

Cabinet response to recommendations of the Scrutiny Committee made on 04/02/20 concerning the Consultation Budget 2020-21 and Medium Term Financial Plan 2021-24

Response provided by Cabinet Member for Finance and Asset Management, Councillor Ed Turner

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Recommendation	Agree?	Comment
1. That the Council, in the event that it receives external homelessness-related grant receipts above predicted levels, tops up the homelessness reserve with unspent monies.	Yes	The Council received £755k Flexible Homelessness Grant (£255k above predicted levels) and £171k of New Burdens grant (which was predicted to be zero). The additional amount of £426k has been added to the homelessness reserve. It should be noted that these grants are linked to the delivery of the Homelessness Reduction Act obligations and expenditure is monitored by MHCLG.
2. That the Council, in its final budget report, includes specific reference to the cost of Council-funded homelessness services (street homelessness and temporary accommodation) as a percentage of its net budget. Further, that it adds commentary to explain the long-term financial paybacks of investing in prevention and early-intervention homelessness services.	Yes	The £7.4m is 7.5% of the gross General Fund expenditure and 30.6% of the net budget requirement Upfront investment in prevention and early intervention services reduces the expenditure on expensive, crisis services such as B&B, temporary accommodation and services related to rough sleeping. There is also a wider impact on broader public services such as children and adult social care, criminal justice and health.
3. That the Council identifies and uses national benchmarks for homelessness-related spending to monitor the value for money of its approach.	Partially	This is not possible at this time. Whilst we agree with the principle in terms of giving an indication of value for money, there is no approved available benchmarking to reference and although there is financial information available from CIPFA , financial information alone without detailed non financial information on service levels is unreliable. However, as and when such information becomes available, we stand ready use it.
4. That the Council monitors and reports on the outcomes of commissioned outreach services at	Yes	Yes, robust contract monitoring is in place and service specifications are set up with a view to enabling a flexible

Floyds Row to determine efficacy and value for money before such services are recommissioned.		approach within the current contract period and lessons learnt to be taken into consideration as part of future specifications.
5. That in its final budget, the Council reports separately on how much of the £18 million of capital investment the Council has made to help support decarbonisation measures in Oxford has been spent to date.	Yes	Details confirmed in the table at the end of this document
6. That the Council in its final budget itemises the percentage of spending on decarbonisation measures within each service area.	Yes	The £18million identified above is over a number of years and with the exception of £1.5 million on HRA initiatives and Home Improvement Agency initiatives of £1.7m is largely spent on areas within the Environmental Sustainability service area. In addition to the above, there is the cost of the staff working on these areas plus other future work which has yet to be fully understood and costed on the councils operational buildings and council houses.
7. 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	Yes	The impact of the Council's capital projects on the environment is now being picked up in the capital monitoring process which is overseen by the Project Management Office. Managers are required to input comments relating to this on their monthly updates
8. That the Council devises a policy on offsetting to balance the delivery of efficient and accredited offsetting with tangible local benefits. Specific consideration to be given to investing in 'pure' carbon offsets and donating the spread figure between the price of those and 'co-benefit' carbon offsets to the Lord Mayor's Climate Fund.	Yes	Detailed consideration will be given to how offsets are implemented. The council will devise a policy around offsetting, however this is a complex and specialist technical area which will take some time to develop.
9. That the Council reconsiders the costs and benefits of the proposal to cancel the funding for	Partially	There may have been a misunderstanding on this point. Only £19k of the £139k cost of providing the Blue Bin

<p>the Blue Bin recycling league, and to consider this as a priority item for funding in the event that funding becomes available between the creation of the draft budget and the agreement of the final budget.</p>		<p>recycling initiative has been put forward as a saving: members declined to take a larger saving in this area. This saving principally relates to the Blue Bin League itself in terms of financial incentives and prizes to organisations. The team undertaking the education of customers to recycle will remain in place.</p>
<p>10. That the Council undertakes a review of its approach to those who repeatedly contaminate recycling bins, and to include greater consideration of whether the use of fines is an appropriate response.</p>	Yes	<p>Yes, a review will be undertaken. Options analysis is a regular part of officer recommendations and best practice is sought continually.</p>
<p>11. That the Council will encourage as a member of the Oxfordshire Waste Partnership the use of the WRAP Toolkit for Local Authorities to identify and support partnership priorities.</p>	Yes	<p>This can be considered, however, as is recognised in the question the Oxfordshire Waste and Resources Partnership is made up of all Oxfordshire local authorities and consequently all authorities will need to agree to this suggestion before it is implemented.</p>
<p>12. That prudent assumptions for income expectations arising from the Zero Emissions Zone be included with the Medium Term Financial Plan.</p>	No	<p>Given that this is a new initiative it is difficult to assess a realistic level of income that would accrue to the authority as this would depend on the amount collected, the associated cost of provision and how proceeds were distributed by the County Council who are primarily responsible for implementation. Any revenue due to the authority will be introduced into the Council's budget once the zero emission zone is operational and more information is available. We therefore believe that a nil figure is appropriate at this stage.</p>
<p>13. That the Council takes actions to promote the successes of the Planning apprenticeship team and the positive impact well-delivered apprenticeships can deliver.</p>	Yes	<p>It is proposed to have an article in the external 'Your Oxford' newsletter which highlights the successful apprenticeship programme delivered by the Council, of which the Planning apprenticeship will feature. This is due Spring 2020. It is also proposed to run some internal 'stories' of successful apprenticeships taken up by current</p>

		employees in line with the Your Oxford article and promote the opportunities available through the levy funding.
14. That the Council, in its final budget report, lists the perceived risk to deliverability of savings within the General Fund Budget Proposals Summary.	Yes	This has been covered within the risk implications section of the report.
15. That the Council continues to pursue prudent invest to save schemes, and that it gives particular attention to savings enabled through technology, especially artificial intelligence and automation.	Yes	Yes the Council will continue to invest in schemes which seek to improve efficiency and save money. Members will note the considerable investment in ODS of approximately £18million which will drive increased dividends to the council of circa £3 million per annum. The Council will continue to pursue all efficiencies and invest to save schemes that arise from ICT, accommodation and service transformation.
16. That in considering the viability of proposed projects within the New Ways of Working programme consideration of social value impacts be embedded as part of the decision-making process.	Yes	The Council has taken steps in the procurement of supplies and services to embed social value offered by tenderers in the evaluation of all quotations and tenders received. The council has also recently hosted a number of seminars on the inclusive economy and working with social enterprises. Whilst there is still much to be done we have made some progress and there is a report tracking to Finance Panel in February on this progress. We will seek to embed the consideration of social value in all that we do although how this is still the subject of discussion.
17. That the Council takes steps to become more 'digital by default' rather than 'digital by choice' in its service provision, and as part of this presents to members a report on the costs of current non-digital provision, the possible savings made by digitalisation in key service areas and the cost of possible mitigation measures. The Council will also consider	Partly	The Customer Experience Strategy responds to rising demands and expectations caused by a more digital society. The strategy is predicated on helping and encouraging those that can to help themselves, whilst recognising that there is still a need for other customers to be supported either because of vulnerability or the complexity of a case. The strategy is clear that the service should not diminish for these customers. It is also clear that

<p>potential internal savings by additional digitisation.</p>		<p>the online offering should be at least as good as other channels to encourage their use, and to ensure customers are not pushed to more expensive channels. The enabling tools, skills and services described in the strategy have already helped to identify the delivery of savings in the medium term financial plan, and the potential for further efficiencies may also arise and as they do will be captured as part of the budget process.</p>
<p>18. That the Council reconsiders the costs and benefits of the proposal to reduce the Community Safety out-of-hours service to weekends only, and to consider this as a priority item for funding in the event that funding becomes available between the creation of the draft budget and the agreement of the final budget.^[1]</p>	<p>No</p>	<p>Analysis of the demand for out of hours noise services during the week show that the cost of each call represents poor value for money, in contrast to demand levels at weekends. Staffing the project also impacts on the well-being of staff who are delivering the project as they also perform their day time roles. This is a good example of where new technology (in this case, the ability of citizens to collate evidence with officer attendance) means a service can be delivered more efficiently.</p>
<p>19. That the Council in its final budget provides an explanatory note which references the unmentioned staffing and other cost-neutral impacts the scheme will have, and significant benefits of the selective licensing scheme: protection of private sector tenants, and the creation of additional employment at no cost to the Council.</p>	<p>Yes</p>	<p>The work to develop a case for selective licensing will be undertaken in 20/21, this work will include the operation of the proposed scheme and the costs of implementation and operation.</p>
<p>20. That the Council reviews its pavement café licensing scheme outside the City Centre giving particular consideration to the cost-benefit of existing fee income and the cost of monitoring and enforcement.</p>	<p>Yes</p>	<p>A review will be carried out during the financial year 2020/21 taking account of these and related matters.</p>

^[1] No priority is given between this recommendation and recommendation 9

<p>21. That the Council writes an explanatory note concerning the extra legal roles in Law and Governance, drawing attention to their necessity for the delivery of corporate priorities, the additional benefits they expect to bring and the challenge of quantifying those benefits.</p>	Yes	<p>Additional Planning Lawyer and Commercial Property Lawyer - £132k</p> <p>Following a review of the capacity within the Legal Services team to support the Council's plans to invest £67m in commercial property within the period of the Medium Term Financial Strategy and to deal with the resultant planning advice two new posts have been recommended. Whilst beneficial financial impacts are anticipated from both posts, particularly through the preparation of S106 Agreements, too many uncertainties exist to allow a quantification of their income generation.</p>
<p>22. That the Council reviews the merits and anticipated negative impacts of increasing fees and charges for land transactions within the Planning and Law and Governance services by the rate of inflation.</p>	Yes	<p>Following the meeting of the Budget Review Group on 20 January 2020 the Head of Law and Governance has again reviewed the proposed fees and charges for Law and Governance and recommends that they remain as stated without any increase for 2020/2021. These will be kept under review during 2020/2021. The property transaction charges largely apply to small/one person businesses or community groups. With the fees at the current level, the Council does not generally have a problem recouping the costs. The main concern with increasing the fees would be that a) small business/individuals would be put off following the proper course of entering into legal agreements (for example a Licence to Occupy where the fee is currently £400.00), b) the Council would have more difficulty finding tenants for empty units and c) any increase in fees would lead to non-payment and result in a lower income through fees overall. In commercial transactions if higher legal fees are charged then the tenant usually counters this by negotiating a longer rent-free period or a lower rent. It should also be noted that if the tenant has security under</p>

		the Landlord & Tenant Act 1954, the Council is not able to charge for the work in relation to the renewal lease.
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Answer to Question 5

Project	Capital or Revenue	Spend spent and committed up to 31-3-2020 £000	Spend in 20/21+ £'000	Total Amount/ £'000
		1	2	1+2
Covered Market Zero Emission Zone preparation	Revenue	0	200	200
OxPops, whole street charging infrastructure	Capital	140	360	500
Taxi charging infrastructure	Capital	164	236	400
Energy Superhub Oxford (ESO; with Habitat and Pivot etc)	Capital and revenue	293	1,307	1,600
Local Energy Oxfordshire (LEO)	Revenue	50	150	200
Zero Emission Zone Business Support	Revenue	0	120	120
OxAir Testing of Alphasense Ltd sensors for air quality monitoring	Capital and revenue	98	32	130
Clean Bus Retrofit- retrofitting of a total of 115 buses	Capital	1,362	938	2,300
OxFutures II - energy efficiency and low carbon innovation delivering by free energy audits to small and medium enterprises (SME's)	Revenue	50		50
Salix - investment in energy/carbon reduction measures - revolving loan fund. Match funding; government and OCC	Revenue	1,000		1,000
Itree - extensive tree survey of the city	Revenue	20		20
Schools tackling Oxford's Air Pollution - air quality education packages for schools	Revenue	30		30
OLEV/GULO On street parking	Revenue	110	700	810
HNDU - heat network studies: city centre ; Headington; Science Area; Rose Hill	Revenue	160		160
Oxford Flood Alleviation Scheme	Capital	4,400	0	4,400
Home Improvement Agency	Revenue	340	1,360	1,700
Electric Fleet investment	Capital	0	3,000	3,000
HRA Investment in energy efficiency measures	Capital	300	1,200	1,500
Total		8,517	9,603	18,120