

**Committee:** Budget Planning Committee  
**Date:** Tuesday 26 September 2017  
**Time:** 6.30 pm  
**Venue:** Bodicote House, Bodicote, Banbury, OX15 4AA

### Membership

<b>Councillor Nicholas Mawer (Chairman)</b>	<b>Councillor Douglas Webb (Vice-Chairman)</b>
<b>Councillor David Anderson</b>	<b>Councillor Hugo Brown</b>
<b>Councillor Ian Corkin</b>	<b>Councillor Carmen Griffiths</b>
<b>Councillor David Hughes</b>	<b>Councillor Alan MacKenzie-Wintle</b>
<b>Councillor Andrew McHugh</b>	<b>Councillor Barry Richards</b>
<b>Councillor Tom Wallis</b>	<b>Councillor Sean Woodcock</b>

## AGENDA

**1. Apologies for Absence and Notification of Substitute Members**

**2. Declarations of Interest**

Members are asked to declare any interest and the nature of that interest which they may have in any of the items under consideration at this meeting.

**3. Urgent Business**

The Chairman to advise whether they have agreed to any item of urgent business being admitted to the agenda.

**4. Minutes (Pages 1 - 4)**

To confirm as a correct record the minutes of the meeting held on 30 August 2017.

**5. Chairman's Announcements**

To receive communications from the Chairman.

**6. Review of New Homes Bonus Allocation (Pages 5 - 10)**

Report of the Chief Finance Officer

**Purpose of report**

This report provides Members with a review of the allocation of New Homes Bonus (NHB) over the life of the scheme.

**Recommendations**

The meeting is recommended:

1.1 To note the allocation of New Homes Bonus.

**7. Review of Committee Work Plan (Pages 11 - 12)**

To review the Committee Work Plan.

**8. Exclusion of Press and Public**

The following items contain exempt information as defined in the following paragraphs of Part 1, Schedule 12A of Local Government Act 1972.

3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Members are reminded that whilst the following item has been marked as exempt, it is for the meeting to decide whether or not to consider it in private or in public. In making the decision, members should balance the interests of individuals or the Council itself in having access to the information. In considering their discretion members should also be mindful of the advice of Council Officers.

Should Members decide not to make a decision in public, they are recommended to pass the following recommendation:

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

**9. Medium Term Revenue Plan - 2017/18 to 2021/22 (Pages 13 - 18)**

Exempt report of the Chief Finance Officer.

**10. Budget Strategy 2018/19 and Beyond (Pages 19 - 32)**

Exempt report of the Chief Finance Officer.

**Councillors are requested to collect any post from their pigeon hole in the Members Room at the end of the meeting.**

## **Information about this Meeting**

### **Apologies for Absence**

Apologies for absence should be notified to

[democracy@cherwellandsouthnorthants.gov.uk](mailto:democracy@cherwellandsouthnorthants.gov.uk) or 01295 221591 prior to the start of the meeting.

### **Declarations of Interest**

Members are asked to declare interests at item 2 on the agenda or if arriving after the start of the meeting, at the start of the relevant agenda item.

### **Local Government and Finance Act 1992 – Budget Setting, Contracts & Supplementary Estimates**

Members are reminded that any member who is two months in arrears with Council Tax must declare the fact and may speak but not vote on any decision which involves budget setting, extending or agreeing contracts or incurring expenditure not provided for in the agreed budget for a given year and could affect calculations on the level of Council Tax.

### **Evacuation Procedure**

When the continuous alarm sounds you must evacuate the building by the nearest available fire exit. Members and visitors should proceed to the car park as directed by Democratic Services staff and await further instructions.

### **Access to Meetings**

If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named below, giving as much notice as possible before the meeting.

## **Mobile Phones**

Please ensure that any device is switched to silent operation or switched off.

## **Queries Regarding this Agenda**

Please contact Lesley Farrell, Democratic and Elections  
lesley.farrell@cherwellandsouthnorthants.gov.uk, 01295 221591

**Yvonne Rees**  
**Chief Executive**

Published on Monday 18 September 2017

## Cherwell District Council

### Budget Planning Committee

Minutes of a meeting of the Budget Planning Committee held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 30 August 2017 at 6.30 pm

Present: Councillor Nicholas Mawer (Chairman)  
Councillor Douglas Webb (Vice-Chairman)

Councillor Hugo Brown  
Councillor Ian Corkin  
Councillor Carmen Griffiths  
Councillor David Hughes  
Councillor Andrew McHugh  
Councillor Barry Richards  
Councillor Tom Wallis

Substitute Members: Councillor Maurice Billington (In place of Councillor Alan MacKenzie-Wintle)

Also Present:: Councillor Barry Wood, Leader of the Council  
Councillor Tony Ilott, Lead Member for Financial Management

Apologies for absence: Councillor David Anderson  
Councillor Alan MacKenzie-Wintle  
Councillor Sean Woodcock

Officers: Yvonne Rees, Chief Executive  
Sanjay Sharma, Interim Head of Finance / Deputy Section 151 Officer  
Mandy Anderson, Financial Analyst  
Belinda Green, Revenues and Benefits Manager  
Richard Stirling, Corporate Procurement Manager  
Lesley Farrell, Democratic and Elections Officer

#### 15 **Declarations of Interest**

Members made the following general declarations of interest:

Councillor Ian Corkin, declaration, as a board member of Graven Hill Village Development Company.

#### 16 **Urgent Business**

There were no items of urgent business.

17 **Minutes**

The minutes of the meeting of the Budget Planning Committee held on 25 July 2017 were agreed as a correct record and signed by the Chairman.

18 **Chairman's Announcements**

There were no Chairman's announcements.

19 **Quarter 1 2017-18 - Revenue and Capital Budget Monitoring Report**

The Chief Finance Officer submitted a report which summarised the Council's Revenue, Capital and Reserves positions as at the end of quarter one of the financial year 2017-18.

In considering the report, some members of the Committee raised concerns on the Solihull Partnership and the number of projects still outstanding. Councillor Barry Richards who represented the Committee on the Solihull Partnership Steering Group reminded the Members that the report was from the first quarter and that many projects had now been completed. He also reported to the members that the work he had seen had been of good quality and value.

The Chairman thanked Councillor Richards for the work he had done with the Solihull Partnership Steering Group on behalf of the Committee.

In response to members concerns regarding previous significant slippage and variance in capital bids the Interim Head of Finance explained that he had received assurance that Project Managers had reviewed all projects and that some projects were no longer required and would therefore not be included on the next report.

The Committee requested that the Interim Property Investment Manager, Regeneration and Estates and the Lead Member for Estates and the Economy attend the meeting of the Committee on 31 October 2017 to give an update on the Capital Bids and the work with Solihull Partnership.

In response to comments regarding a Capital Bid for Kidlington that had been removed from the list without the work being completed, the Chief Executive suggested that the matter would be investigated and an update sent to members outside of the meeting

The Committee requested that the dates when Capital Bids were originally submitted be included in future reports so it was known how long projects had been outstanding.

In response to Members concerns regarding the surety of revenue and suggestion that a strategy was required, the Chief Executive agreed that an Investment Strategy was required and informed the Committee that work was being done to increase the surety of revenue.

**Resolved**

- (1) That, having reviewed the projected revenue and capital position at June 2017, it be noted and no comments be forwarded to Executive.
- (2) That, having reviewed the current position of reserves, they be noted.

20 **Review of Procurement Strategy Progress**

The Chief Finance Officer submitted a report which summarised the Council's Procurement Strategy progress for quarter one of the financial year 2017-18.

**Resolved**

- (1) That the progress made during Quarter 1 2017-18 in implementing the Council's Procurement Strategy be noted.

21 **Business Rates Monitoring 2017-2018**

The Chief Finance Officer submitted a report which provided members with an update on the business rates position as at the end of quarter one of the 2017-18 financial year.

The Financial Analyst explained to members that the reserves may be needed to balance the budget as South Oxfordshire and Oxford City Councils were likely to earn more from the pool than previously thought.

In response to comments raised by some members of the committee querying why the increase in business rates had been so large, the Financial Analyst explained that it was likely to do with revaluation and agreed that if member forwarded specific details outside of the meeting they would be investigated.

**Resolved**

- (1) That the report be noted.

22 **Review of Committee Work Plan**

The Committee considered its work programme.

**Resolved**

- (1) That the contents of the work programme be noted.

23 **Exclusion of Press and Public**

**Resolved**

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

24 **Medium Term Revenue Plan - 2017/18 to 2021/22**

The Chief Finance Officer submitted an exempt report to update members on the Medium Term Revenue Plan.

**Resolved**

- (1) That the contents of the exempt report be noted.

The meeting ended at 8.05 pm

Chairman:

Date:



## Cherwell District Council

### Budget Planning Committee

26 September 2017

#### Review of New Homes Bonus Allocation

#### Report of Chief Finance Officer

This report is public

#### Purpose of report

This report provides Members with a review of the allocation of New Homes Bonus (NHB) over the life of the scheme.

#### 1.0 Recommendations

Budget Planning Committee is recommended:

- 1.1 To note the allocation of New Homes Bonus.

#### 2.0 Introduction

- 2.1 The New Homes Bonus scheme has been in operation for seven years.

- 2.2 NHB is made up of two elements:

- The amount generated from the total number of new dwellings built above the baseline (set at 0.4% from 2017/18); and
- An additional amount per affordable home built.

- 2.3 Each year's allocation was initially paid for 6 years but central government recently changed this to 4 years following their review of NHB.

- 2.3 The current allocation of the New Homes Bonus is:

- 50% to fund the General Fund revenue budget;
- 50% to the Economic Development earmarked reserve; and
- The additional amount per affordable home is allocated to the Affordable Housing earmarked reserve.
- Years 1 and 2 of the NHB scheme was allocated to communities based on the development in the parish in those years (2010/11 and 2011/12)

### 3.0 Report Details

#### New Homes Bonus Allocation

3.1 Appendix 1 provides an analysis of NHB since the start of the scheme. The total amount received over the seven years to date is £15,539,805, of this, £9,197,179 has been spent and there is a balance in earmarked reserves of £6,342,626

3.2 The spend to date is summarised below:

	£000
• Supporting the general fund revenue budget	£7,317
• Supporting Communities	£956
• Superfast Broadband	£545
• Economic Development	£329
• Affordable Housing	<u>£50</u>
	£9,197

### 4.0 Conclusion and Reasons for Recommendations

4.1 It is recommended that the contents of this report are noted.

### 5.0 Consultation

Cllr Tony Ilott – Lead member  
for Financial Management

Cllr Ilott is content with the report and supportive  
of the recommendations contained within it.

### 6.0 Alternative Options and Reasons for Rejection

6.1 The following alternative options have been identified and rejected for the reasons as set out below:

Option 1: This report illustrates the allocation of New Homes Bonus to date. As this is a report for information, no further options have been considered. However, members may wish to request that officers provide additional information.

### 7.0 Implications

#### Financial and Resource Implications

7.1 These are contained in the body of the report. There are no direct costs or other direct financial implications arising from this report.

Comments checked by:

Sanjay Sharma, Interim Head of Finance, 01295 221564  
[sanjay.sharma@cherwellandsouthnorthants.gov.uk](mailto:sanjay.sharma@cherwellandsouthnorthants.gov.uk)

## Legal Implications

7.2 There are no legal implications.

Comments checked by:

Nigel Bell, Interim Legal Services Manager. 01295 221687

[nigel.bell@cherwellandsouthnorthants.gov.uk](mailto:nigel.bell@cherwellandsouthnorthants.gov.uk)

## Risk management

7.3 Any increase in risk will be escalated through the corporate risk register.

Comments checked by:

Louise Tustian, Team Leader – Strategic Intelligence and Insight, 01295 221786

[louise.tustian@cherwellandsouthnorthants.gov.uk](mailto:louise.tustian@cherwellandsouthnorthants.gov.uk)

## Equality and Diversity

7.4 Impact assessments were carried out in advance of setting the 2017-18 budget.

Comments checked by:

Caroline French, Corporate Policy Officer, 01295 221586

[caroline.french@cherwellandsouthnorthants.gov.uk](mailto:caroline.french@cherwellandsouthnorthants.gov.uk)

## 8.0 Decision Information

### Wards Affected

All

### Links to Corporate Plan and Policy Framework

All

### Lead Councillor

Councillor Tony Illott – Lead Member for Financial Management

## Document Information

Appendix No	Title
1	CDC New Homes Bonus Allocation

Background Papers	
None	
Report Author	Mandy Anderson, Financial Analyst
Contact Information	01327 322233 <a href="mailto:mandy.anderson@cherwellandsouthnorthants.gov.uk">mandy.anderson@cherwellandsouthnorthants.gov.uk</a>

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### CDC - New Homes Bonus Allocation

Year	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	Total
<b>Amount Received</b>	<b>£439,186</b>	<b>£703,195</b>	<b>£1,340,156</b>	<b>£2,026,312</b>	<b>£2,712,328</b>	<b>£3,850,989</b>	<b>£4,467,639</b>	<b>£15,539,805</b>
<b>Amount allocated</b>								
Affordable Housing	£0	£26,040	£100,240	£120,960	£167,720	£211,960	£278,320	<b>£905,240</b>
General Fund	£219,593	£338,578	£619,958	£952,676	£1,272,304	£1,819,514	£2,094,659	<b>£7,317,282</b>
Economic Development	£109,797	£169,289	£450,669	£783,387	£103,015.35	£1,650,226	£2,094,659	<b>£5,361,042</b>
Superfast Broadband					£1,000,000			<b>£1,000,000</b>
Planned Growth in the District	£109,797	£169,289	£169,289	£169,289	£169,289	£169,289	£0	<b>£956,240</b>
	<b>£439,186</b>	<b>£703,195</b>	<b>£1,340,156</b>	<b>£2,026,312</b>	<b>£2,712,328</b>	<b>£3,850,989</b>	<b>£4,467,639</b>	<b>£15,539,805</b>
<b>Spend to date</b>								
Affordable Housing						£50,000		<b>£50,000</b>
General Fund	£219,593	£338,578	£619,958	£952,676	£1,272,304	£1,819,514	£2,094,659	<b>£7,317,282</b>
Economic Development			£3,925	£70,782	£113,449	£413,000		<b>£601,156</b>
Superfast Broadband					£272,500			<b>£272,500</b>
Planned Growth in the District	£109,797	£169,289	£169,289	£169,289	£169,289	£169,289		<b>£956,240</b>
	<b>£329,390</b>	<b>£507,866</b>	<b>£793,172</b>	<b>£1,192,747</b>	<b>£1,827,542</b>	<b>£2,451,803</b>	<b>£2,094,659</b>	<b>£9,197,179</b>
<b>Balance in Reserves</b>								
Affordable Housing	£0	£26,040	£100,240	£120,960	£167,720	£161,960	£278,320	<b>£855,240</b>
General Fund	£0	£0	£0	£0	£0	£0	£0	<b>£0</b>
Economic Development	£109,797	£169,289	£446,744	£712,605	-£10,434	£1,237,226	£2,094,659	<b>£4,759,886</b>
Superfast Broadband	£0	£0	£0	£0	£727,500	£0	£0	<b>£727,500</b>
Planned Growth in the District	£0	£0	£0	£0	£0	£0	£0	<b>£0</b>
	<b>£109,797</b>	<b>£195,329</b>	<b>£546,984</b>	<b>£833,565</b>	<b>£884,786</b>	<b>£1,399,186</b>	<b>£2,372,979</b>	<b>£6,342,626</b>

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## BUDGET PLANNING COMMITTEE WORK PROGRAMME 2017/18

Date	Agenda Items
26 September	Budget Guidelines 2018/19 Medium Term Revenue Plan Review of New Homes Bonus Allocation
31 October	Q2 Budget Monitoring: Revenue, Funding, Capital & Reserves Q2 Procurement Monitoring Q2 Business Rates Monitoring Write Offs Medium Term Revenue Plan CTRS report
28 November	Capital Bids 2018/19 Discounts and Exemptions Review Fees and Charges 2018/19 Medium Term Revenue Plan
30 January	Revenue and Capital Budget 2018/19 (Incl. MTFS) Provisional LG Settlement 2017/18 Discretionary Rate Relief Policy
27 February	Q3 Budget Monitoring: Revenue, Funding, Capital & Reserves Q3 Procurement Monitoring Q3 Business Rates Monitoring Q3 Write Offs

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