

## Appendix 2 – Draft City Executive Board response to recommendations of the Budget Review Group made on 5 February 2019.

### Draft response provided by the Board Member for Finance and Asset Management

<b>Recommendation</b>	<b>Agree?</b>	<b>Comment</b>
Recommendation 1: That Council Tax is increased by 2.99% in 2019/20.	Y	Agree
Recommendation 2a: That the Council maintains its current level of funding to support international twinning links.  Recommendation 2b: That the Council drafts a vision document for its twinning work to guide future funding decisions, to be presented to the City Executive Board for agreement in 2019/20.	N	The budget proposes increased core funding for town twinning. It does not quite reach the level of funding of this budget year, but that is because the Council included one-off funding to support the establishment of its link with Wroclaw. We will monitor whether funding proves sufficient to support its activities and make recommendations about future years as appropriate.
Recommendation 3a: That the Council makes available appropriate resources to support the establishment of a citizen's assembly, in line with the climate change motion passed on 28 January 2019.	N	The proposal came too late to be included in this year's budget planning. However, we will talk with partners about how to establish this process, and if funding is required will attempt to respond positively in year.
Recommendation 3b: That future budget proposals feature independent officer comment on the impact that the Council's plans may have on the environment, and how closely aligned the proposals are to the Council's broader environmental ambitions.	Y	The Council will look to include an overview of the impact of the Council's Budget proposals on the Environment in future Budget Setting reports. We will look at how this can be resourced over the coming months.
Recommendation 4: That the Council carries out a full assessment of the impact made by its funding towards the Joint Taskforce to tackle open drug dealing and drug taking in the City, before a decision is taken on its future funding.	N	Indications are that the Drug Task Force is having some impact on the level of drug dealing and drug misuse in public spaces. It is understood that Thames Valley Police will undertake this work for next financial year; this represents a "vote of confidence" in this work, but given this is now being funded by TVP, it would be for them rather than the City Council to assess the full impact. This project has been a welcome illustration of how one-off Council support can shape priorities in partnership with other agencies.
Recommendation 5: That the Council, through its Housing Company, should seek to develop a longer term view of its development plan. This	Y	The Council will be considering its policy position and strategic direction of OCHL over the next 3 months

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<p>should include establishing a broad programme of property and land acquisitions to be supported by a standalone funding pot provided by the Council for purchases.</p>		
<p>Recommendation 6: That the Council makes strong representations within its response to Central Government's Fairer Funding Consultation ending on 21 February 2019 to the effect that:</p> <p>a) Council Tax Reduction Schemes should not be taken into account when assessing a local authority's available resources and calculating its baseline funding level. This is to avoid effective double taxation.</p> <p>b) Income from car parking, fees and charges should not be taken into account when assessing a local authority's available resources and calculating its baseline funding level.</p>	<p>Y</p>	<p>I strongly agree with this recommendation. This Council is one of a handful of authorities across the country that have maintained the Council Tax Reduction Scheme to the same requirements that existed when the scheme was first introduced in 2013. The Council sees this scheme as a key priority, protecting the more vulnerable in society. To 'penalise' the Council for making this choice seems extremely unfair.</p> <p>In respect of car parking charges and fees and charges, the Government themselves do not believe this is a good idea, given the volatility of these income streams which would place further financial risk and exposure on local authorities, so it is uncertain why it is included in the consultation.</p>
<p>Recommendation 7: That the Council writes to Central Government, making the case for greater local discretion to increase Council tax premiums on second homes. The case should also be made for these premiums to come into effect earlier (i.e sooner than the current two year threshold). This could alternatively feature in a consultation response to Central Government if appropriate.</p>	<p>Y</p>	<p>The two year threshold refers to homes that have been empty (unoccupied and unfurnished) for two years or more where a 50% premium is charged (with a recommendation to change to 100% with effect from 1-4-2019) on top of the normal council tax. Furnished second homes are charged in accordance with the normal council tax for the band of property i.e there is no premium or discount. The Council will lobby Government to request a change to allow an additional premium to be placed on second homes in line with the recent changes for empty homes.</p>
<p>Recommendation 8: That the Council seeks to revive its joint working with Oxfordshire County Council to carry out an investigative review of Council Tax discounts offered to students and single persons.</p>	<p>Y</p>	<p>The County Council have made contributions to single person discount review although this has not been forthcoming for this year. This Council will continue to press for a contribution since the majority of the financial benefit accrues to the County Council.</p>
<p>Recommendation 9: That the Council ensures any revisions to Oxford City Housing Limited's business plans receive appropriate pre-decision scrutiny, and that any broader changes to Shareholder governance</p>	<p>Y</p>	<p>Agreed. Changes to the business plan is a reserved matter for the shareholder and as such can be subject to scrutiny by the companies panel</p>

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arrangements remain open to Scrutiny.		
Recommendation 10: That the Council seeks opportunities to support high profile events in the region, for example, the 2022 Commonwealth Games in Birmingham.	Y	We already plan our work so it links with national campaigns and we will endeavour to do the same for 2022 Commonwealth Games. Where possible we do this by working with partners and within current budgets.
Recommendation 11: That the Council:  a) Seeks to promote demonstrator or concept modular housing developments within the City, as potentially quick construction models, whilst seeking to secure external investment in such innovative developments.  b) Undertakes a comparative costing of different construction approaches across typical small and large development sites, which includes information on the lower financial contingencies necessary with modular builds, and the financial benefits accruing from more rapid construction.	Y	The Council and OCHL will continue to review options for procurement and method of construction in order to deliver overall value for money. Experience so far with regard to off- site construction is showing in order for this to deliver speed of delivery and value for money then this would need to be done at scale. This is something we are also looking to pursue with our Growth Deal partners County wide
Recommendation 12: That the Council establishes a target higher than 80% for capital delivery against the budget in 2019/20, which should feature in the Council's Capital Strategy going forward.	Y	We agree with this recommendation as it aligns with the new processes being put in place and the work of the new Programme Management Office (PMO) regarding prioritisation and implementation of capital spend. Potential targets would be 80% in 2019/20 rising to 90% from 2020/21. This is subject to the completion of the review work.
Recommendation 13: That the Board Member for Finance and Asset Management reviews the four year budget allocation for maintenance and repairs (£2m per annum) to ensure it represents the optimal level of investment for the Council, in light of the £2.6m backlog of works that will remain after year four.	Y	This is a matter that will be reviewed on an annual basis as the effects of our planned maintenance programme are better understood in comparison to the future investment needs of the stock.
Recommendation 14: That the Council keeps under close review the use of its Homelessness Reserves, and presents a longer-term plan in 2020 which is less reliant on reserves for future revenue expenditure for these services. Appropriate contingency plans should also be developed in	Y	A number of current activities in this area are currently funded from government grants and also funding from the County Council, other districts and the Clinical Commissioning Group. Whilst there is some certainty in the

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light of the uncertainty around long term Central Government funding.		short term over the medium term the position is less certain. The Council is mindful of the need to ensure the sustainability of future plans around homelessness expenditure and will continue to keep this area under review.
Recommendation 15: That future budget proposals benchmark Oxford City Council's Staff Pay Deal against other national and local wage indicators, to put the Council's pay bill into the wider context, and assist in forecasting future.	Y	The Council is about to enter the second year of the existing 3 year pay deal. For future years inflation rates forecasts have been used as an indicator of likely pay inflation. The Council will look at indicators of local and national pay rates when it commences its pay negotiations in the ensuing months.