

Council 17 February 2021 Item 10

A Green New Deal for Oxford: Green Budget Amendment – Council 17th Feb. 2021

Firstly, all officers, staff and Councillors deserve thanks for their exceptional service over the last year. This has been an exceptionally difficult time. We have seen our voluntary sector step up magnificently to the challenge and our public sector have shown that they are able to adapt and continue to deliver first-rate services. If ever anyone was ever in any doubt of the need for, or the value of, a healthy public sector – this last year should have dispelled any doubts. The financial strain all of this has put on the Council means that this is a budget like no other.

Revenue

We have not only produced a balanced revenue budget but one which **provides a significant financial cushion of almost £2m over and above the administration's budget**. This is critical going forward with so many uncertainties and, as the S151 Officer has recognised, it also provides a healthy contingency should there be delivery challenges.

To raise money we have re-introduced, from Year 2, inflation increases in car parking charges and an uplift in P & R fees. This is not just a means of raising cash – we have also assumed a deterrent effect; fewer people using private cars as a result.

We have also cut Special Responsibility Allowances equivalent to 1.5 x the basic allowance. This is not a lot, but we think it important that Councillors share the pain.

There are also items in our Revenue budget linked to the changes made in the Capital budget discussed below.

With this money, we propose reversing those of the Administration's budget cuts that we find unacceptable. You will note that many of our proposed are similar to the recommendations made by the Budget Review Group. We propose to:

- Reverse the cut to the community grant fund – this is a time to increase it, not cut it (£200k/year from Y2)
- Reverse the cut to the Oxford Living Wage staffing and publicity budget (£20k per year)
- Reverse the reduction in the number of planning committees (£40k per year)
- Reverse cut to concessionary rate on garden waste bins (£80k per year)
- Fully fund the follow-up work to the Citizen's Assembly (meeting the £75k shortfall in requested funding)
- Reverse the cut to the blue bin recycling league awards to good causes (£19k per year)

We have also recognised that the current circumstances are depleting our homelessness reserve fund and are topping that up to the tune of £300k over the four years.

We are also concerned at the Administrations rejection of the recommendations from Scrutiny in relation to the Net Zero Carbon planning. We want this to be credible and deliverable so we have included some additional resource to ensure that the management, reporting and target-setting complies with best practice (£25k per year).

Housing Revenue Account

We want to make sure all new social housing is built to proper zero carbon standards both for the benefit of the climate and for our tenants, who will benefit from lower running costs. According to OCHL, this would cost an average of just £7,750 per home. No doubt the cost will decrease over time, but we have here included the whole cost based on the business plan assumption that an average of 95 social homes will be built each year.

Over 20 years, this investment is cost neutral as it is covered by a modest ‘comfort charge’ – less than the equivalent energy bills would have been – based on the well-proven EnergieSprong model.

Capital Budget

Rather than speculatively investing in commercial property, for which the business case is unclear, we propose that the Council join the growing ranks of local authorities developing new solar farms. This meets our policy objectives and provides a modest, but secure, return (net of borrowing). The £51m we propose to invest (similar to the amount originally intended for commercial property) would fund about 70MW installed capacity, keeping us on track to deliver the additional 110MW local solar generating capacity the experts say we need to serve the City by 2025.