

MINUTES OF THE CITY EXECUTIVE BOARD

Thursday 11 February 2016

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COUNCILLORS PRESENT: Councillors Price (Leader), Turner (Deputy Leader), Brown, Hollingsworth, Kennedy, Lygo, Rowley, Simm, Sinclair and Tanner.

OTHER MEMBERS PRESENT:

OFFICERS PRESENT: Peter Sloman (Chief Executive), David Edwards (Executive Director City Regeneration and Housing), Tim Sadler (Executive Director Community Services), Jackie Yates (Executive Director Organisational Development and Corporate Services), Lindsay Cane (Legal Services Manager), Caroline Green (Assistant Chief Executive), Stephen Clarke (Head of Housing and Property), Jane Winfield (Regeneration and Major Projects - Team Manager), Ian Wright (Service Manager Environmental Health), Julia Tomkins (Grants & External Funding Officer) and Catherine Phythian (Committee Services Officer)

163. APOLOGIES FOR ABSENCE

Apologies for absence were received from the Head of Financial Services.

164. DECLARATIONS OF INTEREST

The following declarations of interest were noted with regard to Minute item 173:

Cllr Price - South Oxford Adventure Playground Committee
Cllr Kennedy – Citizens Advice Bureau and Bullingdon Community Association
Cllr Lygo - Oxfordshire Play Association and Pegasus Theatre
Cllr Simm - Donnington Doorstep family centre
Cllr Sinclair - Headington Action
Cllr Tanner - Donnington Doorstep family centre

165. PUBLIC QUESTIONS

There were no public questions.

166. COUNCILLOR ADDRESSES ON ANY ITEM FOR DECISION ON THE BOARD'S AGENDA

Councillor Fooks addressed the Board on agenda item 19. Her comments are included in the minute for that item (190).

167. COUNCILLOR ADDRESSES ON NEIGHBOURHOOD ISSUES

There were no Councillor addresses on neighbourhood issues.

168. SCRUTINY COMMITTEE REPORTS

The Chair of the Scrutiny Committee noted the Board's responses to the recommendations of the Guest Houses Review Group and said that he would refer these to the next meeting of the Scrutiny Committee to enable a thorough consideration by members of the Committee and Review Group.

The Chair of the Scrutiny Housing Panel presented the report and recommendations on the Private Sector Housing Policy. She said that she was pleased to note that all 5 of the recommendations had been accepted by the Board. She said that the Panel were keen to ensure that the views of tenants were captured in the consultation and referenced the example of the Positive Futures work with young people. It was suggested that the consultation should involve the students unions for both universities. The Board noted that problems with parking, waste and bulky waste at HMOs remained emotive issues.

The following Scrutiny Committee reports and recommendations were considered as part of the substantive discussion of those items:

- Scrutiny Budget Review 2016 -17
- Capital Strategy
- Treasury Management Strategy
- Energy and Water Supply Procurement
- Corporate Plan
- Scrutiny Budget Review - suggested CEB response to recommendations

169. CORPORATE PLAN 2016/20

The Assistant Chief Executive submitted a report which detailed the results of the consultation on the draft Corporate Plan 2016 – 2020 and proposed its adoption.

The Assistant Chief Executive confirmed that the version of the Corporate Plan which would be submitted to Council had been fully fact-checked in light of the recent changes to local government finance and national policy.

The Board noted the Scrutiny Committee concerns regarding the low number of responses. The recommendation relating to the corporate success measures had been rejected because tenant satisfaction was already measured and the

proposed measure for new homes granted permission was outside the Council's control.

The City Executive Board resolved to:

1. **approve** the draft Corporate Plan 2016 -2020 as set out in Appendix 1; and
2. **recommend Council to resolve** to approve the draft Corporate Plan 2016 – 2020 and delegate authority to the Assistant Chief Executive to make minor textual/formatting changes to the Corporate Plan 2016 – 2010 in advance of formal publication.

170. MEDIUM TERM FINANCIAL STRATEGY 2016-17 TO 2019-20 AND 2016-17 BUDGET

Councillor Brown joined the meeting.

The Head of Financial Services submitted a report which presented the outcome of the budget consultation and seeks agreement to the Council's Medium Term Financial Strategy for 2016-20 and 2016-17 Budget for recommendation to Council.

The Executive Board Member Finance, Asset Management and Public Health presented the report. He thanked the Scrutiny Finance Panel for their contribution and recommendations. The Board agreed that the involvement of the Scrutiny Finance Panel was a welcome and productive part of the Council's budgeting process. He thanked the Head of Financial Services and his team for all their hard work in preparing the budget and noted that they had been accurate in their predictions concerning the Government's financial settlement.

He informed the Board that the Government's Final Finance Settlement announcements on 8 February 2016 together with the passage of the Welfare Reform and Work Bill through Parliament had necessitated the changing of two of the recommendations to Council as detailed in the supplementary report submitted to the Board.

In discussion the Board noted the following points:

Settlement Funding Assessment (SFA) – the forced reduction in funding over the period represented a significant challenge and it was to the Council's credit that services had been safeguarded

Retained Business Rates – this was an area of significant uncertainty and volatility

Revenue Support Grant four year funding settlement - the opportunity to bid for this funding was welcome but there was no guarantee that the income would be forthcoming. The Executive Board Member Finance, Asset Management and Public Health confirmed that he and the s151 Officer would refer any substantive considerations to the Board.

Capital programme – this would provide some buffer and delay/minimise any immediate adverse impact on the revenue budget; all schemes on the waiting list had been moved to the main capital programme

Efficiency savings – the management and administration reviews had delivered savings in the current year. There were two areas to consider for future efficiency savings:

- creating a more sustainable income from exploiting assets and commercial rents
- encourage the take up of more web-based transactions / payments

The Chair of the Scrutiny Committee presented the Finance Panel's recommendations on the budget noting that 18 of the 24 recommendations had been accepted. He urged the Board to consider the benefits of adopting a gross budget based approach in the future. With regard to the remaining 6 recommendations the Board noted the following responses:

- Recommendation 6 – Agreed in part but noting the environmental and planning considerations.
- Recommendation 8 – Agreed in part. The Board agreed in principle but ultimately it was not in the Council's control.
- Recommendation 9 – Agreed in part. The Board agreed in principle but did not think that the examples given were particularly representative of the point at issue.
- Recommendation 11 – Not agreed. There was no underspend in this area.
- Recommendation 16 – Not agreed. The Board would maintain a watching brief and meet its legal obligations.
- Recommendation 19 – Not agreed. The need for a programme based approach to capital works was less relevant for this Council because we retained a Direct Services function.

In conclusion the Board agreed to add an additional recommendation based on the proposal set out at paragraph 20 of the report: *It is recommended that the decision to join the Business Rates Distribution Group is delegated to the Section 151 Officer in consultation with the Executive Member for Finance and Asset Management and Public Health once business rates estimates for 2016-17 are known for all Districts within Oxfordshire.*

The City Executive Board resolved to recommend Council to:

1. **approve** the General Fund Budget Requirement of £19.853 million for 2016/17 and an increase in the Band D Council Tax of 1.99% or £5.55 per annum as set out in Table 8 and Appendices 1-4, representing Band D Council Tax of £284.52 per annum. The additional amount of £146k over the four year period to go towards the funding of the Council's General Fund Capital Programme;
2. **approve** the continuance of the Council's Council Tax Support Scheme (formerly Council Tax Benefit);

3. **approve** the Housing Revenue Account budget for 2016/17 of £43.487 million and a reduction of 1% (£1.06/wk) in social dwelling rents from April 2016 giving a revised weekly average social rent of £104.79 as set out in Appendix 4 for all Council dwellings other than sheltered accommodation. In respect of sheltered accommodation that a rent increase of 0.9% is applied (average £0.88 per week increase) generating an additional income originally proposed of £27,000 for one year to be used in full or in part for improvements in the provision of sheltered accommodation. Such changes will be subject to the Welfare Reform and Work Bill becoming law and no exemption being granted) but that in the event that an exemption or partial exemption is granted that the rent be increased in accordance with the terms of the exemption or partial exemption subject to notice being given to tenants of the proposed rent increase. In that event a further report will be made to CEB and Council detailing the consequential effect on the Housing Revenue Account budget
4. **approve** the Capital Programme for 2016-20 as set out in Appendix 6 subject to funding availability from 2017-18 onwards;
5. **approve** the Fees & Charges schedule as set out in Appendix 8;
6. **delegate** to the Section 151 Officer in consultation with the Executive Board Member for Finance, Asset Management and Public Health the decision to apply for the four year funding settlement and determine whether it is financially advantageous for the Council to enter into a Business Rates Distribution Agreement as referred to in paragraphs 13 and 17-18; and
7. **delegate** to the Section 151 Officer in consultation with the Executive Member for Finance, Asset Management and Public Health the decision to join the Business Rates Distribution Group once business rates estimates for 2016-17 are known for all Districts within Oxfordshire.

171. CAPITAL STRATEGY 2016-17

The Head of Financial Services submitted a report which presented the Capital Strategy 2016-17 for approval.

The Executive Board Member, Finance, Asset Management and Public Health presented the report and drew attention to the changes incorporated within the strategy:

- The explanation of what constitutes capital investment has been amended to include loans and grants to other organisations for capital purposes and the payment to the Government for the sale of High Value Council Housing
- Membership of the Capital Asset Management and Capital Board has been amended to reflect changes in organisational structure
- New freedoms around the use of capital receipts have been incorporated
- Given the financial pressures on the General Fund there is limited use of prudential borrowing to finance the General Fund Capital Programme

- The prudential borrowing that is planned is for specific projects which adhere to prudent financial criteria and hence do not result in increased ongoing revenue financial pressures
- The announcement of changes to the Housing Revenue Account, including the sale of High Value Council Housing, means that borrowing will be taken out to fund capital works on the HRA

The Chair of the Scrutiny Committee asked the Board to reconsider its rejection of the Scrutiny Finance Panel recommendation that an evaluation should be undertaken of how the Council could make best use of its grant funding for infrastructure at Oxpens. The Board noted that development was expected to be completed significantly before the 2027 deadline and that in fact contracts had to be let within five years. Alternative investment options were considered to be too high risk in the medium term but it might be possible to review the approach in about three to five years.

The Chair said that the Board and Scrutiny Committee involvement would be a key element in the on-going Oxpens development.

The City Executive Board resolved to:

1. **approve** the Capital Strategy 2016-17 attached at Appendix A.

172. TREASURY MANAGEMENT STRATEGY 2016-17

The Head of Financial Services submitted a report which presented the Council's Treasury Management Strategy for 2016/17 together with the Prudential Indicators for 2016/17 to 2018/19.

The Executive Board Member, Finance, Asset Management and Public Health presented the report and said that he was pleased to accept both the Scrutiny recommendations.

The Board discussed the uncertainty surrounding interest rate projections and noted that on an operational basis the officers were proactively looking for the best possible return on investment.

The City Executive Board resolved to recommend that Council resolves to:

1. Approve the Treasury Management Strategy 2016/17, and adopt the Prudential Indicators for 2016/17 – 2018/19 as set out in paragraphs 7 to 41, and Appendix 2;
2. Approve the Investment Strategy for 2016/17 and investment criteria as set out in paragraphs 21 to 38 and Appendix 1; and
3. Approve the Minimum Revenue Provision (MRP) Statement at paragraphs 11 to 20 which sets out the Council's policy on debt repayment.

173. GRANT ALLOCATIONS TO COMMUNITY AND VOLUNTARY ORGANISATIONS FOR 2016-2017

The Head of Community Services submitted a report which detailed the proposed allocation of grants to community and voluntary organisations through the Community Grants Programme.

The Executive Board Member, Culture and Communities presented the report and thanked the Grants & External Funding Officer and her colleagues for their continuing hard work in this area. She said that this programme was a good example of how the Council continued to work with the local community and voluntary sector to alleviate poverty and create a vibrant city for all residents. She said that the current political and economic climate meant the Council's grant programme faced increasing pressures and so it was essential that the grant applications were subject to a robust evaluation process.

She also thanked the Scrutiny Committee for its comments, noting the suggestions that the evaluation criteria might need to be reviewed in the future in the light of the wider economic climate and cuts to County Council services and also that consideration should be given to increasing the funding available through the "open bidding" element of the scheme.

Subject to Council subsequently agreeing the grants budget as set out in Table 1 of the report, the City Executive Board resolved to:

1. **Approve** the recommendations for the second year of a three year commissioning programme as listed in Appendix 1;
2. **Approve** the recommendations for the applications received to the grants annual open bidding programme as set out in Appendix 2; and
3. **Approve** the recommendation to delegate authority to the Executive Director for Organisational Development and Corporate Services in conjunction with the Executive Members for Customer and Corporate Services and Culture and Communities to allocate the residual unallocated funding (£20,000) in the Advice and Money Management commissioning theme.

174. GO ULTRA LOW OXFORD GRANT FUNDING

The Director Community Services submitted a report which sought the necessary budget approval and delegated authority to allow officers to deliver a project to address on-street electric vehicle charging.

The Board Member, Climate Change and Cleaner Greener Oxford presented the report explaining that as part of a £35m national programme to accelerate electric vehicle take up, the Council and its partners have been awarded £800k capital and £16k revenue funding by Office of Low Emission Vehicles (OLEV). He congratulated the Environmental Sustainability Team on their success in working with the County Council and BMW Group UK to secure the funding.

The Chair of Scrutiny said that the Scrutiny Committee held a thorough discussion with officers on the detail of the project and had suggested that officers should consider working with local car clubs to promote the scheme.

The City Executive Board resolved to:

1. **Grant project approval** for the on-street electric vehicle charging project referred to in this report;
2. **Authorise** officers to complete negotiations with OLEV with a view to the Council being appointed as the accountable body for, and receiving grant funding under, a funding agreement with OLEV; and
3. **Delegate** to the Director of Community Services, in consultation with the Monitoring Officer and Section 151 officer, the authority to enter into:
 - a. a grant agreement with OLEV;
 - b. appropriate agreements with our bid partners; and also with all third parties required to deliver the project subject to their being selected under an appropriate procurement process.

175. NEW LEASE AT PATHWAYS OXFORD, DUNNOCK WAY

The Director, Regeneration and Housing submitted a report which proposed that the new lease of the Pathways Workshop should be below market rent.

The Executive Board Member for Finance, Asset Management and Public Health presented the report and recommended it to the Board on the basis that this was another way in which the Council could support the work of the community and voluntary sector in the city.

The City Executive Board resolved to:

1. **agree** a new lease to be granted at the Pathways Workshop at below market rent; and
2. **delegate authority** to the Executive Director of Regeneration and Housing to vary these lease terms to accommodate any particular concerns raised by the parties where this is without prejudice to the Council's position.

176. SALE OF BRASENOSE FARM HOUSE SITE

The Head of Housing and Property submitted a report which sought approval of the sale of Brasenose Farmhouse and yard which is held as a General Fund investment asset.

The Executive Board Member for Finance, Asset Management and Public Health presented the report and recommended it to the Board.

The City Executive Board resolved to:

1. **Approve** the sale of Brasenose Farmhouse and yard on the basis of the valuation set out in Appendix 3; and
2. **Delegate authority** to the Executive Director for Regeneration and Housing to vary those terms on condition that the revised terms continue to represent the best consideration reasonably obtainable.

177. AWARD OF NEW CONTRACTS FOR BUILDING AND HOUSING MATERIALS

The Head of Direct Services submitted a report which detailed the arrangements for the award of new contracts for building and housing materials, specifically: plumbing and heating, gas spares, building materials, and electrical.

The Executive Board Member for Finance, Asset Management and Public Health presented the report and recommended it to the Board.

The City Executive Board resolved to:

1. **Grant delegated authority** to the Executive Director of Community Services in consultation with the Corporate Procurement Manager, to award new contracts to the suppliers of building and housing materials, specifically: plumbing and heating, gas spares, building materials, and electrical materials, as selected in accordance with the procurement process described in the report.

178. ENERGY & WATER SUPPLY CONTRACT PROCUREMENT APPROACH 2016 - 2020

The Head of Community Services submitted a report which sought approval for the approach to the procurement of energy and water for the period 1 October 2016 to 30 September 2020.

The Board Member, Climate Change and Cleaner Greener Oxford presented the report and recommended it to the Board. The Chair of Scrutiny said that the proposals had been reviewed by the Finance Scrutiny Panel and he was pleased to note that the Panel's two recommendations had been accepted by the Board.

The City Executive Board resolved to:

1. **approve** the use of the Kent County Council energy procurement framework via its trading arm LASER (the specialist public sector energy buying organisation) for a further four years (2016-2020) to procure the Council's energy contracts from October 2016 and water contracts from April 2017;
2. **approve** the continuation of the energy purchasing approach of:
 - a) a flexible contract for larger electricity and gas supplies
 - b) a fixed term fixed price contract for smaller quarterly billed supplies;

3. **delegate authority** to the Director of Community Services in consultation with the Head of Financial Services to select the most appropriate ‘flexible energy contract basket’ option; and
4. **approve** that, as part of the annual budget setting process, the Lead Member will determine the proportion of renewable energy purchased under the contract each year in consultation with the Head of Financial Services (S151 Officer) and Director of Community Services.

179. REPLACEMENT OF HOUSING SYSTEMS

The Head of Business Improvement submitted a report which sought project approval for the purchase of new Housing IT Systems.

Councillor Rowley, Executive Board Member for Housing presented the report explaining that this was a straightforward re-tendering exercise to deliver improved efficiency and new functionality.

The City Executive Board resolved to:

1. **grant project approval** for the tendering of the Council’s housing systems; and
2. **delegate authority** to the Executive Director Organisational Development and Corporate Services to award the contract for new Housing IT System(s) on the basis of the most economically advantageous bid.

180. PRIVATE SECTOR HOUSING POLICY (PRE-CONSULTATION)

The Executive Director of Regeneration & Housing submitted a report which presented a draft Private Sector Housing Policy for discussion and amendment prior to public consultation.

The Board Member, Corporate Strategy and Economic Development presented the report and thanked officers for their work. He highlighted the following points:

- The Council’s Award winning Additional HMO Licensing Scheme is a major plank in the Council’s approach to regulating and improving some of the worst housing stock in Oxford. The Licensing Scheme will be maintained and further refined and improved, with a greater focus on unlicensed HMOs
- Regulation and Improvement of Continuing and extending the proactive work being carried out in the non-HMO rented sector to regulate and improve Dwellings Occupied by Families or Single Occupants
- Identifying and introducing a Selective Licensing Scheme to deal with poor management and property conditions and address anti-social behaviour associated with non-HMO privately rented properties
- Dealing with unlawful developments being used as substandard accommodation and ensuring that “beds in sheds” do not become an accepted feature of the PRS in Oxford

- Continuing to support some of the most vulnerable people in Oxford by providing facilities which enable them to live in their own homes with dignity, and provide support allowing them to get home from hospital
- Enabling funding for home improvements for owner-occupied properties in poor condition.

In discussion the Board noted that there was no single source of information on the numbers of privately rented properties in the city. Officers drew on a variety of data sources including census data and publicly available information from estate agents. For this reason the Board felt that the number of private rented properties in the city detailed in the report was probably understated.

The Board learnt that this scheme would seek to replicate the HMO licensing scheme and learn from that process. The consultation was part of the evidence gathering and a further report covering the results of the consultation and setting out the detailed arrangements for the scheme would be submitted later in the year.

The Board noted with concern the growing public misconception that the HMO licensing scheme had contributed to the increase in rents across the city. They agreed that this needed to be challenged and corrected. The Executive Director of Regeneration & Housing undertook to include a rebuttal statement as part of the consultation.

The City Executive Board resolved to:

1. **Approve** the draft Private Sector Housing Policy 2016 – 2019 for public consultation.

Councillor Turner left the meeting during consideration of this item.

181. EXTERNALLY LEASED HRA PROPERTIES - RENT SETTING

The Head of Housing and Property submitted a report detailing the basis for the charging of rent for externally leased HRA property to partner organisations as supported housing.

Councillor Rowley, Executive Board Member for Housing commended the report to the Board as it supported the objectives of the Housing Strategy by providing supported accommodation to vulnerable persons at affordable rents.

The City Executive Board resolved to:

1. **Agree** rent setting on the basis set out in paragraphs 5, 6 and 7 of the report.

182. ITEMS RAISED BY BOARD MEMBERS

No items were raised by Board Members.

183. MINUTES

The Board resolved to **approve** the minutes of the meeting held on 21 January 2016 as a true and accurate record.

184. MATTERS EXEMPT FROM PUBLICATION

The City Executive Board resolved to exclude the press and public from the meeting during consideration of the item in the exempt from publication part of the agenda in accordance with the provisions in Paragraph 21(1)(b) of the Local Authorities (Executive Arrangements) (England) Regulations 2000 on the grounds that their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Schedule 12A of the Local Government Act 1972 and that, in all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

185. SALE OF BRASENOSE FARM HOUSE SITE - CONFIDENTIAL APPENDIX

The Board received and **noted** the contents of the not for publication appendix to the report on the sale of Brasenose Farm House site (agenda item 14; minute 176).

186. EXTERNALLY LEASED HRA PROPERTIES - RENT SETTING - CONFIDENTIAL APPENDIX

The Board received and **noted** the contents of the not for publication appendix to the report on externally leased HRA properties (agenda item 19; minute 181).

The meeting started at 5.00 pm and ended at 6.40 pm