

Minutes of a meeting of the CITY EXECUTIVE BOARD on Thursday 15 December 2016

www.oxford.gov.uk



Committee members:

Councillor Price (Chair)	Councillor Turner (Deputy Leader)
Councillor Brown	Councillor Hollingsworth
Councillor Kennedy	Councillor Rowley
Councillor Simm	Councillor Sinclair
Councillor Smith	Councillor Tanner

Officers:

Peter Sloman, Chief Executive
Tim Sadler, Executive Director Community Services
Jackie Yates, Executive Director Organisational Development and Corporate Services
Caroline Green, Assistant Chief Executive
Lindsay Cane, Acting Head of Law and Governance
Nigel Kennedy, Head of Financial Services
Dave Scholes, Housing Strategy & Needs Manager
Fiona Piercy, Regeneration Programme Director
Mairi Brookes, OxFutures Programme Manager
Geoff Corps, Cleaner Greener Services Manager
Jeff Ridgley, Waste Services Business Development & Fleet Manager
Sarah Claridge, Committee Services Officer

Also present:

Councillor Andrew Gant, Liberal Democrat Group Leader and Chair, Scrutiny Committee

94. Declarations of Interest

None

95. Addresses and Questions by Members of the Public

None received

96. Councillors Addresses on any item for decision on the Board's agenda

Cllr Gant spoke on Item 14: Devolution (minute 107) during the discussion of the item.

97. Councillor Addresses on Neighbourhood Issues

None

98. Items raised by Board Members

None

99. Scrutiny Committee Reports

a) Air Quality

Cllr Gant presented the report. He said the Committee had had a very good discussion and had invited County officers to a future meeting to explain what the County Council was doing to improve air quality in the city.

Cllr Price suggested the Scrutiny Committee also invite the bus companies, and other transportation companies ie waste collectors to explain what they were doing to reduce emissions.

Cllr Tanner, Board Member for A Clean Green Oxford made the following comments on the report's recommendations:

Rec 3 – planned to review the issue further

Rec 6 – felt the recommendation needed to be more assertive about lobbying the County Council to explain how they are going to manage the expected increase of cars in and out of Oxford when Westgate opens.

Cllr Price said the City Council was planning to install signs which told driver whether the Westgate car-park was full on the outskirts of the park and rides.

b) Scrutiny Response: Treasury Management Performance: Annual Report and Performance 2016/17

The Scrutiny Officer presented the report and welcomed the positive response to the recommendation.

Cllr Turner, Board Member for Finance, Asset Management and Public Health said that the Council was always prepared to look at housing investments when opportunities existed.

100. Quarterly Integrated Performance 2016/17 - Q2

The Heads of Financial Services and Business Improvement submitted a report which outlined the Council financial risk and performance as at 30 September 2016.

Cllr Turner, Board member for Finance, Asset Management and Public Health presented the report. He said that the financial performance was pleasing across the Council. He was very grateful to all officers. No services had been cut, expenditure keeps being reduced and Direct services continues to find new revenue streams.

He congratulated Direct Services for over-achieving their income generation targets and spending less than expected. This has meant more money is available to finance the capital programme.

The City Executive Board resolved to:

1. **Note** the projected financial outturn and current position on risk and performance as at the 30 September 2016;
2. **Agree** the transfer of the projected underspend on Corporate Contingencies of £1.5 million to the Capital Financing Reserve as set out in paragraph 12.

101. Budget 2017/2018

Cllr Turner, Board member for Finance, Asset Management and Public Health presented the report.

He made the following comments:

1. The Council has agreed with the government a multi-year financial settlement which deletes all of our grant by 2020
2. There are significant pressures post Brexit on business rate growth and uncertainty in the wider economic climate.
3. Reduced benefit cap have increased Council's financial obligations
4. The County Council has effectively stopped funding social services in the city and the City Council has been asked for more money to provide these services.
5. The City is safeguarding every penny we spend on homelessness.
6. Trading has helped pay for these additional costs but we have to make sure it is sustainable
7. The City continues to invest in housing and infrastructure eg £4m in community centres.

The City is not going to implement the government's Pay to Stay housing policy, which charges council tenants' more rent if they earn over a certain threshold. Implementing the policy would cost a lot in bureaucracy.

The budget includes a substantial capital programme with no significant service reduction but there is still uncertainty in the HRA, as the government has not yet made a decision on whether to extend the right to buy scheme.

The budget will be out for public consultation until January 2017. Any changes to fees and charges are subject to consultation.

The Council received its grant settlement from the government today. The grant settlement is down and there has been a change to the way the government administers the new homes bonus. More work needs to be done to confirm how the changes will affect the Council but it could mean a reduction of £1m off the new homes bonus.

The Chief Executive made the following comments:

- The budget proposes £12.3m in efficiency savings over the next 4 years and is transforming itself into an enterprising council.
- Councils are feeling the effects of the government's austerity programme, especially the County Council which has made huge cuts to the most vulnerable social services.
- Social effects are being felt in the city from the reduction in funding for preventative care.
- Economic development was jointly funded by the County and City councils. However the County withdrew its funding and the posts are now fully funded by the City.
- the Grant budget continues to increase.
- The budget provides resources of £60m for use by the Housing Company over the next 4 years and the building of around 500 new homes.
- The capital programme contains £123m of projects this has been leveraged from direct services trading.

The Board noted that recommendation 5 related to the 16/17 budget. There is an error in paragraph 50, it should say March 2017 not March 2018 as written in the report.

The City Executive Board resolved to:

That the City Executive Board resolves to:

1. **Approve** the 2017-18 General Fund and Housing Revenue Account budgets for consultation and the General Fund and Housing Revenue Account Medium Term Financial Plan as set out in Appendices 1-9, noting :
 - a. the Council's General Fund Budget Requirement of £21.256 million for 2017/18 and an increase in the Band D Council Tax of 1.99% or £5.67 per annum representing a Band D Council Tax of £290.19 per annum
 - b. the Housing Revenue Account budget for 2017/18 of £44.285 million and a reduction of 1% (£1.06/wk) in social dwelling rents from April 2017 giving a revised weekly average social rent of £105.65 as set out in Appendix 4
 - c. the General Fund and Housing Revenue Account Capital Programme as shown in Appendix 6.

2. **Agree** not to implement the voluntary 'Pay to Stay' policy for Council house tenants (para 9)
3. **Agree** the fees and charges shown in Appendix 7
4. **Delegate authority** to the Section 151 Officer in consultation with the Board Member for Finance and Assets the decision to determine whether it is financially advantageous for the Council to enter into a Business Rates Distribution Agreement as referred to in paragraphs 20-21 below.
5. **Recommend to Council** an additional loan of up to £50,000 for working capital to Oxwed as highlighted in paragraph 50

Recommend to Council provision of a loan facility to Oxford City Housing Ltd of up to £60.850 million (para 48) subject to the provision of; and agreement to a business case by the Company. This replaces all previous recommendations agreed by City Executive Board.

102. Treasury Management Performance: Annual Report and Performance 2016/17

The Head of Financial Services submitted a report which outlines the performance of the treasury management function for the 6 months to 30 September 2016.

Cllr Turner, Board member for Finance, Asset Management and Public Health presented the report.

The City Executive Board resolved to:

1. **Note** the performance of the treasury management function for the six months to 30 September 2016

103. Homeless Accommodation Property Investment and Retained Right to Buy Capital Receipts Qualifying Expenditure

The Heads of Housing and Property Services; and Financial Services submitted a report which sought project approval for the purchase of temporary homeless accommodation in order to utilise retained capital receipts and deliver General Fund savings.

Cllr Rowley, Board Member for Housing presented the report. He explained that there was a lack of accommodation available for temporary accommodation in the city and the Council was currently paying £525,000 p.a. in rent to private landlords. The proposal is to acquire 39 units to house families on a temporary basis which will save money by replacing private sector tenancies. The Council's Right to Buy receipts need to be spent by March 2017 otherwise they have to be returned to the government. They can be spent on this programme.

He thanked the Housing Strategy and Needs Manager for all his hard work.

The Housing Strategy and Needs Manager said that the project had come out of an efficiency saving initiative. The current low interest rates made the proposal feasible. Owning the properties will allow the Council to do repairs on the houses which will improve the quality of life for the people residing in them.

Cllr Turner asked whether the properties will be in Oxford or surrounding areas. As the Council will get more for its money, if it buys outside of the city.

The Housing Strategy and Needs Manager said they would buy as close to the city as possible. The team has starting acquisitions, as we need to spend the money in the next 3 months. There are options beyond Oxford in Didcot and Bicester, and opportunities within the city include buying back former council owned stock and properties in tower blocks.

The Housing Strategy and Needs Manager said the properties would house families, many of whom have been evicted from the private rental sector.

Cllr Price said he had heard evictions had become a growing problem and he would like to see statistics on the number of people being evicted or having to leave their privately rented tenancies because of rising rents.

The Board noted that the programme would be front loaded so there would be significant progress in the next 6 months.

The City Executive Board resolved to:

1. **Note** the proposal set out in this report has informed the budget setting process and that the implications are contained within the Consultation Budget which appears elsewhere on the agenda;
2. **Give project approval** to the proposals, to purchase accommodation, as set out in this report, and within the allocated capital budget.

104. Transfer Station for Recycled Material

Cllr Turner left the meeting

The Executive Director for Community Services submitted a report which proposed to create and operate a Council managed transfer station for co-mingled recyclate, green waste, street arisings and engineering works spoil.

Cllr Tanner, Board member for a Clean Green Oxford presented the report. He said the creation of a recycling station at the Redbridge Park and Ride should save the Council about £1m. Recycling collected in the city currently is taken to a transfer station in Culham. Having a transfer station at the Redbridge Park and Ride would significantly reduce the time a collection takes.

The Cleaner Greener Services Manager explained that no sorting would take place on the site, apart from the removal of contaminated waste and plastic bags which shouldn't be recycled.

The Director of Community Services explained that the local service would be more efficient. The price for recycling has fallen and contractors are much stricter about accepting contaminated waste.

The Cleaner Greener Services Manager explained that the scheme requires planning permission from the Council and a permit from the Environment Agency.

The City Executive Board resolved to:

1. **Approve** the project to create and manage a recycling transfer station, as described in this report. Subject to approval of funding by council in the 2017/18 budget.
2. **Seek** planning approval and an environment permit for the proposed recycling transfer station. Authorise officers to incur the costs relating to the preparation of the application and permit.
3. **Delegate authority** to the Director of Community Services, in consultation with the Council's s151 and Monitoring Officers and subject to the receipt of satisfactory planning consent, to proceed with the creation of the recycling transfer station.
4. **Delegate authority** to the Director of Community Services to enter into a contract for the construction of the Recycling Transfer Station facility following a procurement process in accordance with the councils approved procedures

105. Sustainable Energy Action Plan (SEAP) for Oxford

The Executive Director for Community Services submitted a report which sought approval for the publication and submission of Oxford's sustainable energy action plan ('Low Carbon Oxford: A Route Map to 2020') to the EU Covenant of Mayors scheme.

Cllr Tanner, Board member for a Clean Green Oxford presented the report. He explained that the Council is a member of the Covenant of Mayors, and is required to present them with this report on the city's progress in reducing its carbon emissions.

He believed the Council's target of 40% carbon reduction is in reach. He thanked people, businesses and institutions in Oxford for reducing their carbon emissions

Cllr Price asked if there are areas which could do more.

The Sustainable City Team Manager explained that the Council had done a good job of working with top employers of Oxford to reduce their carbon emissions.

Cllr Price asked if there was more we could do to disseminating knowledge and share what works well and what doesn't. He suggested promoting the Low Carbon Oxford website which includes a number of examples.

The City Executive Board resolved to:

1. **Approve** the 'Low Carbon Oxford: A Route Map to 2020' report and the accompanying Sustainable Energy Action Plan to the European Commission's Covenant of Mayors initiative.
2. **Delegate authority** to the Executive Director of Community Services to amend and agree the final text and design; and then submit the Low Carbon Oxford: A Route Map to 2020' report and the accompanying Sustainable Energy Action Plan to the European Commission's Covenant of Mayors initiative.
3. **Recommend that Council** notes that the submission of the Sustainable Energy Action Plan to the Covenant of Mayors fulfils the Council's decision of 20 July 2015 to sign up to the Compact of Mayors as these two initiatives are merging into a single global initiative.

106. Commercial Waste Collection Capacity

The Head of Direct Services submitted a report seeking approval for investment to expand the commercial waste fleet collection capacity.

The confidential appendix containing the business case for an additional vehicle was noted.

The City Executive Board resolved to:

1. **Delegate authority** to the Executive Director, Community Services in consultation with the Head of Finance to:-
 - I. Add an additional refuse collection vehicle (RCV) to the vehicle replacement programme and place an order for this vehicle now.
 - II. Create two permanent posts, one driver and one loader, to crew the additional RCV.
2. **Recommend that Council** note the implications of this bid which will be considered as part of the Council's Consultation Budget proposals

107. Devolution Update – Combined Authority and directly Elected Mayor proposal

The Assistant Chief Executive submitted a report which updated members on recent developments on devolution and makes a recommendation to Council to support in principle the submission of a devolution bid with a governance model based on the current two-tier structure for local government with a combined authority and elected mayor.

The Assistant Chief Executive presented the report. She explained that the government wanted to see devolution deals with robust governance arrangements and proof of commitment from affected local authorities. The government has linked growth funding

to areas that have agreed strong governance structures especially those with elected mayors.

This issue was discussed at the LEP last week and it was suggested that each council demonstrate commitment to devolution in Oxfordshire. Hence the need for the late report.

Future government funding for major infrastructural projects such as East West Rail is reliant on governance arrangements being agreed.

The County continues to push their single unitary proposal as well as this combined authority model (outlined in the report).

Cllr Price said that substantial elements of the devolution proposal aren't contentious and binds people together. There are issues around the functions of a combined authority and what an elected mayor would do, and how they would operate within the current local government structure.

Cllr Gant spoke as leader of the opposition. He welcomed the proposal but believed the people of Oxford needed more details on who would be democratic accountability. He felt the Board was wrong not to consider a re-organisation of local government in Oxford as a first step, as a combined authority would require additional money to operate

Cllr Hollingsworth said that a combined authority is to take power from government not from the councils. Re-organisation requires consensus. The danger is that the government perceives Oxfordshire as being more interested in talking about governance structures rather than focusing on outcomes. He suggested looking at Suffolk's devolution proposal and the approach they are taking. He believed it was better for re-organisation to be organic rather than forced.

Cllr Tanner said he favoured the proposal but was not sure the County Council was in favour of the scheme, given that they were still pushing for a single unitary.

Cllr Price said the government had made it clear that devolution from White Hall was key and they want an elected mayor to be responsible and to be held to account. Government money is desperately needed in the city and the county for transport and infrastructure. The County would be foolish to stand in the way of this proposal.

The City Executive Board resolved to

Recommend to Council that it approves the inclusion of the City Council in the submission of a devolution bid to government for a combined authority and a directly elected mayor

108.Minutes

The City Executive Board resolved to APPROVE the minutes of the meeting held on 17 November 2016 as a true and accurate record.

109. Matters Exempt from Publication

The Board did not go into confidential session.

110. Appendix 1_ Commercial Waste Collection Capacity

Appendix noted.

The meeting started at 5.00 pm and ended at 6.11 pm