

**Appendix A**  
**Draft Cabinet response to recommendations of**  
**the Budget Review Group of the Scrutiny Committee**

The document sets out the draft response of the Cabinet Member to recommendations made by the Budget Review Group and endorsed by the Scrutiny Committee on 29 January 2025 concerning the Scrutiny Budget Review 2025/26. The Cabinet is asked to amend and agree a formal response as appropriate.

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<b>Recommendation</b>	<b>Agree?</b>	<b>Comment</b>
1) That Officers should consult with cities with Community Councils such as Milton Keynes and Swindon as to whether their governance structures enabled them to fund public services better, and if so consider whether Oxford would benefit from similar arrangements.	Partially	Officers can speak to counterparts in Swindon and Milton Keynes to glean any useful information on the operation of their community councils and consider any financial benefit to Oxford. However, any work to implement community councils would take considerable time and financial resource to undertake and would not be appropriate to undertake at this time, pending understanding more about the future direction of the authority in responding to the Government's White Paper on Devolution.
2) That the Council allocate a budget of £100,000, and officer capacity, to support work and preparedness required for the implementation of the local government restructure.	Yes	We accept the recommendation, and we will include a budget in the sum of £100k in the Council's budget for 2025-26.
3) That the Council applies a higher optimism bias of 45% than the 40% applied in the capital budget. This reflects the challenges of bringing slippages under tighter control.	Yes	We have updated the Budget report to show the impact of a 45% rather than a 40% optimism bias, although it makes limited difference to the budget. We will continue to strive to spend at the budgeted level of capital spend set but given the significant size of the programme and the number of schemes being undertaken there will always be an amount of slippage.
4) That any cut to the Council Tax Reduction	Yes	There is a report tracking to February Cabinet which will make

programme should be entirely or mostly relating to the schemes' higher-income bands.		recommendations to change amount of CTRS against the income bands. The proposal is aimed at an anomaly in the scheme which allows claimants on UC who are working, to be allocated more council tax reduction discount whilst conversely those UC claimants who are not working receive less Council tax reduction discount. It is proposed to reinvest a substantial portion of the additional income from this in increasing all the income bands.
5) That the Council commit to identifying schemes which will directly benefit areas of deprivation within the city for allocation of any Recovery Grant funding.	No	The amount received by the Council in recovery grant was £391k. There is no ringfencing of this grant and in the current financial it is therefore appropriate to use the grant to finance the general fund budget deficit which supports existing services, rather than identify further areas of spend in specific areas of deprivation. However, it would be fair to say that a significant amount of the Council's discretionary activity is in areas of deprivation (for instance, this is the focus of the Youth Ambition team), and the fact we have received this money allows us to continue.
6) That the Council will ensure that the costs savings proposed in Fit for the Future changes do not result in the digital exclusion of vulnerable constituents.	Yes	The Council's Citizen Experience Strategy sets a vision for modern, inclusive and accessible services. The Strategy is equally committed to ensure that no-one gets left behind, utilising a range of access channels including face to face options to make that possible. It should be noted that the face-to-face offer has been extended to include a regular presence at food larders across the city. Also, working in partnership with BOB ICB and Oxfordshire County Council, a digital cafe is now operational at Westgate Library providing free and informal support around basic digital skills, encouraging people to easily use digital technology as part of their everyday life.
7) That the Council will expedite efforts to identify savings which could be generated using Artificial Intelligence technology.	Partially	The Council will explore opportunities across the entire organisation through its current AI approach, whilst also upskilling the workforce. Specific projects focusing on the contact centre and planning will deliver savings. Evaluation of the AI approach of

		other local authorities will continue.
8) That the Council makes an allowance for a rising ICT budget over the Medium Term Financial Strategy, as current ICT cost estimates assume they increase in 2025/26 and then remain steady.	Partially	The Council has in previous years included inflationary uplifts in the budget. For 2025-26 the budget makes provision in total of a one-off uplift to cover the increased costs of ICT system. It is thought that this is sufficient to cover these cost increases. We will monitor this over the coming year and make any adjustments in next year's MTFP round.
9) That the Council considers a larger increase on the non-concessionary garden waste bin rate.	No	The proposed 6% increase in the non-concessionary garden waste bin rate will be accompanied by a significant marketing push to expand the user base. The level of increase has been calibrated to not undermine perceptions of value for money for this paid-for discretionary service, while at the same time leaving headroom for likely future increases in the charge.
10) That Council ensures cost components such as overheads and administration used to calculate full costs are analysed in detail to identify the scope for higher charges.	Yes	The Finance Business Partners work with services where they wish to provide services to external clients to ensure that all costs, including overheads and management costs are taken into account when the charges are calculated.
11) That the Council monitors the waste collection service and compares the experience of periods between 2024-2025 budget and 2025-2026 budget to see whether the savings proved a false economy in terms of improved recycling behaviour and reduced landfill charges.	Partially	The Council monitors all waste collection and will attempt to learn from it, so we partially accept this recommendation., The most recent report to January 2025 Council highlighted that recycling rates continue to fall. This trend is being seen across other district councils in Oxfordshire and most waste collection authorities nationally. ODS recycling officers continue to provide advice and engagement to help inform good recycling behaviours; while the proposed Budget savings come from unfilled vacancies in the ODS comms team. The Waste Collaboration Project, involving the City Council/ODS, Cherwell, WODC and County - together with the Government's new Simpler Recycling regulations - offer a potential opportunity to work as a system to address falling recycling levels. This is more likely to be successful than the

		<p>appointment of additional comms roles in ODS.</p> <p>The City Council doesn't incur landfill charges for domestic waste.</p>
12) That the Council includes provision for business support along the lines of Talk of the Town in the City Centre for areas outside the Centre, such as Cowley.	Yes	<p>We are proposing in the budget resource for an officer to work with businesses in district centre locations beyond the city centre over the next 2 years. The activities and needs for each area will be slightly different and need to be defined specifically with those areas to make this successful. We want to ensure the response is area specific. Facilitating forums like that described to identify issues and topics could be part of that, so we accept this recommendation with the caveat that it needs to be part of the identified needs and wishes of those areas. The aim will be to support the areas to establish things that can be maintained longer term beyond the officer resource from the council.</p>
13) That the Council will facilitate and engage in discussions with local retail centres to understand their individual challenges and allocate appropriate resources to support through either marketing or direct them to appropriate resources in the county.	Yes	<p>We are proposing in the budget resource for an officer to work with businesses in district centre locations beyond the city centre over the next 2 years, which appears to be in line with this Scrutiny recommendation. The activities and needs for each area will be slightly different and need to be defined specifically with those areas to make this successful. We generally do not do marketing for businesses as they are normally best placed for this but can help promote areas and opportunities through some of our channels as we have in the city centre and if that is something businesses want to use some of the officer time for we can consider that with them.</p>
14) That the Council provides support to the city centre businesses whose agreement is needed to establish an Accommodation Business Improvement District and will engage with University Colleges, Businesses, hoteliers and recognised business	Partially	<p>Work is already underway on the feasibility for an Accommodation Business Improvement District and the intention is to continue to support progression of this over 2025/26. The purpose of an ABID is to bring in more funding/investment to the area to support additional work and enhancements not to reduce existing costs to the city and county councils. Decisions about how the income is</p>

<p>organisations on plans for an ABID and bring proposals forward to Councillors, which could include the introduction of a tourist tax whose revenues would fund city centre improvements, reducing the need for City and County expenditure.</p>		<p>spent will be for the ABID not for the councils.</p> <p>A Tourist Tax would need primary legislation from government. If this was forthcoming then this could be considered but would be separately from the ABID.</p>
<p>15) That the Council explores the scope for pursuing landlords whose property has been vacant for more than 12 months in a 24-month period to auction these properties for rent</p>	<p>No</p>	<p>This would be a labour-intensive piece of work for both the legal and property teams that cannot currently be resourced. We are also concerned the auction route suggests that the highest bidder will be the best option which is not the case in many circumstances.</p> <p>We are happy to keep this position under review.</p>
<p>16) That the proposed new car parking charges are either rounded up to the nearest pound or rounded up to the nearest £0.25, depending on the type of car park.</p>	<p>No</p>	<p>The figures recommended have taken into account the decline in usage as well as a further resistance factor. A higher increase will require a higher resistance factor to be applied negating any increase in income, and our analysis suggests this change would not bring increased income. The tariffs and usage will be monitored over the next 12 months and we can bear in mind the spirit of this recommendation next year. Given the demise of cash payment, rounding is less important than it used to be, and there is a risk it leads to a perception of a higher level of increase.</p>
<p>17) That the Council recommends applying some optimism bias to the projected increases in corporate assets' commercial rental income. A figure of 20% is suggested, to allow for slippage in the completion of redevelopment and leasing of assets.</p>	<p>No</p>	<p>The individual assets are already modelled and therefore it is not considered to be necessary. The council also holds reserves and balances which help mitigate against corporate risks.</p>
<p>18) That the Council's Town Hall team meet their counterparts in the University, running the Schwarzman Centre and Sheldonian, as well</p>	<p>Partially</p>	<p>Officers do speak to other operators already and will discuss co-operation. It must be noted though that these spaces compete for</p>

<p>as colleges with good performance spaces, to discuss cooperation in the hire of medium to large sized venues.</p>		<p>many similar customers.</p>
<p>19)The Council to request data on the financial viability of the Rose Hill community centre, which is both modern and well established, to assess whether the financial projections in the Budget are realistic in the light of experience.</p>	<p>Partially</p>	<p>The Council is currently working on business cases for each of the community centres that it manages. These business cases will be completed over the next few months. It should be noted that community centres are more challenging to benchmark in a way that effectively compares sites on a like for like basis. This is because each centre will differ in relation to the size, functionality, different local needs and costs of the centre to run, given age and necessary maintenance of the building. The administration proposes to reduce the level of income growth anticipated compared to the consultation budget, recognises that it will take time to develop income streams.</p>
<p>20)That the Council works with other councils to lobby Central Government to adapt the housing benefit system to remove this anomaly and a budget be allocated to examine the business case for a model of enhanced links with RPs as an Invest to Save initiative.</p>	<p>Yes</p>	<p>The Council will lobby LGA and Government to review the Housing Benefit Subsidy system to enable subsidy to be reclaimed by the authority on these costs. The council have raised this issue with the County Council, other Oxfordshire districts, the NHS Integrated Care Board and the non-registered providers whose actions are imposing a negative financial impact on the authority. We have also tried working with specific non-registered to encourage obtaining RP status but currently to no avail.</p> <p>Within the Budget presented to Cabinet in February the council has included £200k over 2 years to pilot an approach to reduce the overall use of supported accommodation. This will involve switching traditional supported accommodation units to supported temporary accommodation units initially (thus reducing the overall TA spend) whilst at the same time increasing the number of Housing First units. The intention is to then decommission the supported temporary accommodation units in due course and</p>

		replace those with a new pipeline of Housing First units which do not rely on Housing benefit subsidy – thus realising a further significant saving to the housing benefit subsidy.
21) That the Council will address unpredictable levels of Temporary Accommodation requirement by securing further contracts with accommodation providers across the city.	Yes	In accordance with the July Cabinet report, officers continue to drive a wide series of mitigations to alleviate the operational and financial pressure of rising homelessness demand. A pipeline of TA units has been established that will deliver significant numbers of new units over the next two years, this includes working with Housing Associations to source accommodation, using Council owned stock for TA ahead of redevelopment, and working with private landlords. Cabinet also approved the creation of a hotel/nightly charge procurement framework to establish a wide range of providers that we can use for short-term accommodation. This will be launched by the end of the financial year.
22) That the Council investigates the scope for working with an existing company or to establish a separate company, similar to Low Carbon Oxford's investments in solar panels at schools, to finance investments and share energy cost reductions with HRA tenants.	No	<p>Any works to HRA properties must be commissioned by the Council, with the agreement of the tenants. 285 existing council homes do have solar PV installed, and this is increasingly standard with many new homes being built - a position that will be strengthened with proposals in the emerging Local Plan.</p> <p>However, our focus on retrofit within the HRA remains on working to reach our 2030 EPC C target firstly and a fabric approach is best practice to achieve this. We are also looking at the heating systems within existing stock, considering the phase out of gas and 2040 decarbonisation targets. The application of solar PV can only then be considered if - in a very few cases - a property needs solar PV to reach a C.</p> <p>The enabling works associated with Solar PV also need consideration – roof strengthening, electrical upgrades, grid capacity etc also need consideration and therefore cannot be considered in isolation of the HRAs capital investment</p>

		<p>programme.</p> <p>Government has announced its intention to accelerate the adoption of PV through its Local Power Plan which is expected to involve grant funding and loans for community-based schemes. Officers are already discussing with Oxford's Low Carbon Hub potential options for deployment. While this would need to be at community, rather than individual household scale, it is expected that financial benefits from any installations under this scheme may flow back to local residents.</p>
23) That the Council reject the £120,000 investment in the Fibre to Homes Initiative where 25+Mbps services are already available without fibre.	No	<p>This budget has been pushed back a year in the MTFP due to initial capacity issues but the project was approved for 24-25 and is therefore already underway. It would be more resource intensive to identify properties with 25+ Mbps services to specific properties, meaning the project overall would incur further costs. The aim is for the pilot to be complete by the end of the financial year.</p>