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Cherwell District Council

Executive

Minutes of a meeting of the Executive held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 6 February 2017 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 Ken Atack, Lead Member for Financial Management
Councillor Colin Clarke, Lead Member for Planning
Councillor John Donaldson, Lead Member for Banbury Brighter Futures
Councillor Tony Ilott, Lead Member for Public Protection
Councillor Mike Kerford-Byrnes, Lead Member for Change Management, Joint Working and IT
Councillor Kieron Mallon, Lead Member for Banbury Futures
Councillor D M Pickford, Lead Member for Clean and Green
Councillor Lynn Pratt, Lead Member for Estates and the Economy

Also Present: Councillor Sean Woodcock, Leader of the Labour Group
Councillor Nicholas Mawer, Chairman, Budget Planning Committee

Officers: Sue Smith, Chief Executive
Scott Barnes, Director of Strategy and Commissioning
Ian Davies, Director of Operational Delivery
Kevin Lane, Head of Law and Governance / Monitoring Officer
Paul Sutton, Chief Finance Officer / Section 151 Officer
Chris Stratford, Head of Regeneration and Housing
Natasha Clark, Interim Democratic and Elections Manager

117 **Declarations of Interest**

There were no declarations of interest.

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

There were no petitions or requests to address the meeting.

119 **Urgent Business**

There were no items of urgent business.

120 **Minutes**

The minutes of the meeting held on 9 January 2017 were agreed as a correct record and signed by the Chairman.

121 **Chairman's Announcements**

There were no Chairman's announcements.

122 **Discretionary Rate Relief Policy**

The Chief Finance Officer submitted a report to seek approval of the Discretionary Rate Relief Policy effective from 1 April 2017 and agree for the final determination of the policy guidelines to be delegated to the Chief Finance Officer, in consultation with the Lead Member for Financial Management, due to pending legislative changes in respect of Rural Rate Relief announced in the Autumn Statement 2016 and confirmed by the Local Government Finance Bill.

Resolved

- (1) That the report and the recommendation of the Budget Planning Committee at its meeting on 17 January 2017 to approve the Discretionary Rate Relief Policy be noted.
- (2) That the proposed draft Discretionary Rate Relief Policy (annex to the Minutes as set out in the Minute Book) be approved for adoption subject to resolution (3) below.
- (3) That it be agreed that the final content of the policy guidelines will be subject to confirmation by the Chief Finance Officer in consultation with the Lead Member for Financial Management.

Reasons

The Discretionary Rate Relief Policy is required to be amended to reflect the changing priorities of the Council and assess the impact of the Localism Act 2011 which introduced the power to implement a local discount scheme together with the fundamental changes to business rates that came into effect from 1 April 2013.

Alternative options

Option 1: Members could choose not to agree the proposed policy, but it would mean that we wouldn't be able to continue to support local businesses, charities and voluntary organisations and would also reduce our financial flexibility in the future.

123

Corporate Fraud Prosecution and Sanction Policy

The Chief Finance Officer submitted a report to provide members with the updated Joint Sanctions and Prosecution Policy and to seek approval to the reviewed policy.

Resolved

- (1) That the updated Joint Corporate Fraud Prosecution and Sanction Policy (annex to the Minutes as set out in the Minute Book) be approved.

Reasons

There is a Joint Sanctions and Prosecution Policy in place for both Cherwell District Council (CDC) and South Northamptonshire Council (SNC). The policy ensures that both councils have guidelines in place to assist the decision making process when considering what further action is appropriate following an investigation. The policy has been reviewed and updated and is presented to Executive for approval.

Alternative options

Option 1: Not to approve the policy. This is not recommended as the Joint Sanctions and Prosecutions Policy ensures that both councils have guidelines in place to assist the decision making process when considering what further action is appropriate.

124

Draft Budget, Corporate Business Plan and Cycle of Growth 2017/18

The Chief Finance Officer submitted a report which presented the draft budget, Corporate Business Plan and Cycle of Growth 2017/18.

The Council is required to produce a balanced budget for 2017/18 as the basis for calculating its level of Council Tax. It has to base that budget on its plans for service delivery during the year, recognising any changes in service demand that may arise in future years.

The proposed budget and business plan for 2017/18, including the new cycle of growth strategies, are presented as an integrated report to demonstrate that the Council adopts a strategic approach to managing all of its resources, ensuring that the delivery of the Council's priorities for the district directs the allocation of financial resources.

Resolved

- (1) That, having given due consideration, the draft budget in the context of the Council's service objectives and strategic priorities be approved.
- (2) That Full Council be recommended to approve the balanced budget.
- (3) That Full Council be recommended to agree a Council tax freeze.

- (4) That Full Council be recommended to approve the proposed 2017/18 capital programme (annex to the Minutes as set out in the Minute Book).
- (5) That the impact of the proposed budget on reserves be noted and Full Council be recommended to approve the reserves 2017/18 (annex to the Minutes as set out in the Minute Book).
- (6) That the use of £3.053m of reserves to fund the initial one-off payment to the pension fund, in order to achieve the saving of £382,000 be approved.
- (7) That the latest Medium Term Revenue Plan (MTRP) for 2016/17 to 2021/22 be noted and it be further noted that this will be the basis of the work of the Budget Planning Committee for the following year.
- (8) That no further changes be made and Full Council be recommended to approve the updated draft revenue budget (annex to the Minutes as set out in the Minute Book) at the meeting on 20 February 2017
- (9) That authority be delegated to the Chief Finance Officer, in consultation with the Lead Member for Financial Management, to amend the contributions to or from general fund balances to allow the Council Tax to remain at the level recommended to Full Council following the announcement of the final settlement figures and any changes to relating to Business Rates.
- (10) That Full Council be recommended to approve the 2017/18 business plan and performance pledges (annexes to the Minutes as set out in the Minute Book) and authority be delegated to the Director – Strategy and Commissioning, in consultation with the Leader of the Council to make any minor amendments to the plan as required before consideration by Full Council.
- (11) That Full Council be recommended to approve the joint cycle of growth strategies of Operational Excellence, Commercial Development and Innovation, and Commissioning (annexes to the Minutes as set out in the Minute Book) and that authority be delegated to the Director of Operational Delivery, in consultation with the Leader of the Council, to make any minor amendments to the strategies and corporate values as required.
- (12) That the 2017/18 Business Plan, Budget and Cycle of Growth Equality Impact Assessments be noted.

Reasons

This report presents a final analysis of the Council's draft revenue and capital budget and business plan for 2017/18. They will be presented together to Full Council on the 20 February to support the setting of the Council Tax.

It is a legal requirement to set a balanced budget and the recommendations as set out and directed by the corporate business plan represent what is believed to be the best way of achieving this.

Alternative options

Members could decide not to agree the recommendations or to present alternative budget proposals but that would run counter to the detailed budget setting process that has taken place as part of the formulation of this budget.

125 Notification of Urgent Action: Additional funding for Coach House Mews and Lincoln Close- Build!

The Commercial Director submitted a report to report the urgent action taken by the Commercial Director in consultation with the Leader which related to the approval of a new contract sum of £2,686,299 to include £78,000 for additional fees associated with the London Housing Consortium (LHC) levy to be applied to Coach House Mews, Bicester and Lincoln Close, Banbury.

Resolved

- (1) That the urgent action taken by the Commercial Director in consultation with the Leader of the Council, which related to the approval of a new contract sum of £2,686,299 to include £78,000 for additional fees associated with the London Housing Consortium (LHC) levy to be applied to both the Coach House Mews, Bicester and Lincoln Close, Banbury housing developments be noted.

Reasons

This report confirms the urgent action taken by the Commercial Director in consultation with the Leader of the Council to approve the new contract sum for the schemes identified within this report totalling £2,686m.

Alternative options

None as this is an information report for Executive to note.

126 Proposed Changes to the Local Health and Social Care Sector

The Director of Operational Delivery submitted a report to inform the Executive of proposed changes to the health and social care sector, the actions of the Council to date and to consider further Council activity.

Resolved

- (1) That the proposals for change and the actions taken by the Council to date be noted.

- (2) That, having given due consideration to the specialist advice to the Councils, the emerging Council response to the stage 1 consultation be endorsed.
- (3) That agreement be given to hold an all member briefing at the end of March 2017 regarding the Council's intended response to the stage 1 consultation proposals.

Reasons

There are fundamental changes proposed for the local health and social care sector, some of which are the subject of a formal consultation process running until 9 April 2017. Of very local and heightened concern are the changes proposed for the HGH where several acute services are to be transferred to Oxford hospitals, more care at home and in the community and increased planned care at the HGH.

Such acute service changes are similar in nature to those proposed in 2007, and which were rejected by the Secretary of State. The Council is therefore taking steps to provide a robust response to these recent proposals, as it did in 2008.

As the stage 1 consultation process runs to 9 April 2017 and the nature of a proposed Council response is only just emerging at this early point in the process, it is intended to hold an all Member briefing toward the end of March 2017 to consider further the Council's response before it is submitted.

Alternative options

The option available to the Council is not to respond to the consultation process and let matters take their course. This is not proposed as the Horton General Hospital is regarded as a critical piece of the District's infrastructure, the distance and journey challenges to the John Radcliffe Hospital in Oxford are too great for many of the District residents and it is clear that a significant majority of local people do not support all the proposed changes.

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 5 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.

Proposed Changes to the Local Health and Social Care Sector - Exempt Appendix

Executive considered the exempt appendix to the report of the Director of Operational Delivery on proposed changes to the local Health and Social Care Sector.

Resolved

- (1) As set out in the exempt minutes.
- (2) As set out in the exempt minutes.
- (3) As set out in the exempt minutes.
- (4) As set out in the exempt minutes.

Reasons

The Council has sought specialist advice and is developing its response to the formal consultation process and other action using this advice.

Alternative options

As set out in the exempt minutes.

The meeting ended at 7.30 pm

Chairman:

Date:



Discretionary Rate Relief Policy

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1. Introduction and scope

- 1.1 Cherwell District Council recognises the importance of supporting local businesses, charities and voluntary organisations to promote the provision of local facilities, support economic growth and investment and improve prosperity.
- 1.2 Councils have the power to award relief from the payment of Non-Domestic Rates ('business rates') to organisations and businesses that meet certain criteria. Public funds are not, however, unlimited and a proportion of any relief granted is met by the council taxpayers of the district. We therefore need to be satisfied that money invested this way will be repaid in economic and/or community benefit.
- 1.3 The power for granting discretionary rate relief is provided for by Section 47 of the Local Government Finance Act 1988. This has been amended by subsequent legislation which gives wider powers to grant discretionary relief to any ratepayer where the authority feels the granting of such relief would be of benefit to the local community.
- 1.4 This policy is designed to provide guidance to Council Officers and ratepayers on the application of Discretionary Rate Relief. The policy covers the following types of discretionary relief:
 - Charitable rate relief
 - Community Amateur Sports Clubs (CASCs)
 - Rate relief for not-for-profit organisations
 - Discretionary rural settlement relief
 - Hardship Relief
 - Temporary relief for partly occupied properties
 - Local discounts and incentives
- 1.5 This policy document outlines the various areas of local discretion and the Council's approach to the various reliefs. This approach has regard to the impact:
 - of granting discretionary relief on the Council's wider financial position and council taxpayers;
 - on the organisations and businesses that currently receive or may apply for relief in the future;
 - on the residents of the Cherwell district if relief is awarded and the economic benefits to the district;

2. The Discretionary Rate Relief Scheme

2.1 Discretionary Rate Relief (DRR) is granted in accordance with Section 43 of the Local Government Finance Act 1988 and Sections 47 and 49 of the Local Government Finance Act 1988 as amended by the Localism Act 2011.

Section 69 of the Localism Act amended Section 47 of the Local Government Finance Act 1988 to allow billing authorities to fund their own local discounts. The Council is able to grant business rates discounts and incentives as it sees fit within the limits of primary legislation and European rules on state aid. These powers can be used to encourage new business and investment as well as support local shops or services to the community.

2.2 The legislation requires the Council to maintain a Discretionary Rate Relief (DRR) scheme to award rate relief of up to 100% to certain organisations which operate within specified criteria. This includes:

- charitable bodies already in receipt of Mandatory Relief of 80%. The Council has the discretion to 'top-up' this relief to 100% of the business rates due;
- registered Community Amateur Sports Clubs (CASCs) already in receipt of Mandatory Relief of 80%. The Council has the discretion to 'top-up' this relief to 100% of business rates due;
- non-profit making organisations – the Council has the discretion to grant relief of up to 100% of the business rates due;
- property that is in a qualifying rural settlement and is a qualifying food shop, general store, post office, sole public house or sole petrol station already in receipt of Mandatory Relief of 50%. The Council has further discretion to 'top-up' this relief to 100% of the business rates due.
- Discretionary Rate Relief for 'other rural businesses'
- Relief on the grounds of hardship
- Relief for part-occupied premises
- Local discounts and incentives

2.3 In making decisions about applications the Council may:

- grant relief up to a maximum 100% of the business rates due;

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- grant relief for a sum less than 100% of the business rates due; or
 - refuse any application for full or additional relief
- 2.4 Whilst awards for Mandatory Relief can be backdated for previous financial years, legislation permits Discretionary Relief only to be awarded back to the start of the previous financial year where the application is submitted prior to the end of September in a relevant year.
- 2.5 It is the Council's policy that Discretionary Relief will only be awarded from the date of the application or, in the case of hardship where the hardship occurred at that point in time. Only in the most exceptional circumstances will consideration be given to awarding relief for a prior period. The ratepayer must provide valid reasons for not having submitted their application at an earlier date.
- 2.6 In the majority of cases Discretionary Relief will be granted for a period of two financial years only. Successful applicants will be sent a letter confirming the award of Discretionary Relief. This letter will also explain that the relief has been granted for two financial years only.

3. The Application Process

- 3.1 Applications for relief must be made on the Council's application form. Applicants are encouraged to apply online at www.cherwell.gov.uk Businesses and other organisations needing support or advice on making their application can contact the Council's Business Support Unit on businesssupportunit@cherwellandsouthnorthants.gov.uk
- 3.2 Applications should be submitted with the relevant supporting information which includes:
- details of the applicant's main purposes and objectives (where applicable) as set out in a written constitution, a memorandum of association or membership rules;
 - a full set of audited accounts relating to the two years prior to the date of application. Where audited accounts are not available, projections should be provided instead.
 - details of how the organisation meets the relevant criteria detailed in these guidelines.

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- 3.3 Any applications which are made without the supporting information will be subject to a decision being made solely on the information that is available at the time of the decision.
- 3.4 As a guide, to be eligible for Discretionary Relief a charity/organisation must not have enough unrestricted funds/reserves available to continue to operate for more than 12 months unless a business plan exists detailing how these additional funds are to be used to benefit the local community.
- 3.5 In exceptional cases, Discretionary Relief will be granted to organisations which have enough financial resources in unrestricted funds/reserves to continue to operate for more than 12 months. This may include charities and community organisations which require a large amount of available resources to sustain the service they deliver to the community. In such cases the applicant must be able to prove it offers a service which the district's residents depend on and which they would be unlikely to find elsewhere in the district.
- 3.6 The Council will aim to make a decision within a maximum of 4 weeks of the application and supporting information being received. Decisions on the award of discretionary rate relief will be taken by the Chief Finance Officer in consultation with the Head of Strategic Planning and the Economy, where applicable. Ratepayers are required to continue to pay business rates whilst their application is being considered. Failure to make payment will result in the Council pursuing collection through the usual enforcement procedures which could result in Court action.
- 3.7 There is no statutory right of appeal against a decision other than by way of judicial review. An unsuccessful applicant may make a request for the authority to review a decision, but only where:
1. Additional information relevant to the application that was not made available at the time the decision was made becomes available.
 2. There are good grounds to believe the application or supporting information was not interpreted correctly at the time the decision was made.

A request for review must be within 28 days of notification of the decision and must set out the reasons for the request and any supporting information.

Cases will be reviewed by the Director for Strategy and Commissioning.

- 3.8 All amounts of relief awarded are subject to the state aid limits as defined by European legislation. Relief will not exceed €200,000 in any 3 year financial period.

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3.9 The cost of awarding Discretionary Relief is apportioned as follows:

50% will be funded by Central Government

40% will be funded by Cherwell District Council

10% will be funded by Oxfordshire County Council

In view of the additional cost in awarding discretionary relief the Council has determined a Discretionary Rate Relief Policy is introduced to ensure that any award of Discretionary Rate Relief is focused to maximise the benefits to the residents and Council taxpayers of Cherwell District Council.

3.10 Any decision regarding rate relief will be communicated to the applicant in writing. Where the decision is a refusal of the award, reasons for the refusal will be provided in the letter.

3.11 A review of the guidelines will be undertaken every five years in line with the Valuation Office Agency's revaluation cycle, or if Business Rates legislation is amended, or as necessary to ensure it complies with current legislation and Cherwell District Council's priorities.

3.12 The ratepayer must inform the Council immediately of any change in their circumstances which may affect eligibility for relief.

4. Charitable Rate Relief

4.1 Mandatory Rate Relief of 80% is granted to charities where:

- The ratepayer is a charity or the trustees of a charity; and
- the property is wholly or mainly used for charitable purposes (including charity shops where the goods sold are mainly donated and the proceeds are used for the purposes of the charity)

4.2 Registration under the Charities Act 1993 is conclusive evidence of charitable status. Bodies which are excepted from registration or are exempt charities are also eligible for Mandatory Relief.

4.3 In cases where a charity is in receipt of Mandatory Relief of 80% the Council has discretion to grant up to 20% additional Discretionary Relief. This is also known as DRR 'top-up'. The Council will consider applications for Discretionary Relief from charities based on their own merits on a case by case basis. The principal consideration in awarding the relief is that it is in the best interests of the residents and council taxpayers of the Cherwell district to

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do so and it produces a local benefit as the Council must contribute to the cost of each award.

4.4 Each case will be assessed on its own merits, but generally top-up Discretionary Relief will only be awarded to the following charities or excepted organisations:

- Scouts, guides, cadets and other clubs and organisations for young people;
- Organisations providing support in the form of advice, employment training and counselling;
- Community schemes including those providing support for those over retirement age, community transport and volunteer organisations;
- Charitable supporting clubs;
- Armed Forces veterans associations;
- Locally based leisure and cultural organisations;

4.5 The following general exclusions will apply:

- 'Top-up' relief will only be granted to local charities (defined as those set up with the sole purpose of assisting residents of the Cherwell district and whose main office is situated in the district);
- unless a special case for financial hardship can be proved, 'top-up' relief to national charities (including charity shops) will not be granted;
- Academy, free, grant maintained, faith and trust schools are classified as charities and therefore receive 80% mandatory relief. 'Top up' relief for schools and education establishments which receive central or local government support should not be granted unless a special case for hardship can be shown.
- 'Top up' relief for Housing Associations will not be granted.

5. Registered Community Amateur Sports Clubs (CASCs)

- 5.1 Registered Community Amateur Sports Clubs (CASCs) are entitled to 80% Mandatory Relief. The Council will consider applications for Discretionary Rate Relief 'top-up' from CASCs based on their own merits on an application by application basis.
- 5.2 The Council will consider applications that can demonstrate:
- the contribution the organisation makes to the Cherwell district;
 - the club is open to the whole community and its membership fees are not excessive;
 - it is a non-profit making organisation;
 - evidence that every effort is made by the organisation to encourage open membership from groups such as young people, disabled persons, women and those over retirement age;
 - schemes of education and training are provided, particularly for young people, disabled persons, women and those over retirement age;
 - evidence that every effort is made by the organisation to encourage open membership from groups such as young people and disabled persons;
 - how the CASC supports and links into the Council's priorities.
- 5.3 The Council will also take into consideration if the building is accessible to disabled people or if reasonable attempts are being made to make it accessible.
- 5.4 Applications will only be considered where the club has an open access policy. If a club only accepts members who have reached a certain standard, rather than seeking to promote the attainment of excellence by developing sporting aptitude, it does not fulfil the requirements.
- 5.5 Although clubs should be open to all without discrimination, single sex clubs may be permitted where such restrictions are a genuine result of a physical restraint (such as changing room facilities) or the requirements of the sport. In such cases the applicant will be required to provide proof of these factors.
- 5.6 It should be noted that sports clubs which run a bar are unlikely to be awarded Discretionary Relief if their main purpose is the sale of food and drink. If the sale of food or drink by the organisation aids the overall operation and development of the organisation meaning it achieves its objectives this is

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permissible as long as the principal objectives of the organisation meet the eligibility criteria detailed at 5.2. If the bar makes a profit this profit must be reinvested to help the organisation meet its principal objectives. Financial information will be required to evidence any profit and its use.

6. Rate relief for not-for-profit organisations

6.1 Not-for profit organisations which are not classed as registered charities or CASCs can apply for Discretionary Rate Relief of up to 100%. Such organisations include those which are philanthropic, religious, concerned with education or social welfare, science, literature, the fine arts, recreation or are otherwise beneficial to the community.

6.2 The Council will consider applications from organisations which can demonstrate:

- its activities support at least one of the Council's priorities;
- it promotes its service for the benefit of Cherwell District Council's residents;
- membership of the organisation is open to all members of the community regardless of ability;
- the facilities of the organisation are be made available, where practicable, to other bodies and groups;
- operates in such a way that it does not discriminate against any section of the community;
- it is not conducted or established for the primary purpose of profit.

6.3 Membership and entry fees

If the organisation applying for discretionary rate relief requires membership or an entry fee the Council will consider whether:

- Membership is open to everyone regardless of race, ethnic origin, sex, marital or parental status, sexual orientation, creed, disability, age, religious affiliation or political belief;
- The subscription or fee is set at a level which is not prohibitively high and considered to be affordable by most sections of the community;

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- Fee reductions are offered for certain groups for example the under 18s and over 60s;
- Membership is encouraged from the unemployed, young people not in employment, education or training, those of retirement age and people with disabilities.

6.4 Where the applicant organisation requires membership, at least 50% of members should reside within the Cherwell district. Proof of this will be required.

6.5 The organisation must provide a copy of their constitution and copies of the latest two years of audited annual accounts where available.

7. Discretionary Rural Rate Relief

7.1 Mandatory Rural Rate Relief of 50% is awarded to properties within a defined rural settlement which have a population of less than 3,000; this is the Council's rural settlement list which is published by the Council at the end of December each year.

Further, the rateable value of the property must be:

- For a qualifying sole food shop, general store or post office the rateable value must not exceed £8,500.
- For a qualifying petrol filling station or pub the rateable value must not exceed £12,500.

7.2 Businesses that qualify for Mandatory Rural Rate Relief can also request the Council considers increasing the amount of relief up to 100%.

7.3 Applications for Discretionary Relief can also be made by any business in a designated rural settlement that doesn't qualify for Mandatory Rural Rate Relief. The rateable value of the property must not be more than £16,500. For example where there are two general stores in a rural settlement, neither would be entitled to Mandatory Rural Rate relief, but both could apply for Discretionary Rural Rate Relief depending on the rateable value threshold.

7.4 Discretionary Rural Rate Relief for 'other rural businesses' will be considered where:

- the rateable value of the property is not more than £16,500;
- the property is used for purposes which are of benefit to the local community;

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- the award of the relief is in the interests of Cherwell district residents and its Council taxpayers.
- 7.5 As a general guide, a ratepayer must have not have enough resources available in unrestricted funds or reserves (i.e. those not being held for a specific purpose) to continue to operate for more than 12 months unless it can show how these additional reserves are to be used to benefit the local community.
- 7.6 The following will also be taken into consideration when assessing an application for Discretionary Rural Rate Relief:
- the number of staff employed by the business who are resident in the community in which the business is located; and
 - whether there are any other suppliers of the goods or services which are easily accessible to residents in the rural settlement.
- 7.7 Every application must be accompanied by the latest trading accounts or equivalent/relevant documentation and evidence as to the proportion of expenditure attributable to rates. In determining the application the Council will give consideration to the financial viability of the business concerned, thereby having regard to the interests of the council taxpayers in general. This will be balanced by the detrimental effect on the rural community should the business have to cease trading either as a direct or indirect result of not awarding relief.
- 7.8 The amount awarded will be up to 50% of the total business rates payable for those businesses already receiving Mandatory Rural Rate Relief. For 'other rural businesses' the amount awarded will be up to 100% of the total business rates payable.

8. Hardship Relief

- 8.1 The Council has discretion under Section 49 of the Local Government Finance Act 1988 to grant relief of up to 100% where hardship is experienced. Hardship Relief can only be considered if it would be reasonable to do so in the interests of council taxpayers in general.
- 8.2 Hardship Relief will be awarded where the business is suffering from unexpected hardship which is outside of normal risks associated with the business. Reduction or remission of business rates on the grounds of hardship will only be awarded in exceptional circumstances.

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8.3 Hardship Relief is granted at the discretion of the Council which can reduce or remit the amount of business rates due, provided it is satisfied that:

- the ratepayer would sustain hardship if it did not do so; and
- it is reasonable for the Council to do so having regard to the interests of its council taxpayers

8.4 The following factors will be considered in assessing the application:

- the test of hardship needs not be confined strictly to financial hardship. All relevant factors affecting the ability of the business to meet its rates liability will be considered.
- the interests of council taxpayers in the area may be wider than direct financial interests. Examples of this include where employment prospects in the area would be worsened by a company going out of business or the amenities of the area being reduced.
- the ratepayer must provide evidence of hardship, for example a severe loss or marked decline in trade compared to similar periods in previous years.
- the business must be able to show evidence of its viability for the foreseeable future which is considered to be three years for these purposes.

8.5 A business will not be considered for Hardship Relief in the following circumstances:

- where the business is profitable;
- where the business has experienced a minor loss in trade;
- where the drawings/remunerations of directors, partnerships or sole traders are above a 'reasonable' amount;
- where the business is new and Hardship Relief is being requested to fund the initial progression of the business;
- where the property is empty;
- where similar goods or services are already being provided in the same locality or within a reasonable distance.

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8.6 Prior to any award being made the business is expected to take action to mitigate or alleviate their hardship by:

- contacting the Council's Economic Growth Team;
- considering other options such as renegotiating with its creditors;
- having in place a business plan to address the hardship

8.7 Applications for Hardship Relief shall be regarded as a last resort and will only be considered after consideration of any other forms of rate relief for which the applicant may be eligible.

8.8 The period and amount of any award will be determined on a case by case basis, but may be up to 100% of the business rates liability.

8.9 Hardship Relief will only be granted for short periods of time and usually up to a maximum of 6 months.

9. Properties partly occupied for a temporary period

9.1 There may be occasions where a property is only partly occupied for a short period of time. This may be due to a business moving in or relocating to a new property. In certain circumstances, the Council may use its discretion to award part occupied relief which is also known as Section 44a relief (Section 44A of the Local Government Finance Act 1988).

9.2 In these circumstances the Council may request that the Valuation Officer apportions the rateable value of the property between the occupied and unoccupied elements.

9.3 Section 44a relief may be awarded in the following circumstances:

- where the occupied and unoccupied parts of the property can easily be separately assessed.
- where there are short term practical or financial difficulties in either occupying or vacating the premises.

9.4 The part occupation must be for a temporary period only.

9.5 Rate relief will not be awarded where the partial occupation is due to the normal day to day operation of the business for example where a warehouse and despatched a large order and no longer needs to store stock.

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- 9.6 For the purposes of this policy a period of up to 6 months will be considered to be temporary. Periods of time exceeding 6 months will be treated as a permanent change and will not be eligible for partly occupied relief.
- 9.7 Relief will not be awarded where it appears to the Council that part of the property is being kept empty for the sole purpose of claiming rate relief.
- 9.8 Prior to an award being made, a visit to the premises will be made by a Council Officer to establish the exact area of the property that is empty. The application must be supported by a plan of the property which clearly marks the boundary of the empty and occupied parts. This plan will be given to the Valuation Officer to apportion the rateable value.
- 9.9 Further visits may be made to the property throughout the duration of the relief to establish that the property is still partly empty.
- 9.10 Further applications for part empty relief may be considered where there is a change to the area of the property that is unoccupied.
- 9.11 Part occupied relief will end if one of the following applies:
- the financial year comes to an end;
 - the end of the award;
 - where part or all of the unoccupied parts become occupied;
 - where the whole of the property becomes unoccupied;
 - where the liability for the property changes.

10. Local discounts and incentives

- 10.1 The Council is able to grant business rates discounts entirely as it sees fit within the limits of the primary legislation and European Rules on state aid. These powers will generally be used as appropriate to support local shops and other key businesses, but also to complement the strategic priorities and key objectives of the Council including increasing employment at strategic employment sites, investing in town centres and encouraging new business and investment to the district.
- 10.2 Using the general exception from the State Aid rule where the aid is below the 'de minimis' level, the Council will limit awards to a maximum of €200,000 to any one business over any three year period.

Appendix A

- 10.3 Applications will be considered in accordance with section 10.1 and where applicants seeking rate relief in respect of Localism Act powers the application should include information about how the business complements the strategic priorities and key objectives of the Council.

DRAFT



DISTRICT COUNCIL
NORTH OXFORDSHIRE

**CHERWELL DISTRICT COUNCIL AND
SOUTH NORTHAMPTONSHIRE COUNCIL**

Appendix A

Corporate Fraud Prosecution and Sanction Policy

1. Introduction

- 1.0 The purpose of this policy is to ensure that Cherwell District Council (CDC) and South Northamptonshire Council (SNC) have in place guidelines to assist the decision making process when prosecution or sanction action may be appropriate following an investigation by the Corporate Fraud Team (CFT), The sanctions available are Prosecution, Administrative Penalty and Formal Caution. For all these actions the standard of evidence has to be the same.
- 1.01 This policy is not prescriptive. Each case is unique and must be considered on its own facts and merits. However, there are general principles that apply to the way in which CDC and SNC will approach every case.
- 1.02 This policy is incorporated within the CDC and SNC Corporate Enforcement Policy and has been prepared with consideration of the Regulators Code, the Principles of Good Regulation and on core principles found in the Crown Prosecution Service (CPS) 'The Code for Crown Prosecutors' Specifically:
- the Decision to Prosecute or Sanction;
 - the Evidential Test; and
 - the Public Interest.

<https://www.cps.gov.uk/publications/codeforcrownprosecutors/codetest.html>

2.0 The Decision to Prosecute

- 2.01 The decision to instigate prosecution proceedings in the name of CDC and SNC lies with the Corporate Fraud Team (CFT) in liaison with the Law and Governance Team,
- 2.02 This will be discussed in a regular preliminary sanction panel meeting held with CFT, in order to agree appropriate disposal for cases that pass the CPS criteria for prosecution. This should take place prior to prosecution papers being prepared in full.
- 2.03 The reviewing Officer must be fair, impartial, and objective *and* comply with the Equality Act 2010. They must not be involved in the investigation or affected by improper or undue pressure from any source.

CHERWELL DISTRICT COUNCIL AND SOUTH NORTHAMPTONSHIRE COUNCIL

3.0 The Evidential Test

- 3.1 This is the first stage in the decision to prosecute or apply a sanction. The Evidential Test will be undertaken by a prosecuting lawyer within, or appointed by, CDC and SNC's Law and Governance Team, based on the evidence provided by a Corporate Fraud Investigation Officer (CFIO), in a preliminary sanction/prosecution file.
- 3.02 The Evidential Test is to be considered in all cases regardless of the method of sanction chosen. The Code of Crown Prosecutors, revised in January 2013, lays out how this test must be applied. Prosecutors must be satisfied that there is sufficient evidence to provide a realistic prospect of conviction against each defendant on each offence. They must also consider what the defence case may be, how it is likely to affect the prospects of conviction. A case which does not pass the evidential stage must not proceed, no matter how serious or sensitive it may be
- 3.03 A realistic prospect of conviction is an objective test. It means that a jury or bench of magistrates or judge hearing a case alone, properly directed in accordance with the law, is more likely than not to convict the defendant of the offence alleged. This is a separate test from the one that the criminal courts themselves must apply. A court should only convict if satisfied that it is sure of a defendant's guilt.
- 3.04 When deciding whether there is enough evidence to prosecute, the prosecutor must consider whether the evidence can be used and is reliable. There will be many cases in which the evidence does not give any cause for concern. There will also be cases in which the evidence may not be as strong as it first appears. Prosecutors must ask themselves the following questions:

4.0 Can the evidence be used in court?

- 4.01 Is it likely that the evidence will be excluded by the court? There are certain legal rules which might mean that evidence which seems relevant cannot be given at a trial. For example, is it likely that the evidence will be excluded because of the way in which it was gathered? If so, is there enough other evidence for a realistic prospect of conviction?
- 4.02 Is there evidence which might support or detract from the reliability of a confession? Is the reliability affected by factors such as the defendant's age, intelligence or level of understanding?
- 4.03 What explanation has the defendant given? Is a court likely to find it credible in the light of the evidence as a whole? Does it support an innocent explanation?
- 4.04 If the identity of the defendant is likely to be questioned, is the evidence about this strong enough?

CHERWELL DISTRICT COUNCIL AND SOUTH NORTHAMPTONSHIRE COUNCIL

- 4.05 Is the witness's background likely to weaken the prosecution case? For example, does the witness have any motive that may affect his or her attitude to the case, or a relevant previous conviction?
- 4.06 Are there concerns over the accuracy or credibility of a witness? Are these concerns based on evidence or simply information with nothing to support it? Is there further evidence which the investigating officers should be asked to seek out which may support or detract from the account of the witness?
- 4.07 Prosecutors should not ignore evidence because they are not sure that it can be used or is reliable. But they should look closely at it when deciding if there is a realistic prospect of conviction.

5.0 The Public Interest Test

- 5.01 The Public Interest Test is the second part of the test outlined in the Code of Crown Prosecutors guidelines, revised in January 2013. This will be considered in all cases regardless of the method of sanction chosen. The Code of Crown Prosecutors lays out the public interest factors which can increase the need to prosecute or may suggest an alternative course of action. The factors will vary from case to case. Not all the factors will apply to each case and there is no obligation to restrict consideration to the factors listed. In making a decision to prosecute all available information must be carefully considered. The Councils' officers will refer to the latest CPS guidance and best practice when considering the public interest test.
- 5.02 The preliminary sanction/ prosecution file produced by the CFIO for the prosecutor will identify the factors for and against prosecution as specified in the Code for Crown Prosecutors. A preliminary report setting out the case for potential prosecution. The CFIO has an explicit duty to provide the prosecutor with an accurate and honest assessment of the circumstances of the defendant and the case.
- 5.03 The public interest must be considered in each case where there is enough evidence to provide a realistic prospect of conviction. Although there may be public interest factors against prosecution in a particular case, often the prosecution should go ahead and those factors should be put to the court for consideration when sentence is being passed. A prosecution will usually take place unless there are public interest factors tending against prosecution which clearly outweigh those tending in favour, or it appears more appropriate in all the circumstances of the case to divert the person from prosecution.
- 5.04 The prosecutor must balance factors for and against prosecution carefully and fairly. Public interest factors that can affect the decision to prosecute usually depend on the seriousness of the offence or the circumstances of the suspect. Some factors may increase the need to prosecute but others may suggest that another course of action would be appropriate.
- 5.05 The common public interest factors, both for and against prosecution, are not exhaustive. The factors that apply will depend on the facts in each case,

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But the more serious the offence, the more likely it is that a prosecution will be needed in the public interest.

- 5.06 Deciding on the public interest is not simply a matter of adding up the number of factors on each side. The prosecutor must decide how important each factor is in the circumstances of each case and go on to make an overall assessment.

6.0 The Decision

- 6.01 If the case fails either the Evidential Test or the Public Interest Test then it will not proceed to prosecution, this would rule out consideration of any other form of sanction.

- 6.02 However, the case may still be categorised as 'on the balance of probabilities' being fraudulent and recorded as such by CFT. Furthermore, civil, recovery or disciplinary action may still be instigated.

- 6.03 If the case passes the Evidential and Public Interest tests the following options are available:-

- I. No Further Action be taken;
- II. Disciplinary Action – for internal cases;
- III. Civil Action – to recover money, interest or costs or property;
- IV. Sanction - Issue a Council Caution
- V. Sanction - Issue a penalty where legislation exists permitting CDC and SNC to sanction; or
- VI. Prosecute

- 6.04 In certain cases, the prosecutor may consider multiple actions. For example, in internal cases, disciplinary action, civil action and prosecution may be authorised.

7.0 Prosecution Process

- 7.01 Upon review of the preliminary sanction/ prosecution report, if it is considered that the evidence and public interest tests are satisfied and that prosecution is the appropriate form of sanction, the CFIO will compile a prosecution file. In addition to the prosecution file the CFIO will complete an investigation report.

- 7.02 In this report the CFIO will set out;

- the circumstances of the case;
- the evidence obtained;
- which offences may have been committed;
- how the evidence proves the elements of the offence; and
- set out why it is in the public interest to prosecute (NB the CFIO has an explicit duty to provide the CEO with an accurate and honest assessment of the circumstances of the defendant and the case).

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- 7.03 The CFIO will pass the prosecution file and investigation report to the prosecuting lawyer.
- 7.04 The prosecutor will review the full file and undertake the Evidential Test.
- 7.05 If the case fails the Evidential Test the case is returned to the CFIO and no further criminal action will be taken.
- 7.06 However, the case may be still be categorised as 'on the balance of probabilities' being fraudulent and recorded as such by CFT. Furthermore, civil, recovery or disciplinary action may still be instigated.
- 7.07 If the case passes the Evidential Test the prosecutor will undertake the Public Interest Test.
- 7.08 If the case fails the Public Interest Test the case is returned to the CFIO and no further criminal action will be taken.
- 7.9 However, the case may be still be categorised as 'on the balance of probabilities' being fraudulent and recorded as such by CFT. Furthermore, civil, recovery or disciplinary action may still be instigated.
- 7.10 If the case passes the Public Interest Test and a prosecution is still considered the most appropriate course of action, a prosecution will be instituted.
- 7.11 During the course of a prosecution the prosecutor is required to ensure that the evidential test and public interest remain satisfied. The prosecution will be stopped if information comes to light which the prosecutor considers the evidence is no longer sufficient to provide for a realistic prospect of conviction, or that prosecution is no longer in the public interest.

8.0 Potential Offences

- 8.01 A person involved in perpetrating fraud may commit an offence which could relate to any of the following Acts (this is not an exhaustive list):
- Fraud Act 2006;
 - Local Council Tax Reduction Scheme (Fraud and Enforcement) Regulations 2013;
 - Prevention of Social Housing Fraud Act 2013;
 - Proceeds of Crime Act 2002;
 - Theft Act 1968 & 1978;
 - Forgery & Counterfeiting Act 1987;
 - Criminal Justice Act 1967;
 - Data Protection Act 1998;
 - Computer Misuse Act 1990.

9.0 Alternatives to Prosecution: Sanctions and Penalties

- 9.01 An administrative penalty or caution may be offered as an alternative to prosecution where:

CHERWELL DISTRICT COUNCIL AND SOUTH NORTHAMPTONSHIRE COUNCIL

- Grounds exist for instituting proceedings
- Prosecution is possible but is not the preferred option
- The case is not so serious that prosecution should be considered
- In the case of the offer of an administrative penalty, the amount of the penalty would not cause severe financial hardship or place the family at risk
- In the case of the offer of a Caution, the offence has been admitted during an Interview under Caution, conducted in accordance with the provision of the Police and Criminal Evidence Act 1984. When the CFT have completed an investigation they will consider whether to instigate criminal proceedings or offer an alternative sanction. Each case will be considered on its own merits.

9.02 **Simple Caution:** For a simple caution to be considered the suspected offender must fully admit each alleged offence. The CFIO will then complete a report summarising the case together with the supporting evidence and a recommendation for a simple caution to be a means of disposal to an independent reviewing officer. The independent reviewing officer must satisfy themselves that the case meets the prosecution standard in consideration of the evidential and public interest tests.

9.03 **Financial Penalty:** Under section 14C Local Government Finance Act 2012, allows the authority to impose a £70 penalty to any person who;

- fails to notify the council within 21 days that an exemption on a dwelling should have ended
- fails to notify the council within 21 days that a discount (including single person discount) should have ended
- fails to notify the council of a change of address or fails to notify the council of a change in the liable party
- fails to provide information requested to identify liability
- fails to provide information requested after a liability order has been obtained

The offender will be notified of the offence but not necessarily interviewed. This sanction carries more of a deterrent against re-offending than a simple caution by ensuring that the person is financially penalised for the offence and also offers the Council some recompense for the costs of the investigations. The offender may be liable for a charge of £70 which could increase to £280 if there is a continual failure to provide the correct information

9.04 **Council Tax Reduction Scheme Sanctions:** The Council Tax Reduction Schemes (Detection of Fraud and Enforcement)(England) Regulation 2013 make provision for powers to require information, creates offences and provides powers to impose penalties in connection with Council Tax Reduction schemes. A penalty of £70 may be imposed by the Council if someone negligently makes an incorrect statement in connection with an application for a reduction under the scheme, or where a person fails to notify a change of circumstances promptly and at least within one calendar month.

There are provisions under this scheme to offer sanctions similar to those under the Social Security Administration Act 1992. Corporate Fraud Investigators will consider prosecution in

CHERWELL DISTRICT COUNCIL AND SOUTH NORTHAMPTONSHIRE COUNCIL

appropriate cases or as an alternative will offer a caution or financial penalty of 50% of the excess award. This will be calculated on a daily basis from the date of the award until the date the Council could reasonably be aware of the excess award, subject to a minimum of £100 and maximum of £1,000.

9.05 Whenever, a sanction is issued where there is evidence of fraud the case should be recorded by the CFT as fraud.

10 Exceptions

10.01 It is the Council's policy to consider the exclusion of people with mitigating circumstances from the imposition of penalties. Each case will be considered on its own merits by the Corporate Fraud Team. Examples of mitigating circumstances may include:

- a significant degree of physical or mental infirmity, such as a terminal illness, severe clinical depression, hearing/sight/speech problems, learning difficulties or frailty due to old age.
- Making a voluntary disclosure of the alleged offence before the Council had any suspicions regarding the validity of their entitlement to a Council Tax discount or exemption, Local Council Tax Support Reduction Scheme entitlement.
- That a matter may be dealt with more effectively without redress to a penalty, for example due to age or immaturity, although youth in itself is not a good enough reason not to instigate proceedings. In such a case, consideration should be given to issuing an advice letter in order to complete closure of the case.

11.0 Appeals

11.01 A customer has the right of appeal to the Valuation Tribunal for England against the decision by the Council to apply a penalty. An appeal must be made in writing directly to the Valuation Tribunal. www.gov.uk/government/organisations/valuation-office

12. Publicity

12.01 Deterrence is a key component in tackling fraud, corruption and error.

12.02 When the authority obtains a guilty outcome from prosecution action they have taken they will seek maximum publicity of the case. Thus sending a clear message that CDC and SNC will robustly protect taxpayers' money and valuable resources.

12.03 The Council will celebrate the successes of the CFT in protecting the public purse.

Cherwell District Council																
Proposed Capital Programme - 2017/18																
Project Description	Year Approved	Project Owner	2016/17					2017/18				2018/19	2019/20	2020/21	2021/22	Total
			Slippage B/Fwd	New Projects	Total Approved	Adjustments	Total	Existing Capital Projects	New Bids	Adjustments	Total					
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000					
Banbury Museum - Refurbishment Programme - Solihull	2016/17	Linda Barlow	0	250	250		250									250
Community Buildings - Remedial Works - Solihull	2016/17	Linda Barlow	0	150	150		150									150
Car Parks Resurfacing - Solihull	2016/17	Linda Barlow	0	100	100		100									100
Ferriston Shopping Parade - Resurface Car park - Solihull	2016/17	Linda Barlow	0	40	40		40									40
Spiceball Riverbank Reinstatement	2016/17	Linda Barlow	0	50	50		50									50
Bolton Road Car Park	2016/17	Jane Norman	0	0	0	700	700									700
Disabled Facilities Grants	Annual	Tim Mills	81	750	831		831	375			375	375	375	375		2,706
Discretionary Grants for Domestic Properties	Annual	Tim Mills	229	275	504		504	275			275	275	275	275		1,879
Banbury Health Centre - Refurbishment of Ventilation, Heating & Cooling Systems	2017/18	Louisa Butters					0		270		270					270
Thorpe Way Industrial estate - Roof & Roof Lights	2017/18	Louisa Butters					0		100		100					100
Regeneration & Housing			13,662	1,995	15,657	700	16,357	940	370	0	1,310	940	940	940	940	21,427
Bicester Community Building	-	Karen Curtin	758	0	758		758				0					758
Graven Hill		Karen Curtin	23,328	21,100	44,428		44,428				0					44,428
NW Bicester Eco Business Centre	2016/17	Karen Curtin	0	4,000	4,000		4,000				0					4,000
Bicester Regeneration Projects			24,086	25,100	49,186	0	49,186	0	0	0	0	0	0	0	0	49,186
Total			40,995	30,329	71,324	825	72,149	2,066	1,704	0	3,770	1,880	1,650	1,730	1,780	82,959

**Cherwell District Council
Reserves - 2017/18 Budget**

Reserve	Service Owner	Statutory Accounts Balance 31- Mar-16	Transfer In	Transfer Out	Year End Review of Reserves	Estimated Balance 31-Mar-2017 Post Review	Draft Budget Use of Reserves 2017/18	Draft Budget Cont'ns to Reserves 2017/18	Estimated Balance 31- Mar-18
		£000	£000	£000	£000	£000	£000	£000	£000
General Fund:									
Building Control	Andy Kidd	(100)				(100)			(100)
Capacity Funding	Karen Curtin	(88)	(217)	148		(157)	157		0
Car Park Studies	Ian Davies	(185)		50	135	0			0
Corporate IT	Tim Spiers	(143)				(143)			(143)
Corporate Transformation	Paul Sutton	(866)				(866)			(866)
Country Park Reserve	Kevin Larnar	(100)				(100)			(100)
Elections	James Doble	(109)				(109)			(109)
Environmental Warranties	Paul Sutton	(1,000)				(1,000)			(1,000)
General Fund Items	Paul Sutton	(270)				(270)			(270)
Graven Hill Equalisation Reserve	Paul Sutton	(3,396)			2,336	(1,060)			(1,060)
Hanwell Fields Open Space	Andy Preston / Lewis Bankes-Hughes	(79)				(79)			(79)
Housing Reserve	Marianne North	(220)	100			(120)	46		(74)
Work in Default reserve	Tim Mills		(100)			(100)			(100)
Joint External Bid-writer	Karen Curtin	(30)		11		(19)	11		(8)
Licensing	Nicolas Sutcliffe	(146)				(146)			(146)
Local Plan Charges	Adrian Colwell	(512)	(400)	370		(542)	370		(172)
NHB - Affordable Housing	Chris Stratford	(415)	(381)			(796)		(278)	(1,074)
NHB - Economic Development	Adrian Colwell	(1,428)	(1,650)			(3,078)		(2,095)	(5,173)
NHB - Superfast Broadband	Adrian Colwell	(727)				(727)			(727)
Planning Control	Andy Preston	(750)		142		(608)	94		(514)
Corporate Projects	Paul Sutton	(674)				(674)			(674)
Retained Business Rates	Mandy Anderson	(2,205)				(2,205)			(2,205)
Sainsbury's Primary Authority	Jackie Fitzsimons	(55)		20		(35)			(35)
Self Insurance	Paul Sutton	(160)				(160)			(160)
VAT Deminimus	Paul Sutton	(500)				(500)			(500)
Welfare Reform	Belinda Green	(99)				(99)			(99)
Wheeled Bin Replacements	Ed Potter	(111)				(111)			(111)
NEW Queens 90th Birthday Grants (From general Fund)	Kevin Larnar	0	(40)			(40)			(40)
NEW Devolution Viability Work (From General Fund)	James Doble	0	(50)			(50)			(50)
NEW Joint Revenues & Benefits (From General Fund)	Belinda Green	0	(200)			(200)	200		0
NEW Healthy New Towns (From General Fund)	Ian Davies	0	(20)			(20)	7		(13)
NEW Horton General Towns (From General Fund)	Ian Davies	0	(50)			(50)			(50)
NEW Museum development (From General Fund)	Ian Davies	0	(30)			(30)			(30)
NEW Joint Regeneration & Housing Service (From General Fund)	Chris Stratford	0	(90)			(90)			(90)
Pension Contributions	Paul Sutton	0		3,053	(3,053)	0			0
General Fund Earmarked Reserves		(14,368)	(3,128)	3,794	(582)	(14,284)	885	(2,373)	(15,772)

**Cherwell District Council
Reserves - 2017/18 Budget**

Reserve	Service Owner	Statutory Accounts Balance 31- Mar-16	Transfer In	Transfer Out	Year End Review of Reserves	Estimated Balance 31-Mar-2017 Review	Draft Budget Use of Reserves 2017/18	Draft Budget Cont'ns to Reserves 2017/18	Estimated Balance 31- Mar-18
		£000				£000			£000

Earmarked Reserves from Grants & Contributions									
Active Women Grant	Sharon Bolton	(22)				(22)			(22)
Area Based Grant	Ed Bailey (Performance)	(83)				(83)			(83)
Bicester Fields Main Park	Andy Preston / Lewis Bankes-Hughes	(97)				(97)			(97)
Brighter Futures - Skills Reward Grant	Nicola Riley	(95)				(95)			(95)
Bicester Garden Town	Karen Curtin	(1,521)		638		(883)	629		(254)
Bicester Youth Bus	Mike Grant	(65)				(65)			(65)
Broadfield Road Yarnton Sports	Andy Preston / Lewis Bankes-Hughes	(4)				(4)			(4)
Corporate Training	Paula Goodwin	(48)				(48)			(48)
Courtyard Youth Arts	Nicola Riley	(39)				(39)			(39)
Credit Union Development Officer	Belinda Green/Marianne North	(23)				(23)			(23)
Dovecote Milcombe	Andy Preston / Lewis Bankes-Hughes	(56)				(56)			(56)
Eco Town Revenue	Karen Curtin	(592)	(15)	324		(283)	283		0
Emergency Planning	Jackie Fitzsimons	(40)				(40)			(40)
Green Deal Pioneer Places	Karen Curtin	(69)				(69)			(69)
Home Improvement Agency	Tim Mills	(234)				(234)			(234)
Homelessness Prevention	Marianne North	(70)				(70)			(70)
Housing and Planning Initiatives	Andy Preston / Adrian Colwell / Chris Stratford	(322)		13		(309)			(309)
Laburnham Cres Ambrosden	Andy Preston / Lewis Bankes-Hughes	(38)				(38)			(38)
New Burdens Grant	Paul Sutton	(248)				(248)			(248)
PCT Contributions to Health Bus	Nicola Riley	(40)				(40)			(40)
Performance Reward Grant ABG	Mike Grant	(21)				(21)			(21)
Police & Crime Commissioner - Community Safety Grant	Mike Grant	(64)				(64)			(64)
Thames Vally Police	Mike Grant	(61)				(61)			(61)
Sportivate Grant	Sharon Bolton	(33)				(33)			(33)
Reserves from Grants & Contributions		(3,885)	(15)	975	0	(2,925)	912	0	(2,013)
Total Earmarked Reserves		(18,253)	(3,143)	4,769	(582)	(17,209)	1,797	(2,373)	(17,785)
General Fund		(3,517)	(688)	480	717	(3,008)	0	(492)	(3,500)
Total Reserves		(21,770)	(3,831)	5,249	135	(20,217)	1,797	(2,865)	(21,285)

Revenue Budget 2017-18	Budget 2016/17 £'000	Proposed Budget 2017/18 £'000	Movement Movement £'000	Movement %
Chief Executive	173	187	14	8%
Commercial Development				
Bicester Regeneration Project	1,163	1,190	27	2%
Regeneration & Housing	1,642	2,263	621	38%
Human Resources	524	555	31	6%
Information Services	1,497	1,637	140	9%
Business Transformation	278	300	22	8%
Sub Total	5,104	5,945	841	16%
Finance and Procurement	1,148	1,398	250	22%
Strategy & Commissioning				
Strategic Planning Economy	1,124	1,201	77	7%
Development Management	296	585	289	98%
Communications & Corp Perf	295	318	23	8%
Business Support Unit	87	90	3	3%
Performance	197	180	(17)	-9%
Law and Governance	1,040	1,093	53	5%
Sub Total	3,038	3,467	429	14%
Community and Environment				
Community Services	5,162	5,176	14	0%
Environmental Services	4,913	5,454	541	11%
Sub Total	10,075	10,630	555	6%
NET COST OF SERVICES	19,538	21,627	2,089	11%
Transfers to/from Reserves NHB	2,030	2,373	343	17%
Transfers to/from reserves	(1,924)	(4,850)	(2,926)	-152%
Transfers to General Fund Balance	688	492	(196)	-28%
Interest on Investments (including Graven Hill)	(150)	(1,954)	(1,804)	-1203%
Pension Fund - Historic Costs	1,847	4,985	3,138	170%
Depreciation adjustment	(4,002)	(4,002)	0	0%
NET BUDGET REQUIREMENT	18,027	18,671	644	4%
CDC: FUNDING				
Formula Grant Equivalent				
Business Rates Baseline	(3,495)	(3,564)	(69)	-2%
Revenue Support Grant	(1,851)	(1,105)	746	40%
Sub Total	(5,346)	(4,669)	677	-13%
Grants Awarded				
Transfer to Parish Councils for CTRS	349	349	0	0%
New Homes Bonus	(3,851)	(4,468)	(617)	-16%
Sub Total	(3,502)	(4,119)	(617)	18%
Business Rates Growth				
Retained Business Rates	(2,114)	(2,231)	(117)	-6%
Pooling Gain	(1,869)	(1,562)	307	16%
Renewable Energy	(244)	(213)	31	13%
S31 Inflation Cap	(108)	0	108	100%
NNDR Collection Fund Deficit	1,555	648	(907)	58%
Sub Total	(2,780)	(3,358)	(578)	-21%
Council Tax Income				
Baseline	(6,219)	(6,219)	0	0%
Taxbase increase	0	(158)	(158)	0%
Council Tax Increase by £5	0	0	0	0%
Collection Fund	(180)	(148)	32	-18%
Sub Total	(6,399)	(6,525)	(126)	-2%
TOTAL INCOME	(18,027)	(18,671)	(644)	-4%
(SURPLUS) / DEFICIT	0	0	0	
Tax Base	49,506	51,639.5	2,133	-4%
Band D Council Tax	£123.50	£123.50	£0.00	0%
CDC: Analysis of Budget Movements				Movement £000
Payroll:				
- Pay Award				220
- Increments				175
- Employers Pension Contributions - increase from 13.7% to 14.9%				250
- Apprenticeship Levy				40
				685
Contract Inflation				120
Business Cases:				
- Property & Investment Services Team restructure				149
- ICT restructure				120

- Revenues & Benefits	-134
- Other	-65
	70
Commercial Development:	
- Castle quay income has been revised and adjusted to reflect current and projected occupancy levels	350
- Homelessness increase in cases	56
	406
Operations & Delivery:	
- Environmental Services, Included in MTRP - growth in properties	125
	295
- Environmental Services, Increased sickness cover & Bank Holiday working & training	
	420
Strategy & Commissioning:	
- Reduced Planning Income	250
	250
System Replacement, Upgrade, Enhancement:	
- Revenues & Benefits, Finance, HR, Commercial, Customer Services	54
Minor increases in a number of services:	
- All service areas	84
Pension Fund Contribution - Historic Cost	3,138
One-off Costs Funded from Reserves:	
- Revenues & benefits, cost of joint service & teckel company	200
- Tenancy Support Officer & Housing Needs Survey	46
- Planning - fixed contract staff	94
- Bid writer	11
- Local Plan Costs	370
- Regeneration - Eco Town, garden Town	1,076
- Additional Pension Contribution	3,053
- Use of Earmarked reserves 2017/18	-4,850
	0
Other Funding:	
- Net Transfer to Reserves	-2,779
- Interest on Balances	-1,804
	-4,583
Increase in Net Budget Requirement	644
Total Income	
- Formula Grant equivalent	677
- New Homes Bonus	-617
- Business Rates Growth	-578
	-518
Council Tax:	
- Taxbase Increase	-158
- Increase in Council Tax	0
- Collection Fund Surplus	32
	-126
Increase in Total Income	-644

Business Plan 2017-18



Cherwell:
a district of
opportunity

Cherwell:
safe, green,
clean

Cherwell:
a thriving
community

Cherwell:
sound budgets
and customer
focused council

Cherwell: a great place to live

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Cherwell

DISTRICT COUNCIL
NORTH OXFORDSHIRE

Foreword

Welcome to Cherwell District Council’s business plan for 2017–18. This plan is about our priorities for the district in the coming year. The council is here to serve the people of the district and therefore our plan aims to support those who live, work and visit this district which has a lot to offer. Our plan is based on an understanding of the challenges and opportunities facing our district and consultation with local businesses and residents to determine local requirements.

We will make sure the council operates efficiently, and work towards long term solutions to deal with the cuts we face. We have already been proactive working with our partner, South Northamptonshire Council, developing shared working and looking at new ways of delivering services for our communities. Financial savings have been made over the past years and we will continue to be as innovative as possible to ensure the council manages its day to day business even more effectively and transparently.

We recognise that a strong local economy is essential for a strong local community. We will continue to promote economic growth by helping local companies to expand, securing high quality and high value jobs, with increased opportunities for all, and supporting more affordable homes for local people. The above is supported by the Cherwell Local Plan 2011-2031 which ensures that growth is targeted and investment made whilst still respecting the character and beauty of our rural areas.

This business plan, based around four key themes, also outlines our performance pledges for the year and we remain committed to working effectively with our partners to ensure high quality services are delivered in times of financial constraint.

We want Cherwell to be a district where people want to live and work and we think we are moving in the right direction.

If you would like any more information about the priorities of this council please get in touch using the details on the back of this document.



Councillor Barry Wood



Leader of Cherwell District Council



Sue Smith



Joint Chief Executive, Cherwell District and South Northamptonshire Councils



Cherwell: a great place to live

An overview of Cherwell

Named after the River Cherwell which flows through it, the district is located between London and Birmingham, at the most northern point of the South East region, where it meets the West Midlands and East Midlands. Cherwell borders Oxford City, South Oxfordshire, Vale of White Horse, West Oxfordshire, Aylesbury Vale, South Northamptonshire and Stratford on Avon districts. The M40 passes through Cherwell and there are good rail connections to both London and Birmingham.

One of the council's main strategic challenges is to ensure that the district grows in a sustainable way; one that delivers a prosperous economy and thriving communities. The adopted Local Plan sets the framework for the growth of the district. The Local Plan will lead to over 22,800 new houses in the district at a range of development sites around Bicester, Banbury and Upper Heyford, together with the new employment sites to ensure that our towns grow in a sustainable way. Delivering the adopted Local Plan will play a key role in this, as will implementing the Masterplans for Banbury, Bicester and Kidlington to secure new housing, retail, development and leisure opportunities. The council is working with its partners to ensure that this growth is delivered while protecting and enhancing the character of our urban centres, villages and landscapes.

The district is growing with over half of the population living in the principal centres of Banbury, Bicester and Kidlington. The remainder live in more than 70 smaller settlements. Cherwell's population has increased significantly over the past 20 years and this trend is set to continue with the population predicted to reach 155,650 by 2021.

Therefore a key challenge for the district will be responding to population changes. The population of Cherwell is continuing to age, with the number of residents aged 60 and above predicted to increase

by over 7,000 between 2011 and 2021. By 2021, nearly a quarter of Cherwell's population will be aged 60 or over. This rate of increase will provide challenges and the council will have to continue to anticipate the future services required by our older population, building on our strong track record of ensuring the needs of older residents are met. The council is focused on ensuring that our services are accessible to all people living in the district.

Another of the council's key challenges will be to ensure that communities across the district continue to thrive. As part of this commitment, the council will be working with partners to increase the affordable housing options across the district, whilst continuing to work with partners to support financial inclusion, help local people into employment and work with local businesses to help them grow.



Cherwell - Outlook for the next five years

Our vision for our district is to create and sustain the best conditions for businesses to grow, people to live and communities to thrive. Our business plan reflects what we will do to achieve this vision. However, there are international, national and local factors that will set the context for how we plan and deliver services over the next five years. Whilst some of these factors are outside of our control, we must be aware of them and be able to respond to them in our business planning and service delivery.

Brexit and the EU

UK 'Brexit', or departure of the UK from the EU, triggered by Article 50 of the Treaty of Rome in March 2017 means the future relationship between the UK and the EU will remain unclear until the negotiations are completed in 2019. The Great Reform Bill will adopt EU treaties into UK law to provide policy continuity in the medium term and policy reform over the long term. This could change patterns of investment by Government and commerce which may start to filter in from 2020.

Whilst Brexit has introduced a note of uncertainty, it is clear that for most UK economic sectors investment is continuing and consumer spending remains high in contrast to that experienced in the rest of the EU.

The National Economy

The government is expected to continue its policy of austerity and not reach a budget surplus until at least 2020/21. Interest rates are expected to remain low for the foreseeable future as increased global oil prices and lower sterling exchange rates drive up the cost of imports and introduce a measure of inflation back into the UK economy.

However a fall in sterling is reducing the global cost of UK manufactured goods and services. Together with the Brexit emphasis on reaching new trade agreements, this could provide a significant stimulus to our economy as new markets focused on non-EU trade growth are sought, meaning that economic growth could outstrip that of the EU or even OECD. The election of President Trump in the USA brings proposals to change some features of international trade away from multilateral trade agreements to unilateral trade deals. The UK is, at the same time, pursuing the same approach post Brexit.

Local growth, housing and the economy

In the UK the 2016 Autumn Statement proposed increasing investment to improve our own national infrastructure and the establishment of the National Industrial Strategy during 2017 can be anticipated to positively impact key sectors across our district including High Performance Engineering and Motorsport, Manufacturing, Food and Drink and Logistics. Preparations for the national rollout of the next generation of Digital infrastructure of 5G will also take shape in this period, in addition to the current roll-out of Superfast Broadband to secure improved digital connections to the more remote parts of our district.

The National Infrastructure Commission (NIC) has proposed a Cambridge to Oxford infrastructure corridor through an Expressway and East-West rail link. Our district, which sits within the corridor, is preparing to capitalise on this by ensuring that connections to the proposed transport links around Bicester and Banbury, to support planned growth, are made or improved.

House prices are anticipated to continue the trends of the past few years with annual increases in the South East. A Housing White Paper is anticipated in 2017 proposing housing reforms as well as the latest set of changes to the planning system. It is expected to support increasing the volume of affordable housing and introduce housing supply innovations for more self-build and starter homes.

We recognise the need to balance the demands for housing growth with the pressures and increase in demand for services that growth brings. Our strategy will continue to be set by the adopted Local Plan Part 1. It will be complemented by the completion of the Local Plan Part 2 to set new town centre boundaries and the completion of a Partial Review of the Part 1 plan to locate a proportion of the unmet housing need from Oxford into the district. This will also secure a number of opportunities for the communities living in the southern part of the Cherwell District including affordable housing, new transport, community and leisure facilities and new employment.

Introduction of a Community Infrastructure Levy (CIL) and revised Section 106 conditions as part of a suite of up to date policies for developer contributions will

ensure the impact of growth is offset and high quality of life for residents is maintained.

Our capital programme to regenerate the two market towns of Banbury and Bicester and investment of significant resources across the rest of the district for the people who live and work here will continue. The approved major housing development sites at Banbury, Bicester and Upper Heyford are progressing. This will be supported by economic development and jobs growth across the district with consents already in place for new major employment sites in these locations. These employment sites are being promoted nationally to attract companies to locate to them.

More funding is available for apprenticeships through a levy to be introduced from 2017 and the district has extensive apprenticeship provision in the private sector to build upon. Wages for the lowest paid in the district will rise as the 'national living wage' sees the statutory minimum wage levels increased.

The state of public sector finance

Local authorities' income is traditionally reliant on a large injection coming from central government in the form of a revenue support grant, together with business rates and council tax collected within district and new homes bonus to drive housing growth. The revenue support grant is reducing in size during 2017-2018 and will be withdrawn altogether by 2019. There is also uncertainty around the future shape of new homes bonus and when 100% business rates retention will be applied. Our council must find a way of recovering this funding gap if it is to continue to deliver the current scale of frontline services.

Our district is currently well placed financially, compared with many other local authorities, but if we do not take action now then our situation will deteriorate in 2019, impacting frontline services. This business plan makes reference to how the council must and will find operating efficiencies and alternative revenue streams by utilising its local knowledge and the skills and resources of its staff to remain financially sustainable and protect and enhance frontline services.

The future of local government

The debate on further devolution of powers to local government will continue, with reform of public services and how they are delivered in a financially sustainable way key to that agenda. The issues with NHS service delivery and specifically adult social care funding are currently driving this debate, with pressure on public sector finances to continue to deliver frontline health and social care services and further pressure on the county to provide education and infrastructure services. There is increasing importance now being attached to wellbeing across the public sector manifested in local plans for health and social care sustainability and transformation where increasing emphasis is placed on ill health prevention, early intervention and healthy lifestyle choices. Integrated working across our housing, leisure, community, planning and environmental health services will become even more important.

Summary

In summary, whilst internationally there is some uncertainty due to Brexit and at national level there is concern with the state of the economy and its impact on local authorities across the country, at a local level our financial position remains strong and our district investment and growth outlook remain positive.

Our business planning will continue to be based on providing the best conditions for businesses to grow, people to live and communities to thrive. Even with uncertainty around the future shape of local government, our council will continue to strive to find and support a solution that maximises the best interests of the people and businesses in our district to support growth, have a good quality of life and develop our communities.

Our strategic approach to business planning: Performance, accountability and transparency

Five Year Business Strategy - Priorities for the five year strategy

The table below presents the council’s strategic priorities for its five year business strategy. This strategy sits alongside the council’s Medium-term Financial Strategy and is underpinned by an annual

business plan, budget and performance management framework that sets out the milestones, performance measures and budget that will drive the council’s delivery of services and major projects.

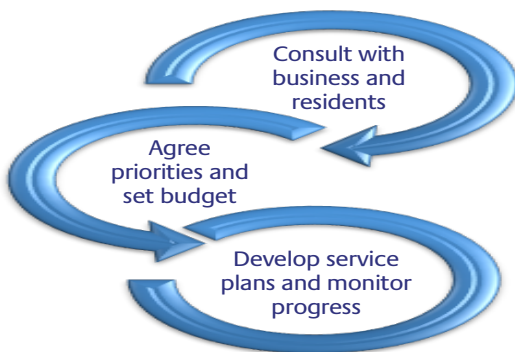
Cherwell: a district of opportunity	Cherwell: safe, green, clean	Cherwell: a thriving community	Cherwell: sound budgets and customer focused council
Manage growth of the district.	Provide high quality recycling and waste services, helping residents recycle.	Deliver affordable housing and work with private sector landlords to help improve affordable housing options.	Reduce the cost of our services through efficiencies.
Deliver the growth plans for Bicester.	Provide high quality street cleansing service and tackle environmental crime (littering, fly tipping, graffiti) where it arises.	Work with partners to support financial inclusion.	Communicate effectively with local residents and businesses and increase access to services on line.
Complete and implement the Masterplan for Banbury.	Work with partners to help ensure the district remains a low crime area.	Provide high quality housing options advice and support to prevent homelessness.	Deliver the five year financial strategy.
		Work to provide and support health and wellbeing across the district.	
Promote inward investment and support business growth within the district.	Reduce our carbon footprint and protect the natural environment.	Provide high quality and accessible leisure opportunities.	Deliver the key outcomes of the Commercial Strategy to reduce the funding gap in the Medium Term Revenue Plan.
		Provide support to the voluntary and community sector.	
Develop and implement a “One Council” offer of support to local businesses including regulatory services.		Protect our built heritage.	Ensure effective governance and performance management arrangements are in place.
Consider steps to support the visitor economy and the well-being of town centres as part of our approach to economic growth in the district.		Work to ensure rural areas are connected to local services.	

How we will manage the performance of our plan

Implementing our Strategy

Our annual business plan outlines the key actions we will take to meet the outcomes we have set. Performance measures will enable us to demonstrate that we align our resources to the delivery of the business plan in the most effective way possible. This is also a transparent way for us to show progress to the council, its employees, everyone in our district and those who read this document.

Our business planning cycle is underpinned by budget reviews aimed at identifying opportunities for increased efficiency and performance. This process is led by locally elected members. Consultation with residents and businesses also contributes to the development of the plan including our annual customer satisfaction survey.



Improvement and Innovation

The council has robust plans to deliver improvement and increased efficiency given the challenging national economic circumstances currently being faced.

With a strong focus upon the strategic priority of growth we have developed a suite of three new joint corporate strategies to sit alongside the respective strategic business plans of Cherwell District Council and its partner, South Northamptonshire Council.

The new corporate strategies, collectively known as our “**Cycle of growth**”, add weight to the business plans by articulating and providing transparency to how we intend to deliver our plans for the future.

They are focused upon delivering **Operational Excellence** in services, a renewed approach to how we **Commission** services based on need and by bringing about **Commercial Development** through innovation.

Our Operational Excellence Strategy introduces a set of joint corporate values based upon the principle of wanting to create a forward thinking, enabling culture, and seeing that reflected in the PRIDE and energy

amongst our dynamic workforce. They are values that we expect to be demonstrated by everyone working for the council and also from our partners and suppliers.

Our Commissioning Strategy will assess the needs of our residents and businesses and use this to specify and employ effective services that provide the best outcomes whilst ensuring value for money.

In order to continue to deliver more improved and quality frontline services, our Commercial Strategy sets out the activities we aim to undertake in order to replace the funding that is set to be withdrawn.

Ultimately, through the financial independence and growth achieved through the successful delivery of these strategies we will enable further investment to improve the quality of life of our residents, promote economic growth of the district and build thriving communities, bringing real meaning to the description “cycle of growth”. They will operate side by side to ensure the outcomes required in the strategic business plans and medium-term financial plans are achieved.

Managing and Reporting our Performance

The overarching five year Business Strategy, Medium-term Financial Plan, annual business plan, service plans and the appraisal targets of individual employees all demonstrate that the council has a clear and robust “golden thread” between resource availability and delivery of the council’s agreed priorities. This approach helps us to provide effective community leadership and will demonstrate that we are utilising public resources in the most effective way possible.

Performance management represents an essential part of our assurance and accountability process. It ensures that we are focused on the delivery of our strategic and operational objectives and demonstrates our achievements to local residents whilst also being transparent about the issues or challenges that we are facing.

We report our performance on a quarterly basis and it is reviewed by the Executive. Where performance issues and challenges are identified the joint management team and lead elected members work together to deliver improvement.

Both the revenue budget for 2017–18 and our performance results can be found on our website www.cherwell.gov.uk

Cherwell: a district of opportunity

Supporting economic development, employment, conservation, regeneration and development of the district

Manage growth of the district

- Consult on the Proposed Submission Local Plan Part 2 and partial review of Local Plan Part 1 and submit to the Secretary of State
- Monitor the delivery of the five year land supply and work with Development Management on appropriate responses as this supply changes
- Engage with all neighbouring councils and other public bodies on planning matters affecting Cherwell from other Districts and public bodies under the duty to co-operate
- Support parish teams preparing neighbourhood plans for their community

Deliver the growth plans for Bicester

- Northwest Bicester: continue to facilitate the planning applications for the site
- Northwest Bicester: Delivery of the Eco - Bicester business centre
- Adoption of the Masterplan document to assist revitalisation of town centre
- Market Bicester's employment and investment opportunities
- Deliver, in partnership, the Healthy New Town programme for Bicester

Complete and implement the Masterplan for Banbury

- Review strategic development plan for Bolton Road site. Consult with local businesses and develop preferred option for redevelopment.
- Take steps to develop a Masterplan of Canalside in Banbury Town Centre for redevelopment
- Secure start on Castle Quay 2
- Maximise the council's income from Castle Quay
- Support The Mill & Museum Trust as the primary town centre arts and cultural provision in their development activity
- Proceed with the preparation of a Business Improvement District (BID) for Banbury

Promote inward investment and support business growth within the district

- Support business growth, skills & employment in local companies and the visitor economy
- Continue to use the Cherwell Investment Partnership (CHIP) as a hub for inward investment
- Ensure that available land and premises for business are promoted locally and nationally
- Work with OXLEP and SEMLEP to ensure the work of each Local Enterprise Partnership (LEP) supports the development of the economy of Cherwell district
- Support skills development to keep unemployment at a low level

Develop and implement a 'One Council' offer of support to local businesses including regulatory services

- Review and simplify the planning pre-application process
- Improve customer satisfaction with regulatory services
- Continue working with agents / developers to ensure excellent working relationships

Consider steps to support the visitor economy and the well-being of town centres as part of our approach to economic growth in the district

- Implement an Action Plan with key attractions and town centres to promote the district to visitors

Cherwell: safe, green, clean

Working to ensure the district has high standards of environmental cleanliness, great recycling and waste management, tackling crime and supporting energy efficiency

Provide high quality recycling & waste services, helping residents recycle

- Increase recycling and reduce residual waste per household
- Maintain high customer satisfaction with recycling and waste service

Provide high quality street cleansing services and tackle environmental crime

- Maintain high customer satisfaction with street cleansing
- Maintain a programme of high profile neighbourhood blitzes and pursue a hard enforcement and conviction line to environmental crime
- Provide a fast response time in dealing with fly tip incidents

Work with partners to help ensure the district remains a low crime area

- Continue to work with Thames Valley Police to maintain an effective CCTV operational system for our urban areas
- Continue working with local police & licence holders to ensure town centres remain safe

Reduce our carbon footprint and protect the natural environment

- Deliver the council's Biodiversity Action Plan
- Reduction of two per cent in council's carbon emissions
- Establish multi-agency Air Quality Management Action Plans as required

Cherwell: a thriving community

Providing affordable housing, leisure and sports facilities and activities, working with partners to improve access to health services, providing arts, cultural and community services

Deliver affordable housing & work with private sector landlords

- The council to deliver at least 190 units of affordable housing
- Monitor the number of affordable housing units in the district that are delivered via negotiations on new development proposals
- Promote an off-site construction factory in Bicester
- Secure additional nomination rights into the private sector through landlords home improvement grants

Work with partners to support financial inclusion

- Conclude negotiation for a new debt, money and housing advice service through a third party contract
- Maintain performance on payment of Housing Benefit

Provide high quality housing options advice & support to prevent homelessness

- Reduce the number of households living in temporary accommodation
- Through Housing Advice team reduce the number of repeat homelessness cases presented to the council
- Use the Housing Advice Service to prevent people from becoming homeless
- Improve energy efficiency through CHEEP grants (The CHEEP grant is an energy efficiency grant available to private sector landlords)

Work to provide and support health and wellbeing across the district

- Support the Community Partnership Network with financial, clinical & technological changes in the health and social care sector
- With partners help improve lives of most vulnerable from Brighter Futures initiative
- Work with partners to maintain the widest level of health care provision at the Horton General Hospital
- Promote good health and wellbeing to residents and workers through the provision of active lifestyle opportunities plus advice on community engagement and healthy eating

Provide high quality & accessible leisure opportunities

- Undertake feasibility studies of extended and new indoor leisure facilities in Banbury and Bicester to meet additional demand from local growth
- Complete works for Whitelands Farm Sports Ground, SW Bicester to enable the outdoor sports pitches to operate from September 2017
- Commence, with the aid of external funding, the redevelopment of The Hill in Banbury
- Establish sports pitch and facilities strategies for the district

Provide support to the voluntary & community sector

- Support the development of neighbourhood community associations in areas of new large scale housing development
- Undertake new commissioning arrangements for promoting volunteering and the placement of volunteers.
- Support the Local Strategic Partnership in addressing the key issues in the district

Protect our built heritage

- Continue the programme of Conservation Area Reviews
- Provide design guidance on major developments
- Process planning applications and defend the council's position at appeals, in accordance with planning policies and guidance

Work to ensure rural areas are connected to local services

- Work with BT/BDUK & Oxfordshire County Council to extend Superfast Broadband district-wide

Cherwell: sound budgets and customer focused council

Ensuring the council is run as efficiently as possible, consulting with local people, helping vulnerable people to access our services, and the provision of council tax and housing benefits.

Reduce the cost of our services through efficiencies

- Identify and deliver on-going efficiencies and savings to reduce the cost of running our services
- Implement the shared corporate IT strategy including a new council website
- Increase in Council Tax base
- Increase in NNDR (business rates) base

Communicate effectively with local residents & businesses and increase access to services online

- Continue to increase use of social media to communicate with residents & local businesses
- Continue to develop our business focused communications
- Increase the number of services that can be accessed and paid for on line

Deliver the five year financial strategy

- Deliver annual balanced budget setting out five year financial plan (Medium-term Revenue Plan)

Deliver the key outcomes of the commercial strategy to reduce the funding gap in the MTRP

- Grow existing income for services we currently trade
- Deliver a jointly owned company (with SNC) for Revenues and Benefits services
- Undertake feasibility studies for the delivery of new commercial services and projects
- Implement the actions set out in the new Asset Management Strategy

Ensure there are effective governance and performance management arrangements in place for all council-owned companies and/or alternative service delivery vehicles

- Formation of sound business and financial plans
- Delivery of specific key performance indicators (KPI) from agreed service level agreements (SLA)
- Compliance with company law and relevant legislation
- Introduce quality management models in all services

Performance Pledges 2017–18

Every year from the key objectives and actions detailed across our strategic priorities several are highlighted as performance pledges. They are key activities that reflect local priorities and these pledges demonstrate our commitment to the delivery of important local services and new projects to help make Cherwell a great place to live.

For 2017–18 our pledges are:

Cherwell: a district of opportunity



- Deliver, in partnership, the **Healthy New Town** programme for Bicester.
- Deliver the Banbury Business Improvement District to **support local businesses**.
- Develop and implement a **'One Council' offer** to support local businesses including regulatory services.





Cherwell: safe, green, clean

- Undertake **neighbourhood blitzes** with community involvement and pursue a hard enforcement line on environmental crime.
- Work with the local police and licence holders to ensure our town centres remain **clean, safe and vibrant** at all times.
- Provide a **fast response time** in dealing with fly tip incidents.






Cherwell: a thriving community

- With our partners help to **improve the lives** of the most vulnerable from the Brighter Futures initiative.
- Deliver at least 190 units of **affordable housing**.
- **Complete the phase 2 pavilion** and car park works for Whitelands Farm Sports Ground.






Cherwell: sound budgets and customer focused council

- **Reduce the cost** of providing our services through partnerships, joint working and other service delivery models.
- Ease of communication – with **more services available online**.
- Continue to increase use of social media to **communicate with residents and local businesses**. Continue to develop our business focused communications.






Appendix – How we will show our performance

The following tables show the measures and actions we will use to report and manage the performance of the business plan. Progress is monitored on a regular basis by both members and officers with any issues being highlighted and acted upon.

Cherwell: a district of opportunity	
Our objective is:	We will show our performance through:
Manage growth of the district	Meeting key dates for the proposed submission of Local Plan Part 2
	Delivery against five year land supply targets
	Engaging with all neighbouring councils under the duty to co-operate
	Preparation of neighbourhood plans to timetables set in regulations
Deliver the growth plans for Bicester	Continuing to facilitate the planning applications for Northwest Bicester
	Delivery of the Eco-Bicester business centre
	Adoption of the Masterplan document to assist revitalisation of Bicester town centre
	Marketing Bicester's employment and investment opportunities
	Delivering, in partnership, the Healthy New Town programme for Bicester
Complete and implement the Masterplan for Banbury	Reviewing the strategic development plan for the Bolton Road site
	Adopting Masterplan for Canalside in 2017-18
	Securing start on Castle Quay 2
	Attending FM meeting, improving financial reporting and reviewing investment with Aberdeen Investment Properties
	Supporting The Mill & Museum Trust as the primary town centre arts and cultural provision in their development activity
	Completing 2nd stage assessment of the Business Improvement District (BID) for Banbury by October 2017
Promote inward investment and support business growth within the district.	Number of businesses who have received advice
	An increase in NNDR base
	Increased take up of LEP services - reported in Annual Business Survey
	Unemployment rate and take up of Job Clubs/Job Fairs by companies
Develop and implement a 'One Council' offer of support to local businesses including regulatory services.	A review of the planning pre-application process by June 2017
	Carrying out a survey and establishing baseline satisfaction with services
	Developing an action plan for improvement
	Attendance numbers and feedback /satisfaction from Agents' forums
Consider steps to support the visitor economy and the well-being of town centres as part of our approach to economic growth in the district.	Updates on the Action Plan to Executive in 2016/17 and report on implementation

Cherwell: safe, green, clean

Our objective is:	We will show our performance through:
Provide high quality recycling & waste services, helping residents recycle	Achieving a 56% recycling rate
	Residual household waste per household
	Amount of waste sent to energy recovery
	Maintaining high customer satisfaction with recycling and waste service (80%)
Provide high quality street cleansing services and tackle environmental crime	Maintaining high customer satisfaction with street cleansing (80%)
	Number of neighbourhood blitzes
	Number of enforcement actions
	Success of fly-tip enforcement
	Investigating incidents within 24 hrs from report
	Cleaning up within 48 hrs from investigation
Work with partners to help ensure the district remains a low crime area	Maintaining CCTV in all urban areas
	Reducing the number of anti-social behaviour incidents
	Carrying out operations and initiatives in accordance with the joint CDC /TVP night-safe plan
	Reducing incidents of drunkenness, begging and rough sleeping by carrying out proportionate interventions in the Banbury Public Spaces Protection Order (PSPO) area
	Embedding the new CDC Taxi Policy including implementing safeguarding awareness training for licensed taxi drivers
	Responding to incidents / complaints regarding licensed premises
	Undertaking routine food/health and safety inspections as per programme.
	To investigate and respond to complaints/accidents as required
Reduce our carbon footprint and protect the natural environment	Implementing agreed action plans including the promotion of cycling and walking
	Reviewing progress of the actions in the Air Quality Action Plans with partner agencies responsible for their implementation

Cherwell: a thriving community

Our objective is:	We will show our performance through:
Deliver affordable housing & work with private sector landlords	Delivering homes throughout the year that are designated for affordable housing
	Number of other affordable housing units
	Creating at least an additional 10 units of accommodation for nomination by the council
Work with partners to support financial inclusion	Average time taken to process new Housing Benefit claims
	Average time taken to process change in circumstances
	Average time taken to process new claims and changes for Housing Benefit
	Customer satisfaction with benefits process
Provide high quality housing options advice & support to prevent homelessness	Maintaining a target of no more than 41 properties allocated for temporary accommodation
	Tracking repeat homeless presentations and developing an action plan and initiatives following the new Homelessness Prevention Act coming into law.
	Allocating 10 CHEEP Energy Efficiency Grants in 2017–18
Work to provide and support health and wellbeing across the district.	Promoting the Workplace Wellbeing Charter to obtain commitment from five local businesses to work towards accreditation.
	Undertaking a feasibility study for introducing the Eat Out Eat Well Award for food businesses in Cherwell

Cherwell: a thriving community

Our objective is:	We will show our performance through:
Provide high quality & accessible leisure opportunities	New facility models in Banbury and Bicester (to be considered in Summer 2017)
	Whitelands Farm Sports Ground outdoor sports pitches being operational from September 2017
	Commencing construction on the redevelopment of The Hill in Banbury during the second half of 2017–18
	Agreeing sports pitch and facilities strategies for the district in the first half of 2017–18
Provide support to the voluntary & community sector	Providing support for two new neighbourhood community associations
	Putting in place a partner organisation with new commissioning arrangements for promoting volunteering and the placement of volunteers in first half of 2017–18
Protect our built heritage	Completing five Conservation Area Reviews
	Responding to consultations from Development Management with design guidance on major developments within the prescribed timescale
	Processing major planning applications within 13 weeks
	Processing minor planning applications within eight weeks
	Processing other planning applications within eight weeks
The percentage of planning appeals allowed	
Work to ensure rural areas are connected to local services	Reporting every six months on progress of extending Superfast Broadband district-wide to show where has been connected and the forward programme

Cherwell: sound budgets and customer focused council

Our objective is:	We will show our performance through:
Reduce the cost of our services through efficiencies	Completion of efficiency reviews and £ savings delivered
	Implementing the shared Corporate IT Strategy including a new council website
	Percentage of Council Tax collected
	Percentage of Business Rates collected
Communicate effectively with local residents & businesses and increase access to services online	Social media ratings: Number of Facebook likes
	Social media ratings: Number of Twitter followers
	Making five more services available online
	Reducing face to face contact time
Deliver the five year financial strategy	Budget variance on capital within 2 per cent (Annually reported)
	Budget variance on revenue within 2 per cent (Annually reported)
Deliver the key outcomes of the commercial strategy to reduce the funding gap in the MTRP	Growing existing income for services we currently trade
	Delivering a jointly owned company (with SNC) for Revenues and Benefits services
	Undertaking feasibility studies for the delivery of new commercial services and projects
	Implementing the actions set out in the new Asset Management Strategy

Cherwell: sound budgets and customer focused council

Our objective is:	We will show our performance through:
Ensure there are effective governance and performance management arrangements in place for all council owned companies and/or alternative service delivery vehicles	Delivering specific Key Performance Indicators from agreed Service Level Agreements with council-owned companies
	Including full legal implications confirming relevant statutory powers and compliance with legal requirements in all reports to members on establishment of companies/entities
	Incorporating each approved company entity in accordance with project plan timescale
	Introducing quality management models in all services

Getting in touch

Throughout the year the council provides opportunities for local people to have their say. Whether this be through customer satisfaction surveys, budget consultation, consultation on new projects and services, talking to local business organisations or feedback via our link-points or website, we are keen to listen to what you like and what needs to be improved.

However, if you would like to provide feedback about any other matter you can do so using the contact details on this page.

Email: consultation@cherwell-dc.gov.uk

To find and email your ward councillor:
<http://modgov.cherwell.gov.uk/mgFindCouncillor.aspx>

Call the Performance and Insight Team:
01295 221605

Customer Services: 01295 227001

Write:

The Performance and Insight Team
Bodicote House
Bodicote
Banbury
Oxfordshire, OX15 4AA

For general enquiries visit www.cherwell.gov.uk
or contact the customer service team
01295 227001.

Cherwell: a great place to live

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Cherwell

DISTRICT COUNCIL
NORTH OXFORDSHIRE

Operational Excellence Strategy

2017 – 2020

Leadership
Process
Excellence
Culture
Agile
Growth
Improvement
Pride & Energy
Standards
Strategy
Improvement
Values



South
Northamptonshire
Council

Cherwell
DISTRICT COUNCIL
NORTH OXFORDSHIRE

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Our operational excellence goal

To create a blueprint for the **delivery of leading edge public services to customers** and prepare services to transition into the confederation model, including opening up new markets/territories.

Our operational excellence strategy

Our strategy for business success is:

- To create and implement a **culture** driven by customer experience, operational excellence, continuous learning and added value.
- To ensure **continuous improvement** sits at the heart of all operational services.
- To remove all barriers that get in the way of providing a **whole council approach to service delivery**.
- To focus on a dual strategy of delivering core operational services that **meet local community and business demand** and transferring our sector expertise into our new **commercial operating model**.
- To continually **develop and grow our core services**, working effectively with our communities/customers, partners, suppliers, stakeholders and our people by integrating **“excellence in operation”** and customer feedback into everything we do.
- To create a **culture of pride and energy** amongst our workforce.
- To build an **agile** workforce and adopt a **matrix management** operating principle.
- To **recruit** and **retain** a workforce that blends **the best of private and public sector expertise** and to **develop** them to excel in all that they do, such that they can leave us, but choose not to.

Our values

Our values set out what it is like to work for the councils and how we attain excellence in the delivery of our services. They describe how we conduct ourselves every day. We are proud of them.



We **continuously develop** our knowledge to apply the highest level of **professional standards**, conduct and outcomes.

We are **polite** and **respectful** at all times to each other and to everyone we come into contact with.

We are **reliable**.

We are **flexible** and **agile**.

We work beyond usual boundaries.

We demonstrate **accountability** for our actions.

We take **pride** in our personal image.

We deliver **seamless services**.

We use **creativity, innovation** and new ideas to achieve our goals.

Managed risk taking is expected.

Risks are **well managed**, well reported and always owned.

We are willing to fail from time to time, in **pursuit of excellence**.

We do not confuse risk taking with being reckless.

We all lead by example; with **integrity, trust** and **respect**.

We are **honest**.

We are **ethical**.

We **keep our promises**.

When we have got something wrong, we take **responsibility**. We put it right. We are upfront and we learn from it.

We hold difficult conversations **respectfully**.

We take pleasure in working to **provide innovative solutions** for our customers when things become difficult.

We work tirelessly to **exceed expectations**.

We show **care and consideration** for all of our customers.

We will never **deliver a service** that we wouldn't accept for ourselves.

We actively **seek feedback** from our customers and act on it where there is something to learn.

We work as '**One Council**'.

We communicate in a **clear** and **customer friendly** way.

We believe excellence is inspired by positive leadership and **continuous improvement**.

We **lead developments** in our sector.

We **learn from each other** and from other sectors.

We conduct **quality assurance** checks against all our outputs.

We are **rigorous** in reviewing our processes to remove waste and duplication.

We all take **personal responsibility** for putting things right when they are wrong.

We don't make the same mistake twice.

We challenge and confront anything that does not represent our **standard of excellence**.

Our culture

At the heart of our culture is a commitment to operational excellence in all our services. This is achieved through the highest levels of measurable performance, customer satisfaction and continuous improvement.

We believe that with the right support and encouragement every one of our employees has the

potential to excel in their working lives by pushing boundaries and seeking out the art of the possible in whatever they do.

We have a shared belief that excellence can be found in every corner of the two organisations and that it is our people who take pride in making that happen.

Our five point business operating model

Customer experience; excellence in delivery; seamless services.

Operational excellence	Our people	Business insight	Collaboration and partnership	Growth and sustainability
Customer experience	Work together	Customer feedback	Communities	Economic growth of our areas
Customer satisfaction; creating a lasting impact and positive memory	Can do attitude	Complaints	Businesses	Financial independence
Service Level Agreements / Contract management	Commercially minded	Performance metrics	Suppliers	Procurement
Performance indicators	Commercially skilled	Legislation	Local authorities	Commercial Development and Innovation strategy
Quality services and products	Innovative	Environment	Public service agencies	New markets and clients
Continuous learning and innovation	Take personal responsibility	Benchmarking (private and public sector)	Customers	Income generation
Forward looking	Adopt a seamless approach to service delivery	Continuous learning from other sectors	Government	Profitability
Waste avoidance	Use proven best practice	Market assessment for competitive advantage and opportunity	Auditors	Environmental and social responsibility
Process improvement	Demonstrate courage	Identification of customer demand	Private sector	Long term success
Channel shift	Agile	Commissioning services and suppliers	Stakeholders	Service development to set a blue print for 21st century public services
Commercial operating principles	Learn continuously		Volunteers	
	Develop and excel through a career of choice		Due diligence of prospective partners, suppliers and business relationships	
			Leading our communities	

Our corporate excellence model

In 2017/18 a corporate excellence model will be introduced to ensure operational excellence and leading edge public services are attained. Our adopted model is EFQM (European Foundation for Quality Management)

It will build upon the standards of excellence that already exist in some of our operational services. All services will set out their excellence objectives in their business plans.

In recognition of the wide range of diverse services we provide there will be two entry points for excellence in all our services:

- The corporate standard, or

- Specialist standards most appropriate to the nature of the service

Every service will be associated with one or the other as a minimum.

Specialist standards/accreditations

A number of services are already beacons for excellence and have been awarded industry standard accreditation for their performance or quality management regimes.

In other services the industry specific standard is recognised as holding a commercial or reputational value that will support our commercial development and innovation strategy but have not yet been fully achieved. These will both continue to be the recognised standard of excellence for those services.



Our excellence standards

What is operational excellence?

If you put a group of people in a room and ask them what excellence is, you'll receive many different answers but they should have something in common:

Excellence is about achieving and sustaining outstanding levels of performance and continuous improvement. By nurturing a culture of excellence we will create a path to organisational growth and success.

Essentially operational excellence is all about culture. Like any strategy it only works if it becomes embedded in the fabric of the organisation and receives total management support and leadership. Operational excellence is not just a system but a new way of working.

Key components of an operational excellence plan

Operational excellence is defined by the values and culture of our two councils and will be measured through both qualitative and quantitative criteria including:

- leadership
- customer insight
- continuous improvement
- performance management
- performance indicators
- process improvement
- identification and adoption of best practice
- people development
- further and accelerated preparation for trading our services on a business to business basis
- more rigorous use of the improvement loop
- transfer of all first point of customer contact functions to our Customer Services team
- channel shift

The on-going drive for high performance and continuous improvement will lead to operational excellence, customer satisfaction and ultimately the growth and sustainability of both councils. Our operational plan for excellence includes a combination of the five point business model and:

More rigorous use of the improvement loop

Services will focus on better use of customer intelligence drawn from the complaints system, customer insight sources and customer satisfaction/ other customer surveys to embed more strongly customer driven improvements in service planning and service improvement.

Service level agreements

Service Level Agreements (SLAs) will be introduced to ensure that the same emphasis of customer satisfaction and opportunity for feedback is given to our internal customers as is to our external customers. They will be used to ensure that the highest levels of performance are measured and attained in the following internal support services:

- Human Resources and Organisational Development services
- Legal services
- Finance and procurement
- ICT services
- Property and asset management services
- Customer services
- Communications and marketing service
- Performance and insight service
- Democracy

Commissioning and contract management

Due diligence of all potential suppliers of goods and services will continue to be conducted prior to entering into contracts with third party suppliers, ensuring that they reflect our core values and excellence standards.

High levels of performance are expected from all third party suppliers commissioned on behalf of the councils. Contracts for services will reflect this by setting out qualitative and quantitative performance standards and appropriate penalty clauses.

Commissioners of services will hold routine performance management meetings with suppliers to ensure effective contract management throughout the term of the commission and ensure those high levels of standards and outcomes are achieved. Risk within contract management and delivery will be carefully managed.

Best practice / research and development

A more structured approach to the identification and use of best practice and research and development will be developed by the performance and insight service to ensure that we learn from others, including the private sector.

Transfer of all first point of contact functions to Customer Services

A more structured programme of transfers of first point of customer contact functions will be supported by skilled business analysts to deliver this on an 'all services' front to identify economies in processes, what functions should transfer and at what point in the service delivery process. This will be on an 'all services' basis.

Channel shift

We will identify and move maximum service information and transactions on-line as part of the push for demand led, cost effective service delivery. This will have a strong link to the redesign of the corporate websites to ensure maximum move of information and end to end on-line transactions. It will also extend to the expanded first point of contact functions within Customer Services which will use the wider on-line information and transaction capability as its main customer response.

Agile and efficient working - process improvement

We will reassess and review the smart use of technology by services and agile working to maximise efficiency and stop wasteful and/or no added value processes. A benefits realisation plan will be developed for each of these activities to secure identified efficiencies.

Delivery of the medium term revenue plan

A programme of benefits realisation reviews of all shared services is underway to ensure all planned efficiencies, improvements and key objectives of the medium term revenue plan are realised. This process will be extended to capture all planned service

change in the original business cases and will continue to be a key driver of our improvement journey.

Preparing services to trade on a business to business basis

The three current Services for Business work streams are focussed upon developing the organisational culture to support new and existing businesses in the districts, removing unnecessary 'red tape', and developing a whole council approach to selling services to businesses. This will increase business rates take-up whilst supporting economic growth and prosperity.

Some progress has been made in this area but the pace needs to be accelerated to be better focussed and extended by incorporating the learning from the successful Organisational Awareness days and commercial skills programme for income generation purposes.

Specific new objectives with a renewed emphasis on developing a 'One Council' relationship with our community based business partners will focus upon:

- Developing a menu of business support functions and standards – largely regulatory but presented as a comprehensive offering to all businesses to build a positive relationship.
- Developing a menu of discretionary 'charged for' council services which can be promoted by all services with a business interface for income generation purposes. The pricing strategy will be directed by the commercial skills programme.
- Determining the most appropriate and effective methods of business interface to sell individual and collective council services. This again will be informed by the commercial skills programme.
- Producing a corporate directory of local businesses as a resource for all council services
- Setting up a business intelligence hub to provide the most cost efficient internal information sharing resource on local businesses which have just opened, others which may be struggling and need support, those who want to expand or have other business needs, and to establish the most cost efficient support to the BSU to maximise NNDR income.
- Developing a brand and 'USP' for a 'One Council' business relationship. Again, this will be influenced by the commercial skills programme.

Implementation

An operational excellence plan draws together the key elements of high performance and continuous improvement (as summarised in the five point operating model), and as typically associated with an excellence framework. Operational excellence will lead us naturally to commercial success and growth.

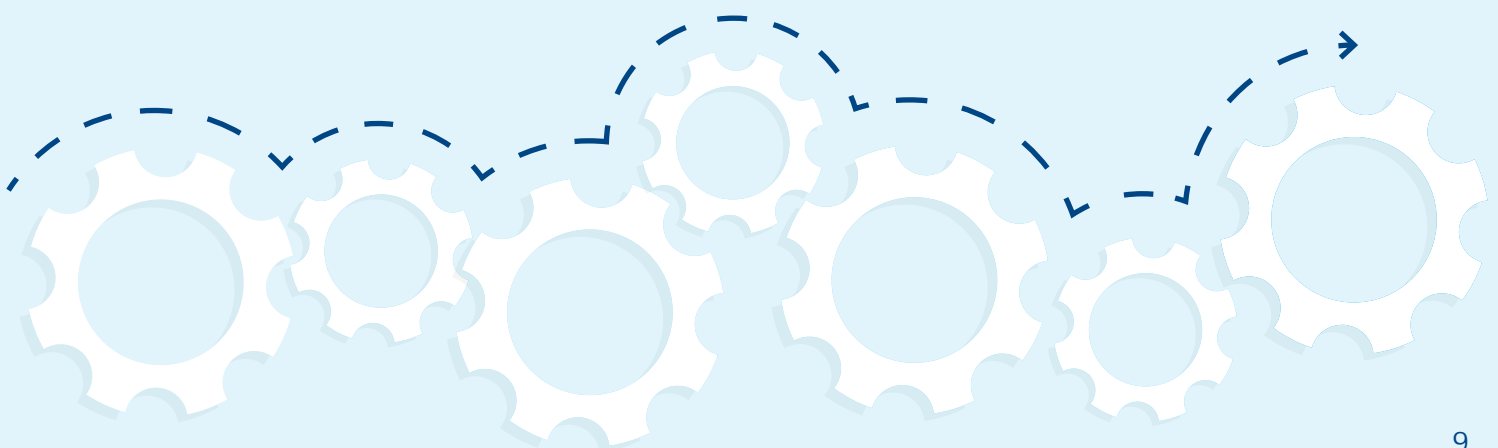
The plan is both wide ranging and comprehensive. As such, implementation will be approached in two phases.

Phase 1

- Implementation of the EFQM excellence model and corporate values in all services
- Maintaining delivery of core services and developing operational excellence
- Implementation of the commissioning strategy
- SLAs for internal services
- Redefining procurement and contract management of third party suppliers
- Commercial up-skilling and development of our people
- Transition of services to the confederation model

Phase 2

- Implementation of the commercial development and innovation strategy
- Commercialisation and trading with public services, SMEs and private sector
- Continuation of transition of services to the confederation model



Commercial Development and Innovation Strategy

2017 – 2020

Innovation
Excellence
Selling
Business
Development
USP
Sustainable
Profit
Assets
Income
Clients
Productivity
Commercial
Improvement
Growth



South
Northamptonshire
Council

Cherwell

DISTRICT COUNCIL
NORTH OXFORDSHIRE

Introduction

This strategy sets out Cherwell District and South Northamptonshire Councils' approach to commercial development and innovation. As one of the key drivers of organisational transformation our commitment to becoming more commercial links directly to our medium term revenue plan which, in common with all local authorities, identifies gaps in funding.

The national policy landscape and medium term economic picture are in a state of flux with a new Cabinet and the longer term implications of Brexit not yet clear. However, the financial outlook for local authorities remains challenging and this is unlikely to change. Both councils are facing significant funding deficits in their medium term revenue plans.

Given national policy change and the likelihood of on-going financial constraints, delivery of the councils' strategic priorities around sustainable economic growth, housing, community development and supporting vulnerable people remain at the heart of our commercial and innovation strategy.

The councils have already set out an ambitious transformation programme with two main objectives;

delivery of efficient customer focused services and the generation of income through innovative and commercial opportunities. There is already an established programme of joint working, business transformation, and organisational development to underpin these and a new operational excellence and quality management strategy has also been developed to ensure arrangements are in place for continuous improvement, productivity and customer service. The councils' commissioning framework ensures there are clear strategic objectives in place, a business plan to deliver them and an on-going process of review to ensure services are delivering what customers need in the most appropriate way.



Our vision and business model

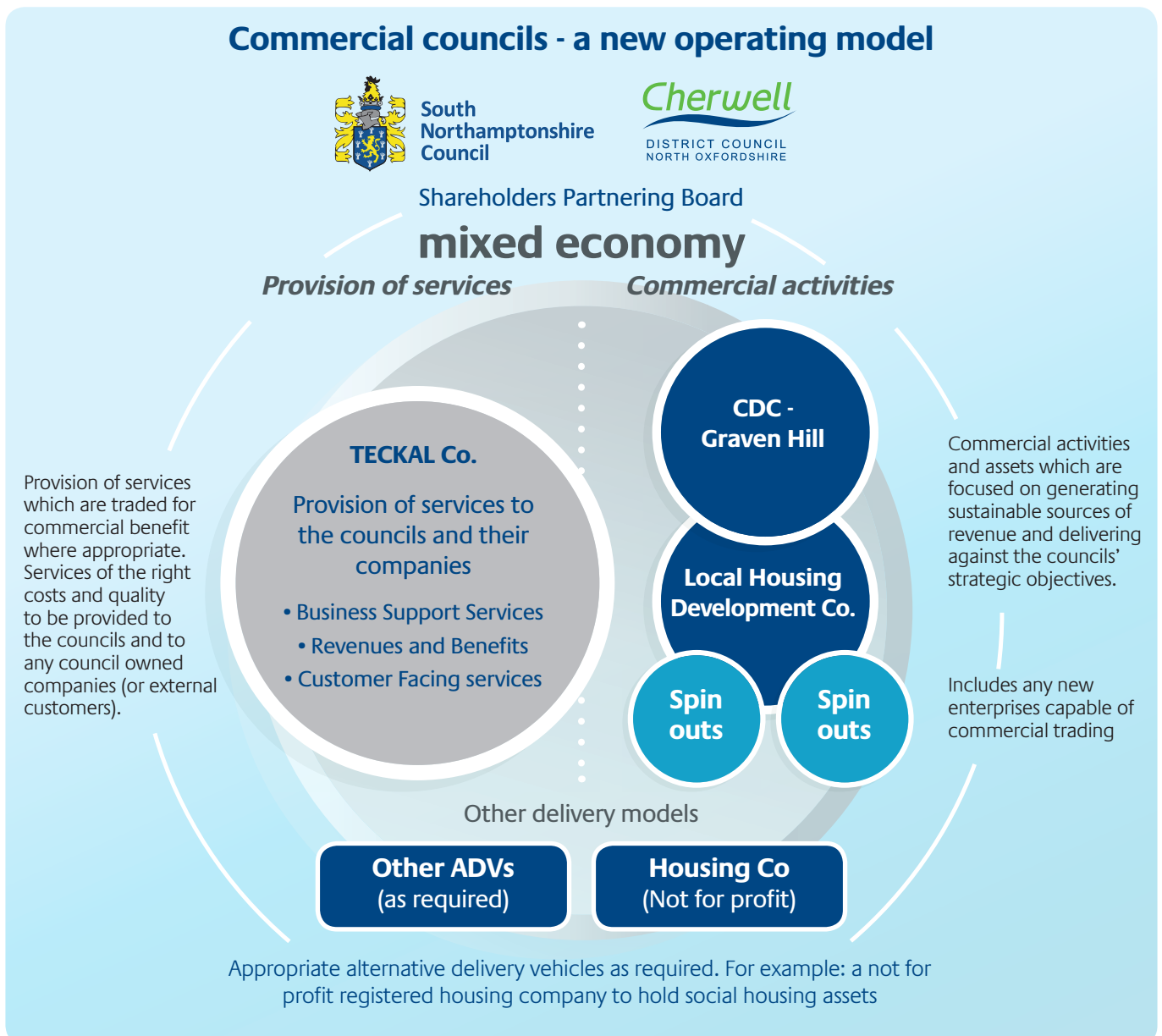
Our vision for a partnership of commercial councils is linked strongly to our commitment to deliver the best outcomes for our local areas; great places to live, thriving communities and an environment where businesses choose to locate, grow and flourish.

Our approach to commercial development is straightforward. Over the next five years we will have secured our long term financial future by:

- Investing in new assets and opportunities that enhance the quality of the districts.
- Providing valued new services to local businesses and residents.
- Generating sustainable income from trading.

To do this we will need to continue to reduce our overheads, and to increase efficiency and productivity across all our services.

Where it is appropriate to do so, the councils will establish new service delivery models, such as council owned companies, which will enable us to trade, develop new assets and to offer new services. The diagram below sets out the councils' operating model; a mixed economy approach where services may be delivered in house, by arm's length companies, in partnership, or by third parties.



Commercial development principles

Our commercial development objectives are aimed at ensuring the councils have a sustainable financial future so frontline and community services are protected and underpin our commercial activities. They can be described as...

- ▶ **Innovation**
- ▶ **Commercial Focus**
- ▶ **Social Impact**

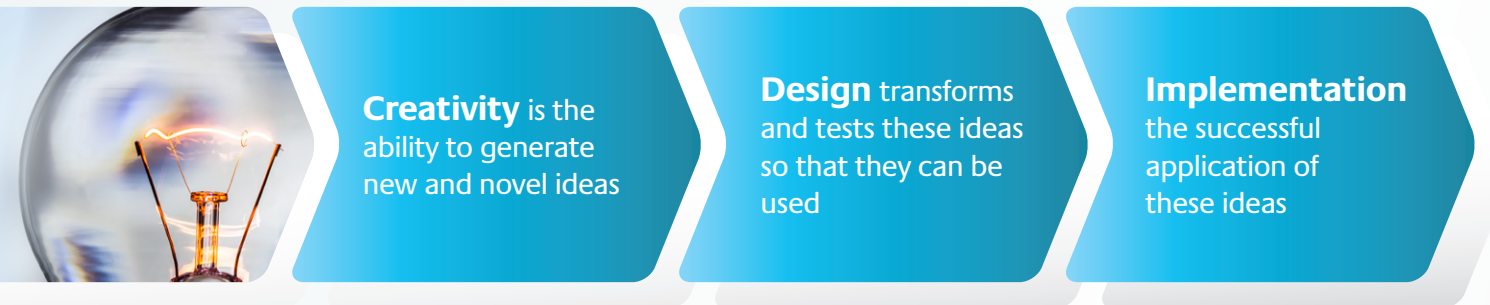
Innovative councils

Innovation, the creation and implementation of new ideas that enhance performance or productivity or generate new income streams is essential if we are to realise our vision. Ideas alone do not bring about change. Therefore we must establish clear processes and support to take ideas, develop and deliver them.

Innovations can be changes to services, business processes, technologies, organisational arrangements or democratic approaches. The purpose of innovation is to deliver added value to the customer, and this may be through the development of new ideas, products and services or through tangible improvement to existing practices.

What is special about innovation?

Innovation is more than having a good idea, although that's where it starts. Innovation is about implementation and delivery and accepting that developing and delivering new ideas requires the organisation to support and encourage innovation and tolerate the risks associated with it.



We will do this by:

- Establishing a commercial development programme to help staff develop the skills and provide capacity to both create and innovate.
- Empowering mentors across the councils to support and challenge innovation helping to implement innovative ideas.
- Establishing an innovation intranet, for staff to make suggestions, review ideas and collaborate to support organisation improvement and efficiency, new ways of working and commercial projects.

Ideas can come from anyone, anywhere. They may be brand new or new to the councils and in use elsewhere, borrowed or adapted best practice from other councils or organisations, or the commercial sector and they may be suggested by customers, members or partners.



Our commercial principles

To shape our commercial objectives we have set out a series of principles which will ensure we focus on commercial projects that are likely to generate value for the councils and the districts.

We aim to differentiate from others to create competitive advantage:

- This means we are truly innovative on a national basis.
- We do not try to compete as a commodity supplier, on a low cost or reduced quality basis.

To survive in a commercial world we aim to maximise profitability and growth in market share:

- To do this we use our expertise and predisposition to create unique solutions; we take the high margin and franchise or license solutions to others (e.g. other councils or established companies) to maximise total value. We make opportunities as big as we can.
- We do not hold onto opportunities or pursue projects that no longer meet our required rate of return.

We are commercially focused:

- This means we understand the environment of our customers and partners to identify opportunities and
- We don't do things just because we want to do them or because others do them.

We are the pacesetter amongst all councils:

- We will understand what other councils are doing and do it better or do things differently.
- We control our own destiny and
- We do not let others take our value or define our agenda.

To be sustainable we must operate with integrity:

- This means our stakeholders are our shareholders; this is the foundation of our economic model and
- We avoid giving profits to third parties.

Social Impact

As local authorities we have a duty to the districts we govern and our commercial activity will respect and support this through the following values:

Framework	Creating a positive social impact within the districts. Always being ethical and honest.
Environmental	Minimising the environmental impact of all undertakings. Promoting and supporting environmentally sustainable opportunities.
Economic	Ensuring all commercial opportunities we develop are appropriate and that they contribute to the growth of the local economy.
Sustainable	Creating long term value contributing to the districts' economic growth.

Commercial development objectives

During 2017-2020 this strategy will support the development of new ideas, services, products and opportunities to generate income for the councils that will be invested to ensure frontline and discretionary services can continue to be delivered. Commercial development and income generation underpins the councils’ vision for long term financial sustainability which will ensure the strategic priorities for the districts can be delivered.

The commercial development and innovation strategy sets out which commercial activity will be undertaken. The objectives are to:

1. Address the currently identified gap in the medium term financial strategies.
2. Instil and grow a customer focused and commercial culture throughout the councils.
3. Enable the sustainability of the councils through financial independence.
4. Support staff to innovate, create and deliver new opportunities and drive continuous improvement and Operational Excellence.

The approach to generating income will be based on four themes:



1 Growing existing income

Identifying existing service based income streams that have potential for growth. Realising that growth where it is profitable and appropriate to do so. Developing and changing existing service delivery to create value and generate income.



2 Trading our services

Developing our services so they can be offered on a business to business basis or our own arm’s lengths organisations on a commercial basis; this includes increasing efficiency and productivity.



3 Offering new services

Developing new services to satisfy current customer needs or to realise the potential of existing assets.



4 Investing in assets, major initiatives

Developing any new or innovative idea with significant potential including asset acquisition.



What does success look like?

This strategy sets out a vision for commercial development over the medium term. Our objective is not to trade every service but to develop a series of services, projects and new assets that develop revenue streams for the councils which will enable financial sustainability.

Over the next three to five years the strategy will deliver:

- A jointly owned company to deliver a revenues and benefits service.
- A jointly owned enterprise to develop opportunities for rental, commercial sales and self-build housing across the districts.
- Our new asset management strategy with a commercially focused asset and facilities service.
- A new procurement strategy that drives efficiencies and delivers opportunities for innovation and new commercial partnerships.
- A new approach to support services which ensures cost effective, customer focused, solution orientated quality advice.
- A series of high quality business support services which support and promote economic growth across the districts.
- Growth of the jointly owned council company to include additional services and a commercial offer to potential customers.

Success will ultimately be measured through the generation of income and an increasing customer base and each project will have its own performance measures. However, we recognise that not all projects will be successful or appropriate and have established a set of guiding principles under which commercial activity will operate; initiatives will be tested against these (set out in the commercial development principles section).

Implementation

How will we deliver this?

For 2017/18 all services will set out their commercial objectives in their business plans. Not all services will be expected to trade or to be provided through an alternative service delivery vehicle but all will be expected to set out a route map to either generate income, deliver new commercial projects, facilitate commercial development or increase their efficiency / productivity.

In addition to individual service objectives, a rolling commercial development action plan will be produced and deliver projects aligned with each of the four objectives set out above. The Councils' Joint Commissioning Committee and Member Commercial Panel will oversee commercial projects and ideas as they are developed.

Innovation, skills and capacity

A toolkit to support commercial development and innovation will be produced and, as part of the people and organisational development strategy, a commercial skills and innovation programme will be launched to support a new entrepreneurial culture, the implementation of innovative ideas and to increase capacity to deliver major projects.

- Commercial opportunities will be scoped with a short feasibility study. If potential is identified a business case will be developed.
- Twice yearly innovation seasons will run where staff are supported to develop and implement innovative ideas for income generation.
- The commercial skills programme will also run twice yearly.

Commissioning Strategy

2017 – 2020

Pricing
Inclusion
Agile
Procurement
Outcomes
Growth
Demand led
Value for money
Data
Customer
Contracts
Stakeholder
Performance
Improvement
Sustainable
Excellence



South
Northamptonshire
Council

Cherwell
DISTRICT COUNCIL
NORTH OXFORDSHIRE

Introduction

Like all councils, Cherwell District Council and South Northamptonshire Council face unprecedented financial challenges as a result of reducing budgets from central government and because of the increasing demand for services as populations change and grow. We need to constantly strive to identify and implement more effective and efficient ways to deliver better outcomes for residents and the users of our services whilst also seeking to maximise opportunities to support the local economy.

To support this objective, the councils need to increase their capability to operate as commissioning organisations that regularly challenge and review the need for services, based on priority and need.

Commissioning strategy

Commissioning is the art of delivering the best possible outcomes through the best possible use of resources whilst at the same time generating excellent value for money. Our aim is to be 'innovative, agile commissioning organisations that secure better outcomes, by commissioning the right services from the right place, at the right time and at the right price'. Our Commissioning Strategy will ensure we:

- Understand and put the needs of our customers (service users, residents, businesses and community groups) at the heart of our decision-making and align this with the councils' corporate strategic economic, social, and environmental priorities.
- Align and integrate corporate planning and budgets in support of these needs.
- Develop bespoke specifications and commission appropriate service models, so the best possible outcomes for these priorities can be secured.
- Make full use of a mixed economy of provision that delivers value for money and efficiency improvements through excellence in contract procurement, effective service planning and robust monitoring and management.
- Monitor, measure, analyse and review our performance to continuously test the most effective way to deliver the best outcomes.

Needs of our customers

Our customers are our service users, residents, businesses, community groups and any other group that contributes to our local economy such as tourists and commuters. Our approach to delivering economic growth through good commissioning is to provide clear insight into customer need, leading to the development of services and markets from which we can generate additional revenues. This insight will tell us:

- what our customers want
- when they want it



- how they want it delivered, and
- the value they attach to particular services.

It will also include analysis of other strategic data such as market provision that will help design our service delivery accordingly. Insight will also be gained from existing internal knowledge, and we have developed a strategic information group that will identify, collect, analyse and use available data.

Aligning needs with the strategic priorities

The councils' corporate plans includes meeting the strategic priorities of Cherwell District Council:

- A district of opportunity
- Safe, green, clean
- A thriving community
- Sound budgets and customer focused council

and South Northamptonshire Council:

- Serve the residents and business
- Protect the district
- Grow the district

The priorities reflect the needs of our customers; therefore, our business planning must be focussed on achieving these priorities as there is a mutually dependent relationship between this and attaining financial sustainability that includes meeting the demand for housing and the associated income growth.

By setting SMART objectives and targets that will meet customer need, we can develop the services to support specific activities (i.e. commissioning and delivery plans), and have robust performance measures that reflect our progress towards these targets, ensuring any additional income generation is maximised. This will require the breakdown of traditional service area silos, combining the activities of multiple service areas with the delivery of specific outcomes.

A mixed economy

Once we have considered the needs of customers, mapped out our strategic priorities and objectives and developed our service plans, the next stage is to deliver them.

The mixed economy refers to how we can best deliver our service models to gain maximum advantage from achieving outcomes and generating income. This could be from existing in-house teams, council owned not-for-profit organisations, the voluntary sector, the private sector or from companies like Graven Hill that are able to generate income through competing fully in the private sector.

We will also continue to contract, collaborate and partner with private businesses, the voluntary sector and with social enterprises where it is most effective to do so, by commissioning work in a way that supports our social, economic and environmental aims, and by employing strategies such as specifying the use of local suppliers or apprentices as a condition of contract.

Next steps

Our focus will be to commission work which will produce key outcomes rather than using the more traditional approach to procurement and the provision of services. By identifying the needs of our customers, we can set our strategic priorities, develop our service plans and deliver the best service possible. In order to deliver the commissioning framework we need to create an environment that encourages insight and that develops capability to commission.

Insight

The purpose of the Insight Team will be to research, collate and organise strategic evidence based management information in such a way that it can be used purposefully and effectively to inform commissioning strategy. It will set the direction for developing service specifications and for commissioning delivery to meet specified outcomes. The Insight Team will need to:

- Own the corporate data strategy, and the corporate data and systems used for storing and analysing data on behalf of the authorities.
- Understand and identify appropriate data sources to draw intelligence from, including internal sources.
- Gather intelligence and create programmes for intelligence gathering such as consultation and engagement with users of our services.
- Analyse the data and present data to commissioning managers in an appropriate and effective way.

The type of data being collected will vary greatly and whilst not exhaustive will typically include:

- Service user feedback (surveys, complaints, social media, customer services) from residents, businesses, visitors and commuters.
- Political, economic, social, technological, environmental and legal intelligence including legislative changes and statistical data.
- Business market intelligence, including competitor activity.



- Service performance data.
- Stakeholder and demographic mapping.

The team will analyse data presenting it an appropriate way to commissioning managers, which may include all or some of:

- Trend presentation.
- Category management presentation.
- Outcome presentation.

Commissioning resource

The purpose of commissioning resource is to use insight to develop optimal outcomes for service delivery and develop specifications for services that will achieve those outcomes. The commissioning resource will be responsible for the commissioning of these services from the mixed economy and from the ongoing supplier relationship via the contract management arrangements necessary to fulfil delivery in achieving outcomes.

The commissioning resource will:

- Work closely with the Insight Team to ensure effective intelligence is captured and presented appropriately.
- Use intelligence to deliver outcomes that will meet our corporate and financial objectives in the best way possible. This may take the form of plugging gaps in service delivery or working to improve the standard of currently adequate service delivery.
- Develop specification for services that will meet those outcomes, which will include looking across the organisation and not just focussing on single service areas, but prioritising the use of resources under category management. The development of specifications will be determined by working collaboratively with service users and other stakeholders to design appropriate pathways to desired outcomes.
- Decide on the best use of the mixed economy to deliver these outcomes and oversee procurement of services.
- Develop a supplier relationship and / or a contract management role to ensure optimal delivery of services (internal or external).

Commissioning resource should be aligned with strategic priorities and objectives. For example, this can broadly be translated into the delivery of outcomes in areas such as growth, people, and communities. A typical commissioning programme would be based on a four yearly cycle and all commissioned services would be subject to periodic review.

The cycle of the commissioning programme will focus on contract end dates, service development opportunities and funding opportunities and will work with insight gained from, for example, customer feedback on our performance. Ensuring a focussed contract management response that will enable an efficient reaction to any changes in service needed, identified via the gathering of specific insight, will mean that the commissioning cycle will remain agile.

Commission for outcomes

