

District Councillor Update: February 2022

Cllr Jo Robb

2022/23 Budget

The SODC budget for 2022/23 is working its way through the democratic cycle of meetings - Cabinet, Scrutiny and then Full Council on 17 February. Ensuring financial sustainability is the long-term goal as the Council seeks ways of saving money, increasing income and delivering vital services more efficiently.

The Council saved £1.5m over the last year, chiefly through bringing functions back in-house from Capita, agreeing a Joint Local Plan and Joint Design Guide with neighbouring Vale of White Horse District Council, and adopting a Corporate Landlord approach to managing the Council's property assets. Instead of each service area managing its own properties, we have one in-house landlord managing all of them, improving efficiency and economies of scale. The decision to purchase property for temporary accommodation, rather than using hotels for those who require emergency accommodation, will yield immediate savings in the revenue budget.

Bringing the finance function back in-house has also enabled the Council to get a better grip on the assumptions underlying the base budget and this too has yielded savings.

It undoubtedly helps that at least three of the members of the Cabinet of the Council are qualified accountants, and are therefore able to provide a professional approach to the Council's finances. No fewer than five members of the administration are qualified accountants.

One of the key documents that the Finance Department has to prepare is the Medium Term Financial Plan, looking ahead five years. This has often presented a rather alarming picture, showing a deteriorating financial position. The first such plan of May 2019, predicted that the General Fund Balance, ie the Council's reserves, would have fallen from £26 million to £5 million by 2022/23. As it has turned out, the latest plan shows that the expected £5million actually came in much better at £25million for 2022/23, and looking ahead the next 5 years the balance is £18 million. By scrapping the outsourcing contract with Capita, not only does the Council now have a better control over the accounting and book keeping processes, it has also made significant savings.

On the revenue side, fees and charges across the service have increased in order to cover costs. These include carpark charges in town centres, fees for dog waste bins and planning application fees. In addition, in line with government expectation, the Council has increased Council Tax by the maximum allowable without a referendum - £5 on a band-D property. SODC remains one of the lowest council tax shires in the country.

Up to £5m of funds secured from developers will go towards providing houses for social rent to help address the crisis of housing affordability in the district. At the same time, the

Council will jump-start priority aims that were impacted or delayed by Covid-19. A one-off investment of £500,000 will help fund projects such as tree and hedge planting, accelerating the home retrofit programme, promoting green skills, and addressing litter across the district with “deep cleans”.

Some £500,000 of community grant funding will support projects such as new community buildings, defibrillators, the installation of solar panels or sports and play areas.

It was the decision in the past to freeze Council tax, while losing control of the finances by outsourcing so much to Capita, that gave rise to the alarming forecast. However, despite the improving position, the Council's finances are not yet sufficiently robust to prevent an increase in Council Tax. There is no point in making a political gesture by freezing council tax if the Council ends up, like Northamptonshire or Slough, completely bankrupt.

It is worth pointing out that the Council Tax covers the County Council, Parish, and Police as well as SODC, and of the total SODC has only 6%, the Police 10% and the Parishes 5%, with OCC using 78%.

Infrastructure Funding Statements now available

SODC has published its Infrastructure Funding Statements for 2020/21, providing an annual summary on developer contributions. Through Community Infrastructure Levy and Section 106, we were able to secure £20,665,018 from local developers, which will go towards local infrastructure to support the growth in our district. You can read more information on funds allocated to projects via the SODC website: <https://www.southoxon.gov.uk/south-oxfordshire-district-council/community-support/infrastructure-to-support-communities/>

A total of £377,338 was allocated or spent on key infrastructure and a total of £1.6m was been transferred to town and parish councils in 2020/21. Some £6.6m was released to Oxfordshire County Council for essential education and highways improvements.

As part of the budget-setting process for 2022/23, for the first time, a prioritised list of projects which will use the SODC portion of these funds has been created; this new approach will ensure that 3rd party funds are used wherever possible for major projects, thus reducing the demand on the Council's reserves. The majority of these projects relate to decarbonising and upgrading the District's leisure centres, the Riverside pool, campsite and other facilities in Wallingford, tree planting projects and the purchase of housing for social rent.

Five-Year Housing Land Supply

The leaders of the six Oxfordshire Councils have written to the Secretary of State for Levelling Up, Housing and Communities, urging the scrapping of the 5-year housing land supply rules which, they say, do not function as they were intended to, are ambiguous and misleading, and provide perverse incentives to developers to “game the system.”

Cllr David Rouane of South Oxfordshire District Council, Cllr Emily Smith of Vale of White Horse District Council, Cllr Barry Wood of Cherwell District Council, Cllr Michelle Mead of

West Oxfordshire District Council, Cllr Linda Brown of Oxford City and Cllr Liz Leffman of Oxfordshire County Council asked Mr Gove to abolish the 5-year housing land supply measure and replace it with one that instead makes objective assessments based on the sites allocated and permitted by a local authority combined with a scheme of incentives for developers to build out permissioned and allocated sites.

You can read the letter here: [Oxfordshire Leaders - 5 year land supply letter .pdf](#)

Omicron Hospitality and Leisure Grant

Businesses based in South Oxfordshire in the hospitality, leisure and accommodation sectors are being urged to apply for support from the Omicron Hospitality and Leisure Grant fund. The government has given £1,482,084 to South Oxfordshire to help support local businesses that have been struggling financially due to the recent Covid-19 Omicron variant.

Cllr Leigh Rawlins, Cabinet Member for Finance and Property Assets at South Oxfordshire District Council, said: "Just as our local pubs, restaurants and hotels were gearing up to a busy Christmas, the Omicron variant came along at the worst possible time. We hope local businesses in these sectors can take advantage of this and other grants to help keep their doors open so we can all enjoy them now and in the future."

To apply, eligible businesses must have been open and trading from a property where they are responsible for paying business rates on 30 December 2021. The criteria of the grant is set by the government and rules of how the money is distributed cannot be changed by the council. Successful applicants could receive between £2,667 and £6,000 depending on the rateable value of the property.

Business owners can find out the full criteria and complete an online application form via the district councils' South and Vale Business Support website – <https://svbs.co.uk> up until midday on 18 February. Businesses can also stay up to date with all government grants given to the district councils by signing up to the South and Vale Business Support newsletter via their website.

Council Tax and Energy Bill Rebate

You have probably seen the announcement about the measures the Government is taking to help protect households from rising energy costs and the cost-of-living crisis.

This includes a £200 Energy Bills Rebate and a £150 Council Tax Energy Rebate.

Households in England, which are in council tax bands A-D, will receive a £150 rebate. The rebate to bills will be made by local authorities to households from April directly rather than through the Council Tax system. This will not need to be repaid. This one-off payment will benefit around 80 per cent of all homes in England.

On top of this discount, discretionary funding of £144m will also be provided to support vulnerable people and individuals on low incomes who do not pay Council Tax, or who pay Council Tax for properties in Bands E-H.

Please check the Council Tax page of the website for more information or contact SODC directly: Tel: 01235 422 422

Cost of Living Crisis

Please remind residents that the **Household Support Fund** is still available. Residents who are struggling to pay heating, energy or food bills are urged to contact the Community Hub where staff can support them with an application and guide them through the range of financial support available. Tel: 01235 422 600