Supplement for

Scrutiny Committee

On **Wednesday 29 January 2025** At **6.00 pm**

Supplement: Item 11 - Report of the Budget Review Group 2025/2026

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OXFORD CITY COUNCIL

Scrutiny Budget Review 2025/2026

Report of the Budget Review Group 2025/2026

Commissioned by Oxford City Council's Scrutiny Committee

February 2025

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Foreword by the Chair of the Budget Review Group

Scrutinising the annual Budget is a demanding task for the people most directly involved in the process. I would like to thank my fellow Budget Review Group members, Councillors Chris Jarvis, Chris Smowton and Ian Yeatman for their sterling contributions, as well as two officers, Nigel Kennedy, Head of Financial Service, and Celeste Reyeslao, Scrutiny and Governance Adviser, who produced the draft report being scrutinised and oversaw the long series of meetings with senior officers whose Budget proposals were assessed.

One of the tough disciplines applied to Oxford's Budget is the avoidance of an unfunded Budget deficit over the Medium Term Financial Strategy. There are many forms of City Council spending that councillors would like to increase, but they require matching increases in Council revenue, and many of the main sources of revenue are in practice capped, whether by a requirement that fees for services such as planning or licensing cannot exceed the costs of providing them, or by Central Government limits on Council taxation and Business Rates.

For that reason, one of the highlights of this Budget, which distinguishes Oxford City from most other district councils, is the contribution made by its two directly owned companies, Oxford Direct Services and OX Place, whose dividends play a central role in allowing the Council to expand its Net Budget Requirement from £27.3 million in 2025/26 to £33.9 million in 2028/29. The increase in the income from Council companies is reinforced by the growth in income from the Council's commercial properties, among which the best known is the Covered Market.

These rising revenues are essential to keep pace with the demand for statutory services, which the Council is obliged to provide. The most demanding of these statutory services is Temporary Accommodation. An extra £1.85 million is estimated to be needed each year to keep pace with the need for such housing. The Council has made excellent progress in moving away from very costly bed and breakfast short term accommodation by negotiating block contracts with hotels and housing providers, but the need for emergency housing keeps on rising.

Against this backdrop, the stock of Council Housing, whose social rents are linked to housing benefit, plays a vital role, and this is being boosted each year by purchases from the Council's OX Place and the private sector, despite the steady loss of properties under Right to Buy.

Council capital investments in housing and other Council assets provide the basis for future growth. A perennial problem has been over-optimism about the ability to complete these investments on time. Therefore, the Council introduced an allowance for "optimism bias" in recent Capital Budgets. Ex post, the optimism bias has proved to be over 50%, i.e., less than 50% of projected capital spending was actually achieved. In the five years from 2025/26 to 2029/30, it is assumed that better implementation of capital projects will reduce the optimism bias to 40%. This means that 60% of each year's proposed capital budget will be achieved. Even so, the forecasts are remarkable. Applying a 40% optimism bias, £698 million is projected to be invested between 2025/26 and 2029/30, over 70% of which is set to be in social housing.

Fortunately, the Council has avoided the highly risky investments of some of its counterparts elsewhere, and the future in terms of the ability to sustain rising spending on vital services, including badly needed social housing, appears sound. The Budget Review Group hopes that the promised reorganisation of local government does not threaten the excellent work of officers and the Cabinet in the preparation of this new Medium Term Financial Strategy.

Councillor James Fry, Chair of the Budget Review Group 2025/2026

Chapter 1: Introduction

1. The role of Oxford City Council's Scrutiny Committee is similar to the role of UK Parliamentary Select Committees. Scrutiny is led by a cross-party membership of councillors who are not on the Cabinet (the main Council decision-making body) and is empowered to question Council decision-makers and make recommendations to them about policy decisions. Scrutiny can also investigate any issue that affects the local area or its residents, whether or not it is the direct responsibility of the Council. It has a duty under the Council's Constitution to consider the Cabinet's draft budget proposals before they are put to Council for final endorsement.

2. The Scrutiny Committee established the Budget Review Group on 05 June 2024 and agreed its scope and terms of reference on 05 September 2024. Its membership was agreed to be the same as that of the Finance and Performance Scrutiny Panel, with additional contributions made by the Housing and Homelessness Panel regarding scrutiny of the Housing budget, and the Climate and Environment Panel for the consideration of budget which related to environmental sustainability. The Budget Review Group was scheduled to meet in December 2024 and January 2025 to scrutinise the Draft Budget and Medium Term Financial Strategy (MTFS) as approved for consultation by the Cabinet on 11 December 2024, and to test the robustness of the underlying assumptions used in the proposals.

3. The Council has a statutory duty each year to agree a balanced budget (Local Government Finance Act 1992) – which usually takes place in February. This report of Scrutiny is intended to provide a considered second opinion on the budget proposals with constructive recommendations and suggestions for changes.

4. Having an effective budget scrutiny function is considered a cornerstone of good governance, allowing a cross-section of councillors to ask challenging questions about the budget for various services that the Council delivers, as well as the wider financial context within which the Council operates. In addition to the detailed Budget Review Group process, the Finance and Performance Panel leads its own work plan year-round to review and evaluate spending against the budget. At least five meetings of the Finance and Performance Panel are scheduled each year. To date, this year, meetings have been held remotely via Zoom. Meetings and agendas continue to be open to the public.

5. The Budget Review Group has a cross-party membership comprising the following City Councillors:

   - Councillor James Fry (Chair)
   - Councillor Dr Christopher Smowton
   - Councillor Chris Jarvis
   - Councillor Ian Yeatman

   Housing and Homelessness Panel members are as follows:

   - Councillor Lizzy Diggins (Chair)
   - Councillor Theodore Jupp
   - Councillor Rosie Rawle
   - Councillor Edward Mundy
   - Councillor Asima Qayyum
   - Councillor Anne Stares

Climate and Environment Panel members:

- Councillor Emily Kerr (Chair)
- Councillor Judith Harley
- Councillor Jemima Hunt
- Councillor Katherine Miles

6. This report is written with two audiences in mind. It is directed to the Council's executive body, the Cabinet, which agrees the draft budget and recommends it to Council for approval. Here, the Budget Review Group gives concrete recommendations of actions it would like to see done differently, with a rationale for making those changes. This report is also written for the public, to assure them that independent testing of the budget proposals has occurred, that public money is not being put at undue risk and that it is being allocated wisely.

7. This report draws out the main discussion points and key recommendations which emerged from scrutiny relating to key proposals and themes across all service areas during the budget review process. It is not intended to act as a comprehensive review of all aspects of the budget. The report will be presented to the Council's Scrutiny Committee for endorsement on 29 January 2025, and subsequently to the Cabinet and Full Council on 5 and 13 February 2025 respectively.

8. The Review Group would like to place on record its thanks to everyone who contributed to the review, which has enabled the recommendations in this report to be made. Particular thanks goes to Nigel Kennedy, Group Finance Director, for his work in preparing the Budget and attending each of the Review Group's meetings; and to Celeste Reyeslao in her role as Scrutiny and Governance Adviser, keeping a full record of the meetings and drafting the report.

Chapter 2: Methodology

9. The Review Group's work involved a total of five meetings which were held in December 2024 and January 2025. The aim of this work was to provide an independent and cross-party review of the 2025/2026 budget proposals to provide assurance concerning the soundness of the budget, and recommendations for improvement and review where necessary. The Review Group used the Cabinet's draft budget proposals from 11 December 2024 as the principal document for scrutiny. Key themes and questions the Review Group sought to explore included:

    - Deliverability of the Capital Programme and its relation to previous iterations of the Medium Term Financial Strategy, the robustness of the HRA Business Plan, and the realism of optimism bias assumptions applied to the Capital Programme
    - Specific consideration of the Council's planning regarding macroeconomic factors such as inflation and the cost of living crisis
    - Outcomes of the strategic reviews of Community Services and Oxford Direct Services; and anticipated impact of those outcomes
    - The progress of financial mitigation strategies arising from the various pressures on Council finances and the Council's overall expectation of what the 'new normal' looks like financially
    - Planned borrowing levels, the impact of the changes arising from Minimum Revenue Provision, levels of contingencies and earmarked reserves
    - The impact of budget proposals on service users and the wider community
    - The impact of the new Government on local government finances
    - The robustness of plans and risks to the Council's anticipated income streams, particularly relating to parking, commercial property and the Council's companies
    - Assessment of overall strategy and individual proposals to mitigate lost income and to reduce costs, including the deliverability of proposals for income generation and savings
    - The interaction, robustness and financial impact of the financial returns to the Council from Oxford Direct Services (ODS) and Oxford City Housing Limited (OX Place) business plans – including scrutiny of the ODS and OX Place Business Plans and their importance in relation to the financial sustainability of the Council
    - Progress with, and opportunities to further exploit, emerging technologies such as Artificial Intelligence (AI) and Robotic Process Automation (RPA) to increase productivity and efficiency
    - The impact of staff recruitment and retention on the ability to realise the MTFS (e.g. achievement of performance targets, unplanned expenditure on temporary staff, delivery of plans and priorities and increasing pressure on existing staff)

10. The Review Group's findings and recommendations have been informed by evidence provided by senior officers of the Council across its meetings, as well as extensive written testimony in response to pre-submitted questions from Councillors. The responses to the Review Group's pre-submitted questions are included as a confidential Appendix (Appendix B) to this report. Contributors to the review included:

- Caroline Green, Chief Executive
- Tom Hook, Deputy Chief Executive Citizen & City Services
- Tom Bridgman, Deputy Chief Executive Place
- Nigel Kennedy, Group Finance Director
- Peter Matthew, Interim Executive Director (Communities and People)
- Emma Jackman, Director Law, Governance & Strategy

- Mish Tullar, Director Corporate Strategy (Interim)
- Helen Bishop, Director Communities & Citizens
- Nerys Parry, Director Housing
- Carolyn Ploszynski, Director Economy, Regeneration & Sustainability
- David Butler, Director Planning & Regulatory Services
- Jane Winfield, Director Property & Assets
- Rocco Labellarte, Chief Information & Technology Officer
- Richard Adams, Community Safety Service Manager
- Helen Horne, Managing Director of OX Place
- Simon Howick, Managing Director of Oxford Direct Services
- Chris Urwin, Executive Director of Finance for ODS
- Malcolm Peek, Property Services Manager
- Andrew Friar, Finance Business Partner
- Emma Burson, Finance Business Partner
- Jason Jones, Finance Business Partner
- Paul Swaffield, Finance Project Accountant
- Bill Lewis, Financial Accounting Manager
- Bill Graves, Landlord Services Manager
- Jonathan Malton, Committee and Member Services Manager
- Richard Wood, Housing Strategy and Needs Manager
- Paula Redway, Culture and Communities Development Manager
- Hagan Lewisman, Active Communities Manager
- Emma Gubbins, Corporate Asset Lead
- Alex Miller, Transactions Manager
- Oliver Hearn, Head of Facilities Management (ODS)
- David Hunt, Commercial Manager
- Dave Scholes, Affordable Housing Supply Corporate Lead
- Tina Mould, Environmental Sustainability Lead

Chapter 3: Background and Context

11. The proposed budget for 2025/26 has been developed with a focus on addressing lessons learned from recent budget performance and monitoring reports. This includes removing undeliverable proposals and aiming for a more balanced Medium Term Financial Strategy. The budget emphasises strategic, long-term financial planning to avoid pitfalls of rushed, short-term savings that often result in unsustainable service cuts, and an approach that prioritises efficiency which seeks to preserve services that align with the Council's priorities.

12. Results of the Government's Finance Settlement for 2025/26 presents limited financial relief for Oxford City Council despite a 6% national cash increase in core spending power. Whilst the Council benefits from modest gains, such as £500k increase in business rates baseline funding and an unexpected £391k recovery grant, these are offset by a £1.2m reduction in the Funding Guaranteed Grant and no overall increase in core spending power.

13. Risks to income generation feature prominently in the budget considerations. For example, large-scale projects like the Odeon redevelopment carry uncertainties toward the end of the MTFS; dividends from Oxford Direct Services (ODS) and Oxford City Housing Limited (OX Place) are contingent on factors such as contract awards and housing construction – particularly challenging in Oxford's context. Despite these risks, the Council is confident in its immediate financial position for Year 1 of the MTFS.

14. Financial planning for the Housing Revenue Account includes plans for new property delivery, investment in existing estates, and retrofitting projects. These efforts are grounded in the current financial framework but could see improvements if the government announces a long-term settlement for the social housing sector.

15. In terms of the Capital Programme, this has been shaped with an emphasis on realistic project planning, accounting for potential slippage. The budget reflects a commitment to ensuring projects are well-managed and deliverable, maintaining the Council's focus on long-term financial sustainability.

16. Efforts have been made to avoid compulsory redundancies. Programmes that reflect the Council's priorities, such as Youth Ambition, have been protected, supporting young people through holiday play schemes and various activities. Provisions like Ward Member Budgets and Community Infrastructure Levy are maintained to ensure resources remain available for shaping local projects.

17. Finally, the Government's stated aim to bring councils closer to the people through devolution remains uncertain, with unclear direction provided about forthcoming policies. Despite this ambiguity, Oxford City Council recognises the importance of continuing budget preparations and remains cautious not to divert resources into speculative scenarios.

Chapter 4: Findings and Recommendations

Corporate Resources

Law and Governance

Devolution

18. The Review Group discussed the challenges associated with the recently published White Paper. Central to the theme of their discussion was the potential for greater financial autonomy at the community level, and explicit provisions for costs associated with responding to devolution proposals such as consultation on legislative changes. The Review Group expressed varying perspectives, with some members noting other Councils' successes in leveraging parish and community councils in raising funds for local services, which could help provide potential modelling for Oxford.

19. The Review Group believed in gathering relevant information to support the Council in proceeding with any changes in the future. The Review Group recognised that financial autonomy at the community level might offer opportunities for improved local service delivery. It recommends understanding how other cities, such as Milton Keynes and Swindon, have structured their governance and funding mechanisms. This research would provide valuable insights into whether similar models could work for Oxford and whether such changes could enhance funding for local services in a way that aligns with the city's needs.

    Recommendation 1: That Officers should consult with cities with Community Councils such as Milton Keynes and Swindon as to whether their governance structures enabled them to fund public services better, and if so consider whether Oxford would benefit from similar arrangements.

20. The Review Group recommended that, in light of evolving circumstances, the Council proactively set aside resources to ensure preparedness for the imminent implementation of devolution and allocate the necessary time and capacity for this purpose.

    Recommendation 2: That the Council allocate a budget of £100,000, and officer capacity, to support work and preparedness required for the implementation of the local government restructure.

Reduction in Civic Activities

21. During discussions on service reductions, the Review Group expressed concerns that budget cuts for twinning activities and civic engagements would diminish the Council's ability to sustain meaningful international relationships, particularly in a post-Brexit context, and reduce the quality of hospitality extended to visiting delegations. It was noted that these reductions, including a proposed review of the civic office, was considered relatively small. While some members highlighted the importance of twinning in fostering cultural exchanges, others acknowledged the challenges of prioritising this service over the Council's statutory functions.

Financial Services

22. In relation to the Finance Settlement for 2025/26, the uncertainty surrounding the implications of the Central Government’s actions, such as National Insurance increases and compensation for councils, was noted. The discretionary reduction in business rates was discussed, with Officers confirming its level being comparable to neighbouring councils and cautioned that expanding it would require full local funding.

Commercial Events Income

23. The Review Group explored the implications of increasing commercial events in premium parks, noting the tension between generating income and maintaining accessibility for residents. Concerns were raised about the disruption caused by these events and the relatively small income generated compared to their impact. The Review Group was advised that the Council is exploring commercial events being an income source, though there is a need to review its approach and learn from recent experiences in order to do so.

Optimism bias in the Capital Budget

24. In the past the bias averaged 50% or more, reflecting the historical challenges of forecasting parameters. The Review Group recommended that this is increased to 45% for capital budgets, aligning with HM Treasury’s Green Book definition, which describes optimism bias as ‘tendency for appraisers to be overly optimistic about key project parameters’, ensuring a more realistic approach to budgeting.

Recommendation 3: That the Council applies a higher optimism bias of 45% than the 40% applied in the capital budget. This reflects the challenges of bringing slippages under tighter control.

Council Tax Reduction

25. The Budget Review Group noted the importance of the Council Tax Reduction (CTR) schemes but requested a further review. The current working age of 18 to 67 has been used for the CTR scheme, which allows for a percentage discount to be applied against the council tax charge. The discount applied is based upon specific ‘earned’ income and savings that the claimant is deemed to have, which is used in the calculation of affordability. The scheme is reviewed by Council annually which is a process that has been in place since April 2013. Small changes are made annually where gaps are identified in the regulations (i.e. when national or local policy changes are made), such as supporting a specific group of residents including care leavers. Amending of the threshold income bands have been previously considered by Council.

Recommendation 4: That any cut to the Council Tax Reduction programme should be entirely or mostly relating to the schemes’ higher-income bands.

Discretionary Discounts

26. The Review Group queried whether the forecasts account for potential changes in the tariff paid to the government, particularly in light of indications that funding may be directed towards poorer regions, and also asked how important discretionary discounts granted by the City are for businesses impacted by factors such as the Botley Road closure. The Review Group noted the introduction of a £600m Recovery Grant based on indices of deprivation, as announced in the Government's Budget. Though details on its

allocation are still unclear, the Review Group was informed that no business rates reductions have been granted by the Valuation Office in relation to the Botley Road closure, and that the Council has provided £9k in discretionary funding for other reasons, with all costs borne by the Council.

27. The Review Group recommended that the Council commits to identifying schemes for the allocation of the Recovery Grant funding. The Review Group believed that this would improve the areas of the city that have not been invested post Coronavirus Pandemic of 2020 and 2021.

Recommendation 5: That the Council commits to identifying schemes which will directly benefit areas of deprivation within the city for allocation of any Recovery Grant funding.

<u>Oxford Direct Services</u>

28. In discussions relating to the Council's wholly-owned companies, the Review Group evaluated ODS' financial performance and its ability to meet dividend projected over the life of the MTFS. Officers expressed confidence in delivering the anticipated payment despite challenges, highlighting the company's progress in achieving savings and revenue targets from the strategic review. There was emphasis in the need for stable workload and revenue in order to sustain projected dividend levels required by the Council.

29. The concern around unplanned HRA maintenance costs managed by ODS was raised, with officers noting continued efforts to manage demand-led pressures, expected to be relieved by the HRA's five-year investments programme as this positively impacts the nature of ODS's work. In regard to the company's £470k annual reduction on consultancy, the Review Group was satisfied this significant reduction in consultancy costs reflected efforts to internalise work within ODS and enhanced partnership with the Council.

<u>Oxford City Housing Limited (OX Place)</u>

30. The Review Group examined the financial performance and risks associated with the Council's Housing Companies, including dividend projections and borrowing arrangements. The Review Group was provided with an overview of key schemes, highlighting contribution to the Council's MTFS and associated risks, such as delays in planning, infrastructure challenges, rising tender prices, and interest rates.

31. It was noted that while schemes like Marston Paddock and Railway Lane are expected to contribute positively, challenges remain with developments like Goose Green and Westlands. Emphasis was given to ongoing efforts to mitigate risks through onsite solutions and collaboration with Thames Water.

32. The Review Group acknowledged that dividends from the Housing Companies' development programme are critical to the MTFS, and that borrowing arrangements with the Council remain on preferential terms, contributing additional revenue through interest and service level agreements. Like ODS, the Review Group was assured there was confidence in delivering the projected dividends, however officers cautioned that rising costs and market uncertainties may reduce reserves, which could impact future dividends.

33. Overall, the Review Group underscored the importance of monitoring financial and operational risks to ensure the programme's viability and continued contribution to the Council's budget.

Business Improvement

'Fit for the Future' Programme

34. The Review Group discussed progress and efficiencies delivered through the 'Fit for the Future' programme which has achieved incremental savings through measures including digitalisation of services, streamlining of systems and processes, and senior-level reorganisation. The Review Group noted the officers' confidence in meeting the savings target of £1.4 million per annum.

35. In terms of Customer Experience, the Review Group noted the focus on cost reductions through initiatives such as telephony upgrades within the Contact Centre to reduce call volumes, transitioning from postage to digital communication (emails and texts), and process redesign in collaboration with ODS to streamline call handling, to be supported by external suppliers where appropriate. While the Review Group accepted that these changes demonstrate efforts to modernise service delivery and foster efficiency, it noted the importance of balancing innovation with inclusivity. The Review Group understood the investment in digitisation of Council services but noted the risk of excluding residents who may lack digital access or skills, thereby potentially undermining the Council's Equalities Policies.

    Recommendation 6: That the Council ensures that the costs savings proposed in Fit for the Future changes do not result in the digital exclusion of vulnerable constituents.

ICT Efficiencies and Challenges

36. The Review Group examined the potential for Artificial Intelligence and digitalisation to deliver efficiencies and was assured that no double-counting of savings is occurring, and that efficiencies from AI and robotic process automation are clearly delineated in the budget. It was informed that the use of AI is still in the investigatory stage, with no immediate income expected. Opportunities for efficiency and Robotic Process Automation application include Planning Services and Housing Services, though these tools will be supporting business functions rather than for directly generating savings.

37. The Review Group noted the Council is currently investigating the use of Artificial Intelligence but believed this could create savings across the authority.

    Recommendation 7: That the Council will expedite efforts to identify savings which could be generated using Artificial Intelligence technology.

38. The Review Group examined ICT pressures including the £389k per annum infrastructure costs from the Council's growing data storage and service demands under a 2016 data hosting contract. Efforts to address these costs include transitioning systems to the cloud, managing data retention, and reducing service demands. It noted that the Council is progressing toward full cloud adoption by February 2026 with Azure. Whilst inflation adjustments are factored into the budget, officers explained that longer-term projections remain uncertain due to variability in software contracts.

39. The Review Group established that the Council's total software expenditure is approximately £2.7 million annually, though this figure fluctuates due to staggered contract start and end dates. It was explained that while most council budgets are cash-limited, ICT expenditure is subject to inflationary adjustments, reflecting its critical nature and the unpredictability of software pricing trends.

40. After further deliberation, the Review Group understood the constant pressure in updating equipment across the authority, as well as the increasing need to safeguard online services from the ever-evolving threat of cyber-attacks. Recognising the unpredictability of software pricing, the increasing reliance on cloud services, and the critical role of ICT in service delivery, the Review Group was not satisfied that the current assumptions adequately account for rising ICT costs needed to ensure resilience and adaptability.

Recommendation 8: That the Council makes an allowance for a rising ICT budget over the Medium Term Financial Strategy, as current ICT cost estimates assume they increase in 2025/26 and then remain steady.

Corporate Strategy

Environmental Sustainability

41. The Council has identified existing income streams from environmental sustainability initiatives, including land quality assessments and flood mitigation work performed for neighbouring councils and the County Council. Whilst there is potential for growth, particularly in biodiversity-related services, the lack of a full-time ecologist has limited progress. The Review Group heard that recruitment efforts are ongoing to stabilise the team and expand capacity, which could support further income generation in this area. The Review Group was satisfied that achieving a stable workforce in this field will be essential to realising the Council's ambitions for environmental sustainability-related revenue.

Dynamic Purchasing System (DPS) Procurement

42. The Review Group discussed the Council's use of DPS in light of recent developments and clarification from the Cabinet Office regarding its application under the new Procurement Act. It was highlighted that while DPS remains a viable approach for smaller contracts, its use for large concession contracts, such as those exceeding the £5 million threshold, is constrained. The Council had prudently removed anticipated future earnings from large DPS concessions contracts from its budget, reflecting a realistic view of potential income. However, smaller contracts, particularly for electric vehicle infrastructure, remain an opportunity for revenue generation, which was supported by a letter of comfort from the Government.

43. The Review Group noted that further discussions are needed to assess costs and resource investments for the Procurement Team to effectively manage DPS in the future, ensuring its role as a net income generator for the Council.

44. It was confirmed that income from these sources is accounted for in the budget.

Electric Vehicle Infrastructure

45. The Review Group queried the Council's current position on EV charging infrastructure

which has evolved significantly from its initial rollout. Initially, the Council invested in piloting various forms of EV charges, resulting in a complex inventory of on-street and off-street infrastructure. Some of which is now underutilised or obsolete. Maintenance and depreciation costs posed challenges in earlier years, however, with the growing adoption of EVs, this infrastructure has transitioned into a net income generator for the Council.

46. It was noted that discussions are advancing with the County Council in relation to the transfer of existing EV infrastructure to them, aligning with their role as the designated lead for both on-street and off-street EV provision. This transfer is anticipated to provide net value to the Council, and the Levy funding available for EV projects presents an opportunity for further development in less commercially attractive areas. The Review Group acknowledged that Oxfordshire continues to have one of the highest levels of EV infrastructure adoption in the UK, reflecting the potential for this asset to generate sustainable revenue going forward.

Zero Emission Zone (ZEZ) Income

47. The Review Group examined the Council's projected income from the ZEZ pilot where it was clarified that under the current legal agreement with the Oxfordshire County Council, income from the pilot is guaranteed. However, once the ZEZ expands to the city centre, the pilot phase would cease, and the associated income would no longer be guaranteed. This transition is expected to occur by 2025/26 with no projected income beyond that point.

48. The Review Group was advised that devolution, or potential changes to local government structure, are not anticipated to impact ZEZ income directly, instead, the timing and scope of ZEZ implementation will determine future revenue streams.

ODS Client

49. The Review Group discussed the impact of increased charges for garden waste services, street cleaning schedules, and the reduction of costs in support for ODS promoting good recycling practices.

50. While the garden waste service is considered profitable and supports wider council services, the Review Group was advised of legal constraints preventing the Council from explicitly profiting from such statutory services. The Review Group established that previous increases in garden waste charges had been met with lower-than-expected resistance, as customer volumes remained steady despite the higher fees; this indicated a lower resistance factor than initially modelled.

Recommendation 9: That the Council considers a larger increase on the non-concessionary garden waste bin rate.

51. The Review Group was of the view that many fees are governed by the requirement that they only achieve cost recovery. The Review Group emphasised the importance of clearly defining costs, including overhead allocations, to ensure compliance with cost-recovery principles and noted that this clarity could strengthen the case for a larger increase in the non-concessionary garden waste bin rate, among other things.

Recommendation 10: That Council ensures cost components such as overheads and administration used to calculate full costs are analysed in detail to identify the

scope for higher charges.

52. The Review Group also revisited the decision from the previous year to reduce enhanced street cleaning schedules in Blackbird Leys and the ‘Cowley Triangle’ to align with other residential areas. Officers advised reversing this decision due to increased littering and cleanliness issues in these localities, which have unique demands because of their urban setting and high footfall.

53. Potential impact of reducing support costs in respect of the promotion of good recycling practices, particularly in HMOs and student flats was considered. The Review Group was concerned about whether this might increase contamination levels in recycling streams.

54. The Review Group recommended that the increase in recycling rates during the period of the current budget is extrapolated forward by comparing the performance achieved between 2024-2025 and 2025-2026 following changes to the allocated budget. The Review Group argued that monitoring the waste collection services could provide valuable insight into whether a reduction in budget has been a false economy.

Recommendation 11: That the Council monitors the waste collection service and compares the experience of periods between 2024-2025 budget and 2025-2026 budget to see whether the savings proved a false economy in terms of improved recycling behaviour and reduced landfill charges.

Development

Cowley Branch Line

55. An update on the Cowley Branch Line project was provided which is currently in the feasibility stage, with funding secured for one more year. Plans include allocating £2.5 million as the City Council’s contributions to the delivery phase, contingent on Government approval and funding. This local contribution, which would total £20 million from various stakeholders, is expected to be sourced from Community Infrastructure Levy funds and other local investments.

56. The Review Group acknowledged that broader benefits of the project, including improved connectivity to London for local residents, increased land value, and potential for higher CIL revenues through intensified housing and commercial development in the area. Additionally, enhanced business rates and public realm improvements are anticipated.

Regeneration and Economy

New Expenditure: Business Support Outside the City Centre

57. The Review Group discussed the Council’s proposed investment in officer resources to expand business support into district centres, building on a successful pilot on Cowley Road. This initiative aims to bring businesses together to address shared challenges, facilitate collaboration with stakeholders, and foster collective representation. The Review Group noted that this resource is expected to target 3 to 4 district centres over a two-year period.

58. The Review Group highlighted the importance of leveraging additional funding from

developers and businesses to extend the reach of Council resources. Particularly, addressing trader challenges at Templars Square and exploring interim uses for vacant spaces, further pointing out the potential for this model to deliver meaningful outcomes across multiple areas.

59. The Review Group commended the regular Talk of the Town meetings at which city centre businesses meet under the aegis of the City Centre manager and requests the Council to consider the budgetary implications of using this as a model for areas outside the city centre.

Recommendation 12: That the Council includes provision for business support along the lines of Talk of the Town in the City Centre for areas outside the Centre, such as Cowley.

60. In addition, the Review Group noted the ongoing challenges following the rise of online shopping and the further need to support businesses within Oxford.

Recommendation 13: That the Council will facilitate and engage in discussions with local retail centres to understand their individual challenges and allocate appropriate resources to support through either marketing or direct them to appropriate resources in the county.

General Fund Programme

61. Discussions on the General Fund Programme centred on challenges in managing high-value property refurbishment projects, including delays at George Street, which resulted in tenant loss and required additional budget allocations. This underscored the need for stronger oversight and contingency planning to prevent cost overruns and mitigate financial risk. Similarly, the Review Group noted that future use of Floyd’s Row was considered in the context of wider redevelopment opportunities, with a view to maximise its value and explore alternative revenue-generating uses.

Accommodation Business Improvement District and Tourist Tax

62. The Review Group explored the potential of a tourist tax for Oxford, noting that its value goes beyond boosting Council revenue. By supporting city centre improvements, it could help increase business rates, and potentially lead to indirect budget savings. The Review Group recognised the Council’s efforts to facilitate an Accommodation Business Improvement District which could channel resources into city centre improvements.

63. The Budget Review Group noted the implementation of similar taxes within other cities across the Country, including a tourist levy, commonly known as the City Visitor Charge, in Manchester, Liverpool, Bournemouth, Poole and Christchurch and requested Officers to review other authorities’ arrangements. The Review Group underscored that a carefully implemented ABID, combined with the possibility of a tourist tax, could create benefits of increased tourism that is shared widely across businesses, colleges, and the Council.

Recommendation 14: That the Council provides support to the city centre businesses whose agreement is needed to establish an Accommodation Business Improvement District and will engage with University Colleges, Businesses, hoteliers and recognised business organisations on plans for an ABID and bring proposals forward to Councillors, which could include the introduction of a tourist tax whose revenues would fund city centre improvements, reducing the need for

City and County expenditure.

Planning and Regulatory Services

64. The Review Group considered various aspects of service delivery and budgetary pressures within the Planning and Regulatory Services, including increase in Building Control fees and charges, digitalisation of Planning Services, potential additional costs with the reprofiling of the Local Plan, and Government pressures to increase new housing developments.

65. Officers explained that the recent increases in Building Control fees were unavoidable, driven by rising service delivery costs, including a reliance on expensive contractor staff and challenges in recruiting qualified surveyors. The Review Group noted that efforts are underway to improve recruitment and bolster the team's resilience to keep services running.

66. On the digitalisation of Planning Services, the Review Group accepted that while savings are yet to be fully realised, significant progress is being made. This includes collaborating closely with the Government to secure grant and setting clear targets to support ongoing digital transformation.

67. In relation to the reprofiling of the Local Plan, the Review Group noted the confidence in managing current budgets, with officers citing the availability of specific budget allocation and reserves earmarked for this purpose. Emphasis was also given to delivery and the expectation to achieve this within the planned financial framework. Discussions also touched on the potential impact of the Government's push for increased housing development, to which Officers indicated that staffing levels have been strategically modelled to meet the anticipated demand. The Review Group underscored the need for close monitoring of workload and income targets to ensure service remains responsive and balanced in the face of evolving pressures.

Corporate Property

Void Commercial Properties

68. Recent powers enabling local authorities to auction commercial properties that are left vacant for over 24 months was discussed. The Review Group recognised the potential of these powers to address void properties and hard-to-let spaces that detract from the city's vibrancy and economic activity. Acknowledging that long-term vacancies often exist for legitimate reasons, the Review Group felt that leveraging this legislation could offer a productive means of inducing property owners to bring spaces back into use. Members saw value in the strategic threat of an auction as a way to encourage landlords to act before the Council steps in, thereby boosting activity and potentially increasing business rates revenue.

69. The Review Group noted the complexities and resource implication of enforcing these powers, including the need for officer time to manage the process effectively. It also noted risks such as landlords potentially using the process against the Council or the costs involved in recovering expenses, Members felt these were outweighed by the broader economic benefits. The Review Group was keen for the Council to explore this as an "Invest to Save" initiative, given the scale of potential gains for the city.

Recommendation 15: That the Council explores the scope for pursuing landlords whose property has been vacant for more than 12 months in a 24-month period to auction these properties for rent.

Capital Receipts

70. The Review Group was informed of a successful exchange of contracts for a recent land sale, which yielded a significant receipt and included acceleration clauses for future payments. While the decision to remove certain revenue-generating tools on the site was questioned, officers maintained it was aligned with prevailing landlord legislation and considered prudent at the time.

Car Parking

71. The Review Group established that the unpredictability of car parking behaviour continues to pose challenges for revenue forecasting. It heard that factors such as the closure of Botley Road, and rising tariffs, and post-COVID behavioural changes have collectively impacted usage in both city centre and suburban car parks:

    - Tariff increases and usage decline: A notable drop in city centre ticket sales contrasted with overall stable income trends. This pointed to shifts in user behaviour as opposed to than revenue generation. The Review Group was cautioned about raising tariffs further, as doing so could deter users and potentially harm the council's reputation.

    - Comparison with private Car Parks: The Review Group was keen to see comparative data from private operators like Westgate as it felt it could sharpen analysis. However, it was advised that access to such data has been denied.

    - EV charging and ancillary revenue opportunities: EV charging usage was noted to be increasing, but the number of charging points is currently not enough to support ancillary business ventures such as snack kiosks. The Review Group was reminded that past experiments have been unsustainable, though there is provision for this type of opportunities.

72. The Review Group also discussed parking provisions for community volunteers, particularly those at Florence Park, and the challenges of offering concessions without negatively impacting income. The Review Group noted existing options like annual permits and the first-hour free policy at certain sites however officers noted caution about expanding concessions further.

73. The Review Group noted the need for detailed annual revenues by car park, particularly to evaluate the impact of tariff changes and the shift from individual to higher-fee family use. The Review Group was concerned about reduced usage at specific sites, such as St Giles, requesting additional data between central and suburban car parks.

74. The Oxpens car park was highlighted as a stable revenue source despite higher tariffs compared to competitors like Westgate. However, the pending lease renewal was noted as being potential risk to future income. The Review Group accepted that considerations for parking provisions during ice rink events are currently being explored to mitigate usage challenges during peak times.

75. Following its deliberation on car parking charges, the Review Group explored opportunities to simplify pricing structures while ensuring they remain fair and practical for users. It recognised that rounding charges up to the nearest £0.25 or £1 could streamline operational processes and potentially generate modest additional revenue. For example,

the Review Group suggested adjustments for Redbridge Coach and Lorry Park charges from £5.30, £8.30, £10.30 and £12.80 to be increased to £5.50, £8.50, £10.50 and £13.00 respectively. Similarly, charges in selected park areas and other car parks could be increased to the nearest £0.25, such as, £1.20 to £1.25, £2.40 to £2.50, £3.40 to £3.50, £4.40 to £4.50, and £15.40 to £15.50.

Recommendation 16: That the proposed new car parking charges are either rounded up to the nearest pound or rounded up to the nearest £0.25, depending on the type of car park.

Optimism Bias in Corporate Assets

76. The Review Group examined how optimism bias is applied to forecast commercial rental income for key assets, including George Street, St Aldates Chambers and the Odeon. Officers explained that applying optimism bias on a property-by-property basis portfolio-wide risks over- and underestimation across projects. The Review Group was keen to ensure that revenue forecasts for corporate assets reflect realistic conditions, particularly on a property-by-property basis, given the complexities involved in redeveloping and leasing assets in this challenging economy.

77. While the Review Group supported the assumption that no slippage occurs in estimates built up project by project, it highlighted the inherent uncertainties in forecasting commercial rental income. The Review Group noted factors aligning with the confidence in the improved accuracy of the Council's forecasting. However, the Review Group agreed that introducing a modest optimism bias would provide an additional buffer to reflect the inherent uncertainties in projects.

Recommendation 17: That the Council recommends applying some optimism bias to the projected increases in corporate assets' commercial rental income. A figure of 20% is suggested, to allow for slippage in the completion of redevelopment and leasing of assets.

Covered Market

78. The Review Group delved into the challenges of boosting footfall during evening openings at the Covered Market, noting the early closure of the Golden Cross gate as a stumbling block and cutting off potential flow of visitors from Cornmarket Street. The idea of acquiring the property was suggested as a potential solution, however it was established that focusing resources on improving access through more prominent entrances should be the priority, and creating a destination that people actively want to visit. Officers emphasized existing efforts to enhance other entrances on High Street and Cornmarket Street. Plans to attract high-quality operators and boost the market's evening economy are expected to drive greater footfall and tenant interest.

79. The Review Group was encouraged by the Covered Market's evolution as a destination for premium operators and its growing reputation for drawing high-quality brands. The Review Group was satisfied with the ongoing efforts to reconfigure small units to attract operators, noting late-night openings being a key driver for this transformation, and acknowledged the future success of Covered Market hinged on strategic tenant recruitment and having a thriving evening economy.

Town Hall

80. The Review Group worried that the opening of the Schwarzman Centre in September, with performance spaces able to hold up to 500 people, could affect Town Hall revenues.

It noted that the presence of a well-equipped, modern venue could attract bookings away from the Town Hall, and potentially creating an element of optimism bias in the revenue forecast for the venue. Recognising the competitive challenge posed by Schwarzman Centre, as well as other University-owned venues well-suited to hosting medium to large events, the Review Group felt there was a need for strategic dialogue to mitigate potential revenue implications.

Recommendation 18: That the Council's Town Hall team meet their counterparts in the University, running the Schwarzman Centre and Sheldonian, as well as colleges with good performance spaces, to discuss cooperation in the hire of medium to large sized venues.

Housing and Communities

Community Services

81. The Review Group examined various aspects of service provision and community asset management, including the remodelling of the localities management service, revenue generation for community centre, leisure management contracts, and equalities work.

Localities Management Service

82. The Review Group explored ongoing remodelling of the localities management service to provide a city-wide offer. It was noted that savings of £65,000 identified in the budget for 2026/27 are linked to anticipated restructuring of this service, including potential increased income from Section 106. While there are no immediate changes to staffing levels planned, the intent to review the needs of different areas and adjust service delivery accordingly was highlighted.

83. With regard to the role previously focused on equalities work, the Review Group discussed the implications due to the post being no longer filled. The Review Group was satisfied that statutory equalities duties will continue to be met through an established equalities steering group and the redistribution of responsibilities among existing staff, and that the Council remains committed to monitoring and responding to legislative changes in this area.

Community Centres

84. The Review Group queried how savings target stacked against the existing communities centre revenue and sought an illustration of the scale of the changes in the revenue that would be required to break even or make a profit. The Group also explored the scope to which the revenue could be increased by to secure more users.

85. In response, Officers indicated that a comprehensive review of council-owned community centres is underway, alongside a tenants' rent policy review led by Property Services. This review considers tiered rates for commercial operations and different rents for medium and small charities or not-for-profit organisations, in hopes that transitional arrangements will be put in place to phase in those facing higher rental increases.

86. The Review Group noted initial projections suggest revenue increases of 5-10% from measures such as ad-hoc booking fees and gym usage, particularly at the Rose Hill Community Centre. However, it was pointed out that two major centres – East Oxford and Blackbird Leys – are under redevelopment, delaying full implementation of revenue-generating measures until 2025 and 2027, respectively.

87. The Budget Review Group supported the aim of boosting the commercial viability of community centres, and recognised that the Bullingdon community centre, although relatively new, may also provide helpful data.

Recommendation 19: That the Council requests data on the financial viability of the Rose Hill community centre, which is both modern and well established, to assess whether the financial projections in the Budget are realistic in the light of experience.

88. Enquiries into gambling licensing fees revealed that these are set nationally and not within the Council’s discretion, offering limited discretion. The Review Group was advised that gambling-related revenues form a small portion of the overall licensing income and are largely derived from premises such as slot machine operators.

Housing Services

89. The Review Group discussed the financial implications of housing subsidies, particularly the additional £800k cost incurred due to the lack of registered housing providers. It noted that the city is working with county-wide partners to explore strategies to reduce reliance on unregistered providers, however achieving significant cost reductions will take time. Efforts are underway to explore long-term accommodations, and progress is anticipated in future years to reduce this subsidy burden. Members of the Review Group noted the challenges of managing costs and the limitations posed by government policies.

90. The Review Group believed the potential savings from working jointly with a housing association or independently as a Registered Provider are substantial, which would be administratively complex since the current providers are commissioned by public sector bodies needing supported accommodation.

Recommendation 20: That the Council works with other councils to lobby Central Government to adapt the housing benefit system to remove this anomaly and a budget be allocated to examine the business case for a model of enhanced links with RPs as an Invest to Save initiative.

<u>Temporary Accommodation</u>

91. The Review Group established that level of demand for temporary accommodation continues to be high with some volatility, noting that this issue is not only prevalent in Oxford but across the county. Whilst the Council continues to exercise caution in its monitoring, the Review Group felt that securing further contracts with accommodation providers across the city would help address the fluctuating needs more effectively and ensure availability during periods of high demand.

Recommendation 21: That the Council addresses unpredictable levels of Temporary Accommodation requirement by securing further contracts with accommodation providers across the city.

<u>Empty Homes</u>

92. The Review Group considered the decision to reduce officer time dedicated to tackling empty homes, noting that while returning homes to occupancy aligns with the Council’s strategy goals, members wondered if this would slow efforts to address vacant properties and have minor implication on council tax revenues. The Review Group was advised that returning empty homes to use has historically been challenging and has had limited successes despite significant effort. The focus remains on targeting housing supply

issues effectively.

Energy efficiency in Council homes

93. A discussion arose regarding the potential for Council investment in energy efficiency measures, such as solar panels and heat pumps. While acknowledging the environmental benefit of these initiatives, the Review Group expressed concern that this approach is somewhat altruistic as the Council bears the cost of investment without deriving any financial return. The Review Group explored whether establishing an entity to undertake these projects and share energy cost savings with tenants might provide a more sustainable model. The Council's focus on achieving EPC-C standards for its properties was noted, with Officers confirming that current funding models do not offer a direct financial return for the Council.

94. The Review Group noted that, under the current arrangement, where HRA tenants pay social housing rents, the Council is unable to recoup investment costs in energy efficiency by sharing in tenants' reduced energy bills through a service charge (for example, where an insulation upgrade saves an expected £100/yr in energy costs, levying a £50/yr service charge to contribute towards further upgrades for other tenants). The Review Group underscored that exploring alternative financing mechanisms, such as partnering with existing entity or establishing a separate one, could create a more equitable approach to implementing energy efficiency projects.

Recommendation 22: That the Council investigates the scope for working with an existing company or to establish a separate company – similar to Low Carbon Oxford's investments in solar panels at school – to finance investments and share energy cost reductions with the tenants.

Repairs, Maintenance and Building Safety

95. The Review Group queried whether budget overrun in the Council's contract with ODS for HRA properties arises from changing regulations or the natural wear and tear of a large housing stock, and whether confident projections could be made given the scale of the portfolio. In response to the query, officers noted the unpredictability of costs related to repairs and maintenance driven by both regulatory changes and unforeseen demands and highlighted the need for flexibility in the budget to react to regulatory requirements and emergent needs. Members acknowledged the regulatory changes following the Grenfell Tower fire in 2017 and its impact on the Council's housing strategy and was satisfied that the Council adaptive actions to being better prepared in hopes that the challenges referred to in this budget will be eliminated in the next few years.

Fibre to Homes Initiative

96. The Budget Review Group noted that there are 25+Mbps services are already available within Oxford without the use of fibre and noted the full-fibre speeds of over 100Mbps are a top-tier internet offering purchased by a minority of users. The Budget Review Group concluded that it was not a priority for broadband providers to sell a top-tier service to the Council's tenants.

Recommendation 23: That the Council reject the £120,000 investment in the Fibre to Homes Initiative where 25+Mbps services are already available without fibre.

Chapter 5: Conclusions

97. Following deliberations at each of its meetings throughout December 2024 and January 2025, the Review Group made a total of **22 recommendations**. These recommendations reflect a commitment to ensuring that the Council's financial strategy remains robust, equitable, and forward-thinking in the face of evolving challenges. By drawing on lessons from other local authorities and prioritising inclusive priorities, the Review Group sought to guide the Council toward achieving fiscal stability.

98. One key focus in its findings is the push to explore innovative governance structures to in preparation for the forthcoming implementation of devolution. The Review Group recommends looking outward by consulting with other local authorities to consider changes applicable to Oxford and to set aside budget and resource for this purpose (**recommendation 1** and **2**). The same sense of caution and foresight underpins their recommendation to increase the optimism bias in capital budgets and projections for corporate asset income, ensuring that financial assumptions are robust and realistic (**recommendations 3** and **17**).

99. A strong focus on equitability is underpinned in its recommendation to adjust any cuts to the Council Tax Reduction Scheme so they impact higher-income bands more than lower-income households, and to focus Recovery Grant funding on areas of greatest deprivation, as a demonstration of commitment to protecting the city's most vulnerable (**recommendations 4** and **5**). Similarly, the Review Group urged caution as the Council embraces digitalisation: it must ensure no one is left behind (**recommendation 6**).

100. On the topic of modernisation, the Review Group encouraged the Council to expedite efforts by utilising AI for cost savings and to plan for rising ICT costs over the MTFS (**recommendations 7** and **8**). Both of which highlight the need to embrace technology advancements while preparing for challenges in a way that is thoughtful and sustainable.

101. Another area of focus was resource optimisation where three recommendations were made on practical areas including service charges and waste management (**recommendations 9, 10** and **11**).

102. Collaboration with stakeholders was another central theme, with recommendations to expand business support initiatives to areas outside of city centre (**recommendation 12**); engage with local retail centres in an effort to understand their needs (**recommendation 13**); explore an Accommodation Business Improvement District (**recommendation 14**); and work with landlords to reduce property vacancies (**recommendation 15**).

103. The Review Group demonstrated a keen focus on making the Council's financial strategies more resilient with recommendations simplifying car parking charges, exploring synergies in Town Hall hirings to mitigate revenue pressures (**recommendations 16** and **18**). This collaborative spirit extends in its recommendation to assess the financial data of the Rose Hill and Bullingdon community centres to ensure other community centres operate on similar realistic financial projections (**recommendation 19**).

104. A further three recommendations were made relating to Housing (**recommendations 20, 21** and **22**). One addresses the unpredictable demands for temporary accommodations by securing additional contracts with accommodation providers. The

other two recommendations focus on strategic improvements: lobbying Central Government to remove anomalies in the housing benefit system by adopting an *Invest to Save* approach, and exploring innovative energy efficiency projects that could save cost and benefit tenants simultaneously.

105. Lastly, the Review Group advised exercising caution when allocating investments particularly those with limited return potential, highlighting the need to focus resources where they are most impactful (**recommendation 23**).

106. As the Review Group's scrutiny of the budget proposals concluded, Members noted that Oxford City Council was in a comparatively strong financial position than many other local authorities across the country, recognising however the significant challenges that lie ahead. The Review Group was satisfied that its contribution will support the Council in navigating these financial pressures while maintaining its position as a thriving and resilient local authority.

107. The Review Group is pleased to present its recommendations.

Appendix A
Draft Cabinet response to recommendations of the Budget Review Group of the Scrutiny Committee

The document sets out the draft response of the Cabinet Member to recommendations made by the Budget Review Group and endorsed by the Scrutiny Committee on 29 January 2025 concerning the Scrutiny Budget Review 2025/26. The Cabinet is asked to amend and agree a formal response as appropriate.

Recommendation	***Agree?***	***Comment***
1) That Officers should consult with cities with Community Councils such as Milton Keynes and Swindon as to whether their governance structures enabled them to fund public services better, and if so consider whether Oxford would benefit from similar arrangements.		
2) That the Council allocate a budget of £100,000, and officer capacity, to support work and preparedness required for the implementation of the local government restructure.		
3) That the Council applies a higher optimism bias of 45% than the 40% applied in the capital budget. This reflects the challenges of bringing slippages under tighter control.		
4) That any cut to the Council Tax Reduction programme should be entirely or mostly relating to the schemes' higher-income bands.		

5) That the Council commit to identifying schemes which will directly benefit areas of deprivation within the city for allocation of any Recovery Grant funding.		
6) That the Council will ensure that the costs savings proposed in Fit for the Future changes do not result in the digital exclusion of vulnerable constituents.		
7) That the Council will expedite efforts to identify savings which could be generated using Artificial Intelligence technology.		
8) That the Council makes an allowance for a rising ICT budget over the Medium Term Financial Strategy, as current ICT cost estimates assume they increase in 2025/26 and then remain steady.		
9) That the Council considers a larger increase on the non-concessionary garden waste bin rate.		
10) That Council ensures cost components such as overheads and administration used to calculate full costs are analysed in detail to identify the scope for higher charges.		
11) That the Council monitors the waste collection service and compares the experience of periods between 2024-2025 budget and 2025-2026 budget to see whether the savings proved a false economy in terms of improved recycling behaviour and		

reduced landfill charges.		
12) That the Council includes provision for business support along the lines of Talk of the Town in the City Centre for areas outside the Centre, such as Cowley.		
13) That the Council will facilitate and engage in discussions with local retail centres to understand their individual challenges and allocate appropriate resources to support through either marketing or direct them to appropriate resources in the county.		
14) That the Council provides support to the city centre businesses whose agreement is needed to establish an Accommodation Business Improvement District and will engage with University Colleges, Businesses, hoteliers and recognised business organisations on plans for an ABID and bring proposals forward to Councillors, which could include the introduction of a tourist tax whose revenues would fund city centre improvements, reducing the need for City and County expenditure.		
15) That the Council explores the scope for pursuing landlords whose property has been vacant for more than 12 months in a 24-month period to auction these properties for rent		
16) That the proposed new car parking charges are either rounded up to the nearest pound or		

rounded up to the nearest £0.25, depending on the type of car park.		
17) That the Council recommends applying some optimism bias to the projected increases in corporate assets' commercial rental income. A figure of 20% is suggested, to allow for slippage in the completion of redevelopment and leasing of assets.		
18) That the Council's Town Hall team meet their counterparts in the University, running the Schwarzman Centre and Sheldonian, as well as colleges with good performance spaces, to discuss cooperation in the hire of medium to large sized venues.		
19) The Council to request data on the financial viability of the Rose Hill community centre, which is both modern and well established, to assess whether the financial projections in the Budget are realistic in the light of experience.		
20) That the Council works with other councils to lobby Central Government to adapt the housing benefit system to remove this anomaly and a budget be allocated to examine the business case for a model of enhanced links with RPs as an Invest to Save initiative.		
21) That the Council will address unpredictable levels of Temporary Accommodation requirement by securing further contracts		

with accommodation providers across the city.		
22) That the Council investigates the scope for working with an existing company or to establish a separate company, similar to Low Carbon Oxford's investments in solar panels at schools, to finance investments and share energy cost reductions with HRA tenants.		
23) That the Council reject the £120,000 investment in the Fibre to Homes Initiative where 25+Mbps services are already available without fibre.		

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