **Consultation Questions**

Please either tick the box next to your answer, or write your response in the space provided.

1. Are you responding on behalf of an organisation?

Yes

No

2. If you are responding on behalf of an organisation, please state which one?

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## CTR Scheme amendments

### Amendment of income bands

From April 2021 the income banded scheme applies to both claimants in receipt of Universal Credit (a single monthly payment which replaces a number of benefits and tax credits paid to working age people. The Department of Work and Pensions began rolling this out to new benefit and tax credit claimants in Oxford in October 2017) and other income streams such as salary.

UC is designed to allow people to vary their hours at work while still getting support for their living, housing and other costs. This can result in people receiving a different amount of UC each month, which can change the amount of CTR that someone receives. As a result it could be difficult for people getting CTR to know how much council tax they need to pay themselves.

An income banded scheme makes it more likely that people will need to pay the same amount of Council Tax each month, with instalments only changing when income increases, or decreases, by enough to move them into the next band.

Our income banded scheme uses the following bandings to determine the amount of support provided:

Band	Weekly Income	Discount received
1	£0 - £152.00	100%
2	£152.01 - £228.00	75%
3	£228.01 - £315.00	50%
4	£315.01 - £396.99	25%
5	£397 and above	0%

The rationale for the weekly income figures above is as follows:

- Band 1 is equivalent to 16 hours on the National Minimum Wage (NMW £9.50 per hour from April 2022) rounded upwards
- Band 2 is equivalent to 24 hours on the NMW rounded upwards
- Band 3 is equivalent to 30 hours on the Oxford living wage (OLW £10.50 per hour from April 2022) rounded upwards
- Band 4 equivalent to the difference between the top of Band 3 and the Band 5 figure
- Band 5 is the Benefit Cap amount for couples (£384.62) increased by CPI at Sept 21 of 3.1%.

Uprating the bands in this way will ensure that no-one has to make more Council Tax as a result of getting a pay rise.

Please answer the following questions in respect of the Income Band Scheme:

3. Do you agree with the proposal for uprating the income bands from 2022/2023?

Yes

No



Don't know

4. Please provide any comments you have on the income band scheme, and this proposal.

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Proposal 2 considers whether or not the Council should freeze the proposed uprating of the Bands for 2022/23 due to affordability.

5. Do you agree with the proposal for freezing the income bands at the 2022/2023 amounts?

Yes

No

Don't know

6. Please provide any comments you have on the income band scheme and this proposal.

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Currently the scheme has a single banded structure for a total income for all applications, with no regard to household composition. If the Council changes the scheme to take into account the number of people that make up the family composition. This would take change the maximum entitlement for into account single people claims, couple claims and family claims.

7. Do you think the Council should amend the banding structure to take into account the size of the household?

Yes

No

Don't know

8. Please provide any comments you have on amending the banding structure to take into account the size of the household.

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The Council currently gives a discount up to 100% of Council Tax liability for all applications for CTR. Should the Council consider adjusting the 2022/23 scheme to reflect that people who are in receipt of passported benefits (Income Based Jobseekers Allowance, Income Support and Income Related Employment and Support Allowance, and the Standard Allowance of Universal Credit) continue to receive the maximum level of support of 100% and other claims be restricted to a maximum CTR, for example 96%, or pay an amount per week towards their Council Tax- for example £2pw? The will result in claimants having a charge to pay if there is no passported benefit in payment.

9. Do you think we should reduce the maximum amount of CTR for non-passported claimants to a maximum percentage- for example 96%?

Yes

No

Don't know

10. Do you think we should reduce the maximum amount of CTR for non-passported claimants so that they pay an amount per week towards their Council Tax- for example £2?

Yes

No

Don't know

11. Do you think that all claimants should make some contribution towards the Council Tax regardless of their Income?

Yes

No

Don't know

12. Please provide any comments you have on reducing the amount of CTR for claimants.

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The Council currently applies a non-dependant charge to a claim where there is an adult in the property who is not included as part of the household. A household is defined as;

- a single person with no other people in their home
- a couple
- a family, where there is child benefit in payment for children in the home.

In cases where there are other people living in the property who are over the age of 18, for example, elderly relatives or older children who are not awarded child tax credit or child benefit, the Council applies a deduction from the CTR entitlement based upon the income for the additional person.

Gross income on non-dependant	Non-dependant deduction rate
Less than £216.99 (and Universal Credit claimants over 25)	£4.05
£217.00-£376.99	£8.30
£377.00 to £468.99	£10.40
£469.00 and above	£12.45

This results in the Council needing to ask questions about income details for another person in the home to ensure the claimant receives the correct award of CTR. In order to reduce administration of the CTR scheme, the Council is considering applying a maximum entitlement of 75% where there is a non-dependant in the household, as it is reasonable to expect that person to contribute to the household expenses. This reduction would apply regardless of the income of the non-dependant. In cases where there is a disability benefit in place for the applicant or non-dependant, then the reduction in entitlement would not be applied.

13. Do you think we should restrict the CTR award to 75% where there is at least one non-dependant in the household and neither the claimant nor non-dependant is in receipt of a disability benefit?

Yes

No

Don't know

14. Please provide any comments you have on reducing the amount of CTR for certain households with a non-dependant?

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### Alternatives to reducing the amount of help provided by the CTR scheme

As some of the options proposed may reduce the level of support people can get under CTR for the financial year 2023/24, we would like your views on alternative approaches to funding the increasing costs of the Council's CTR scheme.

Do you think we should choose any of the following options when considering how to fund the CTR scheme? Please select one answer for each source of funding.

15. Increase the level of Council Tax

Yes

No

Don't know

16. Find savings from cutting other council services

Yes

No

Don't know

17. Increase fees and charges

Yes

No

Don't know

18. Please use the space below if you would like us to consider any other options.

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19. Please use this space to make other comments on the CTR scheme

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### About you

We ask these questions:

- to find out if different groups of people in Oxford have been able to take part in the consultation and to identify if any groups have been excluded. This means it is not about you as an individual – we want to find out if people with similar characteristics have had their say
- To find out if different groups of people feel differently about the options and proposals in comparison to each other and all respondents. This means it is not about you as an individual – we want to find out if people with similar characteristics have answered in the same way or not.

This information is completely confidential and anonymous.

Your personal information will not be passed on to anyone and your personal details will not be linked to your responses.

20. Are you, or someone in your household, getting CTR now?

- Yes
- No
- Prefer not to say

21. What is your gender?

Male

Female

Transgender

Prefer not to say

22. What is your age?

16-18

19-24

25-44

45-59

60-74

75 or above

23. What is your ethnic group?

White British

White Irish

Other White

White and Black Caribbean

White and Black African

White and Asian

Other Mixed

Other (Specify Below)

Indian

Pakistani

Bangladeshi

Other Asian

Caribbean

African

Black Other

Chinese

24. If other, please enter details in the space below

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25. Do you consider yourself to have a disability or life limiting illness?

Yes

No

Prefer not to say

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Title	Risk description	Opp/ threat	Cause	Consequence	Date Raised	Owner	Gross		Current		Residual		Comments	Controls				
							I	P	I	P	I	P		Control description	Due date	Status	Progress %	Action Owner
Challenge to consultation process	Customers challenge the effectiveness of the consultation	Opp	Due regard not given to statutory guidelines or relevant case law.	Any changes in the CTR scheme may not be upheld by Tribunals or Courts, when challenged by a customer.	21/07/20	Laura Bessell	3	2	1	2	1	2		Reference the relevant regulations and case law in planning the consultation	01/01/2023	Green	50	Service Manager-Benefits
Increased customer contact	Customers are concerned at potential changes to the support they get and contact the Council about them.	Threat	Poor explanation of changes, and no mitigation planned.	Customers are not clear about the impact of the changes.	21/7/20	Laura Bessell	3	2	1	1	1	1		Simple explanations given of the proposed changes, together with details of mitigation. A glossary of terms is added to reports and consultation details online. Website will be reviewed and 'plain english' approach to discriptions of	01/01/2023	Green	50	Service Manager-Benefits
Council reputation	Proposals for changes not clearly thought through, and impact not properly understood, resulting in damage to Council reputation	Opp	Insufficient modelling undertaken as part of the consultation feedback, and/or impact of changes not properly understood	Informed customers spot impacts of changes that the Council has not properly identified, undermining both the proposals and consultation process.	21/7/20	Laura Bessell	3	3	3	2	3	2		Expert team from different service areas assembled to work on the proposals, time taken to model changes and understand customer impact.	01/01/2023	Green	50	Service Manager-Benefits
Financial implications	Costs are not correctly calculated, or a change in economic climate, for example the ending of the current furlough scheme in October 2020 leading to more redundancies means more claimants	Threat	Poor budgetting. Insufficient modelling of anything that affects the number of claimants	Changes are costed incorrectly and lead to an increase in scheme costs	21/7/20	Laura Bessell	4	3	3	2	3	2		Work with Finance Team to ensure funding available and changes costed	01/01/2023	Amber	50	Service Manager-Benefits

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## Initial Equalities Impact Assessment screening form

*Prior to making the decision, the Council's decision makers considered the following: guide to decision making under the Equality Act 2010:*

*The Council is a public authority. All public authorities when exercising public functions are caught by the Equality Act 2010 which became law in December 2011. In making any decisions and proposals, the Council - specifically members and officers - are required to have **due regard** to the **9** protected characteristics defined under the Act. These protected characteristics are: **age, disability, race, gender reassignment, pregnancy and maternity, religion or belief, sex, sexual orientation and marriage & civil partnership***

*The decision maker(s) must specifically consider those protected by the above characteristics:*

- (a) To seek to ensure equality of treatment towards service users and employees;*
- (b) To identify the potential impact of the proposal or decision upon them.*

*The Council will also ask that officers specifically consider whether:*

- (A) The policy, strategy or spending decisions could have an impact on safeguarding and / or the welfare of children and vulnerable adults*
- (B) The proposed policy / service is likely to have any significant impact on mental wellbeing / community resilience (staff or residents)*

*If the Council fails to give 'due regard', the Council is likely to face a Court challenge. This will either be through a judicial review of its decision making, the decision may be quashed and/or returned for it to have to be made again, which can be costly and time-consuming diversion for the Council. When considering 'due regard', decision makers must consider the following principles:*

- 1. The decision maker is responsible for identifying whether there is an issue and discharging it.** *The threshold for one of the duties to be triggered is low and will be triggered where there is any issue which needs at least to be addressed.*
- 2. The duties arise before the decision or proposal is made, and not after and are ongoing.** *They require **advance** consideration by the policy decision maker with conscientiousness, rigour and an open mind. The duty is similar to an open consultation process.*
- 3. The decision maker must be aware of the needs of the duty.**
- 4. The impact of the proposal or decision must be properly understood first.** *The amount of regard due will depend on the individual circumstances of each case. The greater the potential impact, the greater the regard.*
- 5. Get your facts straight first!** *There will be no due regard at all if the decision maker or those advising it make a fundamental error of fact (e.g. because of failing to properly inform yourself about the impact of a particular decision).*
- 6. What does 'due regard' entail?**
  - a. Collection and consideration of data and information;**
  - b. Ensuring data is sufficient to assess the decision/any potential discrimination/ensure equality of opportunity;**

**c. Proper appreciation of the extent, nature and duration of the proposal or decision.**

7. **Responsibility** for discharging can't be delegated or sub-contracted (although an equality impact assessment ("EIA") can be undertaken by officers, decision makers must be sufficiently aware of the outcome).
  8. **Document the process** of having due regard! Keep records and make it transparent! If in any doubt carry out an equality impact assessment ("EIA"), to test whether a policy will impact differentially or not. Evidentially an EIA will be the best way of defending a legal challenge. See hyperlink for the questions you should consider <http://occweb/files/seealsodocs/93561/Equalities%20-%20Initial%20Equality%20Impact%20Assessment%20screening%20template.doc>
1. Within the aims and objectives of the policy or strategy which group (s) of people has been identified as being potentially disadvantaged by your proposals? What are the equality impacts?

Council Tax Reduction is claimed by low income households in the city. The following groups are over represented in this cohort compared to the general population:

Women

Single parent households

Ethnic Minorities

People with a disability or lifelong illness

Age is not affected by this scheme as Pensioners are covered by the national default scheme and this consultation relates to the working age CTR scheme only.

2. In brief, what changes are you planning to make to your current or proposed new or changed policy, strategy, procedure, project or service to minimise or eliminate the adverse equality impacts?

Please provide further details of the proposed actions, timetable for making the changes and the person(s) responsible for making the changes on the resultant action plan

At this stage proposals are only being submitted for consultation. The 2023/24 Council Tax Reduction Scheme will be informed by this consultation process.

This will include:

- Whether or not to increase the Income Bands or to freeze at current levels
- If we do increase, to use CPI instead of RPI in line with the DWP up-ratings
- To consider if the banded income approach should take into account family size. Currently the scheme has a single structure for a total income for all applications, with no regard to household

composition

- To consider giving a reduction of up to 100% for passported cases, limiting the reduction to 96% for all other claims
- To automatically reduce the CTR award to a maximum of 75% if there is a non-dependant in the property. In cases where there is a disability benefit in payment for the applicant or an additional adult, then the reduction would not be applied. This mirrors the application of the single person discount.

Within the existing Council Tax regulations, there is provision for discretionary payments to be made to people experiencing hardship. Anyone disadvantaged by the Council Tax Reduction scheme can apply for help from this scheme.

3. Please provide details of whom you will consult on the proposed changes and if you do not plan to consult, please provide the rationale behind that decision.

Please note that you are required to involve disabled people in decisions that impact on them

The main report seeks approval for consultation about changes to the proposed scheme. This includes general public consultation and advice agencies as well as consulting with the major preceptors. We will use electronic means to consult to avoid respondents using paper forms, as with the current Covid-19 pandemic access to the places we would normally place forms is restricted and we also want to limit any opportunity to spread the virus.

4. Can the adverse impacts you identified during the initial screening be justified without making any adjustments to the existing or new policy, strategy, procedure, project or service?

Please set out the basis on which you justify making no adjustments

Within the existing Council Tax regulations, there is provision for discretionary payments to be made to people experiencing hardship. Anyone disadvantaged by the Council Tax Reduction scheme can apply for help from this scheme.

5. You are legally required to monitor and review the proposed changes after implementation to check they work as planned and to screen for unexpected equality impacts.

Please provide details of how you will monitor/evaluate or review your proposals and when the review will take place

The impact will be monitored via applications for discretionary support. This should highlight any areas of concern.

As people see changes in their circumstances, there will be an opportunity to revise the scheme in future years, if there is any unexpected negative impact on certain groups of customers.

We will talk to other Councils who have adopted different approaches to their CTR scheme to see what works well and what doesn't. The Department for Work and Pensions guidance and case law often influences the approach this Council takes as it will inform us of the impact of certain elements of schemes and the adjustments, if any that are needed.

Lead officer responsible for signing off the EqIA: Laura Bessell

Role: Service Manager-Benefits

Date: 7<sup>th</sup> August 2022

## Glossary of Terms

Working Age	Age for which the Government expect State Pension to not be claimed. Currently age 66.
Uprating	Department for Work and Pensions annual income-related social security benefit increases each April. These benefits, and the amount which the government state is required to live on each week are increased each April by a percentage. The increase is based on either the Retail Price Index (RPI) or Consumer Price Index (CPI) as at September the previous year.
Income Bands	The amount of weekly net income used in the calculation of the award. Some income is not included, such as certain disability benefits. Where income changes but stays within the same band, then there is no change to entitlement, but the change is still recorded.
Capping	This is a ceiling limit on an award. A capping level could be applied to the council tax bands, so instead of applying Council Tax Reduction (CTR) using all the council tax bands A-H, that only bands A-E are applied. This means that the capping level is at a band E Council Tax amount, and those claims for properties in Bands F-H would only see a maximum level of support to a band E Council Tax liability. The claimant would need to pay the difference between their CTR award and their Council Tax liability.
National Minimum Wage	For 2022/23 the rate is £9.50
Oxford Living Wage	For 2022/23 the rate is £10.50
Benefit Cap	<p>The benefit cap is a limit on the total amount of benefit you can get. It applies to most people aged 16 or over who have not reached State Pension Age. A cap is usually applied when a claimant is not in employment for more than 16 hours per week, and is not exempt by disability.</p> <p>The Cap level currently for outer London is:</p> <ul style="list-style-type: none"> <li>• £384.62 per week (£20,000 a year) if you are a couple</li> <li>• £384.62 per week (£20,000 a year) if you are a single parent and your children live with you</li> <li>• £257.69 per week (£13,400 a year) if you are a single adult</li> </ul>
Non-dependant	A non-dependant is an adult who lives with you. This doesn't mean your partner or adult children who are still dependent on you – for example, because they are in education. It could be for example, an adult son or daughter who is working or unemployed and who still lives with you. A deduction is made on the assumption that the 'non-dependant' should make a contribution towards your council tax of at least the amount of the deduction.

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Finance & Performance Scrutiny Panel – KPI Performance report Q1/June 2022/23

Measure	Name	Owner	2022/23 target	June Target	June Actual	Comments
BI038	Percentage of staff turnover for the whole organisation	Helen Bishop			10.93%	
CH001	Days lost to sickness	Gail Malkin	6.50%		0.05	
CS003	Customers calls answered on the council's main telephone service lines without hanging up	Mark Chandler	93%	93%	87.40%	An improvement in June to 89.7% answered calls but we were again impacted by Council Tax reminder letters with 4000 being sent mid-June affecting call demand. We also saw an increase in calls due to the £150 energy rebate queries from customers
65 BI001a	The Percentage of Council spend with local business (excluding ODS and OCHL)	Annette Osborne	45%	45%	0.39	This figure is deviated by large payments out of the Servitor account 20000005. If removed, the target is achieved. The year end target is 45% with the current average for the first 3 months at 33.41%, however much of the spend with ODSL is local therefore indirect local and SME spend which would bring this percentage up considerably.
BI001b	The Percentage of ODS spend with local business	Nicky Atkin	60%	60%	51.25%	We have recently awarded 2 relatively large property contracts to local firms, so are expecting improvement on this target to wash through during the next few months
BI001c	The Percentage of OCHL spend with local business	Annette Osborne	10	10	3.82	This month OCHL had paid 14 suppliers in total (including OCC) and we had only invoices paid to 3 local suppliers only. Much of OCHL spend is with large contractors who may use local suppliers on the delivery of the contract, but invoices are paid to head office.
BV008	Percentage of invoices paid on time for OCC	Anna Winship	95	95	91.88	
CS002	Time to process changes in circumstances	Laura Bessell	15	15	34	SOP higher than usual due to clearance of older work following system migration.
CS005	Time to process new benefits claims	Laura Bessell	15	15	36	SOP higher than usual due to clearance of older claims following system migration.

Measure	Name	Owner	2022/23 target	June Target	June Actual	Comments
CS025	Percentage of Business Rates Collected	Phil McGaskill	96%	28%	27.76%	
FN008	Investment return above base rate	Bill Lewis	0.00%	0.00%	0.00003	
FN034	Trading Income	Scott Warner	£200,000	£50,000	£13,913	Cumulative Q1 total is £29,216. Q1 invoices are sent in July.
FN036	Fraud Losses Prevented	Scott Warner	£2,000,000	£500,000	£390,585	Cumulative Q1 total is £941,736, well ahead of profiled target
FN052	Percentage of Council spend with SME's	Annette Osborne	35%	35%	0.31	This figure is deviated by large payments out of the Servitor account 20000005. If removed, the target is achieved. Under investigation. The average for the first 3 months of this financial year is 34.97% - almost on target.
FSC019a	Total income collection as % of plan (Council Tax)	Nigel Kennedy	96.50%	29.50%	29.11%	
FSC019b	Total income collection as % of plan (Business Rates)	Nigel Kennedy	95%	27.50%	27.76%	
FSC020	Discretionary funding won by the Council	Anna Winship, Nigel Kennedy	Tracking indicator	n/a	0	No Successful bids awarded so far in year
LG006	Percentage of missed Data Subject Action Request deadlines	Grace Wigham	5%	5%	4.50%	In June we had 22 DSARs and only 1 was responded to outside of the deadline, this was due to the absence within the team, and the large amount of redaction required.
REC002	Number of Oxford Living Wage employers and employees	Carolyn Ploszynski	90	n/a	60	

Measure	Name	Owner	2022/23 target	June Target	June Actual	Comments
PSC022 67	Provide a quarterly update on the five year housing delivery supply	Rachel Williams	567	142	115	<p>N.B. This KPI has replaced PSC007.</p> <p>At this moment we are expecting 460 completions over 22/23 from known site allocations that are building out and existing commitments. This takes into account non site allocations but in the trajectory. This would give a quarterly figure of 108 dwellings per quarter. The target is higher because this is using the housing requirement in the Ox Local plan 2036 and this takes account of the windfall developments (less than 10 units). We have made an assumption given passed delivery of 136 windfalls per annum so this added to the trajectory figure gives a target of 142</p> <p>Sites include Oxford North has a permission, Wolvercote Paper Mill, Littlemore mental health (18), Murco Garage 38 units, Lucy Faithfull 36 units, Simon House 30 units, Cowley above Tesco 55, Geoffry Arthur 34, Barton Phase 65</p> <p><b>Mitigating Actions</b> To continue to ensure we are regularly going on site to check when development commencements because it is the windfall developments that help us to achieve our targets.</p>
CPC017	Oxford residents' satisfaction with City Council services	Mish Tullar	Tracking indicator	n/a	No data available	Baseline needs to be established through a full Residents Panel Survey, which was planned in 2021/22 but delayed to 22/23. We will work with Ipsos Mori to update the membership of the Oxford Residents Panel - a measure required every 2 years due to natural churn, but delayed due to COVID. Following the recruitment of replacement Panel members a baseline survey will be set for 2022.
CSC012	Physically active adults	Ian Brooke	76%	76%	76%	

Measure	Name	Owner	2022/23 target	June Target	June Actual	Comments
RS005	Number of cases in the private rented sector, where homelessness prevented following intervention by the Tenancy Relations Officer	Ian Wright			10	
HSC023 ∞	Number of rough sleepers without an offer of accommodation	Nerys Parry	30	30	34	N.B. This KPI has replaced HSC011. At the end of June, a total of 40 persons were rough sleeping in the city, 34 of those did not have an offer of accommodation. There has been a lack of voids in supported accommodation during the quarter, and although there are persons who are ready to move on from such accommodation, they are unable to do so as there is a lack of affordable move-on options. Bringing online Housing First units over the coming quarter, will help ease pressure on the system by creating more capacity. There are also a number of people who are rough sleeping in the city who do not have recourse to public funds. Options for this group are limited, but we are working with providers to access projects set up to cater for this group, as well as assisting with regularising immigration status. The government acknowledges that there is little local authorities can do to assist persons with NRPF other than help them to access support to regularise their status. Nationally, there has been a rise in rough sleeping post-pandemic as pandemic measures and funding has been removed.

Measure	Name	Owner	2022/23 target	June Target	June Actual	Comments
HSC014	Percentage of council owned stock that has an EPC below C	Nerys Parry	38%	TBC	NA - reporting end of financial year	The end of year target is for 38% of our domestic housing stock to have an EPC rating of C or below. We are working with colleagues across the Council and ODS to deliver works to homes, with 24.37% of HRA properties having an EPC below C. This means that we have already achieved the target set for 2022/23. This target was set as a 3-4 target profile when originally set, and we are ahead of the profiled target for this year.
HP011 69	Households in temporary accommodation	Nerys Parry	95	110	99	We have continued to see pressure on our temporary accommodation (t/a) this quarter, which may be due to post-pandemic patterns of homelessness and the cost of living crisis. Despite this, we have seen the number of households in temporary accommodation reduce to 99 at the end of Q1, compared to 110 at the end of Q4.
BIC018	% of BAME staff	Helen Bishop	15.50%	TBC	14.59%	This is a target for 31 <sup>st</sup> March 2023, and so far the % of BAME staff for 22/23 is showing a slight increase from 31 <sup>st</sup> March 2022 position.  The targeted work of the workforce equalities action plan has made a difference to the BAME profile of the Council's workforce. An EDI Officer recruitment campaign is currently underway, which when successfully recruited to, will ensure the work with the Equalities Action Plan will gain momentum again.
BIC022	Number of online forms completed and submitted as a proportion of total enquiries related to that service for top 10 services	Helen Bishop	Tracking indicator	TBC	No data available	N.B. This KPI wording has been amended for 2022/23 and is currently under review: with the upcoming forms package implementation we will be able to start measuring in the coming months.

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