

Liberal Democrat Budget Amendment 2020/21: Explanatory Notes

Liberal Democrat City Councillors have an over-arching aim for our City – to improve the life of every citizen – including our children, our elderly, those in temporary accommodation or rough sleeping on our streets, and especially now those EU citizens who need to feel valued here after Brexit.

We will not make cuts to front line services.

The uncertainty created by the UK's Brexit departure is recognised in the Financial Director's reports to the Finance Scrutiny Committee of 29 January 2020, which suggest that prudence in borrowing is more essential than ever. However, there is a significant increase in new borrowing to fund large commercial property and capital investments, while operationally there is a requirement to deliver major complex programmes and find efficiencies at the same time. This is a high risk situation which needs to be carefully monitored.

We have narrowed our focus in this financial year to two minor items: support for the new **Oxford Baby Bank** and funding a **Report on Coach Operation**. And to three main items, which reflect major and interlocking concerns expressed in the city: these are how best to (1) manage **Climate issues** and (2) manage **Tourism** and (3) provide **immediate support for the Pickmeup bus service**.

- (1) **Climate damage** can be modified by greening our urban areas. Oxford city centre is not green, and it is not good for us. Liberal Democrats will spend 100K p.a. on a comprehensive programme of greening the centre of our city. This will include green walls on appropriate council-owned property and facilitating their installation elsewhere, and the promotion of initiatives such as encouraging businesses to enhance their premises through publicity, competitions, etc. We will plant urban trees of the right species in the right places. Our city centre will look better, air quality will improve, and research increasingly shows that natural infrastructure is good for mental health, stress reduction, productivity, and even recovery rates.

This will bring home to our residents the City's commitment to creating a better environment.

Liberal Democrat council leaders in other authorities have led on establishing standing climate change committees and placing the environment at the centre of strategic thinking. Fixing the increasingly tawdry aspect of our city centre will require coordination with a range of other policies such as a coherent approach to transport, parking and road use.

(2) Tourism in our city should be viewed as a challenge rather than a problem.

Experience Oxfordshire's budget needs to be reinstated and maintained so that they can continue their excellent work in promoting and managing our city.

A survey of tourist coach activity is overdue – where do they deliver and collect passengers, where do they spend layover times, what facilities do drivers need, what support and/or enforcement is required, how do we improve the visitors' and drivers' experience? These questions need to be answered urgently.

(3) The Pickmeup bus service is a lifeline in areas of our city where there are no longer any standard bus services. Our budget item will provide a temporary support to a much-needed service while longer-term solutions are explored.

Revenue

Frontline services need to be protected so we are not seeking any reductions in these services. Our main saving comes from an increase of 5% on off-street car park charges in the city centre, which will produce an estimated £170k p.a., and is in line with our policy of improving air quality and well-being in the city centre.

We propose to fund the following from savings of £204,000 in each of the next four years and by a transfer from Reserves in 22/23 and 23/24:

1. Fund maintenance for the City Centre Greening project at 20% p.a: £20k.
2. Fund the work of Experience Oxfordshire (£95k building plus £77k operation: total of £172k p.a. in years 21/24) enabling our tourist organisation to continue to run the Visitor Information Centre in Broad Street, and to work with other tourism hubs in Oxfordshire to provide a better experience for visitors and residents and to increase revenue opportunities.
3. Fund a survey of tourist coach activity to a figure of £5k.
4. Fund the Oxford Baby Bank at the rate of £1,000 p.a. for the next 4 years. This is a new organisation providing equipment and clothing for babies and children up to two years old, run along similar lines to a Food Bank. This grant will help to cover the rental.
5. Make a one-off payment to Oxford Bus Co to support the Pickmeup bus service: £20k for 1 year.

HRA

We do not propose to reduce the HRA spend.

Capital

6. Fund a project for the Greening of the City Centre, which will run for 4 years at £100k p.a. The 20% uplift for maintenance of the planting, and 6% interest on borrowing will be funded from Revenue.

REVENUE

LIB DEM GROUP AMENDMENTS TO THE ADMINISTRATION CONSULTATION BUDGET

Version 2

DRAFT

REVENUE

£1000's

	2020/21 £000'S	2021/22 £000'S	2022/23 £000'S	2023/24 £000'S
Consultation Budget Net Budget Requirement	24,029	22,223	22,753	23,200
Changes since the consultation budget				
Sub total changes since the consultation budget	0	50	50	50
<u>Additional Savings proposed</u>				
Cancel SRA to second Deputy Leader subject to Council approval	(5)	(5)	(5)	(5)
Reduce members on CEB from 10 to 8	(16)	(16)	(16)	(16)
Elections only every 4 years	(13)	(13)	(13)	(13)
Increase city centre off street car parking charges by 5%	(170)	(170)	(170)	(170)
Total additional savings proposed	(204)	(204)	(204)	(204)
Cumulative additional savings	(204)	(408)	(612)	(816)
<u>Additional costs proposed</u>				
Maintenance on Greening the city centre	20	20	20	20
Experience Oxfordshire - rent reinstated from 1-4-2021	0	95	95	95
Experience Oxfordshire - grant reinstated to £77k from 1-4-2020	46	77	77	77
Oxford Baby Bank's rent	1	1	1	1
Revenue costs of borrowing to finance increased capital spend	6	12	18	24
Survey of coach operators	5			
Oxford Bus company	20			
Total additional costs proposed	98	205	211	217
<u>Net effect on budget in-year of proposals</u>	(106)	1	7	13
<u>Cumulative effect on budget</u>	(106)	(105)	(98)	(85)
Additional Budget transfer to/(from) reserves	259	22	(114)	(254)
Alternative Budget Net Budget Requirement	24,182	22,296	22,696	23,009
Financed By :				
Council Tax- Consultation Budget	(14,407)	(14,842)	(15,287)	(15,749)
Retained Business Rates - Consultation Budget	(9,165)	(7,335)	(7,303)	(7,260)
New Homes Bonus	(610)	(119)	(106)	0
Total	(24,182)	(22,296)	(22,696)	(23,009)
(surplus)/deficit	0	0	0	0
General Fund Working Balance				
Working Balance 1st April	(3,855)	(4,277)	(4,411)	(5,018)
Transfer (to)/from balance	(422)	(134)	(607)	1,526
Working Balance 31st March	(4,277)	(4,411)	(5,018)	(3,492)

HOUSING REVENUE ACCOUNT

LIB DEM GROUP AMENDMENTS TO THE ADMINISTRATION CONSULTATION BUDGET
REVENUE
£1000's

	2020/21 £000'S	2021/22 £000'S	2022/23 £000'S	2023/24 £000'S
Consultation Budget Net (operating income)/expenditure after appropriations	(1,283)	(2,228)	3,221	1,071
Changes since the consultation budget				
Sub total	290	1,758	(4,178)	(914)
<u>Additional Savings proposed</u>				
Total additional savings proposed	0	0	0	0
Cumulative additional savings	0	0	0	0
<u>Additional costs proposed</u>				
Total additional costs proposed	0	0	0	0
<u>Net effect on budget in-year</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Cumulative effect on budget</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Budget transfer to/(from) reserves	993	470	957	(157)
Alternative Budget Net (surplus)/deficit	0	0	0	0

HRA Working Balance				
Working Balance 1st April	(4,941)	(5,934)	(6,404)	(7,361)
Transfer (to)/from balance	(993)	(470)	(957)	157
Working Balance 31st March	(5,934)	(6,404)	(7,361)	(7,204)

(surplus)/deficit 0 0 0 0

CAPITAL

LIB DEM GROUP AMENDMENTS TO THE ADMINISTRATION CONSULTATION BUDGET
CAPITAL

	2020/21 £000'S	2021/22 £000'S	2022/23 £000'S	2023/24 £000'S
CAPITAL PROGRAM AS PER CEB DECEMBER 2019 - General Fund and H	144,884	110,084	81,039	91,323
Changes since the consultation budget				
Sub total of changes since consultation budget	(2,407)	84	0	0
CHANGES PROPOSED				
Greening the city centre	100	100	100	100
Sub total	100	100	100	100
REVISED CAPITAL PROGRAM	142,577	110,268	81,139	91,423

FINANCING				
FINANCING AS PER CEB REPORT 17TH DECEMBER	144,884	110,084	81,039	91,323
Sub Total of changes since consultation budget	(2,407)	84	0	0
ALTERNATIVE BUDGET PROPOSALS				
Financing - additional borrowing	100	100	100	100
Sub Total	100	100	100	100
Total Financing	142,577	110,268	81,139	91,423

(surplus)/deficit

0 0 0 0

Head of Finance - Section 151 Comments on Lib Dem Group Alternative Budget for 2020-21 to 2023/24

Date 10-02-2020

I have reviewed the budget submitted by the Liberal Democrat party as an alternative to the Labour Administrations budget and can conclude that it is arithmetically correct and subject to detailed business cases for the capital projects could be implemented if voted through.

On the Capital Budget an additional £400k of schemes have been included over the period for 'greening the city centre'. Although details have not been given it is assumed that this is a capped amount which will be financed from additional borrowing, the revenue implication of which have been included in the amended General Fund Revenue budget.

On General Fund Revenue the additional costs are balanced by equivalent savings over the four years of the MTFP.

There are no changes to the Labour Administration's Budget in respect of the HRA.

Nigel Kennedy

Head of Financial Services (Section 151 Officer)