

Scrutiny Budget Review 2025/26 – Scoping Document

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| Review Topic | Budget Review 2025/26 and Medium Term Financial Plan to 2028/29 |
| Lead Member Review Group | Councillor James Fry |
| Other Review Group Members | <p>Councillor Chris Jarvis; Councillor Dr Christopher Snowton; Councillor Ian Yeatman</p> <p><i>Members of the Housing and Homelessness Panel will be invited to scrutinise Housing-related budgetary items:</i></p> <p><i>Councillor Lizzy Diggins (Chair); Councillor Theodore Jupp; Councillor Edward Mundy; Councillor Asima Qayyum; Councillor Rosie Rawle; Councillor Anne Stares</i></p> <p><i>Members of the Climate and Environment Panel will be invited to scrutinise the Environmental Sustainability-related budgetary items:</i></p> <p><i>Councillor Emily Kerr (Chair); Councillor Judith Harley; Councillor Jemima Hunt; Councillor Katherine Miles</i></p> |
| Substitutes | <p>The Scrutiny Operating Principles state that ‘<i>no substitutions will be allowed on Standing Panels or Review Groups. This is to provide continuity of membership given the focused nature of their work.</i>’</p> <p>Members of the Budget Review Group should make every effort to attend meetings to help ensure continuity of membership. However, given the tight timescales within which the Budget Review Group is required to meet (with very limited scope for alternative meeting dates) and the need to ensure cross-party representation at those meetings, substitutes will be permitted for Budget Review Group meetings in exceptional circumstances, provided agreement is sought in advance.</p> <p>Exceptional circumstances would mean unavoidable commitments (e.g. work and/or pre-booked travel). Should Budget Review Group members be unable to attend one or more of the Budget Review Group meetings, they should contact the Scrutiny Officer at their earliest convenience to advise the meeting date(s) they cannot attend; the reason(s) why they cannot attend; and the name of their substitute. Members must seek their own substitute from their political group as normal. The Scrutiny Officer will then respond to advise whether or not the request has been approved – provided the reason(s) given constitute exceptional circumstances, requests will be approved.</p> <p>Where a substitute is required, Members must submit the required information as far in advance as possible, but at least two clear working days before the meeting for which a substitute is required.</p> |
| Officer Support and allocated hours | Scrutiny Officer support – approx. 2-3 days per week from mid-December 2023 to mid-February 2024. Additional support from the Head of Financial Services and other Senior Officers. |

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| Background | <p>The Finance and Performance Panel is responsible for scrutinising finance and budgetary issues and decisions, including the Budget 2025/26 decision.</p> <p>The Budget 2025/26 paperwork will be published for consultation on 03 December 2024 ahead of a final decision by Full Council on 13 February 2025 (<i>reserve date 24 February 2025</i>). Scrutiny has formed a Budget Review Group to scrutinise the budget proposals in detail before reporting to Cabinet in February 2025.</p> |
| Rationale | <p>To scrutinise the Council's draft budget for 2025/26 and Medium Term Financial Plan for the following three years and provide public assurance of the Council's budget setting processes and decisions.</p> |
| Key lines of inquiry | <p>Areas of focus for the Budget Review Group this year to include:</p> <ul style="list-style-type: none"> • The progress of financial mitigation strategies arising from the various pressures on Council finances and the Council's overall expectation of what the 'new normal' looks like financially • The interaction, robustness and financial impact of the financial returns to the Council from Oxford Direct Services and OX Place business plans – including scrutiny of the ODS and OX Place Business Plans and their importance in relation to the financial sustainability of the Council • Specific consideration of the Council's planning regarding macroeconomic factors such as inflation and the cost of living crisis • The robustness of plans and risks to the Council's anticipated income streams, particularly relating to parking, commercial property and the Council's companies • The robustness of the HRA Business Plan • Assessment of overall strategy and individual proposals to mitigate lost income and to reduce costs, including the deliverability of proposals for income generation and savings • Planned borrowing levels and the impact of the changes arising from Minimum Revenue Provision • Levels of contingencies and earmarked reserves • Deliverability of the Capital Programme and its relation to previous iterations of the Medium Term Financial Plan • The realism of optimism bias assumptions applied to the Capital Programme • Progress with, and opportunities to further exploit, emerging technologies such as Artificial Intelligence (AI) and Robotic Process Automation (RPA) to increase productivity/efficiency • The impact of staff recruitment and retention on the ability to realise the MTFP (e.g. achievement of performance targets, unplanned expenditure on temporary staff, delivery of plans and priorities and increasing pressure on existing staff) • Outcomes of the strategic reviews of Community Services and ODS; and anticipated impact of those outcomes • The impact of the new Government on local government finances • The impact of budget proposals on service users and the wider community |
| Indicators of Success | <ul style="list-style-type: none"> • Robust independent scrutiny of budget proposals; • Detailed consideration of key lines of inquiry; |

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| | <ul style="list-style-type: none"> • The production of an evidenced based report with recommendations; • Broad agreement on conclusions and recommendations amongst Review Group members; • The majority of recommendations are agreed by the Cabinet. | | |
| Methodology/ Approach | <p>Evidence gathering to include:</p> <ul style="list-style-type: none"> • A budget briefing by the Chief Executive and Head of Financial Services; • Reviewing Budget 2025/26 paperwork, including options or bids presented to Members; • Submitting written questions to Senior Officers and reviewing their responses; • Meetings with Executive Directors and Heads of Service. | | |
| Specify Witnesses/ Experts | <ul style="list-style-type: none"> • Cabinet Member for Finance and Asset Management • Chief Executive • Executive Director (Development) • Executive Director (Communities and People) • Executive Director (Corporate Resources) • Head of Financial Services • Head of Housing Services • Head of Planning and Regulatory Services • Active Communities Manager • Head of Business Improvement • Head of Law and Governance • Community Safety Service Manager • Head of Corporate Strategy • Environmental Sustainability Lead • Head of Regeneration and Economy • Affordable Housing Supply Corporate Lead • Head of Corporate Property • Corporate Assets Lead • Property Services Manager • Managing Director (Oxford Direct Services) • Managing Director (OX Place) • Head of Facilities Management (Oxford Direct Services) • Finance Business Partners | | |
| Out of scope | N/A | | |
| Projected start date | 03 December 2024 | Draft Report Deadline | 13 January 2025 for Finance and Performance Panel on 15 January 2025 |
| Meeting Frequency | 5 meetings in December 2024 / January 2025 | Projected completion date | By 05 February 2025 Cabinet |

Draft outline of meetings (*all held remotely*)

Meeting one – Thursday 19 December 2024, 6:00 – 8:00pm

Introduction to the budget and its context (Cllr Ed Turner, Caroline Green, Nigel Kennedy, Andrew Friar and Emma Jackman; Helen Horne and Simon Howick to attend to answer questions in relation to OX Place and ODS):

- Current local context
- Budget-setting process to date
- Overview of the whole budget – including areas of particular risk and/or tension, options presented to Members and potential trade-off options in terms of savings/income, key areas of growth or income generation, impact of particular elements of the budget on local people/groups
- How previous discussions with Finance and Performance Panel and any recommendations associated with those discussions (including Budget Review Group recommendations for the 2024/25 budget) have fed into the budget-setting process for 2025/26
- Interaction, robustness and financial impact of the financial returns to the Council from Oxford Direct Services and OX Place business plans
 - ODS and OX Place Client
 - ODS and OX Place Business Plans
 - Outcome of the Strategic Review of Services Provided by ODS

Meeting two – Monday 06 January 2025, 6.00 – 8.00pm

Introductions to service area budget proposals and questions from Review Group:

- Corporate Resources (**Tom Hook**)
 - Law and Governance (**Emma Jackman**)
 - Financial Services (**Nigel Kennedy**)
 - Business Improvement (**Helen Bishop**)
- Corporate Strategy (**Mish Tullar and Emma Burson**)
 - Environmental Sustainability (**Tina Mould**)

Other attendees: **Andrew Friar**

Members of the Climate and Environment Panel will be invited to participate in the Scrutiny of the Environmental Sustainability element of this meeting.

Meeting three – Tuesday 07 January 2025, 6:00pm - 8.00pm

Introduction to budget proposals and answering Review Group questions from:

- Development (**Tom Bridgman, Emma Burson, Jason Jones and Paul Swaffield**)
 - Corporate Property (**Jane Winfield and Emma Gubbins**)
 - Planning and Regulatory Services (**David Butler**)
 - Regeneration and Economy (**Carolyn Ploszynski**)
 - Housing Delivery (**Tom Bridgman, Carolyn Ploszynski and Dave Scholes**)
 - Capital Programme (**Tom Bridgman, Carolyn Ploszynski and Malcolm Peek**)

Other attendees: **Nigel Kennedy, Andrew Friar**

Meeting four – Wednesday 08 January 2025, 6:00pm - 8.00pm

To consider draft recommendations from previous meetings; introduction to budget proposals and answering Review Group questions from:

- Housing and Communities (**Peter Matthew, Nerys Parry, Hagan Lewisman and Jason Jones**)
 - Housing Revenue Account (HRA) (**Peter Matthew and Nerys Parry**)
 - Community Safety (**Richard Adams**)

Other attendees: **Nigel Kennedy, Andrew Friar**

Members of the Housing and Homelessness Panel will be invited to participate in the Scrutiny of the Housing element of this meeting.

Meeting five – Thursday 09 January 2025, 6.00pm - 8.00pm [prior to Finance and Performance Panel on 15 January 2025]

To consider the draft Review Group report.

In addition, the following reports will be submitted:

- Report on income from Council assets and Council-owned property lettings (*the latter is in response to a previous Panel recommendation where the response referenced a further briefing: That the Council undertakes an analysis in relation to the letting of Council-owned property between estimated time taken to let properties versus actual time taken to let properties, with a view to being able to incorporate more accurate assumptions in the budget going forward.*) (**Jane Winfield, Emma Gubbins and Jason Jones**)
- Report on car parking (**Jane Winfield, Emma Gubbins, Jason Jones and Oliver Hearn (ODS)**)

Other attendees: **Nigel Kennedy, Andrew Friar**

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