



**County Council  
Tuesday, 17 February 2015**

**ADDITIONAL PAPERS 1**

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To: ALL MEMBERS OF THE COUNCIL  
CC Directors and other relevant officers

Oxfordshire County Council  
**Law and Culture (Democratic Services)**  
Chief Executive's Office  
County Hall, New Road  
Oxford  
**OX1 1ND**

DX 4310 OXFORD

Peter G Clark  
County Solicitor and Monitoring Officer  
Head of Law and Culture

Please ask for [**Deborah.Miller**]  
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Our Ref:

Date: 11 February 2015  
Direct Fax: 01865 [**783195**]

Your Ref:

Dear Councillor,

#### **Additional Papers for Council – 17 February 2015**

I enclose the following additional papers in relation to item 8 (Service & Resource Planning 2015/16 – 2017/18):

- Amendments by the Labour and Green Groups (CC8 Labour) and (CC8 Green);
- A statement from the Liberal Democrat Group in relation to the Cabinet's Budget Proposals (CC8 Lib Dem).

Please bring these additional papers to the Council meeting on 17 February 2015.

Kind Regards

Deborah Miller  
Principal Committee Officer  
for and on behalf of P G Clark  
County Solicitor and Monitoring Officer  
Head of Law and Governance

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## Oxfordshire County Council - 17 February 2015

### Leader of the Opposition Overview

I want to begin by thanking Lorna Baxter and her team for the help and guidance given to the Labour Group throughout the year. We have been involved in the process of setting this budget for many months. We have also had numerous briefings about the enormous extra pressures emerging in relation to Adult Social Care, Adult and Children's Safeguarding and Children's Social Care and for those briefings we thank the Directors and Deputy Directors.

The Coalition Government since 2010 has cut grant to Local Government and has imposed restrictions on the level of Council Tax raised locally with any increase above 2% requiring a costly Referendum. These restrictions on Local Democracy apply only to England where local people have no say over how the services provided locally are funded. The Labour Group has taken the view that any referendum would be unlikely to get the support of this Council or the people of Oxfordshire and would simply look like gesture politics costing money which would be better spent on services.

Over the 5 year period of the Coalition Government there have been cuts of £292m to services in order to keep within their imposed straitjacket. Since 2010 there has also been increased pressure to provide additional services for the most vulnerable residents of this County. This has led to further cuts in other areas of the budget in order to meet this need and we see this again with the Administration's Budget which is now before us. We are not in a position to control the increased pressure on the budget due to greater need and we are morally obliged to meet the cost of the pressure which has stemmed from:

- **Meeting the needs of Children and Young People**

The need to keep our children safe from danger, the majority of which sadly they face in their own homes from those who should be protecting them but also from Child Sexual Exploitation. Oxfordshire has seen a number of perpetrators successfully prosecuted and has set up the innovative Kingfisher Team. The Multi-agency Safeguarding Hubs have also now been developed. Within the budget presented we see that much of the other services within Children's Centres and the Hubs is under threat and is not affordable in the current financial climate.

The Labour Group take the view that as we move to make the enormous cut proposed we should be considering what sort of provision we need for Children and Young People growing up with all of the pressures of a digital, global age. We have many excellent buildings. Where they are located is of course an important concern, as is how they are used, who uses them and for what purpose. Locating the services for 0-5 year olds transferred to Public Health also needs to be taken into account. But within our communities we need to galvanise the support of all to the common end in order to protect our children from abuse while ensuring our children and young people have sustainable services to support them particularly through the stormy waters of adolescence. We need to bring those professionals, para professionals and voluntary/ community groups together in those buildings within our most disadvantaged communities to meet the needs of children and young people living in those communities. That may mean closure of some buildings.

- **Older People**

The increasing number of Older People requiring services needs to be addressed. Not least because of the need to keep this group of people safe from abuse by others. The number of safeguarding alerts concerning Older People has increased along with problems of recruitment of carers and of the cost of residential care. The Labour Group would investigate setting up a Direct Labour Organisation such as there are in other parts of the country. That way we could ensure that carers would be paid the Living Wage. In short running such services ourselves instead of putting large sums of money into organisations which need to make a profit could save money, provide better conditions for carers and maintain or indeed enhance the quality of service.

- **People with Learning Disabilities**

There is enormous pressure on services for people with learning disabilities. This could be attributed to previous cuts which have not been delivered but there has also been an increase in the number of people requiring services due to changes in circumstances such as older parents no longer being in a position to care. The Labour Group will watch carefully how the outcomes of the Big Conversation are taken forward. New and more innovative ways need to be found to provide services and enrich the lives of Adults with Learning Disability.

- **Changes to the budget**

Whilst the Labour Group are deeply concerned about the cuts which have been imposed on Local Government and would want to see a shift from this method of funding, we realise that within the straitjacket which has been imposed on us we need to work differently.

We do not support the large increase in the amount of money to be paid in Councillors allowances. We would not fund the additional allowances at a cost of £160,000 and would find an additional £40,000 in that budget. The additional money could be found from reducing the number of Cabinet Posts by 2, by inviting members to opt for electronic delivery of council and committee papers and sending no third party mail by post to members. We would transfer £200,000 to the Integrated Transport Budget to protect the Community Transport and Dial-a-Ride Schemes throughout the County. In doing this we recognise that these services enable those people unable to get to a bus stop and suffering from loneliness and isolation to maintain some independence. Any cuts to these services will lead to further pressures on Adult Social Care.

This is a clean and simple approach which respects the Leader's comments in relation to stability.

## **RECOMMENDATION**

**We RECOMMEND Council to approve:**

- 1) **a budget for 2015/16 and medium term financial plan for 2016/17 – 2017/18 as amended in Labour Group Annex 1**

**LIZ BRIGHOUSE**

Leader of the Opposition

## Labour Group Budget Amendments

	2015/16 £000	2016/17 £000	2017/18 £000	TOTAL £000
<b>Cabinet Net Pressures (+) / Savings (-)</b>	<b>-4,767</b>	<b>2,955</b>	<b>-5,337</b>	<b>-7,149</b>
<b><u>Environment &amp; Economy</u></b>				
Reduce the savings needed from Supported Transport (15EE14 & 16EE5)	200			<b>200</b>
<b><u>Chief Executive's Office</u></b>				
Do not fund the pressure arising from the decision to increase Members' Allowances (16CEO1)	-160			<b>-160</b>
Reduce the number of Members on the Cabinet by two	-40			<b>-40</b>
<b>Revised Net Pressures (+) / Savings (-)</b>	<b>-4,767</b>	<b>2,955</b>	<b>-5,337</b>	<b>-7,149</b>
<b>Change to Cashflow Position</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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## The Green Budget Amendment 2015-2016

We intend to raise the Council Tax to **5%** (just £0.70p extra per week to the average ratepayer's bill than the Cabinet's proposal) that will bring in an extra £9,206,000. It will trigger a referendum which they say will cost £638,000.

We believe at some stage with the continuing decline in Revenue Support Grant the Council will inevitably have to put it to the people that a slightly higher rate than 1.99% rise is needed if horrendous cuts are to be avoided.

To get us to just under £10 million to put back into services we are also suggesting a reduction in pay budgets that can be achieved by reversing the 7% rise in Directors salary pay given in 2014/15 and held to a 1% increase in line with other Council workers; and that the 19% increase in Councillor allowances budget planned for April are also capped at an increase of 1%. That will generate £90,000 and £100,000 respectively. With services reducing by 25% over the next 3 years this is not the time for large executive pay increases.

The range of County services is shrinking rapidly so we have suggested the Cabinet is reduced by 2 members saving another £40,000. New ideas such as hiring rooms in County Hall and selling off a few of the painting to local galleries will also generate £150,000.

We are also suggesting increasing parking charges by an extra £1 per day in the Park and Rides plus giving extra concessions to season ticket holders using park and rides to increase usage. A very small extra charge of 5% generally on parking and CPZ charges is also suggested. That brings in another £225,000.

By not making people redundant we expect to also gain £350,000 in not having to pay redundancy charges.

Having put together a package of money that amounts to nearly £10 million in revenue we are suggesting that the bulk of it (94%) is focused on Adult Social Care, to protect children, the disabled, the elderly, the homeless, the sick and the poor.

**The focus is very clear, to stop the most direct and harmful cuts on the most vulnerable in our community.**

We are suggesting the following:

- Saving the Children's Centres by stopping this year's cut (£1million)
- Stopping the cuts in the Adult Learning Disability Service (£6.1 million)
- Returning the Homelessness Fund in full (£500,000)
- Restoring the cuts in the Citizens Benefits Advisory Services ( £300,000)
- Stop the cuts in the Care Home Placement Service (£490,000)

- Restore the carers short break respite service (£200,000)
- Reversing the cuts in the Physical Disability Service (£98,000)
- We want to reduce the cuts to schools, rural transport and the movement of the disabled to day centres by putting back £500,000 to subsidize the transport services and £150,000 to reduce the cuts on rural bus subsidies.
- The threat to further reduce the library service is taken away by restoring the expected 2015-16 cut (£95,000)

We also see certain things as vital if we are to make any social progress such as restoring the grant for free ESOL English classes (£60,000). We also consider providing a tiny amount for wildlife officers to enable them to actually do something on issues the Council has agreed must be addressed such as bee colony collapse (£35,000). We also want officers to investigate by a feasibility study, the idea of the County putting its money in the local NHS and buying out some of the crippling PFI contracts (£39,000).

On the capital side although it will cost us £400,000 per year to repay a prudential loan we would want to spend £3 million on a real cycle separation network for Oxfordshire and £7 million on insulation schemes that would dramatically reduce energy bills. On insulation our £7 million investment will result in £21 million pounds worth of insulation work due to Energy Company matched funding.

## **RECOMMENDATIONS**

**We RECOMMEND Council to approve:**

- 1) A budget for 2015/16 and medium term financial plan for 2016/17 – 2017/18 as amended in Green Group Annex 1;**
- 2) The Council Tax and precept calculations for 2015/16 set out in Annex 2 and in particular:**
  - i) a precept for 2015/16 of £296,759,302m; and**
  - ii) a Council Tax for Band D equivalent properties of £1,268.83**

***COUNCILLOR DAVID WILLIAMS***

*Leader of the Green Group*

**Green Group Budget Amendments**

	2015/16	2016/17	2017/18	TOTAL
Proposed Council Tax Increase	5.00%	3.00%	3.00%	
Band D Council Tax	£1,268.83	£1,306.89	£1,346.10	
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cabinet Net Pressures (+) / Savings (-)</b>	<b>-4,767</b>	<b>2,955</b>	<b>-5,337</b>	<b>-7,149</b>
<b>Corporate</b>				
Additional amount to spend from having a 5.0% Council Tax increase in 2015/16	-8,508	-342	-356	<b>-9,206</b>
Cost of Referendum in 2015/16	638	-638		<b>0</b>
Hire out rooms in County Hall for meetings and private functions in the evenings and weekends	-50			<b>-50</b>
Reverse the Senior Director increases awarded in 2014/15	-90			<b>-90</b>
One-off saving from reduced redundancy costs	-350	350		<b>0</b>
Cost of Prudential Borrowing of £10m to fund Insulation schemes (£7m), Benelux Cycle Network and improvements to Dangerous Roads (£3m)		400		<b>400</b>
Employers Parking Levy		-1,500		<b>-1,500</b>
Contribution to Capital (each year) to fund a Benelux Style Cycle network (see also capital programme amendments below)		1,500		<b>1,500</b>
<b>Children, Education &amp; Families</b>				
Do not make 2015/16 saving in integrating Children's Social Care and Early Intervention (16CEF4)	1,000			<b>1,000</b>
Short Breaks for Disabled Children and Carers	200			<b>200</b>
<b>Social &amp; Community Services</b>				
Do not make savings in Learning Disabilities (16SCS2)	100	2,500	3,500	<b>6,100</b>
Advice and Advocacy Groups	300			<b>300</b>
Physical Disabilities	98			<b>98</b>
Social Fund for the Homeless	500			<b>500</b>
Care Home Placement Service - aid transfer from hospital to community	490			<b>490</b>
Free ESOL Classes	60			<b>60</b>
<b>Environment &amp; Economy</b>				
Increase Park & Ride Charges by £1 per day	-400			<b>-400</b>
Subsidy for parking season ticket holders	200			<b>200</b>
Increase on all other Parking Charges plus new income from additional CPZ	-225			<b>-225</b>
Increase in the charge for Processing Licenses and Planning Applications above the proposed increase	-6			<b>-6</b>
Increase in the general charges	-50			<b>-50</b>
Do not make savings in the integrated transport unit from transport for older people (£0.500m) and reduce savings needed from rural bus subsidies (£0.140m). (16EE10)	650			<b>650</b>
Bee Colony Promotion Wildlife Officer	35			<b>35</b>

**CC8 Green  
Annex 1**

	2015/16 £000	2016/17 £000	2017/18 £000	TOTAL £000
<b>Chief Executive's Office</b>				
Reduce the number of Members on the Cabinet by two	-40			-40
Do not fund the pressure arising from the decision to increase Members Allowances - limit the increase to 1% (16CEO1)	-100			-100
Do not make Libraries saving (16CEO3)	95			95
Commission a feasibility study to assist NHS PFI buyouts	39			39
<b>Revised Net Pressures (+) / Savings (-)</b>	<b>-10,181</b>	<b>5,225</b>	<b>-2,193</b>	<b>-7,149</b>
<b>Change to Cashflow Position</b>	<b>-5,414</b>	<b>2,270</b>	<b>3,144</b>	<b>0</b>

<b>Budget Reserve</b>	2015/16 £'000	2016/17 £'000	2017/18 £'000
Opening balance	6,625	7,255	2,511
Previously agreed contribution	-9,551	-9,700	0
Contribution arising from new proposals	10,181	4,956	7,149
<b>Closing balance</b>	<b>7,255</b>	<b>2,511</b>	<b>9,660</b>

<b>Amendments to the Capital Programme</b>	2015/16 £000	2016/17 £000	2017/18 £000	TOTAL £000
Capital receipt generated from sale of County Heritage assets	-100			-100
<b>Transport Programme</b>				
Benelux Style Cycle Network and Improvements to Dangerous Roads	2,850	1,500	1,500	5,850
Additional Controlled Parking Zone	125			125
A40/Collingwood Road Signalised Junction	125			125
<b>Environment &amp; Economy Programme</b>				
Insulation Scheme	7,000			7,000
<b>Total amendments to the Capital Programme *</b>	<b>10,000</b>	<b>1,500</b>	<b>1,500</b>	<b>13,000</b>

\* Funded by £10m prudential loan and income from Employer's parking levy (2016/17 onwards)

## Council Tax and Precepts 2015/16

### Council Tax Data

1. In order to set its budget for 2015/16, the council needs to calculate its council tax requirement. This is the amount that the council needs to raise from council tax to meet its expenditure after taking account of the income it will accrue from the following
  - (a) the amount to be received from specific grants.
  - (b) the amount to be received from Revenue Support Grant and the Business Rates Top Up under the Business Rates Retention Scheme.
  - (c) the amount to be received for the County Council's share of Non-Domestic Rating Income.
  - (d) any surpluses/shortfalls on the council tax collection funds for earlier years and the estimated position for the current year.
  - (e) the amount expected to be received from fees, charges and contributions.
  
2. In order to set its council tax for the forthcoming year, the council needs to calculate its council tax requirement and have available the council tax base, expressed in terms of Band D equivalent properties.
  
3. Based on the final information on funding and assuming a council tax requirement of **£296,759,302** the calculation of the Band D Council Tax for 2015/16 is as follows:

### Council Tax Calculation 2015/16

	£m
County Council net expenditure after specific grants	433.049
Less: Revenue Support Grant	-62.305
Business Rates Top Up	-37.085
Non-Domestic Rating Income	-29.428
Collection Fund Adjustments	-7.472
<b>Council Tax Requirement (R)</b>	<b>296.759</b>
Council Tax Base (assuming losses on collection) (T)	233,884
<b>Band D Council Tax (R/T)</b>	<b>£1,268.83</b>

The calculation of the council tax for the other bands is shown below in Table 1. Table 2 analyses the tax base over each district council area and allocates the estimated County Council precept to each area relative to their tax base.

**Table 1**

**Council Tax by Property Band for Oxfordshire County Council**

Assuming a Band D council tax of £1,268.83, the council tax for other bands is as follows:

Property Band	Property Values	Band D Proportion	2015/16 £ p
A	Up to £40,000	6/9	845.89
B	Over £40,000 and up to £52,000	7/9	986.87
C	Over £52,000 and up to £68,000	8/9	1,127.85
D	Over £68,000 and up to £88,000	9/9	1,268.83
E	Over £88,000 and up to £120,000	11/9	1,550.79
F	Over £120,000 and up to £160,000	13/9	1,832.75
G	Over £160,000 and up to £320,000	15/9	2,114.72
H	Over £320,000	18/9	2,537.66

**Table 2**

**Allocation of Precept to Districts**

The County Council precept (£296,759,302) is the sum of the council tax income required to fund the Council's budget.

District Council	Tax Base Number	Assumed Precept Due
		£
Cherwell	48,253.00	61,224,853.99
Oxford City	42,658.70	54,126,638.32
South Oxfordshire	54,233.60	68,813,218.69
Vale of White Horse	47,563.10	60,349,488.17
West Oxfordshire	41,175.81	52,245,103.00
<b>TOTAL</b>	<b>233,884.21</b>	<b>296,759,302.17</b>

Formal approval is required under the council tax legislation for:

- The County Council's precept, allocated to district councils pro rata to their share of the council tax base for the County Council;
- The council tax figures for the County Council for a Band D equivalent property and a calculation of the equivalent council tax figure for all other bands.

The information must be given to district councils by 1 March 2015.

## **LIBERAL DEMOCRAT GROUP RESPONSE TO BUDGET PROPOSALS - February 2015**

### **Councillor Neil Fawcett Acting leader Liberal Democrat Group**

Local Government, and especially the shire counties, continue to face huge financial pressures. Oxfordshire is no exception; in fact we are in an even worse position than many authorities.

It is therefore vital that the County Council's budget for the coming years is strong, realistic and carefully thought through.

In our view the budget proposed by the Conservative and Independent Alliance fails this test.

A year ago the Liberal Democrat group brought a motion to full Council inviting the Secretary of State to come to Oxfordshire and meet with front-line staff and service-users to hear from them about the harm being done by relentless cutting of public services. That was voted down. This year due to a 'light touch approach' given to the directorate budget-challenge sessions our relevant group spokespersons were not allowed to attend, leaving us with incomplete information. The income generation working-group, to which we contributed several sensible suggestions, was disbanded and a promise to reinstate the group has not materialised. We are not convinced that alternative funding sources (municipal bonds, social impact bonds) have been sufficiently researched.

Last year the Liberal Democrat group was at the forefront of calls for a separate scrutiny committee for adult services. That has been ignored. Yet there are gaping holes in the budget in the form of unidentified future cuts totalling several million pounds in Adult Social Care. Both Adult and Children's Services face mounting pressures and have been unable to operate within their current budgets this year. We have no confidence that the administration has got to grips with this. Their proposals are for more of the same. - More threats to valuable preventative services; more pulling back of care services under the guise of increasing independence. Not in our name.

Too much time and effort is spent on kite-flying (for instance the launch of Connecting Oxfordshire) or foolish ideas (for instance the remodelling of Frideswide Square before the station masterplan has been approved) at the expense of the nuts and bolts of sorting out a realistic budget and improving services. Most major capital schemes now overspend significantly as a matter of routine. The City and its ring-road are regularly at a standstill as a result of failure to co-ordinate road-works at principal junctions. The views of both the commuting public and City businesses are dismissed.

A year ago the Liberal Democrat budget amendment proposed that the Council should look at streamlining its senior management structure, including a reduction in the number of directorates by one. The administration said that this was neither necessary nor possible.

We now see rushed proposals to abolish the post of Chief Executive coming forward in the middle of the budget period. We are pleased that savings in senior management are being looked at, but far from convinced that this is the right way to do it. The proposal for a unitary authority deserves honest discussion, but is lobbed into the budget debate at a late stage with no notice to anyone.

Our frequent questions at relevant committees about the cost and performance of major contracts are side-stepped but the problems seem to go from bad to worse.

We believe that the Council needs to take a deeper look at how it operates. A return to zero-base budgeting; a drastic review of the property portfolio and making best use of the buildings we own or rent; a fully thought through restructuring of senior management; a thorough exploration of how further costs can be driven out and better value for money obtained during contract renewal; a serious look at how prudential borrowing could be used to reduce longer term road maintenance and other ongoing costs.

For the past two years this group has constructively challenged and come up with budget amendments deserving of better consideration than they received.

This is the CIA's budget for Oxfordshire and we will not be supporting it.