

# Public Document Pack

## Cherwell District Council

### Executive

Minutes of a meeting of the Executive held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 1 June 2015 at 6.30 pm

Present: Councillor Barry Wood (Chairman), Leader of the Council  
Councillor G A Reynolds (Vice-Chairman), Deputy Leader of the Council

Councillor Norman Bolster, Lead Member for Estates and the Economy

Councillor John Donaldson, Lead Member for Housing

Councillor Michael Gibbard, Lead Member for Planning

Councillor Tony Ilott, Lead Member for Public Protection

Councillor Kieron Mallon, Lead Member for Banbury Futures

Councillor D M Pickford, Lead Member for Clean and Green

Councillor Nicholas Turner, Lead Member for Change Management, Joint Working and IT

Also Present: Councillor Sean Woodcock, Leader of the Labour Group  
Councillor Mike Kerford-Byrnes, for agenda item 7  
Councillor Les Sibley, for agenda item 9  
Councillor Lawrie Stratford

Apologies for absence: Councillor Ken Atack, Lead Member for Financial Management

Officers: Sue Smith, Chief Executive  
Martin Henry, Director of Resources / Section 151 Officer  
Adrian Colwell, Head of Strategic Planning and the Economy, for agenda item 9  
Jo Pitman, Head of Transformation, for agenda item 10  
Chris Stratford, Head of Regeneration and Housing, for agenda item 7  
Paul Sutton, Head of Finance and Procurement  
Kevin Lane, Head of Law and Governance / Monitoring Officer  
Natasha Clark, Team Leader, Democratic and Elections

#### 1 **Declarations of Interest**

Members declared interests in the following agenda items:

#### **7. Revision to Housing Allocation Scheme (as approved in November 2012).**

Councillor Sean Woodcock, Declaration, as an employee of a registered provider.

2 **Petitions and Requests to Address the Meeting**

The Chairman reported that he had agreed to requests from Councillor Kerford-Byrnes to address the Executive on agenda item 7, Revision to Housing Allocation Scheme (as approved in November 2012) and Councillor Sibley on agenda item agenda item 9, North West Bicester Supplementary Planning Document (SPD).

3 **Urgent Business**

There were no items of urgent business.

4 **Minutes**

The minutes of the meeting held on 7 April 2015 were agreed as a correct record and signed by the Chairman.

5 **Chairman's Announcements**

The Chairman made the following announcement:

1. Under the Openness of Local Government Bodies Regulations 2014, members of the public were permitted to film, broadcast and report on the meeting, subject to the efficient running of the meeting not being affected.

6 **North West Bicester Supplementary Planning Document (SPD)**

The Head of Strategic Planning and the Economy submitted a report which provided an update on the progress in preparing a Supplementary Planning Document (SPD) for the North West Bicester strategic development identified in the modified Submission Cherwell Local Plan as Policy Bicester 1 and sought approval for the Draft North West Bicester SPD to be used as informal interim planning guidance in the determination of planning applications.

At the discretion of the Chairman, Councillor Sibley addressed the Executive.

**Resolved**

- (1) That the progress in preparing the North West Bicester Supplementary Planning Document (SPD) be noted.
- (2) That the response to the representations received and resulting changes to the Draft SPD be agreed.
- (3) That the latest version of the Draft SPD to be used on an interim basis for development management purposes be approved.

- (4) That the further steps to complete the SPD, as follows, be noted:
  - a) Consult on the revised Statement of Consultation
  - b) Consult the statutory consultation bodies on the Strategic Environmental Assessment (SEA) screening
- (5) That the Head of Strategic Planning and the Economy be authorised to make any necessary minor amendments to the SPD to be made in consultation with the Lead Member for Planning.
- (6) That the need for the final SPD to be presented to the Executive for formal adoption at a future meeting in the light of the Local Plan Inspector's Report and the cancellation of the Eco-towns Planning Policy Statement (PPS) be noted.

## **Reasons**

This report sets out the current position on the preparation of the North West Bicester SPD. The consultation on the Draft SPD has not identified any fundamental issues. It is recommended that the Council use the SPD as informal interim guidance in guiding the preparation and determination of planning applications prior to its formal adoption. In order to complete the SPD and progress it towards adoption, the report has identified areas of work which require further attention including the formal SEA screening opinion, Statement of Consultation and further review of the document following confirmation that the Eco-town PPS is to be cancelled. It is proposed to report back to the Executive with a further update following the receipt of the Inspector's Report should this raise new issues that have not already been considered in the production of the draft SPD.

The Executive is recommended to note the progress that has been made with the SPD, approve the draft SPD as amended for development management purposes and authorise officers to carry out further consultation on the SEA and Statement of Consultation. Officers will consult with the Lead Member for Planning on any further minor amendments. The Executive's formal adoption of the SPD will be sought following adoption of the Local Plan.

## **Alternative options**

Option 1: To not progress the preparation of the NW Bicester SPD and rely only on the Submission Cherwell Local Plan Policy Bicester 1 (as Proposed to be Modified) – rejected given the general support for the policies in the SPD, and its role in guiding the preparation of planning applications and as informal detailed guidance in determining planning applications.

Option 2: To await the adoption of the Local Plan before continuing to progress the preparation of the SPD – rejected due to the timescales involved and the necessity for informal planning guidance when determining the outline planning applications in 2015.

## **Revision to Housing Allocation Scheme (as approved in November 2012)**

The Head of Regeneration and Housing submitted a report which sought approval of revisions to the Council's Allocation Scheme (as approved in November 2012).

In introducing the report, the Lead Member for Housing explained that The Allocation of Housing (Qualification Criteria for Right to Move) (England) Regulations 2015 came into force on 20 April 2015 and the Scheme would be amended to reflect the Regulations.

At the discretion of the Chairman, Councillor Kerford-Byrnes addressed the Executive.

### **Resolved**

- (1) That the revisions to the Housing Allocations Scheme be accepted, subject to the following amendment: Keyworker definitions – amend fourth bullet to read “a teacher working in one of the district's state maintained schools”.
- (2) That it be noted the scheme would be amended to reflect The Allocation of Housing (Qualification Criteria for Right to Move) (England) Regulations 2015 which came into force on 20 April 2015.
- (3) That the Overview and Scrutiny Committee be recommended to undertake a review of the council's policy on rural exception sites.

### **Reasons**

In November, 2012, the Council implemented a new and innovative Allocation Scheme taking account of the changes to legislation, namely the Localism Act 2011 and the new Allocation of Accommodation Code of Guidance developed as a consequence of that. The new scheme met all of the Council's strategic priorities within its Housing Strategy 2012-17.

As agreed when the Allocation Scheme was approved the Council has reviewed the current Scheme to ensure that it meets not only the needs of the most vulnerable within the District but also the supply of accommodation that is coming available to ensure that we meet our nomination requirements, namely the percentage of void stock that registered providers have to give to the Council to let each year.

The Allocation of Housing (Qualification Criteria for Right to Move) (England) Regulations 2015 are made by the Secretary of State under section 160ZA(8)(b) and 172(4) of the Housing Act 1996, under which the Secretary of State has the power to set out in regulations criteria which local housing authorities may not use to decide what classes of persons are not qualifying persons for an allocation of housing accommodation. The Regulations came into force on 20 April 2015.

The Overview & Scrutiny Committee is recommended to undertake a review of rural exception sites to consider any disconnect between planning policy and the Allocations Policy.

### **Alternative options**

Option 1: Not to accept any revisions to Cherwell's Allocation Scheme 2012

## **8 Corporate Biodiversity Action Plan 2015/16 Protecting and Enhancing Cherwell's Natural Environment**

The Interim Community Partnerships & Recreation Manager submitted a report which sought approval of the 2015/15 Corporate Biodiversity Action Plan (BAP).

### **Resolved**

- (1) That the Corporate Biodiversity Action Plan (BAP) 2015/16 be approved.

### **Reasons**

The annual Corporate BAP provides a framework of aims, actions and targets, the delivery of which ensures that the Council complies with both legislative and planning policy requirements relating to important wildlife sites, habitats and species and good quality connected green spaces.

### **Alternative options**

Option 1: To reject the Corporate BAP 2015/16 – but the Council would not be able to demonstrate that it is meeting biodiversity legislation and planning policy requirements.

Option 2: To amend the Corporate BAP 2014/15

## **9 Performance Report 2014-2015 Quarter 4 / End of Year**

The Head of Transformation submitted a report which provided information relating to quarter four of the annual performance year, for the period 1 January - 31 March 2015. The report also reflected end of year outturns as measured through the performance management framework.

### **Resolved**

- (1) That it be noted that despite tough performance targets, a challenging economic environment, and on-going policy and organisational change, Cherwell District Council has met or made satisfactory progress on 96% of all the performance targets outlined in its performance management framework.

- (2) That it be noted that any feedback on performance issues from Overview and Scrutiny Committee at its meeting on 2 June 2015 would be provided directly to the Leader.

### **Reasons**

In this final quarter report we show that the Council has made strong progress towards delivering its ambitions to improve the services delivered to the public and against key projects and priorities, despite tough performance targets, a challenging economic environment, and on-going policy and organisational change. It also demonstrates the Council's proactive performance management of issues raised and the inclusive role of Overview and Scrutiny in supporting performance review.

With a 96% delivery rate against the key strategic priorities and the deliverables that sit underneath them the report clearly demonstrates that the council's performance is excellent, and that together we are making a significant and positive difference to the District, our residents, businesses and other key stakeholders. There can be no other recommendations to make, other than to commend everyone who has contributed to such excellent performance, of which we should all be proud.

### **Alternative options**

Option 1: To request additional information on items and/or add to the work programme for review and/or refer to Overview and Scrutiny.

10

## **Provisional 2014-15 Revenue and Capital Outturn Report**

The Head of Finance & Procurement submitted a report which summarised the Council's provisional Revenue and Capital performance for the financial year 2014-2015 and reported on performance against the procurement action plan. The figures were still subject to further validation work to ensure compliance with statutory requirements and proper accounting practices

### **Resolved**

- (1) That the carry forward of budget underspends from 2014-2015 to 2015-2016 (annex to the Minutes as set out in the Minute Book) be agreed.
- (2) That the review of reserves (annex to the Minutes as set out in the Minute Book) be agreed.
- (3) That the provisional capital out-turn position for 2014-2015 (annex to the Minutes as set out in the Minute Book) be noted.
- (4) That the balances on capital schemes which have slipped in 2014-2015 to be carried forward into the 2015-2016 capital programme (annex to the Minutes as set out in the Minute Book) be agreed.
- (5) That the Treasury out-turn position for 2014-15 be noted.

- (6) That progress against the Council's Procurement Action Plan be noted.
- (7) That responsibility be delegated to the Director of Resources and Head of Finance and Procurement in consultation with the Lead Member for Financial Management to consider and implement further changes relating to all aspects of the closedown of the accounts for 2014-15 including: realigning reserves; the transfer of costs from revenue to capital; amendments of the revenue and capital budgets; and implementation of a minimum revenue provision accordingly.

### **Reasons**

This report illustrates the Council's provisional performance against the 2014-15 Revenue and Capital Budget and progress achieved against our Procurement action plan and targets.

The financial performance for revenue reflects an underspend whilst capital reflects an overspend due to Graven Hill, which was known. The performance demonstrates the Council's ability to respond positively and actively to changing economic circumstances and deliver sizeable capital programmes and effective financial management.

The variances on the revenue outturn were within the Council's stated tolerances although capital outturn was outside for the reasons stated in the report.

### **Alternative options**

Option 1: To reject the current proposals and to make alternative recommendations or ask officers for further information.

## **11 Exclusion of the Press and Public**

### **Resolved**

That under Section 100A of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business on the ground that, if the public and press were present, it would be likely that exempt information falling under the provisions of Schedule 12A, Part 1, Paragraph 3 would be disclosed to them, and that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

## **12 Leisure Contract**

The Director of Community and Environment submitted an exempt report relating to negotiations with Parkwood Leisure Ltd over changes to the contract to operate the Council's main leisure centres.

### **Resolved**

- (1) That the outcome of the negotiations over a change to the benchmark contract price and the incorporation of Legacy Leisure into the leisure management contractual framework be endorsed.
- (2) That the net financial benefit of these changes be incorporated into the revised 2015/16 revenue estimates and the full savings effect into the base budget for 2016/17.

### **Reasons**

The package is regarded by officers as a very positive outcome from negotiations where the Council will;

- Achieve a greater annual cost saving than that originally offered.
- Achieve a substantial annual reduction in the cost of operating its three primary leisure centres.
- Address in full one of the outstanding 2008 contract anomalies and another in part.
- Address some of the 2015/16 budget challenges associated with the Spiceball bridge.

### **Alternative options**

Option 1: To reject the linked outcomes of the negotiations and revert to the current contract structure and cost. This will not deliver any financial savings to the Council

The meeting ended at 8.00 pm

Chairman:

Date:

### Cherwell District Council

#### Executive

1 June 2015

<p><b>Provisional 2014-15 Revenue and Capital Outturn Report</b></p>
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#### Report of the Head of Finance & Procurement

This report is public

#### Purpose of report

This report summarises the Council's provisional Revenue and Capital performance for the financial year 2014-2015 and reports on performance against the procurement action plan. The figures are still subject to further validation work to ensure compliance with statutory requirements and proper accounting practices.

#### 1.0 Recommendations

The Executive is recommended to:

- 1.1 Agree the carry forward of budget underspends from 2014-2015 to 2015-2016 as detailed in Annex 1.
- 1.2 Agree the review of reserves as detailed in Annex 3.
- 1.3 Note the provisional capital out-turn position for 2014-2015 detailed in Annex 2.
- 1.4 Agree the balances on capital schemes which have slipped in 2014-2015 to be carried forward into the 2015-2016 capital programme as set out in Annex 2.
- 1.5 Note the Treasury out-turn position for 2014-15.
- 1.6 Note progress against the Council's Procurement Action Plan.
- 1.7 Delegate responsibility to the Director of Resources and Head of Finance and Procurement in consultation with the Lead Member for Financial Management to consider and implement further changes relating to all aspects of the closedown of the accounts for 2014-15 including: realigning reserves; the transfer of costs from revenue to capital; amendments of the revenue and capital budgets; and implementation of a minimum revenue provision accordingly.

## **2.0 Introduction**

- 2.1 The Council's outturn position is a primary source of information for the production of the Statement of Accounts and provides context for members in their consideration of the accounts.
- 2.2 Provisional Outturn 2014/15 is reported for the following and set out in detail in the paragraphs below:
- General Fund;
  - Capital Programme.
- 2.3 During 2014-15, budget monitoring has taken place which has highlighted variances between actual expenditure and income and budget. As in previous years there has been a detailed focus on the importance of accurate budgeting and appropriate monitoring. This continues to be embedded throughout the Council.

## **3.0 Report Details**

### **Revenue Out-turn 2014-15 provisional**

- 3.1 The Council's provisional outturn position for the General Fund is set out in the table below. This is in Service Directorate order and the paragraphs that follow deal with the major variances incurred in each of the services.
- 3.2 During the course of 2014-2015, a number of changes have been made to the original 2014-2015 revenue and capital budgets. The adjusted full-year budget represents the original budget, as approved by the Council, the addition of supplementary revenue estimates approved during the year, agreed virements to existing budgets and the utilisation of appropriate reserves.

REVENUE OUTTURN 2014-15	Adjusted Budget 2014-15 £,000	Draft Outturn 2014-15 £,000	Variance 2014-15	
			£,000	%
<b>SERVICES</b>				
Bicester Regeneration Projects	443	5	(438)	-98.9%
Community & Environment Resources	10,422	10,673	251	2.4%
Development	3,392	3,284	(108)	-3.2%
	4,517	3,779	(738)	-16.3%
<b>Net Service Expenditure</b>	<b>18,774</b>	<b>17,741</b>	<b>(1,033)</b>	<b>-5.5%</b>
Capital Charges Reversed	(3,341)	(3,341)	0	0.0%
<b>Net Budget Requirement</b>	<b>15,433</b>	<b>14,400</b>	<b>(1,033)</b>	<b>-6.7%</b>
<b>FUNDING</b>				
Business Rates Baseline	(3,401)	(3,401)	0	0.0%
Revenue Support Grant	(3,864)	(3,864)	0	0.0%
<b>Formula Grant Equivalent</b>	<b>(7,265)</b>	<b>(7,265)</b>	<b>0</b>	<b>0.0%</b>
Transfer to Parish Councils for CTRS	349	349	0	0.0%
Other Grants	0	(48)	(48)	0.0%
Investment Income	(48)	(426)	(378)	-787.2%
Council Tax Compensation Grant	0	(63)	(63)	
Collection Fund	(233)	(233)	0	0.0%
New Homes Bonus	(1,013)	(1,013)	0	0.0%
<b>Business Rates</b>				
Section 31 Grant	0	(705)	(705)	
Growth above baseline	(400)	(1,371)	(971)	-242.8%
Collection Fund	0	(309)	(309)	%
Council Tax Income	(5,880)	(5,880)	0	0.0%
Use of Reserves	(943)	(918)	25	2.7%
<b>TOTAL INCOME</b>	<b>(15,433)</b>	<b>(17,881)</b>	<b>(2,448)</b>	<b>-15.9%</b>
Service Budget Carry Forwards			<b>305</b>	
Transfer to Earmarked Reserves			<b>1,652</b>	
Transfer to Earmarked Reserves - Grants			<b>1,321</b>	
			<b>3,278</b>	
<b>Provisional Outturn</b>			<b>(203)</b>	<b>-1.3%</b>
Surplus transferred to General Fund Balance			<b>203</b>	
<b>Outturn</b>			<b>0</b>	

3.3 The underspend of £203,000 after budget carry forwards transfers to earmarked reserves represents a variance of 1.3% compared to budget. The Council's revenue budget tolerances are 2%.

3.4 The service budget underspend has arisen through a variety of reasons. The key variances and explanations are set out at Directorate level in the tables below. The underspend in services of £1,033,000 is split between the directorates as follows:

Directorate	2014-15 Budget £000	2014-15 Outturn £000	Variance £000	Variance %
<b>Bicester Regeneration Projects</b>	443	5	(438)	-98.9%
<ul style="list-style-type: none"> <li>Unspent DCLG grant (£413,000) transferred to Ear Marked Reserves (EMR)</li> <li>Salary savings due to recruitment lag (£25,000)</li> </ul>				

Directorate	2014-15 Budget £000	2014-15 Outturn £000	Variance £000	Variance %
<b>Community &amp; Environment</b>	10,422	10,673	251	-2.4%
<p><u>Community Services</u></p> <ul style="list-style-type: none"> <li>Customer Services (£85,000) underspends largely achieved due to staff vacancies and maintenance contracts</li> <li>Vehicle Parks £421,000 overspent due to car park income shortfalls from car parking, Excess Charge Notices and season tickets</li> <li>Safer Communities (£78,000) underspends for vacant posts and savings on CCTV</li> <li>Arts, Tourism and Health £40,000 overspent relating to the Museum</li> <li>Licensing (£63,000) surplus in fee income</li> <li>Sports Facilities Management (£14,000) insurance claim windfall income</li> <li>Public and Environmental Health and Anti-social Behaviour (£49,000) savings in salaries, computer software and contractors and (£53,000) from Sainsbury's Primary Authority agreement</li> <li>Other miscellaneous service overspends (£26,000)</li> </ul> <p><u>Environmental Services</u></p> <ul style="list-style-type: none"> <li>Waste, Recycling and Recycling Bank £180,000 overspend primarily due to contract changes with the recycling contract and additional costs incurred for agency staff covering sickness and vacancies.</li> </ul> <p><u>Directorate Administration</u></p> <ul style="list-style-type: none"> <li>Community and Environment Admin (£22,000): salary savings from vacant posts</li> </ul>				

Directorate	2014-15 Budget £000	2014-15 Outturn £000	Variance £000	Variance %
<b>Resources</b>	3,392	3,284	(108)	3.2%
<ul style="list-style-type: none"> <li>HR (£54,000) underspends on training.</li> <li>Legal £17,000 overspend from higher counsel costs than anticipated</li> <li>Land Charges (£61,000) underspend from higher search fee income and salary savings</li> <li>Miscellaneous savings (£10,000)</li> </ul>				

Directorate	2014-15 Budget £000	2014-15 Outturn £000	Variance £000	Variance %
<b>Development</b>	4,517	3,779	(738)	16.3%
<ul style="list-style-type: none"> <li>Strategic Planning £539,000 overspend on Local Plan</li> <li>Development Control (£1,239,000) underspends on salaries and surplus planning income</li> <li>Building control (£53,000) underspend from salary savings.</li> <li>Assets &amp; Facilities Management (£113,000) underspend on maintenance of corporate properties</li> <li>Private Sector Housing (£19,000) underspend from salary savings</li> <li>Delivery Team £131,000 overspend on Crown House charges from capital to revenue and Council Tax charges for Build programme</li> <li>Miscellaneous savings (£38,000)</li> </ul>				

Directorate	2014-15 Budget £000	2014-15 Outturn £000	Variance £000	Variance %
<b>TOTAL SERVICES</b>	<b>18,774</b>	<b>17,741</b>	<b>(1,033)</b>	<b>5.5%</b>

### 3.5 Underspends to be transferred to an earmarked reserve (EMR)

Heads of Service have requested unspent budgets to be carried forward where:

- there are specific commitments
- there are discrete projects
- there is a requirement under IFRS to set up an earmarked reserve rather than accrue for a grant.

3.6 The total of the proposals for carried forward budgets is shown in Annex 1. Full Council approval is required where the underspend exceeds 10% of the individual budget heading (where this is £10,000 or more) or £50,000, whichever is less.

### 3.7 Unspent Grants to be transferred to earmarked reserves

As a result of complying with International Financial Reporting Standards (IFRS), any unspent grant received which has either no conditions attached to it, or where all conditions have been met, should be transferred to an earmarked reserve. These are detailed in Annex 1.

### Reserves and Balances (Provisional)

3.8 A review of reserves has been undertaken and is presented at Appendix 3 for approval. The review of reserves reflects the outcome of discussions between the Director of Resources and the Lead Member for Financial Management and reflects. The Budget Planning Committee will be asked to carry out a separate piece of work on all reserves in the forthcoming year which is likely to lead to further adjustments to the reserves at the appropriate point.

3.9 The proposed budget carry forwards and transfers to Ear Marked Reserves (listed in Appendix 1) have not been included in the Review of Reserves described above and will be added to them if approved.

3.10 The medium term financial strategy states that General fund balances should not drop below £750,000. Before year end adjustments general fund balances stood at £1.4m. As part of the provisional outturn process and review of reserves the opportunity has been taken to top up general fund balances to provide more headroom above the minimum balance. If the Provisional Outturn, Carry Forwards and Transfers to Reserves are approved the General Fund Balance will be £1.9m.

### Provisional Capital Outturn 2014/15

3.11 A summary of the capital expenditure in 2014-15 is set out in the table below. The detailed Capital Outturn and slippage requests by Capital Scheme are shown in Appendix 2.

Description	Original Budget 14/15	Adjusted 14/15	Approved Budget 14/15	Actual 14/15	Slippage 14/15	Variance 14/15
	£000	£000	£000	£000	£000	£000
Community and Environment	4,093	(1,271)	<b>2,822</b>	1,566	906	<b>(350)</b>
Resources	839	0	<b>839</b>	594	389	<b>144</b>
Development	16,117	0	<b>16,117</b>	14,008	1,905	<b>(204)</b>
Bicester Regeneration	4,837	(2,886)	<b>1,951</b>	6,735	0	<b>4,783</b>
<b>GRAND TOTAL</b>	<b>25,886</b>	<b>(4,157)</b>	<b>21,729</b>	22,902	3,200	<b>4,373</b>

- 3.12 Capital underspends will be returned to unallocated capital resources. Within the Bicester Directorate, £4.7m overspend relates to investments in the Graven Hill Holding Company, which were reported to Executive. The variance against budget, after allowing for slippage, is 17% (which is outside 5% tolerance).
- 3.13 There has been slippage in the programme due to the many external factors although the two largest items (Bicester Community Building and South West Bicester Sports Village) have been reported to Executive prior to Outturn. The largest remaining items are shown below.

	<b>£000</b>
<b>Largest items of Slippage</b>	
Cooper Sports Hall roof	100
North Oxfordshire Academy Astro turf	150
Bradley Arcade Roof Repairs	120
Upgrade to Uninterrupted Power Supply	288
Environmental Improvements Grimsbury	250
Old Bodicote House repairs	124
Bicester Town Centre Redevelopment	176
Discretionary Grants for Domestic Properties	136
	<b>1,344</b>

#### **Efficiencies**

- 3.14 Planned efficiency savings from the 2014-15 budget have been achieved. The Public Promise of £0.5m was successfully delivered and forms a significant element of the savings identified in our approved budget for 2014-15.

#### **Treasury Management**

- 3.15 The Treasury Management Strategy for 2014-15, which includes the Annual Investment Strategy, was taken to Council for approval in February 2014. It sets out the Council's investment priorities as being: security of capital; liquidity; and yield.
- 3.16 The Council has also aimed to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity.
- 3.17 Investment rates available in the market have been broadly stable during the quarter and have continued at historically low levels as a result of the ultra-low Bank Rate. The annualised average level of funds available for investment purposes up to March 2015 was £48.970m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the Capital Programme and ECO Bicester.
- 3.18 Investment performance at 31 March 2015 is as follows:-

<b>Fund</b>	<b>Amount at 31 March 2015</b>	<b>Interest Expectation</b>	<b>Actual Interest</b>	<b>Variance</b>	<b>Rate of return %</b>
In House	£49,853,000	£320,000	£400,216	£80,216	0.65%**
<b>Total</b>	<b>£49,853,000</b>	<b>£320,000</b>	<b>£400,216</b>	<b>£80,216</b>	

\* Excludes Glitnir Bank outstanding investment and interest      \*\* Rate of Return is shown on annualised basis.

## **Procurement**

- 3.19 The Joint Procurement Team has been adding value to a range of programmes across the Council including Graven Hill, Build! Projects, Wood Green Leisure Centre development & management and financial management system software.
- 3.20 The team have delivered cashable savings within year of £59,037 and additionally there are some procurement savings which are reflected in the service budgets.
- 3.21 The Joint Procurement Team continues to seek to work with Stratford-on-Avon District Council on mutually beneficial collaborative projects.

## **4.0 Conclusion and Reasons for Recommendations**

- 4.1 The financial performance for revenue reflects an underspend whilst capital reflects an overspend due to Graven Hill, which was known. The performance demonstrates the Council's ability to respond positively and actively to changing economic circumstances and deliver sizeable capital programmes and effective financial management.
- 4.2 The variances on the revenue outturn were within the Council's stated tolerances although capital outturn was outside for the reasons stated in the report.

## **5.0 Consultation**

- 5.1 The provisional outturn has been prepared by the Head of Finance and Procurement in consultation with the Director of Resources and the Lead Member for Financial Management.

## **6.0 Alternative Options and Reasons for Rejection**

- 6.1 This report illustrates the Council's provisional performance against the 2014-15 Revenue and Capital Budget and progress achieved against our Procurement action plan and targets.
- 6.2 Alternative options are:

To reject the current proposals and to make alternative recommendations or ask officers for further information.

## **7.0 Implications**

### **Financial and Resource Implications**

- 7.1 There are no financial implications arising directly from the production of this report. It should be noted that the information in this report is in the format used for budget monitoring purposes and, although adjustments have been made for the requirements of IFRS, it does not reflect the various accounting adjustments that are required to comply with the Statement of Recommended Practice nor is it in the same format as the statutory Financial Statement. It is therefore not a straightforward task to compare the figures in this report with the Council's Financial



**REQUESTS FOR BUDGET CARRY FORWARDS TO 2015-16**

**ANNEX 1**

REQUIRING MEMBER APPROVAL IF MORE THAN 10% of BUDGET  
(EXECUTIVE UP TO £50k, COUNCIL ABOVE)

	<b>H o S</b>	<b>Amount</b>	<b>Budget</b>	<b>Approval</b>
<b>BUDGET CARRY FORWARD REQUESTS</b>		<b>£</b>	<b>%</b>	
CCTV project	Jackie Fitzsimons	83,000	18.0%	Council
Uniform training	Jackie Fitzsimons	5,000	3.8%	
Paperlite project	Jackie Fitzsimons	15,000	11.4%	
Health and Safety Case	Jackie Fitzsimons	16,000	10.3%	
Emergency Planning software system	Jackie Fitzsimons	2,750	22.0%	
Continuing professional development training	Jackie Fitzsimons	850	22.0%	
Maintenance Costs	Karen Curtin	50,000	225.7%	Council
Housing needs carry forward request	Chris Stratford	2,794	3.3%	
Unspent training budget as a result of post vacancy to fund OD project and transformation programme to deliver shared competency framework, etc.	Jo Pitman	45,000	-128.6%	
Request to c/fwd unspent budget to member training reserve and for new AV equipment in Council chamber	Kevin Lane	24,200	4.9%	
To fund new AV equipment in council chamber and £5000 funds for x3 extra staff members for 6 months into 15-16 and f/time temp to cover maternity leave	Kevin Lane	60,000	-67.5%	Council
		<b>304,594</b>		
<b>TRANSFERS TO EAR MARKED RESERVES</b>				
Thames Valley Police account for future spend on joint projects	Jackie Fitzsimons	10,000	39.7%	
Transfer to Reserves the Licencing Net underspend for the year	Jackie Fitzsimons	60,667	65.2%	Council
Sainsbury's Primary Authority balance to EMR	Jackie Fitzsimons	55,328	Nil budget	Council
To Fund future costs of the Local Plan and Town Centre masterplanning.	Adrian Colwell	400,000	Nil budget	Council
Planning fees to Planning Fees reserve	Andy Preston	300,000	29.1%	Council
Strategic Housing Market Assessment	Chris Stratford	120,000	Nil budget	Council
Car Park Studies	Calvin Bell	200,000	Nil budget	Council
Valuation Consultancy	Karen Curtin	70,000	Nil budget	Council
Transport Engineer Consultancy	Calvin Bell	280,000	Nil budget	Council
Building Control balance to EMR	Andy Preston	53,035	34.2%	Council
Eco Town interest to Eco Town reserve	Karen Curtin	29,000	Nil budget	
Joint External Bid-Writer (SNC)	Karen Curtin	30,000	Nil budget	
Over recovered income from court cost to fund new system to make the process of debt collection more efficient	Paul Sutton	25,000	-18.1%	
To help fund the revenue cost not built into the base for the new 3-way pay't mgt system in 15-16	Paul Sutton	10,083	103.5%	
Request to c/fwd unspent budget to member training reserve and for new AV equipment in Council chamber	Kevin Lane	8,747	1.8%	
		<b>1,651,860</b>		
<b>GRANTS TO EARMARKED RESERVES</b>				
Eco Town S106 income	Karen Curtin	209,909		Council
Capacity grant	Karen Curtin	202,676		Council
Active Women	Nicola Riley	6,339		
New Burdens Neighbourhood Plan grant	Adrian Colwell	17,150		
New Burdens grant	Paul Sutton	27,184		
New Burdens - Asset of Community and Rights to Challenge	Paul Sutton	16,402		
New Burdens NDR cost of collection	Paul Sutton	78,582		Council
IER grant	Kevin Lane	31,786		
Section 31 Grant	Paul Sutton	731,000		Council
		<b>1,321,028</b>		

## CAPITAL OUTTURN 2014/15

Description	Original Budget 14/15	Adjusted 14/15	Approved Budget 14/15	Actual 14/15	Slippage 14/15	Variance 14/15
	£000	£000	£000	£000	£000	£000
<b>Community and Environment</b>						
Biomass Heating for Bicester Leisure Centre	307		307	221	86	0
Cooper Sports Hall Roof	100		100	0	100	0
Woodgreen Leisure Centre Bowls Hall Heater	65		65	25	0	(40)
Customer Self-Service Portal and CRM Solution	55		55	0	55	0
Stratfield Brake Floodlights	20		20	20	0	0
Hanwell Solar PV	35		35	28	0	(7)
Community Centre Refurbishments	84		84	0	84	0
Solar Photovoltaics at Sports Centre	80		80	0	80	(0)
Village Hall, Recreation Play Grants	7		7	0	7	0
Football Development Plan in Banbury	20		20	0	20	0
North Oxfordshire Academy Astro turf	150		150	0	150	0
South West Bicester Sports Village	1,458	(1,271)	187	187	0	(0)
Athletics Track Refurbishment - North Oxfordshire	165		165	124	7	(34)
Stratfield Brake Repair Works	22		22	0	22	0
KGSC ATP Replacement	77		77	9	20	(48)
Car Park Refurbishments	28		28	0	28	0
Implementing Vehicle Parks Proposals	17		17	0	17	0
Sports Centre Modernisation Programme	118		118	0	118	0
Energy Efficiency Projects	45		45	14	31	0
Glass Bank Recycling Scheme	25		25	16	9	(0)
Recycling Bank Scheme	25		25	4	21	0
Off Road Parking Facilities	18		18	0	18	0
Urban Centres Improvements	15		15	0	15	0
Vehicle Replacement Programme	873		873	860	17	4
Recycling Bins	216		216	24	0	(192)
Fleet Management System	4		4	3	1	(0)
Mini MRF [Materials Recovery Facility]	29		29	0	0	(29)
Thorpe Lane Depot Hard Standing	35		35	32	0	(3)
	<b>4,093</b>	<b>(1,271)</b>	<b>2,822</b>	<b>1,566</b>	<b>906</b>	<b>(350)</b>

Description	Original Budget 14/15	Adjusted 14/15	Approved Budget 14/15	Actual 14/15	Slippage 14/15	Variance 14/15
<b>Resources</b>						
Standardisation	0		0	5	0	5
Microsoft Licensing Agreement	50		50	130	0	80
Thin Client Extention	9		9	0	9	(0)
Core Business System Integration	24		24	0	24	0
Corporate Bookings System	19		19	8	8	(3)
Extended Contract for Website Hosting	40		40	0	40	0
Visualifies Upgrade	16		16	0	16	0
Server Replacement 1314	3		3	(1)	3	(0)
Financial System Upgrade	100		100	139	0	39
CDC&SNC Cust Servs Desktop	20		20	19	9	8
GCSX Secured Area - Wall Garden - PNC Compliance (	20		20	0	20	0
San Storage Renewal (IT hardware)	81		81	90	9	18
Server Replacement Programme (IT hardware)	30		30	0	30	0
ESXI PROD 2 - capacity forward planning (IT hardwa	15		15	0	15	0
Lync 2013 (professional fees, equipment, IT hardwa	44		44	35	9	0
Desktop PC Replacement	59		59	39	15	(5)
Netback Up Upgrade	75		75	51	24	(0)
ISCSI Traffic Separation (IT hardware)	20		20	16	4	(0)
Modular Development of CSM - Cherwell Helpdesk Sof	25		25	0	25	(0)
Security Logging Software	25		25	0	25	0
Hyper V Environment (IT hardware)	14		14	0	14	0
Aerial Imagery Update (professional fees)	10		10	6	0	(4)
Citrix - Expansion to Support Agile Working	20		20	0	20	(0)
VMware Virtual Centre Site Recovery Manager (disas	35		35	0	35	0
Sharepoint - Joint Bid with SNC (split 50:50)	35		35	0	35	0
Resourcelink Implementation	0		0	10	0	10
Elections - Cabinet Office IER Project	0		0	7	0	7
Elections Polling Booths and Count Tables	50		50	40	0	(9)
	<b>839</b>	<b>0</b>	<b>839</b>	<b>594</b>	<b>389</b>	<b>144</b>

Description	Original Budget 14/15	Adjusted 14/15	Approved Budget 14/15	Actual 14/15	Slippage 14/15	Variance 14/15
<b>Development</b>						
Cherwell Community Led Programme	11,930		<b>11,930</b>	12,121	0	<b>191</b>
Disabled Access Audit	15		<b>15</b>	0	15	<b>0</b>
23&24 Thorpe Place Roof Lights	27		<b>27</b>	23	4	<b>0</b>
Condition Survey Works	682		<b>682</b>	210	472	<b>0</b>
Replacement AC to Main Chamber Bodicote	166		<b>166</b>	160	0	<b>(6)</b>
Highfield Depot Redev of Office & Welfare Facilities	156		<b>156</b>	70	0	<b>(86)</b>
Replacement Air Con Banbury Museum	35		<b>35</b>	28	0	<b>(7)</b>
Bradley Arcade Roof Repairs	122		<b>122</b>	2	120	<b>0</b>
DPS Access Audit	20		<b>20</b>	0	20	<b>0</b>
Empty Homes and Work-in-default (recoverable) Enfo	100		<b>100</b>	0	100	<b>0</b>
18 & 19 Thorpe Place - Replacement Roof Lights	27		<b>27</b>	0	1	<b>(26)</b>
Upgrade to Uninterrupted Power Supply & Back up Sy	310		<b>310</b>	22	288	<b>(0)</b>
Improvements to Amenities to Orchard Way Shops	28		<b>28</b>	3	25	<b>0</b>
Bolton Road Design Works	15		<b>15</b>	15	0	<b>0</b>
Environmental Improvements Grimsbury	250		<b>250</b>	0	250	<b>0</b>
Access to Highfield Depot	22		<b>22</b>	0	0	<b>(22)</b>
Bicester Cattle Market Car Park Phase 2	90		<b>90</b>	0	90	<b>0</b>
Bicester Pedestrianisation	250		<b>250</b>	0	0	<b>(250)</b>
Future Regeneration Schemes Preliminary Prof Fees	6		<b>6</b>	0	0	<b>(6)</b>
Old Bodicote House	216		<b>216</b>	92	124	<b>(0)</b>
Bicester Town Centre Redevelopment	250		<b>250</b>	74	176	<b>(0)</b>
Kidlington High Street Pedestrianisation	46		<b>46</b>	50	0	<b>4</b>
Disabled Facilities Grants	838		<b>838</b>	847	0	<b>9</b>
Discretionary Grants for Domestic Properties - Es	376		<b>376</b>	240	136	<b>0</b>
Land Claypits Lane Bicester	56		<b>56</b>	50	0	<b>(6)</b>
Planning and Building Control replacement of ICLIP	84		<b>84</b>	0	84	<b>0</b>
	<b>16,117</b>	<b>0</b>	<b>16,117</b>	<b>14,008</b>	<b>1,905</b>	<b>(204)</b>
<b>Bicester Regeneration</b>						
Green Deal Capital	0		<b>0</b>	75	0	<b>75</b>
Graven Hill capital investment	0		<b>0</b>	4,708	0	<b>4,708</b>
Bicester Community Building	4,837	(2,886)	<b>1,951</b>	1,951	0	<b>0</b>
	<b>4,837</b>	<b>(2,886)</b>	<b>1,951</b>	<b>6,735</b>	<b>0</b>	<b>4,783</b>
<b>GRAND TOTAL</b>	<b>25,886</b>	<b>(4,157)</b>	<b>21,729</b>	<b>22,902</b>	<b>3,200</b>	<b>4,373</b>

EARMARKED RESERVES	Delegated Officer Responsibility (in conjunction with Lead Member)	Purpose	Balance 31 Mar 2014 £	Movements 2014/15 £	Review Movements £	Balance 31 March 2015 £
Civic Insignia	Head of Law & Governance	Reserve to replace civic insignia	(5,000)	0		(5,000)
Self Insurance / Legal Claims Reserve	Head of Finance & Procurement	To cover insurance/legal claims that are uneconomical to fight or below excess	(160,402)	0		(160,402)
Hs2 Reserve	Director of Development	To fund campaign against High Speed Rail Link 2	(14,021)	0		(14,021)
Building Control Reserve	Head of Public Protection and Development Management	To be used in establishing joint service with SNC	(47,242)	0		(47,242)
Wheeled Bins Replacement Reserve	Head of Finance & Procurement	To fund future capital projects	(126,627)	0		(126,627)
Corporate IT Contingency Reserve	Director of Resources	To supplement the base budget for the planned programme of replacing obsolete IT equipment and to deliver ICT improvements	(143,297)	0		(143,297)
Planning Policy Reserve	Head of Strategic Planning and the Economy	To cover expenditure relating to planning policy decisions - LDF etc.	(300,050)	300,050		0
Planning Control Reserve	Head of Public Protection and Development Management	To cover expenditure relating to planning appeals	(619,047)	0		(619,047)
Environmental Warranties Reserve	Head of Finance & Procurement	CDC's commitment on asbestos/environmental warranties of housing stock runs for a further 14 years	(2,240,064)	0		(2,240,064)
Hanwell Fields Reserve	Head of Public Protection and Development Management	Open space commitment due to topography of the site affecting the layout of the developed elements but does improve the overall quality of the whole development. Contribution to Banbury Town Council for maintenance since developer agreements completed.	(79,123)	0		(79,123)
Licensing Reserve	Head of Community Services	Surplus of income generated from Licensing that is ringfenced for Licensing only, therefore is transferred to an earmarked reserve at the year end for licensing expenditure.	(69,538)	0		(69,538)
Corporate Change Reserve	Director of Resources	To fund change initiatives to address either improvement issues, interim capacity or spend to save initiatives	(655,053)	66,971	(33,138)	(621,220)
Elections Reserve	Head of Law & Governance	To fund election expenditure	(126,735)	18,283		(108,452)
Olympic Legacy Reserve	Director of Community & Environment	To fund the Olympic Legacy	(20,801)	0		(20,801)
Economic Risk	Head of Finance & Procurement	To manage risks associated with economic climate and impact upon the council	(250,000)	0	250,000	0
Country Park Option Appraisal	Director of Development	To fund option appraisals for proposed country park north of Banbury	(50,000)	0	50,000	0
Special Initiatives	Director of Development	Revenue reserve created to fund projects that deliver housing and economic growth	(33,138)	0	33,138	0
Welfare Reform	Head of Finance & Procurement	To fund costs/implications associated with Welfare Reform	(150,000)	0	(129,000)	(279,000)
Apprentice	Director of Resources	To fund the cost of the Apprentice Scheme	(40,555)	0	40,555	0
Budget Carry Forwards	Various	Budget carried forward for specific projects as agreed by Executive	(387,529)	18,322		(369,207)
Significant Business Rates Volatility Reserve	Director of Resources	To mitigate fluctuations in business rates growth	(523,000)	0	(384,873)	(907,873)
Country Park Reserve		To fund parking provision at the planned country park north of Banbury	(50,000)	0	(50,000)	(100,000)
S31 Grant	Director of Resources	To mitigate fluctuations in business rates growth	(384,873)	0	384,873	0
NHB - AFFORDABLE HOUSING	Director of Resources	To minimise the borrowing impact on the Council's net revenue budget for the Graven Hill project	(126,280)	7,654	(7,018)	(125,644)
NHB - ECONOMIC DEVELOPMENT	Director of Resources	To enable economic development to take place across the district	(725,830)	0		(725,830)
GRAVEN HILL EQUALISATION RESERVE	Director of Resources		(2,800,000)	0		(2,800,000)
HOUSING RESERVE	Director of Resources	Earmarked reserve set up as part of 2014/15 budget setting process	(100,000)	0		(100,000)
<b>Total Earmarked Reserves</b>			<b>(10,228,204)</b>	<b>411,281</b>	<b>154,537</b>	<b>(9,662,387)</b>
<b>Earmarked Reserves from Grants &amp; Contributions (Ringfenced)</b>						
Eco Town Revenue	Director for Bicester Regeneration Projects	Delivery of the Eco Town project	(1,155,357)	339,735		(815,623)
Planning Delivery Grant	Head of Strategic Planning and the Economy and Development Management	A variety of projects, a schedule is available separately	(331,029)	9,019		(322,010)
Broadfield Road Yarnton Sports	Director of Community & Environment	Section 106 for provision public open space as a local area of play	(3,411)	(17)		(3,428)
Homelessness Prevention	Head of Regeneration and Housing	To support homelessness provision in the district	(97,018)	27,260		(69,758)

<b>EARMARKED RESERVES</b>	<b>Delegated Officer Responsibility (in conjunction with Lead Member)</b>	<b>Purpose</b>	<b>Balance 31 Mar 2014 £</b>	<b>Movements 2014/15 £</b>	<b>Review Movements £</b>	<b>Balance 31 March 2015 £</b>
Planning Policy Statement Climate Change	Head of Development Management	Area Based grant to meet challenges of climate change	(82,054)	0		(82,054)
Government Grant LABGI	Head of Development Management	A variety of projects, a schedule is available separately	(24,718)	0		(24,718)
Bicester Fields Main Park	Director of Community & Environment	Section 106 for landscape/green spaces	(96,774)	(484)		(97,258)
Flood Recovery Grant	Head of Community Services	Restoration fund following floods of 2007	(93,737)	0		(93,737)
Bicester Youth Bus	Head of Community Services	Bicester Village contributions towards the Bicester Youth Bus	(64,590)	0		(64,590)
Dovecote Milcombe	Head of Community Services	Section 106 for maintenance of the dovecote and woodland tree belts	(56,811)	449		(56,362)
Area Based Grant	Head of Transformation	Research and consultation projects	(83,011)	0		(83,011)
New Homes Bonus - Affordable Housing	Director of Resources	Allocated to affordable homes in the district	(10,943)	3,925	7,018	0
Green Deal Pioneer Places	Director for Bicester Regeneration Projects	To deliver green housing	(69,442)	240		(69,202)
Local Government Resource Review (including Welfare reform)	Head of Finance & Procurement	To fund costs/implications associated with LGRR and welfare reform	(129,000)	0	129,000	0
COURTYARD YOUTH ARTS	Head of Community Services	To fund projects and activities at the Courtyard Centre	(81,821)	43,242		(38,580)
HEAT NETWORK	Director for Bicester Regeneration Projects	To fund the Heat Network initiative	(90,180)	15,940		(74,240)
Total of smaller grants and contributions under £50,000	Various	Various	(688,158)	66,858		(621,300)
						0
<b>Total Earmarked Reserves from Grants &amp; Contributions (Ringfenced)</b>			<b>(3,158,055)</b>	<b>506,166</b>	<b>136,018</b>	<b>(2,515,871)</b>
<b>Total Earmarked Reserves</b>			<b>(13,386,259)</b>	<b>917,447</b>	<b>290,555</b>	<b>(12,178,257)</b>
<b>General Fund Reserve</b>	<b>Director of Resources / Head of Finance and Procurement</b>	<b>General reserve - all deficits and surpluses for year end accounts moved in here</b>	<b>(1,405,259)</b>	<b>0</b>	<b>(290,555)</b>	<b>(1,695,814)</b>
<b>TOTAL RESERVES</b>			<b>(14,791,518)</b>	<b>917,447</b>	<b>0</b>	<b>(13,874,071)</b>