

Minutes of a meeting of the Cabinet on Wednesday 12 August 2020

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Committee members present:

Councillor Brown (Chair)

Councillor Chapman

Councillor Rowley

Councillor Upton

Councillor Hayes (Deputy Leader)

Councillor Hollingsworth

Councillor Linda Smith

Officers present for all or part of the meeting:

Gordon Mitchell, Chief Executive

Paul Leo, Interim Director of Housing

Nadeem Murtuja, Interim Executive Director for Communities

Nigel Kennedy, Head of Financial Services

Anita Bradley, Monitoring Officer

Helen Bishop, Head of Business Improvement

Adrian Arnold, Head of Planning Services

Carolyn Ploszynski, Planning Policy and Place Manager

Andrew Brown, Committee and Member Services Manager

Tom Rice, Principal Planner

Tom Hudson, Scrutiny Officer

John Mitchell, Committee and Member Services Officer

Also present:

Councillor Nadine Bely-Summers

Apologies:

Councillors Turner, Clarkson and Tidball sent apologies.

36. Declarations of Interest

None.

37. Addresses and Questions by Members of the Public

None.

38. Councillor Addresses on any item for decision on the Board's agenda

None.

39. Councillor Addresses on Neighbourhood Issues

None.

40. Items raised by Board Members

None.

41. Scrutiny Committee Reports

Cllr Bely-Summers, speaking in her capacity as Chair of the Housing & Homelessness Panel of the Scrutiny Committee, spoke to the Panel's report on the Housing Delivery Plan which was before Cabinet. She thanked Cllr Hollingsworth, Cabinet Member for Planning and Housing Delivery and officers for their contributions to a very positive meeting. The Panel had raised questions about the actions being taken to support the delivery of specific sites; reasons behind the disparity between the Council's delivery on different measures; levels of response to the Council's outreach activity; and the impact of possible future changes to the planning system. The Panel had commended the report for its detail and the evident efforts being taken to ensure that planned houses were completed. The Panel had concluded with just one recommendation that the programme of engagement and progress to date should be updated to include dates for recommencement of paused activities.

Cllr Hollingsworth said the input from the Panel had been most useful and he had been very pleased to accept its recommendation. The report and Housing Delivery Plan had originally been prepared during the lockdown and it was right to update the report now those restrictions were being eased. The Plan would be a live document and progress with housing development would continue to be tracked and updates brought to Members as necessary.

42. Housing Delivery Plan

The Head of Planning Services had submitted a report to present the Action Plan for continuing to support and improve housing delivery in Oxford.

Councillor Alex Hollingsworth, Cabinet Member for Planning and Housing Delivery, introduced the report. The Government had yet to decide what criterion to measure the Council's housing delivery performance against. Having done so it was possible that the Council might fall below a threshold, possibly for a very short time, which would require the introduction of an action plan. This would not necessarily be a bad thing, given that the need for more housing was not just a technical matter but an ethical one too.

The Chair explained that an additional recommendation was to be added to the one given in the report as a result of the recommendation from the Housing & Homelessness Panel. That recommendation is recorded below

Cabinet resolved to:

1. **Approve** the Oxford Housing Delivery Test Action Plan 2020; and
2. **Authorise** the Planning Policy and Place Manager to make minor updates as deemed necessary to the Housing Delivery Test Action Plan document ahead of publication of the final document on the Council's website and to the Ministry of Housing, Communities and Local Government (MHCLG).

43. Temporary Staffing Contract

The Head of Business Improvement had submitted a report to seek delegated authority to award a contract for the supply of Temporary Staffing to the Council.

Councillor Nigel Chapman, Cabinet Member for Customer Focused Services, introduced the report which addressed the need for the Council, Housing Company and Oxford Direct Services to recruit temporary staff, in a more efficient way than the current arrangements allowed. He emphasised that it was not intended to increase spending on temporary staff but rather how to improve the means by which they were recruited, with particular reference to the frequent need for specialist staff.

Cabinet resolved to:

1. **Delegate** authority to the Chief Executive to award a contract for the supply of Temporary Staffing following the procurement exercise outlined in the report.

44. Quarterly Integrated Performance 2020/21 - Q1

The Head of Financial Services and Head of Business Improvement had submitted a report to update the Cabinet on Finance, Risk and Corporate Performance matters as at 30th June 2020.

Nigel Kennedy, Head of Financial Services, introduced the report. The position in relation to the General Fund was not significantly different from that previously reported in April. The Council was still sustaining heavy losses from commercial property rents, car parking and the commercial activity of its companies. The adverse variance for the present financial year was currently predicted to be about £8.9m. One change since the last report was the introduction of two new Government funding streams: £500m for expenditure of which the Council's allocation was £267,000, most of the allocation having gone to County Councils and Unitary Authorities. The second related to income losses. Councils will be expected to absorb losses up to 5%, with the balance compensated to the level of 75%. Eligibility for this has yet to be finalised but it is most unlikely to cover commercial losses and will only be available until 2021. So while welcome it will still fall short of the estimated £24 million of increased costs and reduced income that the Council was forecasting for the next 4 year period.

For the Housing Revenue Account (HRA) there was an anticipated deficit of £2.2m, largely attributable to the consequences of Covid-19. There was no Government support for HRA related activity.

In relation to capital, slippage had increased by £24m from when last reported. This was largely accounted for by schemes which had been removed as no longer viable.

He drew attention to an increase in the costs (£423k) for the implementation of Aareon QL Housing Management Software. In relation to this there had had to be prolonged testing and increased consultancy fees. Progressing this project had been difficult. The company had been put on notice of an expectation of compensation for its part in the continually delayed introduction. The current focus, however, was on implementation by the latest anticipated go live date of October. It was noted that the Housing Company and Oxford Direct Services would also be dependent on Aareon QL and its delayed introduction was compromising their efficiency.

No Key Performance Indicators (KPIs) were included in this report, pending the imminent introduction of a new Council Business Plan with a revised set of KPIs.

Risks were recorded in relation to housing delivery; economic growth and development; and the ability to balance and deliver the financial plan. All of these had been significantly affected by Covid-19. In relation to housing delivery the Housing Company was reporting 9-12 month delays in its development projects.

The Chief Executive summarised the position about the extent of Government support in response to the consequences of Covid-19. The amount of funding promised for the present year would represent less than 50% of the costs to the Council and barely 20% of the anticipated costs over a four year period. This was significantly less than the Council had been led to expect at the outset.

While there was volatility in relation to income, data from the first quarter suggested that earlier forecasts about the immediate and longer term financial consequences of Covid-19 might prove to be optimistic. One of biggest risks now was that income losses would be worse than projected; it was most unlikely that they would be better.

A significant area of activity in recent months had been the promotion and administration of business grants from Government to support local businesses. Some grants were still available to be claimed and it was important that they were given that Government would withdraw access to them after the end of August.

It was noteworthy that other councils were only now taking reports to deal with mitigating the consequences of Covid-19 whereas the City Council had made a start on this important work some months previously.

The Chair reminded Cabinet that she and others lobbied Government at every opportunity for proper recognition of the funding consequences of Covid-19 for the Council and re-emphasised the importance of encouraging businesses to take up those grants before they were withdrawn.

Cabinet resolved to:

1. **Note** the projected financial outturn as well as the current position on risk and performance as at 30 June 2020; and
2. **Recommend** to the Council an increase in the capital budget relating to the replacement housing management system of £423k funding as outlined in paragraph 16 of the report.

45. Minutes

Cabinet resolved to APPROVE the minutes of the meeting held on 15 July 2020 as a true and accurate record.

46. Decisions taken under Parts 9.3(b) of the Constitution

The Head of Paid Service (Chief Executive) had submitted a report asking Cabinet to note the decisions taken by the Head of Paid Service (Chief Executive) using the urgency powers delegated in Part 9.3(b) of the Constitution.

Cabinet resolved to:

1. **Note** the decisions taken as set out in the report and appendices.

47. Dates of Future Meetings

Meetings are scheduled for the following dates:

- 09 September
- 14 October
- 11 November
- 09 December

All meetings start at 6pm unless otherwise stated

The meeting started at 6.00 pm and ended at 6.40 pm

ChairDate: Wednesday 9 September 2020

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