

Meeting of Council

Monday 25 February 2019

Members of Cherwell District Council,

A meeting of Council will be held at Bodicote House, Bodicote, Banbury, OX15 4AA on Monday 25 February 2019 at 6.30 pm, and you are hereby summoned to attend.



Yvonne Rees
Chief Executive

Friday 15 February 2019

AGENDA

1 **Apologies for Absence**

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 **Communications** (Pages 1 - 2)

To receive communications from the Chairman and/or the Leader of the Council.

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

The Chairman to report on any requests to submit petitions or to address the meeting.

5 Urgent Business

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

6 Minutes of Council (Pages 3 - 6)

To confirm as a correct record the Minutes of Council held on 7 January 2019.

7 Minutes

- a) Minutes of Executive, Lead Member Decisions and Executive Decisions not included in the 28 day notice

The Leader of the Council to formally propose that the minutes of the meetings of the Executive and Lead Member Decisions as set out in the Minute Book (circulated separately) be received and to report that since the last meeting of Council at which this was submitted on 17 December 2018, no decisions have been taken by the Executive which were not included in the 28 day notice.

- b) Minutes of Committees

The Leader of the Council to formally propose that the minutes of committees as set out in the Minute Book (circulated separately) be received.

8 Questions

- a) Written Questions

To receive any written questions and answers which have been submitted with advance notice in accordance with the Constitution. A written response to the question will be circulated at the meeting.

- b) Questions to the Leader of the Council

The Chairman to invite questions to the Leader of the Council (including any matters arising from the minutes).

Following a response to their question being provided Members will be entitled to a follow up or supplementary question.

- c) Questions to Committee Chairmen on the Minutes

The Chairman to invite questions to Chairmen of Committees on any matter arising from the minutes of their committee (if any).

9 Motions

To debate the following motion which has been submitted with advance notice, in accordance with the constitution.

Private Sector Housing

“This council notes government figures showing that 1/5 of nearly five million private sector tenants are not satisfied with their accommodation.

Following previous years of poor performance; this council renews its commitment to driving up standards in the local private rented sector.

As part of this, Cherwell District Council will:

1. Improve engagement with private sector tenants by establishing a private tenants forum or association.
2. Make it easier for private renters to raise concerns with dedicated, easy-to-find space on the council website.
3. Raise awareness of the council's role in private sector housing enforcement with a dedicated campaign in the local press and on social media.
4. Develop an accreditation and license scheme for private sector landlords to identify and reward good practice.”

Proposer: Councillor Barry Richards

Seconder: Councillor Sean Woodcock

Council Business Reports

10 Members' Allowances 2019/2020 (Pages 7 - 26)

Report of Director Law and Governance and Monitoring Officer

Purpose of report

To determine the levels of the allowances to be paid to Members for the forthcoming 2019/2020 financial year following the submission of the report of the Council's Independent Remuneration Panel (IRP).

Recommendations

The meeting is recommended to:

- 1.1 Consider the levels of allowances to be included in the 2019/2020 Members' Allowances Scheme, and whether the Panel's recommendations should be adopted or modified in any way
- 1.2 Authorise the Monitoring Officer to prepare an amended Members' Allowances Scheme, in accordance with the decisions of the Council for implementation with effect from 1 April 2019.
- 1.3 Authorise the Monitoring Officer to take all necessary action to revoke the current (2018/2019) Scheme and to publicise the revised Scheme pursuant to The Local Authorities (Members's Allowances)(England) Regulations 2003 (as amended).

- 1.4 Thank the Independent Remuneration Panel for its report and set a fee of £300 for Panel Members for the work carried out on this review for 2018/2019 and propose the same level of fee for any reviews carried out in 2019/2020 capped at a maximum of £1200.

11 Robustness of Estimates and the Adequacy of Reserves and Balances Local Government Act 2003 (Section 25) (Pages 27 - 34)

Report of Executive Director Finance and Governance (Interim) and Section S151 Officer

Purpose of report

Section 25 of The Local Government Act 2003, places a duty on the Chief Finance Officer to make a report to the authority on the robustness of estimates and adequacy of reserves. This report fulfils this requirement and provides Members with assurance that the budgets have been compiled appropriately and that the level of reserves is adequate. It is a statutory requirement that councillors must consider this report when considering and approving a budget.

Under Section 25 of the Local Government Act 2003, the Council's Chief Finance Officer is required to report to the Council on:

- The robustness of the estimates included within the budget
- The adequacy of the reserves and balances

Members must have regard to the contents of this report when considering the budget.

Recommendations

The meeting is recommended:

- 1.1. To note the contents of this report

12 Business Plan 2019/20 and Medium Term Financial Strategy 2019/20 - 2023/24 (Pages 35 - 140)

** Please note that Appendix 10 to this report will follow as it is currently being reviewed and finalised **

Report of Executive Director Finance and Governance (Interim) & Section 151 Officer

Purpose of report

The Business Plan and Summary Medium Term Financial Strategy are presented as an integrated report. This demonstrates the Council's strategic approach to aligning its resource to the delivery of Council's priorities.

This report details the Business Plan 2019/20 and the Council's Medium Term Financial Strategy (MTFS) for 2019/20 to 2023/24 prior to final approval by full Council in February 2019.

Recommendations

The meeting is recommended:

- 1.1. To consider and approve the Business Plan set out in Appendix 1.
- 1.2. To note the Risk Register contained at Appendix 2.
- 1.3. To consider and approve an increase in the level of Council Tax for Cherwell District Council of £5 for 2019/20.
- 1.4. To consider and approve the Medium Term Financial Strategy (MTFS), Revenue Budget 2019/20 and Capital Programme including recommending the growth and savings proposals included at Appendix 9.
- 1.5. To consider and approve a minimum level of General Fund reserves of £2m.
- 1.6. To consider and approve that authority be delegated to the Chief Finance Officer in consultation with the Lead Member for Finance & Governance, and where appropriate the relevant Director and Lead Member to:
 - Transfer monies to/from earmarked reserves should that become necessary during the financial year.
 - Update prudential indicators in both the Prudential Indicators Report and Treasury Management Strategy Report to Council, for any budget changes that impact on these.
- 1.7. To consider that the Fees & Charges set out in Appendix 7 be approved.
- 1.8. To consider that the Treasury Management Strategy be approved, including the Prudential Indicators, Minimum Revenue Provision (MRP) Policy and Affordable Borrowing Limit for 2019/20.
- 1.9. To consider and approve that authority be delegated to the Chief Finance Officer to make any technical changes necessary to the papers for the Council meeting of 25 February 2019, including changes related to the finalisation of the national Finance Settlement and any associated changes to Parish Precepts and Council resulting from those changes.
- 1.10. To note the contents of the Section 25 report from the Chief Finance Officer in relation to the robustness of estimates and adequacy of reserves.
- 1.11. To consider and approve the appended statement of pay policy for 2019/20 as required by the Localism Act and detailed in Appendix 10.
- 1.12. To note the equality impact assessment for 2019/20 detailed in Appendix 11.

13 Adjournment of Council Meeting

The Council to adjourn, if necessary to allow the Executive to meet to consider any proposals which do not accord with the Executive's recommendations.

14 Calculating the amounts of Council Tax for 2019/20 and setting the Council Tax for 2019/20 (Pages 141 - 152)

Report of the Executive Director of Finance and Governance (Interim) & Section 151 Officer

Purpose of report

To detail the Calculations for the amounts of Council Tax for 2019/20 and the setting of Council Tax for 2019/20.

Recommendations

It is recommended that the Council resolves:-

- 1.1 That it be noted that at the Executive meeting held on 7 January 2019 the Council calculated the Council Tax Base 2019/20:
 - a) for the whole Council area as 53,876.9 [item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]; and
 - b) For dwellings in those parts of its area to which a Parish Precept relates as in the attached Appendix 1.
- 1.2 That the Council Tax requirement for the Council's own purposes for 2019/20 (excluding Parish Precepts and Special Expenses) is £6,923,182.
- 1.3 That the following amounts be calculated for the year 2019/20 in accordance with Sections 31 to 36 of the Act:-
 - a) £117,224,652 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act, taking into account all precepts issued to it by Parish Councils and any additional special expenses.
 - b) £105,174,128 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.
 - c) £12,050,524 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year (Item R in the formula in Section 31B of the Act).
 - d) £223.67 being the amount at 3(c) above (Item R), all divided by Item T (6(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish Precepts and Special Expenses);
 - e) £5,127,342 being the aggregate amount of all special items (Parish Precepts and Special Expenses) referred to in Section 34(1) of the Act as per the attached Schedule 2.

- f) £128.50 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T(1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish Precept or special item relates;

- 1.4 It be noted that for the year 2019/20 the Oxfordshire County Council and the Police and Crime Commissioner for Thames Valley have issued precepts to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each category of dwellings in the Council's area as indicated below :-

<u>Valuation Band</u>	Oxfordshire County Council	Police and Crime Commissioner for Thames Valley
	£	£
A	979.22	137.52
B	1,142.42	160.44
C	1,305.63	183.36
D	1,468.83	206.28
E	1,795.24	252.12
F	2,121.64	297.96
G	2,448.05	343.80
H	2,937.66	412.56

- 1.5 The Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the amounts shown in Appendix 2 as the amounts of Council Tax for the year 2019/20 for each part of its area and for each of the categories of dwellings.

- 1.6 The Council's basic amount of Council Tax for 2019/20 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

- 1.7 To approve the discounts and exemption set out below:

- 1 Agree that in respect of properties within Class A and B as defined by the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 (furnished chargeable dwelling that are not the sole or a main residence of an individual) the discount provided by Section 11a of the Local Government Finance Act 1992 shall be zero.
- 2 Agree that in respect of properties within Class C as defined by the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 (a property that is unoccupied and substantially unfurnished) the discount provided by the Section 11A of the said Act shall be 25% for a period of 6 months and thereafter zero.
- 3 Agree that in respect of properties within Class D as defined by the said Regulations (chargeable dwellings that are vacant and undergoing major repair work to render them habitable) the discount provided by Section 11A of the said Act shall be 25%

- 4 Agree no council tax discount shall be applied to dwellings that are unoccupied and unfurnished for more than two years and that council tax payable on such properties is 200% (except for those properties which fall into prescribed Classes E and F).

15 Business Rates Retail Relief Policy (Pages 153 - 162)

Report of Executive Director Finance and Governance (Interim) & Section 151 Officer

Purpose of report

To provide members with an update on the retail relief scheme announced in the Budget and to seek approval for the Business Rates Retail Relief Policy for 2019-2020.

Recommendations

The meeting is recommended:

- 1.1 To note the contents of this report.
- 1.2 To approve the proposed Business Rates Retail Relief Policy (Appendix 1).

16 Local Discretionary Business Rate Relief Scheme 2019-20 (Pages 163 - 170)

Report of Executive Director Finance and Governance (Interim) & Section 151 Officer

Purpose of report

For members to consider the proposed Local Discretionary Relief Policy and to seek approval for the Discretionary Business Rate Relief Scheme for 2019-2020.

Recommendations

The meeting is recommended:

- 1.1 To note the contents of the report.
- 1.2 To approve the adoption of the local Discretionary Business Rate Relief Scheme for 2019-20 (Appendix 1).

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

Information about this Agenda

Apologies for Absence

Apologies for absence should be notified to democracy@cherwellandsouthnorthants.gov.uk or 01295 221589 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 Natasha Clark, Democratic and Elections
natasha.clark@cherwellandsouthnorthants.gov.uk, 01295 221589

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CHAIRMAN'S ENGAGEMENTS

18 December 2018 – 25 February 2019

Date	Event
20 December	The Chairman joined Graeme Kane, Executive Director Environment, on a festive visit to the Thorpe Lane Depot to distribute mince pies to the staff on their return from their rounds.
31 January	Following last year's successful event, The Monte Carlo Rallye Historique was again held in Banbury this year. The Chairman and his Consort attended the event and visited the static display of over 100 vehicles before waving off the competitors in 1 minute intervals from the starting ramp outside the Town Hall. Despite the cold weather the event attracted a large number of people.
2 February	The Chairman attended the grand opening of the new Kidlington Guide Centre. The event was presided over by the Chief Guide and proved to be a very moving occasion for all involved in the building of the new facility.
9 February	The Chairman and his Consort attended the Chairman of Vale of White Horse District Council's Civic Dinner at Milton Hill House Hotel. The meal was followed by an entertaining talk by a Yeoman Warder from the Tower of London. Proceeds from the event were donated to SSAFA the Armed Forces Charity.

- Details correct at time of agenda publication, 15 February 2019

Date for your diary:

Saturday 13 April 2019 – Chairman's Charity Dinner at Exeter Hall, Kidlington

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Cherwell District Council

Council

Minutes of a meeting of the Council held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 7 January 2019 at 6.30 pm

Present: Councillor Maurice Billington (Chairman)
Councillor David Hughes (Vice-Chairman)

Councillor Hannah Banfield
Councillor Andrew Beere
Councillor Mike Bishop
Councillor John Broad
Councillor Mark Cherry
Councillor Colin Clarke
Councillor Ian Corkin
Councillor Surinder Dhesi
Councillor John Donaldson
Councillor Carmen Griffiths
Councillor Chris Heath
Councillor Shaida Hussain
Councillor Tony Ilott
Councillor James Macnamara
Councillor Kieron Mallon
Councillor Nicholas Mawer
Councillor Andrew McHugh
Councillor Richard Mould
Councillor Cassi Perry
Councillor D M Pickford
Councillor Lynn Pratt
Councillor G A Reynolds
Councillor Barry Richards
Councillor Les Sibley
Councillor Jason Slaymaker
Councillor Tom Wallis
Councillor Douglas Webb
Councillor Bryn Williams
Councillor Lucinda Wing
Councillor Barry Wood
Councillor Sean Woodcock

Apologies
for
absence: Councillor David Anderson
Councillor Claire Bell
Councillor Hugo Brown
Councillor Phil Chapman
Councillor Sean Gaul
Councillor Timothy Hallchurch MBE
Councillor Simon Holland
Councillor Mike Kerford-Byrnes
Councillor Alan MacKenzie-Wintle

Councillor Tony Mepham
Councillor Neil Prestidge
Councillor Sandra Rhodes
Councillor Alaric Rose
Councillor Dan Sames
Councillor Nicholas Turner

Officers: Yvonne Rees, Chief Executive
Adele Taylor, Executive Director: Finance and Governance
(Interim) & Section 151 Officer
Claire Taylor, Director: Customers and Service Development
Nick Graham, Director of Law and Governance / Monitoring
Officer
Natasha Clark, Governance and Elections Manager

81 **Declarations of Interest**

There were no declarations of interest.

82 **Communications**

The Chairman made the following announcements:

Raffle Tickets

The Chairman encouraged Members to purchase raffle tickets for a gran draw as all proceeds from the sale of tickets would go towards the Chairman's charities for the year, Kidlington Youth Football, Garden City Football Club, Evans Lane FC and the St John's Hall Children's Centre in Kidlington.

Post

The Chairman reminded Members to collect any post from their pigeon holes.

83 **Urgent Business**

There were no items of urgent business.

84 **Minutes of Council**

The minutes of the meeting held on 17 December 2018 were agreed as a correct record and signed by the Chairman.

85 **Collaboration Agreement**

The Director Law and Governance / Monitoring Officer submitted a report which sought agreement to enter into a Collaboration Agreement between Cherwell District and South Northamptonshire councils as recommended by Executive at their meeting earlier that afternoon.

Resolved

- (1) That it be agreed to enter into a Collaboration Agreement between Cherwell District and South Northamptonshire councils, and that authority be delegated to the Monitoring Officer, in consultation with the Leader of the Council, to finalise and enter into the Agreement based on the provisions provided by the Local Government Act 1972, the Local Government Act 2000, the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 and the Localism Act 2011.

The meeting ended at 6.45 pm

Chairman:

Date:

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Cherwell District Council

Council

25 February 2019

Members Allowances 2019/2020

Report of Director Law and Governance and Monitoring Officer

This report is public

Purpose of report

To determine the levels of the allowances to be paid to Members for the forthcoming 2019/2020 financial year following the submission of the report of the Council's Independent Remuneration Panel (IRP).

1.0 Recommendations

The meeting is recommended to:

- 1.1 Consider the levels of allowances to be included in the 2019/2020 Members' Allowances Scheme, and whether the Panel's recommendations should be adopted or modified in any way
- 1.2 Authorise the Monitoring Officer to prepare an amended Members' Allowances Scheme, in accordance with the decisions of the Council for implementation with effect from 1 April 2019.
- 1.3 Authorise the Monitoring Officer to take all necessary action to revoke the current (2018/2019) Scheme and to publicise the revised Scheme pursuant to The Local Authorities (Members's Allowances)(England) Regulations 2003 (as amended).
- 1.4 Thank the Independent Remuneration Panel for its report and set a fee of £300 for Panel Members for the work carried out on this review for 2018/2019 and propose the same level of fee for any reviews carried out in 2019/2020 capped at a maximum of £1200.

2.0 Introduction

- 2.1 The Council's Independent Remuneration Panel has met to review the current (2018/2019) Members' Allowances Scheme and its report on the recommended levels of the allowance payments for the 2019/2020 financial year is attached as appendix 1.

2.2 The Council is required to have regard to the Panel's recommendations, but is under no obligation to accept them if they are deemed to be inappropriate. It is open to the Council to revise the levels of the recommended allowance payments for the 2019/2020 (either up or down) as is considered appropriate.

3.0 Report Details

Members' Allowances

3.1 Based on the information provided to the Panel as detailed in its report at Appendix 1, it recommends:

(a) that the basic allowance be increased by 2.4% and rounded either up or down, whichever is closest, to ensure 12 equal payments

	2018/2019	Proposed level 2019/2020
Basic Allowance	£4,284.00 p.a.	£4,392.00 p.a.

(b) that the Special Responsibility Allowances be increased by 2.4% rounded either up or down, whichever is closest, to ensure 12 equal payments:

	2018/2019	Proposed level 2019/2020
Leader of the Council	£7,284.00 p.a.	£7,476.00 p.a.
Deputy Leader of the Council	£2,520.00 p.a.	£2,580.00 p.a.
Executive Members Holding a Portfolio	£6,372.00 p.a.	£6,528.00 p.a.
Chairman of the Accounts, Audit and Risk Committee	£4,248.00 p.a.	£3,636.00 p.a.
Chairman of Budget Planning Committee	£3,552.00 p.a.	£3,636.00 p.a.
Chairman of the Overview and Scrutiny Committee	£3,552.00 p.a.	£3,636.00 p.a.
Chairman of the Planning Committee	£4,248.00 p.a.	£4,344.00 p.a.

Chairman of the Appeals Panel	£253 SRA plus £253 per meeting to a capped limit of £1012.00 p.a.	£261 SRA plus £261 per full meeting to a capped limit of £1,044.00 p.a.
Chairman of the Licensing Committee	£253 SRA plus £253 per full meeting to a capped limit of £1012.00 p.a.	£261 SRA plus £261 per full meeting to a capped limit of £1,044.00 p.a.
Chairman of the Personnel Committee	£253 SRA plus £253 per meeting to a capped limit of £1012.00 p.a.	£261 SRA plus £261 per full meeting to a capped limit of £1,044.00 p.a.
Chairman of the Standards Committee	£253 SRA plus £253 per full meeting to a capped limit of £1012.00 p.a.	£261 SRA plus £261 per full meeting to a capped limit of £1,044.00 p.a.
Leader of the Opposition	£2,940.00 p.a.	£3,012.00 p.a.

(c) that the Co-optee and Independent Persons Allowance be increased by 2.4% and rounded either up or down to 12 equal payments:

	2018/2019	Proposed level 2019/2020
Co-optee and Independent Persons Allowance	£732.00 p.a.	£744.00 p.a.

(d) that there be no increase in the rate of Dependent Carers' and Childcare Allowances, but the number of hours claimable should be increased from 20 to 40:

	2018/2019	Proposed level 2019/2020
Childcare	£10 per hour	£10 per hour

Dependent Relative Care	£20 per hour	£20 per hour
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(e) that there be no change to Travelling and Subsistence Allowances;

Bicycles	20p per mile
Motorcycles	24p per mile
Motor Vehicles including electric vehicles	45p per mile

Breakfast Allowance	£6.02 per meal
Lunch Allowance	£8.31 per meal
Evening Meal Allowance	£10.29 per meal

(f) That Democratic Services should continue to book overnight accommodation

(g) That further to the decision of the Shareholder Committee to mirror the elected members appointed as Non-Executive Directors on Graven Hill companies and pay one allowance to those members, that allowance be increased by 2.4% and rounded either up or down whichever is closest, to ensure 12 equal payments.

	Current level 2018/2019	Proposed level 2019/2020
Non-Executive Directors Graven Hill Village Holding Company Limited	£4,248.00 p.a.	One Payment of £4,344.00 p.a.
Non-Executive Directors Graven Hill Village Development Company Limited	£4,248.00 p.a.	for holding both positions

4.0 Conclusion and Reasons for Recommendations

4.1 The following paragraphs set out the rationale for the recommendations of the Panel. Further detail is provided in the Panel's report at Appendix 1.

- 4.2 In 2017/2018 Cherwell District Council (CDC), South Northamptonshire Council (SNC) and Unison entered into a collective agreement to harmonise terms and conditions for CDC and SNC employees. The new pay scale included a 2 year pay deal which consisted of a 2.5% cost of living rise for 2018/19 and 2.4% cost of living rise for 2019/20.
- 4.3 Acknowledging that there had been a cost of living increase for staff in 2018/2019, the Panel was minded to recommend an increase of 2.4% to Members' Basic Allowance, rounded either up or down, whichever is closest, to produce 12 equal payments, as a cost of living increase, in line with the staff increase.
- 4.4 The Panel noted that whilst their recommended increase of 2.00% in Basic Allowance for 2018/2019 was agreed by Council, a number of Members had chosen not to take the increase.
- 4.5 The Panel agreed to recommend that the Co-optee and Independent Persons allowance also be increased by 2.4% rounded either up or down, whichever is closest, to ensure 12 equal monthly payments.
- 4.6 The total cost of a 2.4% increase to the Basic Allowance for elected Members and co-optee and Independent Persons Allowance would be £5220 p.a.¹.
- 4.7 In 2018/2019 the Panel had recommended no increase to Special Responsibility Allowance (SRA) but were minded to recommend that all SRA be increased at the same rate of 2.4% for 2019/2020 as was being recommended for the Basic Allowance. The Panel considered that a cost of living increase was now justified as specific SRA's had previously been adjusted in accordance with workload but had not received a cost of living increase.
- 4.8 In November 2016 it was agreed that allowances would be paid to elected Members who are appointed as Non-Executive Directors (NED) of Graven Hill Companies (Graven Hill Development Company Limited, (DEVCO) and Graven Hill Village Holdings Limited (HOLDCO)) and these would increase in line with members' allowances. As the allowance for Non-Executive Directors of Graven Hill Companies were in line with an equivalent special responsibility allowance, these would also be increased by 2.4%.
- 4.9 In light of the decision of the Shareholder Committee to mirroring the elected member NEDs on Graven Hill companies, a change to the remuneration for Member NEDs who sit on both HOLDCO and DEVCO was approved whereby one allowance for sitting on both boards would be paid. The allowance level agreed was £4,248.00, comparable to the allowance paid to the Planning Committee Chairman, and as set out in the previous paragraph, the Panel recommended this be increased by 2.4% rounded up or down to 12 equal payments in line with the proposed increase to all SRA.
- 4.10 The total cost of a 2.4% increase to the SRA for elected Members (excluding for Members appointed as NED's on Graven Hill companies as these are paid by the companies) would be £944².

¹ This amount assumes the increase is accepted by 48 elected members and the three Independent Persons. There are currently no co-optees.

² This amount assumes the increase is accepted by all those elected members receiving an SRA.

- 4.8 Any travel, subsistence and carers allowances paid to councillor directors of controlled or influenced companies by the Council should be recharged to the relevant company to which they relate.
- 4.8 It is the view of the Independent Remuneration Panel that the proposals represent realistic and fair levels of allowance for 2019/2020 and recommend adoption.

5.0 Consultation

- 5.1 Details set out in appendix 1, the Panel's Report. (5. Work of the Panel)

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: To accept the Panel's recommendations

Option 2: To modify the Panel's recommendations. This is within the Council's discretion as the Panel recommendations are not binding. However it is not recommended as the Panel has considered and justified the recommendations that they have made.

7.0 Implications

Financial and Resource Implications

- 7.1 Provision has been included in the draft 2019/2020 budget for Members' Allowances and the full cost of agreeing a 2.4% increase to the basic allowance, Special Responsibility Allowance and Independent Persons and Co-optees allowance can be accommodated
- 7.2 If Members were minded to alter the levels of the allowances over and above those recommended by the Panel, this would be above the provision included in the draft budget.

Comments checked by: Adele Taylor – Interim Executive Director: Finance and Governance Email: adele.taylor@cherwell-dc.gov.uk Telephone: 01295 221634

Legal Implications

- 7.3 It is a legal requirement of the Council to consider the recommendations of the Independent Remuneration Panel before setting the level of allowances.

Comments checked by: Nick Graham – Director: Law and Governance and Monitoring Officer Email: nick.graham@cherwellandsouthnorthants.gov.uk Telephone: 03000030106

Wards Affected

All

Links to Corporate Plan and Policy Framework

Here to Serve

Lead Councillor

None

Document Information

Appendix No	Title
1	Report of the Independent and Parish Remuneration Panel on the Review of Members' Allowances for the 2019/2020 Financial Year
Background Papers	
None	
Report Author	Lesley Farrell, Democratic and Elections Officer
Contact Information	01295 221591 lesley.farrell@cherwellandsouthnorthants.gov.uk

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DISTRICT COUNCIL
NORTH OXFORDSHIRE

Report
of the Independent and Parish
Remuneration Panel
on the Review of Members' Allowances for the
2019/2020 Financial Year

For

Cherwell District Council

December 2018

CHERWELL DISTRICT COUNCIL

REPORT OF THE INDEPENDENT AND PARISH REMUNERATION PANEL

REVIEW OF MEMBERS' ALLOWANCES FOR THE 2019/2020 FINANCIAL YEAR

1.0 Introduction

- 1.1 After considering the recommendations of this Panel, Cherwell District Council introduced a revised Scheme of Members' Allowances from 1 April 2018 whereby an increase of 2% rounded either up or down to 12 equal payments was applied to the basic allowance, Independent Persons and co-optee allowances. All special responsibility allowances remained the same. It was agreed that electric vehicles should receive the same rate as petrol and diesel vehicles. All other travel and subsistence allowances remained the same. This Scheme has remained in force throughout the 2018/19 financial year.
- 1.2 This report has been prepared in accordance with the provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended). It outlines the Panel's findings following a review of the District Council's current Allowance Scheme and its recommendations for 2019/2020 in respect of:
- (a) the levels of basic and special responsibility allowances;
 - (b) the travelling, subsistence and dependent carers' allowances; and
 - (c) co-optees and Independent Persons allowance.

2.0 The Independent Remuneration Panel

- 2.1 The current membership of the Panel is:

Ms Jeanette Baker
Mr Ray Everitt
Mrs Charlotte Green
Mr Andrew Hodges
Mr Stefan Robinson
Mr David Shelmerdine
Mr Christopher White

- 2.3 The Panel met on 3 December 2018 to consider and agree its recommendations for the 2019/2020 financial year.

Mr Christopher White was appointed as Chairman of the Panel.

Mr Christopher White declared an interest in Graven Hill Development Company.

2.4 James Doble, Assistant Director Law and Governance, Natasha Clark (Governance and Elections Manager) and Lesley Farrell (Democratic and Elections Officer) provided the Panel with administrative advice and support.

2.5 The Panel's findings are set out in this report, together with recommendations for consideration by Council.

3.0 Terms of Reference of the Panel

3.1 The Panel's terms of reference as originally agreed by the Council when it was first constituted (as amended by the 2003 Consolidating Regulations which relate to the determination of local schemes for travelling and subsistence allowances) are outlined in its reports dated 3 July 2001 and 4 July 2003.

3.2 The principal matters on which the Panel can make recommendations are:

- (a) the amount of basic allowance to be paid to all Members of the Council;
- (b) the elected member roles which should qualify, as they involve significant additional responsibilities, for Special Responsibility Allowance payments and the levels of those allowances;
- (c) the appropriateness, and the amounts to be paid in respect of the childcare and dependent carers' allowances;
- (d) the levels, and appropriateness, of travelling and subsistence allowances; and
- (e) the amount of the co-optees and independent persons (Standards) allowances to be paid.

4.0 The Panel's Adopted Approach

4.1 Since 2001, the Panel's approach has been that recommendations should be formulated appropriate to the circumstances of the Council, recognising that the roles of Executive and Non-Executive Members are now well-established.

4.2 The following underlying principles continue to form the fundamental basis of the Panel's review process:

- (a) the allowances should take account, as far as possible, of the amount of time taken by Members to fulfil their roles.
- (b) the scheme should ensure, as far as practical, that as wide a range of people as possible should be able to stand for election and that they should not be financially penalised in so doing. This, in turn, should increase the likelihood of an inclusive approach to Council services:

- (c) the levels of the allowances should not be treated as salary but rather as a level of 'compensation';
- (d) the original principle of the panel was that an element of Members' time in terms of their work as a Councillor should be treated as voluntary and therefore should not be remunerated – the principle of voluntary service were fully set out in paragraphs 9.4 and 9.5 of our July 2001 report; and it was agreed that this principle should continue.
- (e) the assumption that all Members will participate as fully as possible in Council business and play an active role in their Wards and that the importance of these mutually inclusive roles should be reflected in the level of the basic allowance
- (f) the reviewed scheme should take account of the payments included in the current scheme and any increases which might be recommended should be balanced against the interests of the Council Tax Payers in the District, although we accept that the Council must consider the political implications of the levels of the allowances open to it to pay
- (g) the reviewed scheme should continue to be subject to well informed periodic reviews.

5.0 The Work of the Panel

- 5.1 The Panel has previously determined the underlying principles on which the levels of Members allowances should be based, as outlined above.
- 5.2 The Panel's approach required an assessment of the amount of time Councillors commit to their duties and their associated workloads in the context of the identified special responsibilities for Lead Members and Committee Chairmen.
- 5.3 The Panel was aware of the responsibilities and workloads of the members of the Executive and especially those of the Leader
- 5.4 As part of its review, the Panel considered the following information which informs its conclusions:
 - (a) a copy of the Council's Members' Allowances Scheme for 2018/19;
 - (b) a comparison of neighbouring authority Members Allowances.
 - (c) comparative data from the Members' Allowances survey undertaken by the South East Employers Organisation which outlines the basic, special responsibility and other allowance

payments made by Council's in the South East Region.

- (d) a summary of Members responses to the 'Activity Questionnaire'.
- (e) the general economic climate, increase in cost of living and level of national pay awards
- (f) the overall financial position of the Council.
- (g) the level of recent and proposed pay awards for Council staff and management.
- (h) any recent changes in the roles, responsibilities and workload of specific member posts.
- (i) Any additional comments Members wished to make in respect of the current allowance scheme.

5.5 The Panel continues to place great importance on the information gathered by way of the 'Activity Questionnaire'.

The purpose of the 'Activity Questionnaire' is to determine:

- (a) the amount of time Members estimate they spend on Council business during an average month;
- (b) Members views on the adequacy, or otherwise, of the current levels of Members' Allowances at the Council; and
- (c) Whether Members would like to address the Panel in person.

5.6 As previously, the activity questionnaire was circulated to all Members of the Council and a total of 16 completed questionnaires were returned, representing 33.33% of its membership.

5.7 The Panel were very grateful to those Members who returned the questionnaire or completed the online survey

5.8 The Panel were once again disappointed by the low return of questionnaires, particularly as the questionnaire had been sent in both hard copy and via an online survey in the hope this would increase the response rate. As this forms a large part of their decision making process, the Panel could only surmise that those who did not return the questionnaire or complete the online survey were happy with the current allowance scheme.

5.9 Notwithstanding the relatively low return rate, the Panel proposes to repeat this exercise again next year as it firmly believes that the information requested is vital to its efforts in undertaking proper and meaningful reviews. The Panel hopes that next year will result in a greater number of responses from Councillors.

5.10 The Panel noted that those Members who responded to the activity questionnaire continued to show a great variation in the estimates of the time they spend on their

roles as Councillors, ranging from 26 to 160 hours per month.

- 5.11 The Panel noted that those Members who responded spent an average of 40 hours per month on council duties. This was more than the average response of 33 hours per month in the survey last year.
- 5.12 Other conclusions arising from the questionnaires were that:
- (a) None of the respondents explicitly stated that no changes should be made to the level of Members allowances and expenses for 2019/20.
 - (b) One of the respondents proposed an increase in the level of Members allowances and expenses for 2019/20 to match those of South Northamptonshire Council.
 - (c) On a scale of 1 (very generous) to 4 (totally inadequate), two respondents rated the basic allowance as 1, seven as 2, four as 3 and three as 4.
 - (d) On the same scale of 1 to 4, five respondents rated the special responsibility allowance as 1, three as 2, five as 3 and two as 4.
 - (e) On the same scale of 1 to 4, six respondents rated the level of travel and subsistence allowances as 1, seven as 2, two as 3 and one as 4.

Unfortunately, these numbers cannot be seen as representative due to the small number of questionnaires returned.

6.0 Basic Allowance

- 6.1 The Panel was requested to review the current level of the Basic Allowance.
- 6.2 Since the Council moved to its Local Pay Formula, the Panel has used the annual pay settlement for staff as one of their main considerations for recommending adjustments to the levels of the basic and special responsibility allowances paid.
- 6.3 In 2017/2018 Cherwell District Council (CDC), South Northamptonshire Council (SNC) and Unison entered into a collective agreement to harmonise terms and conditions for CDC and SNC employees. The new pay scale included a 2 year pay deal which consisted of a 2.5% cost of living rise for 2018/19 and 2.4% cost of living rise for 2019/20.
- 6.4 Senior managers (Directors and Assistant Directors) did not receive a cost of living award for 2018/19 as the recent restructure set salaries for these roles at market rates in autumn 2017 and a pay review at this stage was not required. Senior managers will receive the 2.4% cost of living rise for 2019/2020.
- 6.5 Acknowledging that there had been a cost of living increase for staff in 2018/2019, the Panel was minded to recommend an increase of 2.4% to Members' Basic Allowance, rounded either up or down, whichever is closest, to produce 12 equal

payments, as a cost of living increase in line with the staff increase.

- 6.6 The Panel noted that whilst their recommended increase of 2.00% in Basic Allowance for 2018/2019 was agreed by Council, a number of Members had chosen not to take the increase.
- 6.7 The Panel agreed to recommend that the Co-optee and Independent Persons allowance also be increased by 2.4% rounded either up or down, whichever is closest, to ensure 12 equal monthly payments.
- 6.8 The total cost of a 2.4% increase to the Basic Allowance for elected Members and co-optee and Independent Persons Allowance would be £5220 p.a¹.

7.0 Special Responsibility Allowances

- 7.1 In 2018/2019 the Panel had recommended no increase to Special Responsibility Allowance (SRA) but were minded to recommend that all SRA be increased at the same rate of 2.4% for 2019/2020 as was being recommended for the Basic Allowance. The Panel considered that a cost of living increase was now justified as specific SRA's had previously been adjusted in accordance with workload but had not received a cost of living increase.
- 7.2 In November 2016 it was agreed that allowances would be paid to elected Members who are Non-Executive Directors (NED) of Graven Hill Companies (Graven Hill Development Company Limited, (DEVCO) and Graven Hill Village Holdings Limited (HOLDCO)) and these would increase in line with members' allowances. As the allowance for Non-Executive Directors of Graven Hill Companies were in line with an equivalent special responsibility allowance, these would also be increased by 2.4%.
- 7.3 The Assistant Director, Law and Governance addressed the panel to advise that he had submitted a report to a Shareholder Committee meeting on 3 December 2018 regarding company governance arrangements. In light of the report, the Committee had resolved to approve the mirroring of director board members of the two Graven Hill companies, DEVCO and HOLDCO, meaning the same members would be appointed as a NED at both companies.
- 7.4 In light of the mirroring of board members, a change to the remuneration for Member NEDs who sit on both HOLDCO and DEVCO was approved whereby one allowance for sitting on both boards would be paid. The allowance level agreed was £4248, comparable to the allowance paid to the Planning Committee Chairman, and it was recommended this be increased by 2.4% rounded up or down to 12 equal payments in line with the proposed increase to all SRA.
- 7.5 The total cost of a 2.4% increase to the SRA for elected Members (excluding for Members appointed as NED's on Graven Hill companies as these are paid by the

¹ This amount assumes the increase is accepted by all 48 elected members and the three Independent Persons. There are currently no co-optees.

companies) would be £992².

8.0 Travelling and Subsistence Allowances

8.1 The Panel was requested to review the current level of Travelling and Subsistence Allowances.

8.2 In the 2018/2019 review it had been agreed that electric vehicles should receive the same rate as petrol and diesel vehicles. The Panel noted that all travel rates are set at the specified HM Revenues and Customs rates and consequently had no implications for the tax liabilities of Members. Travel rates for motorcycles and motor vehicles are paid regardless of the cc of motor cycle or motor vehicle concerned and remain the same.

8.3 In relation to Subsistence Allowances, the Panel previously agreed that allowances should be paid up to the maximum rates notified by the National Joint Council for Officers index linked to the Retail Prices Index (excluding mortgages).

8.4 However, the National Joint Council for Officers ceased to produce nationally agreed subsistence rate for local government staff in 1996. Since that time, subsistence rates have been a subject for local determination and the Council has based its rates on Local Government Association rates.

8.5 The Panel considered the travelling and subsistence allowances and agreed, that there should be no increase in other travelling and subsistence allowances at this time.

9.0 Dependent Carers' and Childcare Allowance

9.1 The panel considered the dependent carers' and childcare allowances and agreed that the number of hours that could be claimed should increase from 20 per month to 40 hours per month in line with the average number of hours that councillors' work. It was agreed that the rate should remain the same.

10.0 Recommendations to Council

10.1 Based on the information provided to the Panel, it recommends:

- (a) That the basic allowance be increased by 2.4% rounded either up or down, whichever is closest, to 12 equal payments

	Current Level 2018/2019	Proposed level for 2019/2020
Basic Allowance	£4,284.00 p.a.	£4,392.00 p.a.

² This amount assumes the increase is accepted by all those elected members receiving an SRA.

- (b) That the Special Responsibility Allowances should be increased by 2.4% rounded either up or down, whichever is closest, to 12 equal payments:

	Current Level 2018/2019	Proposed level for 2019/2020
Leader of the Council*	£7,296.00 p.a.	£7,476.00 p.a.
Deputy Leader of the Council*	£2,520.00 p.a.	£2,580.00 p.a.
Executive Members Holding a Portfolio	£6,372.00 p.a.	£6,528.00 p.a.
Chairman of the Accounts, Audit and Risk Committee	£3,552.00 p.a.	£3,636.00 p.a.
Chairman of the Budget Planning Committee	£3,552.00 p.a.	£3,636.00 p.a.
Chairman of the Overview and Scrutiny Committee	£3,552.00 p.a.	£3,636.00 p.a.
Chairman of the Planning Committee	£4,248.00 p.a.	£4,344.00 p.a.
Chairman of the Appeals Panel	£253 SRA plus £253 per full meeting to a capped limit of £1,012.00 p.a.	£261 SRA plus £261 per full meeting to a capped limit of £1,044.00 p.a.
Chairman of the Licensing Committee	£253 SRA plus £253 per full meeting to a capped limit of £1,012.00 p.a.	£261 SRA plus £261 per full meeting to a capped limit of £1,044.00 p.a.
Chairman of the Personnel Committee	£253 SRA plus £253 per full meeting to a capped limit of £1,012.00 p.a.	£261 SRA plus £261 per full meeting to a capped limit of £1,044.00 p.a.
Chairman of the Standards Committee	£253 SRA plus £253 per full meeting to a capped limit of £1,012.00 p.a.	£261 SRA plus £261 per full meeting to a capped limit of £1,044.00 p.a.

Leader of the Opposition	£2,940.00 p.a.	£3,012.00 p.a.
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(These SRA's are paid in addition to the Basic Allowance.)

- (c) that the Co-optee and Independent Persons Allowance be increased by 2.4% and rounded either up or down whichever is closest, to 12 equal payments

Co-optee and Independent Person Allowance	£732.00 p.a.	£744.00 p.a.
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- (d) that Dependent Carers' and Childcare Allowances remain the same but the number of hours that can be claimed per month be increased from 20 to 40 hours:

Childcare	£10 per hour	£10 per hour
Dependent Relative Care	£20 per hour	£20 per hour

- (e) that there should be no change to Travelling and Subsistence Allowances;

Bicycles	20p per mile
Motorcycles	24p per mile
Motor Vehicles	45p per mile
Electric or Similar Specialised Vehicles	45p per mile

Breakfast Allowance	£6.02 per meal
Lunch Allowance	£8.31 per meal

Evening Meal Allowance	£10.29 per meal
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- (f) Democratic Services should continue to book overnight accommodation.
- (g) That further to the decision of the Shareholder Committee to mirror the members appointed as Non-Executive Directors on Graven Hill companies and pay one allowance to those members, they be increased by 2.4% and rounded either up or down whichever is closest, to 12 equal payments.

	Current level 2018/2019	Proposed level 2019/2020
Non-Executive Directors Graven Hill Village Holding Company Limited	£4,248.00 p.a.	One Payment of £4,344.00 p.a. for holding both positions
Non-Executive Directors Graven Hill Village Development Company Limited	£4,248.00 p.a.	

12.0 Findings of the Panel

12.1 In arriving at its recommendations, the Panel had particular regard to the following:

- (a) There had been a 2.5% cost of living increase for staff in 2018/2019 and an agreement for a 2.4% cost of living increase for 2019/2020. Although not all members had accepted the agreed 2% increase the previous year, the meeting nonetheless recommended a the same level cost of living increase of 2.4% to Members' Basic Allowance for 2019/2020 rounded either up or down, whichever is closest, to produce 12 equal payments.
- (b) The Panel acknowledged that the CDC members' allowances were low in comparison to other similar councils and good value for money. The Panel was minded to recommend a 2.4% cost of living increase in the Basic allowance for 2019/2020 in line with the staff pay increase.
- (c) The meeting acknowledged the amount of work carried out by the Executive and particularly the Leader of the Council and the time committed to Cherwell District Council.
- (d) The meeting also acknowledged that there had been no cost of living increase in special responsibility allowance at Cherwell District Council.
- (e) The increasing complexity, responsibilities and burden of local government made it imperative for able individuals representing all of society to be able to stand for election as Councillors, but the absence of a national baseline for

Member remuneration did not help efforts to attract candidates in the local community with the professional qualities needed for the role.

- (f) As local government becomes increasingly business-like, levels of remuneration need to reflect the time, effort and expertise required of Councillors, otherwise it would continue to prove difficult to attract quality candidates to the role, resulting in negative implications for local democracy.
- (g) A special acknowledgement was made and thanks given to James Doble, Assistant Director of Law and Governance who would be leaving Cherwell District Council on 7 December 2018.

Mr Christopher White
Chairman
Independent Remuneration Panel
December 2018

Cherwell District Council

Council

25 February 2019

<p>Robustness of Estimates and the Adequacy of Reserves and Balances Local Government Act 2003 (Section 25)</p>
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Report of Executive Director Finance and Governance (Interim) and Section S151 Officer

This report is public

Purpose of report

Section 25 of The Local Government Act 2003, places a duty on the Chief Finance Officer to make a report to the authority on the robustness of estimates and adequacy of reserves. This report fulfils this requirement and provides Members with assurance that the budgets have been compiled appropriately and that the level of reserves is adequate. It is a statutory requirement that councillors must consider this report when considering and approving a budget.

Under Section 25 of the Local Government Act 2003, the Council's Chief Finance Officer is required to report to the Council on:

- The robustness of the estimates included within the budget
- The adequacy of the reserves and balances

Members must have regard to the contents of this report when considering the budget.

1. Recommendations

The meeting is recommended:

- 1.1. To note the contents of this report

2. Introduction

- 2.1. The Local Government Act 2003 (Section 25) requires that when a local authority is agreeing its budget and precept, the Chief Finance Officer must report to it on the following matters:

- a) the robustness of the estimates made for the purposes of the calculations,

and

b) the adequacy of the proposed financial reserves.

- 2.2. The authority must have due regard to the report when making decisions on the budget and precept.
- 2.3. The Chief Finance Officer for the Council is the Executive Director Finance. In expressing their opinion, the Chief Finance Officer has considered the financial management arrangements that are in place, the level of reserves, the budget assumptions and the financial risks facing the Council.
- 2.4. In presenting this report the Chief Finance Officer is mindful of other associated statutory safeguards designed to support the authority:
 - Section 151 of the Local Government Act 1972 which requires the authority to make arrangements for the proper administration of its financial affairs and that the chief financial officer has personal responsibility for such administration
 - Sections 32, 43 & 93 of the Local Government Finance Act 1992 which requires the authority to set a balanced budget
 - The Prudential Code introduced as part of the Local Government Act 2003 sets out the framework within which the authority must manage its investments, including adequate planning and budget estimates
 - The external auditor's duty to assess the adequacy of the authority's proper arrangements to secure economy, efficiency and effectiveness ('value for money')
- 2.5. To reinforce these obligations, section 114 of the Local Government Finance Act 1988 requires the chief finance officer to report to all the authority's councillors, in consultation with the Monitoring Officer, if there is or is likely to be unlawful expenditure or an unbalanced budget

3. Report Details

Overview

National

- 3.1. Local Government is continuing to commission and deliver services to its residents and businesses during a period of prolonged financial uncertainty and significant change. This uncertainty relates to both the overall UK economy as well as the impact of national policy changes to the way in which local government is funded in the medium term.
- 3.2. It is important that we continue to manage our resources in a prudent and sustainable way, ensuring that we understand and can plan and manage our risks effectively over the medium term which is why a strong link between our service outcomes and financial measures is imperative.

Local

- 3.3. Cherwell District and the surrounding region is experiencing significant economic growth. Increasing numbers of housing developments have brought new skills to the area and the boost in business is providing new opportunities to shape the area. The Council has been working in partnership with others as part of the Growth Deal in Oxfordshire to bring forward significant investment in infrastructure to support and accelerate this growth.
- 3.4. The Council is committed to investing and developing its local economy and this investment can be seen clearly through key decisions taken at a local level including direct property investment for regenerative purposes.
- 3.5. As an ambitious Council, Cherwell District Council has developed a number of strategies to support growth in the area including the setting up of council owned companies for developments in Bicester and Banbury, direct investment in town centre sites and housing, establishing a Teckel company to run its revenues and benefits service as well as supporting community activities and the arts. By making best use of a number of different types of delivery vehicles that are available to operate and commission services, the council continues to offer a broad range of services to support our residents and businesses. Ensuring that these are financially sustainable in the medium to long term is a key plank of our medium term financial strategy.
- 3.6. The Council delivers a wide range of services to support our residents, communities and businesses. Some of these services are provided by all Councils as a requirement of national legislation whilst Cherwell District Council chooses to provide others as a result of the specific needs of our communities and the priorities of the Council. Through the Healthy New Towns initiative, the Council has placed a specific emphasis on ensuring the growth in Bicester supports the health and well-being of our communities in that town. Following the success of this work, the Council is now looking to roll out this approach to other communities across Cherwell. This ensures that the growth agenda that we are delivering is sustainable both in positive outcomes for our residents and businesses but also financially in the longer term for us and our partners.

Budget Process

- 3.7. The budget has been prepared using accruals accounting and provides for realistic estimates of income, expenditure and liabilities. The detailed budget has been prepared with service areas and the finance team. These have been reviewed and challenged by the senior management team.
- 3.8. The budget ensures that all aspects of the budget (Revenue, Capital and Treasury) are understood and the interdependencies are taken account of.
- 3.9. During 2018/19 the monitoring and reporting frequency of finance, performance and risk information was improved. This provided clearer and more transparent information for a wide audience. As we move into 2019/20 further improvements and developments will be incorporated into the process to ensure that we continue to provide the best level of transparency that we can.

- 3.10. Our financial monitoring process provides regular reporting for revenue, capital and treasury management. These reports are produced monthly and are considered by officers, portfolio holders, Budget and Financial Strategy Committee and Cabinet.
- 3.11. The prudential code has also introduced a rigorous system of prudential indicators, which explicitly require regard to affordability, prudence, value for money, stewardship, service objectives and practicality in the way in which we manage our finances. This is backed up by a specific requirement to monitor performance against forward-looking indicators and report and act on significant deviations. These are fully considered by our Accounts, Audit and Risk committee.

Budget Assumptions and robustness of estimates

- 3.12. The budget is being set against a backdrop of unprecedented change in our relationships with our partners. There is risk inherent in the budget due to the separation from South Northamptonshire Council following announcements about the potential Local Government Reorganisation within Northamptonshire which have led to the need to separate our services. The assumptions set out in the budget have been set on a prudent basis. The risk of variance will be closely monitored and could be underpinned through availability of general reserves.
- 3.13. The Council has complied fully with the requirements of the Prudential Code for Capital Finance in Local Authorities. The Treasury Management Strategy, Capital Strategy and investment Strategy provide the framework for which the Council to adhere to. I am (Chief Finance Officer) satisfied that the levels assumed in the indicators are affordable and sustainable.
- 3.14. The Council has insurance cover through a combination of internal funding and external policies. I am (Chief Finance Officer) satisfied that the insurance cover is adequate to meet all reasonable insurable liabilities.

Adequacy of reserves

- 3.15. The appropriate level of reserves can support an organisation in managing risk and volatility in its operating environment. The Council is facing significant risk and change over the medium term due to number of local and national issues and it is important that the level of reserves reflects this.
- 3.16. The Council reserves are estimated to be around £21m. This incorporates a minimum level of reserves of £2m. This level recognises risks facing the Council including; separation from Cherwell, Local Government Reorganisation, UK economic uncertainty as well as upcoming changes to Local Government Funding.

Financial Management

- 3.17. The Council's External Auditor, Ernst & Young, gave an unqualified opinion on the 2017/18 financial statements and a qualified opinion for Value for Money in relation to one specific issue. The Council has considered the issues raised in regards to that Value for Money judgement through its Budget and Finance Planning committee and steps have been put in place to mitigate the risks that were identified in the audit. We have continued to work closely with the External Auditors when addressing these issues.

- 3.18. The Internal Auditors, CW Audit Services, have been able to progress further through the internal audit plan and the outcome of this work has demonstrated stability and improvements in the Councils control framework.
- 3.19. The Chief Finance Officer considers that the financial control arrangements remain sufficiently robust to maintain adequate and effective control of the budget during 2019/20.

Local Government Funding

- 3.20. 2019/20 is the final year of the current comprehensive spending review. This multi-year settlement provided some additional stability and ability to better plan over the medium term. It is anticipated that this type of settlement may continue in future years but this is currently unknown.
- 3.21. The way in which local government is financed is changing and there is also a shift in focus in how we monitor and manage our resources. In the future we will be much more reliant on income from individuals and businesses and management of our cash flow will be much more akin to that of commercial businesses than it ever has been before.
- 3.22. The Government has recently published two consultations which will impact upon the future of local government funding.

Fairer Funding Review Consultation

- 3.23. The Government is intending to simplify the way local government funding works. A paper has recently been published which consults on the assessment of needs, resources and transitional arrangements.

<https://www.gov.uk/government/consultations/review-of-local-authorities-relative-needs-and-resources>

- 3.24. The potential impact of the Council will be assessed during 2019/20.

Business Rates Retention Consultation

- 3.25. The government has also recently published a consultation paper "Sharing risk and reward, managing volatility and setting up the reformed system". This is a technical consultation which seeks views on proposals for setting up a reformed business rates retention system.

<https://www.gov.uk/government/consultations/business-rates-retention-reform>

- 3.26. The consultation outlines proposals to update the balance of risk and reward to better reflect the wider context for local authorities in 2020, mitigate volatility in income and simplify the system.
- 3.27. The potential impact of the Council will be assessed during 2019/20.

Risk Assessment

- 3.28. The Council has a robust risk management framework in place. The framework supports the Council in managing significant risk. The budget 2019/20 sets out the risks inherent in the budget and identifies the risk environment in which it will be operating during 2019/20.
- 3.29. The uncertainty surrounding Local Government Reorganisation will be closely monitored during 2019/20.

Future Outlook

- 3.30. Cherwell District has experienced significant growth in recent years, being part of and it is anticipated to continue this trend over the medium term. The Council is well placed by working with our partners locally, regionally and nationally to consider the impact of this growth on the District.
- 3.31. The Council has also enhanced its strategy for commercial activity and is currently involved with projects which will support the Council with its future aspirations for the district.

4. Conclusion and Reasons for Recommendations

- 4.1. I am satisfied that the budget prepared for the financial year 2019/20 is prudent and makes allowance for the costs of providing services in accordance with the Councils approved policies and service plans. I consider that the budget proposals set out in the report are robust. The level of reserves is sufficient to meet the known risks within the budget taking account of the Councils robust financial management framework.
- 4.2. It is important that the implications arising from separation from South Northamptonshire Council are closely monitored and reviewed. The financial management arrangements, close working with partners and strategic oversight will ensure that this can be well supported and managed.

5. Consultation

- 5.1. The Business Plan 2019/20 and Medium Term Financial Strategy 2019/20 to 2023/24 set out the consultation which has been undertaken.

6. Alternative Options and Reasons for Rejection

- 6.1. None. Member must have regard to the contents of this report when considering the budget.

7. Implications

Financial and Resource Implications

- 7.1. There are no financial implications arising directly from this report.

Comments checked by:

Kelly Watson, Deputy S151 Officer

0300 003 0206, kelly.watson@cherwellandsouthnorthants.gov.uk

Risk Management

- 7.2. The Chief Finance Officer has considered the risks associated with the Budget 2019/20 and Medium Term Financial Strategy (MTFS). In addition to this the Council has a robust risk management framework. Any risks will be managed as part of the operational risk register and escalated to the Leadership risk register as and when necessary.

Comments checked by:

Louise Tustian, Team Leader Insight Team

01295 221786, louise.tustian@cherwellandsouthnorthants.gov.uk

8. Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

All

Lead Councillors

Not applicable

Document Information

Appendix No	Title
None	
Background Papers	
None	
Report Author	Adele Taylor, Executive Director Finance and Governance (S151 Officer)
Contact Information	0300 003 0103 adele.taylor@cherwellandsouthnorthants.gov.uk

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Cherwell District Council

Council

25 February 2019

<p>Business Plan 2019/20 and Medium Term Financial Strategy 2019/20 – 2023/24</p>
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Report of Executive Director Finance and Governance (Interim) & Section 151 Officer

This report is public

Purpose of report

The Business Plan and Summary Medium Term Financial Strategy are presented as an integrated report. This demonstrates the Council's strategic approach to aligning its resource to the delivery of Council's priorities.

This report details the Business Plan 2019/20 and the Council's Medium Term Financial Strategy (MTFS) for 2019/20 to 2023/24 prior to final approval by full Council in February 2019.

1. Recommendations

The meeting is recommended:

- 1.1. To consider and approve the Business Plan set out in Appendix 1.
- 1.2. To note the Risk Register contained at Appendix 2.
- 1.3. To consider and approve an increase in the level of Council Tax for Cherwell District Council of £5 for 2019/20.
- 1.4. To consider and approve the Medium Term Financial Strategy (MTFS), Revenue Budget 2019/20 and Capital Programme including recommending the growth and savings proposals included at Appendix 9.
- 1.5. To consider and approve a minimum level of General Fund reserves of £2m.
- 1.6. To consider and approve that authority be delegated to the Chief Finance Officer in consultation with the Lead Member for Finance & Governance, and where appropriate the relevant Director and Lead Member to:
 - Transfer monies to/from earmarked reserves should that become necessary during the financial year.

- Update prudential indicators in both the Prudential Indicators Report and Treasury Management Strategy Report to Council, for any budget changes that impact on these.

- 1.7. To consider that the Fees & Charges set out in Appendix 7 be approved.
- 1.8. To consider that the Treasury Management Strategy be approved, including the Prudential Indicators, Minimum Revenue Provision (MRP) Policy and Affordable Borrowing Limit for 2019/20.
- 1.9. To consider and approve that authority be delegated to the Chief Finance Officer to make any technical changes necessary to the papers for the Council meeting of 25 February 2019, including changes related to the finalisation of the national Finance Settlement and any associated changes to Parish Precepts and Council resulting from those changes.
- 1.10. To note the contents of the Section 25 report from the Chief Finance Officer in relation to the robustness of estimates and adequacy of reserves.
- 1.11. To consider and approve the appended statement of pay policy for 2019/20 as required by the Localism Act and detailed in Appendix 10.
- 1.12. To note the equality impact assessment for 2019/20 detailed in Appendix 11.

2. Introduction

- 2.1. The Council has the responsibility of considering and approving a budget and all associated strategies on 25 February 2019.
- 2.2. The purpose of this report is to present the Business Plan and Medium Term Financial Strategy for review including the context within which Local Government is operating currently.

3. Overview

National

- 3.1. Local Government is continuing to commission and deliver services to its residents and businesses during a period of prolonged financial uncertainty and significant change. This uncertainty relates to both the overall UK economy as well as the impact of national policy changes to the way in which local government is funded in the medium term. Local Government has seen substantial reductions in direct central government funding including the continued reduction and ultimately ceasing of the Revenue Support Grant (RSG) in 2019/20 and a shift towards more specific funding that often is targeted and has to be bid for. Cherwell District Council has been successful in bidding for such funding, as well as in partnership across Oxfordshire for Growth Deal funding.

- 3.2. It is important that we continue to manage our resources in a prudent and sustainable way, ensuring that we understand and can plan and manage our risks effectively over the medium term which is why a strong link between our service outcomes and financial measures is imperative.
- 3.3. The way in which local government is financed is changing and there is also a shift in focus in how we monitor and manage our resources. In the future we will be much more reliant on income from individuals and businesses and management of our cash flow will be much more akin to that of commercial businesses than it ever has been before.

Local

- 3.4. The district is experiencing significant economic growth. Increasing numbers of housing developments have brought new skills to the area and the boost in business is providing new opportunities to shape the area. The Council has been working in partnership with others as part of the Growth Deal in Oxfordshire to bring forward significant investment in infrastructure to support this growth.
- 3.5. The Council is committed to investing and developing its local economy and this investment can be seen clearly through key decisions taken at a local level including direct property investment for regenerative purposes.
- 3.6. As an ambitious Council, Cherwell District Council has developed a number of strategies to support growth in the area including the setting up of council owned companies for development in Bicester and Banbury, direct investment in town centre sites and housing, establishing a Teckel company to run its revenues and benefits service as well as supporting community activities and the arts. By making best use of a number of delivery vehicles that are available to deliver and commission services, the council continues to offer a broad range of services to support our residents and businesses. Ensuring that these are financially sustainable in the medium to long term is a key plank of our medium term financial strategy.
- 3.7. The Council delivers a wide range of services to support our residents, communities and businesses. Some of these services are provided by all Councils as a requirement of national legislation whilst Cherwell District Council chooses to provide others as a result of the specific needs of our communities and the priorities of the Council. Through the Healthy New Towns initiative, the Council has placed a specific emphasis on ensuring the growth in Bicester supports the health and well-being of our communities in that town. Following the success of this work, the Council is now looking to roll out this approach to other communities across Cherwell. This ensures that the growth agenda that we are delivering is sustainable both in positive outcomes for our residents and businesses but also financially in the longer term for us and our partners.

4. Business Planning

- 4.1. The business plan for 2019/20 is attached as Appendix 1. The business plan informs the development of the annual budget and the operational Service Plans for the delivery of all Council services. The Service Plans will set out the activities that each service will undertake to deliver against the priorities set out in the Business

Plan. Ultimately, these activities will be reflected in the individual objectives of employees providing a clear 'golden thread' through the organisation for the delivery of the Council's priorities.

- 4.2. The 2018/19 Business Plan was a joint business plan covering Cherwell and South Northamptonshire Council. The 2019/20 Business Plan will cover Cherwell District Council only as the joint working arrangements between the two Councils come to an end.
- 4.3. The content of the 2019/20 Business Plan represents a "light touch" review, broadly retaining the themes and priorities of the Council from the previous year updated where appropriate to align with emerging issues and challenges across the district. New areas of focus for the plan this year include the Healthy Place Shaping agenda, the Industrial Strategy and the Oxfordshire Growth Deal. An overview of these areas are provided below in section 4.4.
- 4.4. Healthy place shaping involves us working in partnership to create sustainable, well-designed communities where healthy behaviours are the norm and which provide a sense of belonging and safety, a sense of identity and a sense of community. District councils can help to shape healthy and thriving places where the right policies, environment and partnership working are adopted to empower individuals, communities and organisations to make healthier choices. The Industrial Strategy is a new 10 year strategy replacing the previous Economic Development Strategy. The strategy will be aligned to both the National Industrial Strategy and the Local Industrial Strategy being developed by OxLEP. The Oxfordshire Housing and Growth Deal is a contract between HM Government and the Oxfordshire Partnership (6 Councils and OxLEP) which provides funding and planning flexibilities over a 5 year term linked to a commitment to accelerate the pace of housing development across the county.
- 4.5. The vision for the district remains 'A great place to live, work, visit and invest'. The three strategic priorities are:
 - Clean, Green and Safe;
 - Thriving Communities and Wellbeing;
 - District of Opportunity and Growth.
- 4.6. The Business Plan is underpinned and enabled through an Organisational Plan, illustrated as three pillars, representing the basis upon which we continue to develop our organisation:
 - Operational Excellence;
 - Customer Focus;
 - Best Council to work for.
- 4.7. The service plans currently in development will help shape the performance management framework for 2019/20, of which progress against will be reported to Executive through the monthly Performance, Risk and Finance report.
- 4.8. The business plan has been discussed with Executive Members and will be considered by the Overview and Scrutiny Committee on 22 January. A full review of the business plan and corporate priorities will take place during 2019/20 to inform the 2020/21 Business Plan.

5. Medium Term Financial Strategy

- 5.1. Our medium term financial strategy outlines our expected resourcing requirements over the next 4 years as well as assumptions around funding to support those requirements. The way in which local government is resourced will be fundamentally changing from 2020/21 onwards. There are currently two important Government consultations regarding the future financing of local government that we will respond to by the deadline of 26 February 2019. Further details on these consultations are provided later in this report.
- 5.2. Through the four year funding settlement from central government we were given certainty about the level of revenue support grant (RSG) that we would receive as well as an indication of the expected level of business rates that we should collect and redistribute over that time. However, 2019/20 is the final year of this four year settlement and therefore we do not currently have the same level of certainty about future levels of central grant funding. Other funding that we receive such as the New Homes Bonus and Disabled Facilities Grant are subject to annual announcements and each year we have to make judgements about the level of funding we could expect. Finally, we have had to estimate the amount of council tax we would collect and consider the level at which we set council tax for this and future years.
- 5.3. On 13 December 2018, the provisional local government finance settlement was announced. This settlement information supported the Draft MTFS and confirmed our assumptions regarding the levels of anticipated funding for 2019/20. The final settlement was announced in early February 2019. There were no significant changes for our MTFS from the final settlement; minor changes have been incorporated into our budget and reported to Members.
- 5.4. From 2020/21 we know that this system will change as detailed throughout this report. We have estimated the impact of this throughout the life of the MTFS using the best estimates that we can.

Summary MTFS

- 5.5. The table below sets out the summary MTFS. It is important to note that 2019/20 reflects a balanced budget although this does include the planned use of one off funds from some earmarked reserves. For future years of the MTFS a funding gap has been identified and the Council has already established a process that will shape how we look to review opportunities to reduce this gap for future years and balance the budget.

CHERWELL DISTRICT COUNCIL
MTFS Summary

	2019-20	2020-21	2021-22	2022-23	2023-24
	£000	£000	£000	£000	£000
Approved base budget	15,788	20,444	19,986	20,863	21,740
<i>Salary Reviews & Inflation</i>	849	800	800	800	800
<i>Growth Pressures</i>	1,963	0	0	0	0
<i>Budget Realignment</i>	2,491	0	0	0	0
<i>Contract Inflation</i>	77	77	77	77	77
Budget pressures	5,380	877	877	877	877
Efficiency/Savings/Additional Income	(724)	(1,335)	0	0	0
Additional Income	(724)	(1,335)	0	0	0
NET COST OF SERVICES	20,444	19,986	20,863	21,740	22,617
Transfers to reserves / Pension Adj / Interest	2,267	5,672	4,427	4,480	3,956
NET BUDGET REQUIREMENT	22,711	25,658	25,290	26,220	26,573
FUNDING					
<i>Revenue Support Grant</i>	(114)	0	0	0	0
<i>Transfer to Parish Councils - CTRS</i>	349	175	0	0	0
<i>New Homes Bonus</i>	(5,087)	(5,137)	(5,019)	(5,211)	(4,288)
<i>Business Rates</i>	(10,760)	(10,111)	(9,543)	(9,003)	(8,777)
<i>Council Tax income</i>	(7,099)	(7,365)	(7,749)	(8,143)	(8,547)
TOTAL INCOME	(22,711)	(22,438)	(22,311)	(22,357)	(21,612)
FUNDING GAP / (Surplus)	0	3,220	2,979	3,863	4,961
<i>Council tax base</i>	53,472	54,274	55,088	55,914	56,753
<i>Council tax amount</i>	£128.50	£133.50	£138.50	£143.50	£148.50

5.6. To ensure that the budget for 2019/20 reflects our current service and activity levels there are a number of budget growth and savings proposals that are included as appendix 9. These proposals reflect either:

- where a service has grown and our resources to support that need to reflect this,
- where a new service is proposed and the financial implications of these need to be considered,
- where our income budgets need to take account of current activity levels either to increase or reduce the amount expected
- where our transformation process has identified cost reductions or additional income opportunities for the council.
- Where we have made a capital investment, the revenue implications have to be reflected in our budgets

5.7. The full financial implications of all of these growth and savings proposals are included within the budget and medium term financial plan as presented. Any changes to those proposals would have a financial impact on the overall budget.

5.8. The medium term will present further challenges and opportunities for the Council and these will result from a couple of key areas, both specific to Cherwell as well as arising from the changes to national funding.

- 5.9. Cherwell District Council is ceasing its strategic partnership with South Northants Council due to the changes that are happening in Northamptonshire and their move to establishing two unitaries. However, Cherwell District Council will continue to consider partnering arrangements in the future including: alignment with Oxfordshire County Council services where this will benefit our residents and businesses; joint contracting and commissioning arrangements; and continuing our journey to transform the way in which we deliver with other partners.
- 5.10. The future of local government funding is set to change as detailed in para 7.2. The impact on our assumptions in the MTFS is included at 7.3.

Key Assumptions

- 5.11. A number of key assumptions underpin the MTFS. The assumptions are reviewed through the financial year and the latest estimates are built into the budget. The key assumptions are set out in the table below

Type	Annual increase	Future direction
General Inflation	2%	Same
Payroll	2.4%	Same
Council Tax Base Increase	2%	Same
Council Tax Level Increase	£5 (approx. 4%) MAX	Future increases
Interest Receivable	1.0%	Upward
Interest Payable	1.1%	Upward
Utilities	20%	Same
Contracts	Average 5%	Same
Rents (Build!)	2%	Same

Service and Corporate Budgets

Wellbeing and Environmental Services

- 5.12. Our suite of environmental services delivers statutory services for environmental health and licencing and aims to reduce environmental crime through education and enforcement. The service also delivers an efficient waste and recycling service, street cleansing and grounds maintenance to residents across Cherwell. To date this year (April to December 2018) our recycling rate is 55.98% and is reflected in our high position in the recycling league table. Our most recent customer satisfaction survey indicated that 86% were very satisfied with our waste and recycling service.
- 5.13. The Wellbeing service delivers enhanced leisure provision, arts and cultural experiences, supports housing registry and advice, homelessness prevention,

housing strategy and new affordable housing provision alongside the safeguarding of children, young people and vulnerable adults within the district. In the last year we have delivered 359 affordable homes across Cherwell, and are on track to exceed the target of 400. There have been 1,132,972 visits to our leisure centres and 4,250 children took part in our summer holiday activities.

Service Areas	Draft Expenditure Budget 2019-20 £000	Draft Income Budget 2019-20 £000	Draft Net Budget 2019-20 £000
Wellbeing	5,992	(1,559)	4,433
Environmental	11,337	(5,640)	5,697
Wellbeing and Environmental Services Total	17,329	(7,199)	10,130

Place and Growth

- 5.14. The Place and Growth service provides a broad range of support for and facilitation of development across the District that meets our environmental, social and economic objectives. Driven by a commitment to make Cherwell a great place to live, work, visit and invest we provide regulatory, direct delivery, design and support services that ensure we secure appropriate development that contributes positively and meets the needs of our residents and businesses. The statutory planning and Building Control functions ensure development is appropriate in terms of its scale, location, appearance, safety, and impact on services and infrastructure. Protection of our built heritage is guided through the work of the Design and Conservation team while the Build! team deliver high quality affordable housing provision for sectors of our community traditionally excluded from home ownership or social rent while at the same time contributing to regeneration of local areas. In Bicester new ways of working between the Council and communities have been pioneered to deliver exciting new approaches to development and place shaping, including through such programmes as Healthy New Towns and Eco-Towns. The work of the Economic Growth team attracts new business investment and visitors so that more residents and local businesses get to share in the benefits of prosperity and growth.
- 5.15. During 2018/19 92 new homes will be delivered by our Build! team. We have supported two careers workshops attended by over 250 students at jobs fairs in Banbury to present a wide variety of local jobs and skills options and worked with other organisations on creating opportunities across the District for work experience for our young people as part of our economic development activity.
- 5.16. We have great performance in terms of our planning application processing times with over 87% of our major planning applications processed within 13 weeks and over 91% of other applications processed within 8 weeks. As a District where growth is significant this is a way to recognise that we are able to ensure that alongside our ambitions to ensure developments are appropriate, that when decisions need to be made we are ensuring that process is not held up.

Service Areas	Draft Expenditure Budget 2019-20 £000	Draft Income Budget 2019-20 £000	Draft Net Budget 2019-20 £000
Place and Growth	6,832	(3,794)	3,038

Customers and Service Development

- 5.17. This service area delivers vital support services including the delivery of the organisation's Communications Strategy, customer services, IT and digital service. Business insight and information supports the business in its management and decision making. This includes complaints, performance and transformation support alongside an effective HR, organisational development, learning and development, occupational health and payroll service.

Service Areas	Draft Expenditure Budget 2019-20 £000	Draft Income Budget 2019-20 £000	Draft Net Budget 2019-20 £000
Customers and Service Development	4,812	(42)	4,770

Law and Governance

- 5.18. Our law and government teams deliver professional, high quality legal services for our organisation and manage the effective running of the Council's democratic decision-making processes through servicing and supporting the elected Members and the Committees on which they sit. The team also maintains an accurate electoral register and delivers legally robust elections and referenda in line with legislation and statutory deadlines.

Service Areas	Draft Expenditure Budget 2019-20 £000	Draft Income Budget 2019-20 £000	Draft Net Budget 2019-20 £000
Law and Governance	1,645	(346)	1,299

Finance and Property

- 5.19. These teams provide effective financial and procurement advice, oversight and management to the Council, as well as to the Council-owned companies in addition to managing, maintaining and creating value to Council-owned properties and ensuring the organisation is fulfilling its obligations towards the health and safety of residents and its employees. Facilities Management Team (including Health & Safety) key successes this year include delivering a new Health & Safety Policy

promoting safety and wellbeing, created a new audit framework to ensure the Council is delivering safety, quality and value for money across all directorates and improved Manual Handling training within our high risk areas such as Environmental Services.

Service Areas	Draft Expenditure Budget 2019-20 £000	Draft Income Budget 2019-20 £000	Draft Net Budget 2019-20 £000
Finance & Property	39,918	(38,710)	1,208

Capital Strategy

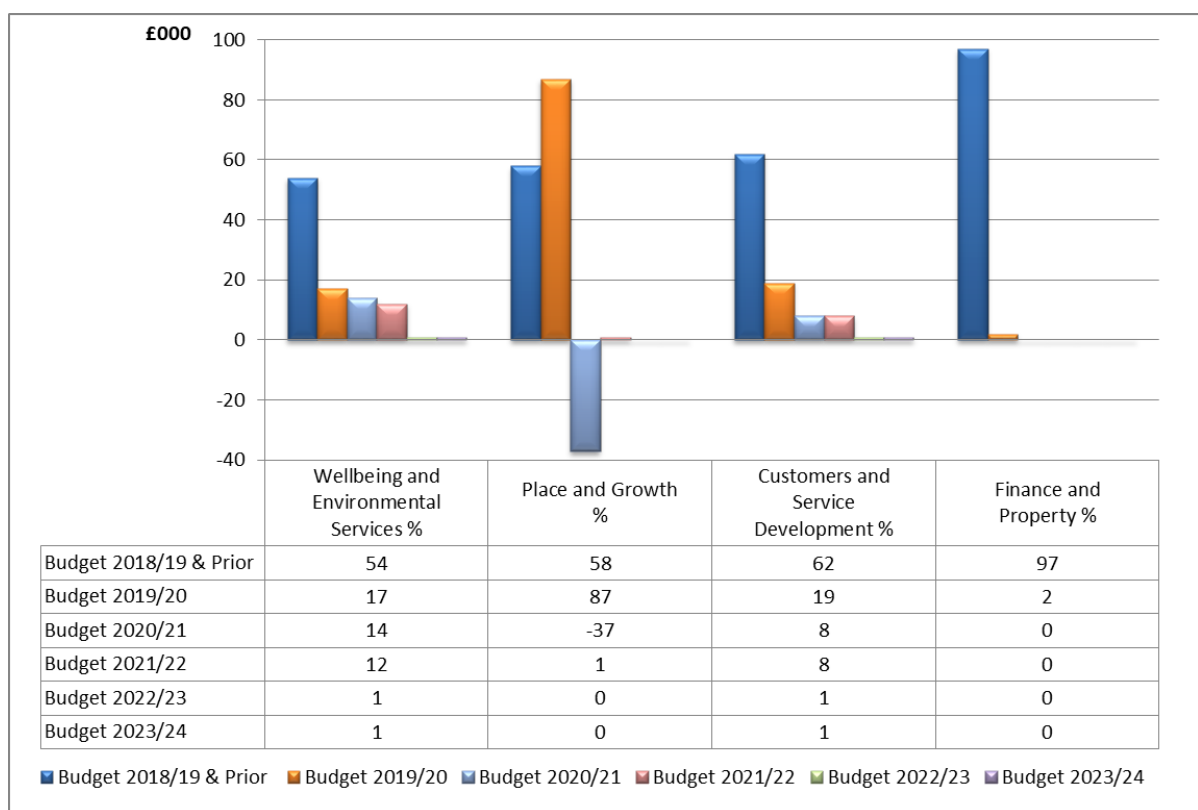
- 5.20. The draft Capital Strategy is at Appendix 3 and reflects the latest updates to the Prudential Code and the requirement for the Chief Finance Officer to report explicitly on the deliverability, affordability and risks associated with the Capital Strategy.
- 5.21. The Capital Strategy aims to set a clear framework for capital decision making alongside the Council's Business Plan, vision and priorities. The Capital Strategy is closely aligned with the Council's service plans, asset review and plans.
- 5.22. The recent requirement within the enhanced Capital Guidance and Prudential Code from Chartered Institute of Public Finance and Accountancy (CIPFA) further ensures that the Council's Capital Strategy is given further importance in decision making.

Capital Programme

- 5.23. The capital programme sets out a significant plan for investment in the organisation and the district. It forms an integral part of the Council's core activity and is an important part of the MTFS.
- 5.24. The capital programme is funded through a mix of capital grants, S106, capital receipts, revenue and borrowing. This remains the case over the medium term and the Council will continue to ensure that the right mix of funding is utilised to minimise the risks and costs associated with financing the capital programme.
- 5.25. A list of capital projects put forward is set out in Appendix 4. The financial implications of these are incorporated into the MTFS.
- 5.26. The table below shows the summary Capital Programme. The total proposed programme is £130.6m.

Service Areas	Budget 2018/19 and Prior £000	Budget 2019/20 £000	Budget 2020/21 £000	Budget 2021/22 £000	Budget 2022/23 £000	Budget 2023/24 £000	Budget Total £000
Wellbeing and Environmental Services	5,762	1,750	1,500	1,275	150	150	10,587
Place and Growth	14,626	19,635	(9,410)	290	0	0	25,141
Customers and Service Development	804	248	108	108	18	18	1,304
Finance and Property	91,754	1,665	165	20	0	0	93,604
Capital Total	112,946	23,298	(7,637)	1,693	168	168	130,636

5.27. The capital programme investment is split across services as set out below.



5.28. During 2018/19 the Council implemented a number of enhanced governance initiatives to support and further develop the awareness, monitoring and insight surrounding the capital programme. An officer based Capital Programme Working Group provides guidance, scrutiny and oversight of all projects on a regular basis. Three programme boards have been established to manage and monitor significant projects and maintain links with the Council's strategic priorities.

5.29. Each capital project is supported by capital appraisals and business cases. The robust use of capital appraisal tools is being further developed moving into 2019/20.

5.30. There are revenue implications that arise from our capital investment including: treasury management costs; ongoing maintenance and revenue costs (and in some cases cost reductions); and, increasing income. These have all been built into the overall financial model and MTFs.

Corporate Investment Strategy

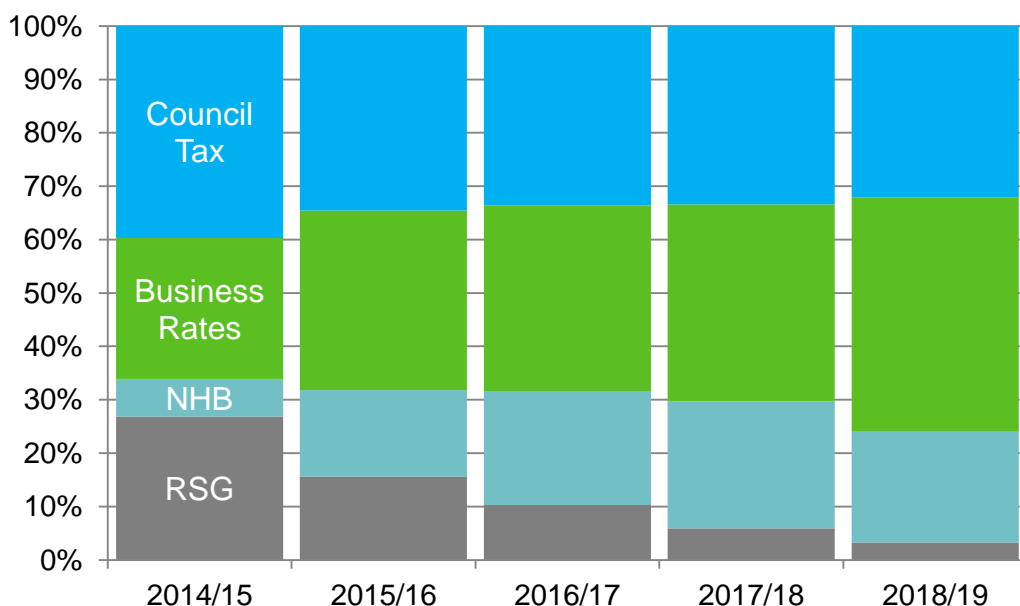
- 5.31. The corporate investment strategy provides a vehicle and decision making process for non-operational investments. The strategy outlines the principles for investment that will deliver long term, sustainable income and/or capital growth to support the Council's objectives as well as driving economic growth and generation within the district.
- 5.32. The corporate investment strategy has been utilised during 2018/19 and provided an efficient and effective governance and decision making framework. The Council will continue to develop the strategy over the medium term.

6. Fees & Charges

- 6.1. Fees and charges are reviewed on a regular basis and the Council has undertaken a review as part of the budget setting process for 2019/20.
- 6.2. The draft Fees and Charges schedule is at Appendix 7. The fees and charges have been reflected in the MTFS where feasible.

7. Funding

- 7.1. The MTFS is developed against a backdrop of changing and reducing funding. Local Government has experienced a reduction of around 35% in overall funding and a shift from Governmental to more locally derived funding provides local government with further incentives to drive growth and innovation.
- 7.2. In future it can be seen that we need to place greater emphasis on cash flow and income management given our income sources relate to individuals, businesses and other fees and charges. The graph below shows the change in funding from central government derived funding such as Revenue Support Grant (RSG) and New Homes Bonus (NHB) to more local and volatile income sources such as Council Tax and Business Rates.



7.3. The table below sets out the Council's future funding estimates. There remains a lot of uncertainty regarding this position over the medium term with the upcoming consultations surrounding Fair Funding Review and Business Rates.

Service Areas	Draft Budget 2019-20 £000	Draft Budget 2020-21 £000	Draft Budget 2021-22 £000	Draft Budget 2022-23 £000	Draft Budget 2023-24 £000
Revenue Support Grant	(114)	0	0	0	0
Transfer to Parish Councils - CTRS	349	175	0	0	0
New Homes Bonus	(5,087)	(5,137)	(5,019)	(5,211)	(4,288)
Business Rates	(10,760)	(10,111)	(9,543)	(9,003)	(8,777)
Council Tax income	(7,099)	(7,365)	(7,749)	(8,143)	(8,547)
TOTAL INCOME	(22,711)	(22,438)	(22,311)	(22,357)	(21,612)

Revenue Support Grant

7.4. 2019/20 is the final year of the four year settlement. Revenue Support Grant (RSG) has reduced over the settlement period and 2019/20 will be the final year for receiving RSG at Cherwell. £114,000 has been built into the 2019/20 budget.

New Homes Bonus

7.5. The Provisional Local Government Finance settlement for 2019/20 was announced on 13 December 2018. As part of the settlement the New Homes Bonus scheme did not change for 2019/20. It is unclear what impact the Fair Funding Review will have on the future of New Homes Bonus as a funding stream from 2020/21 onwards but for 2019/20 for Cherwell, £5.1m will be received in New Homes Bonus.

7.6. Similar to previous years the Council is utilising a proportion of New Homes Bonus to support district economic development and growth as well as supporting communities. This is incorporated into the MTFs. The proportions of how this is included have not changed from previous years.

7.7. It should be noted that if there were any changes to national policy about awarding New Homes Bonus or the overall way in which this is calculated in future this could have a significant impact on CDC.

Business Rates

7.8. Business rates now make up the largest proportion of funding of our budget. Cherwell has seen significant growth in businesses over the last two years and in 2019/20, the budget for business rates income is £10.8m, an increase of £2.2m on last year's budget.

7.9. The Government has recently published its consultation paper on the proposed 2020/21 Redesign and Reset of the Business Rates Retention (BRR) scheme. The

results of the consultation will not be known until after the budget for 2019/20 has been set but we do not expect these changes to be implemented until 2020/21. Further information is set out below.

Council Tax

- 7.10. For 2019/20, the Government have continued to set differential limits that will trigger the need for a council tax referendum. For district councils, increases of less than 3% or up to and including £5 (whichever is higher) above the authority's relevant basic amount of council tax for 2018/19 can be made without triggering a referendum.
- 7.11. The budget for 2019/20 includes an increase in Council Tax of £5, from £123.50 to £128.50 per Band D property. This rise, and an equivalent rise across each of the years in the MTFs have been included in our modelling.

Collection Fund

- 7.12. The Collection Fund surplus for Council Tax is estimated at £1m, of which Cherwell's share is £120,000. This has been incorporated into the 2019/20 budget.

Fair Funding Review Consultation

- 7.13. The Government is intending to simplify the way local government funding works. A paper has recently been published which consults on the assessment of needs, resources and transitional arrangements.

<https://www.gov.uk/government/consultations/review-of-local-authorities-relative-needs-and-resources>

- 7.14. The Council will be reviewing the consultation and assessing the impact it may have. This will be reviewed and reported to Members in due course.

Business Rates Retention Consultation

- 7.15. The Government has also recently published a consultation paper "Sharing risk and reward, managing volatility and setting up the reformed system". This is a technical consultation which seeks views on proposals for setting up a reformed business rates retention system.

<https://www.gov.uk/government/consultations/business-rates-retention-reform>

- 7.16. The consultation outlines proposals to update the balance of risk and reward to better reflect the wider context for local authorities in 2020, mitigate volatility in income and simplify the system.
- 7.17. The potential impact of the Council will be assessed and reported to Members in due course.

8. Treasury Management

- 8.1. The CIPFA Code of Practice on Treasury Management requires the preparation of an annual Treasury Management Strategy Statement (TMSS) and associated documents. The 2003 Prudential Code for Capital Finance in Local Authorities introduced requirements on how capital spending plans should be considered when determining the Council's Treasury Management Strategy.
- 8.2. The Treasury Management Code provides a framework for effective management of Investments and Borrowing requirements in public sector organisations.
- 8.3. The Treasury Management Strategy considers a number of key matters
 - The institutions the Council will invest surplus cash with
 - The types of investment instruments that may be used
 - Limits in place to manage risk
 - Borrowing limits and levels
 - The economic environment
 - Minimum Revenue Provision (MRP)
 - Annual Investment Strategy for the coming year
- 8.4. The strategy also sets out the treasury management practices which are undertaken by the Council. These practices are designed to effectively manage risk within treasury management activities.
- 8.5. A key part of the strategy is setting out the Council's authorised limit and operational boundary. These are detailed within the appendices to the strategy.
- 8.6. The Council regularly reviews investment limits for types of, and individual, institutions. The limits are set based upon advice from Treasury Management advisors alongside the Council's own insight. These are also detailed within the appendices to the strategy.

9. Reserves

- 9.1. Reserves are held to ensure the Council can manage and mitigate current and future risk. The Council regularly reviews its level of reserves to ensure they are adequate. They are more specifically reviewed as part of the budget setting process and as part of the year-end closure of accounts.
- 9.2. Earmarked reserves are held for specific purposes and to manage specific risks or to smooth transactions that may happen at irregular periods or where peak activity happens over a longer period than a year. Examples of the type of activity that may require a reserve can include funding elections (where these would disproportionately impact just one year in a financial planning period), the impact of some volatile income streams (such as demand led services such as planning fees) or where funding may be awarded or received in one year but expenditure happens over more than one year (such as S106 developer contribution related activity).
- 9.3. A breakdown of the forecast reserves position is shown at Appendix 8.

- 9.4. As part of the budget setting process the Council determines a minimum level of general reserves to be held for general risks. The minimum level is designed to cope with unpredictable circumstances which cannot be addressed by management or policy with the year. The minimum level is informed through risk assessment and it is suggested that the minimum level be set at £20.7m.

10. Risks

- 10.1. The Council has a well-developed risk management approach which regularly updates the key Leadership Risks and identified actions which can reduce the likelihood and impact of those risks. The Leadership risk register feed into the business planning and budgeting process as appropriate. The latest risk register is shown at Appendix 2.

Strategic Budget considerations

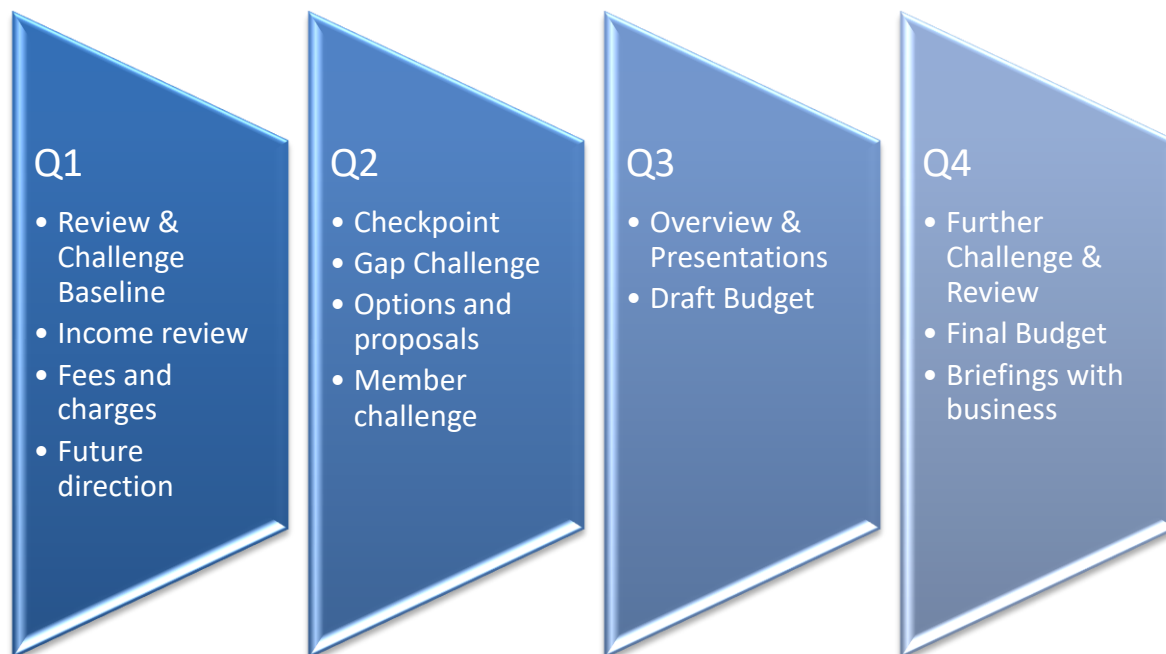
- 10.2. The approved budget recommends the inclusion of 2% inflation within expenditure budgets, other than payroll estimated at 2.4%. It is important that the trend and impact of inflation is closely monitored to ensure this risk can be managed as part of the budget monitoring process.
- 10.3. The Council needs to remain alert to budgets which can be subject to pressure arising from volatility due to 'demand led' activity which can to some degree be outside of the Council's control. These budgets, including spending on housing benefits, income from planning applications, land charges, car parking and interest on cash balances can contribute to variations against budget. Some of these budgets could be affected by the economic climate.
- 10.4. The Council has a record of maintaining good financial and budgetary control. Managers with budgetary responsibility receive financial training and support and this is being enhanced during 2019/20. The shift from quarterly to monthly monitoring is improving the level of control and ability for the organisation to react and deal with any variances to budget in a timely manner.
- 10.5. The Local Government Act 2003 places a duty on the Chief Finance Officer to comment on 'the robustness of the estimates' included in the budget and the adequacy of the reserves for which the budget provides. This is subject to a separate report to this meeting.

Further Considerations

- 10.6. 2019/20 is the final year of the current spending review period. This means that there is less certainty regarding funding in future years. The Council is working closely with advisors to ensure that it is able to plan effectively for future years.
- 10.7. The current period of change and uncertainty is posing a number of challenges which the Council needs to consider further during the budget setting process.
- 10.8. In July 2018 the Council formally agreed to end the current joint working arrangements with South Northamptonshire District Council. The implications of this will be kept under close review during 2019/20.

Next Steps

10.9. The process for setting the budget for 2020/21 and beyond will begin early during 2019/20.



11. Conclusion and Reasons for Recommendations

11.1. This report, alongside the appendices, sets out the Business Plan and MTFS for Council to consider alongside the setting of the 2019/20 Council Tax. The Council must set a budget for 2019/20.

12. Consultation

12.1. The Overview and Scrutiny Committee considered the report on 22 January 2019.

12.2. The Accounts Audit and Risk Committee considered and recommended to full Council, the Treasury Management Strategies and the associated appendices on 23 January 2019.

12.3. The Budget Planning Committee will consider the report on 29 January 2019.

12.4. The draft budget will be on the Councils consultation portal.

13. Alternative Options and Reasons for Rejection

13.1. This report presents the final Business Plan and MTFS for 2019/20.

- 13.2. It is a legal requirement to set a balanced budget and the recommendations as outlined set out a way to achieve this. The following alternative option has been identified and rejected for the reasons as set out below.

Option 1: To reject the current proposals and make alternative recommendations. Members will not be aware of the medium term financial forecast or implications of alternatives if they choose to take this option.

14. Implications

Financial and Resource Implications

- 14.1. The financial implications are set out in this report. The Council has a statutory duty to set a balanced budget and could be subject to intervention of the Secretary of State if it failed to do so.

Comments checked by:

Kelly Watson, Assistant Director Finance & Procurement

0300 003 0206, kelly.watson@cherwellandsouthnorthants.gov.uk

Legal Implications

- 14.2. The Council is legally required to set a balanced budget each year. Officers consider the recommendations will achieve this if ultimately approved by Full Council.

Comments checked by:

Richard Hawtin, Team Leader Non-contentious

01295 221695, richard.hawtin@cherwellandsouthnorthants.gov.uk

Risk Management

- 14.3. The business plan and MTFs are reflected in the risk register. The report also highlights the relevance of maintaining a minimum level of reserves and budget contingency to absorb the financial impact of changes and unforeseen events during the year. Any increase in risk will be escalated through to the Leadership risk register.

Comments checked by:

Louise Tustian, Team Leader Insight Team,

01295 221786, louise.tustian@cherwellandsouthnorthants.gov.uk

Equality and Diversity

- 14.4. The equality impact assessment has been carried out and no significant impact has been identified as detailed in Appendix 11. Each year the Council determines the level of Council Tax charged to residents relating to Cherwell District Council. The budget for 2019/20 includes an increase in Council Tax of £5, from £123.50 to £128.50 per Band D property.

Comments checked by:

Caroline French, Business Improvement Officer

15. Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

All

Lead Councillors

Councillor Barry Wood, Leader of the Council

Councillor Tony Ilott, Lead Member for Financial Management & Governance

Document Information

Appendix No	Title
Appendix 1	Business Plan
Appendix 2	Risk Register
Appendix 3	Capital Strategy
Appendix 4	Capital Bids
Appendix 5	Capital Programme
Appendix 6	Treasury Management Strategy, Capital & Investment Strategy
Appendix 7	Fees & Charges
Appendix 8	Reserves
Appendix 9	Growth and Savings Schedule
Appendix 10	Pay Policy
Appendix 11	Equality Impact Assessment
Background Papers	
None	
Report Author	Adele Taylor, Executive Director Finance & Governance (Interim) Hedd Vaughan-Evans, Assistant Director Performance & Transformation
Contact Information	0300 003 0103 / 0300 003 0111 adele.taylor@cherwellandsouthnorthants.gov.uk hedd.vaughanEvans@cherwellandsouthnorthants.gov.uk

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DRAFT Cherwell District Council Business Plan 2019-20



DISTRICT COUNCIL
NORTH OXFORDSHIRE



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Organisational Plan

Operational Excellence

- Rigorous Financial Management
- Efficient and Effective Governance
- Commercial and Procurement excellence
- Continuous Improvement

Customer Focus

- Excellent Customer Services
- Efficient and Effective Services
- Accessible services – Enabled through digitisation
- Consultation and Customer Insight

Best Council to work for

- Employer of choice
- Employee Engagement and Wellbeing
- Culture of Learning and Development
- Sustainable relationships with key partners

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Appendix 2 – Cherwell District and South Northants Councils – Latest Leadership Risk Register as at 12/12/2018

Level of risk	How the risk should be managed
High Risk (16-25)	Requires active management to manage down and maintain the exposure at an acceptable level. Escalate upwards.
Medium Risk (10 -15)	Contingency Plans - a robust contingency plan may suffice together with early warning mechanisms to detect any deviation from the profile.
Low Risk (1 – 9)	Good Housekeeping - may require some risk mitigation to reduce the likelihood if this can be done cost effectively, but good housekeeping to ensure that the impact remains low should be adequate. Re-assess frequently to ensure conditions remain the same.

Risk Scorecard – Residual Risks						
		Probability				
		1 - Remote	2 - Unlikely	3 - Possible	4 - Probable	5 - Highly Probable
Priority 7	5 - Catastrophic					
	4 - Major		L04, L10, L12			
	3 - Moderate			L01, L02, L05, L14	L03, L06, L07, L08, L11	L09, L13a, L13b
	2 - Minor					
	1 - Insignificant					

Risk Definition	
Leadership	Strategic risks that are significant in size and duration, and will impact on the reputation and performance of the Council as a whole, and in particular, on its ability to deliver on its corporate priorities
Operational	Risks to systems or processes that underpin the organisation’s governance, operation and ability to deliver services

Ref	Name and Description of risk	Potential Impact	Inherent (gross) risk level (no Controls)			Controls	Control assessment	Lead Member	Risk owner	Risk manager	Residual risk level (after existing controls)			Direct'n of travel	Mitigating actions (to address control issues)	Comments	Last updated
			Probability	Impact	Rating						Probability	Impact	Rating				
L01	Financial resilience – Failure to react to external financial shocks, new policy and increased service demand. Poor investment and asset management decisions.	Reduced medium and long term financial viability Reduction in services to customers Continued reliance on central govt (RSG) and therefore reduced opportunity for independent decision making Reduced financial returns (or losses) on investments/assets Inability to deliver financial efficiencies Inability to deliver commercial objectives (increased income) Poor customer service and satisfaction Increased complexity in governance arrangements Lack of officer capacity to meet service demand	4	4	16	Medium Term Revenue Plan reported regularly to members. Efficiency plan in place and balanced medium term Highly professional, competent, qualified staff Good networks established locally, regionally and nationally National guidance interpreting legislation available and used regularly Members aware and are briefed regularly Participate in Northamptonshire Finance Officers and Oxfordshire Treasurers' Association's work streams Treasury management policies in place Investment strategies in place Regular financial and performance monitoring in place Independent third party advisers in place Regular bulletins and advice received from advisers Property portfolio income monitored through financial management arrangements on a regular basis Asset Management Strategy in place and embedded. Transformation Programme in place to deliver efficiencies and increased income in the future	Fully Fully Partially Fully Partially Fully Partially Fully Partially Fully Partially Fully Partially Partially Fully Partially	Councillor Tony Illot Councillor Peter Rawlinson	Adele Taylor	Kelly Watson	3	3	9	↔	AD Finance and Performance recruited. Overall Finance and Procurement resource being reviewed. Additional resilience and resource for financial accounting and reporting engaged through external partners and agencies. Investment strategy approach agreed for 18/19 and all potential investments to now be taken through the working groups prior to formal sign off. Robust review and challenge of our investment options to be regularly undertaken through our usual monitoring processes. Timeliness and quality of budget monitoring particularly property income and capital to be improved. Project with Civica is ongoing. Financial Systems project reviewed to meet business needs. Asset Management Strategy to be reviewed and refreshed in the new year. Review of BUILD! to ensure procurement and capital monitoring arrangements are in place and development of forward programme. Finance support and engagement with programme management processes being implemented. Integration and development of Performance, Finance and Risk reporting during 18/19. Regular involvement and engagement with senior management across Counties as well as involvement in Regional and National finance forums. Regular member meetings, training and support in place and regularly reviewed. Briefings provided on key topics to members. Financial support and capacity being developed during 18/19 through development programme. Regular utilisation of advisors. Internal Audits being undertaken for core financial activity and capital.	Maintaining focus in this area with ongoing review, staff and member training and awareness raising. Ensuring support is utilised from and provided by external partners and stakeholders. Financial System Solution Project started to ensure future finance provision is fit for future. Integrated reporting being embedded and working well.	Risk reviewed - 10/12/18 - No Changes
L02	Statutory functions – Failure to meet statutory obligations and policy and legislative changes are not anticipated or planned for.	Legal challenge Loss of opportunity to influence national policy / legislation Financial penalties Reduced service to customers	3	4	12	Embedded system of legislation and policy tracking in place, with clear accountabilities, reviewed regularly by Directors Clear accountability for responding to consultations with defined process to ensure Member engagement National guidance interpreting legislation available and used regularly Risks and issues associated with Statutory functions incorporated into Directorate Risk Registers and regularly reviewed Clear accountability for horizon scanning, risk identification / categorisation / escalation and policy interpretation in place Robust Committee forward plans to allow member oversight of policy issues and risk management, including Scrutiny and Audit Internal Audit Plan risk based to provide necessary assurances Strong networks established locally, regionally and nationally to ensure influence on policy issues Senior Members aware and briefed regularly in 1:1s by Directors	Partially Fully Fully Partially Partially Partially Fully Partially	Councillor Barry Wood Councillor Ian McCord	Yvonne Rees Richard Ellis	Claire Taylor	3	3	9	↔	Establish corporate repository and accountability for policy/legislative changes Review Directorate/Service risk registers Ensure Committee forward plans are reviewed regularly by senior officers Ensure Internal Audit plan focusses on key leadership risks Develop stakeholder map, with Director responsibility allocated for managing key relationships Standardise agendas for Director / PFH 1:1s New NPPF published 05/03/18 will guide revised approach to planning policy and development management. Allocate specific resource to support new projects/policies or statutory requirements e.g. GDPR	Service planning process for 2019-20 to started. Separate service plans for CDC and SNC. Separate leadership risk registers to be put in place for CDC and SNC from 1 January 2019. Risk Management training session for Assistant Directors / Service Managers delivered in November.	Risk reviewed 12/12/18 - Commentary Updated.
L03	Lack of Management Capacity - Increased workload relating to local government reorganisation and changes to joint working between SNC and CDC impact on the capacity of management.	Financial impact due to use of agency staff, possible impact on customers and frontline service delivery if capacity risks are not managed. Inability to deliver council's plans Inability to realise commercial opportunities or efficiencies Reduced resilience and business continuity Reduced staff morale and uncertainty may lead to loss of good people	4	4	16	Use of interims / fixed term and project roles to support senior capacity as required. Arrangements in place to source appropriate interim resource if needed Delegations to Chief Exec agreed to ensure timely decisions HR / Specialist resource in place to support recruitment process and manage implications Ongoing programme of internal communication Separate CDC and SNC Senior Leadership Teams in place to provide capacity required at each site.	Fully Fully Fully Fully Fully Partially	Councillor Barry Wood Councillor Ian McCord	Yvonne Rees Richard Ellis	Claire Taylor	4	3	12	↔	Separate CDC and SNC Senior Leadership teams to work closely together during separation to mitigate the impact of any capacity issues resulting from separation. AD HR / OD briefed and leading the process Communications to be delivered by CEO External support provided. Resilience training programme for Assistant Directors in place.	Separate CDC and SNC Senior Leadership Teams in place from 1st January 2019 with Executive support arrangements in place. Additional resource in place to support the Northants Local Govt Re-organisation project (LGR). Additional communications resource in place to support LGR work. Volume of work related to separation and LGR means risk score remains at 12. Joint CEDR meetings to take place fortnightly from January 2019. Regular comms being provided by the Chief Executives	Joint CEDR meetings to take place fortnightly from January 2019.

Ref	Name and Description of risk	Potential impact	Inherent (gross) risk level (no Controls)			Controls	Control assessment	Lead Member	Risk owner	Risk manager	Residual risk level (after existing controls)			Direct'n of travel	Mitigating actions (to address control issues)	Comments	Last updated
			Probability	Impact	Rating						Probability	Impact	Rating				
L04	CDC & SNC Local Plans - Failure to ensure sound local plans are submitted on time for each District.	Inappropriate growth in inappropriate places Negative (or failure to optimise) economic, social, community and environmental gain Negative impact on each council's ability to deliver its strategic objectives Increased costs in planning appeals Possible financial penalties through not delivering forecasted New Homes Bonus	3	5	15	Local Development Schemes are in place at each Council which detail the timeframes and deliverables to underpin the work Resources are in place to support delivery including Barrister support for each Local Plan. For issues which are solely within the control of SNC or CDC policies, plans and resources are in place CDC - Preparation of the Cherwell Partial Review as committed to by the adopted Local Plan. A Canalside Supplementary Planning Document to help implement Policy Banbury 1 of the Local Plan. Keeping the CDC Local Development Scheme up-to-date. SNC - Reg 19 Plan out for consultation (October 2018). Aim to be submitted to PINS by January 24 2019. Statements of Community Involvement are in place. SNC revised LDS approved September 2018	Fully Partially Partially Fully Fully Fully Fully	Councillor Colin Clarke Councillor Roger Clarke	Paul Feehily	Andy Darcy (SNC) David Peckford (CDC)	2	4	8	↔	Regular review meetings on progress and critical path review at each Council Regular Portfolio briefings and political review LDS updated as required Additional evidence commissioned as required CDC: Consideration of Local Plan programme by Executive - a revised CDC Local Development Scheme is due to be presented to the Executive on 3 Dec. This will determine whether to switch to a full Local Plan review starting in 2019 (instead of a Local Plan Part 2). Submission of the CDC partial review took place on 05/03/18.	CDC - A preliminary hearing for the Examination of the Partial Review of the Local Plan was held on 28 September 2018. On 29 October, the Inspector advised that the Council could proceed to main hearings. The Council is to be advised of Matters and Issues in December 2018. Work continues on a Supplementary Planning Document for Banbury Canalside. There is a need to achieve a deliverable, masterplan framework for the site which would meet Local Plan requirements, expected design standards and which satisfactorily responds to stakeholder issues. An Annual Monitoring Report and updated Local Development Scheme for CDC are scheduled to be presented to the Executive in Dec 2018. The Oxfordshire authorities have collectively commenced work on a Joint Statutory Spatial Plan (JSSP) and has been recruiting staff. In October, the Executive approved the JSSP's Local Development Scheme, its Scoping Document and its Statement of Community Involvement for consultation.	SNC Risk reviewed 10/12/18 - No changes CDC - Risk reviewed, Controls and comments updated 29/11/18
L05	Business Continuity - Failure to ensure that critical services can be maintained in the event of a short or long term incident affecting the Councils' operations	Inability to deliver critical services to customers/residents Financial loss Loss of important data Inability to recover sufficiently to restore non-critical services before they become critical Loss of reputation	4	4	16	Business continuity strategy in place Services prioritised and recovery plans reflect the requirements of critical services ICT disaster recovery arrangements in place Incident management team identified in Business Continuity Strategy All services undertake annual business impact assessments and update plans Business Continuity Plans tested	Partially Partially Partially Partially Partially	Councillor Dermot Bambridge Councillor Andrew McHugh	Graeme Kane	Richard Webb	3	3	9	↓	All individual service Impact Assessments and BC Plans being updated BC Improvement plan, including testing, being developed by Steering Group ICT transition to data centre and cloud services have reduced likelihood of ICT loss and data loss Corporate ownership and governance to sit at senior officer level Draft Business Continuity Strategy and Policy being updated for sign-off by Leadership Team. Progress report to be provided to CEDR in December	The plan to update all the service business continuity plans is progressing. Managers have had refresher training to support them in completing the plans. The first drafts have also been subject to a peer to peer review to check they are robust. An officer Steering Group is in place to provide professional advice on critical aspects of the plans. An internal audit is scheduled for Dec/ Jan to quality assure our plans.	Risk reviewed 11/12/18 - Mitigating actions and Comments updated.
L06	Partnering - Financial failure of a public sector partner organisation Failure to build the necessary partnership relationships to deliver our strategic plan. Failure to ensure the necessary governance of third party relationships (council businesses, partners, suppliers)	Potential reduction in service areas funded by the County Council resulting in an unplanned increase in demand on district functions leading to service difficulties. Poor service delivery Inability to deliver council's plans and outcomes for communities Legal challenge Financial loss Inability to partner in the future Reduced opportunity for inward investment in the future	4	4	16	Robust governance/contract management framework in place for key third party relationships Robust governance/contract management framework in place for key third party relationships Training and development of senior officers/members to fulfil their responsibilities with partner organisations Leader and CEO engaging at National and county level to mitigate impacts of potential service reductions for residents Regular review and sharing of partnership activity/engagement at senior officer meetings	Partially Partially Partially Partially	Councillor Barry Wood Councillor Ian McCord	Jane Carr	Nicola Riley	4	3	12	↔	Review existing arrangements/ contracts to ensure appropriate governance Standard agenda item at senior officer meetings Continue Institute of Directors training for Officers and Members Ongoing meetings with Chief Execs from across Northamptonshire to agree next steps for Unitary approach Ongoing meetings with wider health partners to ensure evidence based approach to investment in Wellbeing Directorate Services	Third party governance review underway. Cllr and Officer appointments to Council owned companies to be reviewed. Impact of potential NCC cuts on this risk to be reviewed.	Risk reviewed 10/12/18 - No changes

Ref	Name and Description of risk	Potential Impact	Inherent (gross) risk level (no Controls)			Controls	Control assessment	Lead Member	Risk owner	Risk manager	Residual risk level (after existing controls)			Direct'n of travel	Mitigating actions (to address control issues)	Comments	Last updated
			Probability	Impact	Rating						Probability	Impact	Rating				
L07	Emergency Planning (EP) Failure to ensure that the local authority has plans in place to respond appropriately to a civil emergency fulfilling its duty as a category one responder	Inability of council to respond effectively to an emergency Unnecessary hardship to residents and/or communities Risk to human welfare and the environment Legal challenge Potential financial loss through compensation claims Ineffective Cat 1 partnership relationships	4	4	16	Key contact lists updated monthly. Dedicated Emergency Planning Officer in post to review, test and exercise plan and to establish, monitor and ensure all elements are covered Added resilience from cover between shared Environmental Health and Community Safety Teams as officers with appropriate skill Senior management attend Civil Emergency training Multi agency emergency exercises conducted to ensure readiness On-call rota established for Duty Emergency Response Co- coordinators Full participation in Local Resilience Forum (LRF) activities	Fully Partially Fully Fully Fully Fully	Councillor Dermot Bambridge Councillor Andrew McHughy	Graeme Kane	Graeme Kane	3	4	12	↔	Director for Environment is reviewing the Emergency Planning arrangements and developed relationships with key partners. New call out arrangements for Snr Officers have been established. Training for senior officers was completed in June and November; further exercises were completed in September and November at a regional and national event with partners. Senior managers have attended multi-agency exercises. The Inter Agency Group met in November to reflect on this year's F1 Grand Prix and Moto GP and to start preparations for 2019. Both authorities are represented at the Local Resilience Forum	Both authorities have active plans in place to ensure they are prepared for a variety of emergencies. Further improvements are being made as a result of a review of these plans. Senior Officers have had the opportunity to attend multi agency training exercises during November to increase their knowledge and experience. Plans are developing to create two systems for SNC and CDC separately from January 2019.	Risk reviewed 10/12/18 - Mitigating actions & comments updated.
L08	Health and safety - Failure to comply with health and safety legislation, corporate H&S policies and corporate H&S landlord responsibilities	Fatality, serious injury & ill health to employees or members of the public Criminal prosecution for failings Financial loss due to compensation claims Enforcement action – cost of regulator (HSE) time Increased sickness absence Increased agency costs Reduction in capacity impacts service delivery	5	4	20	New Health & Safety Corporate H&S arrangements & guidance in place as part of the newly adopted HSG65 Management System Clearly identified accountability and responsibilities for Health and Safety established at all levels throughout the organisation Corporate Interim H&S Manager & H&S Officer in post to formalise the H&S Management System & provide competent H&S advice & assistance to managers & employees. Awaiting new Health & Safety Manager Proactive monitoring of Health & Safety performance management internally Proactive monitoring of Health & Safety performance management externally Effective induction and training regime in place for all staff Positive Health & Safety risk aware culture Corporate Health & Safety meeting structure in place for co-ordination and consultation Corporate body & Member overview of Health & Safety performance via appropriate committee Assurance that third party organisations subscribe to and follow Council Health & Safety guidelines and are performance managed where required	Partially Fully Partially Partially Fully Partially Partially Fully Partially	Councillor Lynn Pratt Councillor Peter Rawlinson	Adele Taylor	Martin Green	4	3	12	↔	Corporate H&S Policy now finalised and communicated to all levels of managers and staff. The launch of this policy has helped to ensure that roles & responsibilities are discharged effectively. The next stage is underway, this is to update Corporate H&S arrangements and guidance documents which support the policy underneath. All Assistant Directors to complete a H&S Checklist to provide a status on the management of H&S in their service areas (checklist devised by H&S team to ensure H&S Management System framework is covered). AD's to submit checklist to their Director by 3/9/18. Corporate H&S Manager has sent a follow up note to Directors to suggest chasing outstanding AD checklists. Recommended that ED's and AD's consider the gaps within the checklists and liaise with their management teams on the agreed actions that they will be taking to address them. Actions to be formalised into service plans & monitored at DMT Meetings. Further support, advice & assistance provided by H&S Team (contacts established for each directorate area). Recently approved Internal Audit plan for 18/19 included an audit of our overall H&S management system framework which commenced in Q1 with a follow up planned prior to the end of 18/19. Four main recommendations have been made which are being considered and will be included in future updates of the Leadership Risk Register. The H&S team also conduct reviews internally across all services and teams, the current scope will be expanded from topic-based themes to cover all elements of our overall H&S management system to ensure compliance with our standards. Management of H&S training will now be included within the new eLearning programme which is in the process of being procured. Risk Assessment Workshop training is being developed. Robust training already in place in Environmental Services. Good awareness in higher risk areas of the business, e.g. Environmental Services. However other areas need improved awareness of risk assessment process Reviews of leases and performance monitoring to be reviewed to satisfy the Councils providers/ contractors are managing significant risks.	Senior Officer Meeting receives regular updates from Corporate H&S Manager. Relevant updates taken to appropriate committee. Joint Council and Employee Engagement Committee (JCEEC) to be formed by HR in Oct/Nov time. To be in place to ensure robust communication methods are in place for consultation between HR/H&S and TU. HR AD in the process of co-ordinating JCEEC meetings. Internal Audit Schedule rolling 3 year programme has now been developed and is underway.	Risk reviewed 06/12/18 - No changes.

Ref	Name and Description of risk	Potential Impact	Inherent (gross) risk level (no Controls)			Controls	Control assessment	Lead Member	Risk owner	Risk manager	Residual risk level (after existing controls)			Direct'n of travel	Mitigating actions (to address control issues)	Comments	Last updated
			Probability	Impact	Rating						Probability	Impact	Rating				
L09	Cyber Security - If there is insufficient security with regards to the data held and IT systems used by the councils and insufficient protection against malicious attacks on council's systems then there is a risk of: a data breach, a loss of service, cyber-ransom.	Service disruption Financial loss / fine Prosecution – penalties imposed Individuals could be placed at risk of harm Reduced capability to deliver customer facing services Unlawful disclosure of sensitive information Inability to share services or work with partners Loss of reputation	4	5	20	File and Data encryption on computer devices Managing access permissions and privileged users through AD and individual applications Consistent approach to information and data management and security across the councils Effective information management and security training and awareness programme for staff Password security controls in place Robust information and data related incident management procedures in place Appropriate robust contractual arrangements in place with all third parties that supply systems or data processing services Appropriate plans in place to ensure ongoing PSN compliance Adequate preventative measures in place to mitigate insider threat, including physical and system security Insider threat mitigated through recruitment and line management processes	Fully Fully Fully Partially Fully Partially Partially Fully Partially Partially	Councillor Ian Corkin Councillor Phil Bignell	Claire Taylor	David Spilsbury	3	5	15	↔	The cyber-essentials plus certification has now been passed. Cyber-security was reviewed by Internal Audit in May 2017 and a review meeting was held on 30th August 2018. The output has been received and signed off with good progress summary noted. The IT service are in discussions with the Regional Police Cyber Security Advisor. Initial training session held with the IT Management team in October 2018. Further table top session held in November with IT Management Team. Sessions for all staff are being arranged for January 2019 at CDC and SNC. Complete the implementation of the intrusion prevention and detection system by the end of 2018. Agree Terms of Reference and re-implement the security forum as the Information Governance Group, with meetings to be held on a minimum quarterly basis. 1st meeting should be January 2019. Develop a comprehensive information security training programme with annual mandated completion which is assessed by June 2019. Cyber Security highlighted during the recent all staff briefing in relation to cyber essentials plus	Cyber security incidents are inevitable. The only way to manage this risk is to have effective controls and mitigations in place including audit and review.	Risk reviewed 10/12/18 - Control Assessment, Risk Owner, Mitigating Actions and Comments Updated
L10	Safeguarding the vulnerable (adults and children) - Failure to follow our policies and procedures in relation to safeguarding vulnerable adults and children or raising concerns about their welfare	Increased harm and distress caused to vulnerable individuals and their families Council could face criminal prosecution Criminal investigations potentially compromised Potential financial liability if council deemed to be negligent	3	4	12	Safeguarding lead in place and clear lines of responsibility established Safeguarding Policy and procedures in place Information on the intranet on how to escalate a concern Staff training - new whole staff shared approach being launched last year and mandatory training introduced Safer recruitment practices and DBS checks for staff with direct contact Action plan developed by CSE Prevention group as part of the Community Safety Partnership Local Safeguarding Children's Board Northamptonshire (LSCBN) pathways and thresholds Data sharing agreement with other partners Attendance at Children and Young People Partnership Board (CYPPB) Annual Section 11 return complied for each council Engagement with Joint Agency Tasking and Co-ordinating Group (JATAC) and relevant Oxfordshire County Council (OCC) safeguarding sub group Engagement at an operational and tactical level with relevant external agencies and networks	Fully Fully Partially Partially Partially Fully Partially Fully Fully Fully Partially	Councillor Barry Wood Councillor Ian McCord	Jane Carr	Nicola Riley	2	4	8	↔	Ongoing internal awareness campaigns Ongoing external awareness campaigns Annual refresher and new training programmes including training for new members Training monitoring to be developed through new HR/Payroll system Continue to attend Child exploitation groups in both Counties	Continued focus in this area with ongoing programme of training and awareness raising.	Risk reviewed 10/12/18 - No change.
L11	Income Generation through council owned companies	Through failure of governance or robust financial / business planning the councils fail to generate expected income.	3	4	12	Annual business planning Financial planning Corporate governance mechanisms Due diligence Business casing	Partially Partially Partially Partially Partially	Councillor Tony Illot Councillor Peter Rawlinson	Adele Taylor	Kelly Watson	3	4	12	↑	Recruiting to support shareholder and client side capacity. Relevant training being provided. Resilience and support being developed across business to monitor and deliver projects. Skills and experience being enhanced to deliver and support development, challenge and oversight.	Staff turnover in this area leading to increase in risk. Mitigations as resource identified. Knowledge and experience building take place with training and support as required.	Risk reviewed 10/12/18 - Residual risk score increased and comments updated.

Ref	Name and Description of risk	Potential Impact	Inherent (gross) risk level (no Controls)			Controls	Control assessment	Lead Member	Risk owner	Risk manager	Residual risk level (after existing controls)			Direct'n of travel	Mitigating actions (to address control issues)	Comments	Last updated
			Probability	Impact	Rating						Probability	Impact	Rating				
							Fully effective Partially effective Not effective										
L12	Financial sustainability of third party suppliers	The financial failure of a third party supplier results in the inability or reduced ability to deliver a service to customers.	3	4	12	Contracts in place to cover default. Business continuity planning	Partially Partially	Councillor Tony Illot Councillor Peter Rawlinson	Adele Taylor	Kelly Watson	2	4	8	↔	Meetings take place when required with suppliers to review higher risk areas.	Risk previously escalated due to suppliers financial difficulties which could result in loss of service. The Council continues to monitor suppliers financial stability and meets with suppliers when required. Financial company insight being gained through use of monitoring tools and financial advice.	Risk reviewed 10/12/18 - No changes.
L13a	Local Government Reorganisation CDC - Proposals for local government reorganisation impacts on the provision of services to residents and communities.	Inability to deliver Council priorities and plans, impacting on quality of services delivered to residents and communities. Potential impact of CDC/SNC separation on quality of services delivered to residents and communities.	5	4	20	Leader and CEO engaging at national and county level to define steps and mitigate impacts of potential service reductions for residents. Planning for the impact of separation of joint working arrangements between CDC and SNC is underway. Strategic partnership opportunities with Oxfordshire County Council being explored with Joint Chief Executive in place by 1st October. Regular review and sharing of partnership activity / engagement at senior officer meetings	Partially Partially Partially Partially	Councillor Barry Wood	Yvonne Rees	Claire Taylor	5	3	15	↔	Standing item at senior officer meetings - regular review of risk and control measures. Legal advice sought with regards to the employment implications of re-organisation and separation proposals. Separation tracker and risk register to be circulated at all senior management meetings. New governance arrangement to underpin joint working with SNC following the end of the s113 required. OCC - CDC section 113 agreement completed.	Separate CDC Senior Leadership Team in place from 1st January 2019. Structure includes clear responsibility for separation from SNC. Plan for service separation between CDC/SNC agreed. First proposals for separation endorsed by JASG in December 2018. Collaboration Agreement to underpin on-going joint working between CDC and SNC to be agreed by Executive in January 2019.	Risk reviewed 12/12/18 - Commentary updated.
L13b	Local Government Reorganisation SNC - Proposals for local government reorganisation impacts on the provision of services to residents and communities.	Inability to deliver Council priorities and plans, impacting on quality of services delivered to residents and communities. Potential reduction in service areas funded by the County Council resulting in an unplanned increase in demand on district functions leading to service difficulties. Threat to existing joint working partnership initiatives if alternative delivery modes are imposed. Potential impact of CDC/SNC separation on quality of services delivered to residents and communities.	5	4	20	Leader and CEO engaging at national and county level to mitigate impacts of potential service reductions for residents. Planning for the impact of separation of joint working arrangements between CDC and SNC is underway. Additional senior leadership resources are planned for SNC. Interim Head of Paid Service appointed for SNC to start on 1st October. Regular review and sharing of partnership activity/engagement at senior officer meetings	Partially Partially Partially Partially	Councillor Ian McCord	Richard Ellis	Claire Taylor	5	3	15	↔	Standing item at senior officer meetings - regular review of risk and control measures. Legal advice sought with regards to the employment implications of re-organisation and separation proposals. Additional communications resources have been put into place to support the agenda. Separation tracker and risk register to be circulated at all senior management meetings. New governance arrangement to underpin joint working with CDC following the end of the s113 required.	Separate SNC Senior Leadership Team in place from 1st January 2019. Structure includes clear responsibility for both LGR and separation from CDC. Plan for service separation between CDC/SNC agreed. First proposals for separation endorsed by JASG in December 2018. Collaboration Agreement to underpin on-going joint working between SNC and CDC to be agreed by Cabinet in January 2019.	Risk reviewed 12/12/18 - Commentary updated.
L14	Corporate Governance - Failure of corporate governance leads to negative impact on service delivery or the implementation of major projects providing value to customers.	Threat to service delivery and performance if good management practices and controls are not adhered to. Risk of ultra vires activity or lack of legal compliance Risk of fraud or corruption Risk to financial sustainability if lack of governance results in poor investment decisions or budgetary control. Failure of corporate governance in terms of major projects, budgets or council owned companies impacts upon financial sustainability of the councils.	4	4	16	Clear and robust control framework including: constitution, scheme of delegation, ethical walls policy etc. Clear accountability and resource for corporate governance (including the shareholder role). Integrated budget, performance and risk reporting framework. Corporate programme office and project management framework. Includes project and programme governance. Internal audit programme aligned to leadership risk register. Training and development resource targeted to address priority issues; examples include GDPR, safeguarding etc. HR policy framework. Annual governance statements	Partially Partially Partially Partially Partially Partially Partially	Councillor Barry Wood Councillor Ian McCord	Nick Graham Andrew Hunkin	Nick Graham Andrew Hunkin	3	3	9	↔	Standing item at senior officer meetings - regular review of risk and control measures Review of constitution to take place 2018/19 Implementation of corporate programme office - May 2018 Full review of HR policy to be undertaken during 2018/19 Monitoring Officer to attend management team meetings	S113 Agreement terminates on 16 January 2019. Collaboration Agreement being developed. Executive and Cabinet will consider its adoption on 7 and 14 January 2019 respectively. Service schedules are being developed for all services that require ongoing joint working - and these are programmed to be in place by 16 January 2019.	05/12/18 - Risk reviewed, Risk Owner & Manager & Comments updated

Cherwell District Council

Capital Strategy 2019/20

1 Introduction

- 1.1 This capital strategy is a new report for 2019/20, giving a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It has been written in an accessible style to enhance members' understanding of these sometimes technical areas.

2 Capital Expenditure and Financing

- 2.1 Capital expenditure is where the Council spends money on assets, such as property or vehicles, which will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £10,000 are not capitalised and are charged to revenue in year.

For details of the Council's policy on capitalisation, see Financial Regulations

In 2019/20, the Council is planning capital expenditure of £49.2m as summarised below:

Table 1: Prudential Indicator: Estimates of Capital Expenditure in £ millions

	2017/18 actual	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget
Services	19.4	7.7	5.7	0.5	0.2
Capital investments	84.6	33.6	43.5	24.7	0
TOTAL	104.0	41.3	49.2	25.2	0.2

- 2.2 The main capital projects include the Build Programme, Castle Quay 2, Tramway Industrial Estate and replacement IT systems.

Governance

- 2.3 Service managers bid as part of the annual budget setting process, and throughout the year, to include projects in the Council's capital programme. Bids are collated by the Finance and a calculation of the financing cost is undertaken (which can be nil if the project is fully externally financed). The Budget Planning Committee appraises all bids based on a comparison of service priorities against financing costs and makes recommendations to the Executive. The final capital programme is then presented to Council in February each year.

- 2.4 All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Table 2: Capital financing in £ millions

	2017/18 actual	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget
External sources	3.5	0.4	0.4	0	0
Own resources	7.2	1.6	2.0	2.0	3.0
Debt	93.3	39.3	46.8	23.2	-2.8
TOTAL	104.0	41.3	49.2	25.2	0.2

- 2.5 Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. Planned MRP and use of capital receipts are as follows:

Table 3: Replacement of debt finance in £ millions

	2017/18 actual	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget
Own resources	7.2	1.6	2.0	2.0	3.0

The Council's full minimum revenue provision statement is available via the Council's website.

- 2.6 The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The CFR is expected to increase by £46.8 during 2019/20. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement in £ millions

	31.3.2018 actual	31.3.2019 forecast	31.3.2020 budget	31.3.2021 budget	31.3.2022 budget
TOTAL CFR	137.5	176.8	223.6	246.4	243.2

Asset management

- 2.7 To ensure that capital assets continue to be of long-term use, the Council has an asset management strategy in place. This is a multi-level approach structured as follows:

- At a tenancy level the Comprehensive Asset Register (a database of key lease events) is being updated and used to identify forthcoming lease events such as expiries, rent reviews and breaks. These are allocated to specific asset managers to progress whose work schedules are reviewed monthly.
- At a property level this comprises the preparation of asset management plans for each asset which is then subject to periodic review and updating. This process is ongoing and intended to allow a critical examination of the performance of each asset and inform medium / long term decision making, such as the asset's suitability for simple retention, future capital investment or sale.
- At a portfolio level the make-up of the portfolio will be considered bi-annually in terms of its sector weighting and suitability to meet the Council's longer term objectives of providing a secure risk weighted income stream

Asset disposals

- 2.8 When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. The Council is currently also permitted to spend capital receipts on service transformation projects until 2021/22. Repayments of capital grants, loans and investments also generate capital receipts. The council does not expect to receive any capital receipts in the coming financial year.

3 Treasury Management

- 3.1 Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

The Council currently has £89.5m borrowing at an average interest rate of 1.49% and £15.7m treasury investments at an average rate of 0.61%.

Borrowing strategy

- 3.2 The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans (currently available at around 0.75%) and long-term fixed rate loans where the future cost is known but higher (currently 2.0 to 3.0%).

Projected levels of the Council's total outstanding debt (which comprises borrowing, PFI liabilities, leases are shown below, compared with the capital financing requirement (see above).

Table 6: Prudential Indicator: Gross Debt and the Capital Financing Requirement in £ millions

	31.3.2018 actual	31.3.2019 forecast	31.3.2020 budget	31.3.2021 budget	31.3.2022 budget
Debt (incl. PFI & leases)	111.5	131.7	178.5	201.3	198.1
Capital Financing Requirement	137.5	176.8	223.6	246.4	243.2

- 3.3 Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the Council expects to comply with this in the medium term.

Affordable borrowing limit

- 3.4 The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

Table 7: Prudential Indicators: Operational boundary and Authorised limit for external debt in £m

	2018/19 limit	2019/20 limit	2020/21 limit	2021/22 limit
Operational boundary total external debt	205	205	205	205
Authorised limit total external debt	225	225	225	225

Further details on borrowing can be found in the treasury management strategy.

Investment strategy

- 3.5 Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.
- 3.6 The Council’s policy on treasury investments is to prioritise security and liquidity over yield. Focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

Table 8: Treasury management investments in £millions

	31.3.2018 actual	31.3.2019 forecast	31.3.2020 budget	31.3.2021 budget	31.3.2022 budget
Near-term investments	19.1	15	15	15	15
Longer-term investments	0	0	0	0	0
TOTAL	19.1	15	15	15	15

Further details on treasury investments can be found in the treasury management strategy.

Governance

- 3.7 Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Director of Finance and staff, who must act in line with the treasury management strategy approved by Council. Reports on treasury management activity are presented to the Accounts, Audit & Risk Committee. The Accounts, Audit & Risk Committee is responsible for scrutinising treasury management decisions.

4 Investments for Service Purposes

- 4.1 The Council makes investments to assist local public services, including making loans to and buying shares in the Council's subsidiaries, providing loans to local charities and businesses where there is demonstrable public benefit. In light of the public service objective, the Council is willing to take more risk than with treasury investments; however, it still plans for such investments to at least break even.

Governance

- 4.2 Decisions on service investments are made by the relevant service manager in consultation with the Section 151 Officer and must meet the criteria and limits laid down in the Investment Strategy. Most loans and shares are capital expenditure and purchases will therefore also be approved as part of the capital programme.

Further details on service investments are in the Investment Strategy]:

5 Commercial Activities

- 5.1 With central government financial support for local public services declining, the Council invests in commercial property mainly for financial gain but also for strategic economic regeneration. Total commercial investments are currently valued at £89m with the largest being Castle Quay.
- 5.2 With financial return being an objective, the Council accepts higher risk on commercial investment than with treasury investments. The principal risk exposures are listed below together with an outline of how those risks are managed:

Illiquidity:	<p>The council acknowledges illiquidity as a risk in property and whilst it cannot be avoided the risk is mitigated by the following strategies:</p> <ol style="list-style-type: none"> a) The council invests across a range of sectors. Illiquidity is to an extent fluid and at any given time varies across sectors. This allows the Council the opportunity to effect sales, if required, in the more liquid sectors. b) The Council's assets are likewise diversified in terms of lot size. This affords the Council the ability to access a range of purchaser types e.g. small local investors, listed property companies or institutions. c) The Council does not invest in high risk assets which can be the most illiquid of all. d) The Council's investments are not what is termed 'Investment Grade', but they are fundable – i.e. if sold they could be suitable for debt backed investors. e) The Council does not invest in specialist properties, where the market tends to be most illiquid. f) The Council's assets are uncharged. It is often lenders who require assets to be sold and whilst gearing does not increase illiquidity per se, it can expose an owner to greater risk of selling an illiquid asset at an inopportune time.
Tenant default:	<p>The Council's portfolio is not populated by large national concerns and tenant default risk is managed in two ways:</p> <ol style="list-style-type: none"> 1. Tenants are vetted when entering the portfolio either as new tenants when property is let or as replacement tenants when existing tenants assign their leases. It has to be acknowledged that there is less control when a tenant applies for consent to assign, though guarantees may be sought. 2. Risk is managed by diversification as only a small proportion of tenants will fail in any given year. At present the Council has over 150 tenants paying in excess of £5,000 per annum and the largest of them accounts for only 5.6% of the portfolio's aggregate rent roll.
Obsolescence:	<p>A significant proportion of the Council's portfolio comprises industrial / warehouse buildings and simple retail assets which have relatively low obsolescence compared to offices where there are substantial amounts of plant and machinery. Where we have offices we try to introduce sinking / replacement funds where we are able to collect from tenants an annual sum to put towards high cost items such as the replacement of lifts or air conditioning. An example of this is the Banbury Health Centre which has a renewals fund set at £10,000 per annum. In other leases we will try to negotiate terms which allow for the replacement of obsolete plant when it is beyond economic repair.</p> <p>Where matters of public policy override commercial concerns our portfolio is more vulnerable. For example, at Banbury Museum, the Council may be responsible for significant capital outlay on plant and machinery as it nears the end of its useful economic life.</p>

Capital expenditure	Please see above but also note that the Council aims to let space on Full Repairing terms which either makes the tenant either explicitly responsible for maintaining the asset or allows CDC to recover the cost of repairs through the service charge provisions of the relevant lease.
Market risk:	<p>Two key market risks are falling rents in response to declining economic conditions and extended marketing voids when leases end or tenants fail. These risks are mitigated in three main ways:</p> <ol style="list-style-type: none"> 1. Lease lengths should be 3 – 5 yrs + which obviates most market risks during the period of the tenancy. 2. Rents are reviewed in an upwards only direction. This means that they cannot fall during the term of a lease. 3. Tenant failure – see above under Tenant Default, re: vetting and diversification policies. <p>An additional risk is over-exposure to town centre retailing as the portfolio's largest assets are Castle Quay Shopping Centre in Banbury and Pioneer Square in Bicester. These are both strategic investments and in respect of Castle Quay we rely heavily on external advisors, particularly Montague Evans, to identify and manage both upside and downside risks.</p>
Returns eroded by inflation:	All investment assets incorporate periodic rent reviews which provide a hedge against inflation. Property is generally accepted as performing better than fixed income assets in times of inflation.
Rising interest rates:	The portfolio is ungeared and therefore un-mortgaged

Governance

- 5.3 Decisions on commercial investments are made by Members and Statutory Officers in line with the criteria and limits approved by Council in the Investment Strategy. Property and most other commercial investments are also capital expenditure and purchases will therefore also be approved as part of the capital programme.

Further details on commercial investments and limits on their use are in pages Investment Strategy

- 5.4 The Council also has commercial activities in trading companies, exposing it to normal commercial risks. These risks are managed by the governance structure in place. The Shareholder Committee is regularly informed of the progress of each

company. The Shareholder meets with the directors both formally and informally to ensure there is a consistent dialog between the companies and the council.

6 Liabilities

- 6.1 In addition to debt of £89.5m detailed above, the Council is committed to making future payments to cover its pension fund deficit (valued at £86m).

It has also set aside £4m predominantly to cover the risk of business rates appeals provisions. The Council is also at risk of having to refund the NHS for business rates if the on-going legal case is found in their favour.

Governance

- 6.2 Decisions on incurring new discretionary liabilities are taken by [service managers] in consultation with Statutory Officers. The risk of liabilities crystallising and requiring payment is monitored by Finance and reported monthly to the Budget Planning and Executive committees. New liabilities are reported to full council for approval/notification as appropriate.

Further details on liabilities and guarantees are on page 72 of the 2017/18 statement of accounts

7 Revenue Budget Implications

- 7.1 Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

Table 9: Prudential Indicator: Proportion of financing costs to net revenue stream

	2017/18 actual	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget
Financing costs (£m)	0.7	2.1	2.8	2.8	2.8
Proportion of net revenue stream	4%	11%	12%	12%	11%

Further details on the revenue implications of capital expenditure are in the 2019/20 revenue budget

Sustainability

- 7.2 Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years into the future. The Section 151 Officer is satisfied that the proposed capital programme is prudent, affordable and sustainable.

8 Knowledge and Skills

8.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Section 151 Officer is a qualified accountant with many years' experience, the Assistant Director of Property and Investments is a chartered surveyor with over twenty years' experience of asset management and commercial property investment. The Council pays for junior staff to study towards relevant professional qualifications including CIPFA, ACT (treasury), and the RICS.

8.2 Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers, and a range of the current property advisors is as follows:

- Banbury based surveyors White Commercial and Bankier Sloane provide advice on the local property market, and assistance with new lettings, lease renewals and rent reviews.
- Montague Evans supply asset management and facilities management in respect of Castle Quay.
- GVA Grimley also supply specialist accounting services in respect of Castle Quay.
- Montague Evans and Colliers both provide property valuation services
- BWD and Jackson Criss assist with Castle Quay lettings
- Gardiner Theobald provide project management, QS, CDM and Design services on Castle Quay
- Broomfield Property Ltd and Prime Project Management Ltd provide service relating to Castle Quay

This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

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Bid Ref	Project Name	New Directorate	Service	Service Head	Project Name	Total Project Cost (£K)	Spend Profile (£000)								Revenue Impact (£000)					Future Years	Future Years	
							2019/20 Q1 (£K)	2019/20 Q2 (£K)	2019/20 Q3 (£K)	2019/20 Q4 (£K)	2020/21 (£K)	2021/22 (£K)	2022/23 (£K)	2023/24 (£K)	2019/20 (£K)	2020/21 (£K)	2021/22 (£K)	2022/23 (£K)	2023/24 (£K)			
001	Banbury Museum Upgrade of Air Handling Unit	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	The air conditioning plant is no longer fit for purpose and unless it is replaced Banbury Museum will not be able to offer space to travelling exhibits and its offer will be significantly curtailed.	110	-	-	55	55	-	-	-	-	-	-	-	-	-	-	-	-
002	Bodicote House Fire Compliance Works	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	Work required to ensure ongoing compliance following recent assessment by Turner & Townsend	154	5	51	51	47	-	-	-	-	-	-	-	-	-	-	-	-
003	The Fairway Garage	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	Review currently underway to identify the options for the council. These options include: 1. Demolition, this would remove the immediate Health & Safety risk 2. Re-roofing The proposed costs would be sufficient to deliver either of options.	52	26	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
004	Banbury Young Homelessness Project Separation of Building to two Units	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	The works envisaged are the separation of services to enable independent occupation of the changing rooms which have been unoccupied for several years.	17	17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
005	Compliance Works (Energy Performance Regulations EPC's)	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	Energy Performance Certificates ("EPC"s) are statutorily required on all commercial premises and since April 2018 only those with a rating of A, B, C, D or E can be let. This will fund necessary works	169	-	56	56	56	-	-	-	-	-	-	-	-	-	-	-	-
006	Ferriston Roof Covering	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	To prevent further water ingress and damage to tenant's equipment the proposal is to renew the roof covering. The roof covering is from the original construction c.1980's and is end of its life.	142	-	-	142	-	-	-	-	-	-	-	-	-	-	-	-	-
007	Pioneer Square Fire Panel	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	The proposal is to install a 'mirror panel' within the Centre Managers office within Franklin House.	20	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
008	Corporate Asbestos Surveys	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	The cost of these works have been split over 2 years with priority 1 sites being carried out in the first year. To maintain ongoing compliance and in accordance with the Control of Asbestos Regulations 2012 the asbestos identified to be inspected for condition on an annual basis.	210	-	50	50	50	60	-	-	-	50	50	50	50	50	50	60	200
009	Corporate Fire Risk Assessments	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	Work require to ensure statutory compliance across investment and operational portfolio.	80	-	20	20	20	20	-	-	-	-	-	-	-	-	-	20	-
010	Corporate Water Hygiene Legionella Assessments	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	Work require to ensure statutory compliance across investment and operational portfolio.	35	11	11	13	-	-	-	-	-	-	-	-	-	-	-	-	-
011	Corporate Reinstatement Cost Assessments	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	Best practice requires regular insurance revaluations.	59	19	20	20	-	-	-	-	-	-	-	-	-	-	-	-	-
012	Works From Compliance Surveys	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	Statutory Compliance Surveys which include Asbestos / Fire Compliance / Water Hygiene compliance surveys and investigations.	260	-	65	65	65	65	-	-	-	-	-	-	-	-	-	65	-
013	Thorpe Place	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	The units both need to be refurbished prior to re-letting	75	-	38	38	-	-	-	-	-	-	-	-	-	-	-	-	-
014	Discretionary Grants Budget	Wellbeing & Environment	Wellbeing - Housing	Nicola Riley	This budget is used to deliver a range of grants to help address unsatisfactory housing conditions for vulnerable households and also to part-fund improvements to private rented sector homes.	750	38	38	38	38	150	150	150	150	-	-	-	-	-	-	600	-

Bid Ref	Project Name	New Directorate	Service	Service Head	Project Name	Total Project Cost (£K)	Spend Profile (£000)							Revenue Impact (£000)					Future Years	Future Years	
							2019/20 Q1 (£K)	2019/20 Q2 (£K)	2019/20 Q3 (£K)	2019/20 Q4 (£K)	2020/21 (£K)	2021/22 (£K)	2022/23 (£K)	2023/24 (£K)	2019/20 (£K)	2020/21 (£K)	2021/22 (£K)	2022/23 (£K)			2023/24 (£K)
015	Commercial waste containers	Wellbeing & Environment	Environment - Environment	Ed Potter	The Council operates a commercial waste service. This is rapidly expanding and generates a good income. After all operating costs the overall return is about 25%. This capital funding will purchase containers of around 40-50 new customers. The net income will be at least £8k so the costs of the containers will be covered in at least 18 months.	12	3	3	3	3	-	-	-	-	-8	-8	-8	-8	-8	-	-
016	On street recycling bins	Wellbeing & Environment	Environment - Environment	Ed Potter	The Council has a number of on street recycling bins in the urban centres. They have been successful in diverting plastic bottles & cans away from residual waste litter bins. All recycling brings in a gate fee of just over £50/tonne. Although this is offset by processing costs the net benefit from the increased recycling tonnage should bring in around £2k/year	25	25	-	-	-	-	-	-	-	-2	-2	-2	-2	-2	-	-
017	Thorpe Lane depot capacity enhancement	Wellbeing & Environment	Environment - Environment	Ed Potter	The district is rapidly expanding with each 4500 new properties requiring an additional waste collection crew and vehicle. As developments get adopted there will be an increased demand for Street Cleansing services which will mean more staff & more vehicles.	225	50	-	-	-	175	-	-	-	-	-	-	-	-	175	-
018	Thorpe Lane workshop lifting equipment	Wellbeing & Environment	Environment - Environment	Ed Potter	From September 2018 the Council has commenced work on servicing & repairing Oxfordshire County Council minibuses. This work will require the use of the fifth workshop bay. This bay currently has no vehicle lifting equipment. The project is to acquire additional lifting equipment so this work can be done for the long term.	20	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
019	HR/Payroll Replacement System	Customers & Services Development	Customers & Service Development	Claire Taylor	The current HR/Payroll system needs to be replaced during 2019/20.	195	33	33	30	30	18	18	18	18	-	-	-	-	-	140	-
020	Finance Replacement System	Finance & Property	Property, Investment & Contract Management	Adele Taylor	The current Finance system needs to be replaced during 2019/20.	250	54	54	54	49	20	20	-	-	-	-	-	-	-	80	-
021	Feasibility of utilisation of property space	Finance & Property	Property, Investment & Contract Management	Robert Fuzesi	Feasibility study for our operational assets to support options appraisal on future use of space	100	-	50	50	-	-	-	-	-	-	-	-	-	-	-	-
022	Academy Electronic Document Management System	Finance & Property	Property, Investment & Contract Management	Adele Taylor	The CSN Revs and Bens service uses iClipse (CDC) and Rkyv (SNC) to deliver document management functionality to support business function. Both these systems are near end of life and require replacement by March 2020.	87	39	21	27	-	-	-	-	-	7	7	7	-	-	-	14
023	New E-Tendering Portal for Procurement and Contract Management	Finance & Property	Property, Investment & Contract Management	Adele Taylor	Digitalisation of Procurement Processes. Ease of access for suppliers. A web-based e-tendering system known as "Intend".	30	30	-	-	-	-	-	-	-	10	10	10	10	10	-	40
024	Fencing works/associated storage	Wellbeing & Environment	Wellbeing - Leisure & Sports	Nicola Riley	Due to the ageing condition of the Fencing surrounding the Artificial Turf Pitch at the Cooper Sports Facility there is a need to improve security of the Pitch and ancillary facilities.	50	-	-	50	-	-	-	-	-	-	-	-	-	-	-	-
025	The Mill - remedial works	Wellbeing & Environment	Wellbeing - Communities	Nicola Riley	A recent condition survey of the property outlined necessary remedial works and approach that would need to be undertaken to bring the building back into good repair.	250	250														
Total						3,376	638	535	762	412	508	188	168	168	57	57	57	50	50	1,140	254

**Cherwell District Council
Proposed Capital Programme - 2019/20**

Project Description	Year Approved	Project Owner	2018/19			2019/20				2020/21	2021/22	2022/23	2023/24	Grand Total
			Slippage B/Fwd	New Projects	Total	Existing Capital Projects	New Bids	Adjustments	Total					
			£000	£000	£000	£000	£000	£000	£000					
Biomass Heating for Bicester Leisure Centre	2012/13	Nicola Riley	14		14				0					14
Corporate Bookings System	2017/18	Nicola Riley	60		60				0					60
Whitelands Farm Sports Ground	2016/17	Nicola Riley	25		25				0					25
Solar Photovoltaics at Sports Centre	2013/14	Nicola Riley	80		80				0					80
Football Development Plan in Banbury	2013/14	Nicola Riley	20		20				0					20
North Oxfordshire Academy Astro turf	2014/15	Nicola Riley	207		207				0					207
Stratfield Brake Repair Works	2014/15	Nicola Riley	12		12				0					12
Cherwell Community Fund	2018/19	Nicola Riley	100		100	100			100					300
Sports Centre Modernisation Programme	2007/08	Nicola Riley	36		36				0					36
Bicester Leisure Centre Extension	2016/17	Nicola Riley	122		122				0					122
Spiceball Leisure Centre Bridge Re-surfacing	2016/17	Nicola Riley	30		30				0					30
Woodgreen - Condition Survey Works	2015/16	Nicola Riley	2		2				0					2
Bicester Leisure Centre - Access Road Improvements	2017/18	Nicola Riley	33		33				0					33
Cooper School Performance Hall - Roof, Floor & Seating	2017/18	Nicola Riley	38		38				0					38
North Oxfordshire Academy - Replacement Floodlights	2017/18	Nicola Riley	20		20				0					20
North Oxfordshire Academy - Sports Pavilion Improvements	2017/17	Nicola Riley	6		6				0					6
Coopers Sports Facility Flooflights	2018/19	Nicola Riley		65	65				0					65
Sunshire Centre	2018/19	Nicola Riley		440	440				0					440
The Mill	2019/20	Nicola Riley			0		250		250					250
Fencing works/associated storage	2019/20	Nicola Riley			0		50		50					50
Wellbeing - Community Services Total			805	505	1,310	100	300	0	400	100	0	0	0	1,810
Empty Homes Work-in-Default Recoverable	2018/19	Gillian Douglas	100		100				0					100
Woodpiece Road Parking Options	2018/19	Gillian Douglas	70		70				0					70
Disabled Facilities Grants	Annual	Gillian Douglas	1,995		1,995	375	0	(375)	0	375	375			2,745
Upgrade & Enhancements to Abrisas Housing System	2018/19	Gillian Douglas	33		33	33			33					66
Discretionary Grants for Domestic Properties	Annual	Gillian Douglas	339		339	275	150	(275)	150	150	150	150	150	1,089
Wellbeing - Housing Services Total			2,537	0	2,537	683	150	(650)	183	525	525	150	150	4,070
Car Parks Improvement Project	2017/18	Graeme Kane	467		467				0					467
Energy Efficiency Projects	2014/15	Graeme Kane	28		28				0					28
Glass Bank Recycling Scheme	2012/13	Graeme Kane	8		8				0					8
Public Conveniences	2015/16	Graeme Kane	50		50				0					50
Off Road Parking Facilities	2015/16	Graeme Kane	18		18				0					18
Vehicle Replacement Programme	Annual	Graeme Kane	879		879	620			620	700	750			2,949
Wheeled Bin Replacement Scheme	2016/17	Graeme Kane	125		125				0					125
Urban Centre Electricity Installations	2016/17	Graeme Kane	15		15				0					15
Bicester Cattle Market Car Park Phase 2	2011/12	Graeme Kane	90		90				0					90
Customer Self-Service Portal	2014/15	Graeme Kane	80		80				0					80
Public Conveniences	2018/19	Graeme Kane		50	50	200			200					250
Container Bin Replacement	2018/19	Graeme Kane		20	20				0					20
Banbury Market Improvements	2018/19	Graeme Kane		20	20				0					20
Vehicle Lifting Equipment (Workshop)	2018/19	Graeme Kane		30	30				0					30
Vehicle Replacement Programme	2018/19	Graeme Kane		35	35	240			240					275
Commercial waste containers	2018/19	Graeme Kane			0		12		12					12
On street recycling bins	2018/19	Graeme Kane			0		25		25					25
Thorpe Lane depot capacity enhancement	2018/19	Graeme Kane			0		50		50	175				225

Project Description	Year Approved	Project Owner	2018/19			2019/20				2020/21	2021/22	2022/23	2023/24	Grand Total
			Slippage B/Fwd	New Projects	Total	Existing Capital Projects	New Bids	Adjustments	Total					
			£000	£000	£000	£000	£000	£000	£000					
Thorpe Lane workshop lifting equipment	2018/19	Graeme Kane			0		20		20					20
Environmental Services Total			1,293	155	1,915	1,060	107	0	1,167	875	750	0	0	4,707
Wellbeing and Environmental Services Total			4,635	660	5,762	1,843	557	(650)	1,750	1,500	1,275	150	150	10,587
Community Centre Refurbishments	2013/14	Robert Jolley	84		84				0					84
The Hill Youth & Community Centre	2015/16	Robert Jolley	989		989				0					989
East West Railways	2015/16	Robert Jolley	1,160		1,160	290			290	290	290			2,030
Build Programme Phase 1a	2012/13	Robert Jolley	1,182		1,182				0					1,182
Build Programme Phase 1b	2018/19	Robert Jolley	1,875		1,875	1,845			1,845	(2,500)				1,220
Build Programme Phase 2	2018/19	Robert Jolley	6,500		6,500	4,500			4,500	(7,200)				3,800
NW Bicester Eco Business Centre	2016/17	Robert Jolley	2,236		2,236				0					2,236
Graven Hill	2016/17	Robert Jolley	600		600	13,000			13,000					13,600
Place & Growth - Economy & Regeneration Total			14,626	0	14,626	19,635	0	0	19,635	(9,410)	290	0	0	25,141
Place and Growth Total			14,676	0	14,626	19,635	0	0	19,635	(9,410)	290	0	0	25,141
HR/Payroll Replacement System	2019/20	Karen Edwards			0		125		125	18	18	18	18	197
HR, OD and Payroll			0	0	0	0	125	0	125	18	18	18	18	197
Land & Property Harmonisation	2014/15	Claire Taylor	83		83				0					83
5 Year Rolling HW / SW Replacement Prog	Annual	Claire Taylor	50		50	50			50	50	50			200
Business Systems Harmonisation Programme	Annual	Claire Taylor	69		69	40			40	40	40			189
Upgrade to Uninterrupted Power Supply & Back up	2014/15	Claire Taylor	115		115				0					115
Microsoft Licensing Agreement	2015/16	Claire Taylor	110		110				0					110
Land & Property Harmonisation	2018/19	Claire Taylor		167	167	33			33					200
Customer Excellence & Digital Transfer	2018/19	Claire Taylor		85	85				0					85
Unified Comms System	2018/19	Claire Taylor		125	125				0					125
Information Technology Total			427	377	804	123	0	0	123	90	90	0	0	1,107
Customers and Service Development Total			427	377	804	123	125	0	248	108	108	18	18	1,304
Castle Quay 1	2017/18	Adele Taylor	7,636		7,636				0					7,636
Castle Quay 2	2017/18	Adele Taylor	72,000		72,000				0					72,000
Academy Harmonisation	2017/18	Adele Taylor	119		119		87		87					206
Finance Replacement System	2019/20	Adele Taylor			0		210		210	20	20			250
New E-Tendering Portal for Procurement and Contract Management	2019/20	Adele Taylor			0		30		30					30
Condition Survey Works	2013/14	Robert Fuzesi	77		77				0					77
Bradley Arcade Roof Repairs	2014/15	Robert Fuzesi	55		55				0					55
Orchard Way Shopping Arcade - front service area	2015/16	Robert Fuzesi	20		20				0					20
Community Buildings - Remedial Works	2016/17	Robert Fuzesi	150		150				0					150
Spiceball Riverbank Reinstatement	2016/17	Robert Fuzesi	50		50				0					50
Banbury Health Centre - Refurbishment of Ventilation, Heating & Cooling Systems	2017/18	Robert Fuzesi	270		270				0					270
Thorpe Way Industrial estate - Roof & Roof Lights	2017/18	Robert Fuzesi	64		64				0					64
Franklins House - travel Lodge	2017/18	Robert Fuzesi	783		783				0					783
Bicester - Pioneer Square	2017/18	Robert Fuzesi	135		135				0					135
Housing & IT Asset System joint CDC/SNC	2017/18	Robert Fuzesi	50		50				0					50
Orchard Way - external decorations plus associated works and roof coverings to stairwells	2018/19	Robert Fuzesi		95	95				0					95
Retained Land - tarmac/adum/walling works	2018/19	Robert Fuzesi		180	180				0					180

Project Description	Year Approved	Project Owner	2018/19			2019/20				2020/21	2021/22	2022/23	2023/24	Grand Total
			Slippage B/Fwd	New Projects	Total	Existing Capital Projects	New Bids	Adjustments	Total					
			£000	£000	£000	£000	£000	£000	£000					
Thorpe Place Industrial Units - external painting, tarmacadam and door replacement	2018/19	Robert Fuzesi		175	175				0					175
Thorpe Way Industrial Units - external painting, tarmacadam and door replacement	2018/19	Robert Fuzesi		145	145				0					145
Horswefair Banbury - renewal of paving/trees to footpath areas between Highway and Car Park also around public toilets	2018/19	Robert Fuzesi		100	100				0					100
Thorpe Lane Depot - tarmac and drainage works to main yard	2018/19	Robert Fuzesi		110	110				0					110
All properties - EPC certification plus Compliance Works	2018/19	Robert Fuzesi		40	40				0					40
Tramway Industrial Estate, Banbury	2018/19	Robert Fuzesi		9,500	9,500				0					9,500
Banbury Museum Upgrade of AHU	2019/20	Robert Fuzesi			0		110		110					110
Bodicote House Fire Compliance Works	2019/20	Robert Fuzesi			0		154		154					154
The Fairway Garage Demolition	2019/20	Robert Fuzesi			0		52		52					52
BYHP Separation of Building to two Units	2019/20	Robert Fuzesi			0		17		17					17
Compliance Works with Energy Performance Regulations EPC's	2019/20	Robert Fuzesi			0		169		169					169
Ferriston Roof Covering	2019/20	Robert Fuzesi			0		142		142					142
Pioneer Square Fire Panel	2019/20	Robert Fuzesi			0		20		20					20
Corporate Asbestos Surveys	2019/20	Robert Fuzesi			0		150		150	60				210
Corporate Fire Risk Assessments	2019/20	Robert Fuzesi			0		60		60	20				80
Corporate Water Hygiene Legionella Assessments	2019/20	Robert Fuzesi			0		35		35					35
Corporate Reinstatement Cost Assessments	2019/20	Robert Fuzesi			0		59		59					59
Works From Compliance Surveys	2019/20	Robert Fuzesi			0		195		195	65				260
Thorpe Place 18_19	2019/20	Robert Fuzesi			0		75		75					75
Cherwell District Council – feasibility of utilisation of property space	2019/20	Robert Fuzesi			0		100		100					100
Finance and Property			81,409	10,345	91,754	0	1,665	0	1,665	165	20	0	0	93,604
Finance and Property Total			81,409	10,345	91,754	0	1,665	0	1,665	165	20	0	0	93,604
Capital Total			101,147	11,382	112,946	21,601	2,347	(550)	23,298	(7,637)	1,693	168	168	130,636

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Cherwell District Council

Treasury Management Strategy Statement 2019/20

1 Introduction

- 1.1 Treasury management is the management of the council's cash flows, borrowing and investments, and the associated risks. The council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the council's prudent financial management.
- 1.2 Treasury risk management at the council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the council to approve a treasury management strategy before the start of each financial year. This report fulfils the council's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.
- 1.3 Investments held for service purposes or for commercial profit are considered in a different report, the Investment Strategy.

2 External Context (provided by Arlingclose - December 2018)

Economic background

- 2.1 The UK's progress negotiating its exit from the European Union, together with its future trading arrangements, will continue to be a major influence on the Council's treasury management strategy for 2019/20.
- 2.2 UK Consumer Price Inflation (CPI) for October was up 2.4% year/year, slightly below the consensus forecast and broadly in line with the Bank of England's November Inflation Report. The most recent labour market data for October 2018 showed the unemployment rate edged up slightly to 4.1% while the employment rate of 75.7% was the joint highest on record. The 3-month average annual growth rate for pay excluding bonuses was 3.3% as wages continue to rise steadily and provide some pull on general inflation. Adjusted for inflation, real wages grew by 1.0%, a level still likely to have little effect on consumer spending.
- 2.3 The rise in quarterly GDP growth to 0.6% in Q3 from 0.4% in the previous quarter was due to weather-related factors boosting overall household consumption and construction activity over the summer following the weather-related weakness in Q1. At 1.5%, annual GDP growth continues to remain below trend. Looking ahead, the BoE, in its November Inflation Report, expects GDP growth to average around 1.75% over the forecast horizon, providing the UK's exit from the EU is relatively smooth.
- 2.4 Following the Bank of England's decision to increase Bank Rate to 0.75% in August, no changes to monetary policy have been made since. However, the Bank expects that should the economy continue to evolve in line with its November forecast, further increases in Bank Rate will be required to return inflation to the 2% target. The Monetary Policy Committee continues to reiterate that any further increases will be at a gradual pace and limited in extent.
- 2.5 While US growth has slowed over 2018, the economy continues to perform robustly. The US Federal Reserve continued its tightening bias throughout 2018, pushing rates to the current 2%-2.25% in September. Markets continue to expect one more rate rise in December, but expectations are fading that the further hikes previously expected in 2019 will materialise as concerns over trade wars drag on economic activity.

Credit outlook

- 2.6 The big four UK banking groups have now divided their retail and investment banking divisions into separate legal entities under ring-fencing legislation. Bank of Scotland, Barclays Bank UK, HSBC UK Bank, Lloyds Bank, National Westminster Bank, Royal Bank of Scotland and Ulster Bank are the ring-fenced banks that now only conduct lower risk retail banking activities. Barclays Bank, HSBC Bank, Lloyds Bank Corporate Markets and NatWest Markets are the investment banks. Credit rating agencies have adjusted the ratings of some of these banks with the ring-fenced banks generally being better rated than their non-ring-fenced counterparts.
- 2.7 The Bank of England released its latest report on bank stress testing, illustrating that all entities included in the analysis were deemed to have passed the test once the levels of capital and potential mitigating actions presumed to be taken by management were factored in. The BoE did not require any bank to raise additional capital.
- 2.8 European banks are considering their approach to Brexit, with some looking to create new UK subsidiaries to ensure they can continue trading here. The credit strength of these new banks remains unknown, although the chance of parental support is assumed to be very high if ever needed. The uncertainty caused by protracted negotiations between the UK and EU is weighing on the creditworthiness of both UK and European banks with substantial operations in both jurisdictions.

Interest rate forecast

- 2.9 Following the increase in Bank Rate to 0.75% in August 2018, Arlingclose is forecasting two more 0.25% hikes during 2019 to take official UK interest rates to 1.25%. The Bank of England's MPC has maintained expectations for slow and steady rate rises over the forecast horizon. The MPC continues to have a bias towards tighter monetary policy but is reluctant to push interest rate expectations too strongly. Arlingclose believes that MPC members consider both that ultra-low interest rates result in other economic problems, and that higher Bank Rate will be a more effective policy weapon should downside Brexit risks crystallise when rate cuts will be required.
- 2.10 The UK economic environment remains relatively soft, despite seemingly strong labour market data. Arlingclose's view is that the economy still faces a challenging outlook as it exits the European Union and Eurozone growth softens. While assumptions are that a Brexit deal is struck and some agreement reached on transition and future trading arrangements before the UK leaves the EU, the possibility of a "no deal" Brexit still hangs over economic activity (*at the time of writing this commentary in mid-December*). As such, the risks to the interest rate forecast are considered firmly to the downside.
- 2.11 Gilt yields and hence long-term borrowing rates have remained at low levels but some upward movement from current levels is expected based on Arlingclose's interest rate projections, due to the strength of the US economy and the ECB's forward guidance on higher rates. 10-year and 20-year gilt yields are forecast to remain around 1.7% and 2.2% respectively over the interest rate forecast horizon, however volatility arising from both economic and political events are likely to continue to offer borrowing opportunities.
- 2.12 The economic and interest rate forecast provided by Arlingclose is attached at Appendix A.

For the purpose of setting the budget, it has been assumed that investments will be made at an average rate of 1.03%, and that loans will be borrowed at an average rate of 1.78%.

3 Local Context

- 3.1 On 31st December 2018, the council held £89.5m of borrowing and £15.7m of investments. This is set out in further detail below:

	31.12.18 Actual Portfolio £m	31.12.18 Average Rate %
External borrowing:		
Public Works Loan Board	41.0	2.05%
Local authorities	48.5	1.02%
Total gross external debt	89.5	1.49%
Treasury investments:		
Banks & building societies (unsecured)	2.0	0.65%
UK Government	7.6	0.50%
Money Market Funds	6.1	0.72%
Total treasury investments	15.7	0.61%
Net debt	73.8	1.68%

Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance sheet summary and forecast

	31.3.18 Actual £m	31.3.19 Estimate £m	31.3.20 Forecast £m	31.3.21 Forecast £m	31.3.22 Forecast £m
General Fund CFR	137.5	176.8	223.6	246.4	243.2
Less: External borrowing **	(111.5)	(96.0)	(68.0)	(41.0)	(41.0)
Internal/(over) borrowing	26.0	80.8	155.6	205.4	202.2
Less: Usable reserves	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)
Less: Working capital	(28.0)	(28.0)	(28.0)	(28.0)	(28.0)
Investments/(New borrowing required)	19.1	(35.7)	(110.5)	(160.3)	(157.1)

** shows only loans to which the council is currently committed

- 3.2 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.
- 3.3 The council has an increasing CFR due to the capital programme, but minimal investments and will therefore be required to borrow up to a total of £201m over the forecast period.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the council's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the council expects to comply with this recommendation during 2019/20.

4 Borrowing Strategy

- 4.1 The council currently (31/12/2018) holds £89.5 million of loans, a decrease of £22 million on the previous year end, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 1 shows that the council expects to borrow up to a total of £178

million in 2019/20. The council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £225 million.

Objectives

- 4.2 The council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the council's long-term plans change is a secondary objective.

Strategy

- 4.3 Given the significant cuts to public expenditure and in particular to local government funding, the council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.
- 4.4 By doing so, the council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal / short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the council with this 'cost of carry' and breakeven analysis. Its output may determine whether the council borrows additional sums at long-term fixed rates in 2019/20 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.
- 4.5 Alternatively, the council may arrange forward starting loans during 2019/20, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the council may borrow further short-term loans to cover unplanned cash flow shortages.

Sources of borrowing

- 4.6 The approved sources of long-term and short-term borrowing are:
- Public Works Loan Board (PWLB) and any successor body
 - any institution approved for investments (see below)
 - any other bank or building society authorised to operate in the UK
 - any other UK public sector body
 - UK public and private sector pension funds (except Oxfordshire County Council Pension Fund)
 - capital market bond investors
 - UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

Other sources of debt finance

- 4.7 In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:
- leasing
 - hire purchase
 - Private Finance Initiative
 - sale and leaseback

- 4.8 The council has previously raised around 40% of its long-term borrowing from the PWLB but it continues to investigate other sources of finance, such as local authority loans and bank loans, which may be available at more favourable rates.

Municipal Bonds Agency

- 4.9 UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a joint and several guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full council.

LOBOs

- 4.10 The council does not hold any LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the council has the option to either accept the new rate or to repay the loan at no additional cost.

Short-term and variable rate loans

- 4.11 These loans leave the council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below.

Debt rescheduling

- 4.12 The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

5 Investment Strategy

- 5.1 The council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months (January - December 2018), the council's investment balance has ranged between £5 million and £70 million. Levels in the forthcoming year are expected to be general lower, ranging from £10m and £25m, but may vary for short periods to due to cashflow needs and borrowing opportunities.

Objectives

- 5.2 The CIPFA Code requires the council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

Negative interest rates

- 5.3 If the UK enters into a recession in 2019/20, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

Strategy

- 5.4 Given the increasing risk and low returns from short-term unsecured bank investments, the council would aspire to diversify into more secure and/or higher yielding asset classes. However, given the low level of funds available for longer-term investment and the high liquidity requirements, the council's surplus cash is likely to remain invested in short-term bank deposits and call accounts, money market funds, and deposits with the UK Government and other local authorities.

Business models

- 5.5 Under the new IFRS 9 standard, the accounting for certain investments depends on the council's "business model" for managing them. The council aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

Approved counterparties

- 5.6 The council may invest its surplus funds with any of the counterparty types in table 3 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 3: Approved investment counterparties and limits

Credit rating	Banks unsecured	Banks secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£3m 5 years	£3m 20 years	£5m 50 years	£3m 20 years	£3m 20 years
AA+	£3m 5 years	£3m 10 years	£5m 25 years	£3m 10 years	£3m 10 years
AA	£3 m 4 years	£3m 5 years	£5m 15 years	£3m 5 years	£3m 10 years
AA-	£3m 3 years	£3m 4 years	£5m 10 years	£3m 4 years	£3m 10 years
A+	£3m 2 years	£3m 3 years	£5m 5 years	£3m 3 years	£3m 5 years
A	£3m 13 months	£3m 2 years	£5m 5 years	£3m 2 years	£3m 5 years
A-	£3m 6 months	£3m 13 months	£5m 5 years	£3m 13 months	£3m 5 years
None	None	None	£5m 2 years	None	None
Pooled funds and real estate investment trusts		£5m per fund or trust			

This table must be read in conjunction with the notes below

Credit rating

- 5.7 Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

Banks unsecured

- 5.8 Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

Banks secured

- 5.9 Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

Government

- 5.10 Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

Corporates

- 5.11 Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made following an external credit assessment.

Registered providers

- 5.12 Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing and registered social landlords, formerly known as housing associations. These bodies are tightly regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

Pooled funds

- 5.13 Shares or units in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.
- 5.14 Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the council to diversify into asset classes other than cash without the

need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the council's investment objectives will be monitored regularly.

Real estate investment trusts

- 5.15 Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

Operational bank accounts

- 5.16 The council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £50,000 per bank wherever possible e.g. except for overnight balances where funds are received during the day and it is too late to transfer to another counterparty. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the council maintaining operational continuity.

Risk assessment and credit ratings

- 5.17 Credit ratings are obtained and monitored by the council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made,
 - any existing investments that can be recalled or sold at no cost will be, and
 - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
- 5.18 Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other information on the security of investments

- 5.19 The council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria. In addition to Arlingclose ratings and advice, the council maintains an internal counterparty 'Watch List' based on intelligence from a variety of other sources available to officers.
- 5.20 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial

market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the council's cash balances, then the surplus will be deposited with the UK Government via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

Investment limits

- 5.21 In order that the council's revenue reserves available to cover investment losses are not put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £5 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Table 4: Investment limits

	Cash limit
Any single organisation, except the UK Central Government	£5m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£5m per group
Any group of pooled funds under the same management	£5m per manager
Negotiable instruments held in a broker's nominee account	£3m per broker
Foreign countries	£5m per country
Registered providers and registered social landlords	£10m in total
Unsecured investments with building societies	£10m in total
Loans to unrated corporates	£5m in total
Money market funds	£15m in total
Real estate investment trusts	£5m in total

Liquidity management

- 5.22 The council uses in-house cash flow forecasting software to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the council's medium-term financial plan and cash flow forecast.

6 Treasury Management Indicators

- 6.1 The council measures and manages its exposures to treasury management risks using the following indicators.

Interest rate exposures

- 6.2 This indicator is set to control the council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	Limit
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£160,000
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£160,000

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates.

Maturity structure of borrowing

- 6.3 This indicator is set to control the council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	80%	10%
12 months and within 24 months	80%	0%
24 months and within 5 years	80%	0%
5 years and within 10 years	80%	0%
10 years and above	80%	0%

- 6.4 Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment. The upper and lower limits as shown above provide the scope to accommodate new loan(s) in the most appropriate maturity band at the time of borrowing

Principal sums invested for periods longer than a year

- 6.5 The purpose of this indicator is to control the council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Price risk indicator	2019/20	2020/21	2021/22
Limit on principal invested beyond year end	£10m	£5m	£5m

7 Related Matters

The CIPFA Code requires the council to include the following in its treasury management strategy.

Financial Derivatives

- 7.1 Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).
- 7.2 The council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be

subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

- 7.3 Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

Markets in Financial Instruments Directive (MiFID II)

- 7.4 The council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the council's treasury management activities, the Executive Director of Finance and Governance believes this to be the most appropriate status.

8 Financial Implications

- 8.1 The budget for investment income in 2019/20 is £0.15 million, based on an average investment portfolio of £15 million at an average interest rate of 1.03%.

The budget for debt interest paid in 2019/20 is £2.764 million, based on an average debt portfolio of £155 million at an average interest rate of 1.78%.

If actual levels of investments and borrowing, or actual interest rates, differ from those forecast, performance against budget will be correspondingly different.

9 Other Options Considered

- 9.1 The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Executive Director of Finance and Governance, having consulted the Lead Member for Financial Management & Governance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

Appendix A – Arlingclose Economic & Interest Rate Forecast - December 2018

Underlying assumptions:

- Our central interest rate forecasts are predicated on there being a transitional period following the UK's official exit from the EU.
- The MPC has a bias towards tighter monetary policy but is reluctant to push interest rate expectations too strongly. We believe that MPC members consider that: 1) tight labour markets will prompt inflationary pressure in the future, 2) ultra-low interest rates result in other economic problems, and 3) higher Bank Rate will be a more effective policy weapon if downside risks to growth crystallise.
- Both our projected outlook and the increase in the magnitude of political and economic risks facing the UK economy means we maintain the significant downside risks to our forecasts, despite the potential for slightly stronger growth next year as business investment rebounds should the EU Withdrawal Agreement be approved. The potential for severe economic outcomes has increased following the poor reception of the Withdrawal Agreement by MPs. We expect the Bank of England to hold at or reduce interest rates from current levels if Brexit risks materialise.
- The UK economic environment is relatively soft, despite seemingly strong labour market data. GDP growth recovered somewhat in the middle quarters of 2018, but more recent data suggests the economy slowed markedly in Q4. Our view is that the UK economy still faces a challenging outlook as the country exits the European Union and Eurozone economic growth softens.
- Cost pressures are easing but inflation is forecast to remain above the Bank's 2% target through most of the forecast period. Lower oil prices have reduced inflationary pressure, but the tight labour market and decline in the value of sterling means inflation may remain above target for longer than expected.
- Global economic growth is slowing. Despite slower growth, the European Central Bank is conditioning markets for the end of QE, the timing of the first rate hike (2019) and their path thereafter. More recent US data has placed pressure on the Federal Reserve to reduce the pace of monetary tightening – previous hikes and heightened expectations will, however, slow economic growth.
- Central bank actions and geopolitical risks have and will continue to produce significant volatility in financial markets, including bond markets.

Forecast:

- The MPC has maintained expectations of a slow rise in interest rates over the forecast horizon, but recent events around Brexit have dampened interest rate expectations. Our central case is for Bank Rate to rise twice in 2019, after the UK exits the EU. The risks are weighted to the downside.
- Gilt yields have remained at low levels. We expect some upward movement from current levels based on our central case that the UK will enter a transitional period following its EU exit in March 2019. However, our projected weak economic outlook and volatility arising from both economic and political events will continue to offer borrowing opportunities.

	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Average
Official Bank Rate														
Upside risk	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.17
Arlingclose Central Case	0.75	0.75	1.00	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.13
Downside risk	0.00	-0.50	-0.75	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-0.85
3-mth money market rate														
Upside risk	0.10	0.10	0.10	0.10	0.15	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.17
Arlingclose Central Case	0.90	0.95	1.10	1.30	1.40	1.40	1.40	1.35	1.35	1.35	1.35	1.35	1.35	1.27
Downside risk	-0.20	-0.45	-0.60	-0.80	-0.90	-0.90	-0.90	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.76
1-yr money market rate														
Upside risk	0.20	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.33
Arlingclose Central Case	1.15	1.25	1.35	1.50	1.70	1.60	1.50	1.40	1.35	1.35	1.35	1.35	1.35	1.40
Downside risk	-0.35	-0.50	-0.60	-0.80	-0.90	-0.90	-0.90	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.77
5-yr gilt yield														
Upside risk	0.25	0.30	0.30	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.37
Arlingclose Central Case	1.15	1.25	1.35	1.50	1.50	1.40	1.35	1.35	1.30	1.30	1.30	1.30	1.30	1.33
Downside risk	-0.50	-0.60	-0.65	-0.80	-0.80	-0.70	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.66
10-yr gilt yield														
Upside risk	0.25	0.30	0.30	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.37
Arlingclose Central Case	1.50	1.65	1.70	1.80	1.80	1.75	1.75	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Downside risk	-0.55	-0.70	-0.70	-0.80	-0.80	-0.75	-0.75	-0.70	-0.70	-0.70	-0.70	-0.70	-0.70	-0.71
20-yr gilt yield														
Upside risk	0.25	0.30	0.30	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.37
Arlingclose Central Case	2.00	2.10	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.18
Downside risk	-0.60	-0.70	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.73
50-yr gilt yield														
Upside risk	0.25	0.30	0.30	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.37
Arlingclose Central Case	1.90	1.95	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.99
Downside risk	-0.60	-0.70	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.73

PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%

PWLB Infrastructure Rate (Maturity Loans) = Gilt yield + 0.60%

Cherwell District Council

Investment Strategy 2019/20

1 Introduction

1.1 The council invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
- to support local public services by lending to or buying shares in other organisations (**service investments**), and
- to earn investment income (known as **commercial investments** where this is the main purpose).

1.2 This investment strategy is a new report for 2019/20, meeting the requirements of statutory guidance issued by the government in January 2018, and focuses on the second and third of these categories.

2 Treasury Management Investments

2.1 The council typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to be an average of £15m during the 2019/20 financial year.

Contribution

2.2 The contribution that these investments make to the objectives of the council is to support effective treasury management activities.

Further details

2.3 Full details of the council's policies and its plan for 2019/20 for treasury management investments are covered in a separate document, the treasury management strategy.

3 Service Investments: Loans

Contribution

3.1 The council lends money to its subsidiaries, local parishes, the local Business Improvement District, and local charities to support local public services and stimulate local economic growth. The main loans issued are to the council's subsidiaries – Graven Hill Village Holding Company Ltd and Crown House Banbury Ltd. Graven Hill is an ambitious self-build housing development providing significant housing in Bicester. Crown House is redeveloping a derelict building in the centre of Banbury which will provide significant rental opportunities in the town centre while removing an eye-sore.

Security

3.2 The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the council, upper limits on the outstanding loans to each category of borrower have been set as follows:

Table 1: Loans for service purposes in £ millions

Category of borrower	31.3.2018 actual			2019/20
	Balance	Loss allowance	Net figure in accounts	Approved Limit
Subsidiaries	37.827	0	37.827	51.0
Local Council	0.725	0	0.725	1.0
Local charities	0.05	0	0.05	0.2
Local Business	0.02	0	0.02	1.5
Parishes	0.111	0	0.111	1.0
TOTAL	38.733	0	38.733	54.7

3.3 Accounting standards require the council to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the council's statement of accounts from 2018/19 onwards will be shown net of this loss allowance. However, the council makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

Risk assessment

3.4 The council assesses the risk of loss before entering into and whilst holding service loans by approaching each loan request individually. The bulk of the council's loans are to its subsidiaries. When the council considers whether or not to create or acquire a subsidiary a full business case is prepared which sets out the optimal financing of the company. This will include an assessment of the market in which it will be competing, the nature and level of competition, how that market may evolve over time, exit strategy and any ongoing investment requirements. External advisors are used where appropriate to complement officer expertise and second opinions from alternate advisors is sought in order to monitor and maintain the quality of advice provided by external advisors.

3.5 Other service loans are evaluated against a set of criteria designed to demonstrate:

- Evidence of project objectives and needs analysis is provided
- The loan must have a demonstrable community impact
- The loan would provide up to 50% of the whole project cost
- Such a loan can only be applied for by constituted voluntary organisations with their own bank account; Town or Parish councils; charitable organisations
- The loan cannot be applied retrospectively
- The applicant has provided evidence of its financial stability and of its ability to manage the proposed scheme
- The applicant has demonstrated that the proposed scheme has been developed following good practice in terms of planning, procurement and financial appraisal
- The applicant has provided evidence the affordability of their proposed scheme and the loan repayments
- That the project furthers the council's priorities as reflected in its Business Plan

4 Service Investments: Shares

Contribution

- 4.1 The council invests in the shares of its subsidiaries to support local public services and stimulate local economic and housing growth. The council currently holds shares in Graven Hill Holding Company Ltd and Crown House Banbury Ltd. .

Security

- 4.2 One of the risks of investing in shares is that they fall in value meaning that the initial outlay may not be recovered. In order to limit this risk, upper limits on the sum invested in each category of shares have been set as follows:

Table 2: Shares held for service purposes in £ millions

Category of company	31.3.2018 actual			2019/20
	Amounts invested	Gains or losses	Value in accounts	Approved Limit
Subsidiaries	22.538	0	22.538	35.0
TOTAL	22.538	0	22.538	35.0

Risk assessment

- 4.3 The council assesses the risk of loss before entering into and whilst holding shares by maintaining close links with the boards of directors of the companies through an established Shareholder Committee. Risk is assessed as above in Service Loans.

Liquidity

- 4.4 The maximum periods for which funds may prudently be committed are assessed on a project by project basis. The decision will balance both the long term viability of the subsidiary and the revenue and capital requirements of the council.

Non-specified Investments

- 4.5 Shares are the only investment type that the council has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the council's upper limits on non-specified investments. The council has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

5 Commercial Investments: Property

Contribution

- 5.1 The council invests in local commercial and residential property with the intention of making a profit that will be spent on local public services. The portfolio comprises a cross section of retail, office and industrial assets together with a health centre. The four largest investments are as follows:

- Castle Quay, Banbury; a covered shopping centre and development site
- Pioneer Square, Bicester; a modern retail parade of shops
- Franklins House, Bicester; a mixed use complex comprising offices, hotel, business centre and public library

- Tramway Industrial Estate

5.2 These assets contribute an aggregate £6m gross income to the council's revenue budget. They are all town centre properties and afford the council an opportunity to influence the amenity and environment of its two principal strategic centres. Castle Quay will, in particular, allow the development of a new leisure orientated focal point to help revitalise Banbury town centre.

The component parts of the entire investment portfolio are described below:

Table 3: Property held for investment purposes in £ millions⁰

Property	Actual	Actual	31.3.2018 actual		31.3.2019 expected	
	Closing Balance 2016/17	Purchase / Build Costs 2017/18	Gains or (losses)	Value at 31.3.18	Gains or (losses)	Value in accounts
Castle Quay		60.364	0.756	61.120	0	61.120
Pioneer Square	9.238		-1.212	8.026	0	8.026
Tramway Industrial Estate					0	9.500
Other properties valued under £5m	9.255	2.793	-0.324	11.725	0	11.725
TOTAL	18.493	63.157	-0.779	80.871	0	90.371

Security

- 5.3 In accordance with government guidance, the council considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.
- 5.4 A fair value assessment of the council's investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment. Should the 2018/19 year end accounts preparation and audit process value these properties below their purchase cost, then an updated investment strategy will be presented to full council detailing the impact of the loss on the security of investments and any revenue consequences arising therefrom.

Risk assessment

- 5.5 The council assesses the risk of loss before entering into and whilst holding property investments by cash flow modelling the income and expenditure profile of each investment and interrogating that model across a range of scenarios to test the robustness of the investment. The modelling exercise is informed by the likelihood of tenant default and the chances that individual units will become empty during the hold period.
- 5.6 The property investment market is dynamic and we are kept abreast of developments by frequent communication and established relationships with local and national agents, supplemented by in-house investigations and reading of published research. The market is at present competitive in most asset sectors and our focus is on assets that are local, strategic and meet our investment return criteria. We are mindful of the council's need for a reliable future income streams and occupational demand is fundamental to our appraisals as longer let assets tend not to generate sufficiently attractive returns.
- 5.7 In all acquisitions we take external advice from acknowledged experts in the field and sense-check their input against our in-house knowledge, experience and expertise. The advice sourced covers

market value but also, given the purpose of the investment, letting risk, marketability and occupational demand, and likely expenditure over the hold period.

5.8 The council uses a number of local and national advisors and cross reference their views periodically. There is no single party who expects to be instructed by the council without competition.

5.9 Credit ratings are used on acquisitions, new lettings and when tenants request consent to assign their leases. The council uses D&B ratings and also study published accounts.

Credit ratings have not historically been used to monitor existing tenants but this will be introduced for our largest tenants this year.

5.10 A number of other strategies are used to mitigate risk:

- Tenant rent payment histories are analysed on any acquisition.
- Tenant rent payment patterns and arrears are examined in the existing portfolio.
- Introducing agents advise the council throughout the acquisition process and their advice includes market commentary at a national and a local level and commentary on perceived risks to the investment.
- In tandem with the above every acquisition is subject to a third party valuation by national surveyors who are independent i.e. not acting for the council or the vendor on the acquisition.

Liquidity

5.11 Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions. To ensure that the invested funds can be accessed when they are needed, for example to repay capital borrowed. The council acknowledges illiquidity as a risk in property and whilst it cannot be avoided the risk is mitigated by the following strategies:

- The council invests across a range of sectors. Illiquidity is to an extent fluid and at any given time varies across sectors. This allows the council the opportunity to affect sales, if required, in the more liquid sectors.
- The council's assets are likewise diversified in terms of lot size. This affords the council the ability to access a range of purchaser types e.g. small local investors, listed property companies or institutions.
- The council does not invest in high risk assets which can be the most illiquid of all.
- The council's investments are not what is termed 'Investment Grade', but they are fundable – i.e. if sold they could be suitable for debt backed investors.
- The council does not invest in specialist properties, where the market tends to be most illiquid.
- The council's assets are uncharged. It is often lenders who require assets to be sold and whilst gearing does not increase illiquidity per se, it can expose an owner to greater risk of selling an illiquid asset at an inopportune time.

6 Loan Commitments and Financial Guarantees

6.1 Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments and financial guarantees carry similar risks to the council and are included here for completeness.

The council has contractually committed to the following loan amounts which have yet to be drawn upon:

Table 4: Loan Commitments and Guarantees

Borrower	Purpose	£m Contractually Available
Silverstone Heritage Ltd	Development of tourist attraction at Silverstone race track	1.0
Crown House Banbury Ltd	Redevelopment of town centre building into housing	1.8
Graven Hill Village Development Company Ltd	Revolving Credit Facility available to the council's subsidiary until 2026	17.0
Graven Hill Holding Company Ltd	Facility Agreement that has been in place since 2014 to deliver the project.	6.6
Graven Hill Development Company Ltd	Loan Note instrument to enable the company to deliver its objectives	10.0
TOTAL		36.4

7 Capacity, Skills and Culture

Elected members and statutory officers

- 7.1 The majority of senior statutory officers are qualified to degree level and have appropriate professional qualifications. Their shared business experience encompasses both the public and private sectors and the three most senior Property & Investment team members have on average 20+ years commercial experience.

Training and guidance are provided to support members in delivering their roles and support effective decision making.

Commercial Investments

- 7.2 Negotiations are either undertaken directly by Assistant Directors or at a senior level with Assistant Director direct involvement and oversight, alongside input from Directors and Lead Members where required. Assistant Directors are aware of the regulatory regime and convey that to all junior staff.

Corporate governance

- 7.3 There are appropriate corporate governance measures in place which comprise end to end decision making procedures. These include risk assessments within the organisation; presentation to relevant committees including Members, statutory officers approvals and relevant project boards. The annual Corporate Investment Strategy provides the reference point against which investment decisions are undertaken.

8 Investment Indicators

- 8.1 The council has set the following quantitative indicators to allow elected members and the public to assess the council's total risk exposure as a result of its investment decisions.

Total risk exposure

- 8.2 The first indicator shows the council's total exposure to potential investment losses. This includes amounts the council is contractually committed to lend but have yet to be drawn down and guarantees the council has issued over third party loans.

Table 5: Total investment exposure in £millions

Total investment exposure	31.03.2018 Actual	31.03.2019 Forecast	31.03.2020 Forecast
Treasury management investments	19.1	15.0	15.0
Service investments: Loans	38.7	50.0	55.0
Service investments: Shares	22.5	23.0	33.0
Commercial investments: Property	80.9	91.0	100.0
TOTAL INVESTMENTS	161.2	179.0	203.0
Commitments to lend	1.8	36.4	34.0
TOTAL EXPOSURE	163.0	215.4	237.0

How investments are funded

- 8.3 Government guidance is that these indicators should include how investments are funded. The council's investments are funded by usable reserves, income received in advance of expenditure and borrowing.

Rate of return received

- 8.4 This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Table 6: Investment rate of return (net of all costs)

Investments net rate of return	2017/18 Actual	2018/19 Forecast	2019/20 Forecast
Treasury management investments	0.31%	0.58%	1.03%
Service investments: Loans	1% - 12%	1% - 12%	1% - 12%
Commercial investments: Property	Variable	Variable	Variable

Car Parking

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
Banbury Short Stay <i>(Charges apply 8am-7pm. Free Parking after 7pm)</i>						
Market Place Monday To Saturday						
0 -30 minutes	£0.80	£0.80		£0.00	0.0%	
0 - 1 hour	£1.20	£1.20		£0.00	0.0%	
Market Place Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Horsefair West Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	
Horsefair West Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Calthorpe Street West (part) Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	
Calthorpe Street West (part) Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Calthorpe Street East Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	
Calthorpe Street East Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
South Bar East (part) up to Calthorpe Street Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
South Bar East (part) up to Calthorpe Street Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
North Bar East Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	
North Bar East Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
The Mill Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	
The Mill Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Chamberlaine Court Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	
Chamberlaine Court Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Bridge Street (Blue Badge Holders Only) Monday To Saturday	£0.00	£0.00		£0.00	0.0%	
Bridge Street (Blue Badge Holders Only) Sunday and Bank Holidays	£0.00	£0.00		£0.00	0.0%	
Free of charge up to maximum stay permitted						

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
<u>Banbury Long Stay</u> <i>(charges apply 8am-7pm. Free Parking after 7pm)</i>						
Riverside Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
3 - 4 Hours	£2.80	£2.80		£0.00	0.0%	
Day rate up to 7pm	£3.50	£3.50		£0.00	0.0%	
Riverside Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
South Bar East and West Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	
3 - 4 Hours	£2.80	£2.80		£0.00	0.0%	
Day rate up to 7pm	£3.50	£3.50		£0.00	0.0%	
South Bar East and West Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
North Bar West Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	
3 - 4 Hours	£2.80	£2.80		£0.00	0.0%	
Day rate up to 7pm	£3.50	£3.50		£0.00	0.0%	
North Bar West Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Calthorpe Street West Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	
3 - 4 Hours	£2.80	£2.80		£0.00	0.0%	
Day rate up to 7pm	£3.50	£3.50		£0.00	0.0%	
Calthorpe Street West Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
Windsor Street Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	
3 - 4 Hours	£2.80	£2.80		£0.00	0.0%	

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
Day rate up to 7pm	£3.50	£3.50		£0.00	0.0%	
Windsor Street Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Spiceball North Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	
3 - 4 Hours	£2.80	£2.80		£0.00	0.0%	
Day rate up to 7pm	£3.50	£3.50		£0.00	0.0%	
Spice Ball North Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Bolton Road Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
3 Hours	£2.20	£2.20		£0.00	0.0%	
4 Hours	£2.80	£2.80		£0.00	0.0%	
Day rate up to 7pm	£3.50	£3.50		£0.00	0.0%	
Bolton Road Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Compton Road Monday To Saturday						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
1 - 2 Hours	£1.60	£1.60		£0.00	0.0%	
2 - 3 Hours	£2.20	£2.20		£0.00	0.0%	
3 - 4 Hours	£2.80	£2.80		£0.00	0.0%	
Day rate up to 7pm	£3.50	£3.50		£0.00	0.0%	
Compton Road Sunday and Bank Holidays						
0 - 1 hour	£0.80	£0.80		£0.00	0.0%	
Compton Road (Coaches only) - no charge	£0.00	£0.00		£0.00	0.0%	
Drop Off - Pick Up Points					0.0%	(Charges apply 8am-7pm. Free Parking after 7pm)
Bridge Street (all week)						
0 - 15 minutes	£0.30	£0.30		£0.00	0.0%	
Horsefair East - Coaches Drop Off/Pick Up - no charge	£0.00	£0.00		£0.00	0.0%	
Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
Bicester Short Stay <i>(Charges apply 8am-7pm. Free Parking after 7pm)</i>						
Market Square Monday To Saturday						

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
0 - 30 Minutes	£0.60	£0.60		£0.00	0.0%	
0 - 1 Hour	£1.10	£1.10		£0.00	0.0%	
Market Square Sunday and Bank Holidays						
0 - 1 Hour	£0.60	£0.60		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Claremont Monday To Saturday						
0 - 1 hour	£0.60	£0.60		£0.00	0.0%	
1 - 2 Hours	£1.20	£1.20		£0.00	0.0%	
2 - 3 Hours	£1.70	£1.70		£0.00	0.0%	
Claremont Sunday and Bank Holidays						
0 - 1 hour	£0.60	£0.60		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Chapel Brook Monday To Saturday						
0 - 1 hour	£0.60	£0.60		£0.00	0.0%	
1 - 2 Hours	£1.20	£1.20		£0.00	0.0%	
2 - 3 Hours	£1.70	£1.70		£0.00	0.0%	
Chapel Brook Sunday and Bank Holidays						
0 - 1 hour	£0.60	£0.60		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Victoria Road Monday To Saturday						
0 - 1 hour	£0.60	£0.60		£0.00	0.0%	
1 - 2 Hours	£1.20	£1.20		£0.00	0.0%	
2 - 3 Hours	£1.70	£1.70		£0.00	0.0%	
Victoria Road Sunday and Bank Holidays						
0 - 1 hour	£0.60	£0.60		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
<u>Bicester Long Stay</u>						
Cattle Market Monday To Saturday						
0 - 1 hour	£0.60	£0.60		£0.00	0.0%	
1 - 2 Hours	£1.20	£1.20		£0.00	0.0%	
2 - 3 Hours	£1.70	£1.70		£0.00	0.0%	
3 - 4 Hours	£2.20	£2.20		£0.00	0.0%	
Day rate up to 7pm	£2.50	£2.50		£0.00	0.0%	
Cattle Market Sunday and Bank Holidays						
0 - 1 hour	£0.60	£0.60		£0.00	0.0%	
Over 1 hour £1.00 flat rate	£1.00	£1.00		£0.00	0.0%	
Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
<u>Kidlington Short Stay</u> Curtis Place (all week) - no charge	£0.00	£0.00		£0.00	0.0%	
<u>Kidlington Long Stay</u> Curtis Place (all week) - no charge	£0.00	£0.00		£0.00	0.0%	

Environmental Services

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
Bundles of 25 Trade Waste Sacks	£55.00	£60.00		£5.00	8.3%	
Bundles of 25 Trade Recycling Sacks	£35.00	£40.00		£5.00	12.5%	
COMMERCIAL REFUSE COLLECTION - PER LIFT						
240 litre bin	£6.75	£7.25		£0.50	6.9%	
360 litre bin	£9.00	£9.50		£0.50	5.3%	
660 litre bin	£13.00	£13.50		£0.50	3.7%	
COMMERCIAL RECYCLING COLLECTION - PER LIFT						
240 litre bin	£3.75	£4.00		£0.25	6.3%	
360 litre bin	£5.25	£5.50		£0.25	4.5%	
660 litre bin	£7.25	£7.75		£0.50	6.5%	
1100 litre bin	£9.50	£10.00		£0.50	5.0%	
<i>* Discount of 10% for >5 bins, 20% for >10 bins</i>						
Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
COMMERCIAL FOOD RECYCLING - PER LIFT						
120 litre bin	£3.00	£3.50		£0.50	14.3%	240l bin not available
Schedule II Collections - Schools						
240L Wheeled Bin Package	£120.00	£130.00		£10.00	7.7%	
360L Wheeled Bin Package	£170.00	£180.00		£10.00	5.6%	
660L Wheeled Bin Package	£270.00	£285.00		£15.00	5.3%	
1100L Wheeled Bin Package	£375.00	£390.00		£15.00	3.8%	
Trade Glass Collection (set of 3 bells)	£60.00	£60.00		£0.00	0.0%	
Bundles of 25 Biodegradable Garden Waste Sacks	£12.00	£12.00		£0.00	0.0%	
Roll of 52 Compostable Liners	£3.00	£3.00		£0.00	0.0%	

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
Environmental Protection						

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
Rats & Mice, Per consultation - 3 visits (free of charge to residents who are 60 years of age and over)	£40.00	£43.33		£3.33	7.7%	
Fleas, , cockroaches ants, carpet beetles, and other household insects	£45.00	£48.33		£3.33	6.9%	
Bedbugs	£75.00	£75.00		£0.00	0.0%	
Wasps Nests	£40.00	£43.33		£3.33	7.7%	
Fine for stray dogs during office hours	£66.50	£70.00		£3.50	5.0%	
Fine for stray dogs outside office hours	£138.50	£145.00		£6.50	4.5%	
Kennel Costs (per day/part of)	£16.50	£17.50		£1.00	5.7%	
Dog bin emptying charge	£1.40	£1.50		£0.10	6.7%	For parishes with more than 20 bins
	£1.40	£1.60		£0.20	12.5%	For parishes with more than 5 bins
	£1.40	£1.75		£0.35	20.0%	For parishes with less than 5 bins
<u>MOT's</u>						
Class IV for Trade, Staff and Account Customers	£45.00	£45.00		£0.00	0.0%	
Class IV for General Public	£50.00	£50.00		£0.00	0.0%	
Class V for Trade, Staff and Account Customers	£50.00	£50.00		£0.00	0.0%	
Class V for General Public	£55.00	£55.00		£0.00	0.0%	
Class VII for Trade, Staff and Account Customers	£50.00	£50.00		£0.00	0.0%	
Class VII for General Public	£55.00	£55.00		£0.00	0.0%	

Use of Washdown facility

Statutory Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
<u>Environmental Protection</u>						
Process Registration and annual subscription (various)	various					

Public Protection, Environmental Health, Licensing and Building Control

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
Public Protection and Environmental Health						
(v) Skin Piercing (a) Registration Fee	£96.00	£102.00		£6.00	5.9%	Adjusted to align with SNC charge
(v) Skin Piercing (b) Registration of Premises	£151.00	£153.00		£2.00	1.3%	Adjusted to align with SNC charge
Variation of scrap metal dealers license type Collector - Dealer	£200.00	£204.00		£4.00	2.0%	
Variation of scrap metal dealers license - Admin, change of name or replacement	£100.00	£102.00		£2.00	2.0%	
Scrap metal dealers site	£455.00	£465.00		£10.00	2.2%	
Scrap metal collectors license	£270.00	£275.00		£5.00	1.8%	
Investigation of high hedges complaint	£360.00	£370.00		£10.00	2.7%	
					0.0%	
Food Export/Hygiene Certificates (without inspection)	£43.00	£44.00		£1.00	2.3%	
Food Export/Hygiene Certificates (with inspection)	£105.00	£107.00		£2.00	1.9%	
Food Hygiene Rating Scheme Rescore Visit	£265.00	£270.00		£5.00	1.9%	
Food Surrender Certificates	£118.50	£121.00		£2.50	2.1%	
Copies of Food Premises Register (a) Single Entry	£3.57	£3.64		£0.07	1.9%	
Copies of Food Premises Register (b) Full Register	£306.00	£312.00		£6.00	1.9%	
Actual Statements for Civil Proceedings	£148.00	£151.00		£3.00	2.0%	
Reports provided under the Environmental Information Regulations	£148.00	£151.00		£3.00	2.0%	
Contaminated land enquiry	£62.00	£66.00		£4.00	6.1%	Fee charged per hour or part thereof. 19-20 fee based on average hourly rate for the EP team for cost recovery.
					0.0%	
					0.0%	
					0.0%	
HEALTH PROTECTION						
Water Sampling						
Large/Commercial use supplies (each assessment at £68/hour capped at £500)	£500.00	£500.00		£0.00	0.0%	Capped by statute
Risk assessment (each assessment at £68/hour capped at £500)	£500.00	£500.00		£0.00	0.0%	Capped by statute
Sampling (each visit)	£100.00	£100.00		£0.00	0.0%	Capped by statute
Investigation	£100.00	£100.00		£0.00	0.0%	Capped by statute
Granting an authorisation	£100.00	£100.00		£0.00	0.0%	Capped by statute
Analysing a sample:					0.0%	
Taken under regulation 10	£25.00	£25.00		£0.00	0.0%	Capped by statute
Taken during Check monitoring	£100.00	£100.00		£0.00	0.0%	Capped by statute
Taken during Audit monitoring	£500.00	£500.00		£0.00	0.0%	Capped by statute
					0.0%	
Water Sampling Fees:					0.0%	
Lab Fees (Depending on criteria)	£82.00	£83.50		£1.50	1.8%	
Pools (basic swimming pool test)	£31.00	£31.50		£0.50	1.6%	Anticipated supplier increases to courier/lab costs
Sampling and admin cost recovery hourly rate	£42.00	£43.00		£1.00	2.3%	
Courier charge	£31.00	£31.50		£0.50	1.6%	
Health Protection - Food Safety						
Level 2 Food Safety in Catering Course						

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Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
Taught Course	£71.00	£72.50		£1.50	2.1%	
Taught - Voluntary Groups	£41.00	£42.00		£1.00	2.4%	
Taught - Unemployed	£41.00	£42.00		£1.00	2.4%	
E-learning (all level 2 courses)	£25.00	£25.00		£0.00	0.0%	No increase as 12 month contract agreed with supplier prices fixed
Level 2 Personal license Holder elearning and invigilated exam	£80.00	£80.00		£0.00	0.0%	12 month contract agreed with supplier prices fixed.
Invigilated exam resit	£25.00	£25.00		£0.00	0.0%	12 month contract agreed with supplier prices fixed.
Level 3 Food Hygiene Course						
Taught Course	£283.00	£288.00		£5.00	1.7%	
E-learning (all level 3 courses)	£150.00	£150.00		£0.00	0.0%	No increase as 12 month contract already agreed with supplier and prices fixed
Cost recovery - Commercial & Business Support						
Basic cost recovery (qualified officer)	£68.00	£68.00		£0.00	0.0%	No increase following review of cost recovery rates and to reflect intention to grow service
Full cost recovery (qualified officer)	£75.00	£75.00		£0.00	0.0%	No increase following review of cost recovery rates and to reflect intention to grow service
Mileage cost per mile	£0.52	£0.45		-\$0.07	-15.6%	New mileage rate following harmonisation
Strive for 5	£240.00	£245.00		£5.00	2.0%	
SFBB Packs	£14.50	£14.80		£0.30	2.0%	
SFBB 48 week diary refills	£11.00	£11.20		£0.20	1.8%	
SFBB Pack with 48 week diary refill	£20.00	£20.40		£0.40	2.0%	
Licensing						
Street Trading consent charges are as follows:-						
12 month period	£1,120.00	£1,142.00		£22.00	1.9%	
6 month period	£560.00	£570.00		£10.00	1.8%	
3 month period	£280.00	£285.00		£5.00	1.8%	
1 month period	£940.00	£960.00		£20.00	2.1%	
Table and Chairs consent charges are as follows:-						
12 month period	£15.20	£15.50		£0.30	1.9%	
Gambling Act 2005 – Maximum Charges are set by legislation.	Various	Various	Various			Statutory Fees - Set Nationally
Private Hire and Hackney Carriage DRIVER Fees and Charges						
Grant of Licence 1 Year		£114.00			100.0%	New charge
Grant of licence 3 Years	£193.00	£193.00		£0.00	0.0%	
Renewal of existing licence 1 year		£96.00				

Cost recovery calculations support holding

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
Renewal of existing licence 3 years	£170.00	£170.00		£0.00	0.0%	Cost recovery calculations support holding charges at current level. Hackney Carriage vehicles split from PHV. Age threshold for vehicle lifted. Operator Licence now split with 1 and 5 year options. All other fees based on external unchanged material costs
DBS (was CRB) check and DVLA check	£49.00	£49.00		£0.00	0.0%	
Medical approval	£20.00			REMOVE	REMOVE	
Knowledge Test	£25.00	£25.00		£0.00	0.0%	
Re take of Knowledge test	£25.00	£25.00		£0.00	0.0%	
Cost of badge/ replacement badge	£25.00	£25.00		£0.00	0.0%	
Cost of replacement paper licence	£10.50	£10.50		£0.00	0.0%	
Disability Awareness Training	£65.00	£65.00		£0.00	0.0%	
Safeguarding Awareness Training	£15.00	£15.00		£0.00	0.0%	
English Testing	£40.00	£40.00		£0.00	0.0%	
<u>Hackney Carriage VEHICLE Fees and Charges</u>						
Grant of licence	£350.00	£350.00		£0.00	0.0%	Cost recovery calculations reviewed. Hackney Carriage vehicles split from PHV. Vehicle age threshold removed. Operator Licence now split with 1 and 5 year options. All other fees based on external unchanged material costs
Renewal of existing licence	£225.00	£245.00		£20.00	8.2%	
Replacement licence plate	£65.00	£65.00		£0.00	0.0%	
Replacement bracket	£15.00	£15.00		£0.00	0.0%	
Re inspection/missed appointment fee	£40.00	£40.00		REMOVE	REMOVE	
Change of vehicle only	£65.00	£66.00		£1.00	1.5%	
Transfer of licensee only	£15.00	£15.50		£0.50	3.2%	
Change of vehicle and licensee	£40.00	£41.00		£1.00	2.4%	
<u>Private Hire VEHICLE Fees and Charges</u>						
Grant of new licence	£240.00	£260.00		£20.00	7.7%	Costly recovery calculations reviewed. Hackney Carriage vehicles split from PHV. Vehicle age restriction lifted. Operator Licence now split with 1 and 5 year options. All other fees based on external unchanged material costs
Renewal of licence	£210.00	£230.00		£20.00	8.7%	
Renewal of licence for vehicle 7 years old or over	£245.00			REMOVE	REMOVE	
Internal Plate Replacement	£10.00	£10.00		£0.00	0.0%	
Plate or bracket replacement	£20.00	£20.00		£0.00	0.0%	
Cost of replacement paper licence	£10.50	£10.50		£0.00	0.0%	
Change of vehicle only	£100.00	£102.00		£2.00	2.0%	
Transfer of licensee only	£55.00	£56.00		£1.00	1.8%	
Change of vehicle and licensee	£125.00	£127.00		£2.00	1.6%	
<u>Private Hire OPERATOR Fees and Charges</u>						
Operator's Licence (one vehicle only) - 1 year		£140.00		£140.00	100.0%	New licence
Operator's Licence (one vehicle only) – 5 year	£85.00	£130.00		£45.00	34.6%	Increased due extended validity period (from 3 years) and to reflect review of cost recovery rates. Plus £20 per additional vehicle (above 1)

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
For each additional vehicle	£20.00	£20.00		£0.00	0.0%	
Missed appointment fee	£25.00			REMOVE	REMOVE	
Mobile Home Sites Fees						
New Application						
1 to 10 pitches	£290.00	£295.00		£5.00	1.7%	
11 to 30 pitches	£420.00	£430.00		£10.00	2.3%	
31 to 99 pitches	£550.00	£560.00		£10.00	1.8%	
100 or more pitches	£680.00	£695.00		£15.00	2.2%	
Annual Fee						
1 to 10 pitches	£225.00	£230.00		£5.00	2.2%	
11 to 30 pitches	£290.00	£295.00		£5.00	1.7%	
31 to 99 pitches	£350.00	£360.00		£10.00	2.8%	
100 or more pitches	£420.00	£430.00		£10.00	2.3%	
Transfer/amendment	£160.00	£163.00		£3.00	1.8%	
Replacement paper licence	£10.50	£10.50		£0.00	0.0%	
Lodging rules	£55.00	£56.00		£1.00	1.8%	

Land Charges

Discretionary Fees and Charges	Fees 18-19 (excl. VAT)	Proposed Fee 19-20 (excl. VAT)	Risk	Actual Increase	% Increase	Notes
Full Search Fee (LLC1 & CON29R)	£128.00	£140.00		£12.00	9.38%	Fees reviewed to reflect current activity levels and costs of service. Benchmarking indicates that this would also be in line with other local authorities in the area
Additional parcel CON29	£18.00	£18.00		£0.00	0	
Additional parcel LLC1	£2.00	£2.00		£0.00	0	
Additional parcel Q22	£1.00	£1.00		£0.00	0	
LLC1 Only (Register search)	£30.00	£40.00		£10.00	33.33%	Fees reviewed to reflect current activity levels and costs of service. Benchmarking indicates that this would also be in line with other local authorities in the area
CON 29R only (no LLC1)	£98.00	£100.00		£2.00	2.04%	Fees reviewed to reflect current activity levels and costs of service. Benchmarking indicates that this would also be in line with other local authorities in the area
CON29O (Optional enquiries Question 4-21)	£10.00	£10.00		£0.00	0	
CON29O Question 22	£31.50	£31.50		£0.00	0	
PART 3 Own worded enquiries	£20.00	£20.00		£0.00	0	

CHERWELL

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
MEMBERSHIP DIRECT DEBITS					
Single DD - FIXED	£39.00	£39.00	£39.00	0.00%	£0.00
Single DD - FLEXI	£44.00	£44.00	£44.00	0.00%	£0.00
Expressions Family	£83.00	£83.00	No Longer Applicable		
Family DD (2 adults + 2 children) - FIXED	0.00%	£80.00	£80.00	0.00%	£0.00
Family DD (2 adults + 2 children) - FLEXI	£0.00	£85.00	£85.00	0.00%	£0.00
Family with up 5 children	£93.00	£93.00	No Longer Applicable		
Family DD (2 adults + 5 children) - FIXED	£0.00	£90.00	£90.00	0.00%	£0.00
Family DD (2 adults + 5 children) - FLEXI	£0.00	£95.00	£95.00	0.00%	£0.00
One Parent (1 adult + 2 children)	£0.00	£54.00	No Longer Applicable		
Single Parent (1 adult + 2 children) - FIXED	£0.00	£50.00	£50.00	0.00%	£0.00
Single Parent (1 adult + 2 children) - FLEXI	£0.00	£55.00	£55.00	0.00%	£0.00
One Parent (5 children)	£10.00	£64.00	No Longer Applicable		
Single Parent (1 adult + 5 children) - FIXED	£0.00	£60.00	£60.00	0.00%	£0.00
Single Parent (1 adult + 5 children) - FLEXI	£0.00	£65.00	£65.00	0.00%	£0.00
Corporate (single) FIXED	£37.00	£37.00	£37.00	0.00%	£0.00
Corporate (single) FLEXI	£39.00	£39.00	£39.00	0.00%	£0.00
Swim 23	£23.00	£23.00	£23.00	0.00%	£0.00
Swim 15	£0.00	£15.00	£15.00	0.00%	£0.00
Expressions Concession	£37.00	£37.00	£37.00	0.00%	£0.00
Junior	£22.00	£22.00	£22.00	0.00%	£0.00
Student	£0.00	£25.00	£25.00	0.00%	£0.00
Aqua Swim, Sauna, Steam	£34.00	£34.00	£34.00	0.00%	£0.00
1 - month offer	£54.00	£54.00	£55.00	1.85%	£1.00
Annuals	£475.00	£421.00	£421.20	0.05%	£0.20
FITNESS SUITE					
Casual Peak	£9.30	£9.40	£9.60	2.13%	£0.20
Senior Peak	£3.75	£3.85	£3.95	2.60%	£0.10
Casual Off-Peak	£7.80	£7.90	£7.95	0.63%	£0.05

CHERWELL

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
Senior Off-Peak	£3.35	£3.45	£3.60	4.35%	£0.15
Induction (for PAYG)	£18.00	£18.50	£19.00	2.70%	£0.50
Refresher Induction	£9.00	£9.25	£9.50	2.70%	£0.25
Junior Peak	£3.75	£3.85	£3.95	2.60%	£0.10
Junior Induction	£4.00	£4.20	£4.50	7.14%	£0.30
Adult Link Card Peak	£4.65	£4.70	£4.80	2.13%	£0.10
Senior Link Card Peak	£1.90	£1.95	£1.98	1.28%	£0.03
Adult Link Card Off-Peak	£3.90	£3.95	£4.00	1.27%	£0.05
Senior Link Card Off-Peak	£1.65	£1.70	£1.80	5.88%	£0.10
Link Card Induction	£9.00	£9.25	£9.50	2.70%	£0.25
GP Referral Session	£3.85	£3.95	£4.05	2.53%	£0.10
MotorMed Session	£2.50	£2.50	£2.50	0.00%	£0.00
Fitness Test - non members	£15.00	£15.00	£15.00	0.00%	£0.00
Replacement Membership Card	£3.00	£3.10	£3.20	3.23%	£0.10
HEALTH SUITE					
Sauna / Steam / Spa* (* = Swim at KGLC)	£7.50	£7.70	£7.90	2.60%	£0.20
Sauna / Steam / Spa / Swim	£11.30	£11.50	£11.75	2.17%	£0.25
Senior Health Suite	£4.05	£4.00	£4.05	1.25%	£0.05
Link Card Sauna / Steam	£3.75	£3.85	£3.95	2.60%	£0.10
FITNESS CLASSES					
All Classes (incl AquaFit)	£6.20	£6.30	£6.50	3.17%	£0.20
Body conditioning (1.5 hours)	£8.20	£8.30	£8.40	1.20%	£0.10
Studio Cycling (Peak)	£9.40	£9.50	£9.60	1.05%	£0.10
Studio Cycling (Off-Peak)	£8.00	£8.10	£8.20	1.23%	£0.10
Yoga	£6.30	£6.40	£6.50	1.56%	£0.10
Yoga (1.5 hours)	£8.20	£8.30	£8.40	1.20%	£0.10
Junior and Senior - specific classes	£3.75	£3.85	£3.95	2.60%	£0.10
Senior Classes - Bicester	£3.30	£3.40	£3.50	2.83%	£0.10
Yoga (1.5 hours)	£8.00	£8.20	£8.40	2.44%	£0.20

CHERWELL

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
Link Card Classes	£3.10	£3.15	£3.25	3.17%	£0.10
Link Card Classes - Senior / Junior	£1.90	£1.95	£1.98	1.28%	£0.03
SWIMMING SESSIONS					
Adult	£4.00	£4.10	£4.20	2.44%	£0.10
Junior	£2.60	£2.70	£2.75	1.85%	£0.05
Seniors	£2.60	£2.70	£2.75	1.85%	£0.05
Under 3's	£0.00	£0.00	£0.00	0.00%	£0.00
Block of 10 swims - Adult	£36.00	£36.90	£37.80	2.44%	£0.90
Block of 10 swims - Juniors	£23.40	£24.30	£24.75	1.85%	£0.45
Block of 10 swims - Seniors	£23.40	£24.30	£24.75	1.85%	£0.45
Family Swim ticket	£12.70	£13.00	£13.40	3.08%	£0.40
Adult Link Card Swim	£2.00	£2.05	£2.10	2.44%	£0.05
Junior Link Card Swim	£1.30	£1.35	£1.40	3.70%	£0.05
Senior Link Card Swim	£1.30	£1.35	£1.40	3.70%	£0.05
Teachers	£3.00	£3.05	No Longer Applicable		
GP Referral Swim (see GP Ref section)	£3.85	£3.95	£4.05	2.53%	£0.10
Wet & Wacky - junior	£3.10	£3.15	£3.25	3.17%	£0.10
Wet & Wacky - adult	£4.10	£4.20	£4.30	2.38%	£0.10
Wet & Wacky - senior	£2.85	£2.95	£3.00	1.69%	£0.05
Aquatic Youth	£2.50	£2.55	No Longer Applicable		
AquaFit	£6.20	£6.30	£6.50	3.17%	£0.20
Scouts and Brownies	£1.75	£1.80	£1.85	2.50%	£0.05
AquaFit - senior	£3.75	£3.85	£4.00	3.90%	£0.15
Swim Fit - Adult	£5.10	£5.20	£5.35	2.88%	£0.15
Swim Fit - Senior	£3.20	£3.30	£3.45	4.55%	£0.15

CHERWELL

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
SWIMMING LESSONS					
Stage 1 - 7, parent & toddler 50 weeks as 3x17 weeks	£5.80	£5.90	£6.00	1.69%	£0.10
Stage 1 - 7, parent & toddler - Direct Debit	£23.20	£23.60	£24.00	1.69%	£0.40
1 hour classes (rookie, survival, adults)	£8.15	£8.40	£8.50	1.19%	£0.10
1 hour classes (rookie, survival, adults) - Direct Debit	£32.50	£33.60	£34.00	1.19%	£0.40
40 minute intensive lesson	£8.75	£9.00	£9.10	1.11%	£0.10
Ducklings 10 wk course / 30 min lesson	£5.40	£5.55	£5.75	3.60%	£0.20
Stage 1 - 3 (with assistants) 10 week course / 30 min lesson	£5.70	£5.85	£6.05	3.42%	£0.20
Stage 1 - 3 (with assistants) - Direct Debit - 30 min lesson	£22.80	£23.40	£24.20	3.42%	£0.80
Stage 4 - 7 10 wk course / 30 min lesson	£5.45	£5.60	£5.75	2.68%	£0.15
Stage 4 - 7 10 wk course - Direct Debit	£21.80	£22.40	£23.00	2.68%	£0.60
Stage 8 - 10 & Adult 10 wk course - 55mins / 1 hr	£8.60	£8.65	£8.70	0.58%	£0.05
Stage 8 - 10 & Adult - Direct Debit	£34.40	£34.60	£34.80	0.58%	£0.20
CHILDREN's lessons 10 weeks course / 30 min lesson	£5.25	£5.45	£5.60	2.75%	£0.15
CHILDREN's lessons Direct Debit - 30 min lesson - no assistant	£21.00	£21.80	£22.40	2.75%	£0.60
CHILDREN's lessons Direct Debit - 30 min lesson - with assistant	£23.00	£23.40	£24.30	3.85%	£0.90
ADULT lessons 10 wk course / 60 min	£8.15	£8.40	£8.50	1.19%	£0.10
ADULT lessons Direct Debit - 60 min	£32.60	£33.60	£34.00	1.19%	£0.40
BIRTHDAY PARTIES					
Sports Hall Party	£105.00	£110.00	£110.00	0.00%	£0.00
Sports Hall / MegaBounce Party	£100.00	£105.00	£110.00	4.76%	£5.00
Super Striker / Football (Indoors)	£75.00	£77.00	£80.00	3.90%	£3.00
Super Striker / Football (Outdoors)	£55.00	£56.00	£57.50	2.68%	£1.50
Swimming Pool Party (Main Pool) - rafts and inflatables	£115.00	£117.50	£120.00	2.13%	£2.50
Swimming Pool Party (PnT Pool) - Paddle & Play	£105.00	£107.50	£110.00	2.33%	£2.50
Swimming Pool - wet & wacky	£135.00	£135.00	£140.00	3.70%	£5.00

CHERWELL

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
Swimming Pool Party - rafts and inflatables	£115.00	£117.50	£120.00	2.13%	£2.50
Jump & Jiggle Soft Play Party	£80.00	£82.50	£85.00	3.03%	£2.50
Sports Party (indoors or outdoors)	£80.00	£82.50	£85.00	3.03%	£2.50
Mega Bounce & Tots Bounce Party	£120.00	£122.50	£125.00	2.04%	£2.50
POOL HIRE - also see Birthday Parties					
Main Pool	£90.00	£92.00	£95.00	3.26%	£3.00
Main Pool Gala	£120.00	£122.50	£126.50	3.27%	£4.00
Trainer Pool	£65.00	£67.00	£69.00	2.99%	£2.00
Trainer Pool Gala	£90.00	£92.50	£95.00	2.70%	£2.50
Play & Teach Pool	£76.50	£78.00	£80.00	2.56%	£2.00
School Hire (per lesson / teacher)	£16.70	£17.20	£17.50	1.74%	£0.30
Swim Club - Weekday mornings per 55mins	£37.50	£38.70	£40.00	3.36%	£1.30
Swim Club - evenings per 55mins	£60.00	£61.90	£63.90	3.23%	£2.00
SPORTS HALL HIRE (per hour)					
Badminton Court Peak	£11.30	£11.35	£11.60	2.20%	£0.25
Badminton Court Peak - Block Booking	£12.45	£12.50	£12.75	2.00%	£0.25
Badminton Court Off-Peak	£9.05	£9.10	£9.30	2.20%	£0.20
Badminton Court Off Peak - Block Booking	£10.00	£10.00	£10.25	2.50%	£0.25
Junior Peak	£5.65	£5.70	£5.80	1.75%	£0.10
Junior Off-Peak	£4.55	£4.55	£4.65	2.20%	£0.10
Adult vs Junior Peak	£8.65	£8.65	£8.70	0.58%	£0.05
Adult vs Junior Off-Peak	£6.80	£6.85	£7.00	2.19%	£0.15
Hall Hire Peak (5-a-side)	£50.00	£51.50	£53.25	3.40%	£1.75
Hall Hire Peak (5-a-side) - Block Booking	£55.00	£56.65	£58.60	3.44%	£1.95
Hall Hire Off-Peak (5-a-side)	£40.00	£41.20	£42.60	3.40%	£1.40
Hall Hire Off-Peak (5-a-side) - Block Booking	£44.00	£45.30	£46.85	3.42%	£1.55
SQUASH COURTS HIRE (per 40 mins)					
Squash Court Hire Peak	£8.50	£8.60	£8.60	0.00%	£0.00
Squash Court Hire Peak - Block Booking	£9.35	£9.45	£9.46	0.11%	£0.01

CHERWELL

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
Squash Court Hire Off-Peak	£7.30	£7.30	£7.30	0.00%	£0.00
Squash Court Hire Off Peak - Block Booking	£8.05	£8.05	£8.05	0.00%	£0.00
Junior Peak	£4.25	£4.30	£4.30	0.00%	£0.00
Junior Off-Peak	£3.65	£3.65	£3.65	0.00%	£0.00
Adult vs Junior Peak	£6.40	£6.45	£6.45	0.00%	£0.00
Adult vs Junior Off-Peak	£5.50	£5.50	£5.50	0.00%	£0.00
TABLE TENNIS HIRE (per hour)					
Adult Hire	£6.50	£6.60	£6.80	3.03%	£0.20
Junior Hire	£3.25	£3.30	£3.40	3.03%	£0.10
Adult vs Junior	£4.90	£4.95	£5.10	3.03%	£0.15
ALL WEATHER PITCHES - BLC and KGLC					
Adult Football	£40.00	£41.00	£42.00	2.44%	£1.00
Adult Football - Block Booking	£42.00	£43.30	£45.00	3.93%	£1.70
Junior Football (up to 7.15pm)	£30.00	£30.90	£32.00	3.56%	£1.10
Junior Football (up to 7.15pm) - Block booking	£33.00	£34.00	£35.20	3.53%	£1.20
Junior individual PAYG	£2.70	£2.80	£3.00	7.14%	£0.20
Whole Pitch	£73.50	£75.80	£78.50	3.56%	£2.70
2/3rds Pitch	£53.50	£55.15	£57.10	3.54%	£1.95
1/3rd Pitch	£33.50	£34.55	£35.75	3.47%	£1.20
Tennis	£6.50	£6.50	£6.50	0.00%	£0.00
EQUIPMENT HIRE					
Racquets - badminton, tennis, & table tennis bats	£2.00	£2.00	£2.00	0.00%	£0.00
Bibs	£2.00	£2.00	£2.00	0.00%	£0.00
Deposit (refundable)	£5.00	£5.00	£5.00	0.00%	£0.00
Breakages (take from deposit)	£5.00	£5.00	£5.00	0.00%	£0.00
Football hire	£2.00	£2.00	£2.00	0.00%	£0.00
Football deposit	£10.00	£10.00	£10.00	0.00%	£0.00
CRECHE					
Creche - 1 hour	£3.00	£3.00	£3.10	3.33%	£0.10

CHERWELL

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
15 minutes	£1.00	£1.00	£1.00	0.00%	£0.00
Creche - 1 hour, 15 mins	£3.85	£3.90	£4.00	2.56%	£0.10
Creche - 1 hour, 30 mins	£4.65	£4.70	£4.85	3.19%	£0.15
Creche Drop & Shop 2 hours	£7.40	£7.50	£7.50	0.00%	£0.00
Creche Drop & Shop 3 hours	£10.65	£10.75	£10.75	0.00%	£0.00
JUNIOR ACTIVITIES					
Sway Dance	£3.75	£4.00	£4.15	3.75%	£0.15
Parent & Toddler Sessions	£5.90	£6.10	£6.00	-1.64%	-£0.10
Adults & Juniors (1 hour)	£8.20	£8.45	£8.70	2.96%	£0.25
Spice Up Saturday	£5.00	£5.15	£5.30	2.91%	£0.15
Baby Bounce	£3.30	£3.40	£3.50	2.83%	£0.10
Baby Bounce - additional sibling	£2.30	£2.40	£2.50	4.17%	£0.10
Strikers / Dribblers	£4.85	£5.00	£5.10	1.95%	£0.10
Mini Dribblers	£3.90	£4.00	£4.10	2.50%	£0.10
Soft Play	£1.50	£1.55	£1.60	3.42%	£0.05
Gymnastics and Trampolining (terms 12-14 weeks)	£6.40	£6.60	£6.80	3.02%	£0.20
Trampolining (30 minute class)	£3.50	£3.60	£3.70	2.78%	£0.10
Tots Bounce	£2.50	£2.55	£2.60	1.96%	£0.05
Tots Bounce - Family Member 50% off	£1.25	£1.30	£1.30	0.00%	£0.00
Mega Bounce	£3.00	£3.05	£3.15	3.28%	£0.10
Jump & Jiggle Area	£1.50	£1.50	£1.55	3.33%	£0.05
ROOM HIRE					
Activity Hall - Peak	£45.00	£46.00	£47.00	2.17%	£1.00
Exercise Studio	£20.00	£20.50	£21.00	2.44%	£0.50
Treatment Room	£20.00	£0.00	No Longer Applicable	0.00%	£0.00
Activity Hall - Peak	£46.00	£46.00	£47.00	2.17%	£1.00
Functional Training Room - whole room	£75.00	£75.00	No Longer Applicable	0.00%	£0.00
Studio 1	£60.00	£61.50	£63.00	2.44%	£1.50
Studio 2	£40.00	£41.25	£42.50	3.03%	£1.25

CHERWELL

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
Meeting Room - 1 hour	£18.00	£18.00	£18.00	0.00%	£0.00
Meeting Room - half day	£60.00	£60.00	£60.00	0.00%	£0.00
Meeting Room - full day	£100.00	£100.00	£100.00	0.00%	£0.00
Body Therapy Clinic	£38.00	£39.00	£41.00	5.13%	£2.00
BOWLING					
Adult 1 game	£4.50	£4.65	£4.80	3.16%	£0.15
Adult 2 game	£7.65	£7.90	£8.15	3.13%	£0.25
Adult 3 game	£10.80	£11.15	£11.50	3.18%	£0.35
child/ concessions 1 games	£3.75	£3.90	£4.00	2.56%	£0.10
child/ concessions 2 games	£6.40	£6.60	£6.80	3.02%	£0.20
child/ concessions 3 games	£9.00	£9.35	£9.60	2.66%	£0.25
Members 1 Game	£3.15	£3.25	£3.30	1.57%	£0.05
Members 2 Game	£5.35	£5.50	£5.60	1.83%	£0.10
Members 3 Game	£7.55	£7.80	£7.90	1.29%	£0.10
Family Ticket	£10.75	£12.00	£12.30	2.50%	£0.30
Family Ticket 2 Games	£19.50	£20.00	£20.75	3.76%	£0.75
Family Ticket 3 Games	£26.00	£27.00	£28.50	5.56%	£1.50
Link Card (any time)	£2.25	£2.25	£2.40	6.52%	£0.15
Birthday Parties	£8.00	£8.25	£8.30	0.59%	£0.05
Additional Child	£2.35	£2.50	£2.75	10.00%	£0.25
Group 1 Booking	£9.00	£9.28	No Longer Applicable	0.00%	£0.00
Group 2 Booking	£10.00	£10.31	No Longer Applicable	0.00%	£0.00
Option 1A Booking (Sun - Thurs)	£0.00	£0.00	£7.00		£7.00
Option 1B Booking (Fri - Sat)	£0.00	£0.00	£9.00		£9.00
Option 2A Booking (Sun - Thurs)	£0.00	£0.00	£10.00		£10.00
Option 2B Booking (Fri - Sat)	£0.00	£0.00	£12.00		£12.00
Late night Special	£6.00	£6.50	£6.75	3.78%	£0.25
Late night special 2 games	£8.00	£8.50	£9.00	5.88%	£0.50
Late night special 3 games	£11.00	£11.00	£12.00	9.09%	£1.00

CHERWELL

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
CAMP ADVENTURE					
Half Day (am) 8.30-12.30 Half Day (pm) 2.00-6.00	£11.80	£12.10	£12.40	2.48%	£0.30
Half Day Family membership price @ 50% off	£5.90	£6.05	£6.20	2.48%	£0.15
Lunch 12.30-2.30	£6.00	£6.20	£6.30	1.61%	£0.10
Lunch 12.30-2.30 Family membership price @ 50% off	£3.00	£3.10	£3.15	1.61%	£0.05
Full Day 8.30-6.00	£25.50	£26.30	£27.00	2.66%	£0.70
Full Day 8.30-6.00 Family membership price @ 50% off	£12.75	£13.15	£13.50	2.66%	£0.35
<i>Full Week Half Day (am) 8.30-12.30</i> <i>Full Week Half Day (pm) 2.30-6.00</i>	£49.00	£50.50	£52.00	2.97%	£1.50
Full Week Half Day Family membership price @ 50% off	£24.50	£25.25	£25.60	1.39%	£0.35
<i>Full Week Lunch 12.30-2.30</i>	£20.00	£21.00	£21.50	2.38%	£0.50
Full Week Lunch 12.30-2.30 Family membership price @ 50% off	£10.00	£10.50	£10.60	0.95%	£0.10
<i>Full Week Full Day 8.30-6.00</i>	£117.50	£121.50	£125.00	2.88%	£3.50
Full Week Full Day 8.30-6.00 Family membership price @ 50% off	£58.75	£60.75	£62.50	2.88%	£1.75
Half Day (am) 10-4 or 9-3	£17.00	£17.53	£18.00	2.66%	£0.47
Family - 50% off	£8.50	£8.77	£9.00	2.66%	£0.23
Half day 8.45-3.15	£17.50	£18.05	£18.50	2.50%	£0.45
Family - 50% off	£8.75	£9.02	£9.25	2.50%	£0.23
Full Day 8.30-6.00	£26.00	£26.50	£27.00	1.89%	£0.50
Full Day 8.30-6.00 Family membership price @ 50% off	£13.00	£13.25	£13.50	1.89%	£0.25
<i>Full Week Half Day (am) 10-4 or 9-3</i>	£75.00	£77.67	£80.00	3.00%	£2.33
Family - 50% off	£37.50	£38.83	£40.00	3.00%	£1.17
<i>Half day 8.45-3.15</i>	£77.50	£80.25	£82.50	2.81%	£2.25
Family - 50% off	£38.75	£40.12	£41.25	2.81%	£1.13
<i>Full Week Full Day 8.30-6.00</i>	£120.00	£122.50	£125.00	2.04%	£2.50
Full Week Full Day 8.30-6.00 Family membership price @ 50% off	£60.00	£61.25	£62.50	2.04%	£1.25
Half Day 10-4 or 9-3	£17.25	£17.80	£18.00	1.12%	£0.20
Half Day - Family members - 50% off	£8.65	£8.90	£9.00	1.12%	£0.10
<i>Half Day - Full Week</i>	£76.25	£78.60	£80.00	1.78%	£1.40
<i>Half Day - Full Week - Family - 50% off</i>	£38.15	£39.30	£40.00	1.78%	£0.70

CHERWELL

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
Full Day 8.30-6.00	£27.00	£27.85	£28.00	0.55%	£0.15
Full Day - Family membership price @ 50% off	£13.50	£13.90	£14.00	0.72%	£0.10
<i>Full Week - Full Day</i>	£125.00	£128.95	£130.00	0.81%	£1.05
Full Week - Full Day Family membership price @ 50% off	£62.50	£64.45	£65.00	0.85%	£0.55
OVER 50's					
Evergreens (Monday)	£2.80	£2.90	£3.00	3.45%	£0.10
Evergreens (Tuesday)	£3.00	£3.10	£3.20	3.23%	£0.10
Evergreens (Wednesday)	£3.60	£3.70	£3.80	2.70%	£0.10
YAH - single activity	£3.40	£3.50	No Longer Applicable		
OTHER					
Parish Card (12 months)	£48.00	£49.50	£51.25	3.54%	£1.75
Shower	£4.00	£4.10	£4.20	2.44%	£0.10
Spectator - Adult	£1.00	£1.00	£1.00	0.00%	£0.00
Spectator - Junior / Senior	£1.00	£1.00	£1.00	0.00%	£0.00
Mixed Leisure	£4.10	£4.20	£4.30	2.38%	£0.10
Adult Badminton Course	£40.00	£41.20	£42.50	3.16%	£1.30
No Strings	£3.50	£3.60	£3.70	2.78%	£0.10
CHANGE GEAR BIKEABILITY L1	£10.00	£10.25	£10.25	0.00%	£0.00
CHANGE GEAR BIKEABILITY L2	£30.00	£30.50	£30.50	0.00%	£0.00
CHANGE GEAR BIKEABILITY L1+L2	£35.00	£36.00	£36.00	0.00%	£0.00
CHANGE GEAR BALANCEABILITY	£4.50	£4.60	£4.50	-2.17%	-£0.10

STRATFIELD BRAKE & WHITELANDS FARM

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
STRATFIELD BRAKE					
Cricket Pitch Hire (per match)	£92.00	£92.00	£95.00	3.26%	£3.00
Cricket Nets Hire (per hour)	£15.00	£15.00	£15.00	0.00%	£0.00
Rugby Pitch Hire - Adult Matches (per match)	£67.00	£67.00	£68.00	1.49%	£1.00
Rugby Pitch Hire - Adult Training (per hour)	£45.00	£45.00	£45.00	0.00%	£0.00
Rugby Pitch Hire - Junior Matches (per match)	£36.00	£36.00	£37.00	2.78%	£1.00
Rugby Pitch Hire - Junior Training (per hour)	£24.00	£24.00	£24.00	0.00%	£0.00
Rugby Pitch Hire - Mini Matches (per match)	£15.50	£15.50	£16.00	3.23%	£0.50
Rugby Pitch Hire - Mini Training (per hour)	£9.85	£9.85	£10.00	1.52%	£0.15
Football Pitch Hire - Adult Matches (per match)	£67.00	£67.00	£68.00	1.49%	£1.00
Football Pitch Hire - Adult Training (per hour)	£45.00	£45.00	£45.00	0.00%	£0.00
Football Pitch Hire - Junior Matches (per match)	£36.00	£36.00	£37.00	2.78%	£1.00
Football Pitch Hire - Junior Training (per hour)	£24.00	£24.00	£24.00	0.00%	£0.00
Football Pitch Hire - Mini Matches (per match)	£15.50	£15.50	£16.00	3.23%	£0.50
Football Pitch Hire - Mini Training (per hour)	£9.85	£9.85	£10.00	1.52%	£0.15
Function Room Hire - per hour	£25.00	£25.00	£30.00	20.00%	£5.00
Running Club Showers	£1.20	£1.20	£1.50	25.00%	£0.30
Changing Room Hire (per hour)	£9.00	£9.00	£9.50	5.56%	£0.50
Projector & Screen	£0.00	£0.00	£20.00		£20.00
Refreshments	£0.00	£0.00	£20.00		£20.00
Kitchen Hire - hour	£0.00	£0.00	£20.00		£20.00
WHITELANDS FARM					
3G Pitch - Adult - Full Pitch - per hour	£81.00	£81.00	£83.50	3.09%	£2.50
3G Pitch - Junior - Full Pitch - per hour	£45.00	£45.00	£46.50	3.33%	£1.50
3G Pitch - Adult - Half Pitch - per hour	£50.00	£50.00	£51.75	3.50%	£1.75
3G Pitch - Junior - Half Pitch - per hour	£30.00	£30.00	£31.00	3.33%	£1.00
3G Pitch - Adult - Quarter Pitch - per hour	£30.00	£30.00	£31.00	3.33%	£1.00
3G Pitch - Junior - Quarter Pitch - per hour	£20.00	£20.00	£20.60	3.00%	£0.60
Grass Pitch - Adult - Rugby - per hour	£45.00	£45.00	£46.00	2.22%	£1.00
Grass Pitch - Junior - Rugby - per hour	£25.00	£25.00	£25.50	2.00%	£0.50

STRATFIELD BRAKE & WHITELANDS FARM

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
Grass Pitch - Adult - Football - per hour	£45.00	£45.00	£46.00	2.22%	£1.00
Grass Pitch - Junior - Football - per hour	£25.00	£25.00	£25.50	2.00%	£0.50
3G Pitch - Adult - Full Pitch - per match	£120.00	£120.00	£124.25	3.54%	£4.25
3G Pitch - 9 v 9 - per match	£0.00	new	£90.00	0.00%	£0.00
3G Pitch - Junior - Full Pitch - per match	£67.00	£67.00	£69.25	3.36%	£2.25
Grass Pitch - Adult - Rugby - per match	£65.00	£65.00	£67.00	3.08%	£2.00
Grass Pitch - Junior - Rugby - per match	£35.00	£35.00	£36.00	2.86%	£1.00
Grass Pitch - Mini - Rugby - per match	£15.00	£15.00	£15.50	3.33%	£0.50
Grass Pitch - Adult - Football - per match	£45.00	£45.00	£46.00	2.22%	£1.00
Grass Pitch - Junior - Football - per match	£35.00	£35.00	£36.00	2.86%	£1.00
Grass Pitch - Mini - Football - per match	£15.00	£15.00	£15.50	3.33%	£0.50
Cricket Pitch - per match	£90.00	£90.00	£95.00	5.56%	£5.00
Function Room - per meeting / per hour - one off	£25.00	£25.00	£30.00	20.00%	£5.00
Function Room - regular bookings	£0.00	new:	£25.00	0.00%	£0.00
Function Room - per event / per hour	£0.00	STN	STN	0.00%	£0.00
Showers	£1.50	£1.50	£1.50	0.00%	£0.00
Tennis - Adult - per hour	£7.00	£7.00	£7.00	0.00%	£0.00
Tennis - Junior- per hour	£4.00	£4.00	£4.00	0.00%	£0.00

WOODGREEN

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
Bowling*					
Member Rink peak (2 hours)	£3.25	£3.30	£3.35	1.52%	£0.05
Public Play	£2.80	£2.85	£2.90	1.75%	£0.05
Link Play (per hour)	£1.50	£1.55	£1.60	3.23%	£0.05
Learners (2 hours)	£3.60	£3.70	£3.75	1.35%	£0.05
Disabled (per hour)	£1.50	£1.55	£1.60	3.23%	£0.05
Membership Adult	£46.40	£47.45	£48.50	2.21%	£1.05
Membership Junior	£27.40	£28.00	£28.50	1.79%	£0.50
Junior Member peak (2 hours)	£1.70	£1.75	£1.80	2.86%	£0.05
Junior Non Member peak (2 hours)	£3.50	£3.60	£3.65	1.39%	£0.05
Bowls area wedding	£1,665.00	£1,700.00	£1,750.00	2.94%	£50.00
Classes					
Fit 'N'Fifty block of 10	£22.80	£23.20	£24.00	3.45%	£0.80
Fit 'N' Fifty	£2.85	£2.90	£3.00	3.45%	£0.10
Fit 'N' Fifty LINK	£1.45	£1.45	£1.50	3.45%	£0.05
LBT	N/A			0.00%	£0.00
LBT block of 10	N/A			0.00%	£0.00
Room Hire					
Hall Hire – With Bar	N/A			0.00%	£0.00
Hall Hire – Without Bar*	N/A			0.00%	£0.00
Meeting Room*	N/A			0.00%	£0.00
Meeting room 1 hour	£15.00	£15.25	£15.60	2.30%	£0.35
Meeting room half day (4 hours)	£45.00	£45.75	£46.80	2.30%	£1.05
Meeting room full day (8 hours)	£90.00	£91.50	£93.60	2.30%	£2.10
Badminton/Table Tennis					
Badminton	N/A			0.00%	£0.00
Table Tennis	N/A			0.00%	£0.00
Spectator – Dryside only					
Adult	£1.15	£1.15	£1.15	0.00%	£0.00

WOODGREEN

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
Junior	£0.85	£0.85	£0.85	0.00%	£0.00
Senior Citizen	£0.85	£0.85	£0.85	0.00%	£0.00
Swimming					
Adult session	£4.05	£4.10	£4.20	2.44%	£0.10
Adult All Day	£7.90	£8.00	£8.20	2.50%	£0.20
Junior session	£2.70	£2.75	£2.75	0.00%	£0.00
Junior All Day	£4.85	£5.00	£5.10	2.00%	£0.10
Senior Citizen	£2.70	£2.75	£2.75	0.00%	£0.00
Senior All Day	£4.85	£5.00	£5.10	2.00%	£0.10
Early Bird/Lane swimming	£4.05	£4.10	£4.20	2.44%	£0.10
Adult Lunchtime	£4.05	£4.10	£4.20	2.44%	£0.10
Junior/Senior Lunchtime	£2.70	£2.75	£2.75	0.00%	£0.00
Family Ticket (2 adults, up to 3 children)	£12.75	£12.95	£13.15	1.54%	£0.20
Block of 10 adult	£36.45	£36.90	£37.80	2.44%	£0.90
Block of 10 adult all day	£71.10	£72.00	£73.80	2.50%	£1.80
Block of 10 Junior/senior	£24.30	£24.75	£24.75	0.00%	£0.00
Block of 10 junior/senior all day	£43.65	£45.00	£45.90	2.00%	£0.90
Pool Hire (per hour)					
Main Pool	£126.00	£128.50	£132.00	2.72%	£3.50
	To be agreed on application based on club numbers and lifeguarding costs				
Club Hire	£43.50	£44.45	£45.60	2.59%	£1.15
Aquazone	N/A	N/A	N/A		
Gala	£158.00	£161.00	£165.00	2.48%	£4.00
Party hire	£160.00	£162.00	£165.00	1.85%	£3.00
	To be agreed on application based on party numbers and lifeguarding costs				
FITNESS / GYM					
Expressions DD	£30.00	£30.50			
Single DD - FIXED		£25.00	£25.50	2.00%	£0.50
Single DD - FLEXI		£30.00	£30.50	1.67%	£0.50

WOODGREEN

	2017/2018	2018/2019	2019/2020	increase in %	increase in £
Expressions Corporate DD	£27.00	£27.45			
Corporate (single) FIXED		£23.00	£23.00	0.00%	£0.00
Corporate (single) FLEXI		£27.00	£27.50	1.85%	£0.50
Gym casual admission	£6.25	£6.40	£6.50	1.56%	£0.10
Shower (winter)	£2.00	£2.00	£2.00	0.00%	£0.00
Gym Induction	£11.25	£11.50	£12.00	4.34%	£0.50
Junior Gym Session		£3.65	£3.70	1.37%	£0.05
Studio 1 hire per hour	£30.00	£30.65	£31.40	2.45%	£0.75
Studio 2 hire per hour	£48.00	£49.05	£50.25	2.45%	£1.20
Seniors Classes	£3.00	£3.05	£3.10	1.64%	£0.05
Group Cycling	£6.75	£6.90	£7.00	1.44%	£0.10
Fitness Classes (incl Zumba)	£5.70	£5.85	£6.00	2.56%	£0.15
Sway Dance - Street Class	£3.95	£4.00	£4.00	0.00%	£0.00
Sway Dance - Ballet	£3.10	£3.20	£3.20	0.00%	£0.00

CDC Earmarked Reserves
Appendix 8

Reserves	Service Owner	Purpose	Estimated Balance 31-Mar-19	Transfers In 2019/20	Transfers Out 2019/20	Estimated Balance 31-Mar-20
General Fund Reserves:			£000	£000	£000	£000
Building Control	Paul Feehilly	To manage the trading account for Building Control	(24)			(24)
Country Park Reserve	Graeme Kane	This reserve is used to fund major improvement works at the County Parks	(100)			(100)
Elections	Nick Graham	The reserve has been set up to recognise that standalone district elections are now annual in all wards.	(253)			(253)
Environmental Warranties	Adele Taylor	The reserve is in place to protect the council against potential asbestos claims in Sanctuary Homes	(1,000)			(1,000)
Hanwell Fields Open Space	Paul Feehilly	This reserve has been created from S106 monies and will be used towards the cost of the maintenance on Hanwell Fields open space as required	(79)			(79)
Housing Reserve	Graeme Kane	The reserve is to be used to support the delivery of a Single Person's Housing Strategy including the development and management of single person's housing units in Cherwell.	(114)			(114)
Work in Default reserve	Graeme Kane	This reserve has been set up to cover the cost of emergency enforcement as required	(100)			(100)
Local Plan Charges	Paul Feehilly	The reserve has been created to fund the one-off costs associated with the provision of the Local Plan	(124)			(124)
NHB - Affordable Housing	Graeme Kane	The reserve has been created from New Homes Bonus grant income and will be used on the strategic housing projects	(1,062)	(347)	76	(1,333)
NHB - Economic Development	Paul Feehilly	The reserve has been created from New Homes Bonus grant income and will be used to fund the costs of Economic Growth projects across the district	(2,547)	(2,370)	2,370	(2,547)
NHB - Superfast Broadband	Paul Feehilly	The reserve has been created from New Homes Bonus grant income and will be used to fund the costs associated with the Better Broadband for Oxfordshire programme	(727)			(727)
Planning Control	Paul Feehilly	This reserve will be used to fund the costs associated with major planning applications where the costs fall over more than one financial year	(259)			(259)
Business Rates and Risk reserve	Adele Taylor	This reserve is to mitigate risks arising from business rates volatility and general risks facing the organisation	(1,752)		203	(1,549)
Sainsbury's Primary Authority	Graeme Kane	This reserve is to fund the commercial projects within public protection	(82)		27	(55)
Self Insurance	Adele Taylor	This reserve holds self-insurance for small items that are otherwise not insured.	(137)			(137)
VAT Deminimus	Adele Taylor	This reserve has been set up to protect the council against the risk of breaching the VAT deminimus level of 5%	(500)			(500)
Sportivate Initiatives	Graeme Kane	The reserve has been created for Sportivate activities to research and pilot projects to engage inactive residents.	(55)		20	(35)
Horton General Towns	Graeme Kane	The reserve will be used to fund the cost of the Horton Hospital review	(84)			(84)
Pensions Deficit	Adele Taylor	To mitigate the cost of the pension deficit at the next triennial review	(2,018)			(2,018)
Graven Hill	Adele Taylor	Equalisation reserve for Graven Hill	(1,529)			(1,529)
Art Development	Graeme Kane	Art development reserve.	(52)			(52)
CCTV	Greame Kane	The reserve will be used to fund the potential cost of CCTV	(27)			(27)
Broadfield Road Yarnton Sports	Greame Kane		(4)			(4)
Bicester reserve	Paul Feehilly	To assist the Council with funding Bicester projects	(56)			(56)

CDC Earmarked Reserves

Appendix 8

Reserves	Service Owner	Purpose	Estimated Balance 31-Mar-19	Transfers In 2019/20	Transfers Out 2019/20	Estimated Balance 31-Mar-20
General Fund Reserves:			£000	£000	£000	£000
Corporate and Commercial Reserve	Adele Taylor	To assist the council with funding the costs associated with corporate transformation and commercial investment projects	(4,155)	(2,370)	2,400	(4,125)
Sub-total			(16,840)	(5,087)	5,096	(16,831)

CDC Earmarked Reserves
Appendix 8

Reserves	Service Owner	Purpose	Estimated Balance 31-Mar-19	Transfers In 2019/20	Transfers Out 2019/20	Estimated Balance 31-Mar-20
General Fund Reserves:			£000	£000	£000	£000
Earmarked Reserves from Grants & Contributions:						
Area Based Grant	Graeme Kane	This reserve supports the work in community consultation and engagement	(83)			(83)
Bicester Fields Main Park	Graeme Kane	The reserve has been generated from S106 monies and will be used as maintenance funds to be used on an ongoing basis	(97)			(97)
Brighter Futures - Skills Reward Grant	Graeme Kane	Projects for early years, employment support and skills, family support & young people, financial inclusion & housing, health & well-being, safer & stronger communities	(57)			(57)
Bicester Garden Town	Paul Feehilly	The reserve is for initiatives and studies pertaining to the development of Bicester as a Garden Town	(965)	(1,060)	2,006	(19)
Oxfordshire Youth Arts Partnership and Bicester Arts	Graeme Kane	Supporting the cultural development of the town over the medium term	(104)			(104)
Dovecote Milcombe	Paul Feehilly	The reserve has been generated from S106 monies and will be used as maintenance funds to be used on an ongoing basis	(56)			(56)
Eco Town Revenue	Paul Feehilly	The reserve is used to fund Eco Town project as monitored by Place Programme and Project Board	(30)		30	0
Flood Recovery Grant	Nick Graham	The reserve has been created to cover the cost of emergency planning contingencies	(40)			(40)
Green Deal Pioneer Places	Paul Feehilly	The reserve has been created from a ring fenced grant which is used on projects relating to the Government's Green Deal initiative	(67)			(67)
Home Improvement Agency	Graeme Kane	This reserve is for covering the costs of Home Improvement Agency Projects as required	(221)			(221)
Homelessness Prevention	Graeme Kane	The reserve has been created from ring fenced grant to be spent in conjunction with Service Level Agreements with partnerships in conjunction with Cherwell's Homeless Action Plan	(389)		34	(355)
New Burdens Grant	Adele Taylor	The reserve has been created from various government grants awarded to fund any additional costs associated with administering new government initiatives	(248)			(248)
Performance Reward Grant ABG	Graeme Kane	This is CSP money that is not to be spent without the permission of the CSP.	(21)			(21)
Police & Crime Commissioner	Graeme Kane	The reserve is created from ring-fenced grant to be spent on specific projects to be approved by the Community Safety Partnership	(64)			(64)
Thames Valley Police	Graeme Kane	This reserve is being used to fund the cost of CCTV replacement.	(28)			(28)
Housing and Planning Initiatives	Paul Feehilly	This reserve supports work within Housing and Planning to support one-off costs associated with growth within the District	(322)			(322)
Laburnham Cres Ambrosden	Paul Feehilly	The reserve has been generated from S106 monies and will be used as maintenance funds to be used on an ongoing basis	(38)			(38)
Sub-total			(2,830)	(1,060)	2,070	(1,820)
Total Earmarked Reserves			(19,670)	(6,147)	7,166	(18,651)
General Fund Balance			(1,001)	(1,000)		(2,001)
Useable Reserves			(20,671)	(7,147)	7,166	(20,652)

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Detail of proposal	Implications and risks of not accepting proposal	Budget growth required	Savings or increased income identified
WELLBEING AND ENVIRONMENTAL			
Community Services			
Ongoing revenue implications of purchase of The Mill Arts Centre - Full year financial implications of the purchase of The Mill including the need to increase the grant to MACT to cover off some transition costs as well as utilities, maintenance and revenue costs associated with remedial capital works in 2019/20	Implications were set out in the purchase report in December 2018. Transitional funding not being provided would mean the closure of The Mill Arts Centre trust leaving CDC with an asset and no operator. Given restrictive covenants placed on the sale of the asset to us from OCC there could be further financial implication in excess of this amount of growth.	75,000	
Full year budget requirements from posts within the service - this reflects the full cost implications of previously agreed posts. Includes grants officer, CCTV posts and project officers. There is also a small amount to reflect our subscription to the Lotteries council	This ensures that the full budget requirements are reflected within the service for 2019/20 otherwise an overspend would be created. If this was not fully reflected then existing postholders could face redundancy and the costs would be greater to the Council	80,500	
Management fee contractual increase in leisure services - contractual increases relating to our operator for leisure provision	This is a contractual increase so the financial implications have to be fully reflected in the budget	131,500	
Increased income across housing services - includes additional contributions from OCC for the running of the housing improvement agency, impact of new HMO legislation and other additional income that we have received	This is an increased income budget to reflect the activity within the service.		(10,000)
Reduction in cost of the museum grant - this reflects a reduction in the core grant to Banbury museum which has already been agreed	This is a previously agreed reduction in grant and reflects the actual requirements within the service		(26,500)
Healthy New Towns Growth Bid - this would fund an extension to the current work that has been taking place in regards to Healthy New Towns within Bicester and would mainstream the work to other parts of the District. This is permanent and ongoing funding for the future and includes staffing costs on a permanent basis.	This option would be to extend all work across Bicester, Banbury and Kidlington from the learning that has already taken place in Bicester. The funding would be required for additional staffing resources and is included on a continuous basis. There are other options that can be considered for a lower cost - bronze option is a limited review of what we have already achieved with costs of (£40k), Silver option (cost of £258k) would extend to 1 more town only.	360,000	
Subtotal		647,000	(36,500)

Detail of proposal	Implications and risks of not accepting proposal	Budget growth required	Savings or increased income identified
Environment Services			
Increased costs of waste and recycling - includes costs arising from additional services in bulky waste, clinical waste and bin deliveries as well as costs arising from increasing fuel prices	These reflect the increasing levels of activity in the service as well as the inflation that we are experiencing from fuel prices. Some additional income is derived from increasing levels of activity and is reflected in increased income budgets below	50,412	
Increased costs of gate fees for waste and recycling - Uncontrollable increase in the price charge per tonne (Gate Fees) for dry goods recycling and recycling credits income reduction	These are uncontrollable costs and a growth in budget is therefore required	279,881	
Increased levels of income from increasing activity from business waste collections and recycling banks - increased activity generates additional income	This reflects increased levels of activities in the service		(107,400)
Reductions in contract costs and increased contractor income - following a review of contract expenditure and income across all areas within environmental services including car park maintenance, street cleansing and parks and open spaces	Review of all contractor costs and income to now reflect actual activity within the service		(106,985)
Subtotal		330,293	(214,385)

Detail of proposal	Implications and risks of not accepting proposal	Budget growth required	Savings or increased income identified
WELLBEING AND ENVIRONMENTAL SERVICES - TOTAL		977,293	(250,885)
PLACE AND GROWTH			
Review of all income and activity levels - Includes increased volume of building regulation applications, plus reduction in contribution levels for some services	Reflects current service activity and levels		(33,959)
Place and Growth Total		-	(33,959)
CUSTOMERS AND SERVICE DEVELOPMENT			
Line by line review of all service areas - detailed review of all service budgets and savings identified from budgets no longer required across all areas including IT, Performance and Transformation and Strategic Marketing and Comms.	Reflects current service activity and levels		(71,500)
Customers and service development - Total		-	(71,500)

Detail of proposal	Implications and risks of not accepting proposal	Budget growth required	Savings or increased income identified
FINANCE, GOVERNANCE AND PROPERTY			
Governance			
Reduced land charges income and reduction of other budgets no longer required - activity levels for 2018/19 were not as high in relation to land charges and so the income targets for 2019/20 have been reviewed. Line by line review of other budgets within the service have reduced the overall pressure	Reflects current service activity and levels	9,980	
Subtotal		9,980	0
Finance			
Increased contractual costs and external consultancy costs - Reflects full financial implications of fraud contract, additional interim support in relation of closedown of accounts and other financial support	Reflects current service activity and levels	110,192	
Contractual price reductions for insurance and external audit - reductions in corporate contracts for insurance and external audit	Reflects current service activity and levels		(78,228)
Subtotal		110,192	(78,228)
Property			
Detailed review of all property costs - This reflects all changes that have been highlighted in 2018/19 following a thorough review of our activity. Includes additional support to manage expanding portfolio.	This reflects our current activity and income levels. Corrects a number of issues that have been highlighted throughout 2018/19 including income from council owned companies now included correctly within the services budget.	865,607	
Detailed review of all property income expected from property acquisitions - this is the net change across all of our property activity. This reflects all changes that have been highlighted in 2018/19 following a thorough review of our activity.	This reflects our current activity and income levels. Corrects a number of issues that have been highlighted throughout 2018/19 including income from council owned companies now included correctly within the services budget.		(289,249)
Subtotal		865,607	(289,249)
FINANCE, GOVERNANCE AND PROPERTY - total		985,779	(367,477)
COUNCIL TOTAL		1,963,072	(723,821)



**CHERWELL DISTRICT COUNCIL
EQUALITY IMPACT ASSESSMENT**

Equality Impact Assessments

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Equality Impact Assessment

APPENDIX 1 STAGE 1 - INITIAL SCREENING DETAILS ASSESSING POLICIES AND ACTIVITIES - GUIDANCE FOR STAFF

Notes:

1. As a result of this exercise, you will have checked that your policy or activity does not have adverse impact on equality groups and you will have identified relevant action that you need to take, and the likely costs/resources associated with any improvement. The equality groups covered are at present: Disability, Gender Reassignment, Pregnancy and Maternity, Race, Religion or Belief, Sex, Sexual Orientation, Age and Marriage or Civil Partnership.

Note. This is not simply a paper exercise - it is designed to make sure that your policy or activity is delivered fairly and effectively to all sections of our local community.

2. Please note that both Councils will be required to publish the results of these assessments, and updates, therefore **your completed Appendices may be public documents.**

3. Appendix 1 questionnaire (**to be completed for each relevant Strategy, Policy or Service Development**) is for use regardless of whether your policy or activity is aimed at external customers or internal staff.

Please tick/delete as appropriate: Is this EIA for a,

Strategy	<input type="checkbox"/>	New/Existing	<input type="checkbox"/>
Policy	<input checked="" type="checkbox"/>	New/Existing	<input checked="" type="checkbox"/>
Service Development	<input type="checkbox"/>	New/Existing	<input type="checkbox"/>

Name of Strategy, Policy or Service Development:

AIMS, OBJECTIVES & PURPOSE OF THE POLICY OR ACTIVITY:

<p>Council Tax Policy</p> <p>Each year the Council determines the level of Council Tax charged to residents relating to Cherwell District Council</p>

PLEASE LIST THE MAIN STAKEHOLDERS/BENEFICIARIES IN TERMS OF THE RECIPIENTS OF THE ACTIVITY OR THE TARGET GROUP AT WHOM THE POLICY IS AIMED:

All residents of Cherwell District

Equality Impact Assessment

STAGE 1 – INITIAL SCREENING ASSESSMENT

Q	Screening Questions	Y/N
1.	Does the policy or activity knowingly prevent us in anyway from meeting our statutory equality duties under the 2010 Equality Act?	N
2	Is there any evidence that any part of the proposed policy or activity could discriminate unlawfully, directly or indirectly, against particular equality groups?	N
3	Is there any evidence that information about the policy or activity is not accessible to any equality groups?	N
4	Have the Council's received any complaints about the policy or activity under review, in respect of equality issues?	N
5	Have there been any recommendations in this area arising from, for example, internal/external audits or scrutiny reports?	N
6	Will the proposed policy or activity have negative consequences for people we employ, partner or contract with?	N
7	This Strategy, Policy or Service Development has an impact on other council services i.e. Customer Services and those services have not yet been consulted.	N
8	Will there be a negative impact on any equality groups? If so please provide brief details below.	N
	Equality Impact: Evidence:	
	Disability	
	Gender Reassignment	
	Pregnancy & Maternity	
	Race	
	Religion or Belief	
	Sex	
	Sexual Orientation	
	Age	
	Marriage & Civil Partnership	
9	Is the proposed policy or activity likely to have a negative affect on our relations with certain equality groups or local community? If so please explain.	N
10	There has been no consultation with equality groups about this policy or activity? Answer yes if you agree with this statement. If there has been consultation, please list the equality groups you have consulted with:	N/A
11	Has this assessment missed opportunities to promote equality of opportunity and positive attitudes?	N

Equality Impact Assessment

Please detail below your evidence which has determined whether you have answered either Yes or No to the initial screening questions.

Screening Questions	Screening Narrative
Does the policy or activity knowingly prevent us in anyway from meeting our statutory equality duties under the 2010 Equality Act?	The level of Council Tax does not prevent us meeting statutory equality duties
Is there any evidence that any part of the proposed policy or activity could discriminate unlawfully, directly or indirectly, against particular equality groups?	There is no evidence that this policy could discriminate
Is there any evidence that information about the policy or activity is not accessible to any equality groups?	Council Tax policy is accessible for all
Has the Council received any complaints about the policy or activity under review, in respect of equality issues?	No complaints have been received in this regard
Have there been any recommendations in this area arising from, for example, internal/external audits or scrutiny reports?	There have been no recommendations
Will the proposed policy or activity have negative consequences for people we employ, partner or contract with?	We are not aware of any negative consequences arising from this policy for people we employ, partner or contract with
This Strategy, Policy or Service Development has an impact on other council services i.e. Customer Services and those services have not yet been consulted.	There is no impact on other Council services. The Council Tax Policy impacts on the whole Council funding
Will there be a negative impact on any equality groups?	There will be no negative impact on any equality groups
Is the proposed policy or activity likely to have a negative affect on our relations with certain equality groups or local community? If so please explain.	The policy will not have a negative effect on certain groups of local community
There has been no consultation with equality groups about this policy or activity? Answer yes if you agree with this statement. If there has been consultation, please list the equality groups you have consulted with:	The Business Plan and MTFS have been subject to public consultation
Has this assessment missed opportunities to promote equality of opportunity and positive attitudes?	No opportunity has been missed

Declaration

I am satisfied that an initial screening has been carried out on this policy or activity and an In Depth (Full) Equality Impact Assessment is not required. I understand that the EIA is required by the Councils and take responsibility for the completion and quality of this assessment.

Completed by:
Countersigned by Head of Service:

Date:
Date:

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Cherwell District Council

Council

25 February 2019

<p>Calculating the amounts of Council Tax for 2019/20 and setting the Council Tax for 2019/20</p>
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Report of the Executive Director of Finance and Governance

This report is public

Purpose of report

To detail the Calculations for the amounts of Council Tax for 2019/20 and the setting of Council Tax for 2019/20.

1.0 Recommendations

It is recommended that the Council resolves:-

- (1) That it be noted that at the Executive meeting held on 7 January 2019 the Council calculated the Council Tax Base 2019/20:
 - a) for the whole Council area as 53,876.9 [item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]; and
 - b) For dwellings in those parts of its area to which a Parish Precept relates as in the attached Appendix 1.
- (2) That the Council Tax requirement for the Council's own purposes for 2019/20 (excluding Parish Precepts and Special Expenses) is £6,923,182.
- (3) That the following amounts be calculated for the year 2019/20 in accordance with Sections 31 to 36 of the Act:-
 - a) £117,224,652 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act, taking into account all precepts issued to it by Parish Councils and any additional special expenses.
 - b) £105,174,128 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.
 - c) £12,050,524 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax

requirement for the year (Item R in the formula in Section 31B of the Act).

- d) £223.67 being the amount at 3(c) above (Item R), all divided by Item T (6(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish Precepts and Special Expenses);
 - e) £5,127,342 being the aggregate amount of all special items (Parish Precepts and Special Expenses) referred to in Section 34(1) of the Act as per the attached Schedule 2.
 - f) £128.50 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T(1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish Precept or special item relates;
- (4) It be noted that for the year 2019/20 the Oxfordshire County Council and the Police and Crime Commissioner for Thames Valley have issued precepts to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each category of dwellings in the Council's area as indicated below :-

<u>Valuation Band</u>	Oxfordshire County Council	Police and Crime Commissioner for Thames Valley
	£	£
A	979.22	137.52
B	1,142.42	160.44
C	1,305.63	183.36
D	1,468.83	206.28
E	1,795.24	252.12
F	2,121.64	297.96
G	2,448.05	343.80
H	2,937.66	412.56

- (5) The Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the amounts shown in Appendix 2 as the amounts of Council Tax for the year 2019/20 for each part of its area and for each of the categories of dwellings.
- (6) The Council's basic amount of Council Tax for 2019/20 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.
- (7) To approve the discounts and exemption set out below:
 - 1 Agree that in respect of properties within Class A and B as defined by the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 (furnished chargeable dwelling that are not the sole or a main residence of an individual) the discount

provided by Section 11a of the Local Government Finance Act 1992 shall be zero.

- 2 Agree that in respect of properties within Class C as defined by the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 (a property that is unoccupied and substantially unfurnished) the discount provided by the Section 11A of the said Act shall be 25% for a period of 6 months and thereafter zero.
- 3 Agree that in respect of properties within Class D as defined by the said Regulations (chargeable dwellings that are vacant and undergoing major repair work to render them habitable) the discount provided by Section 11A of the said Act shall be 25%
- 4 Agree no council tax discount shall be applied to dwellings that are unoccupied and unfurnished for more than two years and that council tax payable on such properties is 200% (except for those properties which fall into prescribed Classes E and F).

2.0 Introduction

- 2.1 Sections 31 to 36 of the Local Government Finance Act 1992 require each billing authority to calculate its own amount of tax for each category of dwellings in its area.
- 2.2 Section 30 of the 1992 Act requires each billing authority to set the amounts of tax for its area, including the amounts levied on it by way of precept from major precepting authorities.
- 2.3 It is proposed that Members consider the contents of this report and associated Appendices when making their decisions on the Council Tax setting at this meeting.

3.0 Report Details

Background Information

- 3.1 The Localism Act 2011 made significant changes to the Local Government Finance Act 1992, and now requires:-
 - a) the billing authority to calculate a Council Tax requirement for the year, not its budget requirement as previously.
 - b) the Council to confirm that its basic amount of Council Tax for 2019/20 is not excessive. This covers the requirements of Chapter 4ZA Local Government Finance Act 1992 – Referendums relating to Council Tax increases.
- 3.2 The Executive at its 4 February 2019 meeting recommended a Council Tax of £128.50 at Band D.
- 3.3 The Council is required to make resolutions in respect of the tax base (Appendix 1) and aggregate levels of Council Tax. The aggregate levels of Council Tax comprise the “basic amount” i.e. parish and **Page 143** and inclusion of Oxfordshire County

Council and Police and Crime Commissioner for Thames Valley (Appendix 1), amounts for each band (Appendix 2) The recommendations to give effect to the legal resolution of these items are necessarily framed

3.4 The average parish council tax levy is £95.17. This compares to £93.20 in 2018/19, an increase of 2.1%.

3.5 The precept figures included for Police and Crime Commissioner for Thames Valley were approved on 13 February 2019 and the precept figures included for Oxfordshire County Council were approved on 12 February 2019.

4.0 Conclusion and Reasons for Recommendations

4.1 This is a statutory report calculating and setting the Council Tax for Cherwell District Council for 2019/20.

5.0 Consultation

5.1 Cllr Tony Ilott – Portfolio Holder for Financial Management and Governance has been consulted on the report.

6.0 Alternative Options and Reasons for Rejection

6.1 It is the legal responsibility for the Council to set an agreed Council Tax by 11 March under section 32 of the Local Government Finance Act 1992.

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

Option 1: To fail to consider this report and fail to meet the deadline prescribed in the Local Government Finance Act 1992 as detailed above.

7.0 Implications

Financial and Resource Implications

7.1 Through setting tax levels in accordance with the recommendations, the tax set should raise the amount required to be met from the Collection Fund to pay the precepts to Oxfordshire County Council and Police and Crime Commissioner for Thames Valley as well as to meet this Council's demand, which includes local precepting authority precepts.

Members should be aware that Section 106 of the Local Government Finance Act 1992 applies to decisions made in accordance with this report.

Accordingly, 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.

Legal Implications

- 7.2 Under the Local Government Finance Act 1992, local authorities must set a council tax that takes into account its budget requirement, and any authority proposing an excessive increase in council tax must hold a local referendum and obtain a 'yes' vote before implementing the increase. An authority proposing an excessive increase must also make substitute calculations, based on a non-excessive council tax level. This takes effect if the excessive increase is rejected in the referendum. Accordingly, authorities must raise less than the threshold to avoid a referendum. Council tax setting legally requires a recorded vote.

Comments checked by: Richard Hawtin, Team Leader - Non-contentious Business
01295 221695 richard.hawtin@cherwellsouthnorthants.gov.uk

Risk management

- 7.3 Risk assessment – this report assumes that the estimates recommended for approval by the Executive, at its meeting held on 4 February 2019, are adopted by the Council. This risk will be managed as part of the services operational risk and escalated the Leadership risk register as and when necessary.

Comments checked by: Louise Tustian, Team Leader - Strategic Intelligence and Insight Team 01295 221786
louise.tustian@cherwellandsouthnorthants.gov.uk

8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

All

Lead Councillor

Councillor Tony Ilott – Lead Member for Financial Management and Governance

Appendix No	Title
1	Calculations Required by Sections 32 of 36 of the Local Government Finance Act 1992.
2	Council Tax Setting required by Section 30 of the 1992 Act.
Background Papers	
Approved Precept Calculations from Oxfordshire County Council and Police and Crime Commissioner for Thames Valley	
Report Author	Adele Taylor, Executive Director of Finance and Governance (Interim)
Contact Information	0300 0030103 adele.taylor@cherwellandsouthnorthants.gov.uk

2019/20	CALCULATIONS REQUIRED BY SECTIONS 32 to 36 OF THE LOCAL GOVERNMENT FINANCE ACT 1992							
	CALCULATIONS AT BAND D							
	Tax Base 2019/20	PARISH PRECEPT 2019/20 £	PARISH NEEDS £	CHERWELL NEEDS £	PARISH & CHERWELL £	COUNTY BAND D £	POLICE BAND D £	TOTAL COUNCIL TAX £
Adderbury	1,321.3	48,350.00	36.59	128.50	165.09	1,468.83	206.28	1,840.20
Ambrosden	762.6	25,500.00	33.44	128.50	161.94	1,468.83	206.28	1,837.05
Ardley	264.5	13,167.00	49.78	128.50	178.28	1,468.83	206.28	1,853.39
Arncott	313.7	16,000.00	51.00	128.50	179.50	1,468.83	206.28	1,854.61
Banbury	15,114.1	1,846,320.00	122.16	128.50	250.66	1,468.83	206.28	1,925.77
Barford	263.7	9,000.00	34.13	128.50	162.63	1,468.83	206.28	1,837.74
Begbroke	357.8	28,575.32	79.86	128.50	208.36	1,468.83	206.28	1,883.47
Bicester	11,575.9	1,468,070.00	126.82	128.50	255.32	1,468.83	206.28	1,930.43
Blackthorn	148.3	11,664.00	78.65	128.50	207.15	1,468.83	206.28	1,882.26
Bletchingdon	379.3	21,420.00	56.47	128.50	184.97	1,468.83	206.28	1,860.08
Bloxham	1,505.9	£92,448.03	61.39	128.50	189.89	1,468.83	206.28	1,865.00
Bodicote	924.3	31,900.00	34.51	128.50	163.01	1,468.83	206.28	1,838.12
Bourton	311.2	11,845.00	38.06	128.50	166.56	1,468.83	206.28	1,841.67
Broughton	122.2	5,407.50	44.25	128.50	172.75	1,468.83	206.28	1,847.86
Bucknell	103.3	5,545.00	53.68	128.50	182.18	1,468.83	206.28	1,857.29
Caversfield	559.6	5,962.00	10.65	128.50	139.15	1,468.83	206.28	1,814.26
Charlton on Otmoor	200.9	8,000.00	39.82	128.50	168.32	1,468.83	206.28	1,843.43
Chesterton	434.0	24,500.00	56.45	128.50	184.95	1,468.83	206.28	1,860.06
Claydon	138.8	10,961.00	78.97	128.50	207.47	1,468.83	206.28	1,882.58
Cottisford	72.8	0.00	0.00	128.50	128.50	1,468.83	206.28	1,803.61
Cropredy	304.6	11,622.84	38.16	128.50	166.66	1,468.83	206.28	1,841.77
Deddington	989.2	47,256.00	47.77	128.50	176.27	1,468.83	206.28	1,851.38
Drayton	97.3	5,000.00	51.39	128.50	179.89	1,468.83	206.28	1,855.00
Duns Tew	230.8	23,000.00	99.65	128.50	228.15	1,468.83	206.28	1,903.26
Epwell	138.6	4,437.00	32.01	128.50	160.51	1,468.83	206.28	1,835.62
Fencot and Murcott	124.5	3,000.00	24.10	128.50	152.60	1,468.83	206.28	1,827.71
Finmere	215.8	11,330.00	52.50	128.50	181.00	1,468.83	206.28	1,856.11
Fringford	266.1	13,023.00	48.94	128.50	177.44	1,468.83	206.28	1,852.55
Fritwell	272.4	6,600.00	24.23	128.50	152.73	1,468.83	206.28	1,827.84
Godington	20.7	0.00	0.00	128.50	128.50	1,468.83	206.28	1,803.61
Gosford and Water Eaton	538.7	59,937.00	111.26	128.50	239.76	1,468.83	206.28	1,914.87
Hampton Gay and Poyle	80.9	3,000.00	37.08	128.50	165.58	1,468.83	206.28	1,840.69
Hanwell	122.3	5,000.00	40.88	128.50	169.38	1,468.83	206.28	1,844.49
Hardwick with Tusmore	37.8	0.00	0.00	128.50	128.50	1,468.83	206.28	1,803.61
Hethe	112.6	4,200.00	37.30	128.50	165.80	1,468.83	206.28	1,840.91
Hook Norton	997.8	80,000.00	80.18	128.50	208.68	1,468.83	206.28	1,883.79
Horley	161.3	6,750.00	41.85	128.50	170.35	1,468.83	206.28	1,845.46
Hornton	163.5	10,000.00	61.16	128.50	189.66	1,468.83	206.28	1,864.77
Horton cum Studley	247.1	8,072.00	32.67	128.50	161.17	1,468.83	206.28	1,836.28
Islip	319.0	19,434.00	60.92	128.50	189.42	1,468.83	206.28	1,864.53
Kidlington	4,924.4	697,515.00	141.64	128.50	270.14	1,468.83	206.28	1,945.25
Kirtlington	443.1	24,000.00	54.16	128.50	182.66	1,468.83	206.28	1,857.77
Launton	543.4	20,840.00	38.35	128.50	166.85	1,468.83	206.28	1,841.96
Lower Heyford	213.1	8,113.00	38.07	128.50	166.57	1,468.83	206.28	1,841.68
Merton	145.2	15,000.00	103.31	128.50	231.81	1,468.83	206.28	1,906.92
Middle Aston	63.7	0.00	0.00	128.50	128.50	1,468.83	206.28	1,803.61
Middleton Stoney	147.6	3,850.00	26.08	128.50	154.58	1,468.83	206.28	1,829.69
Milcombe	244.9	13,200.00	53.90	128.50	182.40	1,468.83	206.28	1,857.51
Milton	84.3	170.00	2.02	128.50	130.52	1,468.83	206.28	1,805.63
Mixbury	114.5	178.00	1.55	128.50	130.05	1,468.83	206.28	1,805.16
Mollington	232.2	11,000.00	47.37	128.50	175.87	1,468.83	206.28	1,850.98
Newton Purcell	41.5	0.00	0.00	128.50	128.50	1,468.83	206.28	1,803.61
Noke	78.2	2,814.00	35.98	128.50	164.48	1,468.83	206.28	1,839.59
North Aston	92.4	2,000.00	21.65	128.50	150.15	1,468.83	206.28	1,825.26
North Newington	153.1	4,500.00	29.39	128.50	157.89	1,468.83	206.28	1,833.00
Oddington	65.3	0.00	0.00	128.50	128.50	1,468.83	206.28	1,803.61
Piddington	178.4	9,442.00	52.93	128.50	181.43	1,468.83	206.28	1,856.54
Prescote	6.2	0.00	0.00	128.50	128.50	1,468.83	206.28	1,803.61
Shenington	223.3	5,179.00	23.19	128.50	151.69	1,468.83	206.28	1,826.80
Shipton on Cherwell	145.0	6,000.00	41.38	128.50	169.88	1,468.83	206.28	1,844.99
Shutford	205.4	7,500.00	36.51	128.50	165.01	1,468.83	206.28	1,840.12
Sibford Ferris	194.5	6,858.00	35.26	128.50	163.76	1,468.83	206.28	1,838.87
Sibford Gower	249.7	9,150.00	36.64	128.50	165.14	1,468.83	206.28	1,840.25
Somerton	141.1	12,328.00	87.37	128.50	215.87	1,468.83	206.28	1,890.98
Souldern	203.7	5,700.00	27.98	128.50	156.48	1,468.83	206.28	1,831.59
South Newington	153.5	6,934.00	45.17	128.50	173.67	1,468.83	206.28	1,848.78
Steeple Aston	429.6	29,505.00	68.68	128.50	197.18	1,468.83	206.28	1,872.29
Stoke Lyne	104.9	4,479.00	42.70	128.50	171.20	1,468.83	206.28	1,846.31
Stratton Audley	207.2	11,171.00	53.91	128.50	182.41	1,468.83	206.28	1,857.52
Swalcliffe	106.8	7,436.00	69.63	128.50	198.13	1,468.83	206.28	1,873.24
Tadmarton	251.5	10,300.00	40.95	128.50	169.45	1,468.83	206.28	1,844.56
Upper Heyford	157.9	8,526.60	54.00	128.50	182.50	1,468.83	206.28	1,857.61
Wardington	242.6	12,000.00	49.46	128.50	177.96	1,468.83	206.28	1,853.07
Wendlebury	186.8	5,185.00	27.76	128.50	156.26	1,468.83	206.28	1,831.37
Weston on the Green	240.9	22,697.69	94.22	128.50	222.72	1,468.83	206.28	1,897.83
Wigginton	107.2	0.00	0.00	128.50	128.50	1,468.83	206.28	1,803.61
Wroxton	278.4	10,000.00	35.92	128.50	164.42	1,468.83	206.28	1,839.53
Yarnton	1,161.1	91,194.00	78.54	128.50	207.04	1,468.83	206.28	1,882.15

2019/20	CALCULATIONS REQUIRED BY SECTIONS 32 to 36 OF THE LOCAL GOVERNMENT FINANCE ACT 1992								
	CALCULATIONS AT BAND D								
	Tax Base 2019/20	PARISH PRECEPT 2019/20 £	2019/20						TOTAL COUNCIL TAX £
			PARISH NEEDS £	CHERWELL NEEDS £	PARISH & CHERWELL £	COUNTY BAND D £	POLICE BAND D £		
Heyford Park	799.1	36,280.00	45.40	128.50	173.90	1,468.83	206.28	1,849.01	
Total of special items	53,876.9	5,127,341.98	95.17	128.50	223.67	1,468.83	206.28	1,898.78	

2019/20	TAX CALCULATED FOR EACH VALUATION BAND BY CHERWELL							
	VALUATION BAND AND APPROPRIATE PROPORTION							
	6 A £	7 B £	8 C £	9 D £	11 E £	13 F £	15 G £	18 H £
Adderbury	110.06	128.40	146.75	165.09	201.78	238.46	275.15	330.18
Ambrosden	107.96	125.95	143.95	161.94	197.93	233.91	269.90	323.88
Ardley	118.85	138.66	158.47	178.28	217.90	257.52	297.13	356.56
Arncott	119.67	139.61	159.56	179.50	219.39	259.28	299.17	359.00
Banbury	167.11	194.96	222.81	250.66	306.36	362.06	417.77	501.32
Barford	108.42	126.49	144.56	162.63	198.77	234.91	271.05	325.26
Begbroke	138.91	162.06	185.21	208.36	254.66	300.96	347.27	416.72
Bicester	170.21	198.58	226.95	255.32	312.06	368.80	425.53	510.64
Blackthorn	138.10	161.12	184.13	207.15	253.18	299.22	345.25	414.30
Bletchinghamdon	123.31	143.87	164.42	184.97	226.07	267.18	308.28	369.94
Bloxham	126.59	147.69	168.79	189.89	232.09	274.29	316.48	379.78
Bodicote	108.67	126.79	144.90	163.01	199.23	235.46	271.68	326.02
Bourton	111.04	129.55	148.05	166.56	203.57	240.59	277.60	333.12
Broughton	115.17	134.36	153.56	172.75	211.14	249.53	287.92	345.50
Bucknell	121.45	141.70	161.94	182.18	222.66	263.15	303.63	364.36
Caversfield	92.77	108.23	123.69	139.15	170.07	200.99	231.92	278.30
Charlton on Otmoor	112.21	130.92	149.62	168.32	205.72	243.13	280.53	336.64
Chesterton	123.30	143.85	164.40	184.95	226.05	267.15	308.25	369.90
Claydon	138.31	161.37	184.42	207.47	253.57	299.68	345.78	414.94
Cottisford	85.67	99.94	114.22	128.50	157.06	185.61	214.17	257.00
Cropredy	111.11	129.62	148.14	166.66	203.70	240.73	277.77	333.32
Deddington	117.51	137.10	156.68	176.27	215.44	254.61	293.78	352.54
Drayton	119.93	139.91	159.90	179.89	219.87	259.84	299.82	359.78
Duns Tew	152.10	177.45	202.80	228.15	278.85	329.55	380.25	456.30
Epwell	107.01	124.84	142.68	160.51	196.18	231.85	267.52	321.02
Fencot and Murcott	101.73	118.69	135.64	152.60	186.51	220.42	254.33	305.20
Finmere	120.67	140.78	160.89	181.00	221.22	261.44	301.67	362.00
Fringford	118.29	138.01	157.72	177.44	216.87	256.30	295.73	354.88
Fritwell	101.82	118.79	135.76	152.73	186.67	220.61	254.55	305.46
Godington	85.67	99.94	114.22	128.50	157.06	185.61	214.17	257.00
Gosford and Water Eaton	159.84	186.48	213.12	239.76	293.04	346.32	399.60	479.52
Hampton Gay and Poyle	110.39	128.78	147.18	165.58	202.38	239.17	275.97	331.16
Hanwell	112.92	131.74	150.56	169.38	207.02	244.66	282.30	338.76
Hardwick with Tusmore	85.67	99.94	114.22	128.50	157.06	185.61	214.17	257.00
Hethe	110.53	128.96	147.38	165.80	202.64	239.49	276.33	331.60
Hook Norton	139.12	162.31	185.49	208.68	255.05	301.43	347.80	417.36
Horley	113.57	132.49	151.42	170.35	208.21	246.06	283.92	340.70
Hornton	126.44	147.51	168.59	189.66	231.81	273.95	316.10	379.32
Horton cum Studley	107.45	125.35	143.26	161.17	196.99	232.80	268.62	322.34
Islip	126.28	147.33	168.37	189.42	231.51	273.61	315.70	378.84
Kidlington	180.09	210.11	240.12	270.14	330.17	390.20	450.23	540.28
Kirtlington	121.77	142.07	162.36	182.66	223.25	263.84	304.43	365.32
Launton	111.23	129.77	148.31	166.85	203.93	241.01	278.08	333.70
Lower Heyford	111.05	129.55	148.06	166.57	203.59	240.60	277.62	333.14
Merton	154.54	180.30	206.05	231.81	283.32	334.84	386.35	463.62
Middle Aston	85.67	99.94	114.22	128.50	157.06	185.61	214.17	257.00
Middleton Stoney	103.05	120.23	137.40	154.58	188.93	223.28	257.63	309.16
Milcombe	121.60	141.87	162.13	182.40	222.93	263.47	304.00	364.80
Milton	87.01	101.52	116.02	130.52	159.52	188.53	217.53	261.04
Mixbury	86.70	101.15	115.60	130.05	158.95	187.85	216.75	260.10
Mollington	117.25	136.79	156.33	175.87	214.95	254.03	293.12	351.74
Newton Purcell	85.67	99.94	114.22	128.50	157.06	185.61	214.17	257.00
Noke	109.65	127.93	146.20	164.48	201.03	237.58	274.13	328.96
North Aston	100.10	116.78	133.47	150.15	183.52	216.88	250.25	300.30
North Newington	105.26	122.80	140.35	157.89	192.98	228.06	263.15	315.78
Oddington	85.67	99.94	114.22	128.50	157.06	185.61	214.17	257.00
Piddington	120.95	141.11	161.27	181.43	221.75	262.07	302.38	362.86
Prescote	85.67	99.94	114.22	128.50	157.06	185.61	214.17	257.00
Shenington	101.13	117.98	134.84	151.69	185.40	219.11	252.82	303.38
Shipton on Cherwell	113.25	132.13	151.00	169.88	207.63	245.38	283.13	339.76
Shutford	110.01	128.34	146.68	165.01	201.68	238.35	275.02	330.02
Sibford Ferris	109.17	127.37	145.56	163.76	200.15	236.54	272.93	327.52
Sibford Gower	110.09	128.44	146.79	165.14	201.84	238.54	275.23	330.28
Somerton	143.91	167.90	191.88	215.87	263.84	311.81	359.78	431.74
Souldern	104.32	121.71	139.09	156.48	191.25	226.03	260.80	312.96
South Newington	115.78	135.08	154.37	173.67	212.26	250.86	289.45	347.34
Steeple Aston	131.45	153.36	175.27	197.18	241.00	284.82	328.63	394.36
Stoke Lyne	114.13	133.16	152.18	171.20	209.24	247.29	285.33	342.40
Stratton Audley	121.61	141.87	162.14	182.41	222.95	263.48	304.02	364.82
Swalcliffe	132.09	154.10	176.12	198.13	242.16	286.19	330.22	396.26
Tadmarton	112.97	131.79	150.62	169.45	207.11	244.76	282.42	338.90
Upper Heyford	121.67	141.94	162.22	182.50	223.06	263.61	304.17	365.00
Wardington	118.64	138.41	158.19	177.96	217.51	257.05	296.60	355.92
Wendlebury	104.17	121.54	138.90	156.26	190.98	225.71	260.43	312.52
Weston on the Green	148.48	173.23	197.97	222.72	272.21	321.71	371.20	445.44
Wigginton	85.67	99.94	114.22	128.50	157.06	185.61	214.17	257.00
Wroxton	109.61	127.88	146.15	164.42	200.96	237.50	274.03	328.84
Yarnton	138.03	161.03	184.04	207.04	253.05	299.06	345.07	414.08

2019/20	TAX CALCULATED FOR EACH VALUATION BAND BY CHERWELL							
	VALUATION BAND AND APPROPRIATE PROPORTION							
	6 A £	7 B £	8 C £	9 D £	11 E £	13 F £	15 G £	18 H £
Heyford Park	115.93	135.26	154.58	173.90	212.54	251.19	289.83	347.80
Total of special items	149.11	173.96	198.82	223.67	273.37	323.08	372.78	447.34

2019/20	COUNCIL TAX SETTING REQUIRED BY SECTION 30 OF THE 1992 ACT							
	COUNCIL TAX SET FOR EACH VALUATION BAND							
	VALUATION BAND AND APPROPRIATE PROPORTION							
	6 A £	7 B £	8 C £	9 D £	11 E £	13 F £	15 G £	18 H £
Adderbury	1,226.80	1,431.26	1,635.74	1,840.20	2,249.14	2,658.06	3,067.00	3,680.40
Ambrosden	1,224.70	1,428.81	1,632.94	1,837.05	2,245.29	2,653.51	3,061.75	3,674.10
Arnley	1,235.59	1,441.52	1,647.46	1,853.39	2,265.26	2,677.12	3,088.98	3,706.78
Arncott	1,236.41	1,442.47	1,648.55	1,854.61	2,266.75	2,678.88	3,091.02	3,709.22
Banbury	1,283.85	1,497.82	1,711.80	1,925.77	2,353.72	2,781.66	3,209.62	3,851.54
Barford	1,225.16	1,429.35	1,633.55	1,837.74	2,246.13	2,654.51	3,062.90	3,675.48
Begbroke	1,255.65	1,464.92	1,674.20	1,883.47	2,302.02	2,720.56	3,139.12	3,766.94
Bicester	1,286.95	1,501.44	1,715.94	1,930.43	2,359.42	2,788.40	3,217.38	3,860.86
Blackthorn	1,254.84	1,463.98	1,673.12	1,882.26	2,300.54	2,718.82	3,137.10	3,764.52
Bletchington	1,240.05	1,446.73	1,653.41	1,860.08	2,273.43	2,686.78	3,100.13	3,720.16
Bloxham	1,243.33	1,450.55	1,657.78	1,865.00	2,279.45	2,693.89	3,108.33	3,730.00
Bodicote	1,225.41	1,429.65	1,633.89	1,838.12	2,246.59	2,655.06	3,063.53	3,676.24
Bourton	1,227.78	1,432.41	1,637.04	1,841.67	2,250.93	2,660.19	3,069.45	3,683.34
Broughton	1,231.91	1,437.22	1,642.55	1,847.86	2,258.50	2,669.13	3,079.77	3,695.72
Bucknell	1,238.19	1,444.56	1,650.93	1,857.29	2,270.02	2,682.75	3,095.48	3,714.58
Caversfield	1,209.51	1,411.09	1,612.68	1,814.26	2,217.43	2,620.59	3,023.77	3,628.52
Charlton on Otmoor	1,228.95	1,433.78	1,638.61	1,843.43	2,253.08	2,662.73	3,072.38	3,686.86
Chesterton	1,240.04	1,446.71	1,653.39	1,860.06	2,273.41	2,686.75	3,100.10	3,720.12
Claydon	1,255.05	1,464.23	1,673.41	1,882.58	2,300.93	2,719.28	3,137.63	3,765.16
Cottisford	1,202.41	1,402.80	1,603.21	1,803.61	2,204.42	2,605.21	3,006.02	3,607.22
Cropredy	1,227.85	1,432.48	1,637.13	1,841.77	2,251.06	2,660.33	3,069.62	3,683.54
Deddington	1,234.25	1,439.96	1,645.67	1,851.38	2,262.80	2,674.21	3,085.63	3,702.76
Drayton	1,236.67	1,442.77	1,648.89	1,855.00	2,267.23	2,679.44	3,091.67	3,710.00
Duns Tew	1,268.84	1,480.31	1,691.79	1,903.26	2,326.21	2,749.15	3,172.10	3,806.52
Epwell	1,223.75	1,427.70	1,631.67	1,835.62	2,243.54	2,651.45	3,059.37	3,671.24
Fencott and Murcott	1,218.47	1,421.55	1,624.63	1,827.71	2,233.87	2,640.02	3,046.18	3,655.42
Finmere	1,237.41	1,443.64	1,649.88	1,856.11	2,268.58	2,681.04	3,093.52	3,712.22
Fringford	1,235.03	1,440.87	1,646.71	1,852.55	2,264.23	2,675.90	3,087.58	3,705.10
Fritwell	1,218.56	1,421.65	1,624.75	1,827.84	2,234.03	2,640.21	3,046.40	3,655.68
Godington	1,202.41	1,402.80	1,603.21	1,803.61	2,204.42	2,605.21	3,006.02	3,607.22
Gosford and Water Eaton	1,276.58	1,489.34	1,702.11	1,914.87	2,340.40	2,765.92	3,191.45	3,829.74
Hampton Gay and Poyle	1,227.13	1,431.64	1,636.17	1,840.69	2,249.74	2,658.77	3,067.82	3,681.38
Hanwell	1,229.66	1,434.60	1,639.55	1,844.49	2,254.38	2,664.26	3,074.15	3,688.98
Hardwick with Tusmore	1,202.41	1,402.80	1,603.21	1,803.61	2,204.42	2,605.21	3,006.02	3,607.22
Hethe	1,227.27	1,431.82	1,636.37	1,840.91	2,250.00	2,659.09	3,068.18	3,681.82
Hook Norton	1,255.86	1,465.17	1,674.48	1,883.79	2,302.41	2,721.03	3,139.65	3,767.58
Horley	1,230.31	1,435.35	1,640.41	1,845.46	2,255.57	2,665.66	3,075.77	3,690.92
Horton	1,243.18	1,450.37	1,657.58	1,864.77	2,279.17	2,693.55	3,107.95	3,729.54
Horton cum Studley	1,224.19	1,428.21	1,632.25	1,836.28	2,244.35	2,652.40	3,060.47	3,672.56
Islip	1,243.02	1,450.19	1,657.36	1,864.53	2,278.87	2,693.21	3,107.55	3,729.06
Kidlington	1,296.83	1,512.97	1,729.11	1,945.25	2,377.53	2,809.80	3,242.08	3,890.50
Kirtlington	1,238.51	1,444.93	1,651.35	1,857.77	2,270.61	2,683.44	3,096.28	3,715.54
Launton	1,227.97	1,432.63	1,637.30	1,841.96	2,251.29	2,660.61	3,069.93	3,683.92
Lower Heyford	1,227.79	1,432.41	1,637.05	1,841.68	2,250.95	2,660.20	3,069.47	3,683.36
Merton	1,271.28	1,483.16	1,695.04	1,906.92	2,330.68	2,754.44	3,178.20	3,813.84
Middle Aston	1,202.41	1,402.80	1,603.21	1,803.61	2,204.42	2,605.21	3,006.02	3,607.22
Middleton Stoney	1,219.79	1,423.09	1,626.39	1,829.69	2,236.29	2,642.88	3,049.48	3,659.38
Milcombe	1,238.34	1,444.73	1,651.12	1,857.51	2,270.29	2,683.07	3,095.85	3,715.02
Milton	1,203.75	1,404.38	1,605.01	1,805.63	2,206.88	2,608.13	3,009.38	3,611.26
Mixbury	1,203.44	1,404.01	1,604.59	1,805.16	2,206.31	2,607.45	3,008.60	3,610.32
Mollington	1,233.99	1,439.65	1,645.32	1,850.98	2,262.31	2,673.63	3,084.97	3,701.96
Newton Purcell	1,202.41	1,402.80	1,603.21	1,803.61	2,204.42	2,605.21	3,006.02	3,607.22
Noke	1,226.39	1,430.79	1,635.19	1,839.59	2,248.39	2,657.18	3,065.98	3,679.18
North Aston	1,216.84	1,419.64	1,622.46	1,825.26	2,230.88	2,636.48	3,042.10	3,650.52
North Newington	1,222.00	1,425.66	1,629.34	1,833.00	2,240.34	2,647.66	3,055.00	3,666.00
Oddington	1,202.41	1,402.80	1,603.21	1,803.61	2,204.42	2,605.21	3,006.02	3,607.22
Piddington	1,237.69	1,443.97	1,650.26	1,856.54	2,269.11	2,681.67	3,094.23	3,713.08
Prescote	1,202.41	1,402.80	1,603.21	1,803.61	2,204.42	2,605.21	3,006.02	3,607.22
Shenington	1,217.87	1,420.84	1,623.83	1,826.80	2,232.76	2,638.71	3,044.67	3,653.60
Shipton on Cherwell	1,229.99	1,434.99	1,639.99	1,844.99	2,254.99	2,664.98	3,074.98	3,689.98
Shutford	1,226.75	1,431.20	1,635.67	1,840.12	2,249.04	2,657.95	3,066.87	3,680.24
Sibford Ferris	1,225.91	1,430.23	1,634.55	1,838.87	2,247.51	2,656.14	3,064.78	3,677.74
Sibford Gower	1,226.83	1,431.30	1,635.78	1,840.25	2,249.20	2,658.14	3,067.08	3,680.50
Somerton	1,260.65	1,470.76	1,680.87	1,890.98	2,311.20	2,731.41	3,151.63	3,781.96
Souldern	1,221.06	1,424.57	1,628.08	1,831.59	2,238.61	2,645.63	3,052.65	3,663.18
South Newington	1,232.52	1,437.94	1,643.36	1,848.78	2,259.62	2,670.46	3,081.30	3,697.56
Steeple Aston	1,248.19	1,456.22	1,664.26	1,872.29	2,288.36	2,704.42	3,120.48	3,744.58
Stoke Lyne	1,230.87	1,436.02	1,641.17	1,846.31	2,256.60	2,666.89	3,077.18	3,692.62
Stratton Audley	1,238.35	1,444.73	1,651.13	1,857.52	2,270.31	2,683.08	3,095.87	3,715.04
Swalcliffe	1,248.83	1,456.96	1,665.11	1,873.24	2,289.52	2,705.79	3,122.07	3,746.48
Tadmerton	1,229.71	1,434.65	1,639.61	1,844.56	2,254.47	2,664.36	3,074.27	3,689.12
Upper Heyford	1,238.41	1,444.80	1,651.21	1,857.61	2,270.42	2,683.21	3,096.02	3,715.22
Wardington	1,235.38	1,441.27	1,647.18	1,853.07	2,264.87	2,676.65	3,088.45	3,706.14
Wendlebury	1,220.91	1,424.40	1,627.89	1,831.37	2,238.34	2,645.31	3,052.28	3,662.74
Weston on the Green	1,265.22	1,476.09	1,686.96	1,897.83	2,319.57	2,741.31	3,163.05	3,795.66
Wiggington	1,202.41	1,402.80	1,603.21	1,803.61	2,204.42	2,605.21	3,006.02	3,607.22
Wroxton	1,226.35	1,430.74	1,635.14	1,839.53	2,248.32	2,657.10	3,065.88	3,679.06
Yarnton	1,254.77	1,463.89	1,673.03	1,882.15	2,300.41	2,718.66	3,136.92	3,764.30
Heyford Park	1,232.67	1,438.12	1,643.57	1,849.01	2,259.90	2,670.79	3,081.68	3,698.02
DISTRICT AVERAGE	1,265.86	1,476.82	1,687.81	1,898.78	2,320.74	2,742.68	3,164.64	3,797.56

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Cherwell District Council

Council

25 February 2019

Business Rates Retail Relief Policy

Report of Executive Director Finance and Governance (Interim) & Section 151 Officer

This report is public

Purpose of report

To provide members with an update on the retail relief scheme announced in the Budget and to seek approval for the Business Rates Retail Relief Policy for 2019-2020.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the contents of this report.
- 1.2 To approve the proposed Business Rates Retail Relief Policy (Appendix 1).

2.0 Introduction

- 2.1 The Government announced in the Budget on 29 October 2018 that it will provide a business rates retail relief scheme for occupied retail properties with a rateable value of less than £51,000 in each of the years 2019-20 and 2020-21.
- 2.2 Guidance has been provided by the Ministry of Housing, Communities and Local Government regarding the operation and delivery of the relief. The relief must be awarded in accordance with discretionary relief powers contained within the Local Finance Act 1988 (as amended).
- 2.3 The retail relief awarded by the Council will be fully reimbursed if paid in accordance with Government guidance.
- 2.4 The policy proposed in this report fully reflects the guidance to award relief to occupied retail premises.

3.0 Report Details

- 3.1 The Government announced in the Budget on 29 October 2018 that it will provide a business rates retail relief scheme for 'occupied retail' properties with a rateable value of less than £51,000 in each of the years 2019-20 and 2020-21.
- 3.2 As this is a measure for 2019-20 and 2020-2021 only, the Government is not changing the legislation around the reliefs available to properties. Instead the Government will, providing Councils follow the eligibility criteria set out in its guidance, reimburse local authorities that use their discretionary relief powers (using a grant under Section 31 of the Local Government Act 2003), The Government expects local government to grant relief to qualifying ratepayers.
- 3.3 The Council currently makes awards in accordance with Section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. In order to adopt the "retail relief" scheme members will be required to adopt a local scheme and decide in each individual case when to grant "retail relief".

Discretionary Retail Rate Relief Policy

- 3.4 The business rates retail relief policy for the Council will award relief to occupied retail properties with a rateable value of less than £51,000 in each of the years 2019-20 and 2020-21. The value of relief applied shall be one third of the bill and must be applied after mandatory reliefs and other discretionary reliefs funded by Section 31 grants have been applied.
- 3.5 Properties that will benefit from the relief will be occupied hereditaments with a rateable value of less than £51,000, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.
- 3.6 Local authorities have been asked to provide an estimate of their likely total cost for providing the relief in their National Non-Domestic Rates Return (NNDR1).
- 3.7 We consider shops, restaurants, cafes and drinking establishments to mean:
- **Hereditaments that are being used for the sale of goods to visiting members of the public:**
 - Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
 - Charity shops
 - Opticians
 - Post offices
 - Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
 - Car/ caravan show rooms
 - Second hand car lots
 - Markets
 - Petrol stations
 - Garden centres
 - Art galleries (where art is for sale/hire)

- **Hereditaments that are being used for the provision of the following services to visiting members of the public:**

- Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- Tool hire
- Car hire

OR

- **Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public:**

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

3.8 To qualify for the relief the hereditament should be wholly or mainly being used as a shop, restaurant, cafe or drinking establishment. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

3.9 The Council can determine whether particular properties (hereditaments) not listed are broadly similar in nature to those above and, if so, to consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed above will not be eligible for relief.

3.10 In accordance with the Government's guidance on awarding Retail Rate Relief the Council considers the following not to be "retail premises" and they will not be eligible for relief under the scheme:

- **Hereditaments that are being used for the provision of the following services to visiting members of the public:**

- Financial services (e.g. banks, building societies, cash points, bureaux de change, payday lenders, betting shops, pawn brokers)
- Other services (e.g. estate agents, letting agents, employment agencies)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)

- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
- Post office sorting offices
- **Hereditaments that are not reasonably accessible to visiting members of the public**

3.11 The relief will be calculated in the same way as business rate charges and will be apportioned accordingly where the occupation, other reliefs or rateable value of a premises changes.

3.12 State Aid (De Minimis Regulations) will apply when granting this and any other relief and ratepayers may be required to complete a declaration.

4.0 Conclusion and Reasons for Recommendations

4.1 Members of Budget Planning Committee and Executive have considered this report and have recommended to Council the introduction of the Business Rates Retail Relief Scheme and the related Policy effective from 1 April 2019.

5.0 Consultation

None

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: Members could agree not to determine a Business Rates Retail Relief Policy, but this would mean the Council is not complying with Central Government guidance and would be to the detriment of ratepayers in the district.

7.0 Implications

Financial and Resource Implications

7.1 In awarding the “retail relief” in accordance with the guidance the Council will be able to be fully reimbursed through the NNDR claim process.

Comments checked by:

Adele Taylor, Executive Director: Finance and Governance,
adele.taylor@cherwellandsouthnorthants.gov.uk

Legal Implications

- 7.2 Section 47 of the Local Government Finance Act 1988 and subsequent amending legislation provides the criteria for awarding discretionary rate relief to certain categories of non-domestic ratepayer.
- 7.3 Section 69 of the Localism Act 2011 provides a new discretionary power to reduce business rates for any local ratepayer. It is this new power that the Government is directing billing authorities to use to award the new categories of relief.
- 7.4 Relief from taxes, including non-domestic rates, can constitute state aid under European Union legislation. There are block exemptions from the state aid rules where the aid is below a de minimis level. The de minimis level applies to all de minimis aid received, including other Government subsidies or grants, in addition to any rate relief given as a de minimis aid. It will be for the Council to ensure that any relief granted does not transgress state aid rules. The de minimis threshold is €200,000 from all sources to the recipient as a whole over a rolling period of three years.

Comments checked by:
Chris Mace, Solicitor, 01327 322125,
Christopher.mace@cherwellandsouthnorthants.gov.uk

8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

This links to the Council's priorities of a district of opportunity and sound budgets and a customer focused council

Lead Councillor

Councillor Tony Illott, Lead Member for Financial Management and Governance

Document Information

Appendix No	Title
1	Business Rates Retail Relief Policy
Background Papers	
None	
Report Author	Jacey Scott Joint Revenues and Recovery Team Leader
Contact Information	Jacey.scott@csnresources.co.uk

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Business Rates Retail Relief 2019-2020 and 2020-2021

1. Introduction

The retail rate relief scheme applies for the period 1 April 2019 to 31 March 2021.

The business rates retail relief scheme applies to occupied retail properties with a rateable value of less than £51,000 in each of the years 2019-20 and 2020-21. The value of relief should be one third of the bill, and must be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied.

2. Qualifying properties

Properties that will benefit from the relief will be occupied hereditaments with a rateable value of less than £51,000, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

- **Hereditaments that are being used for the provision of the following services to visiting members of the public:**
- Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/ caravan show rooms
- Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

OR

Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public

Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops, etc)

- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- Tool hire
- Car hire

OR

Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

3. Properties not eligible for relief

- Financial services (e.g. banks, building societies, cash points, bureaux de change, payday lenders, betting shops, pawn brokers)
- Other services (e.g. estate agents, letting agents, employment agencies)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
- Post office sorting offices

4. Application Process

We will automatically award relief if we consider your property meets the eligibility criteria and apply it to your bill. We do, however need to you to make a “De Minimis” Declaration in relation to State Aid (see below).

5. State Aid

Ratepayers will be required to confirm that they have received any other State Aid that exceeds €200,000 in total including any other rates relief being granted for premises other than the one to which the declaration relates, under the De Minimis Regulations EC 1417/2013.

Further information on State Aid law can be found at <https://www.gov.uk/state-aid>

6. How much relief will be available?

The total amount of government-funded relief available for each property for 2019-20 and 2020/21 under this scheme is one third of the bill, after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied. There is no relief available under this scheme for properties with a rateable value of £51,000 or more. The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.

7. What if I occupy more than one property?

Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties, subject to State Aid De Minimis limits.

7. Appeals

If you disagree with a decision made under this policy, you must write and tell us why you think the decision is wrong, ie whether you consider the published criteria have been properly applied.

We will take account of any information given in your appeal letter. We will decide whether or not the criteria have been properly applied. This is called 'reconsidering' the decision. We will write to tell you what has happened, normally within 10 days of decision.

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Cherwell District Council

Council

25 February 2019

Local Discretionary Business Rate Relief Scheme 2019-20
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Report of Executive Director Finance and Governance (Interim) & Section 151 Officer

This report is public

Purpose of report

For members to consider the proposed Local Discretionary Relief Policy and to seek approval for the Discretionary Business Rate Relief Scheme for 2019-2020.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the contents of the report.
- 1.2 To approve the adoption of the local Discretionary Business Rate Relief Scheme for 2019-20 (Appendix 1).

2.0 Introduction

- 2.1 In the Spring Budget 2017 the Chancellor announced £300m funding for local councils to help businesses facing an increase in their business rates following the 2017 Revaluation. Any unspent funding will be returned to central government. The total funding for Cherwell District Council for the financial year 2019-20 £147,000, a reduction from £358,000 in 2018-19 and £736,000 in 2017-2018,
- 2.2 The Government expects billing authorities to use their discretionary powers under section 47 of the Local Government Finance Act to deliver the scheme. Billing authorities will be compensated through a Section 31 grant for the cost to the authority of granting the relief, up to a maximum amount based on the authority's allocation of the £300m fund.
- 2.3 Each authority is required to devise its own Discretionary Relief Scheme.

3.0 Report Details

3.1 The assistance Cherwell District Council is able to offer under the scheme is limited by the funding provided. The funding allocation for Cherwell District Council for the next two years is as follows:

2019-20	2020-21
£147,000	£21,000

3.2 A copy of the proposed Local Discretionary Business Rate Relief Policy for 2019-2020 is shown at Appendix A of this report. The draft policy for 2019-20 remains unchanged to again maximise the use of funding and to support to local businesses.

3.3 The attached policy outlines the proposed qualifying criteria and exclusions.

3.4 European “State Aid” rules apply to any business rates relief granted.

4.0 Conclusion and Reasons for Recommendations

4.1 Members of Budget Planning Committee and Executive have considered this report and have recommended to Council to approve the adoption of the Local Discretionary Business Rates Relief Scheme 2019-2020 in the attached policy.

5.0 Consultation

5.1 It is a requirement of the Local Discretionary Relief Scheme that we consult with major preceptors on the proposed scheme. This consultation has now taken place.

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: Members could choose not to approve the proposed Policy but in view of the fact that expenditure will be reimbursed the Government expects billing authorities to grant relief to all qualifying ratepayers

7.0 Implications

Financial and Resource Implications

7.1 The report sets out the proposed Local Discretionary Relief scheme to provide relief to business ratepayers in properties facing business rates rises as a result of the Revaluation. The local scheme aims to distribute no more than Government funding allocation provided. The Government has announced that it will reimburse councils for the actual cost of relief granted, in accordance with its guidance, through Section 31 grant. **Page 164**

Comments checked by:
Kelly Watson Assistant Director Finance and Procurement
Kelly.watson@cherwellandsouthnorthants.gov.uk

Legal Implications

- 7.2 Section 47 of the Local Government Finance Act 1988 and subsequent amending legislation provides the criteria for awarding discretionary rate relief to certain categories of non-domestic ratepayer.
- 7.3 Section 69 of the Localism Act 2011 provides a new discretionary power to reduce business rates for any local ratepayer. It is this new power that the Government is directing billing authorities to use to award the new categories of relief.
- 7.4 Relief from taxes, including non-domestic rates, can constitute state aid under European Union legislation. There are block exemptions from the state aid rules where the aid is below a de minimis level. The de minimis level applies to all de minimis aid received, including other Government subsidies or grants, in addition to any rate relief given as a de minimis aid. It will be for the Council to ensure that any relief granted does not transgress state aid rules. The de minimis threshold is €200,000 from all sources to the recipient as a whole over a rolling period of three years.

Comments checked by:
Chris Mace, Solicitor, 01327 322125
christopher.mace@cherwellandsouthnorthants.gov.uk

8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

Corporate Priorities: Sound budgets and customer focused council.

Lead Councillor

Councillor Tony Ilott, Lead Member for Financial Management and Governance

Document Information

Appendix No	Title
A	Local Discretionary Business Rate Relief Scheme for 2019-20
Background Papers	
None	
Report Author	Jacey Scott Joint Revenue and Recovery Team Leader
Contact Information	Jacey Scott 01327 322162 jacey.scott@cherwellandsouthnorthants.gov.uk

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Local Discretionary Business Rate Relief Scheme for 2019-20

1. Introduction

The Local Discretionary Business Rate Relief Scheme applies for the period 1 April 2019 to 31 March 2020. Under the scheme relief will only be provided where a qualifying ratepayer's bill has increased due to the 2017 Revaluation.

The assistance Cherwell District Council is able to offer under the scheme is limited by the funding provided. The funding allocation for Cherwell District Council over the next three years is as follows:

2019-20	2020-21
£147,000	£21,000

2. Qualifying Criteria

- 2.1 The property must have had an increase in rateable value as a result of the 2017 Revaluation.
- 2.2 All other mandatory reliefs must have been applied for prior to an award for Local Discretionary Business Rate Relief being considered.
- 2.3 The 2017 Rateable Value must be £200,000 or less.
- 2.4 Where a property is formed following a split, merger or reorganisation a new calculation will be carried out.
- 2.5 Where a qualifying ratepayer's business rates bill is reduced for any of the following reasons the amount of relief will be reduced or removed accordingly:
 - A reduction in rateable value in the 2017 Rating List.
 - The application of any additional relief or exemption
 - Vacation and reoccupation of the property
 - Any other relevant reason

2.6 A cap of £50.00 has been introduced so that the relief awarded is for eligible properties where the amount of relief is £50.00 or more.

3. Exclusions

3.1 Relief will not be awarded to the following types of ratepayers and properties:

- Precepting bodies (County, District and Parish Councils)
- Banks, building societies and other major financial institutions
- Multi-national businesses or large chains
- Businesses which occupy 3 or more properties
- National Health Service
- Charities
- Central Government bodies

3.2 Unoccupied properties

3.3 Where the award of relief would not comply with EU law on State Aid.

4. State Aid

Ratepayers will be required to confirm that they have received any other State Aid that exceeds €200,000 in total including any other rates relief being granted for premises other than the one to which the declaration relates, under the De Minimis Regulations EC 1417/2013.

Further information on State Aid law can be found at <https://www.gov.uk/state-aid>

5. How will the Local Discretionary Business Rate Relief be calculated?

Local Discretionary Business Rate Relief will be calculated after any or all of the following have been applied:

- Exemptions and other reliefs
- Transitional arrangements

6. Application Process

The Council will automatically award business rates relief to qualifying businesses.

The amount of relief awarded each year will be subject to review such that the total relief doesn't exceed the funding allocation from government.

This policy will be published on the Council's website www.cherwell.gov.uk.

7. Appeals

All appeals must clearly state the ground(s) and be made in writing to: Revenues and Recovery Team, Cherwell District Council, Bodicote House, Bodicote, Banbury OX15 4AA.

Any appeal will be judged in line with this policy and the decision is to be taken at the sole discretion of the Executive Director Finance and Governance Chief Finance Officer in consultation with the Joint Revenues and Benefits Manager. All appeals will be reviewed within 4 weeks of submission of all necessary information. All decisions taken on appeals are final and the outcome will be recorded and advised to the ratepayer in writing. If an appeal is successful, rate relief will be backdated for the full eligible period within the relevant financial year.

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