

## **Cherwell District Council**

### **Budget Planning Committee**

Minutes of a meeting of the Budget Planning Committee held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 28 February 2017 at 6.30 pm

Present: Councillor Nicholas Mawer (Chairman)

Councillor Ken Atack  
Councillor Hugo Brown  
Councillor Ian Corkin  
Councillor Alan MacKenzie-Wintle  
Councillor Andrew McHugh  
Councillor Sean Woodcock

Substitute Members: Councillor Barry Wood (In place of Councillor Tom Wallis)  
Councillor Timothy Hallchurch MBE (In place of Councillor Carmen Griffiths)

Apologies for absence: Councillor Douglas Webb  
Councillor David Anderson  
Councillor Carmen Griffiths  
Councillor Barry Richards  
Councillor Tom Wallis

Officers: Paul Sutton, Chief Finance Officer / Section 151 Officer  
Sanjay Sharma, Interim Head of Finance / Deputy Section 151 Officer  
Geni Hotchkiss, Business Support Unit Manager  
Richard Stirling, Corporate Procurement Manager  
Mandy Anderson, Financial Analyst  
Lesley Farrell, Democratic and Elections Officer  
Joel Bliss, Assistant Democratic and Elections Officer

#### **72 Declarations of Interest**

There were no declarations of interest.

#### **73 Minutes**

The minutes of the meeting of the Budget Planning Committee held on 17 January 2017 were agreed as a correct record and signed by the Chairman.

#### **74 Chairman's Announcements**

There were no Chairman's Announcements.

75 **Urgent Business**

The Chairman advised the Committee that he had agreed to add one item of urgent business to the agenda: The Business Rates Monitoring 2017. The item had been omitted from the agenda due to an administrative error and needed to be considered at this meeting as it was the last scheduled meeting of the Committee this municipal year.

76 **Business Rates Monitoring 2016-2017**

The Head of Strategic Planning and the Economy submitted a report which provided members of Budget Planning Committee with an update on the business rates position as at the end of Quarter 3 of the 2016-2017 financial year.

In response to members concerns regarding the new Rating List which had recently been published and would be applied from 1 April 2017, the Financial Analyst explained that the increase in the rateable value for Cherwell of 21.5% would be phased in over a three year period and that the large increases were due to rateable value being broadly connected to rents which are high in the Cherwell District.

The Business Support Manager stressed that there would be different levels of growth depending on the sector in question.

**Resolved**

- (1) That the report be noted.

77 **Solihull Partnership Steering Group**

The Lead Member for Estates and the Economy gave a verbal update from the Solihull Partnership Steering Group. There had been progress with a number of small projects being completed but two of the major projects had been problematic and would be delayed.

Members thanked the Lead Member for Estates and the Economy for attending the meeting and expressed their extreme disappointment that the relevant Officers were not also at the meeting the Lead Member was unable to answer a number of questions relating to the Solihull Partnership and other major capital projects. Members wanted to know details of the problems and what was being done to solve them; what work had been completed and what was still outstanding.

In response to Members' concerns that a pattern was emerging and the Solihull Partnership was not the only significant capital project failure, the Chief Finance Officer agreed to produce an improvement plan in order to establish better processes by which capital projects would be managed.

The Committee was advised that the revised contract was with the Solihull Partnership who had no fundamental disagreement with the terms that have been set out and the contract now just required signing.

The Chief Finance Officer confirmed that he advise the relevant Officers of the Committee's concerns. The Chief Finance Officer would also liaise with the Chairman regarding the possibility of a special meeting of the Committee to meet with the Solihull Partnership with a view to discussing and finding solutions to the current problems.

### **Resolved**

- (1) That the contents of the verbal update be noted.
- (2) That a full independent investigation with a root cause analysis of what went wrong and a service improvement plan be completed to ensure that the same mistakes are not made again.

78

### **Review of Procurement Strategy Progress**

The Chief Finance Officer submitted a report which summarised the Council's Procurement Strategy progress for quarter 3 of the financial year 2016/17.

In considering the report, Members requested that future reports include more narrative surrounding the less quantifiable elements of the report. Members stressed that Procurement was about regulation management and governance as much as savings so would not force reports to be purely numeric-based.

Members commented that a refinement of procurement practice could in future prevent episodes such as the difficulties being endured with the Solihull Partnership.

### **Resolved**

- (1) That the progress made in implementing the Council's Procurement Strategy during Q3 2016-17 be noted.

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### **Business Rates Incentives Scheme**

The Head of Strategic Planning and the Economy submitted a report which sought consideration of the proposed Business Rates Incentives Scheme which detailed proposals for awarding business rates incentives to bring back into use empty properties and sustain the vitality and diversity of Banbury and Bicester town centres.

Some members of the committee raised concerns at the lack of flexibility in the scheme and that some smaller businesses might be disadvantaged if they fell under the threshold. Members were assured that the thresholds would be looked at further so that they would not be abused or that they would confer

an unfair advantage to those businesses that fell between the £12,000 - £15,000 brackets.

Members recommended that Kidlington be included in the scheme so that businesses there could also benefit from the pilot. Members also requested that a list of the Rateable Values be produced for the shops that were in the high streets of Banbury, Bicester and Kidlington.

In response to Members' questions, the Chief Finance Officer confirmed that the scheme could be expanded or retracted depending upon its success and the cost implications that its expansion would bring about.

### **Resolved**

- (1) That the contents of the report be noted.
- (2) That the following amendments to the proposed Business Rates Incentives Scheme be recommended to Executive:
  - That the scheme be more flexible to avoid lower rateable value properties being disadvantaged.
  - That the scheme be expanded to include Kidlington and the cap be increased to reflect the inclusion.
  - That conditions be included to avoid misuse of the scheme.
  - That pound shops be included.
  - That there be minor amendments to the inclusion maps.
- (3) That subject to the amendments in resolution (2) above, the Business Rates Incentive Scheme be recommended to Executive for approval.

### **Quarter 3 2016-17 - Revenue and Capital Budget Monitoring Report**

The Chief Finance Officer submitted a report on Cherwell's Revenue and Capital Budget Monitoring position for Q3.

The Committee was advised that the costs incurred through the hiring of agency staff had been managed, with more permanent members of staff being brought in and departmental restructures being finalised.

Members requested that a comparison between original budget figures to be compared to the final budget outturn and a percentage over/underspend be displayed as well as a raw figure to show better context.

In response to members concerns regarding overspend within Regeneration and Housing and slippage in capital projects, the Chief Finance Officer agreed to bring more information to the next meeting of the Budget Planning Committee.

**Resolved**

- (1) That having reviewed the projected revenue and capital position it be noted and no comments forwarded to Executive
- (2) That having reviewed the reserves the current position be noted and no comments forwarded to Executive.

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**Review of Committee Work Plan**

Members requested that a Special meeting of the Budget Planning Committee be arranged to resolve the issues surrounding the Solihull Partnership and discuss budgetary issues within Regeneration and Housing.

**Resolved**

- (1) That the Solihull Partnership be discussed at a special meeting of the Budget Planning Committee.
- (2) That Housing and Regeneration's budgetary issues be brought to a special meeting of the Budget Planning Committee.

The meeting ended at 8.30 pm

Chairman:

Date: