



Meeting of Council

Monday 24 February 2020

Members of Cherwell District Council,

A meeting of Council will be held at Bodicote House, Bodicote, Banbury, OX15 4AA on Monday 24 February 2020 at 6.30 pm, and you are hereby summoned to attend.

Yvonne Rees
Chief Executive

Friday 14 February 2020

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.

Please note that the deadline for requests to address the meeting is noon on Friday 21 February 2020. Further information on publication participation is available at: [Public Participation](#)

5 **Minutes of Council** (Pages 3 - 16)

To confirm as a correct record the Minutes of Council held on 16 December 2019.

6 **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 held on 16 December 2019 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.

7 **Questions**

- a) Written Questions

The deadline to submit written questions has passed. No written questions have been submitted.

- 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).

8 **Motions** (Pages 17 - 18)

To debate two motions which have been submitted with advance notice, in accordance with the Constitution.

| | |
|----------------------------|-------------------|
| Proposer | Topic |
| Councillor Hugo Brown | Tree Planting |
| Councillor Hannah Banfield | Peat-free Compost |

Please note that the deadline to submit motions has passed. The deadline for Members to submit amendments to motions is noon on Thursday 20 February 2020.

Council Business Reports

9 Robustness of Estimates and the Adequacy of Reserves and Balances Local Government Act 2003 (Section 25) (Pages 19 - 24)

Report of Executive Director Finance (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.

10 Final Budget, Business Plan and Council Tax for 2020/21 (Pages 25 - 130)

** Please note that appendix 9 will follow as it is currently being reviewed and finalised **

Report of Executive Director – Finance (Interim)

Purpose of report

This report provides information on the Council's Medium-Term Financial Strategy (MTFS) for 2020/24 along with more detailed information on setting the Council's budget for 2020/21.

Recommendations

- 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 2020/21 on a Band D property.
- 1.4 To consider and approve the MTFS, Revenue Budget 2020/21 and Capital Programme, including the growth and savings proposals included at Appendix 8.
- 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 the proposed Fees & Charges schedule as set out in Appendix 7.
- 1.8 To consider and approve the Treasury Management Strategy, including the Prudential Indicators, Minimum Revenue Provision (MRP) Policy and Affordable Borrowing Limit for 2020/21 (Appendix 6).
- 1.9 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.
- 1.10 To consider and approve the appended statement of pay policy for 2020/21 as required by the Localism Act and detailed in Appendix 9.
- 1.11 To note the equality impact assessment for 2020/21 detailed in Appendix 10.

11 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.

12 **Calculating the Amounts of Council Tax for 2020/21 and Setting the Council Tax for 2020/21** (Pages 131 - 140)

Report of the Executive Director of Finance (Interim)

Purpose of report

To detail the Calculations for the amounts of Council Tax for 2020/21 and the setting of Council Tax for 2020/21.

Recommendations

It is recommended that the Council resolves:-

- (1) That it be noted that at the Executive meeting held on 3 February 2020 the Council calculated the Council Tax Base 2020/21:
 - a) for the whole Council area as 55,559.9 [item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended by sections 72 to 79 of the Localism Act 2011 ("the 1992 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 2020/21 (excluding Parish Precepts and Special Expenses) is £7,417,247.
- (3) That the following amounts be calculated for the year 2020/21 in accordance with Sections 31 to 36 of the 1992 Act:-
 - a) £113,849,841 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the 1992 Act, taking into account all precepts issued to it by Parish Councils and any additional special expenses.
 - b) £101,052,405 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the 1992 Act.
 - c) £12,797,436 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 1992 Act, as its Council Tax requirement for the year (Item R in the formula in Section 31B of the 1992 Act).
 - d) £230.34 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 1992 Act, as the basic amount of its Council Tax for the year (including Parish Precepts and Special Expenses);
 - e) £5,380,189 being the aggregate amount of all special items (Parish Precepts and Special Expenses) referred to in Section 34(1) of the 1992 Act as per the attached Schedule 2.
 - f) £133.50 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 1992 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 2020/21 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 1992 Act, for each category of dwellings in the Council's area as indicated below :-

| <u>Valuation Band</u> | <u>Oxfordshire County Council</u> | <u>Police and Crime Commissioner for Thames Valley</u> |
|-----------------------|-----------------------------------|--|
| | £ | £ |
| A | 1,018.29 | 144.19 |
| B | 1,188.01 | 168.22 |
| C | 1,357.72 | 192.25 |
| D | 1,527.44 | 216.28 |
| E | 1,866.87 | 264.34 |
| F | 2,206.30 | 312.40 |
| G | 2,545.73 | 360.47 |
| H | 3,054.88 | 432.56 |

- (5) The Council, in accordance with Sections 30 and 36 of the 1992 Act, hereby sets the amounts shown in Appendix 2 as the amounts of Council Tax for the year 2020/21 for each part of its area and for each of the categories of dwellings.
- (6) The Council's basic amount of Council Tax for 2020/21 is not excessive in accordance with principles approved under Section 52ZB of the 1992 Act.
- (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 1992 Act 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% for a period of 12 months and thereafter zero.
 - 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).

13 Local Discretionary Business Rate Relief Scheme for 2020-2021 (Pages 141 - 148)

Report of the Executive Director Finance (Interim)

Purpose of report

For members to consider and approve the local Discretionary Business Rate Relief Scheme for 2020-2021.

Recommendations

The meeting is recommended:

- 1.1 To note the contents of the report and any financial implications for the Council.
- 1.2 To approve the adoption of the local Discretionary Business Rate Relief Scheme for 2020-2021 (appendix 1).

14 Business Rates Retail Relief Policy (Pages 149 - 158)

Report of Executive Director of Finance (Interim)

Purpose of report

To provide members with an update on the retail relief scheme announced in the Queen's Speech on 19 December 2019, and to seek approval of the Business Rates Retail Relief Policy for 2020 -21.

Recommendations

The meeting is recommended:

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

15 Business Rates Retail Pub Relief Policy (Pages 159 - 166)

Report of Executive Director of Finance (Interim)

Purpose of report

To provide members with an update on the forthcoming changes to Business Rates Relief and seek approval for the proposed Pub Relief Scheme.

Recommendations

The meeting is recommended:

- 1.1 To note the contents of this report.

1.2 To approve the proposed Business Rates Pub Relief Policy (Appendix 1).

16 Partial Review of the Cherwell Local Plan 2011-2031 - Oxford's Unmet Housing Needs: Submission of Main Modifications (Pages 167 - 194)

** Please note that the appendices for this report are published as a supplement to the main agenda pack. The appendices for this report and the equivalent report for Special Executive are exactly the same and published in full on each agenda page
**

Report of Assistant Director – Planning and Development

Purpose of report

To seek approval for the submission of Main Modifications to the Partial Review of the adopted Cherwell Local Plan 2011-2031 to the Secretary of State for Housing, Communities and Local Government for the continuance of the independent examination.

Recommendations

The meeting is recommended:

- 1.1 To note the responses to the consultation on the Main Modifications summarised in the Statement of Consultation at Appendix 1.
- 1.2 To note the supporting documents relevant to the preparation of the Main Modifications at Appendices 1 - 17 and available on line at <http://modgov.cherwell.gov.uk/ieListDocuments.aspx?CId=114&MId=3241&Ver=4>.
- 1.3 To approve the Schedule of Main Modifications presented at Appendix 2.
- 1.4 To approve the Minor Modifications at Appendix 3 and authorise the Assistant Director – Planning and Development to make any further changes he considers appropriate to minor or presentational issues.
- 1.5 To approve the submission of the Modifications to the Secretary of State for Housing, Communities and Local Government for the continuance of the independent examination with all necessary prescribed and supporting documents.

(Copies of representations can be found at the following link: [Local Plan Proposed Main Modification Consultation](#))

17 Appointment of Section 151 Officer (Pages 195 - 198)

Report of Chief Executive

Purpose of report

To appoint Lorna Baxter as the Cherwell District Council Section 151 (S151) officer with effect from 25 February 2020.

Recommendations

The meeting is recommended:

- 1.1 To appoint Lorna Baxter as the Council's S151 Officer with effect from 25 February 2020.

18 Members' Allowances 2020/2021 (Pages 199 - 220)

Report of Director Law and Governance

Purpose of report

To determine the levels of the allowances to be paid to Members for the forthcoming 2020/2021 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 2020/2021 Members' Allowances Scheme, and whether the Panel's recommendations should be adopted or modified in any way
- 1.2 Authorise the Director Law and Governance to prepare an amended Members' Allowances Scheme, in accordance with the decisions of the Council for implementation with effect from 1 April 2020.
- 1.3 Authorise the Director Law and Governance to take all necessary action to revoke the current (2019/2020) 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 2019/2020 and propose the same level of fee for any reviews carried out in 2020/2021 capped at a maximum of £1200, which will be funded from within the Council's existing budgets.

19 Amendments to Proportionality Calculations and Committee Membership (Pages 221 - 226)

Report of Chief Executive

Purpose of report

To note the amendments to the constitution of political groups and amendments to the proportionality calculations and committee membership arising

Recommendations

The meeting is recommended:

- 1.1 To note the amended constitution of Political Groups.
- 1.2 To note the amended allocation of seats on committees that are subject to the political balance requirements as set out in Table 1.
- 1.3 To note the amended allocation of seats on committees that are not subject to political balance requirements as set out in Table 2.
- 1.4 To note the amendments to committee membership, as advised by the respective Spokespersons of the Independent Group and Progressive Oxfordshire Group (to follow).

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 prior to the start of the meeting to democracy@cherwellandsouthnorthants.gov.uk or 01295 221589

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
democracy@cherwellandsouthnorthants.gov.uk, 01295 221589

CHAIRMAN'S ENGAGEMENTS

08 December 2019 – February 2020

| Date | Event |
|-------------|--|
| 11 December | The Chairman attended a University of Oxford Festive Drinks Reception, at the invitation of the Vice-Chancellor, Louise Richardson. |
| 16 December | The Chairman attended Cherwell District Council, Bodicote to take part in the Christmas Walkaround and Deck the Desks judging. The walk took place throughout all of the departments within the Cherwell District Council and was an opportunity to offer mince pies to the staff, view their decorating efforts and wish all a Happy Christmas. |
| 17 December | The Chairman accompanied Graeme Kane, Chief Operating Officer, at the Cherwell District Council Highfield Depot, Bicester offering mince pies to the staff and wishing them a Happy Christmas. |
| 18 December | The Vice Chairman, Councillor Banfield, accompanied Graeme Kane, Chief Operating Officer, at the Cherwell District Council Thorpe Lane Depot, Banbury offering mince pies to the staff and wishing them a Happy Christmas. |
| 18 December | At the invitation of the Lord Mayor and Lady Mayoress of Oxford, and the Councillors of Oxford City Council, the Chairman attended the annual Christmas Reception at Oxford Town Hall. |
| 14 January | The Chairman attended the RAF Croughton Civic Open Day. This included a welcome / introduction from leaders, a tour of the base and a meet and greet / networking opportunity with other attendees. |
| 17 January | The Vice Chairman, Councillor Banfield, attended The Sunshine Centre in Banbury to celebrate the opening of their new extension, where the further opportunities they can now offer the community were showcased. The Sunshine Centre offers practical and emotional support to families who need extra help, through guidance and advice, as well as Early Years Childcare. |

- 27 January Co-ordinated and invited by Jon Wild; Community Development Manager of Cherwell District Council, the Chairman attended the official opening of The Hill Sports & Community Facility in Banbury, joining Councillor Andrew McHugh; Portfolio Holder for Communities, Andrew Couves; Capital Investment Manager Sport England and Steve Travis; Banbury Community Church Chairman, for speeches, ribbon cutting and networking.
- 27 January The Vice Chairman, Councillor Banfield, attended the Holocaust Memorial Day, at the Old Library, Oxford Town Hall, marking the 75th anniversary of the liberation of Auschwitz-Birkenau. The theme was 'Stand Together' and honoured survivors of the holocaust, Nazi persecution and subsequent genocides, reflecting on how to ensure the lessons of history are never forgotten.
- 30 January The Chairman attended the Rallye Monte-Carlo Historique. Co-ordinated by Banbury Town Council and Tom Duckham, Street Scene Officer of Cherwell District Council, the event took place in Banbury Town Centre, where the Chairman joined the Banbury Town Mayor and rally drivers for an exhibition of the cars and lunch, before waving them off from the start ramp, for the next section of their journey.
- 08 February At the invitation of the Chairman of Oxfordshire County Council, Councillor Les Sibley, the Chairman, Councillor Hughes, attended an Evening at the Proms, at Oxford Town Hall. This was performed by The Waterloo Band and Bugles of the Rifles, in support of Soldiers of Oxfordshire Museum and ABF The Soldiers' Charity.

Cherwell District Council

Council

Minutes of a meeting of the Council held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 16 December 2019 at 6.30 pm

Present: Councillor David Hughes (Chairman)

Councillor Andrew Beere

Councillor Nathan Bignell

Councillor Maurice Billington

Councillor Mike Bishop

Councillor John Broad

Councillor Hugo Brown

Councillor Phil Chapman

Councillor Mark Cherry

Councillor Colin Clarke

Councillor Conrad Copeland

Councillor Ian Corkin

Councillor Nick Cotter

Councillor Surinder Dhesi

Councillor John Donaldson

Councillor Sean Gaul

Councillor Carmen Griffiths

Councillor Timothy Hallchurch MBE

Councillor Chris Heath

Councillor Simon Holland

Councillor Shaida Hussain

Councillor Tony Ilott

Councillor Mike Kerford-Byrnes

Councillor James Macnamara

Councillor Kieron Mallon

Councillor Nicholas Mawer

Councillor Andrew McHugh

Councillor Ian Middleton

Councillor Richard Mould

Councillor Lynn Pratt

Councillor George Reynolds

Councillor Barry Richards

Councillor Dan Sames

Councillor Les Sibley

Councillor Jason Slaymaker

Councillor Katherine Tyson

Councillor Tom Wallis

Councillor Douglas Webb

Councillor Fraser Webster

Councillor Bryn Williams

Councillor Barry Wood

Councillor Sean Woodcock

Apologies for absence: Councillor Hannah Banfield
Councillor Tony Mephram
Councillor Lucinda Wing

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

36 **Welcome**

The Chairman welcomed the Deputy Police and Crime Commissioner for Thames Valley, Matthew Barber, Chief Constable John Campbell, Thames Valley Police, and Superintendent Mark Johns, Local Police Area (LPA) Commander for Cherwell to the meeting advising they would be giving a presentation to Council.

37 **Declarations of Interest**

There were no declarations of interest.

38 **Communications**

The Chairman made the following announcements:

Housekeeping

The Chairman welcomed the members of the public in attendance at our Council meeting and advised:

- Members of the public were permitted to film, broadcast and report on the meeting, subject to the efficient running of the meeting not being affected.
- Only those people who had registered to speak could do so and Members of the public were requested not to call out during Council's discussions on any item.
- There were no planned fire drills so if the alarm did sound, evacuation instructions given by officers should be followed.
- To all meeting attendees, to ensure mobile phones were switched off or on silent.

Former Councillor Sandra Rhodes

The Chairman referred to the resignation of Sandra Rhodes as a councillor for the Kidlington West ward the previous month due to ill health. On behalf of Council, the Chairman extended thanks to former Councillor Rhodes for her 4 and a half years' service as a district councillor and wish all her the best focussing on her health.

Chairman's Engagements

A copy of the events attended by the Chairman or the Vice-Chairman had been included in your agenda pack.

Post

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

39 **Thames Valley Police - Address by Deputy Police and Crime Commissioner and Chief Constable**

The Chairman invited the Deputy Police and Crime Commissioner for Thames Valley, Matthew Barber, and Chief Constable John Campbell, Thames Valley Police, to address the meeting regarding policing in Thames Valley.

Following the presentation, a number of Members asked questions and answers were duly provided by the Deputy Police and Crime Commissioner, the Chief Constable and the LPA Commander for Cherwell, Superintendent Mark Johns.

The Chairman thanked the Deputy Police and Crime Commissioner, the Chief Constable and LPA Commander for their attendance.

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

The Chairman advised the meeting that there were no petitions but that there were two requests to address the meeting on agenda item 10, motions. Each speaker would be able to speak for up to 5 minutes and would be called to address the meeting prior to the start of the motion of the Oxcam Expressway.

41 **Urgent Business**

There were no items of urgent business.

42 **Minutes of Council**

Councillor Broad proposed an amendment to minute 26, Declarations of Interest, which was not seconded or supported by Council.

The minutes of the meeting held on 21 October 2019 were subsequently agreed as a correct record and signed by the Chairman.

43 **Minutes**

- a) **Minutes of the Executive, Lead Member Decisions and Executive Decisions made under Special Urgency**

Resolved

That the minutes of the meeting of the Executive and Lead Member decisions as set out in the Minute Book be received and that it be noted that since the last meeting of Council on 21 October 2019 no decisions had been taken by the Executive which were not included in the 28 day notice.

b) Minutes of Committees

Resolved

That the minutes of Committees as set out in the Minute Book be received.

44

Questions

a) Written Questions

The Chairman advised Council that three written questions had been submitted with advance notice in accordance with the Constitution, one had been published with the agenda and two as supplements to the agenda.

The first question was from Councillor Cherry and addressed to the Leader of the Council, Councillor Wood, and was in relation to Brackley Arcade, Bretch Hill. A written answer had been tabled at the meeting (annex to the Minutes as set out in the Minute Book).

Councillor Cherry thanked the Leader for the response to the question and confirmed he did not have a supplementary question.

The second question was from Councillor Copeland and addressed to the Leader of the Council, Councillor Wood, and was in relation to the communication with MHCLG, ministers or the Secretary of State regarding the holding decision applicable to South Oxfordshire District Council. A written answer had been tabled at the meeting (annex to the Minutes as set out in the Minute Book). By way of a supplementary question, Councillor Copeland asked the Leader if he was concerned by the Government meddling in local government. Councillor Wood responded no to the supplementary question.

The third question was from Councillor Middleton and addressed to the Leader of the Council, Councillor Wood, and was in relation to the Oxfordshire Pension Fund motion he had submitted to the July 2019 Council meeting. A written answer had been tabled at the meeting (annex to the Minutes as set out in the Minute Book). By way of a supplementary question, Councillor Middleton asked for reference to supporting arguments. In response to the supplementary question, Councillor Wood advised he had nothing to add to the tabled written response.

b) Questions to the Leader of the Council

Questions were asked and answers received on the following issues:

Councillor Gaul: Bicester East Community Association and replacement project
Councillor Macnamara: General Election and Brexit
Councillor Billington: Bollard in Kidlington
Councillor Billington: Local Government grants following the General Election
Councillor Dhesi: Accidents on footpaths with different ownership by either Oxfordshire County Council or Cherwell District Council
Councillor Dhesi: Cars parking on grass verges
Councillor Richards: Progress on register of private landlords
Councillor Woodcock: General Elections

c) Questions to Committee Chairmen on the Minutes

There were no questions to Committee Chairman on the minutes of meetings.

45

Motions

a) Oxcam Expressway

The Chairman advised that one motion had been submitted. The Chairman invited those people who had registered to address Council on the motion to speak prior to Council's consideration of the motion. Council heard from the following public speakers:

Professor David Rogers, local resident
Linda Newberry, local resident

It was moved by Councillor Woodcock and seconded by Councillor Dhesi that the following motion be adopted:

"Council notes the continued uncertainty faced by communities in Cherwell the proposed corridor for the Oxford to Cambridge Expressway.

This Council regrets this opaque process - with the decision made by Highways England – with little input from local people.

This council remains wholly unclear what the final route will be, let alone how the Expressway might help reduce the congestion on local roads including junction 9 of the M40.

This council believes that interface between the proposed Expressway and the new East-West Rail is also key. We welcome the commitment to plan for and invest in major infrastructure to support housing and economic growth in Oxfordshire, but we want to see the development of integrated transport systems and the prioritisation of clean, green and public transport.

These principles need to be central in determining the final detailed route. However, this Council remains concerned at the environmental damage proposed by this Expressway for obscure economic gain. In light of the Council's recently declared Climate Emergency, therefore, this council retains a sceptical Outlook on the endeavour as a whole.

This council demands at a minimum that any proposals are up for meaningful public consultation conducted by Highways England.

In addition, the Leader of council should not endorse any proposals for an Expressway given this council's concerns over the lack of clarity and environmental impact without further reference to council.

Throughout must be emphasised that any proposal which goes ahead should not contradict the council's commitment to the environment. There also needs to be integration with public transport.

Council regrets the lack of clarity from government on its proposals which contributes to considerable uncertainty both about how the Expressway is intended to deliver benefit, and about the possible impact on homes, lives, the environment, amenities and facilities especially in our area.

In particular, Council notes with regret that:

1. It is unclear what the word "Expressway" means in this context
2. Insufficient work has been done on the potential of enhanced rail links to deliver better outcomes for passengers, freight, and sustainable economic growth
3. Actual and proposed consultation is inadequate
4. It is unclear which of a range of possible justifications for the Expressway, which potentially contradict each other, are being used, including:
 - a) A 'strategic route' to carry freight traffic from the west and south to the east.
 - b) A route to make commuting between Oxford / Milton Keynes / Bedford / Cambridge easier and quicker.
 - c) A road that will enable significant housing growth of 1,000,000 extra houses along its length.
 - d) Relieving traffic.

Council therefore resolves to oppose the Expressway as it is currently proposed, to continue to press national government for more investment in sustainable transport, and to ask the Department for Transport to urgently clarify its proposals around the Expressway."

Councillor Middleton proposed the following amendments to the motion, which were duly seconded by Councillor Tyson.

Paragraph 4: This council believes that interface between the proposed Expressway and the new East-West Rail is also key. We would welcome the commitment to plan for and invest in sustainable infrastructure and we want to see the development of integrated transport systems and the prioritisation of clean, green and public transport.

Paragraph 5: This Council remains concerned at the environmental damage proposed by this Expressway for obscure economic gain. In light of the Council's recently declared Climate Emergency, therefore, this council retains a sceptical outlook on the endeavour as a whole.

Paragraph 8: Throughout it must be emphasised that any proposal which goes ahead should not contradict the council's commitment to the environment.

Having been proposed and seconded, the amendments to the motion were debated. On being put to the vote, the amendments were lost and subsequently fell.

Council debated the motion as submitted. In the course of the debate, Councillor Richards proposed that a recorded vote on the motion be taken. Councillor Woodcock seconded the proposal.

Having been proposed and seconded, a recorded vote was duly taken, and members voted as follows:

| | |
|-----------------------------------|---------|
| Councillor Andrew Beere | For |
| Councillor Nathan Bignell | Against |
| Councillor Maurice Billington | Against |
| Councillor John Broad | For |
| Councillor Hugo Brown | Against |
| Councillor Phil Chapman | Against |
| Councillor Mark Cherry | For |
| Councillor Colin Clarke | Against |
| Councillor Conrad Copeland | For |
| Councillor Ian Corkin | Against |
| Councillor Nick Cotter | For |
| Councillor Surinder Dhesi | For |
| Councillor John Donaldson | Against |
| Councillor Sean Gaul | Against |
| Councillor Carmen Griffiths | For |
| Councillor Timothy Hallchurch MBE | Against |
| Councillor Simon Holland | Against |
| Councillor David Hughes | Against |
| Councillor Shaida Hussain | For |
| Councillor Tony Ilott | Against |
| Councillor Mike Kerford-Byrnes | Against |

| | |
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| Councillor James Macnamara | Against |
| Councillor Kieron Mallon | Against |
| Councillor Nick Mawer | Against |
| Councillor Andrew McHugh | Against |
| Councillor Ian Middleton | For |
| Councillor Perran Moon | For |
| Councillor Richard Mould | Against |
| Councillor Cassi Perry | For |
| Councillor Lynn Pratt | Against |
| Councillor George Reynolds | Against |
| Councillor Barry Richards | For |
| Councillor Dan Sames | Against |
| Councillor Les Sibley | Abstain |
| Councillor Katherine Tyson | For |
| Councillor Tom Wallis | Against |
| Councillor Douglas Webb | Against |
| Councillor Fraser Webster | For |
| Councillor Bryn Williams | Against |
| Councillor Barry Wood | Against |
| Councillor Sean Woodcock | For |

The Chairman confirmed that the motion had fallen with 15 members voting in favour, 26 against and 1 abstention.

46 **Council Tax Reduction Scheme and Council Tax Discounts 2020-2021**

The Executive Director Finance (Interim) submitted a report which sought approval for a Council Tax Reduction Scheme for the year 2020-2021 on the recommendation of Budget Planning Committee and Executive.

The report also provided members with an update on Council Tax discounts and sought approval for the Council Tax discounts for 2020-2021.

Resolved

- (1) That Council Tax Reduction Scheme (CTRS) for the year 1 April 2020 to 31 March 2021 of a new banded income CTRS for those of working age (as set out in the annex to the Minutes as set out in the Minute Book) be approved and implemented with effect from 1 April 2020.
- (2) That delegated be granted authority to the Section 151 Officer to make amendments to the Council Tax Regulations up to and including 31

January 2020 for pensioners in line with uprating announced by Ministry of Housing, Communities and Local Government (MHCLG) and to amend the Working Age Regulations in line with the new income banded scheme and the uprating announced by MHCLG.

(3) That, having given due consideration, the following level of Council Tax discounts and premiums for 2020-2021 and to approve the following:

- Retain the discount for second homes at zero.
- Retain the discount for empty homes (unoccupied and substantially unfurnished) at 25% for 6 months and thereafter at zero.
- Retain the discount for empty homes undergoing major repair at 25% for 12 months and thereafter at zero.
- Retain the empty homes premium of an additional 100% for properties that have remained empty for more than 2 years.

47 **Constitutional Changes**

The Director Law and Governance submitted a report which sought consideration of proposals for changes to the Constitution for dealing with motions and written questions at Full Council and to the terms of reference of the Appeals Panel.

Councillor Copeland proposed six amendments, which were duly seconded by Councillor Woodcock.

| Recommended Change | Proposed Amendment |
|---|--|
| <p>Section 3.1</p> <p>(c) At the moment there is little guidance in the Constitution with regard to the nature of Motions. The Constitution should be amended so that it states Motions should also not be vexatious, frivolous and must be factually accurate to align with the standard wording in many constitutions at other local authorities.</p> | <p><u>Amendment 1</u></p> <p>Replace section 3.1(c) with the following:</p> <p>(c) At the moment there is little guidance in the Constitution with regard to the nature of Motions. The Constitution should be amended so that it states Motions should also not be unlawful, defamatory and must be factually accurate to align with the standard wording in many constitutions at other local authorities in Oxfordshire. Where a motion is refused on these grounds it will be returned to the councillor who submitted it along with an explanation in writing about why it cannot be published in its current form.</p> |

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| <p>Section 3.1</p> <p>(d) A word limit of 250 words be applied to motions.</p> | <p><u>Amendment 2</u></p> <p>Replace section 3.1(d) with the following:</p> <p>(d) A word limit of 650 words be applied to motions.</p> |
| <p>N/A</p> | <p><u>Amendment 3</u></p> <p>The following should be inserted at Section 3.1:</p> <p>(e) Points of reference to support a motion should be allowed where required and these should be excluded from the word count. This should be in the form of a clickable link to be included in the online version of the agenda and/or a footnote list of references cited in the motion.</p> |
| <p>Section 3.3</p> <p>It is proposed that amendments should be received by 12 noon on the second working day before the Council meeting to enable them to be reviewed. Amendments will then be published on the afternoon of the working day before the meeting. In practice this is likely to be a Friday afternoon. Amendments will continue to be considered in the order submitted.</p> | <p><u>Amendment 4</u></p> <p>Delete section 3.3 in its entirety</p> |
| <p>Section 3.4</p> <p>Any amendment must not take the original motion over 250 words and not amount to a direct negative or nullify the original Motion.</p> | <p><u>Amendment 5</u></p> <p>Replace section 3.4 with the following:</p> <p>Any amendment must not take the original motion over 1000 words and not amount to a direct negative or nullify the original Motion.</p> |
| <p>Section 3.6</p> | <p><u>Amendment 6</u></p> |

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| <p>It is proposed to change the deadline for the receipt of written questions to noon on the eighth working day before Council (to align it with the receipt of Motions and enable written questions to be published with the agenda). A written response would be published on the afternoon of the working day before the meeting.</p> | <p>Delete section 3.6 in its entirety</p> |
|--|---|

Council debated the proposed amendments.

In the course of the debate, Councillor Copeland requested that a recorded vote be taken separately on each of the amendments. Councillor Middleton seconded the proposal.

Having been proposed and seconded, a separate recorded vote on each amendment was duly taken. Members voted as follows:

| | Amendment | | | | | |
|-----------------------------------|-----------|---------|---------|---------|---------|---------|
| | One | Two | Three | Four | Five | Six |
| Councillor Andrew Beere | For | For | For | For | For | For |
| Councillor Nathan Bignell | Against | Against | Against | Against | Against | Against |
| Councillor Maurice Billington | Against | Against | Against | Against | Against | Against |
| Councillor John Broad | For | For | For | For | For | For |
| Councillor Hugo Brown | Against | Against | Against | Against | Against | Against |
| Councillor Phil Chapman | Against | Against | Against | Against | Against | Against |
| Councillor Mark Cherry | For | For | For | For | For | For |
| Councillor Colin Clarke | Against | Against | Against | Against | Against | Against |
| Councillor Conrad Copeland | For | For | For | For | For | For |
| Councillor Ian Corkin | Against | Against | Against | Against | Against | Against |
| Councillor Nick Cotter | For | For | For | For | For | For |
| Councillor Surinder Dhesi | For | For | For | For | For | For |
| Councillor John Donaldson | Against | Against | Against | Against | Against | Against |
| Councillor Sean Gaul | Against | Against | Against | Against | Against | Against |
| Councillor Carmen Griffiths | Against | Against | Against | Against | Against | Against |
| Councillor Timothy Hallchurch MBE | Against | Against | Against | Against | Against | Against |

| | | | | | | |
|--------------------------------|---------|---------|---------|---------|---------|---------|
| Councillor Simon Holland | Against | Against | Against | Against | Against | Against |
| Councillor David Hughes | Against | Against | Against | Against | Against | Against |
| Councillor Shaida Hussain | For | For | For | For | For | For |
| Councillor Tony Ilott | Against | Against | Against | Against | Against | Against |
| Councillor Mike Kerford-Byrnes | Against | Against | Against | Against | Against | Against |
| Councillor James Macnamara | Against | Against | Against | Against | Against | Against |
| Councillor Kieron Mallon | Against | Against | Against | Against | Against | Against |
| Councillor Nick Mawer | Against | Against | Against | Against | Against | Against |
| Councillor Andrew McHugh | Against | Against | Against | Against | Against | Against |
| Councillor Ian Middleton | For | For | For | For | For | For |
| Councillor Perran Moon | For | For | For | For | For | For |
| Councillor Richard Mould | Against | Against | Against | Against | Against | Against |
| Councillor Cassi Perry | For | For | For | For | For | For |
| Councillor Lynn Pratt | Against | Against | Against | Against | Against | Against |
| Councillor George Reynolds | Against | Against | Against | Against | Against | Against |
| Councillor Barry Richards | For | For | For | For | For | For |
| Councillor Les Sibley | Abstain | Abstain | Abstain | Abstain | Abstain | Abstain |
| Councillor Katherine Tyson | For | For | For | For | For | For |
| Councillor Tom Wallis | Against | Against | Against | Against | Against | Against |
| Councillor Douglas Webb | Against | Against | Against | Against | Against | Against |
| Councillor Fraser Webster | For | For | For | For | For | For |
| Councillor Bryn Williams | Against | Against | Against | Against | Against | Against |
| Councillor Barry Wood | Against | Against | Against | Against | Against | Against |
| Councillor Sean Woodcock | For | For | For | For | For | For |

The Chairman confirmed that each of the six amendments had fallen with 14 members voting in favour, 26 against and no abstentions on each separate vote for each amendment.

The amendments having been lost, Council debated the report and recommendations as submitted.

Resolved

- (1) That the amendments to the Constitution as outlined in the annex to the Minutes (as set out in the Minute Book) be approved.
- (2) That authority be delegated to the Director Law and Governance to amend the Constitution to reflect these changes.

48 **Notification of Decision Taken Under Urgency Powers Crown House Update**

The Chief Executive submitted a report to inform the Council of a decision taken she had taken under urgency powers in relation to Crown House.

Resolved

- (1) That the decision taken under urgency powers by the Chief Executive in consultation with the Leader of the Council, in lieu of a recommendation to Council, to provide additional funding of £0.5m to support the final completion of the apartments at Crown House be noted.

49 **Polling District and Polling Places Review 2019**

The Returning Officer submitted a report which sought agreement of the recommendations of the council's Polling District and Polling Place Review 2019.

Resolved

- (1) That the recommendations for Polling Districts and Polling Places within Cherwell as set out in the annex to the Minutes (as set out in the Minute Book) be agreed.
- (2) That it be noted that the Constitution gives delegated to the Returning Officer "To amend the Council's Polling Districts and Polling Places Order as necessary".

50 **Amendments to Committee Membership**

The Chairman advised Council that the resignation of Councillor Sandra Rhodes had not amended the Council's proportionality calculations.

The Chairman invited the Leader of the Conservative Group, Councillor Wood, to advise Council of the Conservative Group members to be appointed to the committee vacancies on the Overview and Scrutiny Committee and the Personnel Committee, which had arisen as a result of the resignation.

Resolved

- (1) That the following Conservative Group appointments to / removal from Committees be noted:

Overview and Scrutiny Committee

Add: Councillor Douglas Webb

Personnel Committee

Add: Councillor Simon Holland

Appeals Panel

Remove: Councillor Simon Holland

The meeting ended at 10.50 pm

Chairman:

Date:



Council

Monday 24 February 2020

Agenda Item 9, Motions

(To be debated in the order submitted)

Motion Proposer: Councillor Hugo Brown

Motion Seconder: Councillor Sean Woodcock

Topic: Tree Planting

Motion

CDC acknowledged a Climate Emergency and pledged to make the Council carbon-neutral by 2030.

First steps include assessing the Council's own emissions, down 32% since 2008, and Officer teams have been tasked with exploring opportunities to further reduce the Council's own and also District-wide emissions.

One strategy to support the achievement of the 2030 target, promoted by all major political parties, is tree-planting. Tree cover in the District, County and Nationally falls short; Cherwell District's is estimated at 5.2% of land mass and with County's at approx. 9% both are below the UK figure of 13%, itself about 1/3rd of the EU average of 35%

There are many competing interests for the available land mass, including housing and development for economic re-generation, but these need not be mutually exclusive. They can co-exist, and tree cover should be encouraged to shield building developments from view, masking light and noise pollution, and absorbing many of the emissions generated by those economically necessary developments - and, as importantly, providing habitat for wildlife, aiding with flood management and enhancing the beauty of the environment

Council therefore:

- commits, as far as possible, to double tree cover within the District by 2045
- requests that Officers identify, and secure, funding opportunities from Central Government and other sources in furtherance of the commitment
- requires developers to demonstrate how they will be improving biodiversity, specifically through the planting of more trees

Motion Proposer: Councillor Hannah Banfield

Motion Seconder: TBC

Topic: Peat-free Compost

Motion

This council agrees to use only peat-free compost for our horticultural procedures. In making this commitment we will conserve this diminishing natural resource, as our UK peatlands and the peatlands located within The Republic Of Ireland, play a vital role in absorbing and storing large amounts of carbon dioxide and thus help to mitigate climate change.

Cherwell District Council

Council

24 February 2020

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|--|
| <p style="text-align: center;">Robustness of Estimates and the Adequacy of Reserves and Balances Local Government Act 2003 (Section 25)</p> |
|--|

Report of Executive Director Finance (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 of 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

Financial Management Arrangements

- 3.1. The Council's External Auditor, Ernst & Young, gave an unqualified opinion on the 2018/19 financial statements.
- 3.2. 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.

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 and expect that to continue into 2020/21.

Adequacy of reserves

- 3.3. 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 a number of local and national issues. It is important that the level of reserves reflects these risks. This needs to be both in the form of earmarked reserves set aside for specific purposes or risks as well as general reserves that are available to assist the council to deal with any unexpected events or financial shocks.
- 3.4. The Council reserves are estimated to be around £22m but will be finalised when the council outturn is calculated at the end of the financial year 2019/20. This incorporates a minimum level of reserves of £2m. This level recognises risks facing the Council including; the medium term outlook for the Council, UK economic uncertainty as well as upcoming changes to Local Government Funding. The local government funding framework is expected to change from 2021/22. The changes are:
 - 3.4.1. Fairer funding review
 - 3.4.2. Business rates rebase
 - 3.4.3. Business rates retention
- 3.5. The impact of these changes leave the council with a potential significant funding gap and assumptions have been made in line with the consultations that have been undertaken by central government. What is not included within the budget assumptions is the impact of any transition funding, as it is unclear what, if any, funding may be available to smooth the impact of funding changes over a longer period of time. There is also the risk that the funding position for Cherwell could be worse than anticipated given the estimates are based on current thinking and there may be other changes to our funding that at this stage have not been articulated by central government.
- 3.6. The reserves that the council currently holds can help smooth any volatility in the councils finances but cannot be relied upon to manage ongoing financial pressures. It is therefore important that the Council ensures that the strategy to manage gaps in the councils Medium Term Financial Plan from 2021/22 is undertaken. There is a responsibility for senior officers and Councillors to work together to ensure that a legal and balanced budget can be set in future years that is financially sustainable.

4. Budget Assumptions and robustness of estimates

- 4.1. 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 as well as been scrutinised through relevant council committees.
- 4.2. The budget ensures that all aspects of the budget (Revenue, Capital and Treasury) are understood and the interdependencies are taken account of.

- 4.3. During 2019/20 regular monitoring and reporting of finance, performance and risk information was maintained, which provided clearer and more transparent information. The output from the revenue, capital and treasury management has been formally reported at regular intervals to various committees of the Council and the outcomes also incorporated into the budget setting processes for 2020/21, which has helped with the quality of budget setting.
- 4.4. The prudential code also ensures there is 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.
- 4.5. The budget is being set against a backdrop of unprecedented change in our relationships with our partners. The Council separated its services from South Northamptonshire District Council during 2018/19 and 2019/20. A number of new partnership arrangements with Oxfordshire County Council have been developed during this financial year. A joint senior management team now exists with the County, which will provide many opportunities to look at improved joint working as well as with other potential partners at an operational level. Associated savings can be considered during 2020/21 and beyond and is included in the strategy for managing the future funding gaps.
- 4.6. 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.
- 4.7. 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.

Financial Risks

- 4.8. The government announced a one year settlement for 2020/21, whilst they review the arrangements for the medium term, a return to the previous multi-year settlement arrangement is anticipated during the forthcoming year. The medium term financial plan is based on our best estimates that we can model on information currently available to us. There are risks that other changes may be forthcoming but we are not yet aware of them.
- 4.9. Given the way in which local government is financed, is changing, as in the future we will be much more reliant on income from individuals and businesses, the management of our cash flow will be much more akin to that of commercial businesses than it ever has been before. Our resource management processes have changed to reflect this.
- 4.10. The Council has a robust risk management framework in place. The framework supports the Council in managing significant risk. The budget 2020/21 sets out the

risks inherent in the budget and identifies the risk environment in which it will be operating during 2020/21.

- 4.11. 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.

5. Conclusion and Reasons for Recommendations

- 5.1. I am satisfied that the budget prepared for the financial year 2020/21 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 are sufficient to meet the known risks within the budget taking account of the Councils robust financial management framework.

6. Consultation

- 6.1. The Business Plan 2020/21 and Medium Term Financial Strategy 2020/21 to 2024/25 set out the consultation which has been undertaken.

7. Alternative Options and Reasons for Rejection

- 7.1. None. Members must have regard to the contents of this report when considering the budget.

8. Implications

Financial and Resource Implications

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

Comments checked by:

Dominic Oakeshott, Assistant Director Finance (Interim)
0300 003 0110, dominic.oakeshott@cherwell-dc.gov.uk

Legal Implications

- 8.2. There are no legal implications arising directly from this report. Section 25 reports are presented by a local authority's "chief finance officer", being the officer having responsibility for the administration of the authority's financial affairs. This report to Council therefore satisfies that requirement.

Comments checked by:

Richard Hawtin, Team Leader – Non-contentious
01295 221695, richard.hawtin@cherwell-dc.gov.uk

Risk Management

- 8.3. The Executive Director of Finance has considered the risks associated with the Budget 2020/21 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, Assistant Director, Performance, Insight Team
01295 221786, louise.tustian@cherwell-dc.gov.uk

9. 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 of Finance (Interim) (S151 Officer) |
| Contact Information | 0300 003 0103 adele.taylor@cherwell-dc.gov.uk |

Cherwell District Council

Council

24 February 2020

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| <p>Budget Setting for 2020/21 and the Medium Term Financial Strategy 2020/24</p> |
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Report of Executive Director – Finance (Interim)

This report is public

Purpose of report

This report provides information on the Council's Medium-Term Financial Strategy (MTFS) for 2020/24 along with more detailed information on setting the Council's budget for 2020/21.

1.0 Recommendations

- 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 2020/21 on a Band D property.
- 1.4 To consider and approve the MTFS, Revenue Budget 2020/21 and Capital Programme, including the growth and savings proposals included at Appendix 8.
- 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 the proposed Fees & Charges schedule as set out in Appendix 7.
- 1.8 To consider and approve the Treasury Management Strategy, including the Prudential Indicators, Minimum Revenue Provision (MRP) Policy and Affordable Borrowing Limit for 2020/21 (Appendix 6).

- 1.9 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.
- 1.10 To consider and approve the appended statement of pay policy for 2020/21 as required by the Localism Act and detailed in Appendix 9.
- 1.11 To note the equality impact assessment for 2020/21 detailed in Appendix 10.

2.0 Introduction

- 2.1 The Council has the responsibility of considering the feedback from those committees who scrutinise elements of the budget and recommending a budget, and all associated strategies, by the end of February 2020. Drafts of the budget have been considered by Executive on 3 February 2020; Budget Planning Committee on 6 January 2020; Treasury and Investment Strategies have been considered by the Accounts, Audit and Risk Committee on 20 November 2019 and 22 January 2020; the council tax base was considered by Executive on 5 January 2020. Therefore, the purpose of this report is to present the Business Plan and MTFS for approval, including the context within which Local Government is currently operating.
- 2.2 Councils have for a number of years, in line with good practice, sought to set a budget for the forthcoming year as well as prepare a MTFS, typically over the succeeding four-year period. This also forms part of the value for money judgement from our External Auditors, assessing whether as a Council we consider longer term financial sustainability when we make decisions about how we conduct our business.
- 2.3 Recent announcements from Government have indicated that there are likely to be significant changes to the way they fund local authorities over the medium term. The latest indications are that those changes will begin to take effect from 2021/22. All the information and intelligence received indicates that this will present Cherwell District Council (CDC) with a number of substantial financial challenges over the medium term, which the Council needs to prepare for as it sets the budget for 2020/21.
- 2.4 On Thursday 6 February, the government published a one-year settlement for Local Government which can be found here

<https://www.gov.uk/government/collections/final-local-government-finance-settlement-england-2020-to-2021>
- 2.5 The impact for CDC of this one-year settlement can be summarised as follows:
 - Essentially a “roll-forward” of funding
 - Confirmation that Council Tax can be raised by 2% or £5, whichever is greater (for CDC this is £5)
 - That New Homes Bonus legacy payments from previous years allocations will be fully funded
 - That a one-year only New Homes Bonus award for 2020/21 has been allocated to CDC

- 2.6 The settlement was as expected following announcements prior to the General Election in the Chancellor's budget in September 2019 and in the Provisional Settlement announced on 20 December. We had built our financial models on the indicative information provided at that point. Nothing has changed from when the provisional settlement was announced.
- 2.7 In order to support the Council with its task of approving the budget for 2020/21 this report explains and explores the impacts of the various building blocks that make up the final budget of the Council including:
- estimated impact of the financial outturn for the Council for 2019/20
 - cost of the services that we provide
 - commercial activity and income
 - financing the Council (borrowing and investments)
 - inflationary and other price change impacts
 - budget proposals (growth, savings and invest to save)
 - capital investment proposals
 - reserves and the use of reserves to support the budget
 - national funding assumptions for future years and the medium-term funding gap
- 2.8 This report will set out the Business Plan for 2020/21 and show how each of the above elements support the development of the delivery of the plan by setting a budget for 2020/21, the longer term MTFs, and will then summarise the next steps that will allow the Council to consider, approve and set a balanced budgets over the MTFs period.

3.0 Business Planning

- 3.1 Each year the Council reviews and updates its annual business plan, setting out the priorities and high-level objectives for the year ahead as found in Appendix 1.
- 3.2 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.
- 3.3 This year has seen a thorough review of the business plan, resulting in four new priorities:
- **Housing that meets your needs;**
 - **Leading on environmental sustainability;**
 - **An enterprising economy with strong and vibrant local centres;**
 - **Healthy, resilient and engaged communities.**

- 3.4 These new priorities build upon the Council's strong track record for delivering in these areas and reflect the view of our residents captured through the Annual Satisfaction Survey.
- 3.5 Housing that meets your needs re-emphasises this Council's commitment to making sure our residents all have the opportunity to access housing that is suitable for them, whether this is through the delivery of affordable housing, improving standards in the private rented sector, preventing homelessness, supporting the most vulnerable in our communities or through innovative housing schemes delivered by our Build! team or at Graven Hill.
- 3.6 Leading on environmental sustainability builds on the Council's commitment to be carbon neutral by 2030 in addition to focusing on the priorities of our residents including maintaining and improving our waste and recycling services which are already highly regarded by residents.
- 3.7 A strong and thriving economy has long been a priority of the Council, with a strong track record of supporting businesses and investing in our town centres which is a key priority for our residents. An enterprising economy with strong and vibrant local centres, reinforces this commitment for Cherwell to be a district where business can thrive and grow.
- 3.8 The wellbeing of our residents and communities has always been a priority for this Council. Our new healthy, resilient and engaged communities priority retains our focus on ensuring our residents and communities are as active and healthy as possible, that we continue to promote community development with existing and new communities, that our communities remain safe places to live and that we work with partners to address the causes of health inequality and deprivation.
- 3.9 The four priorities are supported by four new themes that shape and influence the work of every service across the Council:
- **Customers** - To deliver high quality, accessible and convenient services that are right first time.
 - **Healthy Places** - Working collaboratively to create sustainable, thriving communities that support good lifestyle choices.
 - **Partnerships** - Working with partners to improve the services we provide for our residents and communities.
 - **Continuous Improvement** - Making the best use of our resources and focusing on improvement, innovation and staff development to maintain and enhance services.
- 3.10 The service plans currently in development will shape the performance management framework for 2020-21 and will inform a review of the Council's Leadership Risk Register. The Council will report on progress against the business plan to Executive on a monthly basis through the Performance, Risk and Finance report.
- 3.11 The business plan has been discussed with Executive Members and was reviewed by the Overview and Scrutiny Committee on 30 January 2020, prior to Full Council.

4.0 Financial Planning to Deliver Business Plan

Financial Outturn 2019/2020

- 4.1 The Budget Planning Committee and the Executive regularly review the forecast outturn as part of the Performance, Risk and Finance report. This has shown a broadly balanced position apart from the impact of favourable financing, which has allowed an underspend in excess of £1m to be anticipated in overall terms. The impact of this underspend is shown below in the section considering reserves.
- 4.2 The overall forecast underspend derives mainly from treasury and financing returns and from commercial property and it is proposed to transfer these balances to the Business Rates Risk Reserve and the Commercial Property Risk Reserve. These reserves have been set up to help manage the risk of these two income streams by putting away surpluses in growth years to help mitigate the impact in forthcoming anticipated lean years.
- 4.3 There are a small number of service pressures that continue to be managed by service managers who continue to try to achieve a balanced budget by the year end. Managers have taken into account their current operational and financial performance when considering their future year budget requirements and where necessary included growth pressures or proposed budget reductions as part of the budget setting process. These are described later in this report. The budget requirements and the changes requested by managers have been scrutinised by senior managers over a number of individual sessions allowing for challenge and consideration across the range of Council budgets. This helps to ensure the proposals align with the Council's objectives.

Net Cost of Services for 2021/22

- 4.4 Having reviewed the impact of prior years' financial information, the next step in setting a budget is to consider the "Net Cost of Services" which includes the costs and income streams directly attributable to service delivery and commercial activities. Table 1 summarises the draft budget for 2020/21 by directorate.

Table 1: Net Cost of Services

| | Net Budget |
|--|-------------------|
| | 2020/21 |
| | £000 |
| Customers and Service Development | 4,025 |
| Finance | 775 |
| Law and Governance | 1,283 |
| Place and Growth | 3,457 |
| Wellbeing, Environment & Regulatory Services | 12,333 |
| Service Sub-total | 21,873 |
| Corporate Costs | 3,731 |
| Net Cost of Services | 25,604 |

The largest proportion of the expenditure budget is spent on staffing (46%).

Income streams in this section include fees and charges (eg. planning fee income, income from car parks, licences etc.), service specific grants for which officers have applied or have been allocated from government, and rental income from all council-owned properties (including Castle Quay and Tramway Industrial Estate).

The cost of financing the purchase of commercial properties is included in the Corporate Costs section as borrowing is not attributable to individual projects, but rather is financed corporately in line with our treasury management procedures.

- 4.5 The budget from 2019/20 has been rolled forward before then being scrutinised on a line by line basis by budget holders, their Finance Business Partners, and senior managers to ensure the budget aligns to future requirements; both by reducing where there are underspends and increasing where there are current-year pressures. Inflation has been applied where appropriate, rather than across the board, to contracts and fees and charges (a schedule of fees and charges is found in Appendix 7). The rate of payroll inflation is subject to ongoing local negotiation but has been included in the budget at a rate of 2.5%. This reflects both a potential cost of living increase but also recognises progression in pay scales for employees. An employers' pension contribution increase of 1% has also been included following the outcome of the tri-annual actuarial valuation of the Oxfordshire Pension Fund. In order to keep the employer's contribution increase to 1%, there is the potential that we could make a one off payment to secure a reasonable discount. Legal and audit advice would be sought before making any pre-payment but the financial implications of that decision have been included in the budget to ensure that the Council, should it wish to make that decision, be able to do so.
- 4.6 Table 2 Below shows the movement from the approved 2019/20 budget to the draft budget for 2020/21.

Table 2: Movement from 2019/20

| | Net Budget 2019/20 | Inflation £000 | Movements £000 | Net Budget 2020/21 |
|--|-----------------------------------|---------------------------|---------------------------|-----------------------------------|
| Customers and Service Development | 4,770 | 88 | (833) | 4,025 |
| Finance | 1,208 | 47 | (480) | 775 |
| Law and Governance | 1,299 | 19 | (35) | 1,283 |
| Place and Growth | 3,038 | 127 | 292 | 3,457 |
| Wellbeing, Environment & Regulatory Services | 10,130 | 230 | 1,972 | 12,333 |
| Service Sub-total | 20,444 | 512 | 917 | 21,873 |
| Corporate Costs | 2,267 | - | 1,464 | 3,731 |
| Net Cost of Services | 22,711 | 512 | 2,381 | 25,604 |

- 4.7 Movements include both savings and pressures, such as £700,000 of contractual salary commitments, £1.3m of additional fees and charges, and £2.6m planned spend from reserves. Corporate Costs pressures, include an increase to the Minimum Revenue Provision and 50% of New Homes Bonus growth put to reserves. Also included within the 'Movements' column are Growth Bids, Savings Proposals, Spend to Save Proposals and the revenue effect of Capital bids – all of which are detailed in Appendix 8 and summarised for 2020/21 in Table 5 below.

Commercial Property

4.8 Whilst commercial property sits within the net costs of services it is worth reflecting on the part this plays in terms of the overall budget of the Council. The Council owns 177 properties that it uses for a number of functions including:

- Operational assets - services delivered or operated out of these properties as well as assets leased out for community activities
- Landholdings
- Commercial properties – income producing.

4.9 The Council in recent years has expanded its commercial property portfolio and this has been both to regenerate our District as well as to create new revenue streams to support the work of the rest of the Council as other funding sources reduce.

4.10 The Investment portfolio comprises some 24 properties in the following primary groupings:

- Retail properties (i.e Castle Quay, High Street units, etc)
- Mixed use commercial properties (i.e Franklins House, Bridge Street)
- Industrial estate (i.e Tramway Industrial Estate, Antelope Garage, Thorpe Estate)
- Local Centres (i.e Bradley Arcade, Ferriston, Orchard Way, etc)
- Leisure Centres (run by Parkwood Leisure, i.e Spice Ball, Woodgreen, Bicester Ploughly Sports Centre, Kidlington Gosford)
- Car Parks (run by APCOA)

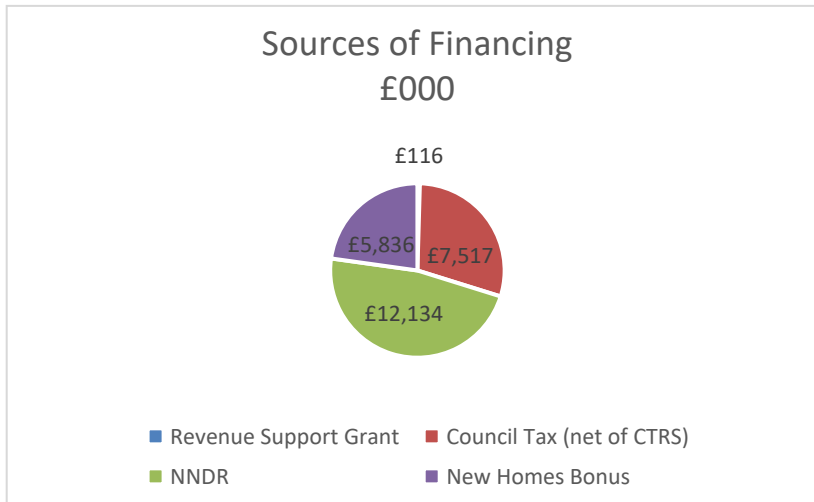
In setting the budget for 2020/21 we have considered any changes in tenancy arrangements and the budget has been set at circa £4.5m. The current value of these assets is £72m which gives a rate of return of 6.25%.

Council Financing

4.11 In addition to the income streams recorded in the Net Cost of Services, the council funds the balance of its activities from the following sources:

- Council tax: the tax base has been set at 55,559.9 and have assumed that the Council set a £5 increase on Council Tax from £128.50 to £133.50. This will be offset in 2020/21 by £175,000 payable to parishes under the CTRS scheme agreed last year. This is the final year that any payment will be made to parishes.
- National Non-Domestic Rates (NNDR): the budget is based on the value of the ratings list as at November and assumes 1% growth during the year.
- New Homes Bonus: as in previous years, 50% of the amount receivable has been used to finance the Council's activities and the remainder put to reserves for use on specific projects.
- Revenue Support Grant: following the final settlement on 6th February 2020 this remains the same as last year.

Table 3: Sources of Financing



4.12 The budget for 2020/21 therefore is balanced by these sources of funding as demonstrated below.

Table 4: Full Budget 2020/21

| | Net Budget 2020/21 £000 |
|-----------------------|--|
| Net Cost of Services | 25,604 |
| Financed by | |
| Council Tax | (7,692) |
| CTRS Scheme | 175 |
| Non-Domestic Rates | (12,134) |
| New Homes Bonus | (5,836) |
| Revenue Support Grant | (116) |
| Balance | 0 |

Budget Proposals (Growth, Savings and Spend to Save and Capital Impact)

4.13 The table below details the proposals which have been put forward as part of the budget process and which have been included in the Net Cost of Services.

All of these proposals have been included in the overall budget model for 2020/21 which would allow a balanced and legal budget to be set. Please note that amendments to any of them will have either a positive or negative impact on the Council’s ability to set a balanced budget for 2020/21. Any alternative proposals will need to consider the impact on the overall Council budget position and how this will be funded as necessary. The following Table 5 summarises the inclusions by the Council’s previous strategic priorities; details of the proposals can be found in Appendix 8.

Table 5 : Growth, Savings, Spend to Save and Capital Impact 2020/21

| | Growth | Savings | Spend to Save | Capital Impact | Total |
|----------------------------------|--------------|----------------|---------------|----------------|--------------|
| | £000 | £000 | £000 | £000 | £000 |
| Clean, Green and Safe | 248 | (30) | 0 | (9) | 209 |
| District of Opportunity & Growth | 875 | (622) | 0 | (1) | 252 |
| Thriving Communities & Wellbeing | 1,310 | (145) | | 7 | 1,172 |
| Response to Climate Emergency | 50 | 0 | 69 | 0 | 119 |
| Operational Excellence | 12 | (597) | 0 | 14 | (571) |
| Best Council to Work for | 24 | 0 | 0 | 0 | 24 |
| Total | 2,519 | (1,394) | 69 | 11 | 1,205 |

Capital Strategy

- 4.14 The draft Capital Strategy is included 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.
- 4.15 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.
- 4.16 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

- 4.17 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.
- 4.18 Capital expenditure is funded either from Revenue, Capital Receipts, Capital Grants or Internal Borrowing. External Borrowing is used to manage the cashflow requirements of the Council and is not linked to individual projects. Details of the Council's expected borrowing for 2020/21 is included in the Treasury Management suite of strategies which are scrutinised by the Accounts, Audit and Risk Committee and included in Appendix 6. These were reviewed in draft form on 20th November 2019, and were recommended to Executive at the meeting on 22nd January 2020. Executive in turn recommended them to Council at their meeting on 3 February 2020.
- 4.19 Table 6 below details the capital investments proposed for 2020/21 (more details on the proposals can be found in Appendix 4). Where these result in a revenue cost or savings, these have been adjusted for in the Net Cost of Services; therefore, as above, amending them may impact on the Council's ability to set a balanced budget.

Table 6 – Capital Bids 2020/21 through to 2024/25

| | Capital Bids | | | | | Total £000 |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|
| | 2020/21 £000 | 2021/22 £000 | 2022/23 £000 | 2023/24 £000 | 2024/25 £000 | |
| Clean, Green and Safe | 1,051 | 1,021 | 689 | 1,127 | 1,316 | 5,204 |
| District of Opportunity & Growth | 137 | 62 | 12 | 12 | 12 | 235 |
| Thriving Communities & Wellbeing | 885 | 285 | 55 | | | 1,225 |
| Operational Excellence | 325 | | | | | 325 |
| Total | 2,398 | 1,368 | 756 | 1,139 | 1,328 | 6,989 |

4.20 A list of all the projects in the full capital programme is set out in Appendix 5. The financial implications of these are incorporated into the MTFS.

Reserves

4.21 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.

4.22 Earmarked reserves are held for specific purposes; to manage specific risks; or to smooth transactions that may happen at irregular periods or where peak activity happens over a period longer 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 volatile income streams (such as demand led services, for example planning fees), or where funding may be awarded or received in year but expenditure happens over more than one year (such as government grants for specific pieces of work).

4.23 Table 7 below shows a summary of the forecast reserves position. Starting with the forecast opening balance at 1 April 2019, the movements anticipated from 2019/20, including the underspend projected from the Council's overall budget, proposed movements to and from reserves during 2020/21 results in an estimated closing balance as at 31 March 2021. The final outturn position will be reported to the Executive in June 2020 and the Accounts, Audit and Risk Committee in July 2020, as part of the Council's Outturn.

Table 7 – Reserves

| | |
|---|---------------|
| | £000 |
| Opening balance – April 2019 | 22,059 |
| Projected underspend 2019/20 | 1,299 |
| Anticipated use of Reserves during 2019/20 | (500) |
| Commercial income to reserves during 2019/20 | 2,193 |
| Use of Reserves to support activities 2020/21 | (2,600) |
| Projected Closing Balance March 2021 | 22,451 |

4.24 It is the duty of the Section 151 Officer to ensure that the Council retains reserves at a level which provides the Council with financial resilience both in setting the budget

for 2020/21 but also looking into the medium term and the MTFS. Reserves can be used for one-off expenditure but should not be used to finance ongoing Council activities.

5.0 Medium Term Financial Strategy

Proposed Changes to Local Government Funding 2021/22 and beyond

5.1 The Council has previously been advised that local government funding will be changing in 2021/22. Whilst there isn't clarity of the precise impact of these changes, there have been a number of national consultations and working groups that have been reviewing the options. The Council has been able to model the most likely scenario and therefore consider what impact this is likely to have for Cherwell from 2021/22 onwards. This also takes into account announcements and indications in the recent Queen's Speech following the General Election, which have confirmed earlier modelling around the areas of likely change in terms of the Council funding. Fundamentally it can be broken down as follows:

Fair Funding Review Consultation

5.2 The Government is intending to simplify the way local government funding works to make it more objective and transparent. The Council provided feedback to the government consultation on the assessment of needs, resources and transitional arrangements. The consistent intelligence from various local government finance experts that the Council has consulted, is that the Fair Funding Review when applied, will reduce government funding available to CDC.

Business Rates Retention Consultation

5.3 The Government has also recently consulted on proposals for setting up a reformed business rates retention system to which we are awaiting the outcome. The consultation outlines proposals to update the balance of risk and reward to better reflect the wider context for local authorities, now likely in 2021/22, mitigate volatility in income and simplify the system. It is proposed that:

- the baseline be reset – this would impact CDC significantly as we have been consistently collecting above the baseline and retaining 50% of that growth under the current retention scheme. The baseline is likely to be reset at 2018/19 levels.
- Councils (as a whole sector) would retain 75% of business rates growth above the baseline which would eventually move to 100% retention – however, with the baseline reset, this will be 75%/100% of far less until our growth above the baseline increases again.
- Resets are likely to be more frequent in future than they have previously been

MTFS Funding Gap

5.4 The MTFS as presented in the table below represents the likely scenario without the benefit of any national transition funding. Planning on this basis is both prudent and sensible and ensures that the Council can respond to any changes coming forward and remain financially sustainable. It is important to note that 2020/21 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 established a strategy that will shape how we look to review opportunities to reduce this gap for future years and balance the budget in future years.

- 5.5 The table below also does not take account of any future spending reviews for local government as a whole where, along with our peers across all tiers of local government, we need to provide evidence and arguments about the totality of funding for our services. This year's settlement provided one year only and along with all government departments we need to be able to respond to information requests about how we spend our money and the impact this may have on users of our services. CDC have always taken an active role in these reviews and will continue to do so both on an individual Council basis but also through our professional bodies and professional peer groups including the District Council Network (DCN), the Local Government Association (LGA) and SDCT (Society of District Council Treasurers).
- 5.6 The table 8 below sets out the Council's future funding estimates. There remains much uncertainty regarding this position over the medium term with the upcoming changes proposed relating to the Fair Funding Review, Business Rates and the New Homes Bonus. However, we have based our estimates on advice from leading local government financial experts which forecasts the effects of the above changes to be in the region of a 30% reduction to our funding. This is a result of:
- the cessation of New Homes Bonus beyond legacy payments and the one-off payment in relation to growth in 2019/20 payable in 2020/21
 - the business rates baseline reset at the 2018/19 level and growth at 1% thereafter (the Council has grown business rates significantly in recent years and this baseline reset results in the Council losing the benefit of this growth)
 - the cessation of Revenue Support Grant, with the exception of the one-off payment in 2020/21
 - Council Tax increases of £5 per annum with 1% annual growth of the Council tax base from 2020/21
 - No assumptions have been made that we will receive any transitional finance support. We are aware that if this is available it is likely to be based on "Core Spending Power" which is a measure used by central government that does not include the impact from the loss of retained business rates. Given Cherwell's significant growth over and above expectations in terms of business rates, we may not receive any financial protection from this drop in income.
- 5.7 As in previous years the Council is utilising a proportion of New Homes Bonus to support district economic development and growth as well as supporting communities in 2020/21. However, to smooth the impact of the total drop in funding over the MTFs period, for 2021/22 and its final payment in 2022/23, the MTFs incorporates 100% of this funding stream and does not set aside this 50% of funding into reserves.
- 5.8 The MTFs therefore indicates that with all of the assumptions around national funding changes that Cherwell will have a gap between its net budget requirement and its funding as shown in table 8 below.

Table 8: MTFS 2020/21 – 2024/25

| MTFS Position at 17/12/19 | 20/21 £m | 21/22 £m | 22/23 £m | 23/24 £m | 24/25 £m |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| Net Budget Requirement | 25.6 | 24.0 | 24.6 | 23.7 | 24.4 |
| Funding Total | - 25.6 | - 16.3 | - 16.6 | - 16.0 | - 17.2 |
| Gap | - 0.0 | 7.7 | 8.0 | 7.7 | 7.2 |

How we Plan to Address the MTFS Gap

5.9 The Council has developed a strategy to meet the challenges highlighted in the MTFS which will include:

- Continue its partnering arrangements in the future including:
 - a alignment with Oxfordshire County Council services where this will benefit our residents and businesses and make financial sense to do so
 - b joint contracting and commissioning arrangements
 - c continuing our journey to transform the way in which we deliver with other partners
- Considering further commercialisation – e.g. Building Control, trade waste, the commercial offer around Build!
- “Growing our way” out of trouble by identifying opportunities with the right business cases
- Continuing to lobby policy makers, highlighting where we have been delivering growth and driving benefits to others

6.0 Conclusions and Reasons for Recommendations

6.1 This report provides information around the various building blocks that make up the proposed budget for 2020/21 and beyond, allowing members to consider and scrutinise the elements of the budget and provide advice and guidance to Council to help further shape both budget setting for 2020/21 and the MTFS for 2020/24.

7.0 Consultation

7.1 The Budget Planning Committee considered the budget and MTFS in a report on 6 January 2020.

7.2 The Accounts, Audit and Risk Committee considered and recommended to full Council the Treasury Management Strategies and the associated Appendices on 22 January 2020.

7.3 The Overview and Scrutiny Committee considered the Business Plan on 30 January 2020.

7.4 The Executive considered and recommended to full Council the draft budget, MTFS and business plan at the meeting of 3 February 2020.

7.5 The draft budget was on the Council's consultation portal between 6 Jan and 4 Feb 2020. There were no questions or comments received during that time.

8.0 Alternative Options and Reasons for Rejection

8.1 This report presents the final Business Plan and MTFs as at 2020/21.

8.2 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 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.

9.0 Implications

Financial and Resource Implications

9.1 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:

Dominic Oakeshott, Assistant Director of Finance (Interim), 01295 227943

Dominic.Oakeshott@cherwell-dc.gov.uk

Legal Implications

9.2 The Council is legally required to set a balanced budget each year. Officers consider the recommendations will achieve this if approved by full Council.

Comments checked by:

Richard Hawtin, Team Leader – Non-contentious, 01295 221695

richard.hawtin@cherwellandsouthnorthants.gov.uk

Risk Management

9.3 The Business Plan and MTFs are reflected in the Leadership Risk Register which is found in Appendix 2. 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, Acting Assistant Director, Performance and Transformation

01295 221786

Louise.tustian@cherwellandsouthnorthants.gov.uk

Equality and Diversity

9.4 Impact assessments are carried out where relevant.

Comments checked by:
 Caroline French, Business Improvement Officer, 01295 221586
Caroline.French@cherwell-dc.gov.uk

10.0 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

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 |
| Appendix 7 | Fees & Charges |
| Appendix 8 | Growth and Savings Schedule |
| Appendix 9 | Pay Policy |
| Appendix 10 | Equality Impact Statement |
| Background Papers | |
| None | |
| Report Author | Adele Taylor, Executive Director Finance & Governance (Interim) Louise Tustian - Acting Assistant Director: Performance & Transformation |
| Contact Information | 0300 003 0103 / 01295 221786 Adele.taylor@cherwell-dc.gov.uk Louise.tustian@cherwell-dc.gov.uk |

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Cherwell District Council Business Plan 2020-2021

Where communities thrive, and businesses grow



Cherwell
DISTRICT COUNCIL
NORTH OXFORDSHIRE

Strategic Priorities:



Housing that meets your needs

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- Deliver affordable housing
- Raise standards in rented housing;
- Find new and innovative ways to prevent homelessness;
- Promote innovative housing schemes;
- Deliver the Local Plan;
- Support the most vulnerable people.



Leading on environmental sustainability

- Deliver on our commitment to be carbon neutral by 2030;
- Promote the Green Economy;
- Increase recycling across the district;
- Protect our natural environment and our built heritage;
- Work with partners to improve air quality in the district;
- Reduce environmental crime.



An enterprising economy with strong and vibrant local centres

- Support business retention and growth;
- Develop skills and generate enterprise;
- Secure infrastructure to support growth in the district;
- Secure investment in our town centres;
- Promote the district as a visitor destination;
- Work with businesses to ensure compliance and promote best practice.



Healthy, resilient and engaged communities

- Enable all residents to lead an active life;
- Improve and develop the quality of local sport and leisure facilities
- Promote health and wellbeing in our communities
- Support community and cultural development;
- Working with partners to address the cause of health inequality and deprivation;
- Working with partners to reduce crime and anti-social behaviour.

Themes:

• Customers

To deliver high quality, accessible and convenient services that are right first time.

• Healthy Places

Working collaboratively to create sustainable, thriving communities that support good lifestyle choices.

• Partnerships

Working with partners to improve the services we provide for our residents and communities.

• Continuous Improvement

Making the best use of our resources and focusing on improvement, innovation and staff development to maintain and enhance services.

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Appendix 3 – Leadership Risk Register as at 20/12/2019

| 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 |
| Impact 43 | 5 - Catastrophic | | | L09 | | |
| | 4 - Major | | L12 | L01, L04, L07, L10 & L11 | | |
| | 3 - Moderate | | L16 & L18 | L02, L05, & L14 | L08 & L15 | |
| | 2 - Minor | | L17 | | | |
| | 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 | | | | |
| 2019/20 | | | | | | | | | | | | | | | | | |
| L01 - | Financial resilience – Failure to react to external financial impacts, new policy and increased service demand. Poor investment and asset management decisions. | Reduced medium and long term financial viability | 4 | 4 | 16 | Medium Term Revenue Plan reported regularly to members. | Fully | Councillor Tony Illot | Adele Taylor | Dominic Oakeshott | 4 | 3 | 12 | ↑ | Key staff recruited to and review of workload and capacity across the team. Additional resilience and resource for financial accounting and reporting engaged through external partners and agencies. Assessment of national picture undertaken and being reported through senior managers and members highlighting the medium term challenges. | Maintaining focus in this area with ongoing review, staff and member training and awareness raising. | Risk reviewed - 09/12/19 - No changes. |
| | | Reduction in services to customers | | | | Balanced medium term and dynamic ability to prioritise resources | Fully | | | | | | | | Investment strategy approach agreed and operating and all potential investments now 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. | Investment options considered as and when they arise, MTFs and budget setting being developed to enhance the scrutiny and quality of investments. | |
| | | Increased volatility and inability to manage and respond to changes in funding levels | | | | Highly professional, competent, qualified staff | Fully | | | | | | | | Timeliness and quality of budget monitoring particularly property income and capital improving. Financial Systems replacement project underway. LEAN review of budget monitoring undertaken with significant engagement from within the wider business. | Financial System Solution Project continuing to consider future finance system options, incorporating budget management via Lean, extension of Civica and new procurement. | |
| | | Reduced financial returns (or losses) on investments/assets | | | | Good networks established locally, regionally and nationally | Partially | | | | | | | | Asset Management Strategy being reviewed and refreshed. | Review underway | |
| | | Inability to deliver financial efficiencies | | | | National guidance interpreting legislation available and used regularly | Fully | | | | | | | | Review of BUILD1 to ensure procurement and capital monitoring arrangements are in place and development of forward programme - work still underway. | Review in hand. | |
| | | Inability to deliver commercial objectives (increased income) | | | | Members aware and are briefed regularly | Fully | | | | | | | | Finance support and engagement with programme management processes continuing. | Finance business partners involved with reflection locally on outcomes. | |
| | | Poor customer service and satisfaction | | | | Participate in Oxfordshire Treasurers' Association's work streams | Fully | | | | | | | | Further integration and development of Performance, Finance and Risk reporting | Integrated reporting has been embedded | |
| | | Increased complexity in governance arrangements | | | | Review of best practice guidance from bodies such as CIPFA, LGA and NAO | Fully | | | | | | | | Regular involvement and engagement with senior management across County as well as involvement in Regional and National finance forums. | Engagement with a number of national and regional networks to ensure we are as up-to-date as we can be in relation to potential funding changes from 2020/21 and impact on our MTFs. | |
| | | Lack of officer capacity to meet service demand | | | | Treasury management and capital strategies in place | Fully | | | | | | | | Regular member meetings, training and support in place and regularly reviewed. Briefings provided on key topics to members with particular focus on key skills for specific committees such as audit committee. | Regular training will be undertaken. | |
| | | Lack of financial awareness and understanding throughout the council | | | | Investment strategies in place | Fully | | | | | | | | New approach to budget setting introduced linked to service planning. Additional challenge added into the process to ensure robustness of estimates | Budget setting for 2020/21 underway, first checkpoint in 13/09/19 for the return of submissions by managers. | |
| | | | | | | Regular financial and performance monitoring in place | Fully | | | | | | | | Regular utilisation of advisors as appropriate. | Review of borrowing approach being considered alongside our financial advisors | |
| | | | | | | Independent third party advisers in place | Fully | | | | | | | | Internal Audits being undertaken for core financial activity and capital as well as service activity | Regular reporting of progress on internal audits considered by the committee | |
| | | | | | | Regular bulletins and advice received from advisers | Fully | | | | | | | | Assessment of national picture via Pixel and LG Futures has identified that the funding available in later years is likely to be significantly reduced, adding longer term resilience challenges. | Medium/long term position assessed as significantly worse, increasing risk alongside the capacity needed to work on activity to reduce spending levels. Budget setting being developed in conjunction with members to alleviate the challenges with budget proposals. | |
| | Property portfolio income monitored through financial management arrangements on a regular basis | Partially | | | | | | | | | | | | | | | |
| | Asset Management Strategy in place and embedded. | Partially | | | | | | | | | | | | | | | |
| | Transformation Programme in place to deliver efficiencies and increased income in the future | Fully | | | | | | | | | | | | | | | |
| L02 - | Statutory functions – Failure to meet statutory obligations and policy and legislative changes are not anticipated or planned for. | Legal challenge | 3 | 4 | 12 | Embedded system of legislation and policy tracking in place, with clear accountabilities, reviewed regularly by Directors | Partially | Councillor Barry Wood | Yvonne Rees | Nick Graham | 3 | 3 | 9 | ↔ | Establish corporate repository and accountability for policy/legislative changes | Service plans for 2019-20 received and currently being reviewed. Performance framework for 2019-20 to be agreed. | Risk reviewed 09/12/19 - Risk reviewed, no changes. |
| | | Loss of opportunity to influence national policy / legislation | | | | Clear accountability for responding to consultations with defined process to ensure Member engagement | Fully | | | | | | | | Review Directorate/Service risk registers | | |
| | | Financial penalties | | | | National guidance interpreting legislation available and used regularly | Fully | | | | | | | | Ensure Committee forward plans are reviewed regularly by senior officers | Review of Leadership Risk Register and Risk Strategy for 2019-20 in progress. | |
| | | Reduced service to customers | | | | Risks and issues associated with Statutory functions incorporated into Directorate Risk Registers and regularly reviewed | Partially | | | | | | | | Ensure Internal Audit plan focusses on key leadership risks | | |
| | | | | | | Clear accountability for horizon scanning, risk identification / categorisation / escalation and policy interpretation in place | Partially | | | | | | | | Develop stakeholder map, with Director responsibility allocated for managing key relationships | | |
| | | | | | | Robust Committee forward plans to allow member oversight of policy issues and risk management, including Scrutiny and Audit | Partially | | | | | | | | Standardise agendas for Director / PFH 1:1s | | |
| | | | | | | Internal Audit Plan risk based to provide necessary assurances | Partially | | | | | | | | New NPPF published 05/03/18 will guide revised approach to planning policy and development management. | | |
| | Strong networks established locally, regionally and nationally to ensure influence on policy issues | Fully | Allocate specific resource to support new projects/policies or statutory requirements e.g. GDPR | | | | | | | | | | | | | | |
| | Senior Members aware and briefed regularly in 1:1s by Directors | Partially | | | | | | | | | | | | | | | |

| 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 | | | | |
| 2019/20 | | | | | | | | | | | | | | | | | |
| L04 - | CDC Local Plan - Failure to ensure sound, up to date local plan remains in place for Cherwell resulting in poor planning decisions such as development in inappropriate locations, inability to demonstrate an adequate supply of land for housing and planning by appeal | Poor planning decisions leading to inappropriate growth in inappropriate place. Negative (or failure to optimise) economic, social, community and environmental gain Negative impact on the council's ability to deliver its strategic objectives, including its commitments within the Oxfordshire Housing & Growth Deal increased costs in planning appeals Possible financial penalties through not delivering forecasted New Homes Bonus (NHB) Reputational damage with investor community of Cherwell as a good place to do business created by uncertainty/ lack of policy clarity | 4 | 4 | 16 | Local Development Scheme (LDS) is actively managed and reviewed, built into Service Plan, and integral to staff appraisals of all those significantly involved in Plan preparation and review Team capacity and capability kept under continual review with gaps and pressures identified and managed at the earliest opportunity. Arrangements in place to source appropriate additional, time-bound resource if needed Delegations to Chief Exec agreed to ensure timely decisions Ongoing programme of internal communication, including Members updates and training programme On-going review of planning appeal decisions to assess robustness and relevance of Local Plan policies Updates on annual NHB payments | Partially Partially Partially Fully Fully Not | Councillor Colin Clarke | Simon Furlong | David Peckford | 3 | 4 | 12 | ↑ | Regular review meetings on progress and critical path review Regular Portfolio briefings and political review LDS updated as required with programme management approach adopted to ensure progress against plan LDS timeline built into Directorate level objectives (e.g. via Service Plans) and incorporated into SMART targets within staff appraisals Additional evidence commissioned as required. Need to keep under review staff and financial resources to ensure delivery to timetable (LDS) for Local Plan Review. Authority Monitoring Reports continue to be prepared on a regular annual basis (AMR delayed until January due to General Election) | The latest Local Development Scheme is that approved by the Executive in December 2018. It includes the programmes for the Partial Review of the Local Plan, the Oxfordshire Plan 2050, a Local Plan Review, the Banbury Canalside Supplementary Planning Document and work on a Community Infrastructure Level (CIL). The residual risk score of '9' reflects delay with the Oxfordshire Plan and the review of the Local Plan. Development of a timetable and high level project plan for the review of the Local Plan is currently being developed to present to CEDR and Executive | Risk reviewed 10/12/19 - Risk reviewed, scores adjusted, mitigating actions and commentary updated. |
| 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 | Fully Fully Fully Partially Fully Partially | Councillor Andrew McHugh | Graeme Kane | Richard Webb | 3 | 3 | 9 | ↔ | Business Continuity Statement of Intent and Framework agreed by CEDR BC Improvement Plan agreed with CEDR ICT transition to data centre and cloud services have reduced likelihood of ICT loss and data loss Corporate ownership and governance sits at senior officer level BC Impact assessments and BCs in place for all teams and peer reviewed by OCC's Emergency Planning team Progress report was provided to CEDR in March BC assurance framework under development | A cross-council programme to update all business continuity plans commenced in September to ensure all plans are up to date following separation of the councils. This update process is due for completion by the end of December. The Business Continuity Steering Group are developing an incident response plan and an assurance framework. The Business Continuity pages on the Intranet have been updated to provide more resources and information to assist in the development of robust BC plans. | Risk Reviewed 06/12/19 - Mitigating actions and comments updated |
| 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. Emergency Planning Lead Officer defined with responsibility 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-ordinators Active participation in Local Resilience Forum (LRF) activities | Fully Partially Fully Fully Fully Fully | Councillor Andrew McHugh | Graeme Kane | Richard Webb | 3 | 4 | 12 | ↔ | Emergency plan contacts list being updated monthly and reissued to all duty managers. OCC Emergency Planning providing expert advice and support under a partnership arrangement. Chief Operating Officer meets with ACO Oxfordshire Fire and Rescue quarterly to oversee shared EP arrangements. Supporting officers for incident response identified in the emergency plan and wallet guide Drop in training session now taking place monthly (from June) covering a range of topics. Senior managers have attended multi-agency exercises and duty manager training with OCC senior managers. On-call rota being maintained Authority represented at the Local Resilience Forum | Active plans are in place to ensure the authority is prepared for a variety of emergencies. Continual improvements are being made as a result of a review of these plans and in partnership with the Local Resilience Forum. An 'on-call' system ensures there is a senior manager available to lead a response to an incident 24/7. Cherwell now has a stand-alone plan following separation from SNC. The council also has a pool of trained loggists to assist in recording actions and decisions. OCC are providing expert advice and support. Active involvement in the LRF Brexit planning arrangements is on-going. | Risk Reviewed 06/12/19 - Risk reviewed, no changes. |

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| 2019/20 | | | | | | | | | | | | | | | | | | |
| 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 | 5 | 4 | 20 | New Health & Safety Corporate H&S arrangements & guidance in place as part of the newly adopted HSG65 Management System | Partially | Councillor Lynn Pratt | Adele Taylor | Ceri Harris | 4 | 3 | 12 | ↔ | A new Corporate Health, Safety and Wellbeing Policy was ratified BPM meeting on 17th June. The Corporate arrangements are in the process of being updated. These will be finalised by end of October 2019. | The Executive Leadership Team (ELT) receives a quarterly report from the 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. First JCEEC meeting took place January 2019 | Risk reviewed 11/12/19 - Risk reviewed - no changes. | |
| | | Criminal prosecution for failings | | | | Clearly identified accountability and responsibilities for Health and Safety established at all levels throughout the organisation | Partially | | | | | | | | Following the ratification of the new Corporate Health, Safety and Wellbeing Policy all Assistant Directors have been asked to complete a Departmental Risk Assessment Checklist. The Checklist identified the areas of risk within the department and whether there is a risk assessment in place to cover the risks. So far 9 departments have responded. | | | Corporate Health and Safety Team to ensure all departments to respond to the Departmental Risk Assessment Checklist and to follow up with departments on areas of concern. Responses are being collated on a central spreadsheet which will become the database of all risk assessments across the Council. |
| | | Financial loss due to compensation claims | | | | Corporate H&S Manager & H&S Officer in post to formalise the H&S Management System & provide competent H&S advice & assistance to managers & employees. | Partially | | | | | | | | The Internal Audit programme underwent a review in May 2019 due to change in the resources available following separation to carry out the existing 3 year program. A new 2 year schedule has been developed to replace the existing schedule. The health and safety internal inspection cover all elements of our overall H&S management system to ensure compliance with our standards. | | | The H&S team are conducting health and safety inspections internally across all services and teams. To date a total of 12 audits have been carried out across the Council. |
| | | Enforcement action – cost of regulator (HSE) time | | | | Proactive monitoring of Health & Safety performance management internally | Partially | | | | | | | | | | | |
| | | Increased sickness absence | | | | Proactive monitoring of Health & Safety performance management externally | Partially | | | | | | | | | | | |
| | | Increased agency costs | | | | Effective induction and training regime in place for all staff | Fully | | | | | | | | | | | |
| | | Reduction in capacity impacts service delivery | | | | Positive Health & Safety risk aware culture | Partially | | | | | | | | | | | |
| | | | | | | Corporate Health & Safety meeting structure in place for co-ordination and consultation | Partially | | | | | | | | | | | |
| | | | | | | Corporate body & Member overview of Health & Safety performance via appropriate committee | Fully | | | | | | | | | | | |
| | | | | | | Assurance that third party organisations subscribe to and follow Council Health & Safety guidelines and are performance managed where required | Partially | | | | | | | | | | | |

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| 2019/20 | | | | | | | | | | | | | | | | | |
| 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 Fully Fully Fully Fully Fully Fully Fully | Councillor Ian Corkin | Claire Taylor | David Spilsbury | 3 | 5 | 15 | ↔ | The cyber-essentials plus certification has now been passed. Replace with Accounts, Audit & Risk Committee Members updated and given a presentation on Cyber Security November 2019 The Regional Police Cyber Security Advisor gave the IT management team two training sessions (full cyber awareness Oct18 and table top DR exercise Nov18) followed by a series of all-Council staff awareness sessions in January 2019. Mop-up on e-learning options now being explored by IT and HR. Implemented an intrusion prevention and detection system. Agreed Terms of Reference and re-implementation of the security forum as the Information Governance Group, with meetings to be held on a minimum quarterly basis chaired by the Information Governance Manager. Information Governance support is now provided to Cherwell as part of a joint working relationship with Oxfordshire County Council. An action for the next month will be to ensure there are effective partnership working arrangements in place under this new service. Cyber Awareness e-learning available and will be part of new starters induction training. Cyber Security issues regularly highlighted to all staff. External Health Check undertaken April 2019, executive summary gives us a high security posture and no critical security issues. | 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 05/12/19 - Mitigating actions 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 | 4 | 4 | 16 | 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 Mandatory training and awareness raising sessions are now in place for all staff. 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 Data sharing agreement with other partners Attendance at Children and Young People Partnership Board (CYPPB) Annual Section 11 return compiled and submitted as required by legislation. 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 | Partially Fully Fully Fully Partially Partially Fully Fully Fully | Councillor Barry Wood | Graeme Kane | Nicola Riley | 3 | 4 | 12 | ↔ | Ongoing internal awareness campaigns Ongoing external awareness campaigns Annual refresher and new training programmes including training for new members Continue to attend groups focused on tackling child exploitation | Recruitment of a new safeguarding Officer will begin in November. This post will be included in the adult safeguarding team at OCC to ensure robust policy and procedures are in place for Cherwell and to improve the link into social care. Cherwell teams will continue to escalate their own referrals and sending notification to Safeguarding inbox to maintain a corporate record. the new HR payroll system will in time hold training records. There will be a push to ensure sufficient staff are trained to the correct standard in the New Year | Risk Reviewed 03/12/19 - Commentary updated. |

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| | | | Probability | Impact | Rating | | | | | | Probability | Impact | Rating | | | | |
| 2019/20 | | | | | | | | | | | | | | | | | |
| L11 - | Sustainability of Council owned companies and delivery of planned financial and other objectives - failure of council owned companies to achieve their intended outcomes or fail to meet financial objectives | Unclear governance leading to lack of clarity and oversight in terms of financial and business outcomes Non achievement of business and finance outcomes directly or indirectly impacting on other council services Lack of understanding at officer and member level about the different roles of responsibilities required when managing council owned companies | 3 | 4 | 12 | Annual business planning in place for all companies to include understanding of the link between our objectives being delivered and financial impact for the council Financial planning for the companies undertaken that will then be included within our own Medium term financial plan Ensure strong corporate governance mechanisms are in place Sound monitoring in place of both business and financial aspects of the companies and the impact on overall council performance Training in place for those undertaking roles relating to the companies | Fully Fully Partially Fully Partially | Councillor Tony Illot | Adele Taylor | Dominic Oakeshott | 3 | 4 | 12 | ↔ | Changes in the shareholder support side line management been put in place. Additional oversight and capacity from senior managers including performance dashboards at CEDR Resilience and support being developed across business to support and enhance knowledge around council companies Skills and experience being enhanced to deliver and support development, challenge and oversight. Work with one company to ensure long term support arrangements are put in place. | Knowledge and experience building take place with training and support as required. Company dashboard now being reviewed by CEDR to understand the impact of what is happening at company level on the council. Review of company governance being undertaken to ensure that we are adhering to best practice Will support future year governance and financial management | Risk reviewed - 09/12/19 - No changes. |
| L12 - | Financial sustainability of third party suppliers including contractors and other partners - the failure of a key partner of supplier impacting on the business of the council | The financial failure of a third party supplier or partner results in the inability or reduced ability to deliver a service to customers. Failure to ensure the necessary governance of third party relationships (council businesses, partners, suppliers) are in place to have sufficient oversight of our suppliers | 3 | 4 | 12 | Ensure contract management in place review and anticipate problems within key service suppliers and partners Business continuity planning arrangements in place in regards to key suppliers Ensuring that proactive review and monitoring is in place for key suppliers to ensure we are able to anticipate any potential service failures | Partially Partially Partially | Councillor Tony Illot | Adele Taylor | Wayne Welsby | 2 | 4 | 8 | ↔ | Meetings take place when required with suppliers to review higher risk areas. Some review of appropriate information in regards to key supplier performance through trade press, information from networks in place. | 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. Work is currently underway to incorporate CDC supplier financial risk reporting together with the tools in place for OCC. | Risk reviewed - 09/12/19 - Risk reviewed no changes. |
| 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 | Yvonne Rees | Nick Graham | 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. | Risk reviewed 09/12/19 - Risk reviewed, no changes. |

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| 2019/20 | | | | | | | | | | | | | | | | | |
| L15 - | Oxfordshire Growth Deal (contract with HMG) As a result of a lack of experience of this scale and nature of partnership delivery there is a risk that inadequate levels of control will be applied by the Partnership to Oxfordshire Housing and Growth Deal governance, resourcing and delivery and that CDC (and its partners) will fail to meet its publicly stated Contractual commitments to its Partners and Government over the 5-year term. | Failure to meet its obligations as a partner within the Growth Deal could see Cherwell as a factor in Government holding back some or all of its funding and/or cease to extend the arrangement beyond 2023. Infrastructure milestone delivery late (for infrastructure linked to accelerated housing) Accelerated housing numbers delivered to plan late Cost of infrastructure to accelerate circa 6500 homes within 5-year term significantly beyond 2018 budget cost estimate DC GVA: no defined metrics in HGDDP but linked to homes accelerated/infrastructure/affordable homes delivered/JSSP progress and delivery JSSP Affordable Houses Productivity | 5 | 5 | 25 | Appointment of an interim advisor to guide and support delivery of the GD programme and risk management controls Recognition of issues in CDC GD arrangements and delivery of a 6-week review to identify and propose an action plan to manage and bring the issues within control (see 6-week plan) Establish CDC organisational fit of GDC GD as a programme capability reporting to CEDR through the Place Board Secured approval for CDC GD next stage plan at CEDR 17/12/18 which targets setting up CDC GD programme board, work stream capability and leadership supported by CDC Transformation PMO by end March 19 (see Board paper and Next stage Plan Proposal) Built on CDC PMO RAID principles and developed initial RAID logs for each work stream (capture risks, issues, dependencies and assumptions) to help define "gives and gets" as a basis for holding all to account for defined and transparent baseline delivery. | Fully Partially Fully Fully | Councillor Barry Wood | Robert Jolley | Jonathan MacWilliam | 4 | 3 | 12 | ↔ | A CDC GD programme and programme board capability Work stream plans of work (work stream brief, schedule, RAID log) Appropriate engagement with members in support of their advisory/scrutiny at GD Board level Governance and performance management Improved collaboration working with partners to hold them to account for their part of delivery Securing approval of a resourced GD Y2 plan to be delivered in a collaborative partnership environment Extending support from interim advisor to end March 19 | Progress is being made across all workstreams evidenced by more detailed monthly reports to the CDC Programme Board. The improving maturity of the Programme is resulting in more sophisticated engagement at all levels including through specific member roles. The current focus of work is on what additional schemes can be included in the infrastructure programme. | Risk reviewed 06/12/19 - Commentary updated |
| L16 - | Joint Working That the challenges and risks associated with joint working outweigh the benefits and impacts on the provision of services to residents and communities. | Opportunities for joint working take longer to develop than planned delaying potential service improvements for residents and communities. Resources are allocated to the development of proposals, reducing the capacity of the Council to deliver on its priorities and plans, impacting on quality of services delivered to residents and communities. Uncertainty around joint working could lead to reduced staff morale and potentially increase staff turnover. Benefits to be realised from joint working business cases do not materialise or take longer to deliver than planned. | 3 | 3 | 9 | S113 agreement in place with Oxfordshire County Council Partnership Working Group established with OCC to oversee the development of joint working proposals. Robust programme and project management methodologies in place. | Fully Fully Fully | Councillor Ian Corkin | Yvonne Rees | Claire Taylor | 2 | 3 | 6 | ↔ | Regular reporting on joint working proposals to the senior management team. | Consultation with staff on a new joint Strategy, Communications and Insight service with OCC has now finished. The new service is expected to be in place by March 2020. | Risk reviewed - 11/12/19 - commentary updated. |
| L17 - | Separation That the separation of joint working arrangements with South Northamptonshire Council impacts on the provision of services to residents and communities. | Separation of joint working arrangements result in reduced capacity and resilience to deliver services. Services being delivered to SNC are impacted by re-organisation in Northamptonshire, impacting on the quality of services delivered to residents and communities | 3 | 3 | 9 | On-going service delivery arrangements to SNC set out clearly and underpinned by the Collaboration Agreement with protocols in place for dealing with any emerging issues. Robust programme and project management frameworks in place. | Fully Fully | Councillor Ian Corkin | Yvonne Rees | Claire Taylor | 2 | 2 | 4 | ↔ | Regular reporting on joint working proposals to the senior management team. | All services apart from Customer Services have now separated or been moved into a service delivery arrangement. | Risk reviewed - 11/12/19 - No changes. |
| L18 - | Workforce Strategy The lack of effective workforce strategies could impact on our ability to deliver Council priorities and services. | Limit our ability to recruit, retain and develop staff Impact on our ability to deliver high quality services Overreliance on temporary staff Additional training and development costs | 3 | 4 | 12 | Analysis of workforce data and on-going monitoring of issues Key staff in post to address risks (e.g. strategic HR business partners) Weekly Vacancy Management process in place | Partially effective Fully Fully | Councillor Ian Corkin | Claire Taylor | Karen Edwards | 2 | 3 | 6 | ↔ | Development of relevant workforce plans . Development of new L&D strategy, including apprenticeships. Development of specific recruitment and retention strategies. New IT system is being implemented to improve our workforce data. | Training on workforce planning for the HR team planned to start in Jan/Feb 2020. | Risk reviewed 11/12/19 - Commentary updated. |

L04 - Local Plan Risk

The latest Local Development Scheme is that approved by the Executive in December 2018. It includes the programmes for the Partial Review of the Local Plan, the Oxfordshire Plan 2050, a Local Plan Review, the Banbury Canalside Supplementary Planning Document and work on a Community Infrastructure Level (CIL).

Partial Review

A Partial Review of the Local Plan, to assist Oxford with its unmet housing need, was submitted to Government for Examination on 5 March 2018. A preliminary public hearing was held on 28 September 2018 and main hearings in February 2019. On 13 July 2019, the Council received the Inspector's Post-Hearing Advice Note setting out his preliminary conclusions. In principle, the Inspector is satisfied that the Plan's housing requirement and strategy are appropriate and that there are exceptional circumstances for alterations to the Green Belt. However, he has concerns about proposed development next to Woodstock and suggested that the Council prepare Main Modifications to address this. On 30 September 2019, officers informally submitted proposed modifications to the Inspector supported by evidence. On 29 October the Inspector advised

Oxfordshire Plan 2050

A Growth Deal commitment. The Plan is being prepared by a central Plan team appointed through the Oxfordshire Growth Board. It must be submitted to Government for Examination by March 2020 to meet the existing terms of the Deal. The Council contributes to the plan-making process as a partner with a view to it being adopted as part of the Development Plan upon completion.

Public consultation on an Issues Paper ended on 25 March 2019. A public 'call for location ideas' ended on 12 April. The central Plan team is evidence gathering and scoping 'spatial options' for Plan development. On 24 September 2019 the Oxfordshire Growth Board agreed a new timetable for completion of the Plan. This allows for further stakeholder engagement in Autumn/Winter 2019/20; public consultation on a formal Options Paper in June/July 2020; and, consultation on a proposed Plan at the end of 2020. The intention is to submit the Plan for Examination in March 2021.

Local Plan Review

Work programming and initial preparatory work commenced in Spring 2019 but has had to be put on hold while further work on the Partial Review is pursued. There is a statutory requirement to review Local Plans within five years from adoption (the adopted Local Plan having been adopted in July 2015). The Plan will need to take account of the Oxfordshire Plan 2050 and consequently there are dependencies between the two work programmes. Work on the new Local Plan will

Banbury Canalside SPD

Work has been stalled due to the need to review the work undertaken to date, particularly in the context of wider business plan objectives, and due to capacity issues within the Planning Policy team. However, in October 2019 the Planning Policy

Community Infrastructure Levy

Not a Local Development Document but a potential means of securing funding for infrastructure to assist overall delivery (should the Council decide to implement CIL). Work on a potential charging levy was paused due to a Government review of

Cherwell District Council

Capital Strategy 2020/21

Including Minimum Revenue Provision (MRP) Statement

1 Introduction

- 1.1 The capital strategy was a new report introduced in 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.
- 1.2 Decisions made this year on capital and treasury management will have financial consequences for the Council for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

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 2020/21, the Council is planning capital expenditure of £47.1m as summarised below:

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

| | 2018/19 actual | 2019/20 forecast | 2020/21 budget | 2021/22 budget | 2022/23 budget |
|---------------------|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| Services | 9.7 | 15.0 | 0 | 0 | 0 |
| Capital investments | 20.1 | 35.5 | 47.1 | 1.7 | 1.0 |
| TOTAL | 29.8 | 50.5 | 47.1 | 1.7 | 1.0 |

- 2.2 The main capital projects include the Build! Programme, Castle Quay 1 and 2 and the Sunshine Centre.

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

| | 2018/19 actual | 2019/20 forecast | 2020/21 budget | 2021/22 budget | 2022/23 budget |
|------------------|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| External sources | 3.2 | 1.3 | 1.0 | 1.0 | 1.0 |
| Own resources | 5.4 | 5.5 | 5.0 | 4.0 | 4.0 |
| Debt | 21.2 | 43.7 | 41.1 | (3.3) | (4.0) |
| TOTAL | 29.8 | 50.5 | 47.1 | 1.7 | 1.0 |

- 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

| | 2018/19 actual | 2019/20 forecast | 2020/21 budget | 2021/22 budget | 2022/23 budget |
|---------------|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| Own resources | 5.4 | 5.5 | 5.0 | 4.0 | 4.0 |

The Council's full minimum revenue provision (MRP) statement is included at Appendix A below.

- 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 £38.8m during 2020/21. 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

| | 2018/19 actual | 2019/20 forecast | 2020/21 budget | 2021/22 budget | 2022/23 budget |
|------------------|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| TOTAL CFR | 146.2 | 187.8 | 226.6 | 219.7 | 211.9 |

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 periodically.
- At a property level this can comprise the preparation of asset specific management plans which are then subject to periodic review and updating. This process is ongoing and informs the portfolio strategy as a whole.
- At a portfolio level the make-up of the portfolio is considered 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. One such review is ongoing.

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.

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.

At 31 December 2019 the Council had borrowing of £123m at an average interest rate of 1.58%, and treasury investments of £41.1m at an average interest rate of 0.66%.

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%-1.0%) and long-term fixed rate loans where the future cost is known, but higher (currently 2.5 to 3.0%).

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

Table 5: Prudential Indicator: Gross Debt and the Capital Financing Requirement in £ millions

| | 2018/19 actual | 2019/20 forecast | 2020/21 budget | 2021/22 budget | 2022/23 budget |
|-------------------------------|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| Debt (incl. leases) | 111.0 | 154.7 | 195.8 | 192.5 | 188.5 |
| Capital Financing Requirement | 146.2 | 187.8 | 226.8 | 219.7 | 211.9 |

- 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 5, 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 6: Prudential Indicators: Operational boundary and Authorised limit for external debt in £m

| | 2019/20 limit | 2020/21 limit | 2021/22 limit | 2022/23 limit |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| Operational boundary total external debt | 205 | 215 | 215 | 215 |
| Authorised limit total external debt | 225 | 240 | 240 | 240 |

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

Treasury 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 7: Treasury management investments in £millions

| | 2018/19 actual | 2019/20 forecast | 2020/21 budget | 2021/22 budget | 2022/23 budget |
|-------------------------|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| Near-term investments | 15.3 | 15 | 15 | 15 | 15 |
| Longer-term investments | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 15.3 | 15 | 15 | 15 | 15 |

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

Risk management

- 3.6 The effective management and control of risk are prime objectives of the Council's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses and details the extent to which financial derivatives may be used to manage treasury risks.

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 (31 March 2019) valued at £72m 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> <ul 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. |

| | |
|------------------------------|---|
| 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 | <p>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.</p> |
| 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: | <p>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.</p> |

| | |
|------------------------|--|
| 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 can be found in the 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 £123m detailed above, the Council is committed to making future payments to cover its pension fund deficit (valued at £98m – as at 31 March 2019). The pension liability is the underlying commitments that the authority has in the long run to pay retirement benefits, less the fair value of the assets held within the scheme.

However, statutory arrangements for funding the deficit mean that the financial position of the authority remains healthy, because:

- the deficit on the local government scheme will be made good by increased contributions over the remaining working life of employees (i.e. before payments fall due), as assessed by the scheme actuary,
- finance is only required to be raised to cover discretionary benefits when the pensions are actually paid

The Council has also set aside £4.9m in its 2018/19 accounts 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 and 76 of the 2018/19 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 8: Prudential Indicator: Proportion of financing costs to net revenue stream

| | 2018/19 actual | 2019/20 forecast | 2020/21 budget | 2021/22 budget | 2022/23 budget |
|----------------------------------|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| Financing costs (£m) | £3.1m | (£0.4m) | £0.1m | £2.6m | £3.9m |
| Proportion of net revenue stream | (14%) | (2%) | 0% | 16% | 24% |

Further details on the revenue implications of capital expenditure are in the 2020/21 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, which aligns with the attached MRP Statement. 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 and 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, smaller valuations and rent reviews.
- Where specialist advice is required we ask for competitive quotes. For example we have asked three surveyors (one local, two national) to quote for rent review work in connection with a number of supermarkets within our portfolio.
- The day to day management of three asset is currently being tendered as we feel their management can be better achieved using external suppliers.
- 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.

Appendix A – Minimum Revenue Provision (MRP) Statement

Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the Ministry of Housing, Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance) most recently issued in 2018.

The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The MHCLG Guidance requires the Council to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance as well as locally determined prudent methods.

- For unsupported capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset in equal instalments, starting in the year after the asset becomes operational. MRP on purchases of freehold land will be charged over 50 years. MRP on

expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.

- For capital expenditure loans to third parties that are repaid in instalments of principal, the Council will make nil MRP, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement instead.

Capital expenditure incurred during 2020/21 will not be subject to a MRP charge until 2021/22.

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| Capital Bids | | | | | Spend Profile | | | | |
|---|----------------------------------|---|--|-------------------|------------------|------------------|----------------|------------------|------------------|
| Reference | Strategic Priority | Project | Brief Description | Total Scheme Cost | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| CAP017 | Clean, Green and Safe | Vehicle Replacement Programme | Each year the Council has a replacement programme for its vehicles. As soon as a vehicle is purchased it is put on a replacement programme , often 7-10 years hence. The programme is regularly reviewed and changes are made due to a number of reasons such as condition of asset, change of activities, change in technology. The plan for 2020/21 is certain but the programme for future years are the best estimates based on known life of vehicles etc. We run the fleet on lowest whole life cost basis. | 4,880,000 | 952,000 | 846,000 | 664,000 | 1,102,000 | 1,316,000 |
| CAP018 | Clean, Green and Safe | Commercial Waste Containers | The proposal is to supply commercial containers through existing framework agreements | 100,000 | 25,000 | 25,000 | 25,000 | 25,000 | |
| CAP028 | Clean, Green and Safe | On Street Recycling container provision | The aim is to purchase around 60 more on street recycling bins. This will collect litter on one side of the bin and recycling (largely plastic bottles & cans). They will be located in places such as bus tops and to replace some freestanding litter bins | 24,000 | 24,000 | | | | |
| CAP029 | Clean, Green and Safe | Depot fuel system renewal | There are two fuel tanks – one at Highfield depot and one at Thorpe Lane. The fuel is dispensed via pumps which are becoming increasingly unreliable. The pumps at Thorpe Lane are very heavily used and the pumps are ten years old and need of replacement. Spare parts are becoming more difficult to source as the pumps are obsolete. The main pump at Highfield also needs replacement. The fuel system itself is also old, over ten years and better systems are on the market. The system needs replacing during 2020/21 | 50,000 | 50,000 | | | | |
| CAP030 | Clean, Green and Safe | Horsefair Public Conveniences | Horsefair public conveniences is located in a main visitor area. Adjacent to Banbury Cross and the Fine Lady statue. The coach drop off point is nearby. The public conveniences are twenty years old, tired and there are no facilities near by. The public conveniences will be refurbished to unisex cubicles and a disabled facility | 150,000 | | 150,000 | | | |
| Clean, Green and Safe Total | | | | 5,204,000 | 1,051,000 | 1,021,000 | 689,000 | 1,127,000 | 1,316,000 |
| CAP031 | District of Opportunity & Growth | Car Parking Action Plan Delivery | A new car parking strategy with an action plan is being developed. It is expected that the strategy & action plan will be approved by the Executive in early 2020. The action plan will aim to improve signage to and from the car parks. It will enhance facilities including signage and direction boards. More car parks will move over to pay on exit. In addition issues such as changing lighting over to LED lights to make the car even more safe but also energy efficient The action plan will commence in 2020 and should be largely completed in early 2021/22 | 175,000 | 125,000 | 50,000 | | | |
| CAP032 | District of Opportunity & Growth | Street scene fencing, street furniture and railings | This project aims to ensure play areas, open spaces and areas on CDC land and areas where CDC is responsible so areas are safe for children and other people. Work will include replacing fences , railings and other street furniture which is either in poor condition or no longer safe | 60,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 |
| District of Opportunity & Growth Total | | | | 235,000 | 137,000 | 62,000 | 12,000 | 12,000 | 12,000 |
| CAP002 | Operational Excellence | Project Manager for HR/Payroll System | The implementation of the system is already underway with the first payroll due to be paid from MHR in March 2020. As a fully integrated system it is critical to retain a full system overview to ensure that further implementation is managed and supported appropriately. This is the role of the Project Manager. | 50,000 | 50,000 | | | | |
| CAP004 | Operational Excellence | Procurement of joint performance system with OCC | Implementation of this proposal will ultimately deliver a much improved data capture and reporting system for the services inputting and for the audiences CEDR/members and our residents. This proposal will also enable shared working across CDC & OCC, expanding resilience across the areas, one version of the truth through reporting and an improved end to end process. | 65,000 | 65,000 | | | | |
| CAP024 | Operational Excellence | Bodicote House Meeting Room Audio Visual Systems | There is a growing demand within the council to make use of audio & visual (AV) facilities within meeting rooms at Bodicote House. Historically, to provide additional capacity, a temporary projector has been used. In order to eliminate the inefficient temporary approach, the proposal is to install an AV system in a further 3 meeting rooms within Bodicote House. | 10,000 | 10,000 | | | | |
| CAP025 | Operational Excellence | Legacy Iworld System Migration | The proposal is for the councils IT service to work with CSN resources and a third party specialist provider to migrate the data from the I World system into a supported, sustainable environment and develop an appropriate interface to enable access to the data. | 100,000 | 100,000 | | | | |
| CAP026 | Operational Excellence | CDC & OCC Technology Alignment | As the CDC and OCC partnership develops and as OCC progress their IT Transformation programme, opportunities may arise whereby CDC and OCC can align technology and processes to maximise efficiencies and improve services for staff. This project will drive forward the identification of potential opportunities, prioritise and implement those that will bring maximum benefit to the partnership. | 100,000 | 100,000 | | | | |
| Operational Excellence Total | | | | 325,000 | 325,000 | 0 | 0 | 0 | 0 |

| Capital Bids | | | | | Spend Profile | | | | |
|--------------|---|--|---|-------------------|------------------|------------------|----------------|------------------|------------------|
| Reference | Strategic Priority | Project | Brief Description | Total Scheme Cost | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| CAP006 | Thriving Communities & Wellbeing | Community Centre - Works | Many of the community centres have not received any major replacement works and after the property having had condition reviews undertaken by Gleeds it has been identified that many of the roofs are in a poor condition which is leading to significant damage to the internal elements of the building. Rustcote Arcade and Chasewell Grange have experienced persistent roof problems that need to be resolved. Generally the tenants liability does not extend to the structural parts of the buildings. | 385,000 | 195,000 | 190,000 | | | |
| CAP019 | Thriving Communities & Wellbeing | Build Team Essential Repairs and Improvements Capital Budget | This sum is to cover essential repairs and improvements to existing properties in the Build portfolio | 160,000 | 160,000 | | | | |
| CAP020 | Thriving Communities & Wellbeing | Creampot Crescent, Cropredy-repurchase contingency budget | 1A Creampot Crescent, Cropredy is a three-bedroom shared ownership property developed on a Rural Exception Site. This attracts a lease condition that the purchaser can only staircase up to 80% of the overall value to ensure that the house stays as an affordable unit in perpetuity. Mortgage lenders require a guarantee that in the unlikely event they have to repossess the property the Council will purchase the property at full market value. This will require CDC to have a rolling capital budget to meet this requirement. | 350,000 | 350,000 | | | | |
| CAP021 | Thriving Communities & Wellbeing | Cooper School - Re-development/Refurbishment works of Male/Female Changing Rooms | The Capital Bid outlined below identifies the need for investment in the Male, Female and Disabled Changing Rooms and Toilet Facilities at The Cooper School Bicester to improve/upgrade these facilities. In terms of the proposed works the following are required (these are indicative costs only at this stage until more detailed proposals are provided). | 40,000 | 40,000 | | | | |
| CAP022 | Thriving Communities & Wellbeing | North Oxfordshire Academy – Upgrade of existing Facilities to meet 'Trackmark' accreditation | The Capital Bid outlined relates to the North Oxfordshire Academy Athletics Track, Banbury. | 60,000 | 60,000 | | | | |
| CAP033 | Thriving Communities & Wellbeing | Burnehyll Community Woodland | Funding required to develop a community woodland, including archaeological surveys, public access footpath works, signage, gates, park furniture, and tree planting. | 230,000 | 80,000 | 95,000 | 55,000 | | |
| | Thriving Communities & Wellbeing Total | | | 1,225,000 | 885,000 | 285,000 | 55,000 | 0 | 0 |
| | Grand Total | | | 6,989,000 | 2,398,000 | 1,368,000 | 756,000 | 1,139,000 | 1,328,000 |

| Project Description | Year Approved | Project Owner | 2019/20 | | | 2020/21 | | | | 2021/22 | 2022/23 | 2023/24 | 2024/25 | Grand Total |
|--|---------------|-----------------|---------------|--------------|---------------|---------------------------|--------------|-------------|---------------|---------------|--------------|---------------|---------------|---------------|
| | | | Re-profiled | New Projects | Total | Existing Capital Projects | New Bids | Adjustments | Total | | | | | |
| | | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | | | | | |
| Bicester Leisure Centre Extension | 2013/14 | Nicola Riley | 122 | | 122 | | | | | | | | | 122 |
| Community Capital Grants | 2014/15 | Nicola Riley | 1 | | 1 | | | | | | | | | 1 |
| Cooper School - Re-development/Refurbishment works of Male/Female Changing Rooms | 2020/21 | Nicola Riley | | | 0 | | 40 | | 40 | | | | | 40 |
| Corporate Booking System | 2014/15 | Nicola Riley | 60 | | 60 | | | | | | | | | 60 |
| Cherwell Community Fund | 2018/19 | Nicola Riley | | | 0 | 100 | | | 100 | 100 | | | | 200 |
| North Oxfordshire Academy – Upgrade of existing Facilities to meet 'Trackmark' accreditation | 2020/21 | Nicola Riley | | | 0 | | 60 | | 60 | | | | | 60 |
| North Oxfordshire Academy Astroturf | 2016/17 | Nicola Riley | 183 | | 183 | | | | | | | | | 183 |
| Physical Activity and Inequalities Insight | 2017/18 | Nicola Riley | 12 | | 12 | | | | | | | | | 12 |
| Solar Photovoltaics at Sports Centres | 2012/13 | Nicola Riley | 43 | | 43 | | | | | | | | | 43 |
| Spiceball Leis Centre Bridge Resurfacing | 2013/14 | Nicola Riley | 30 | | 30 | | | | | | | | | 30 |
| Wellbeing - Community Services Total | | | 451 | 0 | 451 | 100 | 100 | 0 | 200 | 100 | 0 | 0 | 0 | 751 |
| Disabled Facilities Grants | Annual | Gillian Douglas | 542 | | 542 | 375 | | | 375 | 375 | | | | 1,292 |
| Discretionary Grants Domestic Properties | Annual | Gillian Douglas | 50 | | 50 | 150 | | | 150 | 150 | 150 | 150 | | 800 |
| Wellbeing - Housing Services Total | | | 592 | 0 | 592 | 525 | 0 | 0 | 525 | 525 | 150 | 150 | 150 | 2,092 |
| Bicester Country Park | 2020/21 | Graeme Kane | | | 0 | | 80 | | 80 | 95 | 55 | | | 230 |
| Car Park Refurbishments | 2017/18 | Graeme Kane | 42 | | 42 | | | | | | | | | 42 |
| Car Parking Action Plan Delivery | 2020/21 | Graeme Kane | | | 0 | | 125 | | 125 | 50 | | | | 175 |
| Commercial Waste Containers | 2019/20 | Graeme Kane | 4 | | 4 | | 25 | | 25 | 25 | 25 | 25 | | 104 |
| Depot fuel system renewal | 2020/21 | Graeme Kane | | | 0 | | 50 | | 50 | | | | | 50 |
| Horsefair Public Conveniences | 2020/21 | Graeme Kane | | | 0 | | | | | 150 | | | | 150 |
| Off Road Parking | 2015/16 | Graeme Kane | 18 | | 18 | | | | | | | | | 18 |
| On Street Recycling Bins | 2019/20 | Graeme Kane | 5 | | 5 | | 24 | | 24 | | | | | 29 |
| Street Scene Fencing, Street Furniture and Railings | 2020/21 | Graeme Kane | | | 0 | | 12 | | 12 | 12 | 12 | 12 | 12 | 60 |
| Thorpe Lane Depot capacity enhancement | 2019/20 | Graeme Kane | | | 0 | 175 | | | 175 | | | | | 175 |
| Vehicle Replacement Programme | Annual | Graeme Kane | 179 | | 179 | | 952 | | 952 | 846 | 664 | 1,102 | 1,316 | 5,059 |
| Environmental Services Total | | | 248 | 0 | 248 | 175 | 1,268 | 0 | 1,443 | 1,178 | 756 | 1,139 | 1,328 | 6,092 |
| Wellbeing and Environmental Services Total | | | 1,291 | 0 | 1,291 | 800 | 1,368 | 0 | 2,168 | 1,803 | 906 | 1,289 | 1,478 | 8,935 |
| Admiral Holland Redevelopment Project (phase 1b) | 2015/16 | Robert Jolley | 293 | | 293 | | | | | | | | | 293 |
| Angus Close (Phase 2) | 2018/19 | Robert Jolley | 344 | | 344 | | | | | | | | | 344 |
| Bicester Library (phase 1b) | 2015/16 | Robert Jolley | 956 | | 956 | | | | | | | | | 956 |
| Bretch Hill Reservoir (Thames Water Site) (Phase 2) | 2018/19 | Robert Jolley | 6,944 | | 6,944 | | | | | | | | | 6,944 |
| Buchanan Road/Woodpiece Road (Phase 2) | 2018/19 | Robert Jolley | 163 | | 163 | | | | | | | | | 163 |
| Build Programme (Phase 2) | 2018/19 | Robert Jolley | 672 | | 672 | | | | | | | | | 672 |
| Build Team Essential Repairs and Improvements Capital Budget | 2020/21 | Robert Jolley | | | 0 | | 160 | | 160 | | | | | 160 |
| Bullmarsh Close (Phase 2) | 2018/19 | Robert Jolley | 290 | | 290 | | | | | | | | | 290 |
| Garden Town | 2019/20 | Robert Jolley | | | 0 | 2,946 | | | 2,946 | | | | | 2,946 |
| Creampot Crescent, Cropredy- repurchase contingency budget | 2020/21 | Robert Jolley | | | 0 | | 350 | | 350 | | | | | 350 |
| East West Railways | 2015/16 | Robert Jolley | 1,450 | | 1,450 | 290 | | | 290 | 290 | | | | 2,030 |
| Graven Hill | 2016/17 | Robert Jolley | | | 0 | 16,500 | | | 16,500 | 12,000 | 4,000 | 18,000 | 30,000 | 80,500 |
| Leys Close (Phase 2) | 2018/19 | Robert Jolley | 255 | | 255 | | | | | | | | | 255 |
| Nizewell Head (Phase 2) | 2018/19 | Robert Jolley | 188 | | 188 | | | | | | | | | 188 |
| Park Road (Phase 2) | 2018/19 | Robert Jolley | 196 | | 196 | | | | | | | | | 196 |
| Trades & Labour Club (Phase 2) | 2018/19 | Robert Jolley | 1,542 | | 1,542 | | | | | | | | | 1,542 |
| Wykham Lane (Phase 2) | 2018/19 | Robert Jolley | 184 | | 184 | | | | | | | | | 184 |
| Place & Growth - Economy & Regeneration Total | | | 13,477 | 0 | 13,477 | 19,736 | 510 | 0 | 20,246 | 12,290 | 4,000 | 18,000 | 30,000 | 98,013 |
| Place and Growth Total | | | 13,477 | 0 | 13,477 | 19,736 | 510 | 0 | 20,246 | 12,290 | 4,000 | 18,000 | 30,000 | 98,013 |
| HR/Payroll Replacement System | 2019/20 | Karen Edwards | | | 0 | 18 | | | 18 | 18 | 18 | 18 | | 72 |
| Project Manager for HR/Payroll System | 2020/21 | Karen Edwards | | | 0 | | 50 | | 50 | | | | | 50 |
| HR, OD and Payroll | | | 0 | 0 | 0 | 18 | 50 | 0 | 68 | 18 | 18 | 18 | 0 | 122 |
| Procurement of joint performance system with OCC | 2020/21 | Louise Tustian | | | 0 | | 65 | | 65 | | | | | 65 |

| Project Description | Year Approved | Project Owner | 2019/20 | | | 2020/21 | | | | 2021/22 | 2022/23 | 2023/24 | 2024/25 | Grand Total |
|---|---------------|---------------|-------------|--------------|--------|---------------------------|----------|-------------|--------|---------|---------|---------|---------|-------------|
| | | | Re-profiled | New Projects | Total | Existing Capital Projects | New Bids | Adjustments | Total | | | | | |
| | | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | | | | | |
| Performance and Transformation | | | 0 | 0 | 0 | 0 | 65 | 0 | 65 | 0 | 0 | 0 | 0 | 65 |
| 5 Year Rolling HW / SW Replacement Prog | Annual | Claire Taylor | | | 0 | 50 | | | 50 | 50 | | | | 100 |
| Bodicote House Meeting Room Audio Visual Systems | 2020/21 | Claire Taylor | | | 0 | | 10 | | 10 | | | | | 10 |
| Business Systems Harmonisation Programme | Annual | Claire Taylor | | | 0 | 40 | | | 40 | 40 | | | | 80 |
| CDC & OCC Technology Alignment | 2020/21 | Claire Taylor | | | 0 | | 100 | | 100 | | | | | 100 |
| Legacy Iworld System Migration | 2020/21 | Claire Taylor | | | 0 | | 100 | | 100 | | | | | 100 |
| Information Technology Total | | | 0 | 0 | 0 | 90 | 210 | 0 | 300 | 90 | 0 | 0 | 0 | 390 |
| Customers and Service Development Total | | | 0 | 0 | 0 | 108 | 325 | 0 | 433 | 108 | 18 | 18 | 0 | 577 |
| Finance Replacement System | 2019/20 | Adele Taylor | 130 | | 130 | 980 | | | 980 | 20 | | | | 1,130 |
| Bespoke/Custom Build Bridging Loan Scheme | 2017/18 | Adele Taylor | | | 0 | 2,500 | | | 2,500 | | | | | 2,500 |
| Banbury Health Centre - Refurbishment of Ventilation, Heating & Cooling Systems | 2017/18 | Robert Fuzesi | 153 | | 153 | | | | 0 | | | | | 153 |
| Bodicote House Fire Compliance Works | 2019/20 | Robert Fuzesi | 79 | | 79 | | | | 0 | | | | | 79 |
| Castle Quay 1 | 2017/18 | Robert Fuzesi | 3,300 | | 3,300 | | | | 0 | | | | | 3,300 |
| Castle Quay 2 | 2017/18 | Robert Fuzesi | 31,134 | | 31,134 | 25,798 | | | 25,798 | | | | | 56,932 |
| CDC Feasibility of utilisation of proper | 2019/20 | Robert Fuzesi | 100 | | 100 | | | | 0 | | | | | 100 |
| Community Centre - Works | 2020/20 | Robert Fuzesi | | | 0 | | 195 | | 195 | 190 | | | | 385 |
| Corporate Asbestos Surveys | 2019/20 | Robert Fuzesi | 30 | | 30 | 60 | | | 60 | | | | | 90 |
| Corporate Fire Risk Assessments | 2019/20 | Robert Fuzesi | 10 | | 10 | 20 | | | 20 | | | | | 30 |
| The Mill | 2019/20 | Robert Fuzesi | 250 | | 250 | | | | 0 | | | | | 250 |
| Works From Compliance Surveys | 2019/20 | Robert Fuzesi | 105 | | 105 | 65 | | | 65 | | | | | 170 |
| Finance and Property | | | 35,291 | 0 | 35,291 | 29,423 | 195 | 0 | 29,618 | 210 | 0 | 0 | 0 | 65,119 |
| Finance and Property Total | | | 35,291 | 0 | 35,291 | 29,423 | 195 | 0 | 29,618 | 210 | 0 | 0 | 0 | 65,119 |
| Capital Total | | | 50,059 | 0 | 50,059 | 50,067 | 2,398 | 0 | 52,465 | 14,411 | 4,924 | 19,307 | 31,478 | 172,644 |

Cherwell District Council

Treasury Management Strategy Statement 2020-21

Introduction

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.

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.

Investments held for service purposes or for commercial profit are considered in a different report, the Investment Strategy.

The latest economic background, credit outlook and interest rate forecast provided by Arlingclose (as at 23 December 2019) is attached at **Appendix A**.

For the purpose of setting the budget, it has been assumed that new treasury investments will be made at an average rate of 0.68%, and that new loans will be borrowed at an average rate of 1.51%.

Local Context

On 31 December 2019, the council held £123m of borrowing and £41.1m of investments. This is set out in further detail below:

| | 31.12.19 Actual Portfolio £m | 31.12.19 Average Rate % |
|--|---|--|
| External borrowing: | | |
| Public Works Loan Board | 75.0 | 1.76% |
| Local authorities | 48.0 | 1.29% |
| Total gross external debt | 123.0 | 1.58% |
| Treasury Investments: | | |
| Banks & building societies (unsecured) | 2.2 | 0.65% |
| UK Government | 18.9 | 0.50% |
| Local Authorities | 13.0 | 0.88% |
| Money Market Funds | 7.0 | 0.70% |
| Total treasury investments | 41.1 | 0.66% |
| Net debt | 81.9 | |

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

Table 1: Balance sheet summary and forecast

| | 31.3.19 Actual £m | 31.3.20 Estimate £m | 31.3.21 Forecast £m | 31.3.22 Forecast £m | 31.3.23 Forecast £m |
|---|----------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| General Fund CFR | 146.2 | 187.8 | 226.8 | 219.7 | 211.9 |
| Less: External borrowing ** | (111.0) | (116.0) | (75.0) | (75.0) | (75.0) |
| Internal/(over) borrowing | 35.2 | 71.8 | 151.8 | 144.7 | 136.9 |
| Less: Usable reserves | (21.8) | (21.8) | (21.8) | (21.8) | (21.8) |
| Less: Working capital | (28.0) | (28.0) | (28.0) | (28.0) | (28.0) |
| Investments/(New borrowing required) | 14.6 | (22.0) | (102.0) | (94.9) | (87.1) |

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

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.

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 £177m over the forecast period (£75m plus £102m in 2020/21 from the table above).

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 2020/21.

Borrowing Strategy

The council currently (31/12/2019) holds £123 million of loans, an increase of £12 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 £177 million in 2020/21. The council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £240million, which has been assessed and stated in the Capital Strategy.

Objectives: 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: 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.

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

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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 2020/21 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

The council has raised the majority of its *long*-term borrowing from the PWLB but the government increased PWLB rates by 1% in October 2019 making it now a relatively expensive option. The council will now look to borrow any long-term loans from other sources including banks, pension funds and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code.

Alternatively, the council may arrange forward starting loans during 2020/21, 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: 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: 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

The council has currently around 61% of its borrowing long-term from the PWLB but it continues to investigate other sources of finance, such as local authority loans and bank loans, that may be available at more favourable rates.

Municipal Bonds Agency: 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 may be required to provide bond investors with a proportional 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: 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.

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Short-term and variable rate loans: 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. Financial derivatives may be used to manage this interest rate risk (see section below).

Debt rescheduling: 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.

Investment Strategy

The council currently (31/12/19) holds invested funds of £41.1m representing income received in advance of expenditure plus balances and reserves held. In the past 9 months (April – December 2019), the council's investment balance has ranged between £11 million and £62 million. Levels in the forthcoming year are expected to be generally lower, ranging between £10m and £25m, but may vary for short periods due to cashflow needs and borrowing opportunities.

Objectives: 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: If the UK enters into a recession in 2020/21, 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: 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: 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: The council may invest its surplus funds with any of the counterparty types in table 2 below, subject to the cash limits (per counterparty) and the time limits shown.

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Table 2: 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: 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: 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: 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: 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.

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Corporates: 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: 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: 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.

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: 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. Investments in REIT shares cannot be withdrawn but can be sold on the stock market to another investor

Operational bank accounts: 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: 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.

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.

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Other information on the security of investments: 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.

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: 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 3: 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: 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.

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Treasury Management Indicators

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

Interest rate exposures: 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 a 0.75%^{^^} 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 | £600,000 |
| Upper limit on one-year revenue impact of a 0.75% <u>fall</u> in interest rates | £450,000 |

^{^^} As interest rates are at 0.75%, the impact of a potential fall has been capped at 0%

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: 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% |

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: 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 | 2020/21 | 2021/22 | 2022/23 |
|---|---------|---------|---------|
| Limit on principal invested beyond year end | £5m | £5m | £5m |

Related Matters

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

Financial Derivatives: 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).

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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.

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.

In line with the CIPFA Code, the Authority will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

Markets in Financial Instruments Directive (MiFID II): 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 believes this to be the most appropriate status.

Financial Implications

The budget for treasury investment income in 2020/21 is £101k, based on an average investment portfolio of £15 million at an average interest rate of 0.68%.

The budget for debt interest payable in 2020/21 is £2.220 million, based on an average debt portfolio of £147 million at an average interest rate of 1.51%.

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

Other Options Considered

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 |

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| | | |
|--|--|---|
| 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 background, credit outlook and interest rate forecast – 23 December 2019

Economic background: 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 Authority's treasury management strategy for 2020/21. The General Election has removed some uncertainty within the market, however following the expected Withdrawal Bill, uncertainties around the future trading relationship with the EU remain.

GDP growth rose by 0.4% in the third quarter of 2019 from -0.2% in the previous three months with the annual rate falling further below its trend rate to 1.1% from 1.2%. Services, construction and production added positively to growth, by 0.5%, 1.2% and 0.1% respectively, while agriculture recorded a fall of 0.1%. Looking ahead, the Bank of England's Monetary Policy Report (formerly the Quarterly Inflation Report) forecasts economic growth to pick up during 2020 as Brexit-related uncertainties dissipate and provide a boost to business investment helping GDP reach 1.6% in Q4 2020, 1.8% in Q4 2021 and 2.1% in Q4 2022.

The headline rate of UK Consumer Price Inflation remained the same in November 2019 at 1.5% year-on-year, the same as October 2019, however continuing to fall from highs of 2.1% in July and April 2019 as accommodation services and transport continued to contribute to a level of inflation below the BOE target of 2%. Labour market data continues to be positive. The ILO unemployment rate continues to hold at historic lows at 3.8%, its lowest level since 1975. The 3-month average annual growth rate for pay excluding bonuses rose to 3.5% in November 2019 providing some evidence that a shortage of labour is supporting wages. However, adjusting for inflation this means real wages were only up by 0.9% in October 2019 and only likely to have a moderate impact on household spending.

Domestic inflationary pressures have abated, as domestic gas and electricity price freezes have taken effect until 2020. The price of oil has fallen through the year, despite a rise in prices in December 2019. The limited inflationary pressure from real wages will likely keep inflation below the Bank of England target of 2%. The Bank of England maintained Bank Rate to 0.75% in November following a 7-2 vote by the Monetary Policy Committee. Despite keeping rates on hold, MPC members did confirm that if Brexit uncertainty drags on or global growth fails to recover, they are prepared to cut interest rates as required. Moreover, the downward revisions to some of the growth projections in the Monetary Policy Report suggest the Committee may now be less convinced of the need to increase rates even if there is a Brexit deal.

The US economy has continued to perform relatively well compared to other developed nations; however, the Federal Reserve has started to unwind its monetary tightening through 2019. The Federal Reserve has cut rates three times to 1.5% - 1.75%, to stimulate growth as GDP growth has started to fall (to 2.1%).

The fallout from the US-China trade war continues which, risks contributing to a slowdown in global economic activity in 2019. Recent suggestions have been an initial compromise and potential unwinding of tariffs; however, this can change quickly. Slow growth in Europe, combined with changes in leadership at

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the ECB and IMF has led to a change of stance in 2019. Quantitative easing has continued and been extended.

Credit outlook: The recent Bank of England stress tests assessed all seven UK banking groups. The tests scenarios include deep simultaneous recessions in the UK and global economies that are more severe overall than the global financial crisis, combined with large falls in asset prices and a separate stress of misconduct costs. All seven banks passed the test on both a CET1 ratio and a leverage ratio basis. Major banks have steadily increased their capital for many years now. However, there are a number of shortcomings in the Bank's approach; timeliness as the results are over 11 months of out date when they are published, being based on end-2018 balance sheets; ringfencing, as the tests ignore the restrictions on transferring capital between ringfenced "retail" banks and non-ringfenced "investment" banks within the larger groups and; coverage – the tests should be expanded to cover a wider range of UK banks and building societies.

The Bank of England will seek to address some of these issues in 2020, when Virgin Money/Clydesdale will be added to the testing group and separate tests will be included of ringfenced banks.

Challenger banks hit the news headlines in 2019 with Metro Bank and TSB Bank both suffering adverse publicity and falling customer numbers.

Looking forward, the potential for a "no-deal" Brexit and/or a global recession remain the major risks facing banks and building societies in 2020/21 and a cautious approach to bank deposits remains advisable.

Interest rate forecast: The Authority's treasury management adviser Arlingclose is forecasting that Bank Rate will remain at 0.75% until the end of 2022. The risks to this forecast are deemed to be significantly weighted to the downside, particularly given the upcoming general election, the need for greater clarity on Brexit and the continuing global economic slowdown. The Bank of England, having previously indicated interest rates may need to rise if a Brexit agreement was reached, stated in its November Monetary Policy Report and its Bank Rate decision (7-2 vote to hold rates) that the MPC now believe this is less likely even in the event of a deal.

Gilt yields have risen but remain at low levels and only some very modest upward movement from current levels are expected based on Arlingclose's interest rate projections. The central case is for 10-year and 20-year gilt yields to rise to around 1.00% and 1.40% respectively over the time horizon, with broadly balanced risks to both the upside and downside. However, short-term volatility arising from both economic and political events over the period is a near certainty.

Underlying assumptions:

- The global economy is entering a period of slower growth in response to political issues, primarily the trade policy stance of the US. The UK economy has displayed a marked slowdown in growth due to both Brexit uncertainty and the downturn in global activity. In response, global and UK interest rate expectations have eased.
- Some positivity on the trade negotiations between China and the US has prompted worst case economic scenarios to be pared back. However, information is limited, and upbeat expectations have been wrong before.
- Brexit has been delayed until 31 January 2020. While the General Election has maintained economic and political uncertainty, the opinion polls suggest the Conservative position in parliament may be strengthened, which reduces the chance of Brexit being further frustrated. A key concern is the limited transitional period following a January 2020 exit date, which will maintain and create additional uncertainty over the next few years.

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- UK economic growth has stalled despite Q3 2019 GDP of 0.3%. Monthly figures indicate growth waned as the quarter progressed and survey data suggest falling household and business confidence. Both main political parties have promised substantial fiscal easing, which should help support growth.
- While the potential for divergent paths for UK monetary policy remain in the event of the General Election result, the weaker external environment severely limits potential upside movement in Bank Rate, while the slowing UK economy will place pressure on the MPC to loosen monetary policy. Indeed, two MPC members voted for an immediate cut in November 2019.
- Inflation is running below target at 1.7%. While the tight labour market risks medium-term domestically-driven inflationary pressure, slower global growth should reduce the prospect of externally driven pressure, although political turmoil could push up oil prices.
- Central bank actions and geopolitical risks will continue to produce significant volatility in financial markets, including bond markets.

Forecast:

- Although we have maintained our Bank Rate forecast at 0.75% for the foreseeable future, there are substantial risks to this forecast, dependant on General Election outcomes and the evolution of the global economy.
- Arlingclose judges that the risks are weighted to the downside.
- Gilt yields have risen but remain low due to the soft UK and global economic outlooks. US monetary policy and UK government spending will be key influences alongside UK monetary policy.
- We expect gilt yields to remain at relatively low levels for the foreseeable future and judge the risks to be broadly balanced.

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| | Dec-19 | Mar-20 | Jun-20 | Sep-20 | Dec-20 | Mar-21 | Jun-21 | Sep-21 | Dec-21 | Mar-22 | Jun-22 | Sep-22 | Dec-22 | Average |
|----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Official Bank Rate | | | | | | | | | | | | | | |
| Upside risk | 0.00 | 0.00 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.21 |
| Arlingclose Central Case | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 |
| Downside risk | -0.50 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.73 |
| 3-month money market rate | | | | | | | | | | | | | | |
| Upside risk | 0.10 | 0.10 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.25 |
| Arlingclose Central Case | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 |
| Downside risk | -0.50 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.73 |
| 1yr money market rate | | | | | | | | | | | | | | |
| Upside risk | 0.10 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.25 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.23 |
| Arlingclose Central Case | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 |
| Downside risk | -0.30 | -0.50 | -0.55 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.60 |
| 5yr gilt yield | | | | | | | | | | | | | | |
| Upside risk | 0.30 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.40 | 0.45 | 0.45 | 0.45 | 0.37 |
| Arlingclose Central Case | 0.50 | 0.50 | 0.50 | 0.55 | 0.60 | 0.60 | 0.60 | 0.60 | 0.60 | 0.60 | 0.60 | 0.60 | 0.60 | 0.57 |
| Downside risk | -0.35 | -0.50 | -0.50 | -0.55 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.56 |
| 10yr gilt yield | | | | | | | | | | | | | | |
| Upside risk | 0.30 | 0.30 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.40 | 0.40 | 0.45 | 0.45 | 0.37 |
| Arlingclose Central Case | 0.75 | 0.75 | 0.80 | 0.80 | 0.85 | 0.85 | 0.90 | 0.90 | 0.95 | 0.95 | 1.00 | 1.00 | 1.00 | 0.88 |
| Downside risk | -0.40 | -0.40 | -0.40 | -0.40 | -0.45 | -0.45 | -0.45 | -0.45 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.45 |
| 20yr gilt yield | | | | | | | | | | | | | | |
| Upside risk | 0.30 | 0.30 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.40 | 0.40 | 0.45 | 0.45 | 0.37 |
| Arlingclose Central Case | 1.20 | 1.20 | 1.25 | 1.25 | 1.25 | 1.30 | 1.30 | 1.30 | 1.35 | 1.35 | 1.35 | 1.40 | 1.40 | 1.30 |
| Downside risk | -0.40 | -0.40 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.50 | -0.50 | -0.45 |
| 50yr gilt yield | | | | | | | | | | | | | | |
| Upside risk | 0.30 | 0.30 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.40 | 0.40 | 0.45 | 0.45 | 0.37 |
| Arlingclose Central Case | 1.20 | 1.20 | 1.25 | 1.25 | 1.25 | 1.30 | 1.30 | 1.30 | 1.35 | 1.35 | 1.35 | 1.40 | 1.40 | 1.30 |
| Downside risk | -0.40 | -0.40 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.50 | -0.50 | -0.45 |

PWLB Certainty Rate (Maturity Loans) = Gilt yield + 1.80%

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

Investment Strategy 2020/21

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 The investment strategy was a new report introduced 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 2020/21 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 2020/21 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 – the Graven Hill Village companies and Crown House Banbury Ltd. Graven Hill is an ambitious self-build housing development providing significant housing in

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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 | 31.3.2019 actual | | | 2020/21 |
|----------------------|------------------|----------------|------------------------|----------------|
| | Balance* | Loss allowance | Net figure in accounts | Approved Limit |
| Subsidiaries | 46.800 | 0.593 | 46.207 | 83.287 |
| Local charities | 1.152 | 0.049 | 1.103 | 1.150 |
| Local Business | 0.020 | 0 | 0.020 | 0.050 |
| Parishes | 0.094 | 0 | 0.094 | 0.100 |
| TOTAL | 48.066 | 0.642 | 47.424 | 84.587 |

* including accrued interest

- 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 are 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

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- 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 can 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 | 31.3.2019 actual | | | 2020/21 |
|---------------------|------------------|-----------------|-------------------|----------------|
| | Amounts invested | Gains or losses | Value in accounts | Approved Limit |
| Subsidiaries | 22.828 | 0 | 22.828 | 26.971 |
| TOTAL | 22.828 | 0 | 22.828 | 26.971 |

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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 £5.1m 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 | 31.3.2019 actual | | 31.3.2020 expected | 31.3.2021 expected |
|-----------------------------------|---------------|-------------------|-------------------|--------------------|--------------------|
| | Purchase Cost | Gains or (losses) | Value in accounts | Value in accounts | Value in accounts |
| Castle Quay Shopping Centre | 61.120 | (18.695) | 42.425 | 42.425 | 110.225 |
| Pioneer Square | 8.161 | (0.108) | 8.053 | 8.053 | 8.053 |
| Tramway Industrial Estate | 9.603 | (0.383) | 9.220 | 9.220 | 9.220 |
| Other properties valued under £5m | 11.967 | 0.575 | 12.542 | 12.542 | 12.542 |
| TOTAL | 90.851 | (18.611) | 72.240 | 72.240 | 140.04 |

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 2019/20 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

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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 effect 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

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- 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 (as at 31/12/19):

Table 4: Loan Commitments and Guarantees

| Borrower | Purpose | £m Contractually Available |
|---|--|-----------------------------------|
| Crown House Banbury Ltd | Redevelopment of town centre building into housing | 0.4 |
| Graven Hill Village Development Company Ltd | Revolving Credit Facility available to the council's subsidiary until 2026 | 13.5 |
| Graven Hill Village Development Company Ltd | Facility Agreement that has been in place since 2014 to deliver the project. | 19.8 |
| Graven Hill Village Development Company Ltd | Loan Note instrument to enable the company to deliver its objectives | 7.9 |
| TOTAL | | 41.6 |

The council has also issued a performance bond of £22million to Oxfordshire County Council (OCC) on behalf of Graven Hill Village Development Company Ltd in respect of Graven Hill's obligations to OCC under s106 agreements.

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

Appendix 6

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 [insert link when available] 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 | 31.03.2019 Actual | 31.03.2020 Forecast | 31.03.2021 Forecast |
|----------------------------------|----------------------|------------------------|------------------------|
| Treasury management investments | 15.3 | 15.0 | 15.0 |
| Service investments: Loans | 47.4 | 62.4 | 62.4 |
| Service investments: Shares | 22.8 | 27.8 | 27.8 |
| Commercial investments: Property | 72.2 | 72.2 | 140.0 |
| TOTAL INVESTMENTS | 157.7 | 177.4 | 245.2 |
| Commitments to lend | 1.8 | 36.4 | 34.0 |
| TOTAL EXPOSURE | 159.5 | 213.8 | 279.2 |

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 | 2018/19 Actual | 2019/20 Forecast | 2020/21 Forecast |
|---------------------------------------|---------------------------|-----------------------------|-----------------------------|
| Treasury management investments | 0.50% | 0.70% | 0.68% |
| Service investments: Loans | 1.5% - 12% | 1.5% - 12% | 1.5% - 12% |
| Commercial investments: Property | Variable | Variable | Variable |

Car Parking

| Discretionary Fees and Charges | Fee 19-20 (incl. VAT) | Proposed Fee 20-21 (incl. VAT) | Risk | Actual Increase | % Increase |
|---|--------------------------|--------------------------------------|------|--------------------|---------------|
| Banbury Short Stay (Charges apply 8am-7pm. Free Parking after 7pm) | | | | | |
| 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 | £1.50 | | £0.50 | 50.0% |
| 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 | £1.50 | | £0.50 | 50.0% |
| 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 | £1.50 | | £0.50 | 50.0% |
| 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 | £1.50 | | £0.50 | 50.0% |

| Discretionary Fees and Charges | Fee 19-20 (incl. VAT) | Proposed Fee 20-21 (incl. VAT) | Risk | Actual Increase | % Increase |
|---|--------------------------|--------------------------------------|------|--------------------|---------------|
| 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% |
| 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 | £1.50 | | £0.50 | 50.0% |
| 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 | £1.50 | | £0.50 | 50.0% |
| 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 | £1.50 | | £0.50 | 50.0% |
| 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 | £1.50 | | £0.50 | 50.0% |
| 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% |

| Discretionary Fees and Charges | Fee 19-20 (incl. VAT) | Proposed Fee 20-21 (incl. VAT) | Risk | Actual Increase | % Increase |
|---|--------------------------|--------------------------------------|------|--------------------|---------------|
| Free of charge up to maximum stay permitted | | | | | |

| Discretionary Fees and Charges | Fee 19-20 (incl. VAT) | Proposed Fee 20-21 (incl. VAT) | Risk | Actual Increase | % Increase |
|--|--------------------------|--------------------------------------|------|--------------------|---------------|
| Banbury Long Stay (charges apply 8am-7pm. Free Parking after 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% |
| 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 | £1.50 | | £0.50 | 50.0% |
| 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 | £1.50 | | £0.50 | 50.0% |
| 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 | £1.50 | | £0.50 | 50.0% |
| 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 | £1.50 | | £0.50 | 50.0% |
| | | | | | |
| Discretionary Fees and Charges | Fee 19-20 (incl. VAT) | Proposed Fee 20-21 (incl. VAT) | Risk | Actual Increase | % Increase |
| 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% |
| 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 | £1.50 | | £0.50 | 50.0% |
| 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% |
| 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% |
| Bolton Road Sunday and Bank Holidays | | | | | |
| 0 - 1 hour | £0.80 | £0.80 | | £0.00 | 0.0% |
| Over 1 hour | £1.00 | £1.50 | | £0.50 | 50.0% |
| 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% |

| Discretionary Fees and Charges | Fee 19-20 (incl. VAT) | Proposed Fee 20-21 (incl. VAT) | Risk | Actual Increase | % Increase |
|--|--------------------------|--------------------------------------|------|--------------------|---------------|
| 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% |
| Over 1 hour | £1.00 | £1.50 | | £0.50 | 50.0% |
| Compton Road lay over (Coaches only) - no charge | £0.00 | £0.00 | | £0.00 | 0.0% |
| Drop Off - Pick Up Points | | | | | |
| Bridge Street (all week) | | | | £0.00 | 0.0% |
| 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 | Fee 19-20 (incl. VAT) | Proposed Fee 20-21 (incl. VAT) | Risk | Actual Increase | % Increase |
| Bicester Short Stay (Charges apply 8am-7pm. Free Parking after 7pm) | | | | | |
| Market Square Monday To Saturday | | | | | |
| 0 - 30 Minutes | £0.60 | £0.80 | | £0.20 | 33.3% |
| 0 - 1 Hour | £1.10 | £1.20 | | £0.10 | 9.1% |
| Market Square Sunday and Bank Holidays | | | | | |
| 0 - 1 Hour | £0.60 | £0.80 | | £0.20 | 33.3% |
| Over 1 hour | £1.00 | £1.50 | | £0.50 | 50.0% |
| Claremont Monday To Saturday | | | | | |
| 0 - 1 hour | £0.60 | £0.80 | | £0.20 | 33.3% |
| 1 - 2 Hours | £1.20 | £1.60 | | £0.40 | 33.3% |
| 2 - 3 Hours | £1.70 | £2.20 | | £0.50 | 29.4% |
| Claremont Sunday and Bank Holidays | | | | | |
| 0 - 1 hour | £0.60 | £0.80 | | £0.20 | 33.3% |
| Over 1 hour | £1.00 | £1.50 | | £0.50 | 50.0% |
| Chapel Brook Monday To Saturday | | | | | |
| 0 - 1 hour | £0.60 | £0.80 | | £0.20 | 33.3% |
| 1 - 2 Hours | £1.20 | £1.60 | | £0.40 | 33.3% |
| 2 - 3 Hours | £1.70 | £2.20 | | £0.50 | 29.4% |
| Chapel Brook Sunday and Bank Holidays | | | | | |
| 0 - 1 hour | £0.60 | £0.80 | | £0.20 | 33.3% |
| Over 1 hour | £1.00 | £1.50 | | £0.50 | 50.0% |
| Victoria Road Monday To Saturday | | | | | |
| 0 - 1 hour | £0.60 | £0.80 | | £0.20 | 33.3% |
| 1 - 2 Hours | £1.20 | £1.60 | | £0.40 | 33.3% |
| 2 - 3 Hours | £1.70 | £2.20 | | £0.50 | 29.4% |
| Victoria Road Sunday and Bank Holidays | | | | | |
| 0 - 1 hour | £0.60 | £0.80 | | £0.20 | 33.3% |
| Over 1 hour | £1.00 | £1.50 | | £0.50 | 50.0% |
| Bicester Long Stay | | | | | |
| Cattle Market Monday To Saturday | | | | | |
| 0 - 1 hour | £0.60 | £0.80 | | £0.20 | 33.3% |
| 1 - 2 Hours | £1.20 | £1.60 | | £0.40 | 33.3% |
| 2 - 3 Hours | £1.70 | £2.20 | | £0.50 | 29.4% |
| 3 - 4 Hours | £2.20 | £2.80 | | £0.60 | 27.3% |
| Day rate up to 7pm | £2.50 | £3.50 | | £1.00 | 40.0% |
| Cattle Market Sunday and Bank Holidays | | | | | |
| 0 - 1 hour | £0.60 | £0.60 | | £0.00 | 0.0% |
| Over 1 hour | £1.00 | £1.50 | | £0.50 | 50.0% |
| Discretionary Fees and Charges | Fee 19-20 (incl. VAT) | Proposed Fee 20-21 (incl. VAT) | Risk | Actual Increase | % Increase |
| Kidlington Short Stay | | | | | |
| Curtis Place (all week) - no charge | £0.00 | £0.00 | | £0.00 | 0.0% |
| Kidlington Long Stay | | | | | |
| Curtis Place (all week) - no charge | £0.00 | £0.00 | | £0.00 | 0.0% |

Environmental Services

| Discretionary Fees and Charges | Fee 19-20 (excl. VAT) | Proposed Fee 20-21 (Excl. VAT) | Risk | Actual Increase | % Increase | Notes |
|---|--------------------------|--------------------------------------|------|--------------------|---------------|---|
| Removal of Abandoned Vehicle | £27.00 | £28.00 | | £1.00 | 3.7% | |
| Special Collections - Clearout (Garden waste or waste package) | £50.00 | £55.00 | | £5.00 | 10.0% | Still competitive compared to private |
| Special Collections - Any (3 Items Collected) | £18.00 | £20.00 | | £2.00 | 11.1% | Still competitive |
| New: Special Collections - Any (3 Items Collected) During Blitz Weeks | £6.00 | £10.00 | | £4.00 | 66.7% | Half normal price |
| Blue & Brown Wheeled Bins | £30.00 | £30.00 | | £0.00 | 0.0% | |
| 240L Additional Green Bin - Annual Charge | £90.00 | £90.00 | | £0.00 | 0.0% | |
| Bundles of 25 Trade Waste Sacks | £60.00 | £60.00 | | £0.00 | 0.0% | All commercial waste charges to remain the same for 1 year - good selling point |
| Bundles of 25 Trade Recycling Sacks | £40.00 | £40.00 | | £0.00 | 0.0% | |
| COMMERCIAL REFUSE COLLECTION - PER LIFT | | | | | | |
| 240 litre bin | £7.25 | £7.25 | | £0.00 | 0.0% | All commercial waste charges to remain the same for 1 year - good selling point |
| 360 litre bin | £9.50 | £9.50 | | £0.00 | 0.0% | |
| 660 litre bin | £13.50 | £13.50 | | £0.00 | 0.0% | |
| 1100 litre bin | £18.25 | £18.25 | | £0.00 | 0.0% | |
| COMMERCIAL RECYCLING COLLECTION - PER LIFT | | | | | | |
| 240 litre bin | £4.00 | £4.00 | | £0.00 | 0.0% | All commercial waste charges to remain the same for 1 year - good selling point |
| 360 litre bin | £5.50 | £5.50 | | £0.00 | 0.0% | |
| 660 litre bin | £7.75 | £7.75 | | £0.00 | 0.0% | |
| 1100 litre bin | £10.00 | £10.00 | | £0.00 | 0.0% | |
| * Discount of 10% for >5 bins, 20% for >10 bins | | | | | | |
| Discretionary Fees and Charges | Fee 19-20 (excl. VAT) | Proposed Fee 20-21 (Excl. VAT) | Risk | Actual Increase | % Increase | Notes |
| COMMERCIAL FOOD RECYCLING - PER LIFT | | | | | | |
| 120 litre bin | £3.50 | £3.50 | | £0.00 | 0.0% | 240l bin not available |

| Discretionary Fees and Charges | Fee 19-20 (excl. VAT) | Proposed Fee 20-21 (Excl. VAT) | Risk | Actual Increase | % Increase | Notes |
|--|--------------------------|--------------------------------------|------|--------------------|---------------|---|
| Schedule II Collections - Schools | | | | | | |
| 240L Wheeled Bin Package | £130.00 | £133.25 | | £3.25 | 2.5% | Still competitive compared to private companies |
| 360L Wheeled Bin Package | £180.00 | £184.50 | | £4.50 | 2.5% | |
| 660L Wheeled Bin Package | £285.00 | £292.13 | | £7.13 | 2.5% | |
| 1100L Wheeled Bin Package | £390.00 | £399.75 | | £9.75 | 2.5% | |
| 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% | |

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| Discretionary Fees and Charges | Fee 19-20 (excl. VAT) | Proposed Fee 20-21 (Excl. VAT) | Risk | Actual Increase | % Increase | Notes |
|---|--------------------------|--------------------------------------|------|--------------------|---------------|---|
| <u>Environmental Protection</u> | | | | | | |
| Rats & Mice, Per consultation - 3 visits (free of charge to residents who are 60 years of age and over) | £43.33 | £44.50 | | £1.17 | 2.7% | For parishes with more than 20 bins For parishes with more than 5 bins For parishes with less than 5 bins |
| Fleas, , cockroaches ants, carpet beetles, and other household insects | £48.33 | £49.50 | | £1.17 | 2.4% | |
| Bedbugs | £75.00 | £76.50 | | £1.50 | 2.0% | |
| Wasps Nests | £43.33 | £44.50 | | £1.17 | 2.7% | |
| Fine for stray dogs during office hours | £70.00 | £71.50 | | £1.50 | 2.1% | |
| Fine for stray dogs outside office hours | £145.00 | £148.00 | | £3.00 | 2.1% | |
| Kennel Costs (per day/part of) | £17.50 | £18.00 | | £0.50 | 2.9% | |
| Dog bin emptying charge | £1.50 | £1.55 | | £0.05 | 3.3% | |
| | £1.60 | £1.65 | | £0.05 | 3.1% | |
| | £1.75 | £1.80 | | £0.05 | 2.9% | |
| <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% | |

| Discretionary Fees and Charges | Fee 19-20 (excl. VAT) | Proposed Fee 20-21 (Excl. VAT) | Risk | Actual Increase | % Increase | Notes |
|---|--------------------------|--------------------------------------|------|--------------------|---------------|--|
| Hourly Rate - Workshop (External) | £55.00 | £55.00 | | £0.00 | 0.0% | |
| Use of Washdown facility at Thorpe Lane Depot | £50.00 | £50.00 | | £0.00 | 0.0% | |
| Use of Public Conveniences - Bicester | £0.10 | £0.20 | | £0.10 | 100.0% | Sites have been refurbished old sites |
| Use of Public Conveniences - Banbury and Kidlington | £0.10 | £0.10 | | £0.00 | 0.0% | |

Public Protection, Environmental Health, Licensing

| Discretionary Fees and Charges | Fee 19-20 (excl. VAT) | Proposed Fee 20-21 (Excl. VAT) | Risk | Actual Increase | % Increase | Notes |
|---|--------------------------|--------------------------------------|------|--------------------|------------|---|
| Environmental Health, Environmental Protection and Licensing | | | | | | |
| Gambling Act Premises | Various | Various | | | | Statutory Fees - Set Nationally |
| Animal Licensing | | | | | | |
| Animal Boarding Establishment Licence | £375.00 | £382.50 | | £7.50 | 2.0% | |
| Pet Shop Licence | £375.00 | £382.50 | | £7.50 | 2.0% | |
| Riding Establishment Licence | £375.00 | £382.50 | | £7.50 | 2.0% | |
| Dog Breeding Establishment Licence | £375.00 | £382.50 | | £7.50 | 2.0% | |
| Dangerous Wild Animals Licence | £375.00 | £382.50 | | £7.50 | 2.0% | |
| Zoo Licence | £565.00 | £576.00 | | £11.00 | 1.9% | |
| Spa Piercing, Tattooing, Acupuncture, Electrolysis etc. | | | | | | |
| Registration Fee | £102.00 | £104.00 | | £2.00 | 2.0% | |
| Registration of Premises | £153.00 | £156.00 | | £3.00 | 2.0% | Removed fee |
| Scrap Metal | | | | | | |
| Variation of scrap metal dealers licence type Collector - Dealer | £204.00 | £208.00 | | £4.00 | 2.0% | |
| Variation of scrap metal dealers licence - Admin, change of name or replacement | £102.00 | £104.00 | | £2.00 | 2.0% | |
| Scrap metal dealers site | £465.00 | £474.50 | | £9.50 | 2.0% | |
| Scrap metal collectors licence | £275.00 | £280.50 | | £5.50 | 2.0% | |
| Street Trading consent charges are as follows:- | | | | | | |
| 12 month period | £1,142.00 | £1,165.00 | | £23.00 | 2.0% | |
| 6 month period | £570.00 | £581.50 | | £11.50 | 2.0% | |
| 3 month period | £285.00 | £291.00 | | £6.00 | 2.1% | |
| 1 month period | £160.00 | £163.50 | | £3.50 | 2.2% | |
| Table and Chairs consent charges are as follows:- | | | | | | |
| 12 month period | £15.50 | £15.80 | | £0.30 | 1.9% | £15.80 per chair upto a maximum of £153.50 per year |
| Private Hire and Hackney Carriage DRIVER Fees and Charges | | | | | | |
| Grant of Licence 1 Year | £114.00 | £116.50 | | £2.50 | 2.2% | |
| Grant of licence 3 Years | £193.00 | £193.00 | | £0.00 | 0.0% | |
| Renewal of existing licence 1 year | £96.00 | £98.00 | | £2.00 | 2.1% | |

| Discretionary Fees and Charges | Fee 19-20 (excl. VAT) | Proposed Fee 20-21 (Excl. VAT) | Risk | Actual Increase | % Increase | Notes |
|--|--------------------------|--------------------------------------|---------|--------------------|------------|--|
| Renewal of existing licence 3 years | £170.00 | £170.00 | | £0.00 | 0.0% | |
| DBS (was CRB) check and DVLA check | £49.00 | £50.00 | | £1.00 | 2.0% | |
| Knowledge Test | £25.00 | £25.50 | | £0.50 | 2.0% | |
| Re take of Knowledge test | £25.00 | £25.50 | | £0.50 | 2.0% | |
| Cost of badge/ replacement badge | £25.00 | £25.50 | | £0.50 | 2.0% | |
| Cost of replacement paper licence | £10.50 | £10.70 | | £0.20 | 1.9% | |
| Disability and Safeguarding Awareness Training | £50.00 | £50.00 | | £0.00 | 0.0% | Fee set by OCC |
| English Testing | £40.00 | £41.00 | | £1.00 | 2.5% | |
| Hackney Carriage VEHICLE Fees and Charges | | | | £0.00 | | |
| Grant of licence | £292.00 | £298.00 | | £6.00 | 2.1% | |
| Renewal of existing licence | £245.00 | £258.00 | | £13.00 | 5.3% | Increased to reflect review of actual costs of providing licence |
| Replacement licence plate | £20.00 | £20.40 | | £0.40 | 2.0% | |
| Replacement bracket | £20.00 | £20.40 | | £0.40 | 2.0% | |
| Change of vehicle only | £110.00 | £112.30 | | £2.30 | 2.1% | |
| Transfer of licensee only | £56.00 | £57.00 | | £1.00 | 1.8% | |
| Change of vehicle and licensee | £41.00 | £42.00 | | £1.00 | 2.4% | |
| Private Hire VEHICLE Fees and Charges | | | | £0.00 | 0.0% | |
| Grant of new licence | £260.00 | £270.00 | | £10.00 | 3.8% | Increased to reflect review of actual costs of providing licence |
| Renewal of licence | £230.00 | £250.00 | | £20.00 | 8.7% | Increased to reflect review of actual costs of providing licence |
| Internal Plate Replacement | £10.00 | £10.20 | | £0.20 | 2.0% | |
| Plate or bracket replacement | £20.00 | £20.40 | | £0.40 | 2.0% | |
| Cost of replacement paper licence | £10.50 | £10.70 | | £0.20 | 1.9% | |
| Change of vehicle only | £102.00 | £102.00 | | £0.00 | 0.0% | Held to reflect review of costs |
| Transfer of licensee only | £56.00 | £56.00 | | £0.00 | 0.0% | Held to reflect review of costs |
| Change of vehicle and licensee | £127.00 | £127.00 | | £0.00 | 0.0% | Held to reflect review of costs |
| Private Hire OPERATOR Fees and Charges | | | | £0.00 | 0.0% | |
| Operator's Licence (one vehicle only) - 1 year | £140.00 | £143.00 | | £3.00 | 2.1% | |
| Operator's Licence (one vehicle only) – 5 year | £130.00 | £132.60 | | £2.60 | 2.0% | |
| For each additional vehicle | £20.00 | £20.40 | | £0.40 | 2.0% | |
| Sex Establishment Venue | | | | | | |
| Application | £1,557.00 | £1,588.00 | Various | £31.00 | 2.0% | |

| Discretionary Fees and Charges | Fee 19-20 (excl. VAT) | Proposed Fee 20-21 (Excl. VAT) | Risk | Actual Increase | % Increase | Notes |
|--|--------------------------|--------------------------------------|------|--------------------|------------|---|
| Renewal | £1,031.00 | £1,052.00 | | £21.00 | 2.0% | |
| Contaminated land enquiry | £66.00 | £67.50 | | £1.50 | 2.3% | |
| HEALTH PROTECTION | | | | | | |
| Food Export/Hygiene Certificates (without inspection) | £44.00 | | | | | REMOVED |
| Food Export/Hygiene Certificates | £107.00 | £110.00 | | £3.00 | 2.8% | |
| Food Hygiene Rating Scheme Rescore Visit | £270.00 | £276.00 | | £6.00 | 2.2% | |
| Food Surrender Certificates | £121.00 | £123.50 | | £2.50 | 2.1% | |
| Copies of Food Premises Register (a) Single Entry | £3.64 | £3.75 | | £0.11 | 3.0% | |
| Copies of Food Premises Register (b) Full Register | £312.00 | £320.00 | | £8.00 | 2.6% | |
| Factual Statements for Civil Proceedings | £151.00 | £155.00 | | £4.00 | 2.6% | |
| Reports provided under the Environmental Information Regulations | £151.00 | £155.00 | | £4.00 | 2.6% | |
| Contaminated land enquiry | £66.00 | £67.50 | | £1.50 | 2.3% | |
| 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: | | | | | | |
| 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 |
| Water Sampling Fees: | | | | | | |
| Lab Fees (Depending on criteria) | £83.50 | £85.50 | | £2.00 | 2.4% | Anticipated supplier increases to courier/lab costs |
| Pools (basic swimming pool test) | £31.50 | £32.50 | | £1.00 | 3.2% | |
| Sampling and admin cost recovery hourly rate | £43.00 | £44.00 | | £1.00 | 2.3% | |
| Courier charge | £31.50 | £32.50 | | £1.00 | 3.2% | |
| Health Protection - Food Safety | | | | | | |
| Level 2 Food Safety in Catering Course | | | | | | |

| Discretionary Fees and Charges | Fee 19-20 (excl. VAT) | Proposed Fee 20-21 (Excl. VAT) | Risk | Actual Increase | % Increase | Notes |
|--|--------------------------|--------------------------------------|------|--------------------|------------|--|
| Taught Course | £72.50 | £74.00 | | £1.50 | 2.1% | |
| Taught - Voluntary Groups | £42.00 | £43.00 | | £1.00 | 2.4% | |
| Taught - Unemployed | £42.00 | £43.00 | | £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 | £82.00 | | £2.00 | 2.5% | 12 month contract agreed with supplier prices fixed. |
| Invigilated exam resit | £25.00 | £26.00 | | £1.00 | 4.0% | 12 month contract agreed with supplier prices fixed. |
| Level 3 Food Hygiene Course Taught Course | £288.00 | £295.00 | | £7.00 | 2.4% | |
| Cost recovery - Commercial & Business Support | | | | | | No increase as 12 month contract already agreed with supplier and prices fixed |
| Basic cost recovery (qualified officer) | £68.00 | £69.50 | | £1.50 | 2.2% | |
| Full cost recovery (qualified officer) | £75.00 | £76.50 | | £1.50 | 2.0% | |
| Mileage cost per mile | £0.45 | £0.45 | | £0.00 | 0.0% | |
| Strive for 5 | £245.00 | £250.00 | | £5.00 | 2.0% | |
| SFB Packs (without diary) | £14.80 | £15.25 | | £0.45 | 3.0% | |
| SFB 48 week diary refills | £11.20 | £14.50 | | £3.30 | 29.5% | Recosted with increased admin time reflected |
| SFB Pack with 48 week diary refill | £20.40 | £24.00 | | £3.60 | 17.6% | Recosted with increased admin time reflected |
| Gambling Act 2005 – Maximum Charges are set by legislation. | Various | Various | | | | Statutory Fees - Set Nationally |
| Mobile Home Sites Fees | | | | | | |
| New Application | | | | | | |
| 1 to 10 pitches | £295.00 | £300.00 | | £5.00 | 1.7% | |
| 11 to 30 pitches | £430.00 | £440.00 | | £10.00 | 2.3% | |
| 31 to 99 pitches | £560.00 | £570.00 | | £10.00 | 1.8% | |
| 100 or more pitches | £695.00 | £710.00 | | £15.00 | 2.2% | |
| Annual Fee | | | | | | |
| 1 to 10 pitches | £230.00 | £235.00 | | £5.00 | 2.2% | |
| 11 to 30 pitches | £295.00 | £300.00 | | £5.00 | 1.7% | |
| 31 to 99 pitches | £360.00 | £370.00 | | £10.00 | 2.8% | |
| 100 or more pitches | £430.00 | £440.00 | | £10.00 | 2.3% | |

Land Charges

| Discretionary Fees and Charges | Fee 19-20 (excl. VAT) | Proposed Fee 20-21 (Excl. VAT) | Risk | Actual Increase | % Increase | Notes |
|---|--------------------------|--------------------------------------|------|--------------------|--------------|--|
| Full Search Fee (LLC1 & CON29R) | £140.00 | £150.00 | | £10.00 | 7.1% | 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 | 0.0% | |
| Additional parcel LLC1 | £2.00 | £2.00 | | £0.00 | 0.0% | |
| Additional parcel Q22 | £1.00 | £1.00 | | £0.00 | 0.0% | |
| LLC1 Only (Register search) | £40.00 | £50.00 | | £10.00 | 25.0% | |
| CON 29R only (no LLC1) | £100.00 | £100.00 | | £0.00 | 0.0% | |
| CON29O (Optional enquiries Question 4-21) | £10.00 | £10.00 | | £0.00 | 0.0% | |
| CON29O Question 22 | £33.00 | TBC | | £0.00 | 0.0% | |
| PART 3 Own worded enquiries | £20.00 | £20.00 | | £0.00 | 0.0% | |

| NOA and Cooper School | | | | | |
|---|------------------------------------|------------------------------------|-------------|----------------------------|-----------------------|
| | 2019/20 (excl. VAT) | 2020/21 (excl. VAT) | Risk | Actual Increase | % Increase |
| NORTH OXFORDSHIRE ACADEMY ATP BANBURY | | | | | |
| Senior Match | £63.17 | £64.46 | | £1.29 | 2.0% |
| Junior Match | £31.50 | £32.13 | | £0.63 | 2.0% |
| Senior Match Block Booking* | £52.63 | | | | |
| Junior Match Block Booking* | £26.25 | £26.79 | | £0.54 | 2.1% |
| Senior Training Whole Pitch | £45.58 | £46.50 | | £0.92 | 2.0% |
| Senior Training Half Pitch | £28.29 | £28.88 | | £0.58 | 2.1% |
| Senior Training Whole Pitch Block Booking* | | | | | |
| | £38.04 | £38.83 | | £0.79 | 2.1% |
| Senior Training Half Pitch Block Booking* | | | | | |
| | £23.63 | £24.13 | | £0.50 | 2.1% |
| Junior Training Whole Pitch | £24.50 | £25.00 | | £0.50 | 2.0% |
| Junior Training Half Pitch | £14.25 | £14.54 | | £0.29 | 2.0% |
| Junior Training Whole Pitch Block Booking* | | | | | |
| | £20.33 | £20.75 | | £0.42 | 2.0% |
| Junior Training Half Pitch Block Booking* | | | | | |
| | £11.92 | £12.17 | | £0.25 | 2.1% |
| 90 Minutes Hire | | | | | |
| Senior Match | £94.67 | £96.58 | | £1.92 | 2.0% |
| Junior Match | £47.33 | £48.29 | | £0.96 | 2.0% |
| Senior Match Block Booking* | £78.88 | £80.46 | | £1.58 | 2.0% |
| Junior Match Block Booking* | £39.50 | £40.29 | | £0.79 | 2.0% |
| Senior Training Whole Pitch | £68.38 | £69.75 | | £1.38 | 2.0% |
| Senior Training Half Pitch | £42.17 | £43.04 | | £0.87 | 2.1% |
| Senior Training Whole Pitch Block Booking* | | | | | |
| | £57.04 | £58.21 | | £1.17 | 2.0% |
| Senior Training Half Pitch Block Booking* | | | | | |
| | £35.17 | £35.88 | | £0.71 | 2.0% |
| Junior Training Whole Pitch | £36.54 | £37.29 | | £0.75 | 2.1% |
| Junior Training Half Pitch | £21.17 | £21.58 | | £0.42 | 2.0% |
| Junior Training Whole Pitch Block Booking* | | | | | |
| | £30.46 | £31.08 | | £0.63 | 2.1% |
| Junior Training Half Pitch Block Booking* | £0.00 | £0.00 | | £0.00 | 0.0% |
| | £17.63 | £18.00 | | £0.38 | 2.1% |
| | | | | | |
| NORTH OXFORDSHIRE ACADEMY ATP FOR KEYHOLDERS | | | | | |
| | | | | | |
| 60 Minutes Hire | | | | | |
| Senior Match | £52.25 | £53.33 | | £1.08 | 2.1% |
| Junior Match | £19.79 | £20.21 | | £0.42 | 2.1% |
| Senior Match Block Booking* | £43.58 | £46.13 | | £2.54 | 5.8% |
| Junior Match Block Booking* | £16.58 | £16.92 | | £0.33 | 2.0% |
| | | | | | |
| 90 Minutes Hire | | | | | |
| Senior Match | £75.88 | £77.42 | | £1.54 | 2.0% |
| Junior Match | £28.83 | £29.42 | | £0.58 | 2.0% |
| Senior Match Block Booking* | £63.25 | £64.54 | | £1.29 | 2.0% |
| Junior Match Block Booking* | £24.00 | £24.50 | | £0.50 | 2.1% |
| | | | | | |
| | | | | | |
| NORTH OXFORDSHIRE ATHLETICS TRACK BANBURY | | | | | |
| | | | | | |
| Fixtures | | | | | |
| Non Cherwell Based Clubs | £49.54 | £50.54 | | £1.00 | 2.0% |

NOA and Cooper School

| | 2019/20 (excl. VAT) | 2020/21 (excl. VAT) | Risk | Actual Increase | % Increase |
|---|---------------------------|---------------------------|------|--------------------|---------------|
| Non Cherwell Based Clubs – Block Booking* | £41.25 | £42.08 | | £0.83 | 2.0% |
| | | | | | 0.0% |
| Cherwell Clubs – Seniors | £37.83 | £38.58 | | £0.75 | 2.0% |
| Cherwell Clubs – Seniors Block Booking* | £31.50 | £32.13 | | £0.63 | 2.0% |
| | | | | | 0.0% |
| Cherwell Clubs – Juniors | £29.92 | £30.54 | | £0.63 | 2.1% |
| Cherwell Clubs – Juniors Block Booking* | £24.92 | £25.42 | | £0.50 | 2.0% |
| | | | | | |
| Casual Hirers (Mondays and Wednesdays Only) | | | | | |
| Seniors | £2.25 | £2.29 | | £0.04 | 1.9% |
| Seniors Block Booking* | £1.92 | £1.96 | | £0.04 | 2.2% |
| Juniors | £1.29 | £1.33 | | £0.04 | 3.2% |
| Juniors Block Booking* | £1.08 | £1.13 | | £0.04 | 3.8% |
| Training Rate | | | | | |
| Seniors | £39.33 | £40.13 | | £0.79 | 2.0% |
| Seniors Block Booking* | £32.75 | £33.42 | | £0.67 | 2.0% |
| Juniors | £20.25 | £20.67 | | £0.42 | 2.1% |
| Juniors Block Booking* | £16.92 | £17.25 | | £0.33 | 2.0% |
| Pavilion/Changing/Club Room Hire | | | | | |
| Pavilion/Changing/Club Room Hire | £15.13 | £15.46 | | £0.33 | 2.2% |
| Pavilion/Changing/Club Room Hire – Block Booking* | £13.29 | £13.58 | | £0.29 | 2.2% |
| | | | | | |
| | | | | | |
| COOPER SCHOOL, BICESTER | | | | | |
| | | | | | |
| Sports Hall Hire – 55 Minutes | | | | | |
| Senior | £42.60 | £43.50 | | £0.90 | 2.1% |
| Junior | £25.50 | £26.00 | | £0.50 | 2.0% |
| Senior Block Booking* | £35.50 | £36.20 | | £0.70 | 2.0% |
| Junior Block Booking* | £21.20 | £21.60 | | £0.40 | 1.9% |
| Badminton Court | | | | | |
| Senior | £9.40 | £9.60 | | £0.20 | 2.1% |
| Junior | £4.60 | £4.80 | | £0.20 | 4.3% |
| Senior Block Booking* | £7.80 | £8.00 | | £0.20 | 2.6% |
| Junior Block Booking* | £3.80 | £3.90 | | £0.10 | 2.6% |
| ATP – 60 Minutes | | | | | |
| Senior Whole Pitch | £49.60 | £50.60 | | £1.00 | 2.0% |
| Senior Half Pitch | £32.60 | £33.30 | | £0.70 | 2.1% |
| Senior Quarter Pitch | £27.30 | £27.80 | | £0.50 | 1.8% |
| Senior Whole Pitch Block Booking* | £41.30 | £42.20 | | £0.90 | 2.2% |
| Senior Half Pitch Block Booking* | £27.20 | £27.70 | | £0.50 | 1.8% |
| Senior Quarter Pitch Block Booking* | £22.70 | £23.20 | | £0.50 | 2.2% |
| Junior Whole Pitch | £41.80 | £42.60 | | £0.80 | 1.9% |
| Junior Half Pitch | £26.00 | £26.50 | | £0.50 | 1.9% |
| Junior Quarter Pitch | £18.20 | £18.60 | | £0.40 | 2.2% |
| Junior Whole Pitch Block Booking* | £34.80 | £35.50 | | £0.70 | 2.0% |
| Junior Half Pitch Block Booking* | £21.70 | £22.10 | | £0.40 | 1.8% |
| Junior Quarter Pitch Block Booking* | £15.20 | £15.50 | | £0.30 | 2.0% |
| Hockey Club – Whole Pitch | | | | | |
| Senior Match – 90 Minutes | £87.40 | £89.20 | | £1.80 | 2.1% |
| Senior Training – 60 Minutes | £49.90 | £50.90 | | £1.00 | 2.0% |
| Senior Match – 90 Minutes Block Booking* | £72.80 | £74.30 | | £1.50 | 2.1% |
| Senior Training – 60 Minutes Block Booking* | £41.60 | £42.40 | | £0.80 | 1.9% |
| Junior Match – 90 Minutes | £45.60 | £46.50 | | £0.90 | 2.0% |
| Junior Training – 60 Minutes | £29.50 | £30.00 | | £0.50 | 1.7% |
| Junior Match – 90 Minutes Block Booking* | £38.00 | £38.80 | | £0.80 | 2.1% |
| Junior Training – 60 Minutes Block Booking* | £24.50 | £25.00 | | £0.50 | 2.0% |

NOA and Cooper School

| | 2019/20 (excl. VAT) | 2020/21 (excl. VAT) | Risk | Actual Increase | % Increase |
|--|---------------------------|---------------------------|------|--------------------|---------------|
| Performance Hall | | | | | |
| Hire charge (per hour) | £26.40 | £27.00 | | £0.60 | 2.3% |
| Hire charge with tiered seating | £52.80 | £53.90 | | £1.10 | 2.1% |
| Events hire including seating/lighting/stage | | | | | |
| Public Liability Insurance re-charge charged at 10% of total hire fee. *Block bookings of 10 sessions or more are exempt from VAT | | | | | |

| | | | Appendix 7 | |
|---|-----------|----------------|---------------|---------------|
| CHERWELL | | | | |
| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
| MEMBERSHIP DIRECT DEBITS | | | | |
| Expressions DD (single) | | | | |
| Single DD - FIXED | £39.00 | £39.00 | 0.00% | £0.00 |
| Single DD - FLEXI | £44.00 | £44.00 | 0.00% | £0.00 |
| Expressions Family | | | | |
| Family DD (2 adults + 2 children) - FIXED | £80.00 | £80.00 | 0.00% | £0.00 |
| Family DD (2 adults + 2 children) - FLEXI | £85.00 | £85.00 | 0.00% | £0.00 |
| Family with up 5 children | | | | |
| Family DD (2 adults + 5 children) - FIXED | £90.00 | £90.00 | 0.00% | £0.00 |
| Family DD (2 adults + 5 children) - FLEXI | £95.00 | £95.00 | 0.00% | £0.00 |
| One Parent (1 adult + 2 children) | | | | |
| Single Parent (1 adult + 2 children) - FIXED | £50.00 | £50.00 | 0.00% | £0.00 |
| Single Parent (1 adult + 2 children) - FLEXI | £55.00 | £55.00 | 0.00% | £0.00 |
| One Parent (5 children) | | | | |
| Single Parent (2 adults + 5 children) - FIXED | £60.00 | £60.00 | 0.00% | £0.00 |
| Single Parent (2 adults + 5 children) - FLEXI | £65.00 | £65.00 | 0.00% | £0.00 |
| Corporate (single) | | | | |
| Corporate (single) FIXED | £37.00 | £37.00 | 0.00% | £0.00 |
| Corporate (single) FLEXI | £39.00 | £39.00 | 0.00% | £0.00 |
| Swim 23 | £23.00 | £23.50 | 2.17% | £0.50 |
| Swim 15 | £15.00 | £15.50 | 3.33% | £0.50 |
| GP Referral - one year follow on | £27.00 | £27.75 | 2.79% | £0.75 |
| Expressions Concession | £37.00 | £37.00 | 0.00% | £0.00 |
| Junior | £22.00 | £22.00 | 0.00% | £0.00 |
| Student | £25.00 | £25.00 | 0.00% | £0.00 |
| Aqua Swim, Sauna, Steam | £34.00 | £35.00 | 2.94% | £1.00 |
| 1 - month offer | £55.00 | £56.00 | 1.82% | £1.00 |
| Annuals | £421.20 | £421.20 | 0.00% | £0.00 |
| | | | | |

| | | | Appendix 7 | |
|---|-----------|---------------|---------------|---------------|
| CHERWELL | | | | |
| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
| FITNESS SUITE | | | | |
| Casual Peak | £9.60 | £9.85 | 2.60% | £0.25 |
| Senior Peak | £3.95 | £4.05 | 2.53% | £0.10 |
| Casual Off-Peak | £7.95 | £8.15 | 2.52% | £0.20 |
| Senior Off-Peak | £3.60 | £3.70 | 2.79% | £0.10 |
| Induction (for PAYG) | £19.00 | £19.50 | 2.63% | £0.50 |
| Refresher Induction | £9.50 | £9.75 | 2.63% | £0.25 |
| Junior Peak | £3.95 | £4.05 | 2.53% | £0.10 |
| Junior Induction | £4.35 | £4.50 | 3.45% | £0.15 |
| Adult Link Card Peak | £4.80 | £4.90 | 2.08% | £0.10 |
| Senior Link Card Peak | £1.98 | £2.05 | 3.80% | £0.07 |
| Adult Link Card Off-Peak | £4.00 | £4.10 | 2.50% | £0.10 |
| Senior Link Card Off-Peak | £1.80 | £1.85 | 2.79% | £0.05 |
| Link Card Induction | £9.50 | £9.75 | 2.63% | £0.25 |
| GP Referral Session | £4.05 | £4.15 | 2.47% | £0.10 |
| MotorMed Session | £2.50 | £2.50 | 0.00% | £0.00 |
| Fitness Test - non members | £15.00 | £15.45 | 3.00% | £0.45 |
| Replacement Membership Card | £3.20 | £3.30 | 3.12% | £0.10 |
| HEALTH SUITE | | | | |
| Sauna / Steam / Spa* (* = Swim at KGLC) | £7.90 | £8.10 | 2.53% | £0.20 |
| Sauna / Steam / Spa / Swim | £11.75 | £12.10 | 2.98% | £0.35 |
| Senior Health Suite | £4.05 | £4.15 | 2.47% | £0.10 |
| Link Card Sauna / Steam | £3.95 | £4.05 | 2.53% | £0.10 |

CHERWELL

| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
|---------------------------------------|-----------|---------------|---------------|---------------|
| FITNESS CLASSES | | | | |
| All Classes (incl AquaFit) | £6.50 | £6.70 | 3.08% | £0.20 |
| Body conditioning (1.5 hours) | £8.40 | £8.60 | 2.38% | £0.20 |
| Studio Cycling (Peak) | £9.60 | £9.85 | 2.60% | £0.25 |
| Studio Cycling (Off-Peak) | £8.20 | £8.45 | 3.05% | £0.25 |
| Yoga | £6.50 | £6.70 | 3.08% | £0.20 |
| Yoga (1.5 hours) | £8.40 | £8.65 | 2.98% | £0.25 |
| Junior and Senior - specific classes | £3.95 | £4.05 | 2.53% | £0.10 |
| Senior Classes - Bicester | £3.50 | £3.60 | 2.79% | £0.10 |
| Yoga (1.5 hours) | £8.40 | £8.65 | 2.98% | £0.25 |
| Virtual Classes | £3.25 | £3.30 | 1.54% | £0.05 |
| Core on the Ball (30 mins) | £3.50 | £3.60 | 2.79% | £0.10 |
| Link Card Classes | £3.25 | £3.35 | 3.08% | £0.10 |
| Link Card Classes - Senior / Junior | £1.98 | £2.00 | 1.27% | £0.02 |
| | | | | |
| SWIMMING SESSIONS | | | | |
| Adult | £4.20 | £4.30 | 2.38% | £0.10 |
| Junior | £2.75 | £2.80 | 1.82% | £0.05 |
| Seniors | £2.75 | £2.80 | 1.82% | £0.05 |
| Under 3's | £0.00 | £0.00 | 0.00% | £0.00 |
| Block of 10 swims - Adult | £37.80 | £38.85 | 2.79% | £1.05 |
| Block of 10 swims - Juniors | £24.75 | £25.45 | 2.83% | £0.70 |
| Block of 10 swims - Seniors | £24.75 | £25.45 | 2.83% | £0.70 |
| Family Swim ticket | £13.40 | £13.75 | 2.61% | £0.35 |
| Adult Link Card Swim | £2.10 | £2.15 | 2.38% | £0.05 |
| Junior Link Card Swim | £1.40 | £1.45 | 3.57% | £0.05 |
| Senior Link Card Swim | £1.40 | £1.45 | 3.57% | £0.05 |
| Teachers | £3.05 | £3.15 | 3.28% | £0.10 |
| GP Referral Swim (see GP Ref section) | £4.05 | £4.15 | 2.47% | £0.10 |
| Wet & Wacky - junior | £3.25 | £3.35 | 3.08% | £0.10 |
| Wet & Wacky - adult | £4.30 | £4.45 | 3.49% | £0.15 |
| Wet & Wacky - senior | £3.00 | £3.05 | 1.67% | £0.05 |

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| | | | Appendix 7 | |
| CHERWELL | | | | |
| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
| AquaFit | £6.50 | £6.65 | 2.31% | £0.15 |
| Scouts and Brownies | £1.85 | £1.90 | 2.79% | £0.05 |
| AquaFit - senior | £4.00 | £4.10 | 2.50% | £0.10 |
| Swim Fit - Adult | £5.35 | £5.50 | 2.79% | £0.15 |
| Swim Fit - Senior | £3.45 | £3.55 | 2.79% | £0.10 |
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| | | | Appendix 7 | |
|---|-----------|----------------|---------------|---------------|
| CHERWELL | | | | |
| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
| SWIMMING LESSONS | | | | |
| Stage 1 - 7, parent & toddler 50 weeks as 3x17 weeks | £6.00 | £6.15 | 2.50% | £0.15 |
| Stage 1 - 7, parent & toddler - Direct Debit | £24.00 | £24.65 | 2.71% | £0.65 |
| 1 hour classes (rookie, survival, adults) | £8.50 | £8.75 | 2.94% | £0.25 |
| 1 hour classes (rookie, survival, adults) - Direct Debit | £34.00 | £34.95 | 2.79% | £0.95 |
| 40 minute intensive lesson | £9.10 | £9.35 | 2.79% | £0.25 |
| Ducklings 10 wk course / 30 min lesson | £5.75 | £5.90 | 2.61% | £0.15 |
| Stage 1 - 3 (with assistants) 10 week course / 30 min lesson | £6.05 | £6.25 | 3.31% | £0.20 |
| Stage 1 - 3 (with assistants) - Direct Debit - 30 min lesson | £24.20 | £24.90 | 2.89% | £0.70 |
| Stage 4 - 7 10 wk course / 30 min lesson | £5.75 | £5.90 | 2.61% | £0.15 |
| Stage 4 - 7 10 wk course - Direct Debit | £23.00 | £23.65 | 2.83% | £0.65 |
| Stage 8 - 10 & Adult 10 wk course - 55mins / 1 hr | £8.70 | £8.95 | 2.87% | £0.25 |
| Stage 8 - 10 & Adult - Direct Debit | £34.80 | £35.75 | 2.73% | £0.95 |
| CHILDREN's lessons 10 weeks course / 30 min lesson | £5.60 | £5.75 | 2.68% | £0.15 |
| CHILDREN's lessons Direct Debit - 30 min lesson - no assistant | £22.40 | £23.00 | 2.68% | £0.60 |
| CHILDREN's lessons Direct Debit - 30 min lesson - with assistant | £24.30 | £25.00 | 2.88% | £0.70 |
| ADULT lessons 10 wk course / 60 min | £8.50 | £8.75 | 2.94% | £0.25 |
| ADULT lessons Direct Debit - 60 min | £34.00 | £34.95 | 2.79% | £0.95 |
| BIRTHDAY PARTIES | | | | |
| Sports Hall Party | £110.00 | £113.05 | 2.77% | £3.05 |
| Sports Hall Party & Food for up to 23 children | £159.00 | £163.00 | 2.52% | £4.00 |
| Sports Hall / MegaBounce Party | £110.00 | £113.05 | 2.77% | £3.05 |
| Super Striker / Football (Indoors) | £80.00 | £82.25 | 2.81% | £2.25 |
| Super Striker / Football (Outdoors) | £57.50 | £59.10 | 2.79% | £1.60 |
| Swimming Pool Party (Main Pool) - rafts and inflatables | £120.00 | £123.35 | 2.79% | £3.35 |
| Swimming Pool Party (PnT Pool) - Paddle & Play | £110.00 | £113.05 | 2.77% | £3.05 |
| Swimming Pool - wet & wacky | £140.00 | £143.90 | 2.79% | £3.90 |
| Swimming Pool Party - rafts and inflatables | £120.00 | £123.35 | 2.79% | £3.35 |
| Jump & Jiggle Soft Play Party | £85.00 | £87.35 | 2.76% | £2.35 |
| Sports Party (indoors or outdoors) | £85.00 | £87.35 | 2.76% | £2.35 |
| Mega Bounce & Tots Bounce Party | £125.00 | £128.50 | 2.80% | £3.50 |

| | | | Appendix 7 | |
|---|-----------|----------------|---------------|---------------|
| CHERWELL | | | | |
| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
| POOL HIRE - also see Birthday Parties | | | | |
| Main Pool | £95.00 | £97.65 | 2.79% | £2.65 |
| Main Pool Gala | £126.50 | £130.00 | 2.77% | £3.50 |
| Trainer Pool | £69.00 | £70.95 | 2.83% | £1.95 |
| Trainer Pool Gala | £95.00 | £97.65 | 2.79% | £2.65 |
| Play & Teach Pool | £80.00 | £82.25 | 2.81% | £2.25 |
| School Hire (per lesson / teacher) | £17.50 | £18.00 | 2.86% | £0.50 |
| Swim Club - Weekday mornings per 55mins | £40.00 | £41.10 | 2.75% | £1.10 |
| Swim Club - evenings per 55mins | £63.90 | £65.70 | 2.82% | £1.80 |
| SPORTS HALL HIRE (per hour) | | | | |
| Badminton Court Peak | £11.60 | £11.90 | 2.59% | £0.30 |
| Badminton Court Peak - Block Booking | £12.75 | £13.10 | 2.75% | £0.35 |
| Badminton Court Off-Peak | £9.30 | £9.55 | 2.69% | £0.25 |
| Badminton Court Off Peak - Block Booking | £10.25 | £10.55 | 2.93% | £0.30 |
| Junior Peak | £5.80 | £5.95 | 2.59% | £0.15 |
| Junior Off-Peak | £4.65 | £4.75 | 2.15% | £0.10 |
| Adult vs Junior Peak | £8.70 | £8.95 | 2.87% | £0.25 |
| Adult vs Junior Off-Peak | £7.00 | £7.20 | 2.79% | £0.20 |
| Hall Hire Peak (5-a-side) | £53.25 | £54.75 | 2.82% | £1.50 |
| Hall Hire Peak (5-a-side) - Block Booking | £58.60 | £60.25 | 2.82% | £1.65 |
| Hall Hire Off-Peak (5-a-side) | £42.60 | £43.80 | 2.82% | £1.20 |
| Hall Hire Off-Peak (5-a-side) - Block Booking | £46.85 | £48.15 | 2.77% | £1.30 |
| SQUASH COURTS HIRE (per 40 mins) | | | | |
| Squash Court Hire Peak | £8.60 | £8.85 | 2.91% | £0.25 |
| Squash Court Hire Peak - Block Booking | £9.46 | £9.70 | 2.54% | £0.24 |
| Squash Court Hire Off-Peak | £7.30 | £7.50 | 2.79% | £0.20 |
| Squash Court Hire Off Peak - Block Booking | £8.05 | £8.25 | 2.48% | £0.20 |
| Junior Peak | £4.30 | £4.40 | 2.33% | £0.10 |
| Junior Off-Peak | £3.65 | £3.75 | 2.79% | £0.10 |
| Adult vs Junior Peak | £6.45 | £6.65 | 3.10% | £0.20 |

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| | | | Appendix 7 | |
| CHERWELL | | | | |
| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
| Adult vs Junior Off-Peak | £5.50 | £5.65 | 2.79% | £0.15 |
| | | | | |
| TABLE TENNIS HIRE (per hour) | | | | |
| Adult Hire | £6.80 | £7.00 | 2.94% | £0.20 |
| Junior Hire | £3.40 | £3.50 | 2.94% | £0.10 |
| Adult vs Junior | £5.10 | £5.25 | 2.94% | £0.15 |

CHERWELL

| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
|---|-----------|---------------|---------------|---------------|
| ALL WEATHER PITCHES - BLC and KGLC | | | | |
| Adult Football | £41.00 | £42.15 | 2.80% | £1.15 |
| Adult Football - Block Booking | £44.00 | £45.25 | 2.84% | £1.25 |
| Junior Football (up to 7.15pm) | £31.00 | £31.85 | 2.74% | £0.85 |
| Junior Football (up to 7.15pm) - Block booking | £34.10 | £35.05 | 2.79% | £0.95 |
| Junior individual PAYG | £2.90 | £2.95 | 1.72% | £0.05 |
| Senior individual PAYG | £4.50 | £4.60 | 2.22% | £0.10 |
| Whole Pitch | £78.50 | £80.70 | 2.80% | £2.20 |
| 2/3rds Pitch | £57.10 | £58.70 | 2.80% | £1.60 |
| 1/3rd Pitch | £35.75 | £36.75 | 2.79% | £1.00 |
| Tennis | £6.50 | £6.70 | 3.08% | £0.20 |
| EQUIPMENT HIRE | | | | |
| Racquets - badminton, tennis, & table tennis bats | £2.00 | £2.05 | 2.50% | £0.05 |
| Bibs | £2.00 | £2.05 | 2.50% | £0.05 |
| Deposit (refundable) | £5.00 | £5.15 | 3.00% | £0.15 |
| Breakages (take from deposit) | £5.00 | £5.15 | 3.00% | £0.15 |
| Football hire | £2.00 | £2.06 | 2.79% | £0.06 |
| Football deposit | £10.00 | £10.00 | 0.00% | £0.00 |
| CRECHE | | | | |
| Creche - 1 hour | £3.10 | £3.20 | 3.23% | £0.10 |
| 15 minutes | £1.00 | £1.05 | 5.00% | £0.05 |
| Creche - 1 hour, 15 mins | £4.00 | £4.10 | 2.50% | £0.10 |
| Creche - 1 hour, 30 mins | £4.85 | £5.00 | 3.09% | £0.15 |
| Creche Drop & Shop 2 hours | £7.50 | £7.70 | 2.67% | £0.20 |
| Creche Drop & Shop 3 hours | £10.75 | £11.05 | 2.79% | £0.30 |

| | | | Appendix 7 | |
|---|-----------|----------------|---------------|---------------|
| CHERWELL | | | | |
| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
| JUNIOR ACTIVITIES | | | | |
| Sway Dance | £4.15 | £4.25 | 2.41% | £0.10 |
| Parent & Toddler Sessions | £6.00 | £6.15 | 2.50% | £0.15 |
| Adults & Juniors (1 hour) | £8.70 | £8.95 | 2.87% | £0.25 |
| Spice Up Saturday | £5.30 | £5.45 | 2.79% | £0.15 |
| Baby Bounce | £3.50 | £3.60 | 2.79% | £0.10 |
| Baby Bounce - additional sibling | £2.50 | £2.55 | 2.00% | £0.05 |
| Strikers / Dribblers | £5.10 | £5.25 | 2.94% | £0.15 |
| Mini Dribblers | £4.10 | £4.20 | 2.44% | £0.10 |
| Soft Play | £1.60 | £1.65 | 3.12% | £0.05 |
| Gymnastics and Trampoline (terms 12-14 weeks) | £6.80 | £7.00 | 2.94% | £0.20 |
| Gymnastics Direct debit (39 weeks spread over 52 weeks) - NEW FOR 2019 | £22.10 | £22.70 | 2.71% | £0.60 |
| Trampoline (30 minute class) | £3.70 | £3.80 | 2.79% | £0.10 |
| Tots Bounce | £2.60 | £2.65 | 1.92% | £0.05 |
| Tots Bounce - Family Member 50% off | £1.30 | £1.35 | 3.85% | £0.05 |
| Mega Bounce | £3.15 | £3.25 | 3.17% | £0.10 |
| Jump & Jiggle Area | £1.55 | £1.60 | 3.23% | £0.05 |
| | | | | |
| ROOM HIRE | | | | |
| Activity Hall - Peak | £47.00 | £48.30 | 2.77% | £1.30 |
| Exercise Studio | £21.00 | £21.50 | 2.38% | £0.50 |
| Activity Hall - Peak | £47.00 | £48.30 | 2.77% | £1.30 |
| Studio 1 | £63.00 | £64.50 | 2.38% | £1.50 |
| Studio 2 | £42.50 | £43.70 | 2.82% | £1.20 |
| Meeting Room - 1 hour | £18.00 | £18.50 | 2.79% | £0.50 |
| Meeting Room - half day | £60.00 | £61.75 | 2.92% | £1.75 |
| Meeting Room - full day | £100.00 | £102.80 | 2.80% | £2.80 |
| Body Therapy Clinic | £41.00 | £42.15 | 2.80% | £1.15 |

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| | | | Appendix 7 | |
| CHERWELL | | | | |
| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
| | | | | |
| BOWLING | | | | |
| Adult 1 game | £4.80 | £4.90 | 2.08% | £0.10 |
| Adult 2 game | £8.15 | £8.35 | 2.45% | £0.20 |
| Adult 3 game | £11.50 | £11.80 | 2.61% | £0.30 |
| child/ concessions 1 games | £4.00 | £4.10 | 2.50% | £0.10 |
| child/ concessions 2 games | £6.80 | £7.00 | 2.94% | £0.20 |
| child/ concessions 3 games | £9.60 | £9.85 | 2.60% | £0.25 |
| Members 1 Game | £3.30 | £3.40 | 3.03% | £0.10 |
| Members 2 Game | £5.60 | £5.75 | 2.68% | £0.15 |
| Members 3 Game | £7.90 | £8.10 | 2.53% | £0.20 |
| Family Ticket | £12.30 | £12.65 | 2.85% | £0.35 |
| Family Ticket 2 Games | £20.75 | £21.35 | 2.89% | £0.60 |
| Family Ticket 3 Games | £28.50 | £29.30 | 2.79% | £0.80 |
| Link Card (any time) | £2.40 | £2.45 | 2.08% | £0.05 |
| Birthday Parties | £8.30 | £8.50 | 2.41% | £0.20 |
| Additional Child | £2.60 | £2.65 | 1.92% | £0.05 |
| Late night Special | £6.75 | £6.95 | 2.96% | £0.20 |
| Late night special 2 games | £9.00 | £9.25 | 2.79% | £0.25 |
| Late night special 3 games | £12.00 | £12.30 | 2.50% | £0.30 |
| | | | | |

CHERWELL

| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
|---|-----------|----------------|---------------|---------------|
| CAMP ADVENTURE | | | | |
| Half Day (am) 8.30-12.30 Half Day (pm) 2.00-6.00 | £12.40 | £12.75 | 2.79% | £0.35 |
| Half Day Family membership price @ 50% off | £6.20 | £6.35 | 2.42% | £0.15 |
| Lunch 12.30-2.30 | £6.30 | £6.50 | 3.17% | £0.20 |
| Lunch 12.30-2.30 Family membership price @ 50% off | £3.15 | £3.25 | 3.17% | £0.10 |
| Half Day (pm) 2.00-6.00 | £12.40 | £12.75 | 2.79% | £0.35 |
| Half Day (pm) 2.30-6.00 Family membership price @ 50% off | £6.20 | £6.37 | 2.79% | £0.17 |
| Full Day 8.30-6.00 | £27.00 | £27.75 | 2.79% | £0.75 |
| Full Day 8.30-6.00 Family membership price @ 50% off | £13.50 | £13.90 | 2.96% | £0.40 |
| Full Week Half Day (am) 8.30-12.30 Full Week Half Day (pm) 2.30-6.00 | £52.00 | £53.45 | 2.79% | £1.45 |
| Full Week Half Day Family membership price @ 50% off | £25.60 | £26.30 | 2.73% | £0.70 |
| Full Week Lunch 12.30-2.30 | £21.50 | £22.10 | 2.79% | £0.60 |
| Full Week Lunch 12.30-2.30 Family membership price @ 50% off | £10.60 | £10.90 | 2.79% | £0.30 |
| Full Week Half Day (pm) 2.30-6.00 | £52.00 | £53.45 | 2.79% | £1.45 |
| Full Week Half Day (pm) 2.30-6.00 Family membership price @ 50% off | £26.00 | £26.73 | 2.79% | £0.73 |
| Full Week Full Day 8.30-6.00 | £125.00 | £128.50 | 2.80% | £3.50 |
| Full Week Full Day 8.30-6.00 Family membership price @ 50% off | £62.50 | £64.25 | 2.80% | £1.75 |
| Half Day (am) 10-4 or 9-3 | £18.00 | £18.50 | 2.79% | £0.50 |
| Family - 50% off | £9.00 | £9.25 | 2.79% | £0.25 |
| Half day 8.45-3.15 | £18.50 | £19.00 | 2.70% | £0.50 |
| Family - 50% off | £9.25 | £9.50 | 2.70% | £0.25 |
| Full Day 8.30-6.00 | £27.00 | £27.75 | 2.79% | £0.75 |
| Full Day 8.30-6.00 Family membership price @ 50% off | £13.50 | £13.85 | 2.59% | £0.35 |
| Full Week Half Day (am) 10-4 or 9-3 | £80.00 | £82.25 | 2.81% | £2.25 |

CHERWELL

| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
|---|-----------|-----------|---------------|---------------|
| <i>Family - 50% off</i> | £40.00 | £41.10 | 2.75% | £1.10 |
| <i>Half day 8.45-3.15</i> | £82.50 | £84.80 | 2.79% | £2.30 |
| <i>Family - 50% off</i> | £41.25 | £42.40 | 2.79% | £1.15 |
| <i>Full Week Full Day 8.30-6.00</i> | £125.00 | £128.50 | 2.80% | £3.50 |
| <i>Full Week Full Day 8.30-6.00 Family membership price @ 50% off</i> | £62.50 | £64.25 | 2.80% | £1.75 |
| Half Day 10-4 or 9-3 | £18.00 | £18.50 | 2.79% | £0.50 |
| Half Day - Family members - 50% off | £9.00 | £9.25 | 2.79% | £0.25 |
| <i>Half Day - Full Week</i> | £80.00 | £82.25 | 2.81% | £2.25 |
| <i>Half Day - Full Week - Family - 50% off</i> | £40.00 | £41.10 | 2.75% | £1.10 |
| Full Day 8.30-6.00 | £28.00 | £28.75 | 2.68% | £0.75 |
| Full Day - Family membership price @ 50% off | £14.00 | £14.40 | 2.86% | £0.40 |
| <i>Full Week - Full Day</i> | £130.00 | £133.65 | 2.81% | £3.65 |
| <i>Full Week - Full Day Family membership price @ 50% off</i> | £65.00 | £66.80 | 2.77% | £1.80 |
| | | | | |
| OVER 50's | | | | |
| Evergreens (Monday) | £3.00 | £3.05 | 1.67% | £0.05 |
| Evergreens (Tuesday) | £3.20 | £3.25 | 1.56% | £0.05 |
| Evergreens (Wednesday) | £3.80 | £3.85 | 1.32% | £0.05 |
| | | | | |
| OTHER | | | | |
| Parish Card (12 months) | £51.25 | £52.25 | 1.95% | £1.00 |
| Shower | £4.20 | £4.35 | 3.57% | £0.15 |
| Spectator - Adult | £1.00 | £1.05 | 5.00% | £0.05 |
| Spectator - Junior / Senior | £1.00 | £1.05 | 5.00% | £0.05 |
| Mixed Leisure | £4.30 | £4.40 | 2.33% | £0.10 |
| Adult Badminton Course | £42.50 | £43.70 | 2.82% | £1.20 |
| No Strings | £3.70 | £3.80 | 2.79% | £0.10 |

STRATFIELD BRAKE & WHITELANDS FARM

| | 2019/2020 | 2020/21 | increase in % | increase in £ |
|---|-----------|----------------|---------------|---------------|
| STRATFIELD BRAKE | | | | |
| Cricket Pitch Hire (per match) | £95.00 | £97.00 | 2.11% | £2.00 |
| Cricket Pitch Hire (per match) - junior | £46.50 | £48.00 | 3.23% | £1.50 |
| Cricket Nets Hire (per hour) | £15.00 | £15.50 | 3.33% | £0.50 |
| Rugby Pitch Hire - Adult Matches (per match) | | | | |
| Rugby Pitch Hire - Adult Training (per hour) | £68.00 | £70.00 | 2.94% | £2.00 |
| Rugby Pitch Hire - Junior Matches (per match) | £45.00 | £46.00 | 2.22% | £1.00 |
| Rugby Pitch Hire - Junior Training (per hour) | £37.00 | £38.00 | 2.70% | £1.00 |
| Rugby Pitch Hire - Mini Matches (per match) | £24.00 | £24.50 | 2.08% | £0.50 |
| Rugby Pitch Hire - Mini Training (per hour) | £16.00 | £16.50 | 3.13% | £0.50 |
| GAB Adult Pitch Hire - Match | £10.00 | £10.30 | 3.00% | £0.30 |
| GAB Adult Pitch Hire - Training | £55.50 | £57.00 | 2.70% | £1.50 |
| GAB Junior Pitch Hire - Match | £37.25 | £38.25 | 2.68% | £1.00 |
| GAB Junior Pitch Hire - Training | £30.00 | £31.00 | 3.33% | £1.00 |
| GAB Mini Pitch Hire - Match | £20.00 | £20.50 | 2.50% | £0.50 |
| GAB Mini Pitch Hire - Training | £13.00 | £13.25 | 1.92% | £0.25 |
| GAB Floodlights (after 7pm - Sept) | £8.50 | £8.75 | 2.94% | £0.25 |
| Football Pitch Hire - Adult Matches (per match) | | | | |
| Football Pitch Hire - Adult Training (per hour) | £68.00 | £70.00 | 2.94% | £2.00 |
| Football Pitch Hire - Junior Matches (per match) | £45.00 | £46.00 | 2.22% | £1.00 |
| Football Pitch Hire - Junior Training (per hour) | £37.00 | £38.00 | 2.70% | £1.00 |
| Football Pitch Hire - Mini Matches (per match) | £24.00 | £24.50 | 2.08% | £0.50 |
| Football Pitch Hire - Mini Training (per hour) | £16.00 | £16.50 | 3.13% | £0.50 |
| KYFC Football Pitch Hire - Junior Matches (per match) 9v9 & 11v11 | £10.00 | £10.30 | 3.00% | £0.30 |
| KYFC Football Pitch Hire - Junior Training (p.hr) 9v9 & 11v11 | £30.00 | £30.75 | 2.50% | £0.75 |
| KYFC Football Pitch Hire - Mini Matches (per match) 5v5 & 7v7 | £24.00 | £24.50 | 2.08% | £0.50 |
| KYFC Football Pitch Hire - Mini Training (p.hr) 5v5 & 7v7 | £13.00 | £13.40 | 3.08% | £0.40 |
| Function Room Hire - per hour | | | | |
| Function Room - private hire - evening rate 8pm to midnight | £26.50 | £27.50 | 3.77% | £1.00 |
| Function Room - half day rate (9am-1pm) or (1pm-5pm) | £120.00 | £123.00 | 2.50% | £3.00 |
| Function Room - full day rate (9am to 5pm) | £240.00 | £245.00 | 2.08% | £5.00 |
| Running Club Showers | | | | |
| Running Club Showers | £1.25 | £1.30 | 4.00% | £0.05 |
| Changing Room Hire (per hour) | | | | |
| Changing Room Hire (per hour) | £9.50 | £10.00 | 5.26% | £0.50 |
| Projector & Screen | | | | |
| Projector & Screen | £20.00 | £20.00 | 0.00% | £0.00 |
| Refreshments | | | | |
| Refreshments | £20.00 | £20.00 | 0.00% | £0.00 |
| Kitchen Hire - hour | | | | |
| Kitchen Hire - hour | £20.00 | £20.00 | 0.00% | £0.00 |
| WHITELANDS FARM | | | | |
| 3G Pitch - Adult - Full Pitch - per hour | £83.50 | £85.00 | 1.80% | £1.50 |
| 3G Pitch - Junior - Full Pitch - per hour | £46.50 | £47.50 | 2.15% | £1.00 |
| 3G Pitch - Adult - Half Pitch - per hour | £51.75 | £53.00 | 2.42% | £1.25 |
| 3G Pitch - Junior - Half Pitch - per hour | £31.00 | £32.00 | 3.23% | £1.00 |
| 3G Pitch - Adult - Quarter Pitch - per hour | £31.00 | £32.00 | 3.23% | £1.00 |
| 3G Pitch - Junior - Quarter Pitch - per hour | £20.60 | £21.00 | 1.94% | £0.40 |
| Walking Football - PAYG rate | £3.00 | £3.00 | 0.00% | £0.00 |
| Drop In - Adult - PAYG per player | £5.00 | £5.00 | 0.00% | £0.00 |
| Drop In - Junior - PAYG per player | £3.50 | £3.50 | 0.00% | £0.00 |

STRATFIELD BRAKE & WHITELANDS FARM

| | 2019/2020 | 2020/21 | increase in % | increase in £ |
|--|-----------|---------------|---------------|---------------|
| Grass Pitch - Adult - Rugby - per hour | £46.00 | £47.00 | 2.17% | £1.00 |
| Grass Pitch - Junior - Rugby - per hour | £25.50 | £26.00 | 1.96% | £0.50 |
| Grass Pitch - Adult - Football - per hour | £46.00 | £47.00 | 2.17% | £1.00 |
| Grass Pitch - Junior - Football - per hour | £25.50 | £26.00 | 1.96% | £0.50 |

WOODGREEN

| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
|----------------------------------|-----------|------------------|---------------|---------------|
| Bowling* | | | | |
| Member Rink peak (2 hours) | £3.35 | £3.40 | 1.49% | £0.05 |
| Public Play | £2.90 | £2.95 | 1.72% | £0.05 |
| Link Play (per hour) | £1.60 | £1.65 | 3.12% | £0.05 |
| Learners (2 hours) | £3.75 | £3.80 | 1.33% | £0.05 |
| Disabled (per hour) | £1.60 | £1.65 | 3.12% | £0.05 |
| Membership Adult | £48.50 | £49.40 | 1.86% | £0.90 |
| New-to-bowls membership | £24.25 | £24.70 | 1.86% | £0.45 |
| Membership Junior | £15.00 | £15.00 | 0.00% | £0.00 |
| Junior Member peak (2 hours) | £1.80 | £1.85 | 2.78% | £0.05 |
| Junior Non Member peak (2 hours) | £3.65 | £3.70 | 1.37% | £0.05 |
| Bowls area wedding | £1,750.00 | £1,800.00 | | |
| Classes | | | | |
| Fit 'N'Fifty block of 10 | £24.00 | £24.80 | 3.33% | £0.80 |
| Fit 'N' Fifty | £3.00 | £3.10 | 3.33% | £0.10 |
| Fit 'N' Fifty LINK | £1.50 | £1.55 | 3.33% | £0.05 |
| LBT | | | | |
| LBT block of 10 | | | | |
| Room Hire | | | | |
| Meeting room 1 hour | £15.60 | £16.00 | 2.56% | £0.40 |
| Meeting room half day (4 hours) | £46.80 | | | |
| Meeting room full day (8 hours) | £93.60 | | | |
| Spectator – Dryside only | | | | |
| Adult | £1.15 | | | |
| Junior | £0.85 | | | |
| Senior Citizen | £0.85 | | | |
| Swimming | | | | |
| Adult session | £4.20 | £4.30 | 2.38% | £0.10 |

WOODGREEN

| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
|--|---|----------------|---------------|---------------|
| Adult All Day | £8.20 | £8.40 | 2.44% | £0.20 |
| Junior session | £2.75 | £2.80 | 1.82% | £0.05 |
| Junior All Day | £5.10 | £5.20 | 1.96% | £0.10 |
| Senior Citizen | £2.75 | £2.80 | 1.82% | £0.05 |
| Senior All Day | £5.10 | £5.20 | 1.96% | £0.10 |
| Early Bird/Lane swimming | £4.20 | £4.30 | 2.38% | £0.10 |
| Adult Lunchtime | £4.20 | £4.30 | 2.38% | £0.10 |
| Junior/Senior Lunchtime | £2.75 | £2.80 | 1.82% | £0.05 |
| Family Ticket (2 adults, up to 3 children) | £13.15 | £13.35 | 1.52% | £0.20 |
| Block of 10 adult | £37.80 | £38.70 | 2.38% | £0.90 |
| Block of 10 adult all day | £73.80 | £75.60 | 2.44% | £1.80 |
| Block of 10 Junior/senior | £24.75 | £25.20 | 1.82% | £0.45 |
| Block of 10 junior/senior all day | £45.90 | £46.80 | 1.96% | £0.90 |
| Pool Hire (per hour) | | | | |
| Main Pool | £132.00 | £134.00 | 1.52% | £2.00 |
| | To be agreed on application based on club numbers and lifeguarding costs | | | |
| Club Hire | £45.60 | £46.50 | 1.97% | £0.90 |
| Aquazone | N/A | £0.00 | | |
| Gala | £165.00 | £168.00 | 1.82% | £3.00 |
| Party hire | £165.00 | £168.00 | 1.82% | £3.00 |
| | To be agreed on application based on party numbers and lifeguarding costs | | | |
| FITNESS / GYM | | | | |
| Single DD - FIXED | £25.50 | £26.00 | 1.96% | £0.50 |
| Single DD - FLEXI | £30.50 | £31.00 | 1.64% | £0.50 |
| Corporate (single) FIXED | £23.00 | £23.00 | 0.00% | £0.00 |
| Corporate (single) FLEXI | £27.50 | £28.00 | 1.82% | £0.50 |
| Gym casual admission | £6.50 | £6.60 | 1.54% | £0.10 |
| Shower (winter) | £2.00 | £2.00 | 0.00% | £0.00 |

WOODGREEN

| | 2019/2020 | 2020/2021 | increase in % | increase in £ |
|------------------------------|-----------|---------------|---------------|---------------|
| Junior Gym Session | £3.70 | £3.75 | 1.35% | £0.05 |
| Studio 1 hire per hour | £31.40 | £16.00 | -49.04% | -£15.40 |
| Studio 2 hire per hour | £50.25 | £16.00 | -68.16% | -£34.25 |
| Seniors Classes | £3.10 | £3.10 | 0.00% | £0.00 |
| Group Cycling | £7.00 | £6.20 | -11.43% | -£0.80 |
| Fitness Classes (incl Zumba) | £6.00 | £6.10 | 1.67% | £0.10 |
| Sway Dance - Street Class | £4.00 | £4.05 | 1.25% | £0.05 |
| Sway Dance - Ballet | £3.20 | £3.25 | 1.56% | £0.05 |

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Appendix 8

| Growth, Savings and Spend to Save Bids and Revenue Impact of Capital | | | | | Spend / Savings Profile | | | | |
|--|---------------------------------------|---|---|------------------|-------------------------|----------------|----------------|----------------|----------------|
| Reference | Strategic Priority | Project | Brief Description | Net Impact | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| GRW011 | Best Council to work for | Finance "Growing Our Own" | The Finance Team are seeking to develop a business plan around developing and growing the team from within, building a strategy that is underpinned by bringing graduates and apprentices into the team at the beginning of their career aiming to see them develop through the team at the Council and on occasions into the wider local government community. | 24,000 | 12,000 | 12,000 | | | |
| GRW045 | Best Council to work for | HR Apprentice | £11,875 (inclusive of on-costs) is requested to employ an HR apprentice. | 23,750 | 11,875 | 11,875 | | | |
| | Best Council to work for Total | | | 47,750 | 23,875 | 23,875 | 0 | 0 | 0 |
| CAP028 | Clean, Green and Safe | On Street Recycling container provision | The aim is to purchase around 60 more on street recycling bins. This will collect litter on one side of the bin and recycling (largely plastic bottles & cans). They will be located in places such as bus tops and to replace some freestanding litter bins | -10,000 | -2,000 | -2,000 | -2,000 | -2,000 | -2,000 |
| CAP029 | Clean, Green and Safe | Depot fuel system renewal | There are two fuel tanks – one at Highfield depot and one at Thorpe Lane. The fuel is dispensed via pumps which are becoming increasingly unreliable. The pumps at Thorpe Lane are very heavily used and the pumps are ten years old and need of replacement. Spare parts are becoming more difficult to source as the pumps are obsolete. The main pump at Highfield also needs replacement. The fuel system itself is also old, over ten years and better systems are on the market. The system needs replacing during 2020/21 | -10,000 | -2,000 | -2,000 | -2,000 | -2,000 | -2,000 |
| CAP030 | Clean, Green and Safe | Horsefair Public Conveniences | Horsefair public conveniences is located in a main visitor area. Adjacent to Banbury Cross and the Fine Lady statue. The coach drop off point is nearby. The public conveniences are twenty years old, tired and there are no facilities near by. The public conveniences will be refurbished to unisex cubicles and a disabled facility | -25,000 | -5,000 | -5,000 | -5,000 | -5,000 | -5,000 |
| GRW013 | Clean, Green and Safe | Waste Collection | The growth of the district means more properties being occupied. Each 4000 properties requires a new crew. Each crew covers around 6000 properties with one & half crews needed for each property. This has been in the business plan for several years. A new crew will commence in 2020/21 with a further crew likely to be required in 2023/24 | 1,090,000 | 70,000 | 170,000 | 170,000 | 340,000 | 340,000 |
| GRW040 | Clean, Green and Safe | Waste Collection – Recycling gate fee | The value of recyclables can be highly volatile. Three years ago recyclables were bringing in £300k/year income. The gate fees have change to having to pay due to price changes on the individual materials. The gate is fee is over £40/tonne which means a change of £700k/year over the last three years. The deal the Council is still favourable compared to most Councils | 417,776 | 177,776 | 60,000 | 60,000 | 60,000 | 60,000 |
| SAV027 | Clean, Green and Safe | Commercial Waste | This proposal is to grow the Commercial Waste Service. The Commercial Waste Service has grown over recent years from a very small service bringing in around £50k of income per year to a service bring in around £300k/year. The service is planning to continue to expand at around £100k/year additional income for each of the following three years, resulting in a net £30k pa surplus | -150,000 | -30,000 | -30,000 | -30,000 | -30,000 | -30,000 |
| | Clean, Green and Safe Total | | | 1,312,776 | 208,776 | 191,000 | 191,000 | 361,000 | 361,000 |
| CAP031 | District of Opportunity & Growth | Car Parking Action Plan Delivery | A new car parking strategy with an action plan is being developed. It is expected that the strategy & action plan will be approved by the Executive in early 2020. The action plan will aim to improve signage to and from the car parks. It will enhance facilities including signage and direction boards. More car parks will move over to pay on exit. In addition issues such as changing lighting over to LED lights to make the car even more safe but also energy efficient. The action plan will commence in 2020 and should be largely completed in early 2021/22 | -75,000 | | -30,000 | -45,000 | | |
| CAP032 | District of Opportunity & Growth | Street scene fencing, street furniture and railings | This project aims to ensure play areas, open spaces and areas on CDC land and areas where CDC is responsible so areas are safe for children and other people. Work will include replacing fences, railings and other street furniture which is either in poor condition or no longer safe | -5,000 | -1,000 | -1,000 | -1,000 | -1,000 | -1,000 |
| GRW002 | District of Opportunity & Growth | Growth Deal – Year 3 CDC Plan Resourcing | Following the establishment of the CDC Growth Deal programme board a resourced Year 2 delivery plan was created and approved by CEDR. This growth proposal identifies the required resources to continue the programme through Year 3. The Programme is made up of four workstreams: Affordable Housing; Homes from Infrastructure; Productivity and the Oxfordshire Plan 2050. These are supported by a Programme Management function within the Transformation team. | 972,047 | 336,978 | 313,944 | 321,125 | | |
| GRW017 | District of Opportunity & Growth | Canalside Regeneration Feasibility | The budget proposal would allow the appointment of external consultants to work with staff to unlock, design and engage stakeholders to ensure a delivery plan to achieve the Councils aspirations in delivering the Canalside Redevelopment. | 230,000 | 230,000 | | | | |

Page 11

| Growth, Savings and Spend to Save Bids and Revenue Impact of Capital | | | | Spend / Savings Profile | | | | | |
|--|----------------------------------|--|--|-------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Reference | Strategic Priority | Project | Brief Description | Net Impact | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| GRW021 | District of Opportunity & Growth | Planning Policy Conservation Design | Net cost for 20/21 for staff changes : Required for Planning Policy, Conservation & Design Business Case to achieve: -Introduction of team leaders and provide capacity for the service manager -To build capacity in Planning Policy to fulfil project requirements of the Local Development Scheme -To re-introduce Urban Design resource to support healthy place shaping and raise design standards | 266,307 | 61,095 | 51,303 | 51,303 | 51,303 | 51,303 |
| GRW033 | District of Opportunity & Growth | Kidlington masterplan delivery project | This project will deliver the projects identified in the action plan and next steps for Kidlington masterplan. The priority projects include the village centre, Exeter Close, sport and recreation improvement. The Growth Proposal will support a Project Delivery Officer/Manager (£50,000) and funding (£75,000) for specific projects and strategy development for an employment cluster, Oxford Road corridor transformation and canal improvement. | 175,000 | 125,000 | 50,000 | | | |
| GRW036 | District of Opportunity & Growth | Landscape architects | The growth of the district means more and more planning applications are being received. The Landscape architects (1.5 FTE) comment of planning applications and inspect after developments are complete. The level of planning applications particularly on major developments mean most of the resource is tied up on planning applications and other projects such as the design and development of Banbury Country Park and Bicester Country Park are adversely affected due to lack of resource. The intention is to fill another post to deal with the growth in planning applications. | 100,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| GRW038 | District of Opportunity & Growth | Planning Fee income reduction | Negative growth bid to compensate for expected net reduction in planning fee income. Some saving from the introduction of DEF software (£22,500.00) taken into account. | 512,500 | 102,500 | 102,500 | 102,500 | 102,500 | 102,500 |
| SAV003 | District of Opportunity & Growth | Rental Income - Tramway and Antelope Garage, Banbury | CDC acquired Tramway industrial Estate on the 29th March 2019. The income from that property was not reflected in our 2019/20 revenue budgets due to the timing of the acquisition. Rent free periods in some of our other commercial properties have also come to an end during 2019/20 and this means that we are anticipating additional income due to the council that needs to be reflected in our budgets. | -2,508,750 | -501,750 | -501,750 | -501,750 | -501,750 | -501,750 |
| SAV011 | District of Opportunity & Growth | Miscellaneous | Small adjustments based on correction from previous years; including CQ1 consultancy | -457,595 | -91,519 | -91,519 | -91,519 | -91,519 | -91,519 |
| SAV028 | District of Opportunity & Growth | Christmas Lights | Following discussions prompted by the capital bid of the same name, the town centres will be asked to accept capital and/or revenue responsibility for the provision of Christmas Lights, resulting in a corresponding revenue saving for the council. | -146,000 | -29,200 | -29,200 | -29,200 | -29,200 | -29,200 |
| District of Opportunity & Growth Total | | | | -936,491 | 252,104 | -115,722 | -173,541 | -449,666 | -449,666 |
| CAP004 | Operational Excellence | Procurement of joint performance system with OCC | Implementation of this proposal will ultimately deliver a much improved data capture and reporting system for the services inputting and for the audiences CEDR/members and our residents. This proposal will also enable shared working across CDC & OCC, expanding resilience across the areas, one version of the truth through reporting and an improved end to end process. | 40,000 | | 10,000 | 10,000 | 10,000 | 10,000 |
| CAP024 | Operational Excellence | Bodicote House Meeting Room Audio Visual Systems | There is a growing demand within the council to make use of audio & visual (AV) facilities within meeting rooms at Bodicote House. Historically, to provide additional capacity, a temporary projector has been used. In order to eliminate the inefficient temporary approach, the proposal is to install an AV system in a further 3 meeting rooms within Bodicote House. | 4,000 | 2,000 | 2,000 | | | |
| CAP025 | Operational Excellence | Legacy Iworld System Migration | The proposal is for the councils IT service to work with CSN resources and a third party specialist provider to migrate the data from the I World system into a supported, sustainable environment and develop an appropriate interface to enable access to the data. | 12,000 | 12,000 | | | | |
| GRW014 | Operational Excellence | Land Charges – Income Reduction | The current level of expected income was reduced to £262,000 in 19-20. The forecast income for the 2019-20 year is £235,000. This uncertainty is expected to continue and therefore it is prudent to reduce the level of expected income to £250,000 for 2020-21. This is considered realistic given current forecasts and the proposed increase in fees and charges. | 60,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 |
| SAV001 | Operational Excellence | Increasing licensing income | Increase in income from licensing activities | -100,000 | -20,000 | -20,000 | -20,000 | -20,000 | -20,000 |
| SAV002 | Operational Excellence | Rationalised FM Operations | Cleaning and security service contracts for our properties have been renegotiated which have resulted in favourable rates but without a reduction in service or quality as part of the tendered specification. We continue to monitor the contracts using KPIs agreed as part of that specification, to assure quality and cost-efficiencies are maintained. | -841,435 | -142,751 | -174,671 | -174,671 | -174,671 | -174,671 |
| SAV004 | Operational Excellence | Finance – Consultancy | The Finance team has previously had a budgetary requirement of £72k to fund the costs of consultancy across a number of projects, including the establishment of new companies, major capital schemes, closure of the accounts and system and process improvements. However a change in approach and the completion of some of the projects reduces this requirement considerably to £10k, releasing £62k per annum. The remaining £10k would be held as a small contingency for the occasional exploratory opportunity where a specific project proposal as detailed below has not yet progressed to the stage required to submit a proposal. | -310,000 | -62,000 | -62,000 | -62,000 | -62,000 | -62,000 |

| Growth, Savings and Spend to Save Bids and Revenue Impact of Capital | | | | | Spend / Savings Profile | | | | | |
|--|--|--|---|---|-------------------------|-----------------|-----------------|-----------------|-----------------|---------------|
| Reference | Strategic Priority | Project | Brief Description | Net Impact | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | |
| SAV006 | Operational Excellence | Finance – Recruitment | The Finance team has previously had a budgetary requirement of £30k to fund the costs of recruitment. However now that the majority of posts have been filled the assumption is that normal levels of turnover will resume, and lower level of budgetary allocations will be needed reducing the requirement. It is suggested this be reduced to zero, with a focus on developing and growing the team locally. Should there be a requirement for recruitment costs this would be managed from the process of vacancy management, holding posts vacant for a sufficient period to cover the required recruitment costs. This releases £40k. | -150,000 | -30,000 | -30,000 | -30,000 | -30,000 | -30,000 | |
| SAV012 | Operational Excellence | EDM Software | New Electronic Document Management system has resulted in savings | -60,000 | -12,000 | -12,000 | -12,000 | -12,000 | -12,000 | |
| SAV016 | Operational Excellence | Spiceball Management contract | Reduction in management costs to reflect year on year movements in the unitary fee. | -140,000 | -28,000 | -28,000 | -28,000 | -28,000 | -28,000 | |
| SAV017 | Operational Excellence | Democratic Services – Review of Parish Charges | A full review of parish charges should see an increase in income generation to the Elections team to ensure that we can continue with the proper administrations of elections for Parish and Town Councils. | -25,000 | -5,000 | -5,000 | -5,000 | -5,000 | -5,000 | |
| SAV018 | Operational Excellence | Democratic Services - Canvass reform | With the reform of the annual canvass arrangements it is anticipated this will reduce the administrative burden on Councils generally and CDC should see a reduction in the administrative burden on electoral registration. | -25,000 | -5,000 | -5,000 | -5,000 | -5,000 | -5,000 | |
| SAV019 | Operational Excellence | Legal Charges | The proposal is simply to (a) review legal spend, (b) establish a procedure through the Director of Law & Governance for authorisation of external legal spend, (c) consider in the first instance whether internal support can be utilised through the joint legal service and (d) review the legal charges as part of the framework contract. | -150,000 | -30,000 | -30,000 | -30,000 | -30,000 | -30,000 | |
| SAV020 | Operational Excellence | Increased income | It is anticipated that with the full implementation of the Growth Deal there will be an increase in development proposals within CDC's area and developers pay a premium rate for the legal support provided to facilitate those developments. (Hence the importance of savings proposal 1 to ensure where possible this work is kept in-house.) This should result in increased income. | -400,000 | -80,000 | -80,000 | -80,000 | -80,000 | -80,000 | |
| SAV024 | Operational Excellence | Delete vacant Senior Estate and Valuation Officer | Following separation, the post is no longer required. | -310,115 | -62,023 | -62,023 | -62,023 | -62,023 | -62,023 | |
| SAV025 | Operational Excellence | Increasing car parking charges | This proposal is to increase car parking charges for the first time since 2011. | -1,560,000 | -120,000 | -295,000 | -300,000 | -400,000 | -445,000 | |
| Operational Excellence Total | | | | -3,955,550 | -570,774 | -779,694 | -786,694 | -886,694 | -931,694 | |
| Page 123 | GRW006 | Response to Climate Emergency | Responding to Climate Emergency | Additional resource to ensure CDC responds to the Climate Emergency with pace and a structured programme management approach. This resource will enable CDC to recruit additional expertise and capacity to lead on this project. The intention is to create a shared team with Oxfordshire County Council to make the most of expertise, knowledge, efficiencies of scale and resilience of a larger team working across Cherwell and Oxfordshire. Working in this way will enable us to get the most value from the resource. | 250,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| | S2S002 | Response to climate Emergency | LED Lighting across corporate properties | Cherwell District Council has a wide and diverse property portfolio, these properties are generally of an age where traditional light fittings are used. To reduce energy consumption which will lead to a reduction in energy billing it is proposed to replace existing traditional fluorescent / filament lamps across the council's corporate portfolio to LED lamps with proximity sensors. | 105,000 | 69,000 | 69,000 | 69,000 | -51,000 | -51,000 |
| | Response to Climate Emergency Total | | | | 355,000 | 119,000 | 119,000 | 119,000 | -1,000 | -1,000 |
| CAP006 | Thriving Communities & Wellbeing | Community Centre - Works | Many of the community centres have not received any major replacement works and after the property having had condition reviews undertaken by Gleeds it has been identified that many of the roofs are in a poor condition which is leading to significant damage to the internal elements of the building. Rustcote Arcade and Chasewell Grange have experienced persistent roof problems that need to be resolved. Generally the tenants liability does not extend to the structural parts of the buildings. | 13,860 | 6,930 | 6,930 | | | | |
| GRW004 | Thriving Communities & Wellbeing | Growth Deal – Affordable Housing “Top Up Funding” | To provide sufficient funding to deliver the Affordable Housing (AH) numbers specified in the Growth Deal (GD). | 880,000 | 880,000 | | | | | |
| GRW019 | Thriving Communities & Wellbeing | Contribution to the Young People's Supported Housing Pathway (YPSHP) | This is CDC's proposed contribution to the Young People's Supported Housing Pathway being recommissioned by Oxfordshire County Council in partnership with the 5 district/city councils. New contracts will start on 1/10/20 and run for 5 years. | 538,303 | 59,811 | 119,623 | 119,623 | 119,623 | 119,623 | |
| GRW026 | Thriving Communities & Wellbeing | FAST programme – Wellbeing Service | Grant income that will have a corresponding expenditure not accounted for in 2019/2020. Part of a much larger grant from Sport England that will not yield an income to Cherwell District Council | 79,560 | 26,520 | 26,520 | 26,520 | | | |
| GRW028 | Thriving Communities & Wellbeing | Social Prescribing | This additional contribution is essential to continue our commitment to prevention and improving residents' wellbeing through a supported system of care navigators. This is a contracted out service supported by Cherwell, West Oxfordshire DC and OCCG underwritten by the Department of Health. | 1,500 | 13,500 | 13,500 | -8,500 | -8,500 | -8,500 | |
| GRW029 | Thriving Communities & Wellbeing | Spiceball Leisure Centre Contract Compensation | The Leisure Centre contract has provision for compensation payments due to the operator of Spiceball Leisure Centre should Cherwell change the context of the operation. The closure of the pedestrian footbridge to Spiceball Leisure Centre is essential during the completion of extension works to Castle Quay. It is anticipated that this will conclude at the end of the 2020/2021 financial year and compensation will need to be paid against the agreed benchmark throughput. | 330,000 | 330,000 | | | | | |

| Growth, Savings and Spend to Save Bids and Revenue Impact of Capital | | | | | Spend / Savings Profile | | | | |
|--|---|--|--|-------------------|-------------------------|-----------------|-----------------|-------------------|-------------------|
| Reference | Strategic Priority | Project | Brief Description | Net Impact | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| SAV007 | Thriving Communities & Wellbeing | Cherwell Bond Scheme Revenue Budget | This a long standing revenue budget that funds the setting up of new private rented sector tenancies for homeless households. The budget is used to set up deposit bonds which underwrite a tenancy i.e. no money is passed across to the landlord or tenant but the bond acts as a security for the landlord. The Bond is only paid out once the tenancy ends and only if there has been damage to the property beyond reasonable wear and tear. The £30,600 recurring budget has been underspent year on year and underspend carried in to a Bond Scheme reserve that now stands at £100k. This is enough to cover any costs incurred by the Scheme in to the medium to long term. As and when it is dissipated a growth bid will be submitted in the future. | -153,000 | -30,600 | -30,600 | -30,600 | -30,600 | -30,600 |
| SAV008 | Thriving Communities & Wellbeing | Potential saving from joint commissioning of debt and money advice | The proposal is to reduce the spend available for debt and money advice commissioning but without sacrificing the level of service and possibly enhancing it through the joint commissioning process. This could be done by taking out 10% from 1/11/20 or tapering the saving e.g. -5% in year 1, -10% in year 2 and -15% in year 3. This could be done on the basis of seeking funding bids from providers that demonstrate complementary funding will be attracted from other sources in order to maintain and invest in services i.e. that demonstrate the provider will lever in other funding. | -111,339 | -10,503 | -25,209 | -25,209 | -25,209 | -25,209 |
| SAV015 | Thriving Communities & Wellbeing | Homelessness Support Grants | Owing to continued grant funding from central Government it is now possible to reduce Cherwell's contribution whilst maintaining the same services for those facing homelessness. | -40,000 | -8,000 | -8,000 | -8,000 | -8,000 | -8,000 |
| SAV022 | Thriving Communities & Wellbeing | Reduce Banbury Museum Funding | Reduce the support to the Museum to reflect their ability to begin charging for events | -12,500 | 0 | 0 | 0 | 0 | -12,500 |
| SAV023 | Thriving Communities & Wellbeing | Health Buses | Reduce the spend on the health buses by consolidating provision | -55,000 | -11,000 | -11,000 | -11,000 | -11,000 | -11,000 |
| SAV026 | Thriving Communities & Wellbeing | Build Rental Income Increase | Increase rental income by 2%, remove vacant FTE from salary budget | -425,000 | -85,000 | -85,000 | -85,000 | -85,000 | -85,000 |
| | Thriving Communities & Wellbeing Total | | | 1,046,384 | 1,171,658 | 6,764 | -22,166 | -48,686 | -61,186 |
| | Grand Total | | | -2,130,131 | 1,204,639 | -554,777 | -672,401 | -1,025,046 | -1,082,546 |

CHERWELL DISTRICT COUNCIL

EQUALITY IMPACT ASSESSMENT

Equality Impact Assessments

CONTENTS

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

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. | N/A |

| | | |
|----|---|----------|
| | If there has been consultation, please list the equality groups you have consulted with: | |
| 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:

Joanne Kaye
Dominic Oakeshott

Date: 13 February 2020
Date: 13 February 2020

Cherwell District Council

Council

24 February 2020

| |
|--|
| <p>Calculating the Amounts of Council Tax for 2020/21 and Setting the Council Tax for 2020/21</p> |
|--|

Report of the Executive Director of Finance (Interim)

This report is public

Purpose of report

To detail the Calculations for the amounts of Council Tax for 2020/21 and the setting of Council Tax for 2020/21.

1.0 Recommendations

It is recommended that the Council resolves:-

- (1) That it be noted that at the Executive meeting held on 3 February 2020 the Council calculated the Council Tax Base 2020/21:
 - a) for the whole Council area as 55,559.9 [item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended by sections 72 to 79 of the Localism Act 2011 (“the 1992 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 2020/21 (excluding Parish Precepts and Special Expenses) is £7,417,247.
- (3) That the following amounts be calculated for the year 2020/21 in accordance with Sections 31 to 36 of the 1992 Act:-
 - a) £113,849,841 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the 1992 Act, taking into account all precepts issued to it by Parish Councils and any additional special expenses.
 - b) £101,052,405 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the 1992 Act.
 - c) £12,797,436 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 1992 Act, as its Council Tax

requirement for the year (Item R in the formula in Section 31B of the 1992 Act).

- d) £230.34 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 1992 Act, as the basic amount of its Council Tax for the year (including Parish Precepts and Special Expenses);
 - e) £5,380,189 being the aggregate amount of all special items (Parish Precepts and Special Expenses) referred to in Section 34(1) of the 1992 Act as per the attached Schedule 2.
 - f) £133.50 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 1992 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 2020/21 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 1992 Act, for each category of dwellings in the Council's area as indicated below :-

| <u>Valuation Band</u> | <u>Oxfordshire County Council</u> | <u>Police and Crime Commissioner for Thames Valley</u> |
|-----------------------|-----------------------------------|--|
| | £ | £ |
| A | 1,018.29 | 144.19 |
| B | 1,188.01 | 168.22 |
| C | 1,357.72 | 192.25 |
| D | 1,527.44 | 216.28 |
| E | 1,866.87 | 264.34 |
| F | 2,206.30 | 312.40 |
| G | 2,545.73 | 360.47 |
| H | 3,054.88 | 432.56 |

- (5) The Council, in accordance with Sections 30 and 36 of the 1992 Act, hereby sets the amounts shown in Appendix 2 as the amounts of Council Tax for the year 2020/21 for each part of its area and for each of the categories of dwellings.
- (6) The Council's basic amount of Council Tax for 2020/21 is not excessive in accordance with principles approved under Section 52ZB of the 1992 Act.
- (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 1992 Act 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% for a period of 12 months and thereafter zero.
- 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 1992 Act 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 1992 Act, 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 2020/21 is not excessive. This covers the requirements of Chapter 4ZA of the 1992 Act – Referendums relating to Council Tax increases.
- 3.2 The Executive at its 3 February 2020 meeting recommended a Council Tax of £133.50 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 district levy 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 £96.84. This compares to £95.23 in 2019/20, an increase of 1.7%.
- 3.5 The precept figures included for Police and Crime Commissioner for Thames Valley were approved on 14 February 2020 and the precept figures included for Oxfordshire County Council were approved on 11 February 2020.

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 2020/21.

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 1992 Act.

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 1992 Act 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 1992 Act 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.

Comments checked by:

Dominic Oakeshott, Assistant Director - Finance (Interim), 01295 227943

Dominic.oakeshott@cherwell-dc.gov.uk

Legal Implications

- 7.2 Under the Local Government Finance Act 1992 (as amended by the Localism Act 2011), 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@cherwell-dc.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 3 February 2020, 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, Head of Insight and Corporate Programmes, 01295 221786

louise.tustian@cherwell-dc.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

Document Information

| Appendix No | Title |
|---|---|
| 1 | Calculations Required by Sections 32 of 36 of the 1992 Act. |
| 2 | Council Tax Setting required by Section 30 of the 1992 Act. |
| Background Papers | |
| None | |
| Reference 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 (Interim) |
| Contact Information | 0300 0030103 adele.taylor@cherwell-dc.gov.uk |

| 2020/21 | CALCULATIONS REQUIRED BY SECTIONS 32 to 36 OF THE LOCAL GOVERNMENT FINANCE ACT 1992 | | | | | | | |
|-------------------------------|---|-----------------------------------|----------------------|------------------------|---------------------------|-----------------------|-----------------------|---------------------------|
| | CALCULATIONS AT BAND D | | | | | | | |
| | Tax Base 2020/21 | PARISH PRECEPT 2020/21 £ | 2020/21 | | | | | |
| | | | PARISH NEEDS £ | CHERWELL NEEDS £ | PARISH & CHERWELL £ | COUNTY BAND D £ | POLICE BAND D £ | TOTAL COUNCIL TAX £ |
| Adderbury | 1,348.7 | 49,880.00 | 36.98 | 133.50 | 170.48 | 1,527.44 | 216.28 | 1,914.20 |
| Ambrosden | 742.4 | 26,000.00 | 35.02 | 133.50 | 168.52 | 1,527.44 | 216.28 | 1,912.24 |
| Ardley | 262.2 | 13,052.00 | 49.78 | 133.50 | 183.28 | 1,527.44 | 216.28 | 1,927.00 |
| Arncott | 313.7 | 16,000.00 | 51.00 | 133.50 | 184.50 | 1,527.44 | 216.28 | 1,928.22 |
| Banbury | 15,799.3 | 1,929,411.00 | 122.12 | 133.50 | 255.62 | 1,527.44 | 216.28 | 1,999.34 |
| Barford | 266.3 | 9,750.00 | 36.61 | 133.50 | 170.11 | 1,527.44 | 216.28 | 1,913.83 |
| Begbroke | 359.1 | 28,181.50 | 78.48 | 133.50 | 211.98 | 1,527.44 | 216.28 | 1,955.70 |
| Bicester | 12,110.6 | 1,566,506.00 | 129.35 | 133.50 | 262.85 | 1,527.44 | 216.28 | 2,006.57 |
| Blackthorn | 207.1 | 11,829.00 | 57.12 | 133.50 | 190.62 | 1,527.44 | 216.28 | 1,934.34 |
| Bletchington | 376.8 | 22,000.00 | 58.39 | 133.50 | 191.89 | 1,527.44 | 216.28 | 1,935.61 |
| Bloxham | 1,557.1 | £96,676.00 | 62.09 | 133.50 | 195.59 | 1,527.44 | 216.28 | 1,939.31 |
| Bodicote | 962.9 | 33,702.00 | 35.00 | 133.50 | 168.50 | 1,527.44 | 216.28 | 1,912.22 |
| Bourton | 340.3 | 12,200.00 | 35.85 | 133.50 | 169.35 | 1,527.44 | 216.28 | 1,913.07 |
| Broughton | 123.4 | 5,569.73 | 45.14 | 133.50 | 178.64 | 1,527.44 | 216.28 | 1,922.36 |
| Bucknell | 107.9 | 5,545.00 | 51.39 | 133.50 | 184.89 | 1,527.44 | 216.28 | 1,928.61 |
| Caversfield | 557.0 | 6,200.00 | 11.13 | 133.50 | 144.63 | 1,527.44 | 216.28 | 1,888.35 |
| Charlton on Otmoor | 203.7 | 9,300.00 | 45.66 | 133.50 | 179.16 | 1,527.44 | 216.28 | 1,922.88 |
| Chesterton | 449.8 | 28,000.00 | 62.25 | 133.50 | 195.75 | 1,527.44 | 216.28 | 1,939.47 |
| Claydon | 136.1 | 10,961.00 | 80.54 | 133.50 | 214.04 | 1,527.44 | 216.28 | 1,957.76 |
| Cottisford | 70.6 | 0.00 | 0.00 | 133.50 | 133.50 | 1,527.44 | 216.28 | 1,877.22 |
| Cropredy | 304.2 | 12,811.42 | 42.12 | 133.50 | 175.62 | 1,527.44 | 216.28 | 1,919.34 |
| Deddington | 1,009.1 | 51,982.00 | 51.51 | 133.50 | 185.01 | 1,527.44 | 216.28 | 1,928.73 |
| Drayton | 187.1 | 9,000.00 | 48.10 | 133.50 | 181.60 | 1,527.44 | 216.28 | 1,925.32 |
| Duns Tew | 234.7 | 22,000.00 | 93.74 | 133.50 | 227.24 | 1,527.44 | 216.28 | 1,970.96 |
| Epwell | 138.3 | 4,637.00 | 33.53 | 133.50 | 167.03 | 1,527.44 | 216.28 | 1,910.75 |
| Fencot and Murcott | 126.9 | 3,000.00 | 23.64 | 133.50 | 157.14 | 1,527.44 | 216.28 | 1,900.86 |
| Finmere | 218.5 | 11,330.00 | 51.85 | 133.50 | 185.35 | 1,527.44 | 216.28 | 1,929.07 |
| Fringford | 263.2 | 13,268.00 | 50.41 | 133.50 | 183.91 | 1,527.44 | 216.28 | 1,927.63 |
| Fritwell | 270.6 | 6,700.00 | 24.76 | 133.50 | 158.26 | 1,527.44 | 216.28 | 1,901.98 |
| Godington | 20.7 | 0.00 | 0.00 | 133.50 | 133.50 | 1,527.44 | 216.28 | 1,877.22 |
| Gosford and Water Eaton | 546.9 | 64,262.00 | 117.50 | 133.50 | 251.00 | 1,527.44 | 216.28 | 1,994.72 |
| Hampton Gay and Poyle | 81.6 | 1,500.00 | 18.38 | 133.50 | 151.88 | 1,527.44 | 216.28 | 1,895.60 |
| Hanwell | 123.0 | 5,000.00 | 40.65 | 133.50 | 174.15 | 1,527.44 | 216.28 | 1,917.87 |
| Hardwick with Tusmore | 39.0 | 0.00 | 0.00 | 133.50 | 133.50 | 1,527.44 | 216.28 | 1,877.22 |
| Hethe | 113.2 | 4,600.00 | 40.64 | 133.50 | 174.14 | 1,527.44 | 216.28 | 1,917.86 |
| Hook Norton | 1,050.4 | 80,000.00 | 76.16 | 133.50 | 209.66 | 1,527.44 | 216.28 | 1,953.38 |
| Horley | 161.1 | 7,250.00 | 45.00 | 133.50 | 178.50 | 1,527.44 | 216.28 | 1,922.22 |
| Hornton | 163.8 | 10,000.00 | 61.05 | 133.50 | 194.55 | 1,527.44 | 216.28 | 1,938.27 |
| Horton cum Studley | 246.5 | 8,500.00 | 34.48 | 133.50 | 167.98 | 1,527.44 | 216.28 | 1,911.70 |
| Islip | 322.2 | 19,900.00 | 61.76 | 133.50 | 195.26 | 1,527.44 | 216.28 | 1,938.98 |
| Kidlington | 4,915.7 | 716,715.00 | 145.80 | 133.50 | 279.30 | 1,527.44 | 216.28 | 2,023.02 |
| Kirtlington | 446.7 | 24,000.00 | 53.73 | 133.50 | 187.23 | 1,527.44 | 216.28 | 1,930.95 |
| Launton | 541.4 | 22,403.00 | 41.38 | 133.50 | 174.88 | 1,527.44 | 216.28 | 1,918.60 |
| Lower Heyford | 212.2 | 8,000.00 | 37.70 | 133.50 | 171.20 | 1,527.44 | 216.28 | 1,914.92 |
| Merton | 146.1 | 16,000.00 | 109.51 | 133.50 | 243.01 | 1,527.44 | 216.28 | 1,986.73 |
| Middle Aston | 66.9 | 0.00 | 0.00 | 133.50 | 133.50 | 1,527.44 | 216.28 | 1,877.22 |
| Middleton Stony | 144.7 | 4,200.00 | 29.03 | 133.50 | 162.53 | 1,527.44 | 216.28 | 1,906.25 |
| Milcombe | 246.4 | 13,500.00 | 54.79 | 133.50 | 188.29 | 1,527.44 | 216.28 | 1,932.01 |
| Milton | 85.8 | 170.00 | 1.98 | 133.50 | 135.48 | 1,527.44 | 216.28 | 1,879.20 |
| Mixbury | 116.2 | 190.00 | 1.64 | 133.50 | 135.14 | 1,527.44 | 216.28 | 1,878.86 |
| Mollington | 234.1 | 11,000.00 | 46.99 | 133.50 | 180.49 | 1,527.44 | 216.28 | 1,924.21 |
| Newton Purcell | 42.0 | 0.00 | 0.00 | 133.50 | 133.50 | 1,527.44 | 216.28 | 1,877.22 |
| Noke | 77.8 | 2,814.00 | 36.17 | 133.50 | 169.67 | 1,527.44 | 216.28 | 1,913.39 |
| North Aston | 94.0 | 2,000.00 | 21.28 | 133.50 | 154.78 | 1,527.44 | 216.28 | 1,898.50 |
| North Newington | 156.4 | 4,576.50 | 29.26 | 133.50 | 162.76 | 1,527.44 | 216.28 | 1,906.48 |
| Oddington | 65.1 | 0.00 | 0.00 | 133.50 | 133.50 | 1,527.44 | 216.28 | 1,877.22 |
| Piddington | 177.8 | 10,000.00 | 56.24 | 133.50 | 189.74 | 1,527.44 | 216.28 | 1,933.46 |
| Prescote | 6.4 | 0.00 | 0.00 | 133.50 | 133.50 | 1,527.44 | 216.28 | 1,877.22 |
| Shenington | 227.9 | 5,179.00 | 22.72 | 133.50 | 156.22 | 1,527.44 | 216.28 | 1,899.94 |
| Shipton on Cherwell | 142.7 | 5,905.00 | 41.38 | 133.50 | 174.88 | 1,527.44 | 216.28 | 1,918.60 |
| Shutford | 208.3 | 7,750.00 | 37.21 | 133.50 | 170.71 | 1,527.44 | 216.28 | 1,914.43 |
| Sibford Ferris | 194.8 | 6,858.00 | 35.21 | 133.50 | 168.71 | 1,527.44 | 216.28 | 1,912.43 |
| Sibford Gower | 257.5 | 9,350.00 | 36.31 | 133.50 | 169.81 | 1,527.44 | 216.28 | 1,913.53 |
| Somerton | 140.3 | 12,629.00 | 90.01 | 133.50 | 223.51 | 1,527.44 | 216.28 | 1,967.23 |
| Souldern | 202.6 | 5,790.00 | 28.58 | 133.50 | 162.08 | 1,527.44 | 216.28 | 1,905.80 |
| South Newington | 151.3 | 7,142.00 | 47.20 | 133.50 | 180.70 | 1,527.44 | 216.28 | 1,924.42 |
| Steeple Aston | 428.8 | 29,436.00 | 68.65 | 133.50 | 202.15 | 1,527.44 | 216.28 | 1,945.87 |
| Stoke Lyne | 106.3 | 4,675.00 | 43.98 | 133.50 | 177.48 | 1,527.44 | 216.28 | 1,921.20 |
| Stratton Audley | 210.4 | 11,683.00 | 55.53 | 133.50 | 189.03 | 1,527.44 | 216.28 | 1,932.75 |
| Swalcliffe | 110.2 | 7,586.00 | 68.84 | 133.50 | 202.34 | 1,527.44 | 216.28 | 1,946.06 |
| Tadmarton | 252.5 | 10,403.00 | 41.20 | 133.50 | 174.70 | 1,527.44 | 216.28 | 1,918.42 |
| Upper Heyford | 173.2 | 9,633.00 | 55.62 | 133.50 | 189.12 | 1,527.44 | 216.28 | 1,932.84 |
| Wardington | 245.2 | 12,000.00 | 48.94 | 133.50 | 182.44 | 1,527.44 | 216.28 | 1,926.16 |
| Wendlebury | 189.9 | 5,315.00 | 27.99 | 133.50 | 161.49 | 1,527.44 | 216.28 | 1,905.21 |
| Weston on the Green | 241.9 | 22,685.22 | 93.78 | 133.50 | 227.28 | 1,527.44 | 216.28 | 1,971.00 |
| Wigginton | 114.1 | 3,276.00 | 28.71 | 133.50 | 162.21 | 1,527.44 | 216.28 | 1,905.93 |
| Wroxtton | 280.9 | 10,000.00 | 35.60 | 133.50 | 169.10 | 1,527.44 | 216.28 | 1,912.82 |
| Yarnton | 1,172.7 | 96,720.00 | 54.46 | 133.50 | 215.98 | 1,527.44 | 216.28 | 1,959.70 |
| Heyford Park | 816.7 | 44,101.80 | 54.00 | 133.50 | 187.50 | 1,527.44 | 216.28 | 1,931.22 |
| Total of special items | 55,559.9 | 5,380,189.17 | 96.84 | 133.50 | 230.34 | 1,527.44 | 216.28 | 1,974.06 |

| 2020/21 | 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 | 113.65 | 132.60 | 151.54 | 170.48 | 208.36 | 246.25 | 284.13 | 340.96 |
| Ambrosden | 112.35 | 131.07 | 149.80 | 168.52 | 205.97 | 243.42 | 280.87 | 337.04 |
| Ardley | 122.19 | 142.55 | 162.92 | 183.28 | 224.01 | 264.74 | 305.47 | 366.56 |
| Arncott | 123.00 | 143.50 | 164.00 | 184.50 | 225.50 | 266.50 | 307.50 | 369.00 |
| Banbury | 170.41 | 198.82 | 227.22 | 255.62 | 312.42 | 369.23 | 426.03 | 511.24 |
| Barford | 113.41 | 132.31 | 151.21 | 170.11 | 207.91 | 245.71 | 283.52 | 340.22 |
| Begbroke | 141.32 | 164.87 | 188.43 | 211.98 | 259.09 | 306.19 | 353.30 | 423.96 |
| Bicester | 175.23 | 204.44 | 233.64 | 262.85 | 321.26 | 379.67 | 438.08 | 525.70 |
| Blackthorn | 127.08 | 148.26 | 169.44 | 190.62 | 232.98 | 275.34 | 317.70 | 381.24 |
| Bletchington | 127.93 | 149.25 | 170.57 | 191.89 | 234.53 | 277.17 | 319.82 | 383.78 |
| Bloxham | 130.39 | 152.13 | 173.86 | 195.59 | 239.05 | 282.52 | 325.98 | 391.18 |
| Bodicote | 112.33 | 131.06 | 149.78 | 168.50 | 205.94 | 243.39 | 280.83 | 337.00 |
| Bourton | 112.90 | 131.72 | 150.53 | 169.35 | 206.98 | 244.62 | 282.25 | 338.70 |
| Broughton | 119.09 | 138.94 | 158.79 | 178.64 | 218.34 | 258.04 | 297.73 | 357.28 |
| Bucknell | 123.26 | 143.80 | 164.35 | 184.89 | 225.98 | 267.06 | 308.15 | 369.78 |
| Caversfield | 96.42 | 112.49 | 128.56 | 144.63 | 176.77 | 208.91 | 241.05 | 289.26 |
| Charlton on Otmoor | 119.44 | 139.35 | 159.25 | 179.16 | 218.97 | 258.79 | 298.60 | 358.32 |
| Chesterton | 130.50 | 152.25 | 174.00 | 195.75 | 239.25 | 282.75 | 326.25 | 391.50 |
| Claydon | 142.69 | 166.48 | 190.26 | 214.04 | 261.60 | 309.17 | 356.73 | 428.08 |
| Cottisford | 89.00 | 103.83 | 118.67 | 133.50 | 163.17 | 192.83 | 222.50 | 267.00 |
| Cropredy | 117.08 | 136.59 | 156.11 | 175.62 | 214.65 | 253.67 | 292.70 | 351.24 |
| Deddington | 123.34 | 143.90 | 164.45 | 185.01 | 226.12 | 267.24 | 308.35 | 370.02 |
| Drayton | 121.07 | 141.24 | 161.42 | 181.60 | 221.96 | 262.31 | 302.67 | 363.20 |
| Duns Tew | 151.49 | 176.74 | 201.99 | 227.24 | 277.74 | 328.24 | 378.73 | 454.48 |
| Epwell | 111.35 | 129.91 | 148.47 | 167.03 | 204.15 | 241.27 | 278.38 | 334.06 |
| Fencot and Murcott | 104.76 | 122.22 | 139.68 | 157.14 | 192.06 | 226.98 | 261.90 | 314.28 |
| Finmere | 123.57 | 144.16 | 164.76 | 185.35 | 226.54 | 267.73 | 308.92 | 370.70 |
| Fringford | 122.61 | 143.04 | 163.48 | 183.91 | 224.78 | 265.65 | 306.52 | 367.82 |
| Fritwell | 105.51 | 123.09 | 140.68 | 158.26 | 193.43 | 228.60 | 263.77 | 316.52 |
| Godington | 89.00 | 103.83 | 118.67 | 133.50 | 163.17 | 192.83 | 222.50 | 267.00 |
| Gosford and Water Eaton | 167.33 | 195.22 | 223.11 | 251.00 | 306.78 | 362.56 | 418.33 | 502.00 |
| Hampton Gay and Poyle | 101.25 | 118.13 | 135.00 | 151.88 | 185.63 | 219.38 | 253.13 | 303.76 |
| Hanwell | 116.10 | 135.45 | 154.80 | 174.15 | 212.85 | 251.55 | 290.25 | 348.30 |
| Hardwick with Tusmore | 89.00 | 103.83 | 118.67 | 133.50 | 163.17 | 192.83 | 222.50 | 267.00 |
| Hethe | 116.09 | 135.44 | 154.79 | 174.14 | 212.84 | 251.54 | 290.23 | 348.28 |
| Hook Norton | 139.77 | 163.07 | 186.36 | 209.66 | 256.25 | 302.84 | 349.43 | 419.32 |
| Horley | 119.00 | 138.83 | 158.67 | 178.50 | 218.17 | 257.83 | 297.50 | 357.00 |
| Horton | 129.70 | 151.32 | 172.93 | 194.55 | 237.78 | 281.02 | 324.25 | 389.10 |
| Horton cum Studley | 111.99 | 130.65 | 149.32 | 167.98 | 205.31 | 242.64 | 279.97 | 335.96 |
| Islip | 130.17 | 151.87 | 173.56 | 195.26 | 238.65 | 282.04 | 325.43 | 390.52 |
| Kidlington | 186.20 | 217.23 | 248.27 | 279.30 | 341.37 | 403.43 | 465.50 | 558.60 |
| Kirtlington | 124.82 | 145.62 | 166.43 | 187.23 | 228.84 | 270.44 | 312.05 | 374.46 |
| Launton | 116.59 | 136.02 | 155.45 | 174.88 | 213.74 | 252.60 | 291.47 | 349.76 |
| Lower Heyford | 114.13 | 133.16 | 152.18 | 171.20 | 209.24 | 247.29 | 285.33 | 342.40 |
| Merton | 162.01 | 189.01 | 216.01 | 243.01 | 297.01 | 351.01 | 405.02 | 486.02 |
| Middle Aston | 89.00 | 103.83 | 118.67 | 133.50 | 163.17 | 192.83 | 222.50 | 267.00 |
| Middleton Stoney | 108.35 | 126.41 | 144.47 | 162.53 | 198.65 | 234.77 | 270.88 | 325.06 |
| Milcombe | 125.53 | 146.45 | 167.37 | 188.29 | 230.13 | 271.97 | 313.82 | 376.58 |
| Milton | 90.32 | 105.37 | 120.43 | 135.48 | 165.59 | 195.69 | 225.80 | 270.96 |
| Mixbury | 90.09 | 105.11 | 120.12 | 135.14 | 165.17 | 195.20 | 225.23 | 270.28 |
| Mollington | 120.33 | 140.38 | 160.44 | 180.49 | 220.60 | 260.71 | 300.82 | 360.98 |
| Newton Purcell | 89.00 | 103.83 | 118.67 | 133.50 | 163.17 | 192.83 | 222.50 | 267.00 |
| Noke | 113.11 | 131.97 | 150.82 | 169.67 | 207.37 | 245.08 | 282.78 | 339.34 |
| North Aston | 103.19 | 120.38 | 137.58 | 154.78 | 189.18 | 223.57 | 257.97 | 309.56 |
| North Newington | 108.51 | 126.59 | 144.68 | 162.76 | 198.93 | 235.10 | 271.27 | 325.52 |
| Oddington | 89.00 | 103.83 | 118.67 | 133.50 | 163.17 | 192.83 | 222.50 | 267.00 |
| Piddington | 126.49 | 147.58 | 168.66 | 189.74 | 231.90 | 274.07 | 316.23 | 379.48 |
| Prescote | 89.00 | 103.83 | 118.67 | 133.50 | 163.17 | 192.83 | 222.50 | 267.00 |
| Shenington | 104.15 | 121.50 | 138.86 | 156.22 | 190.94 | 225.65 | 260.37 | 312.44 |
| Shipton on Cherwell | 116.59 | 136.02 | 155.45 | 174.88 | 213.74 | 252.60 | 291.47 | 349.76 |
| Shutford | 113.81 | 132.77 | 151.74 | 170.71 | 208.65 | 246.58 | 284.52 | 341.42 |
| Sibford Ferris | 112.47 | 131.22 | 149.96 | 168.71 | 206.20 | 243.69 | 281.18 | 337.42 |
| Sibford Gower | 113.21 | 132.07 | 150.94 | 169.81 | 207.55 | 245.28 | 283.02 | 339.62 |
| Somerton | 149.01 | 173.84 | 198.68 | 223.51 | 273.18 | 322.85 | 372.52 | 447.02 |
| Souldern | 108.05 | 126.06 | 144.07 | 162.08 | 198.10 | 234.12 | 270.13 | 324.16 |
| South Newington | 120.47 | 140.54 | 160.62 | 180.70 | 220.86 | 261.01 | 301.17 | 361.40 |
| Steeple Aston | 134.77 | 157.23 | 179.69 | 202.15 | 247.07 | 291.99 | 336.92 | 404.30 |
| Stoke Lyne | 118.32 | 138.04 | 157.76 | 177.48 | 216.92 | 256.36 | 295.80 | 354.96 |
| Stratton Audley | 126.02 | 147.02 | 168.03 | 189.03 | 231.04 | 273.04 | 315.05 | 378.06 |
| Swalcliffe | 134.89 | 157.38 | 179.86 | 202.34 | 247.30 | 292.27 | 337.23 | 404.68 |
| Tadmarton | 116.47 | 135.88 | 155.29 | 174.70 | 213.52 | 252.34 | 291.17 | 349.40 |
| Upper Heyford | 126.08 | 147.09 | 168.11 | 189.12 | 231.15 | 273.17 | 315.20 | 378.24 |
| Wardington | 121.63 | 141.90 | 162.17 | 182.44 | 222.98 | 263.52 | 304.07 | 364.88 |
| Wendlebury | 107.66 | 125.60 | 143.55 | 161.49 | 197.38 | 233.26 | 269.15 | 322.98 |
| Weston on the Green | 151.52 | 176.77 | 202.03 | 227.28 | 277.79 | 328.29 | 378.80 | 454.56 |
| Wigginton | 108.14 | 126.16 | 144.19 | 162.21 | 198.26 | 234.30 | 270.35 | 324.42 |
| Wroxtton | 112.73 | 131.52 | 150.31 | 169.10 | 206.68 | 244.26 | 281.83 | 338.20 |
| Yarnton | 143.99 | 167.98 | 191.98 | 215.98 | 263.98 | 311.97 | 359.97 | 431.96 |
| Heyford Park | 125.00 | 145.83 | 166.67 | 187.50 | 229.17 | 270.83 | 312.50 | 375.00 |
| Total of special items | 153.56 | 179.15 | 204.74 | 230.34 | 281.52 | 332.71 | 383.89 | 460.67 |

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Cherwell District Council

Council

24 February 2020

| |
|---|
| <p>Local Discretionary Business Rate Relief Scheme for 2020-2021</p> |
|---|

Report of the Executive Director Finance (Interim)

This report is public

Purpose of report

For members to consider and approve the local Discretionary Business Rate Relief Scheme for 2020-2021.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the contents of the report and any financial implications for the Council.
- 1.2 To approve the adoption of the local Discretionary Business Rate Relief Scheme for 2020-2021 (appendix 1).

2.0 Introduction

- 2.1 In the Spring Budget 2017 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 2020-2021 is £21,000 a reduction from £147,000 in 2019-20, £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 can offer under the scheme is limited to the £21,000 funding provided. Based on a minimum award of £50.00 relief will be awarded to 171 businesses.
- 3.2 A copy of the proposed Local Discretionary Business Rate Relief Policy for 2020-2021 is shown at Appendix 1 of this report. The draft policy for 2020-2021 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 are asked to note the contents of the report and approve the adoption of the Local Discretionary Business Rates Relief Scheme for 2020-2021 (Appendix 1).

5.0 Consultation

- 5.1 This has been presented to members of Budget Planning Committee and Executive who have endorsed the Policy.

6.0 Alternative Option and Reasons for Rejection

- 6.1 The following alternative option has been identified and rejected for the reasons given below.

Option 1: Members could choose not to recommend the proposed schemes 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.

Comments checked by:

Dominic Oakeshott, Assistant Director – Finance (Interim),
0300 003 0110, Dominic.oakeshott@cherwell-DC.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 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, 01295 221808, Christopher.mace@cherwell-DC.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 Illott, Lead Member for Financial Management.

Document Information

| Appendix No | Title |
|---------------------|--|
| 1 | Local Discretionary Rate Relief Policy 2020-2021 |
| Background Papers | |
| None | |
| Report Author | Belinda Green Operations Director CSN Resources |
| Contact Information | 01327 322182, belinda.green@csnresources.co.uk |

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Cherwell

DISTRICT COUNCIL
NORTH OXFORDSHIRE

Local Discretionary Business Rate Relief Scheme for 2020-20210

1. Introduction

The Local Discretionary Business Rate Relief Scheme applies for the period 1 April 2020 to 31 March 2021. 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 is as follows:

| | |
|---------|--|
| 2020-21 | |
| £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 minimum award 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 in consultation with the Operations Director, CSN Resources 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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Cherwell District Council

Council

24 February 2020

Business Rates Retail Relief Policy

Report of Executive Director of Finance (Interim)

This report is public

Purpose of report

To provide members with an update on the retail relief scheme announced in the Queen's Speech on 19 December 2019, and to seek approval of the Business Rates Retail Relief Policy for 2020 -21.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the contents of this report.
- 1.2 To approve the 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. The scheme currently allows qualifying businesses a third off their business rates on top of any other reliefs for which they are eligible.
- 2.2 In the recent Queen's Speech the Government announced that it will increase the discount to 50% from April 2020 and that it will be available to cinemas and music venues as well as independent shops, cafes, bars and pubs.
- 2.3 The Government expects local authorities to ensure these changes applied for the 2020/21, and ensure eligible business receive the increased support in their rates bills at the start of the financial year.
- 2.4 The retail relief awarded by the Council will be fully reimbursed if paid in accordance with Government guidance.
- 2.5 The policy proposed in this report fully reflects the guidance to award relief to occupied retail premises, including music venues and cinemas.

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 2020/21 only, the Government is not changing the legislation around the reliefs available to properties. Instead the Government will, in line with the eligibility criteria set out in its guidance and reimburse local authorities that use their discretionary relief powers, under section 47 of the Local Government Finance Act 1988 (as amended), to grant relief.
- 3.2 Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003). The Government expects local government to apply and grant the 50% relief to qualifying ratepayers from the start of the 2020/21 billing cycle.
- 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 2019/20 and 2020/21. The value of relief applied from April 2020 will be fifty per cent and must be applied after mandatory reliefs and other discretionary reliefs funded by Section 31 grants have been applied.
- 3.5 Authorities should complete their NNDR1 return for 2020/21 based on the previous one third discount scheme local authorities will then be asked to provide a further and separate estimate of their likely total cost for providing the 50% relief in 2020/21 via the NNDR3.
- 3.6 We consider shops, restaurants, cafes and drinking establishments cinemas and music venues to mean:
- **Hereditaments that are being used for the sale of goods to visit 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 visit 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

Hereditaments which are being used as cinemas and live music venues

Live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).

Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event)

- 3.8 To qualify for the relief the hereditament should be wholly or mainly being used as a shop, restaurant, cafe or drinking establishment, music venue or cinema. 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 As the legislation was only received on 27 January 2020 this report has not been considered by Budget Planning Committee but has been received by Executive who have recommended to Council the approval of the Business Rates Retail Relief Scheme and related Policy effective from 1 April 2020.

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: Dominic Oakeshott, Interim Assistant Director of Finance, 0300 003 0110, Dominic.oakeshott@cherwell-DC.gov.uk

Legal Implications

- 7.2 The primary legal implications for the Council are outlined in the main body of the report. The guidance advises that Councillors should consider the awarding of relief in accordance with their powers for granting discretionary rate relief as provided for by Section 47 of the Local Government Finance Act 1988 (as amended). As the main body of the report makes clear, provided the Council follows that guidance then it will be able to recover the money from Government.

As the main body of the report mentions at paragraph 3.12, there is a State Aid issue to contend with here. The Council will therefore require that any recipient of the “retail relief” completes a declaration to confirm that they have not received any other assistance from another public body within the past 3 financial years.

Comments checked by: Chris Mace Solicitor, 01295 221808, Christopher.mace@cherwell-dc.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 Illott, Lead Member for Financial Management and Governance

Document Information

| Appendix No | Title |
|---------------------|--|
| 1 | Business Rates Retail Relief Policy |
| Background Papers | |
| | |
| Report Author | Belinda Green Operations Director CSN Resources |
| Contact Information | Belinda.green@csnresources.co.uk |

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Cherwell

DISTRICT COUNCIL
NORTH OXFORDSHIRE

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 2020-2021.

For the year 2019-2020 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.

From 1 April 2020 to 2021 the value of relief should be 50% 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 including:

- **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. Qualifying properties amendments

From 1 April 2020-21 the scheme has been extended to include relief to occupied hereditaments with a rateable value of less than £51,000, that are wholly or mainly being used as cinemas and music venues.

- live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub

or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).

- Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).

4. 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

5. 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).

6. 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>

7. How much relief will be available?

The total amount of government-funded relief available for each property for 2019-20 under this scheme is one third of the bill and for 2020-2021 is fifty percent 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.

8. 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.

9. 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.

Cherwell District Council

Council

24 February 2020

Business Rates Retail Pub Relief Policy

Report of Executive Director of Finance (Interim)

This report is public

Purpose of report

To provide members with an update on the forthcoming changes to Business Rates Relief and seek approval for the proposed Pub Relief Scheme.

1.0 Recommendations

The meeting is recommended:

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

2.0 Introduction

- 2.1 The Government recognises the important role that pubs play in urban and rural communities across the country. In a Written Ministerial Statement on 27 January 2020, the Financial Secretary to the Treasury announced a £1,000 business rate discount for public houses with a rateable value of less than £100,000 for one year from 1 April 2020.
- 2.2 The Government expects local authorities to ensure these changes applied for the start of 2020/21, and to ensure eligible business receive the increased support in their rates bills at the start of the financial year.
- 2.3 The pub relief awarded by the Council will be fully reimbursed if paid in accordance with Government guidance.
- 2.4 The policy proposed fully reflects the guidance to award relief to occupied eligible properties.

3.0 Report Details

- 3.1 The total amount of government-funded relief available in the year 2020/21 under this scheme is £1,000 per eligible property. There is no relief available under this

scheme for properties with a rateable value of £100,000 or more. Eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.

- 3.2 As this is a measure for 2020/21 only, the Government is not changing the legislation around the reliefs available to properties. Instead the Government will, in line with the eligibility criteria set out in its guidance and reimburse local authorities that use their discretionary relief powers, under section 47 of the Local Government Finance Act 1988 (as amended), to grant relief.
- 3.2 Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003).
- 3.3 Local authorities will be asked to provide an estimate of their likely total cost for providing the relief in a supplementary return for 2020/21. Central government will provide payments to authorities to cover the local share.
- 3.4 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 “pub relief”.

Discretionary Retail Rate Relief Policy for public houses

- 3.5 The scheme will be available to eligible occupied properties with a rateable value of less than £100,000. Most pubs are independently owned or managed and will not be part of chains. Where pubs are part of a chain, relief will be available for each eligible property in the chain, subject to meeting State Aid requirements
- 3.6 There is no definitive description of a pub or public house in law which could be readily used by authorities to determine eligibility
- 3.7 The Government’s policy intention is that eligible pubs should
 - Open to the general public
 - Allow free entry other than when occasional entertainment is provided
 - Allow drinking without requiring food to be consumed
 - Permit drinks to be purchased at the bar
- 3.8 For these purposes it should exclude
 - Restaurants
 - Cafes
 - Nightclubs
 - Hotels
 - Snack Bars
 - Guest Houses
 - Boarding Houses
 - Sporting Venues
 - Music Venues
 - Festival Sites
 - Theatres
 - Museums
 - Exhibitions Halls
 - Cinemas

- Concert Halls
- Casinos

4.0 Conclusion and Reasons for Recommendations

- 4.1 Members are asked to note the contents of the report
- 4.2 Members are asked to approve the adoption of the Pub Relief Scheme Policy.

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 Pub 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 “pub relief” in accordance with the guidance the Council will be able to be fully reimbursed by central government through the National Non Domestic Rates (NDR) claim process.

Comments checked by:

Dominic Oakeshott, Interim Assistant Director of Finance, 0300 003 0110,
Dominic.oakeshott@cherwell-dc.gov.uk

Legal Implications

- 7.2 The primary legal implications for the Council are outlined in the main body of the report. The guidance advises that Councillors should consider the awarding of relief in accordance with their powers for granting discretionary rate relief as provided for by Section 47 of the Local Government Finance Act 1988 (as amended). As the main body of the report makes clear, provided the Council follows that guidance then it will be able to recover the money from Government.

As the main body of the report mentions at paragraph 3.12, there is a State Aid issue to contend with here. The Council will therefore require that any recipient of the “retail relief” completes a declaration to confirm that they have not received any other assistance from another public body within the past 3 financial years.

Comments checked by:
Chris Mace Solicitor, 01295 221808, Christopher.mace@cherwell-dc.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 |
|---------------------|--|
| 1 | Business Rates Pub Relief Policy |
| Background Papers | |
| None | |
| Report Author | Belinda Green Operations Director CSN Resources |
| Contact Information | Belinda.green@csnresources.co.uk |



Cherwell

DISTRICT COUNCIL
NORTH OXFORDSHIRE

1. Pubs Relief Scheme Policy

The Government recognises the important role that pubs play in urban and rural communities across the country. In a written ministerial statement on 27 January 2020, the Financial Secretary to the Treasury announced a £1,000 business rate discount for public houses with a rateable value of less than £100,000 for one year from 1 April 2020.

2. Legislative framework

The Government expects billing authorities to use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 to grant relief to all qualifying ratepayers.

3. Duration of the relief

The relief is only applicable for the 2020-21 financial year.

4. Eligibility criteria

The scheme is available to eligible occupied properties with a rateable value of less than £100,000. Where pubs are part of a chain, relief will be available for each eligible property in the chain, subject to meeting State Aid requirements.

There is no definitive description of a traditional pub or public house in law, however the Government's policy intention is that eligible pubs should:

- be open to the general public
- allow free entry other than when occasional entertainment is provided
- allow drinking without requiring food to be consumed
- permit drinks to be purchased at a bar

For these purposes it excludes:

- restaurants

- cafes
- nightclubs
- hotels
- snack bars
- guesthouses
- boarding houses
- sporting venues
- music venues
- festival sites
- theatres
- museums
- exhibition halls
- cinemas
- concert halls
- casinos

5. Amount of relief available

The amount of relief available is up to £1,000 for each eligible property. There is no relief available under this scheme for properties with a rateable value of £100,000 or more. Eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.

6. Applying for relief

The Council will automatically grant business rates relief for pubs as and when we are aware of businesses which may qualify for the relief. This policy will be published on the Council's website www.cherwell.gov.uk

If ratepayer wishes to apply for the relief they should contact the Council at business.rates@cherwell-dc.gov.uk

7. State aid

State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However the relief will be State Aid compliant where it is awarded in accordance with the De Minimis Regulations.

The De Minimis Regulations allow an undertaking to receive up to €200,000 'de minimis' aid over a rolling three year period. If the ratepayer is receiving, or has

received any 'de minimis' aid granted during the current or two previous financial years (from any source), they should inform us when making the application or following receipt of the relief where no application is made.

8. 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 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

24 February 2020

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| <p>Partial Review of the Cherwell Local Plan 2011-2031 – Oxford’s Unmet Housing Needs: Submission of Main Modifications</p> |
|--|

Report of Assistant Director – Planning and Development

This report is public

Purpose of report

To seek approval for the submission of Main Modifications to the Partial Review of the adopted Cherwell Local Plan 2011-2031 to the Secretary of State for Housing, Communities and Local Government for the continuance of the independent examination.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the responses to the consultation on the Main Modifications summarised in the Statement of Consultation at Appendix 1.
- 1.2 To note the supporting documents relevant to the preparation of the Main Modifications at Appendices 1 - 17 and available on line at <http://modgov.cherwell.gov.uk/ieListDocuments.aspx?CId=114&MId=3241&Ver=4>.
- 1.3 To approve the Schedule of Main Modifications presented at Appendix 2.
- 1.4 To approve the Minor Modifications at Appendix 3 and authorise the Assistant Director – Planning and Development to make any further changes he considers appropriate to minor or presentational issues.
- 1.5 To approve the submission of the Modifications to the Secretary of State for Housing, Communities and Local Government for the continuance of the independent examination with all necessary prescribed and supporting documents.

2.0 Introduction

- 2.1 The Partial Review of the Cherwell Local Plan was prepared to meet a required commitment in the adopted Cherwell Local Plan 2011-2031 in the interest of assisting Oxford with its unmet housing need. It makes provision for the

development of 4,400 homes in the south of the district close to Oxford. The Plan was approved by Council for submission to the Secretary of State on 26 February 2018 to enable its examination by an independent Planning Inspector.

- 2.2 The Plan was formally submitted on 5 March 2018 at which point the examination commenced. Public hearings were held in September 2018 and February 2019.
- 2.3 On 13 July 2019, the Inspector's preliminary advice was received (Appendix 6). The Inspector advised that:
 - the apportioned 4,400 dwellings figure provides a sound basis for the Plan
 - there can be no reasonable justification for suspending the examination to allow the Oxford examination to be advanced to its final stages
 - the Partial Review's strategy is appropriate
 - there are exceptional circumstances for alterations to the Green Belt
 - with one exception (land south east of Woodstock) the proposed land allocations, and the process by which they have been arrived at, are sound, in principle.
- 2.4 The Inspector advised that the Council prepares Main Modifications to address his concern about development at Woodstock and highlighted a number of potential alternatives.
- 2.5 Modifications were prepared by officers. On 30 September 2019, the Lead Member for planning gave his endorsement to proceed with the requisite informal consultation with the Inspector ahead of a formal public consultation.
- 2.6 On 29 October 2019, the Inspector advised that he was happy for the modifications to be published for consultation.
- 2.7 Consultation took place from 8 November to 20 December 2019. A total of 96 representations were received. The Statement of Consultation at Appendix 1 details the consultation undertaken since the February 2019 hearing including a summary of the Main Modifications representations and an officer response. The officer responses are proportionate and, when appropriate, provide a view on the representors' suggested change. No changes to the Main Modifications are considered necessary for the Plan's soundness. Officers have considered all representations and consider that the modifications remain appropriate in their published form and should be submitted to the Planning Inspector to enable the examination to continue.
- 2.8 The approval of Council is now being sought on the modifications, as presented, for submission to the Secretary of State for Housing, Communities and Local Government.
- 2.9 The modifications, all supporting documents and all representations would be provided to the Inspector for his consideration.
- 2.10 Members are invited to consider the following documents:
 - i. the proposed Schedule of Main Modifications (Appendix 2);
 - ii. the proposed Schedule of Minor Modifications (Appendix 3);

- iii. The Addendum to the Sustainability Appraisal (SA) relating to the proposed Schedule of Main Modifications (Appendix 7);
- iv. an Addendum to the Statement of Consultation (Appendix 1) which summarises how consultation informed the preparation of the Main Modifications and the main issues raised in the representations. The representations are available on-line at <http://modgov.cherwell.gov.uk/ieListDocuments.aspx?CId=114&MId=3241&Ver=4> and a set has been placed in the Members' Room.
- v. other supporting documents and background papers comprising the additional evidence base for the Main Modifications (available at <http://modgov.cherwell.gov.uk/ieListDocuments.aspx?CId=114&MId=3241&Ver=4>).

2.11 Upon approval and submission, these documents would supplement the existing examination documents available at: <https://www.cherwell.gov.uk/info/83/local-plans/515/local-plan-part-1-partial-review---examination>.

3.0 Report Details

3.1 In 2018, the Council approved the Partial Review's development strategy to accommodate 4,400 homes to help meet Oxford's unmet housing need. The 4,400 homes were apportioned to Cherwell through a process of joint work by the Oxfordshire planning authorities coordinated by the Oxfordshire Growth Board. The Plan was prepared through an evidence based, cooperative and consultative process of examining issues, testing options and developing proposals.

3.2 The development strategy, "*...prioritises the need for development to be well connected to Oxford, to be related to the area of the district that has the strongest economic and social relationships with Oxford, which is fully integrated with the County Council's sustainable transport policies, which seeks to grasp the opportunities for distinctive place-shaping and to provide a consolidated approach to green infrastructure and for the achievement of net gains in biodiversity.*" (Partial Review, para. 5.1).

3.3 Having considered options across the district to potentially accommodate development, the Partial Review included proposals for housing, associated amenities and green infrastructure on seven development sites:

| | | |
|-----------|---|-------------------------|
| Site PR6a | - | East of Oxford Road |
| Site PR6b | - | West of Oxford Road |
| Site PR7a | - | South East Kidlington |
| Site PR7b | - | Stratfield Farm |
| Site PR8 | - | East of A44 |
| Site PR9 | - | West of A44 |
| Site PR10 | - | South East of Woodstock |

3.4 An eighth site (PR6c – Frieze Farm) was reserved for the potential replacement of a golf course at Site PR6b (North Oxford Golf Course).

- 3.5 Site PR10 – South East of Woodstock was the only site identified outside the Oxford Green Belt that could sustainably meet the vision and objectives of the Plan in the interest of meeting Oxford’s unmet housing needs.

The Inspector’s Preliminary Advice (July 2019)

- 3.6 All supporting evidence and representations received on the draft Plan were submitted to the Planning Inspector on 5 March 2018. Because the Plan was submitted on or before 24 January 2019, the policies in the National Planning Policy Framework as published in March 2012 apply for the purpose of the Examination rather than the current iteration.

- 3.7 Following the Inspector’s consideration of the submitted information, public hearings were held in September 2018 and February 2019. Subsequently, as requested by the Inspector, an informal consultation on additional technical documents was undertaken.

- 3.8 The Inspector’s Post-Hearings Advice Note (Appendix 6), which was received in July 2019, provided his preliminary findings. They included:

- the 4,400 dwellings figure that represents Cherwell’s apportionment of Oxford’s unmet housing need provides a sound basis for the Plan;
- the approach of locating the housing and infrastructure required as close as possible to Oxford, along the A44 and A4165 transport corridors, is an appropriate strategy;
- the pressing need to provide homes, including affordable homes, to meet the needs of Oxford, that cannot be met within the boundaries of the city, in a way that minimises travel distances, and best provides transport choices other than the private car, provide the exceptional circumstances necessary to justify alterations to Green Belt boundaries;
- on density, whilst some additional capacity may be possible, the Council has struck a broadly sensible balance between the extent of land proposed to be removed from the Green Belt, and the need to accommodate development that respects its context; and
- in transport terms, the principle of siting the required allocations along an established transport corridor is a sound one.

- 3.9 The Inspector advised that, with the exception of site PR10 (land South East of Woodstock), the proposed site allocations and the process by which they have been arrived at, are sound in principle.

- 3.10 He recommended the deletion of site PR10 stating:

“I do not believe that the impact on the setting, and thereby the significance, of the nearby Blenheim Palace World Heritage Site (WHS) would be unacceptable, considered in isolation. However, notwithstanding the potential for screen planting, it is my view that the development of the site for housing would represent an incongruous extension into the countryside that would cause significant harm to the setting of Woodstock, and the character and appearance of the area. That, alongside the travel distance to Oxford (which is likely to tempt residents away from more sustainable travel choices like public transport or cycling notwithstanding the proximity of the site to a proposed Park & Ride facility), and the impact on the

setting and significance of the WHS, lead me to the conclusion that the allocation is unsound.”

- 3.11 The Inspector’s advice relates to the Proposed Submission Plan as consulted upon in July 2017. The Proposed Submission draft is available at <https://www.cherwell.gov.uk/info/83/local-plans/515/local-plan-part-1-partial-review--examination/4>.
- 3.12 The Council’s Focused Changes and Minor Modifications (February 2018) were submitted to the Inspector and raised during the public hearings.
- 3.13 Further Focused Changes and Further Minor Modifications were suggested in Statements of Common Ground and during the course of the public hearings. An example was the Council’s proposal to reconfigure the development area proposed for site PR10 at Woodstock having consulted further with Historic England (SOCG 05A, available at <https://www.cherwell.gov.uk/info/83/local-plans/515/local-plan-part-1-partial-review---examination/5>). Whilst agreement was reached with Historic England, that proposed modification evidently did not satisfy the Inspector.
- 3.14 Because the modifications requested by the Inspector would be changes to the 2017 draft plan, it has been necessary for officers to consider whether, and how, alternative provision could be made for the 410 dwellings originally intended for land to the south east of Woodstock (site PR10) (i.e. rather than the 500 homes subsequently proposed by the Council as a ‘Focused Change’).
- 3.15 The Inspector suggested ways in which this could be addressed but did not preclude other approaches:
- “1. *There could be scope to divide the 410 dwellings around some of the other allocations, without having any undue impact on the character and appearance of the general area;*
 2. *That could be combined with additional dwellings on the Policy PR9 allocation which could lead to a better-designed layout... ; or*
 3. *There may be the possibility that the Policy PR6c – Land at Frieze Farm allocation could accommodate some housing (and possibly the link road) as well as any replacement golf course. However, this would necessitate further land-take from the Green Belt for which exceptional circumstances would need to be demonstrated. This might prove difficult to justify unless options 1 and 2 above and any other options outside the Green Belt were shown to be unsuitable.”*

Preparing Main Modifications

- 3.16 The main task in preparing modifications was to consider whether the 410 homes originally proposed at Woodstock could be sustainably accommodated elsewhere. An Explanatory Note of the process for preparing modifications was published to support the public consultation (Appendix 5).
- 3.17 The consideration of options was important in the interest of achieving sustainable development and to avoid further alteration to Green Belt boundaries if at all

possible. Under national planning policy, Green Belt alteration can only take place in exceptional circumstances.

- 3.18 Officers considered whether there were options outside of the Green Belt; whether there were options requiring no additional Green Belt release; and, in the light of those conclusions, whether there were options within the scope of the Plan's existing strategy that would sustainably and exceptionally permit further Green Belt release. A total of 18 options were considered (Appendix 5, Table 2 and Appendix 7, Table 1).
- 3.19 The process for preparing modifications involved the following stages which are explained further in the Explanatory Note (Appendix 5, sections 6 to 15):
- i. internal review of the plan/existing evidence base in the context of the Inspector's advice;
 - ii. scoping of significant changes in circumstances / new information;
 - iii. the identification of reasonable options;
 - iv. the formation of initial working assumptions for testing;
 - v. engagement with promoters;
 - vi. evidence testing and technical engagement;
 - vii. the formation of proposed modifications and further testing;
 - viii. the completion of sustainability appraisal and consideration of conclusions;
 - ix. the consideration of exceptional circumstances for additional Green Belt alterations;
 - x. the consideration of deliverability and implementation;
 - xi. further engagement and finalisation of modifications.

Duty to Cooperate

- 3.20 The Duty to Cooperate is a legal requirement. During the course of preparing Main Modifications, officers engaged constructively, actively and on an ongoing basis to maximise the effectiveness of plan preparation in the context of strategic cross boundary matters. This included liaison with prescribed bodies such as neighbouring local planning authorities, Oxfordshire County Council, Highways England, other infrastructure providers and agencies.
- 3.21 The Council's participation as a member of the Oxfordshire Growth Board, and as a partner authority in the implementation of the Oxfordshire Housing and Growth Deal (including in the preparation of the Oxfordshire Plan 2050), ensures that there is common awareness of plan preparation and understanding of cross boundary strategic planning issues. This Council's joint management arrangements with Oxfordshire County Council assist this. Countywide groups such as Heads of Planning, the Growth Board Executive Officer Group, the Growth Deal Programme Board, the Oxfordshire Plan Liaison Group and the Oxfordshire Planning Policy Officers provide for on-going, constructive dialogue and partnership working.
- 3.22 An addendum to the to the submitted Duty to Cooperate statement (Appendix 9) and to the submitted Statement of Consultation (Appendix 8) provide more information. No new, specific, relevant cross-boundary strategic matters were identified that affected preparation of the modifications. Engagement either informed or helped confirm the proposals as they emerged.

- 3.23 Two critical pieces of evidence underpinning the Plan at each stage are the Sustainability Appraisal (SA) and the Habitats Regulations Assessment (HRA).
- 3.24 The SA is a key foundation for the Local Plan and needs to be legally compliant and robust. The SA must assess reasonable alternatives, appraise the environmental, economic and social effects of the Local Plan and identify areas of mitigation. The assessment should be proportionate and not repeat policy assessment already undertaken (NPPF 2012, para. 167).
- 3.25 An SA Scoping Report was prepared and consulted upon with an Issues Paper in January 2016. An initial SA Report was prepared and consulted upon with an Options Paper in November 2016. A full SA Report was prepared and consulted upon with the proposed submission Plan in June 2017. An SA Addendum appraising Focused Changes and Minor Modifications to the proposed submission Plan was submitted with the rest of the SA in February 2018. No concerns have been raised by the Inspector about the SA process to date.
- 3.26 A second SA Addendum (Appendix 7 CD PR113) informed the preparation of proposed modifications including the testing of the 18 options identified.
- 3.27 Previous stages of plan preparation had also been informed by Habitats Regulations Assessment (HRA). Again, no concerns have been raised by the Inspector to date. The preparation of modifications was supported by further HRA work, again documented in an Addendum (Appendix 11).

Other Evidence

- 3.28 The full list of evidence supporting the preparation of the Main Modifications is shown below and supplements that already submitted to support the Plan:
- PR104 Cherwell Green Belt Study Second Addendum (September 2019)
 - PR105 Cherwell Water Cycle Study Addendum (September 2019)
 - PR106 Ecological Advice Cumulative Impacts Addendum (September 2019)
 - PR107 Habitat Regulations Assessment Stage 1 and Stage 2 Addendum (September 2019)
 - PR108 Landscape Analysis for PR09 (September 2019)
 - PR109 Transport Assessment Addendum (September 2019)
 - PR110 Site Capacity Sense Check (September 2019)
 - PR111 Local Plan Viability Assessment Addendum (September 2019)
 - PR112 Site Policy PR7b Stratfield Farm Highways Update (September 2019)
 - PR113a Sustainability Appraisal Addendum Non-technical Summary (September 2019)
 - PR113b Sustainability Appraisal Addendum (September 2019)
 - PR114 Statement of Consultation Amendment (November 2019)
 - PR115 Duty to Cooperate Addendum (September 2019)
 - PR116 Developer Submission PR6a
 - PR117 Developer Submission PR6b
 - PR118 Developer Submission PR6c
 - PR119 Developer Submission PR7a
 - PR120 Developer Submission PR7b

- PR121a Developer Submission PR8 – Newcore Capital Management
- PR121b Developer Submission PR8 – Smith and Smith
- PR121c Developer Submission PR8 – The Tripartite
- PR122 Developer Submission PR9
- PR123 Developer Submission PR10
- PR124 Additional Information on the Significance of Trees
- PR125 Equality Impact Assessment (September 2019)

Officer Conclusions

3.29 Having regard to all Partial Review evidence, and as set out in the Explanatory Note (Appendix 5), officers concluded:

- a) there are now no suitable options for development to meet the Plan's needs outside of the Oxford Green Belt (with the deletion of site PR10);

Evidence previously submitted and examined by the Inspector explained that there are no potentially suitable options available outside of the Green Belt other than the land comprising site PR10. The Areas of Search considered are set out in section 7 of the Sustainability Appraisal previously submitted to the Inspector (Core Document PR43).

The officer re-consideration of site PR10 is highlighted at paragraphs 2.5, 8.12 to 8.16, 9.3 to 9.4 of the Explanatory Note.

Having regard to all considerations, and the fact that the Inspector's concerns relate to the principle of development in the countryside rather than the quantum or configuration, it was considered that site PR10 was not suitable for the purpose of preparing main modifications.

A re-configuration of the residential area would not overcome the Inspector's concern of development extending into the countryside, causing significant harm to the setting of Woodstock and the character and appearance of the area. Similarly, a reduced number of dwellings on the site would not overcome the Inspector's concerns on travel distance to Oxford and the wider relationship with the World Heritage Site.

- b) additional housing could be accommodated on the existing developable areas of the sites to the east and west of Oxford Road (PR6a and PR6b);
- c) additional Green Belt release at south east Kidlington (PR7a) (10 hectares) would be justified while retaining a significant, albeit narrower, gap (11.5 hectares) to the A34 and the achievement of policy objectives for green infrastructure and sport and recreation;
- d) additional Green Belt release at Stratfield Farm to the south of Kidlington (PR7b) (1 hectare) would be justified while still achieving significant positive use of the Green Belt and net biodiversity gains as set out in the Plan;
- e) additional Green Belt release to the west of Yarnton (PR9) (9 hectares) would be justified, allowing for an improved layout and form of development while accommodating a wider playing pitch for the nearby school.

Main Modifications

3.30 The modifications consulted upon are attached at Appendices 2 and 3. The key modifications are set out in the table below. The illustrative plans at Appendix 4 show the sites as presented in July 2017, March 2018 and as now proposed.

| Site | Number of dwellings in Proposed Submission Local Plan July 2017 | Number of dwellings at Submission in March 2018 | Number of dwellings in Main Modifications September 2019 | Net change from 2017 |
|--------------------------------|---|---|--|----------------------|
| PR6a – East of Oxford Road | 650 | 650 | 690 | +40 |
| PR6b – West of Oxford Road | 530 | 530 | 670 | +140 |
| PR7a – South East Kidlington | 230 | 230 | 430 | +200 |
| PR7b – Stratfield Farm | 100 | 100 | 120 | +20 |
| PR8 - East of A44 | 1950 | 1950 | 1950 | No change |
| PR9 – West of A44 | 530 | 440 | 540 | +10 |
| PR10 – South East of Woodstock | 410 | 500 | 0 (deleted) | -410 |
| Total | 4400 | 4400 | 4400 | 0 |

3.31 The key Main Modifications entail:

- i. PR6a – Land East of Oxford Road – the use of an additional hectare of land no longer required for a primary school. The Focused Changes previously approved by the Council in February 2018 had allowed for this land to be proposed for residential development, but no specific provision had been made for an increase in the number of homes. An additional 40 homes are now provided for;
- ii. PR6b – Land West of Oxford Road (Golf Course) - increasing the efficiency (density) of the use of land having reconsidered tree coverage, particularly the groups of important trees that would need to be retained;
- iii. PR7a - South East Kidlington - extending the developable area further south up to an established hedge line having revisited the Green Belt study among other evidence;
- iv. PR7b – Stratfield Farm - extending the developable area into an additional field parcel having further regard to the constraints of the site;
- v. PR8 – East of the A44 – no change - in view of the number of homes (1950) that already need to be delivered by 2031;
- vi. PR9 – West of the A44 - extending the developable area to respond to the Inspector’s comments about accommodating a more satisfactory layout and in doing so allowing for a small increase in the number of homes. This,

effectively, is an alternative to the Council's 'Focused Change' of 2018 and the decision to reduce the number of homes on a relatively narrow site from 530 to 440. More land is now being provided to allow for 540 homes.

- vii. PR10 – South East of Woodstock - the deletion of this site in the light of the Inspector's advice and having reconsidered the option in the context of all evidence and other alternatives.

3.32 The majority of the other Main Modifications are consequential changes to the deletion of PR10 and redistribution of 410 dwellings as detailed above. Some exceptions include:

- deletion of clause 17 of Policy PR6b (cross-reference to NPPF para. 74 requirements to replace open space and recreation provision) in response to Inspector's preliminary advice (see later commentary).
- the incorporation of Focused Changes submitted by the Council in February 2018 and further changes discussed at the Local Plan hearings. For example, additional wording on forward funding of Infrastructure (policy PR11); the deletion of a phased housing delivery requirement for land south east of Kidlington (policy PR12a); minor variations in the location of specific uses where evidence is available (site policies PR6a, PR6b, PR7a, PR7b, PR8 and PR9); and, the addition of more detailed policy requirements for Land at Frieze Farm to guide potential construction of a golf course (policy PR6c).

Minor Modifications

3.33 The Minor Modifications are presented at Appendix 3. These comprise changes such as factual updates, typographical corrections and presentational improvements. These modifications would not be formally considered by the Inspector but would be provided to him for information. They are required in the best interests of achieving a professionally completed Plan. It is possible that further minor changes may be required before the Plan is finalised, and Members are asked to delegate authority to the Assistant Director Planning and Development to make such further changes.

Consultation on Main Modifications

3.34 Representations were invited on the proposed Main Modifications to the Partial Review Plan between 8 November 2019 and 20 December 2019. The Addendum to the Statement of Consultation presented to Members at Appendix 1 documents the consultation arrangements. On 9 December, officers held a joint meeting with the affected Parish Councils to answer any questions without prejudice to the Council's position and the examination process.

3.35 Representations were invited specifically on the Main Modifications as required by procedure:

"...it will be made clear that the consultation is only about the proposed MMs and any policies map changes (and no other aspect of the plan), that they are put forward without prejudice to the Inspector's final conclusions, and that all representations made will be taken into account by the Inspector..." Procedure Guide for Local Plan Examinations, Planning Inspectorate, June 2019.

- 3.36 The Plan as a whole has previously been consulted upon and considered through the examination process. It is for this reason that the modifications were presented in schedules.
- 3.37 Consultation on Main Modifications is not an opportunity to revisit matters which have been settled in principle by the Inspector's Advice Note (Appendix 6) and which are not subject to the Main Modifications.

Representations

- 3.38 A total of 96 representations were received and each has been individually reviewed. Of the 96, it is considered that 15 do not materially relate to the Main Modifications. However, all representations received have been published at <http://modgov.cherwell.gov.uk/ieListDocuments.aspx?CId=114&MId=3241&Ver=4> and, should the modifications be approved, they will be sent to the Inspector. The main issues raised in the 'duly made' representations are summarised and responded to in detail in the Statement of Consultation Addendum (Appendix 1). An overview of the main issues is set out below. All representations are available in the Members' Room.
- 3.39 The following organisations advised that they had no substantive comments:
- Scottish and Southern Electricity Networks (PR-D-0002)
 - The Forestry Commission (PR-D-0003)
 - National Grid (PR-D-0009)
 - Natural England (PR-D-0012)
 - Environment Agency (PR-D-0053)
 - The Canal and River Trust (PR-D-0059)
 - South Oxfordshire and Vale of White Horse District Councils (PR-D- 0074)

North Oxford Golf Course

- 3.40 A majority of the representations object to the development and increased number of dwellings for site PR6b - land west of Oxford Road (the North Oxford Golf Course). Officers highlight that the Inspector expressed some clear views on this site:

"...I have no doubt that the North Oxford Golf Club is a much-valued facility. However, the site it occupies is an excellent one for the sort of housing the Plan proposes, given its location so close to Oxford Parkway, with its Park & Ride, and its proximity to the centre of Oxford. In that light, I do not find the allocation proposed in Policy PR6b – Land West of Oxford Road unsound, in principle.

I raised a question at the hearings about the reference in the policy (under criterion 17) to the need for any application to be supported by enough information to demonstrate that the tests contained in paragraph 74 of the (2012) NPPF are met, so as to enable development of the golf course. Policy PR6c – Land at Frieze Farm allocates land for a replacement golf course and from what I saw of the existing golf course, it could, if necessary, provide equivalent or better provision in terms of quantity and quality, on a site very close to the existing facility.

On that basis, notwithstanding questions around whether the existing golf course is surplus to requirements, which are addressed under criterion 21 in any event, the tests in paragraph 74 have been met and criterion 17 can be deleted.”

- 3.41 Officers are of the view that an increase in the number of dwellings on site PR6b is appropriate in the context of evidence, which included a re-examination of the site’s potential having regard to additional information, and the Inspector’s advice.

Alternative Sites

- 3.42 Representations from site promoters about the Main Modifications are considered below. Within these representations were six suggested alternatives to the locations or development areas proposed for accommodating the 410 homes:

- i. land north of the Moors, Kidlington

This site is promoted by Bloombridge for 300 homes.

This site has been considered in the overall plan preparation process as a reasonable option. Having regard to the Inspector’s views and all evidence now available, the view of officers is that there is no reason to re-consider the Council’s site selection nor to select this Green Belt site. A sound and sustainable Plan can be achieved without this site.

- ii. 14-16 Woodstock Road, Yarnton

This site is promoted by Edgars for Mr and Mrs Tomes for 50 homes.

This site has been considered in the overall plan preparation process. The safeguarded land, site PR3(a) was assessed in the Sustainability Appraisal. Having regard to the Inspector’s views and all evidence now available, there is no reason to re-consider the Council’s site selection nor to select this Green Belt site. A sound and sustainable Plan can be achieved without this site.

- iii. land at no. 42 and the rear of 30-40 Woodstock Road East, Begbroke

This site is promoted by RPS for Mr R Davies for 200 homes.

This site has been considered in the overall plan preparation process. Having regard to the Inspector’s views and all evidence now available, there is no reason to re-consider the Council’s site selection nor to select this Green Belt site.

- iv. Frieze Farm (site PR6c – potential golf course)

This site is promoted by Turnberry for Exeter College for 220 homes and a link road. A golf facility is suggested for adjoining land.

Officers highlight that the Council’s original site selection conclusions for this site stated, *“Residential development would be segregated from Oxford and separated from Kidlington and Yarnton. Development would breach the A34 and be perceived as a freestanding development and a new highly*

urbanising influence between Oxford and Cherwell. The relatively exposed and elevated nature of the site to the south would result in residential development being highly visible from the north. Central and eastern land parcels are land locked by road and rail corridors”.

The Planning Inspector stated, *“It was put to me that if the land covered by Policy PR6c – Land at Frieze Farm was allocated for housing, then a link road between the A44 and A34 could be provided that would alleviate congestion at the roundabouts to the south. That might assist but I do not consider the possibility sufficient reason to justify allocation of the site, or part of the site, for housing. That said, there may be other reasons why housing on the site might prove necessary ...”*

“There may be the possibility that the Policy PR6c – Land at Frieze Farm allocation could accommodate some housing (and possibly the link road) as well as any replacement golf course. However, this would necessitate further land-take from the Green Belt for which exceptional circumstances would need to be demonstrated. This might prove difficult to justify unless options 1 [‘divide the 410 dwellings around some of the other allocations, without having any undue impact on the character and appearance of the general area’] and 2 [combine [1] with additional dwellings on the Policy PR9 allocation which could lead to a better-designed layout...] and any other options outside the Green Belt were shown to be unsuitable.” (CD PR43, paras. 10.130 – 10.132).

This site has been considered as a reasonable option in preparing Main Modifications. However, it has been shown by evidence that the displaced 410 homes can be sustainably accommodated on the other Partial Review sites already identified. There has been no need to pursue this less favourable option nor other sites that are outside of the Plan. A sound and sustainable Plan can be achieved without this site.

v. South-East of Woodstock (site PR10)

This site continues to be promoted by Terence O’ Rourke for the Vanbrugh Unit Trust and Pye Homes.

Notwithstanding the Inspector’s advice on site PR10, officers considered land to the south east of Woodstock as a reasonable option in preparing Main Modifications (see Appendices 2 and 3). This included consideration of whether a re-configuration of the developable area or a reduced number of dwellings might overcome concerns. It was concluded that the site was not suitable for the purpose of preparing Main Modifications (Appendix 5, para. 8.16).

vi. West of the A44 (site PR9)

Whilst supportive of the proposed extension of the residential area within site PR9, Gerald Eve on behalf of Merton College (PR-D-0084) propose an extended area for development in the form of an area of safeguarded land. An alternative Green Belt boundary to accommodate the expansion of the primary school (discussed with the County Council) is proposed.

Officers consider that the extended developable area identified in the Main Modifications responds appropriately to the evidence (particularly the landscape appraisal Appendix 12), the setting of Yarnton Village, and seeks to minimise the additional Green Belt release necessary. The Main Modifications proposed include a wider area to accommodate a playing field responding to earlier representations made by the County Council. Officers are of the view further release of land for education use cannot be justified.

General Comments

3.43 General comments include:

- i. **Oxford City Council** (PR-D-0076) welcomes the publication of the proposed modifications and supports the approach taken and evidence in following through on the Inspector's recommendations.
- ii. **Historic England** (PR-D-0072) advises that the proposed modifications do not substantively change its position as set out in its statement of common ground agreed on 4 February 2018 and addendum statement on 8 February 2019. However, the increased densities now proposed on some of the allocated sites could reduce the scope for the outcomes of archaeological investigation to be incorporated in to the development schemes. This will therefore need to be given particular attention, as plans for such sites develop, through both the plan-making and development management processes.

Officers highlight that there has been close cooperation with Historic England during the overall plan-making process. The Plan and the proposed Main Modifications require planning applications to be supported by a Heritage Impact Assessment within or adjacent to the proposed sites as well as desk-based archaeological investigations to determine further evaluation and appropriate mitigation. These measures are intended to ensure greater certainty that appropriate mitigation and enhancement measures will be implemented as identified in the Sustainability Appraisal.

The densities proposed for net developable areas by the Main Modifications as shown in the Explanatory Note (Appendix 5) range from 29 dph (site PR7a) to 39dph (site PR6a). The density for site PR8 remains unchanged at 42 dph. The approach is site specific, responding to known constraints, opportunities and the character of each site's location. Officers consider that the range of densities proposed, considerations taken on site capacity (see Appendix 13), together with the measures required in site policies, will help ensure that the outcomes of archaeological investigation can be accommodated.

Officers will continue to engage with Historic England through the development brief process.

- iii. **Gosford and Water Eaton PC** (PR-D-0086) made the following points:
 - a. this proposal is inappropriate and excessive, both in size and location;
 - b. area PR7a, in the parish, has had its housing allocation almost doubled, this further increases concerns about traffic, pollution etc;

- a. an increased allocation to other adjacent areas further exacerbates issues with reduction of the green gap between Oxford and Kidlington;
- c. the current burial site allocation will not be sufficient for future use with the increase in housing;
- d. the increase in allocation for housing in area PR7a significantly reduces the area allocated to sports provision and green space;
- e. the potential Oxford to Cambridge Expressway along the route of the A34 would have significant noise and pollution effect on PR7a's extended site.

Whilst acknowledging the concerns expressed by Gosford and Water Eaton Parish Council, officers consider that in the context of housing need and the plan's strategy, additional Green Belt release at site PR7a (10 hectares) can be justified while retaining a significant, albeit narrower, gap (11.5 hectares) to the A34 and the achievement of policy objectives for green infrastructure and sport and recreation.

Evidence demonstrates that additional development would be acceptable and contribute to the achievement of sustainable development. In relation to the concerns raised regarding the potential Oxford-Cambridge Expressway, a Government decision has yet to be made. The Partial Review requires the provision of 0.7 hectares of land within the developable area of site PR7a for an extension to Kidlington Cemetery. This is considered sufficient to meet the need resulting from the changes proposed to site PR7a. This matter can be further explored as part of the development brief process.

Comments on Specific Proposed Main Modifications

3.45 There have been a number of detailed responses received to individual Main Modifications as set out in the Consultation Statement Addendum (Appendix 1). That document provides officer responses to each of the substantive points made. An overview is provided below:

- i. **Kidlington Parish Council** (PR-D-0080) raises strong objections to the proposed release of additional Green Belt land as an extension to site PR7a (South East Kidlington). It states that the proposed extension conflicts with the available evidence and is not justified. It is concerned that there would be a reduction in outdoor sports provision.

The Parish Council is largely supportive changes to the policy for Stratfield Farm including the increase in the number of dwellings.

It has indicated a desire to enable a new vehicular access from the site to Stratfield Brake to the south.

As has been expressed by other Parish Councils, Kidlington Parish Council considers that they should be partners in the preparation of the Development Brief for the site rather than Oxford City Council.

Officers highlight the proposed extension to site PR7a is supported by evidence including the Green Study (CD PR40), its Addendum (Appendix 14) and the existence of exceptional circumstances (Explanatory Note, section 13). The Council's Playing Pitch Strategy (CD PR99) indicates a need for 4 hectares of land for playing pitches at Kidlington to 2031. The reduced area of

11 hectares as proposed is more than sufficient to accommodate this and to continue to provide for green infrastructure as originally expected by the policy.

The reference to engagement with Oxford City Council is in the context of the Plan being prepared to help meet the city's unmet housing needs. Wider consultation on the development briefs will be necessary and, importantly, with the affected Parish Councils.

- ii. **Yarnton Parish Council** (PR-D-0056) states that it and local residents have already made their comments and objections to the Plan and these responses still stand. It views the modified Plan as being unnecessary, unsustainable and unsound. The Parish Council objects to the extension proposed to site PR9 (west of the A44) as it involves further encroachment in to the Green Belt and makes other specific observations. However, should development be progressed, the Parish Council wishes to be fully involved.

Officers consider that this modification is consistent with the Inspector's preliminary findings in respect of site PR9 that "*there is scope for the developable area to extend westward and this might well provide the scope for a development more interesting in its design and layout*".

In the context of housing need and the plan's strategy, additional Green Belt release at site PR9 (9 hectares) can be justified to extend the development westwards. Whilst there is additional landscape impact, the Council's further evidence (including landscape assessment – Appendix 12) demonstrates that this would be acceptable. A deeper development can be achieved allowing for an improved layout and form of development and accommodating a wider playing pitch for the nearby school. Evidence demonstrates that the additional development would be acceptable and contribute to the achievement of sustainable development.

- iii. **Harbord Road Area Residents Association** (PR-D-0070) raises objections to the increase in the number of dwellings proposed for site PR6b (west of Oxford Road). It argues that a premature judgement has been made on the importance of groups of trees to be retained in order to increase densities. It considers that this constrains proper, future consideration of the trees which should be retained and that it is not possible to determine the appropriate number of dwellings for site PR6b without a detailed tree survey. In addition, they raise detailed comments in relation to sites PR6a (east of Oxford Road) and PR7a (south east Kidlington).

Officers consider that the increase in numbers at site PR6b is justified by the evidence. The originally proposed density of 25 dwellings per hectare (dph) was relatively low, reflecting the need for caution in view of the tree cover on the site. More information on the important groups of trees gave reason to reconsider the capacity of the site.

This included information from the site promoters and from the Council's internal landscape advisers. The density now proposed (circa 30 dph) provides the opportunity for higher density typologies, including terrace blocks and apartment buildings. The latter of which could work well with blocks set within a generous green landscape incorporating the tree belts (Appendix 15).

The increase in density is also appropriate in the context of the Inspector's preliminary conclusion that the site is, "...an excellent one for the sort of housing the Plan proposes, given its location so close to Oxford Parkway, with its Park & Ride, and its proximity to the centre of Oxford...".

- iv. **Begbroke and Yarnton Green Belt Campaign** (PR-D-0082) raises objections to the proposed extension to site PR9 (west of the A44). It argues that there are no exceptional circumstances to warrant further encroachment into the Green Belt and that the extended site would breach natural, established and defensible boundaries. It considers that the extension would have an adverse impact on the historic and local landscape, and on heritage assets.

Officers note that the comments in respect of site PR9 are similar to those raised by Yarnton Parish Council and considered above.

- v. **Cherwell Development Watch Alliance** (PR-D-0083) supports the deletion of site PR10 (south east of Woodstock) but objects to the proposed reallocation of the 410 dwellings to other sites. The objections are primarily raised to the extension of PR7a (south east Kidlington) which, it is argued, further encroaches on the 'Kidlington Gap'; and, the increased housing density at PR6b (west of Oxford Road), based on its view that there has not been proper consideration of the trees on the site. Concerns are also expressed about the absence of a meaningful strategy to replace the North Oxford Golf Course which it states has not been shown to be surplus to requirements; and concerning a number of transport projects listed in the modified Infrastructure Schedule.

Officers note that the objections raised to the main modifications for sites PR7a and PR6b are similar to those raised by Gosford and Water Eaton Parish Council, Kidlington Parish Council and the Harbord Road Area Residents Association, considered above.

The issue of the North Oxford Golf course was examined extensively at the hearings and the Inspector reached his preliminary conclusions having considered all available evidence including golf specific evidence submitted by GreenWay Oxfordshire, the site promoters and the Council.

- vi. **Oxfordshire County Council** (PR-D-0085) supports the proposed redistribution of housing which is consistent with the plan's spatial strategy. It advises that the proposed redistribution will require minimal changes to the transport and education mitigation requirements.

With regard to education, it considered that it should be made explicit that the shape and location of all proposed school sites are indicative. It continues to object to the secondary school location shown on the policy map for site PR8 (east of the A44). In relation to site PR9 (west of the A44), confirmation is sought that sufficient land has been reserved to meet OCC's requirements for the school site. Detailed comments on specific main modifications have also been submitted.

Officers highlight that there was discussion at the hearings about whether some additional flexibility was required for the allocation of specific land uses

within the development sites. Main Modifications 99 and 117 are proposed as a consequence. The policies allow for minor changes to the location of specific land uses within the development sites. The development brief process will further allow for the formulation of a comprehensive scheme and outline layout for the delivery. The County Council will be fully engaged in that process.

The revised PR9 policy map amends the area reserved for the improvement/replacement of playing fields and amenity space for William Fletcher School. The area proposed reflects the requirements set out in the County Council's representations to the Submission Plan (July 2017).

- vii. **West Oxfordshire District Council (PR-D-0016) and Woodstock Town Council (PR-D-0073)** both support the deletion of site PR10 (Woodstock).
- viii. **Wolvercote Neighbourhood Forum (PR-D-0092)** objects to the increased housing numbers proposed at PR6b (west of Oxford Road). It considers that a detailed tree survey should be undertaken before the capacity of the site is determined. Concerns are raised about a reference to the access into the site as being 'primarily' from Oxford Road. It argues that it should be made clear that any access from Lakeside should be restricted to pedestrians and cyclists. Objections are also raised to the proposed extension of site PR7a.

Officers highlight that the housing potential and tree coverage of site PR6b are considered above in relation to other representations.

The reference to access being 'primarily' from Oxford Road into site PR6b simply allows for the possibility of pedestrian / cycle / wheelchair access from a non-primary point of access. A change is not necessary for the soundness of the Plan but, as with all representations, the Inspector will have an opportunity to consider the issue. The development brief process provides an opportunity to consider access arrangements in further detail.

- ix. **Kidlington Development Watch (PR-D-0093)** considers that the majority of the remaining sites can accommodate more houses than suggested. It argues there is potential for site areas to be reduced or one or more sites deleted. It considers that the Council has not acted to prevent further incursion in to the Green Belt or to protect the spatial separation and integrity of communities. It considers that the Council should decline to provide the 410 homes if further release of Green Belt is the only option.

More generally, KDW argues that the identification of modifications has not been informed by public feedback. Detailed comments are provided on a number of the proposed modifications. In particular, objections are raised to the proposed extension of PR7a (South East Kidlington). Concerns are also raised to the reference to a 'bus gate' near Kidlington centre in the modified infrastructure schedule (Appendix 2) and the timeframe of the plan.

Officers consider that all reasonable options have been considered. The process is explained in the Explanatory Note (Appendix 5) and Sustainability Appraisal Addendum (Appendix 7).

The objections to the extension of site PR7a (South East Kidlington) are similar to those raised by Gosford and Water Eaton Parish Council which are considered above.

With regard to consultation, the publication of the Main Modifications has provided the appropriate opportunity for public comment. All representations have been considered, are available to Members and, subject to the approval of the modifications, will be provided to the Inspector. The Inspector will make recommendations on the Main Modifications required in the interest of soundness.

The Infrastructure Schedule has been updated in the context of other Main Modifications having regard to the advice of the County Council as Highway Authority. Should the County Council consider that a bus-gate would not be appropriate or would not be required at the detailed planning stage, it would not be pursued. The Infrastructure Schedule will be subject to annual monitoring.

- x. **GreenWay Oxfordshire** (PR-D-0063) states that the Main Modifications do not address their representations made to the Inspector; including that exceptional circumstances for development in the Green Belt have not been demonstrated, that the recreational and health benefits of the golf course have not been taken in to account and that Frieze Farm is not a suitable site for a re-provided golf course.

Specific objection is raised to the Main Modification (no.66) which deletes criterion 17 for Policy PR6b as it leaves Frieze Farm as the only site available for the re-provision of the golf course (criterion 17 had required a future planning application to be supported by '*sufficient information to demonstrate that the tests contained in paragraph 74 of the NPPF [for equivalent or better provision in terms of quality and quantity in a suitable location] are met to enable development of the golf course*'

An objection is also raised to the increased number of dwellings on PR6b (West of Oxford Road). Strong criticism is made of the Council's tree surveys. GreenWay endorses the submission by the Harbord Road Residents Association relating to the trees on the site.

Officers again highlight that the Inspector has advised, that the existing golf course site is "*...an excellent one for the sort of housing the Plan proposes, given its location so close to Oxford Parkway, with its Park & Ride, and its proximity to the centre of Oxford*". He has also stated "*PR6c – Land at Frieze Farm allocates land for a replacement golf course and from what I saw of the existing golf course, it could, if necessary, provide equivalent or better provision in terms of quantity and quality, on a site very close to the existing facility*". He is satisfied that the tests in paragraph 74 have been met and criterion 17 can be deleted.

Other issues raised are similar to those raised by the Harbord Road Area Residents Association as considered above.

- xi. **North Oxford Golf Club** (PR-D-0071) also objects to Main Modification no. 66 It disagrees with the Inspector's view that the golf course is capable of being

replaced by equivalent or better provision in terms of quantity and quality in a suitable location and his reliance on policy criterion 21 (which requires a programme for the submission of proposals and the development of a replacement golf course at Frieze Farm before development of land at the existing North Oxford Golf course commences, or the submission of evidence to demonstrate that a replacement course is not required)

Officers highlight the consideration above and at para. 3.40.

- xii. **CPRE Oxfordshire** (PR-D-0067) cites national policy and a Secretary of State's decision elsewhere to argue that the proposal to accommodate Oxford's unmet need on Green Belt land in the 'Kidlington Gap' is unsound. It is also argued that housing densities should be increased to reduce the land required to be released from the Green Belt.

Officers are of the view that a sound and robust process has been followed to prepare the Main Modifications, in considering options and in ensuring that there are exceptional circumstances for some additional alterations to Green Belt boundaries.

- xiii. Twenty-eight representations specifically include objection to MM 66 (the deletion of criterion 17 of Policy PR6b). A further eleven representations raised similar concerns without specifically referring to MM 66. Thus, a total of 39 representations out of a total of 96 raise this matter.

Whilst there is a significant level of objection to the development of the North Oxford Golf Course, officers consider that the Inspector has provided a clear view on this site and that additional evidence suggests that a higher number of dwellings could now be achieved.

Comments from Councillors

3.46 Three councillors have made representations:

- i. **Councillor Buckley, County Councillor for Wolvercote and Summertown Division** (PR-D-0068) raises objections to the increase in the number of houses at PR6b (west of Oxford Road). He argues that it is not compliant with the Duty to Cooperate and that the increase would lead to the felling of a larger number of mature trees that are a characteristic feature of the current golf course and comprise a long-established green boundary to Oxford. He is not aware of any contact between CDC and Oxford City councillors to debate this change. He considers that the additional tree felling is not justified. Concerns are also raised that MM 61 (points of access) may lead to increased vehicular traffic via Lakeside (a residential street).

Officers consider the Plan, including its Main Modifications, has been prepared in compliance with the Duty to Cooperate explained earlier in this report (see Appendices 2 and 9). As explained above, evidence indicated that a higher number of dwellings could be achieved. The primary, vehicular access into the site would be from Oxford Road but as advised above a secondary point of access is provided for in the interest of pedestrians, cyclists and wheelchair users.

- ii. **Councillor Liz Wade, City Councillor for Wolvercote Ward** (PR-D-0079) raises objections to modifications relating to Policy PR6b (west of Oxford Road) from a housing need perspective. She considers that there should be a full tree survey and plan for landscape protection; archaeological survey and plan for protection; and air quality and noise modelling.

The issue of housing need is not within scope of the required modifications. The Inspector has advised that he is satisfied on the proposed allocation of the site and the issue of site capacity and trees is considered above.

- iii. **Councillor Ian Middleton, Cherwell Councillor for Kidlington East** (PR-D-0091) has submitted a detailed representation which makes comments on a number of the proposed main modifications. Principally, he objects to further release of Green Belt land rather than increasing densities on the existing allocations. He considers that this is at the expense of previously promised green infrastructure provisions such as parks, woodlands and schools. He is concerned there is a serious 'democratic deficit' in terms of the involvement of local parish councils in the proposals. He argues that the original proposals give scant regard to such issues as climate change, wildlife habitat and environmental issues and that the declaration of a climate emergency provides an opportunity to include additional measures and safeguards.

Officers consider that a robust process has been followed to consider all reasonable options and to avoid unnecessary further alterations to Green Belt boundaries. The issue of density is covered in the Explanatory Note (also see para. 3.8 above). The further alterations now proposed are only put forward in the context of the evidenced exceptional circumstances which are summarised in section 13 of the Explanatory Note (Appendix 5).

With regard to consultation, as explained above, preparation of the modifications has involved the requisite cooperation and the publication of the Main Modifications has provided the appropriate opportunity for public comments. All representations have been considered and are available to Members. The Plan has a whole has been informed by cooperation, engagement and consultation and no concerns on those issues have been raised by the Inspector to date. Members have correctly had the opportunity to consider the Plan at each stage of its development.

Councillor Middleton has raised other detailed comments, and these are responded to in the Addendum to the Statement of Consultation at Appendix 1.

Representations on Main Modifications from Site Promoters

3.47 The key points raised are:

- i. Bloombridge (PR-D-0069) is critical of the Council's proposed modifications including the extensions to sites PR7a and PR9. Criticisms of the Council's evidence including Sustainability Appraisal (CD PR113b) and the consideration of options is provided.

Officers consider that the Main Modifications have been soundly produced. All reasonable options have been considered.

- ii. Edgars for Mr and Mrs Tomes (PR-D-0087) raise objections to its promoted land being 'safeguarded' from development during the period of the Plan.

Site PR3a in the Partial Review comprises safeguarded land (to the south of development site PR8) and has been previously identified to meet national Green Belt policy. Whilst the use of this land for housing would not result in additional Green Belt land release, there is a need to consider the endurance of the Green Belt once altered. The safeguarded land provides contingency beyond the Plan period. No concerns have been raised by Inspector to date and no modification is suggested.

- iii. Turnberry on behalf of Exeter College (PR-D-0081) considers that the Council has departed from the guidance provided by the Inspector in deciding to release more land from the Green Belt at sites PR7a and PR7b. The representation is critical of the Council's evidence.

Officers are of the view that a sound and robust process has been followed to prepare the Main Modifications, in considering options and in ensuring that there are exceptional circumstances for some additional alterations to Green Belt boundaries.

- iv. RPS for Mr R Davies (PR-D-0061) argues that brownfield land in the Green Belt should be prioritised over greenfield land (it's promoted site contains some brownfield land)

Others advise that all reasonable options have been considered (including previously developed land opportunities) during the Plan preparation process. The reasonable options for Main Modifications, which includes some previously developed land, have been considered in the interest of achieving sustainable development and having regard to a wide range of sustainability factors. Additional Green Belt release has been minimised and is only proposed in light of the exceptional circumstances that exist.

- v. Vanbrugh Unit Trust and Pye Homes (PR-D-0062) object to the deletion of site PR10 (Woodstock) and the consequential further release of Green Belt land which they argue is contrary to national policy. They raise specific concerns about the Sustainability Appraisal (SA),

Officers consider the further work on the Sustainability Appraisal to be robust. Specific comments on the SA are considered below. No concerns on the overall process have been raised by the Inspector to date.

- vi. Gerald Eve on behalf of Merton College (PR-D-0084) (site PR9 – West of the A44) have concerns about the justification for and viability of the revised proposals for open space/parkland at site PR9.

Officers consider that the refinement of the original proposals, following discussion with promoters and providing for a clearly defined area of open space, is compliant with national policy for the beneficial use of the Green

Belt. All proposals for site PR9 as modified have been subject to viability assessment.

- vii. Pegasus on behalf of Barwoods (PR-D-0014) welcomes the removal of the phasing that had been suggested for the delivery of site PR7a (South East Kidlington) in the housing trajectory but has concerns that existing requirements for a delivery plan aligned to the Plan's housing trajectory are contradictory to the removal of the phasing restriction.

Officers understand that the concern here is that the site may continue to be phased despite the removal of the explicit phasing requirements in the Plan. This is not the case. Each development site is required to have a Delivery Plan in the interest of maintaining a five-year housing supply and the Plan's housing trajectory as a whole.

Main Modification no. 138 includes the removal of the requirement for delivery to be measured against site specific housing trajectory requirements. Main Modification 136 clarifies "*we are requiring developers to clearly show that they can contribute towards maintaining a five-year supply*". The text "*for their own sites*" is proposed for deletion.

This matter was previously discussed at the Local Plan hearings and a change agreed to by officers. Retention of the modification is needed to provide certainty that a five-year housing land supply can be achieved. It is also justified in light of the urgent need for housing and land being released in the Green Belt for that reason.

- 3.48 Other responses from site promoters are considered in the Addendum to the Consultation Statement (Appendix 1).

Comments on Sustainability Appraisal (SA) Addendum

- 3.49 The main comments received are:

- i. the Council should have considered options outside the Green Belt for the main modifications
- ii. the Council should not have re-distributed the 410 dwellings from the site at Woodstock (PR10)
- iii. all sites within Area of Search 'A' should have been assessed in the SA addendum to accommodate the dwellings re-located from the proposed allocation at Woodstock (*officer note: Areas A and B were those identified as being the most sustainable and suitable for informing the site selection process*)
- iv. other sites not selected for the proposed modifications score more favourably in the SA than the selected sites
- v. the SA results show that alternative sites to those in the main modifications should be allocated in the Plan
- vi. there are inaccuracies in the assessment of sites in the SA addendum
- vii. the evidence used for the SA is flawed and inaccurate
- viii. the SA process is not legally compliant and flawed
- ix. it is not explained why sites have been selected for the main modifications

- 3.50 There is also support for the SA in the formation of the main modifications.

- 3.51 The Council's consideration of reasonable options for preparation of the proposed submission Plan is set out in the June 2017 SA Report (CD PR43). The sites selected for inclusion in the Plan were considered to be the most suitable for meeting the Plan's vision and objectives and achieving sustainable development.
- 3.52 The Inspector's preliminary findings indicate the approach of locating the housing and infrastructure required as close as possible to Oxford, along the A44 and A4165 transport corridors is an appropriate strategy. He considers that the Council has demonstrated exceptional circumstances to justify removal of land from the Green Belt.
- 3.53 The Inspector has advised, '*With one exception...I regard the various allocations, and the process by which they have been arrived at, as sound, in principle...*'. Other than site PR10, the Council has no reason to question its site selection process to date, including the non-selection of all reasonable alternatives to the proposed site allocations considered to date. The Inspector has not raised any concerns with the SA in his advice note.
- 3.54 The 2019 SA addendum (Appendix 7) at Table 1 sets out the options considered in preparing the main modifications. Officers consider the scoring and SA process undertaken to be robust. The SA addendum and the Council's Explanatory Note explain the methodology and how reasonable alternatives were appraised. Had it been demonstrated that it was not possible to accommodate the displaced development requirements within the Plan's original scope, there would be a need to consider other options. That has not been required however.
- 3.55 The 2019 SA addendum concludes that although there will be negative effects associated with the reallocation of the 410 homes from PR10 to allocation Policies PR6a, PR6b, PR7a, PR7b and PR9, overall, the significance of these adverse effects has not changed from those already identified through the SA of the original number of homes allocated at each location. SA addendum Appendix 1, setting out the additional evidence gathered to establish the likely effects of the redistribution also supports this.
- 3.56 The legal requirements for SA (and SEA) have been met. The SA takes account of NPPF1 (2012), government guidance on SA and appropriate evidence.

Officer Conclusions on Main Modifications

- 3.57 The Main Modifications have been prepared in accordance with necessary regulatory, procedural and policy requirements. They have been informed by cooperation and engagement with prescribed bodies and a process of sustainability appraisal. All reasonable options have been considered through an evidenced led process.
- 3.58 The modifications have been subject to the requisite consultation. All representations have been considered. The concerns expressed by affected Parish Councils and community groups, from those people most directly affected, have been considered carefully along with those of other interested parties. The particular concerns about intensifying development on site PR6b (West of Oxford Road) and about the necessary and exceptional changes to Green Belt boundaries have been considered in the context of evidence.

- 3.59 Having regard to those representations, officers consider that the modifications as proposed and consulted upon are appropriate for submission to the Planning Inspector. No changes are considered to be necessary. Officers consider that the Main Modifications as consulted upon would lead to the completion of sound plan.
- 3.60 Officers consider that there is no reason for delay. It is of interest that public hearings were held for Oxford City Council's draft Local Plan in December 2019. In January 2020, the City Council received the interim conclusions of its Inspectors (Appendix 16). The Inspectors found:
- that no modifications are required with regard to housing need or affordable housing need
 - that there are exceptional circumstances to release Green Belt land in Oxford, and
 - that the capacity-based housing requirement as proposed to be modified by the City Council does not result in '*meaningfully different implications for planning in the wider Oxfordshire area compared with the assumptions used by the Growth Board, and do not raise any significant new issues in respect of the unmet need*'.
- 3.61 These findings are entirely consistent with the Cherwell Inspector's preliminary advice.

Next Steps

- 3.62 Subject to the decision of Council, the modifications will be submitted to the Planning Inspector (on behalf of the Secretary of State for Housing, Communities and Local Government) with all supporting documents and representations. At that point the Examination would re-commence.
- 3.63 The Inspector could then either proceed to complete his full report or, having considered the information, require a further hearing before doing so. The Inspector would need to provide six weeks' notice of a hearing.
- 3.64 Once the Inspector's report is completed, officers would, typically, be given a two-week period to fact check the report for inaccuracies.
- 3.65 Upon receipt of the final report it must be published as soon as is 'reasonably practicable' and public notification given. The Inspector would reach a conclusion on whether the Plan is legally compliant and 'sound' (with or without modification). Officers would then prepare reports inviting Members to consider the Inspector's findings. If the Plan is considered to be 'sound', Members would be invited to adopt it incorporating any necessary modifications recommended by the Inspector.

4.0 Conclusion and Reasons for Recommendations

- 4.1 The Partial Review has reached a very advanced stage of preparation. The Plan was prepared over the course of 2016-2018 and submitted in March 2018 for Examination. It has been the subject of preliminary and main public hearings. The Inspector provided his preliminary advice. Main Modifications required to make the

Plan sound have been prepared and consulted upon for a six-week period. All representations have been considered.

- 4.2 It is recommended that the modifications as presented with this report are approved for submission to the Planning Inspector and the completion of the Examination.

5.0 Consultation

Public consultation from 8 November to 20 December 2019.

Internal briefing: Councillor Clarke, Lead Member for Planning

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: Do not approve the proposed modifications and develop an alternative set of modifications

This option is not recommended as the modifications presented are evidence based. Alternative modifications could prevent the completion of a sound plan

Option 2: Amend the proposed modifications

This is not recommended as the modifications presented are considered to be the most appropriate. Changes to the Main Modifications may necessitate further consultation and result in delay.

7.0 Implications

Financial and Resource Implications

- 7.1 There are no financial and resource implications arising directly from this report. The cost of preparation of the Local Plan is met from existing resources.

Comments checked by:

Dominic Oakeshott – Assistant Director – Finance (Interim) – 0300 003 0110,
Dominic.oakeshott@cherwell-dc.gov.uk

Legal Implications

- 7.2 The Council is under a duty to prepare a local development scheme that sets out what local development documents (which include local plans) will be prepared (Sec 15 Planning and Compulsory Purchase Act 2004 as amended). The power to make a local plan is contained in Section 19. The National Planning Policy Framework states that the planning system should be plan-led. All development decisions must be made in accordance with the appropriate local plan unless

material considerations indicate otherwise. Plan making is therefore a crucial part of the planning process and the Secretary of State (amongst other related powers) may direct a local authority to make a plan to ensure that the planning process in any area is properly administered (Sec 27 Planning and Compulsory Purchase Act 2004 as amended). This review is an essential part of the Council's duty to follow through on the Development Scheme.

Comments checked by:

Matthew Barrett, Planning Solicitor

Matthew.barrett@cherwell-dc.gov.uk tel:01295 753798

8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

Business Plan 2019/20

- District of Opportunity & Growth
- Clean, Green and Safe
- Thriving Communities & Well-Being

Lead Councillor

Councillor Colin Clarke, Lead Member for Planning

Document Information

| Appendix No | Title |
|-------------|--|
| Appendix 1 | Addendum to the Statement of Consultation - February 2020 |
| Appendix 2 | Schedule of Proposed Main Modifications - September 2019 |
| Appendix 3 | Schedule of Proposed Minor Modifications - September 2019 |
| Appendix 4 | Illustrative Plans of sites in 2017, 2018 and now proposed - February 2020 |
| Appendix 5 | Explanatory Note - November 2019 |
| Appendix 6 | Inspectors Post Hearing Advice Note - July 2019 |
| Appendix 7 | Sustainability Appraisal Addendum - September 2019 |
| Appendix 8 | Statement of Consultation Addendum - November 2019 |
| Appendix 9 | Duty to Cooperate Addendum - September 2019 |
| Appendix 10 | Statement of Consultation - February 2018_ (2 parts) |
| Appendix 11 | HRA Stage 1 and Stage 2 Addendum - September 2019 |
| Appendix 12 | Landscape Analysis for PR09 - September 2019 |
| Appendix 13 | Site Capacity Sense Check - September 2019 |
| Appendix 14 | Cherwell Green Belt Study 2 nd Addendum - September 2019 |
| Appendix 15 | Additional information on the significance of trees |
| Appendix 16 | Inspectors Interim Conclusions - January 2020 |
| Appendix 17 | Equality Impact Assessment Update - February 2020 |

| | |
|---|--|
| Background Papers | |
| https://www.cherwell.gov.uk/info/83/local-plans/215/partial-review-of-cherwell-local-plan-2011-2031---oxfords-unmet-housing-need | |
| https://www.cherwell.gov.uk/info/83/local-plans/515/local-plan-part-1-partial-review---examination/11 | |
| Report Author | David Peckford Assistant Director – Planning and Development Maria Dopazo Acting Manager Planning Policy, Conservation and Design |
| Contact Information | david.peckford@cherwell-dc.gov.uk Tel. 01295 221871 maria.dopazo@cherwell-dc.gov.uk Tel. 01295 227970 |

Cherwell District Council

Council

24 February 2020

Appointment of Section 151 Officer

Report of Chief Executive

This report is public

Purpose of report

To appoint Lorna Baxter as the Cherwell District Council section S151 officer with effect from 25 February 2020.

1.0 Recommendations

The meeting is recommended:

- 1.1 To appoint Lorna Baxter as the Council's S151 Officer with effect from 25 February 2020.

2.0 Introduction

- 2.1 The Local Government and Housing Act 1989 requires the Council to appoint a S151 Officer to be responsible for specified statutory functions.
- 2.2 As the current Interim Executive Director of Finance is leaving her position on 24 February 2020 it is legally necessary for the Council to appoint a replacement before she leaves.

3.0 Report Details

S151 Officer

- 3.1 The Local Government Act 1972 requires every local authority to appoint a suitably qualified officer responsible for the proper administration of its financial affairs. This role is commonly referred to as the S151 officer. The term S151 Officer has been used as a short hand expression to refer to the role and duties of the 'Responsible Financial Officer' as defined by CIPFA (the function of the most senior finance officer employed by an organisation).

- 3.2 Section 113 of the Local Government Finance Act 1988 requires that the officer appointed as the Chief Finance Officer (CFO) [or Director of Finance] be a member of a specified accountancy body.
- 3.3 The role of a CFO/Director of Finance lies at the heart of any effective and well governed organisation. The over-riding duty of this officer is to fulfil the statutory responsibilities attached to the position in a manner that enhances the overall reputation of the Council. There are responsibilities which solely rest with a CFO. The duties include the closing of accounts, finalising budget preparations, audit opinion and sound financial management.3.4 The current S151 Officer, Adele Taylor, Interim Executive Director of Finance, is leaving her position with Cherwell District Council on 24 February 2020.
- 3.5 Accordingly it is necessary for another officer to be designated as S151 Officer. The council entered into a Section 113 agreement on 1October 2018 with Oxfordshire County Council which enables the officers of one council to be placed at the disposal of the other. Oxfordshire County Council has an experienced Director of Finance and S151 Officer who is suitably qualified for the role as a practicing accountant.
- 3.6 Through discussions with the Leader of the County Council, senior members at the county council would be happy for Lorna Baxter to carry out this role and the line management of the finance functions for Cherwell District Council. Lorna Baxter has also been involved in discussions and would be happy to take up the role.
- 3.7 It is the recommendation of the Chief Executive, fully supported by the current S151 Officer that Lorna Baxter, Director of Finance at Oxfordshire County Council, should be appointed to this role with effect from 25 February 2020,
- 3.8 Subject to her appointment Lorna Baxter will be requested to appoint at least one Deputy section 151 officer to act in her absence or where there might be a conflict of interest between the two councils.

4.0 Conclusion and Reasons for Recommendations

- 4.1 In accordance with statutory requirements it is recommended that Lorna Baxter be appointed as the Council's S151 Officer.

5.0 Consultation

- 5.1 The Leaders of Oxfordshire County Council and Cherwell District Council, plus the relevant portfolio holder / Lead Member have been consulted and endorse the appointment
- 5.2 The proposed appointee has also been consulted and support the proposals.

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 appoint an alternative S151 officer. This is rejected because Lorna Baxter has the necessary skills and experience to fulfil the roles.

Option 2: Not to appoint a S151 Officer. This is rejected as the Council is legally required to appoint.

7.0 Implications

Financial and Resource Implications

- 7.1 There are no financial implications arising directly from this report. The role of S151 Officer is included within the salary budget for the Interim Executive Director of Finance which will remain vacant after the current S151 Officer leaves the authority. This budget will be used to compensate the county council for the services of Lorna Baxter.

Comments checked by:

Adele Taylor, Interim Executive Director Finance, 0300 003 0103

adele.taylor@cherwell-dc.gov.uk

Legal Implications

- 7.2 These are set out in the body of the report. It is necessary for full council to approve the appointment of a S151 Officer.

Comments checked by:

Nick Graham, Director of Law and Governance

nick.graham@cherwell-dc.gov.uk

8.0 Decision Information

Wards Affected

All.

Links to Corporate Plan and Policy Framework

Not applicable – this report is made pursuant to a statutory requirement.

Lead Councillor

Councillor Barry Wood, Leader of the Council.

Document Information

| Appendix No | Title |
|---------------------|--|
| N/A | N/A |
| Background Papers | |
| N/A | |
| Report Author | Karen Edwards Director of Human Resources |
| Contact Information | 01295-221865 karen.edwards@cherwell-dc.gov.uk |

Cherwell District Council

Council

24 February 2020

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| Members Allowances 2020/2021 |
|-------------------------------------|

Report of Director Law and Governance

This report is public

Purpose of report

To determine the levels of the allowances to be paid to Members for the forthcoming 2020/2021 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 2020/2021 Members' Allowances Scheme, and whether the Panel's recommendations should be adopted or modified in any way
- 1.2 Authorise the Director Law and Governance to prepare an amended Members' Allowances Scheme, in accordance with the decisions of the Council for implementation with effect from 1 April 2020.
- 1.3 Authorise the Director Law and Governance to take all necessary action to revoke the current (2019/2020) 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 2019/2020 and propose the same level of fee for any reviews carried out in 2020/2021 capped at a maximum of £1200, which will be funded from within the Council's existing budgets.

2.0 Introduction

- 2.1 The Council's Independent Remuneration Panel has met to review the current (2019/2020) Members' Allowances Scheme and its report on the recommended levels of the allowance payments for the 2020/2021 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 2020/2021 (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:
- 3.2 That Basic Allowance be increased in line with the staff cost of living increase rounded either up or down, whichever is closest, to give 12 equal payments. The staff pay negotiations for 2020/2021 have not yet commenced, so when the award is finalised, the increase should be backdated to the beginning of the financial year 2020/2021, 1 April 2020.

(Whilst the Panel's recommendation is for an increase in line with the staff cost of living allowance, to give an indicative idea of cost and change, a 2% increase has been applied to the figures below for information):

| | <i>Possible increase of 2% for 2020/2021</i> | <i>Current Level 2019/2020</i> |
|------------------------|--|--------------------------------|
| <i>Basic Allowance</i> | <i>£4,476.00 p.a.</i> | <i>£4,392.00 p.a.</i> |

- 3.3 That all Special Responsibility Allowance (SRAs) increased in line with the staff cost of living increase rounded either up or down, whichever is closest, to give 12 equal payments, and payment backdated to the beginning of the financial year 2020/2021, 1 April 2020.

(Whilst the Panel's recommendation is for an increase in line with the staff cost of living allowance, to give an indicative idea of cost and change, a 2% increase has been applied to the figures below for information):

| | <i>Possible increase of 2% for 2020/2021</i> | <i>Current level for 2019/2020</i> |
|--|--|------------------------------------|
| <i>Leader of the Council</i> | <i>£7,620.00 p.a.</i> | <i>£7,476.00 p.a.</i> |
| <i>Deputy Leader of the Council</i> | <i>£2,628.00 p.a.</i> | <i>£2,580.00 p.a.</i> |
| <i>Executive Members Holding a Portfolio</i> | <i>£6,660.00 p.a.</i> | <i>£6,528.00 p.a.</i> |

| | | |
|---|---|---|
| <i>Chairman of the Accounts, Audit and Risk Committee</i> | £3,708.00 <i>p.a.</i> | £3,636.00 <i>p.a.</i> |
| <i>Chairman of Budget Planning Committee</i> | £3,708.00 <i>p.a.</i> | £3,636.00 <i>p.a.</i> |
| <i>Chairman of the Overview and Scrutiny Committee</i> | £3,708.00 <i>p.a.</i> | £3,636.00 <i>p.a.</i> |
| <i>Chairman of the Planning Committee</i> | £4,428.00 <i>p.a.</i> | £4,344.00 <i>p.a.</i> |
| <i>Chairman of the Appeals Panel</i> | £264 SRA plus £264 per full meeting to a capped limit of £1,056.00 <i>p.a.</i> | £261 SRA plus £261 per full meeting to a capped limit of £1,044.00 <i>p.a.</i> |
| <i>Chairman of the Licensing Committee</i> | £264 SRA plus £264 per full meeting to a capped limit of £1,056.00 <i>p.a.</i> | £261 SRA plus £261 per full meeting to a capped limit of £1,044.00 <i>p.a.</i> |
| <i>Chairman of the Personnel Committee</i> | £264 SRA plus £264 per full meeting to a capped limit of £1,056.00 <i>p.a.</i> | £261 SRA plus £261 per full meeting to a capped limit of £1,044.00 <i>p.a.</i> |
| <i>Chairman of the Standards Committee</i> | £264 SRA plus £264 per full meeting to a capped limit of £1,056.00 <i>p.a.</i> | £261 SRA plus £261 per full meeting to a capped limit of £1,044.00 <i>p.a.</i> |
| <i>Leader of the Opposition</i> | £3,072.00 <i>p.a.</i> | £3,012.00 <i>p.a.</i> |

- 3.4 That the co-optee and Independent Person allowances be increased in line with the staff cost of living increase rounded either up or down, whichever is closest, to give 12 equal payments, and payment backdated to the beginning of the financial year 2020/2021, 1 April 2020.

| | <i>Possible increase of 2% for 2020/2021</i> | <i>Current level for 2019/2020</i> |
|---|--|------------------------------------|
| <i>Co-optee and Independent Persons Allowance</i> | <i>£756.00 p.a.</i> | <i>£744.00 p.a.</i> |

3.5 That there be no increase in the rate of Dependent Carers' and Childcare Allowances:

| | Proposed level 2020/2021 | Current level 2019/2020 |
|-------------------------|--------------------------|-------------------------|
| Childcare | £10 per hour | £10 per hour |
| Dependent Relative Care | £20 per hour | £20 per hour |

3.6 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 |

3.7 That Democratic Services should continue to book overnight accommodation

3.8 That Non-Executive Director allowances be increased in line with the staff cost of living increase rounded either up or down, whichever is closest, to give 12 equal payments, and payment backdated to the beginning of the financial year 2020/2021, 1 April 2020, should a settlement not be agreed to that date.

(Whilst the Panel's recommendation is for an increase in line with the staff cost of living allowance, to give an indicative idea of cost and change, a 2% increase has been applied to the figures below for information):

| | <i>Possible increase of 2% for 2020/2021</i> | <i>Current Level 2019/2020</i> |
|--|--|--------------------------------|
| <i>Non-Executive Directors Graven Hill Village Holding Company Limited and Graven Hill Village Development Company Limited</i> | <i>£4,428.00 p.a.</i> | <i>£4,344.00 p.a.</i> |

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 Acknowledging that there had been a 2.4% cost of living increase for staff in 2019/2020. The Panel had recommended the same level of increase be applied to Members' basic allowance and special responsibility allowances rounded either up or down, whichever was closest, to produce 12 equal payments. This increase had been agreed by Full Council in February 2019.
- 4.4 The Panel noted that whilst their recommended increase of 2.4% in Basic and Special Responsibility Allowance for 2019/2020 was agreed by Council, some Members had chosen not to take the increase.
- 4.5 The Panel noted that the Co-optee and Independent Persons allowance also increased by 2.4% rounded either up or down, whichever is closest, to ensure 12 equal monthly payments.
- 4.6 The Panel acknowledged that the CDC Members' Allowances are relatively low in comparison to other similar councils and elected members therefore represented good value for money. The Panel considered that applying the same cost of living increase to Members' allowances as that awarded to staff, is a consistent and fair approach and agreed to recommend that the same level as the staff cost of living increase be applied to Members' Basic allowance and all SRA's for 2020/2021, to be rounded either up or down, whichever is closest, to create 12 equal payments. Payment of the increase should be backdated to the start of the 2020/2021 financial year, 1 April 2020 should a staff cost of living settlement not be agreed before that time.
- 4.7 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 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 should also be increased at the same level as the staff cost of living increase.
- 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 2020/2021 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 to accept an increase proposed by Council, to commence at the beginning of the new financial year, 1 April 2020. This is within the Council's discretion as the Panel recommendations are not binding.

Option 3: To modify the Panel's recommendations and not accept an increase. 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 2020/2021 budget for Members' Allowances and the full cost of agreeing an increase in line with the staff pay settlement, 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:

Dominic Oakeshott, Interim Assistant Director: Finance,
dominic.oakeshott@cherwell-dc.gov.uk , 01295 227943

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:

Chris Mace, Solicitor, Christopher.mace@cherwell-dc.gov.uk, 01295 221808

8.0 Decision Information

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 2020/2021 Financial Year |
| Background Papers | |
| None | |
| Report Author | Lesley Farrell, Democratic and Elections Officer |
| Contact Information | 01295 221591 lesley.farrell@cherwell-dc.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
2020/2021 Financial Year

For

Cherwell District Council

December 2019

CHERWELL DISTRICT COUNCIL

REPORT OF THE INDEPENDENT AND PARISH REMUNERATION PANEL

REVIEW OF MEMBERS' ALLOWANCES FOR THE 2020/2021 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 2019 whereby an increase of 2.4% rounded either up or down to 12 equal payments was applied to the basic allowance, Special Responsibility Allowance, Independent Persons and co-optee allowances. All other allowances remained the same. This Scheme has remained in force throughout the 2019/20 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 2020/2021 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 Andrew Hodges
Mr David Shelmerdine
Mr Christopher White
Mr Ray Everitt

- 2.3 Mr Stefan Robinson and Mrs Charlotte Green had resigned from the panel during the summer of 2019. The Panel thanked them for their contribution to the panel and wished them well for the future.
- 2.4 The Panel met on 3 December 2019 to consider and agree its recommendations for the 2020/2021 financial year.

Mr Ray Everitt sent his apologies.

Mr Christopher White was appointed as Chairman of the Panel.

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

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- 2.5 Natasha Clark (Governance and Elections Manager) and Lesley Farrell (Democratic and Elections Officer) provided the Panel with administrative advice and support.
- 2.6 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

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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 principles 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 had 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 2019/2020;
 - (b) a comparison of neighbouring authority Members Allowances.
 - (c) comparative data from the Members' Allowances survey undertaken by the South East Employers Organisation which

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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) any recent changes in the roles, responsibilities and workload of specific member posts.
- (h) Any additional comments Members wished to make in respect of the current allowance scheme.
- (i) As negotiations for the annual staff increase had not yet commenced, this information was not available for the panel.

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 The activity questionnaire had been refreshed this year with a slight change in format and could be completed in hard copy or via an online survey. It was circulated to all Members of the Council and a total of 17 completed questionnaires out of 48 councillors were returned, representing 35.42% of its membership.

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

5.8 Two members had asked to speak to the panel but unfortunately, only one was able to attend the date and time of the meeting. The Panel were very grateful to the Member who was able to attend.

5.9 The Panel was 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.

5.10 Notwithstanding the relatively low return rate, the Panel proposes to repeat this

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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.

- 5.11 The Panel noted that those Members who responded to the activity questionnaire continued to show a significant variation in the average number of hours they spent on their roles as Councillors, ranging from 8 to 100 hours per month.
- 5.12 The Panel noted that those Members who responded spent an average of 31 hours per month on council duties. This was less than the average response of 40 hours per month in the survey last year.
- 5.13 Results from questions 1 to 4 of the questionnaires were as follows:

Question 1 – N/A (councillor name)

Question 2 – How long have you been a Councillor?

- Less than 1 year 3
- 1 – 4 years 3
- 5 – 8 years 6
- 8 – 12 years 1
- Over 12 years 4

Question 3 – What is your current role?

- Leader of the Council/Leader of the Opposition/Group Leader 1
- Deputy Leader of the Council/Deputy Leader of Opposition/Deputy Group Leader 2
- Chairman/Vice-Chairman of the Council 0
- Executive Member 3
- Committee Chairman/Vice-Chairman 4
- None of the above 7

Question 4 – What is your employment status?

- Retired or otherwise not employed 4
- Employed full time 10
- Employed part time 2
- Other 1

- 5.14 Other responses to the questionnaire were:
- (a) Five of the respondents receive a Special Responsibility Allowance (SRA) and believed that an average of 39 hours per month related to the post for which the SRA was received.
 - (b) One respondent considered that an SRA should be paid for being Chairman of the Community Partnership Network.
 - (c) All the respondents considered that part of their time was given on a voluntary basis averaging 5 hours a week. As a monthly figure of 20 hours per month, this equates to just under two thirds of the average

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time councillors indicated they spent on council work per month (31 hours)

- (d) Members were asked about the current rate of allowance and if it was thought to be adequate. 7 of the members thought that the allowance should be increased in line with the officer pay award. 3 thought it should be increased by an amount not linked to the officer pay award and 7 considered the allowance to be adequate and frozen at the current level.
- (e) Members were asked if they had any comments on Carers Allowance, Travel Allowance or Subsistence Allowance. The following comments were submitted:
- These allowances are in line with other employers.
 - Carers allowance should be increased for those with parental responsibility. Maternity leave should also be considered but general allowances should be lowered.
 - I do not believe there is any merit in having travel allowance.
 - Allowances need to rise each year in order that being a councillor is not a rich man's hobby. It is only the fact that I have a pension that allows me to give the amount of time I do to the council.

5.15 Whilst having regard to the questionnaire responses, during their deliberations, the Panel was conscious that the responses could not be seen as representative of elected members, 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 to members.

6.3 The Panel noted that whilst their recommended increase of 2.4% to the Basic Allowance for 2019/2020 had been agreed by Council, some Members had chosen not to take the increase.

6.4 The negotiations for a cost of living increase for staff for the 2020/2021 financial year had not yet started but the Panel agreed that the same level of pay settlement agreed for staff should be applied to the Members Basic Allowance and rounded either up or down, whichever is closest, to produce 12 equal payments. Payment of the increase should be backdated to the beginning of the 2020/2021 financial year, 1 April 2020, should the payment not be agreed prior to that date.

6.5 The Panel agreed to recommend that the Co-optee and Independent Persons allowance also be increased by the same rate as the staff settlement, rounded

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either up or down, whichever is closest, to ensure 12 equal monthly payments and backdated to the beginning of the 2020/2021 financial year, 1 April 2020, should a settlement not be agreed prior to that date.

7.0 Special Responsibility Allowances

7.1 The Panel reviewed the Special Responsibility Allowances (SRA).

7.2 In 2019/2020 the Panel had recommended a 2.4% increase to all Special Responsibility Allowance (SRA), the same level that was recommended for the Basic Allowance, which was in line with the staff cost of living increase.

7.3 The Panel agreed that the cost of living pay settlement for staff should be applied in 2020/2021 for SRA's and rounded either up or down, whichever is closest, to produce 12 equal payments and backdated to the beginning of the 2020/2021 financial year, 1 April 2020, should a settlement not be agreed prior to that date.

7.4 The Panel noted the comment in the Members' Questionnaire regarding the suggestion for an allowance to be paid to the Chairman of the Community Partnership Network. This is an outside body to which Cherwell District Council (CDC) appoints a representative and it is the Partnership's decision as to who it appoints as its Chairman. Whilst the Chairman is currently a CDC Councillor, this could change, and CDC could then be paying an allowance to a non-CDC councillor. The Panel agreed that it was a matter for the Community Partnership Network if it wishes to pay an allowance to its Chairman.

7.5 The Panel noted that the Members' Allowance Scheme does not remunerate for outside body appointments, although Members may claim travel and subsistence when attending meetings as an outside body representative as this falls within approved duties.

8.0 Non-Executive Directors on Council Owned Companies

8.1 In 2018 it was agreed that Members who were Non-Executive Directors (NED) of both Graven Hill Companies (Graven Hill Development Company Limited, (DEVCO) and Graven Hill Village Holdings Limited (HOLDCO) should receive one allowance comparable to the allowance paid to the Planning Committee Chairman.

8.2 The Panel agreed to recommend that the NED allowance should be increased to match that of the Planning Committee Chairman and payment backdated to the beginning of the 2020/2021 financial year, 1 April 2020, should a settlement not be agreed prior to that date.

9.0 Travelling and Subsistence Allowances

9.1 The Panel was requested to review the current level of Travelling and Subsistence

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Allowances.

- 9.2 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. These rates remain unchanged.
- 9.3 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).
- 9.4 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.
- 9.5 The Panel considered the travelling and subsistence allowances and agreed, that there should be no increase in travelling or subsistence allowances at this time.

10.0 Dependent Carers' and Childcare Allowance

- 10.1 The panel considered the dependent carers' and childcare allowances and agreed that the rates should remain the same.

11.0 Recommendations to Council

- 11.1 Based on the information provided to the Panel, it recommends to Full Council to agree:
- 11.2 That Basic Allowance be increased in line with the staff cost of living increase rounded either up or down, whichever is closest, to give 12 equal payments, and payment backdated to the beginning of the financial year 2020/2021, 1 April 2020, should a settlement not be agreed before that date.

(Whilst the Panel's recommendation is for an increase in line with the staff cost of living allowance, to give an indicative idea of cost and change, a 2% increase has been applied to the figures below for information):

| | <i>Possible increase of 2% for 2020/2021</i> | <i>Current Level 2019/2020</i> |
|------------------------|--|--------------------------------|
| <i>Basic Allowance</i> | <i>£4,476.00 p.a.</i> | <i>£4,392.00 p.a.</i> |

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- 11.3 That all Special Responsibility Allowance (SRAs) increased in line with the staff cost of living increase rounded either up or down, whichever is closest, to give 12 equal payments, and payment backdated to the beginning of the financial year 2020/2021, 1 April 2020, should a settlement not be agreed before that date.

(Whilst the Panel's recommendation is for an increase in line with the staff cost of living allowance, to give an indicative idea of cost and change, a 2% increase has been applied to the figures below for information):

| | <i>Possible increase of 2% for 2020/2021</i> | <i>Current level for 2019/2020</i> |
|---|--|--|
| <i>Leader of the Council*</i> | <i>£7,620.00 p.a.</i> | <i>£7,476.00 p.a.</i> |
| <i>Deputy Leader of the Council*</i> | <i>£2,628.00 p.a.</i> | <i>£2,580.00 p.a.</i> |
| <i>Executive Members Holding a Portfolio</i> | <i>£6,660.00 p.a.</i> | <i>£6,528.00 p.a.</i> |
| <i>Chairman of the Accounts, Audit and Risk Committee</i> | <i>£3,708.00 p.a.</i> | <i>£3,636.00 p.a.</i> |
| <i>Chairman of the Budget Planning Committee</i> | <i>£3,708.00 p.a.</i> | <i>£3,636.00 p.a.</i> |
| <i>Chairman of the Overview and Scrutiny Committee</i> | <i>£3,708.00 p.a.</i> | <i>£3,636.00 p.a.</i> |
| <i>Chairman of the Planning Committee</i> | <i>£4,428.00 p.a.</i> | <i>£4,344.00 p.a.</i> |
| <i>Chairman of the Appeals Panel</i> | <i>£264 SRA plus £264 per full meeting to a capped limit of £1,056.00 p.a.</i> | <i>£261 SRA plus £261 per full meeting to a capped limit of £1,044.00 p.a.</i> |
| <i>Chairman of the Licensing Committee</i> | <i>£264 SRA plus £264 per full meeting to a capped limit of £1,056.00 p.a.</i> | <i>£261 SRA plus £261 per full meeting to a capped limit of £1,044.00 p.a.</i> |
| <i>Chairman of the Personnel Committee</i> | <i>£264 SRA plus £264 per full meeting to a capped limit</i> | <i>£261 SRA plus £261 per full meeting to a capped limit</i> |

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| | | |
|--|--|--|
| | <i>of £1,056.00 p.a.</i> | <i>of £1,044.00 p.a.</i> |
| <i>Chairman of the Standards Committee</i> | <i>£264 SRA plus £264 per full meeting to a capped limit of £1,056.00 p.a.</i> | <i>£261 SRA plus £261 per full meeting to a capped limit of £1,044.00 p.a.</i> |
| <i>Leader of the Opposition</i> | <i>£3,072.00 p.a.</i> | <i>£3,012.00 p.a.</i> |

(The Leader of the Council receives the Leaders' allowance and an allowance for Executive Member with Portfolio. These SRA's are paid in addition to the Basic Allowance.)

- 11.4 That the co-optee and Independent Person allowances be increased in line with the staff cost of living increase rounded either up or down, whichever is closest, to give 12 equal payments, and payment backdated to the beginning of the financial year 2020/2021, 1 April 2020, should a settlement not be agreed to that date.

(Whilst the Panel's recommendation is for an increase in line with the staff cost of living allowance, to give an indicative idea of cost and change, a 2% increase has been applied to the figures below for information):

| | | |
|--|---------------------|---------------------|
| <i>Co-optee and Independent Person Allowance</i> | <i>£756.00 p.a.</i> | <i>£744.00 p.a.</i> |
|--|---------------------|---------------------|

- 11.5 That there be no change to Dependent Carers' and Childcare Allowances:

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

- 11.6 That there be no change to Travelling and Subsistence Allowances:

| | |
|----------------|--------------|
| Bicycles | 20p per mile |
| Motorcycles | 24p per mile |
| Motor Vehicles | 45p per mile |

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| | |
|--|--------------|
| 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 |

11.7 That Democratic Services continue to book overnight accommodation if required.

11.8 That Non-Executive Director allowances be increased in line with the staff cost of living increase rounded either up or down, whichever is closest, to give 12 equal payments, and payment backdated to the beginning of the financial year 2020/2021, 1 April 2020, should a settlement not be agreed to that date.

(Whilst the Panel's recommendation is for an increase in line with the staff cost of living allowance, to give an indicative idea of cost and change, a 2% increase has been applied to the figures below for information):

| | <i>Possible increase of 2% for 2020/2021</i> | <i>Current Level 2019/2020</i> |
|--|--|--------------------------------|
| <i>Non-Executive Directors Graven Hill Village Holding Company Limited and Graven Hill Village Development Company Limited</i> | <i>£4,428.00 p.a.</i> | <i>£4,344.00 p.a.</i> |

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 2.4% cost of living increase for staff in 2019/2020. The Panel had recommended the same level of increase be applied to Members' basic allowance and special responsibility allowances rounded either up or down, whichever was closest, to produce 12 equal payments. This increase had been agreed by Full Council in February 2019.
- (b) The Panel acknowledged that the CDC Members' Allowances are relatively low in comparison to other similar councils and elected members therefore represented good value for money. The Panel considered that applying the same cost of living increase to Members' allowances as that awarded to staff, is

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a consistent and fair approach and agreed to recommend that the same level as the staff cost of living increase be applied to Members' Basic allowance and all SRA's for 2020/2021, to be rounded either up or down, whichever is closest, to create 12 equal payments. Payment of the increase should be backdated to the start of the 2020/2021 financial year, 1 April 2020 should a staff cost of living settlement not be agreed before that time.

- (c) The Panel acknowledged the amount of work carried out by the Executive and particularly the Leader of the Council, who committed a considerable amount of time to Cherwell District Council.
- (d) 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.
- (e) 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.
- (f) The Panel thanked Democratic Services for the information provided to assist in their work.

Mr Christopher White
Chairman
Independent Remuneration Panel
December 2019

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Cherwell District Council

Council

24 February 2020

| |
|--|
| Amendments to Proportionality Calculations and Committee Membership |
|--|

Report of Chief Executive

This report is public

Purpose of report

To note the amendments to the constitution of political groups and amendments to the proportionality calculations and committee membership arising

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the amended constitution of Political Groups.
- 1.2 To note the amended allocation of seats on committees that are subject to the political balance requirements as set out in Table 1.
- 1.3 To note the amended allocation of seats on committees that are not subject to political balance requirements as set out in Table 2.
- 1.4 To note the amendments to committee membership, as advised by the respective Spokespersons of the Independent Group and Progressive Oxfordshire Group (to follow).

2.0 Introduction

- 2.1 On 4 February 2020 the Progressive Oxfordshire Spokesperson, Councillor Tyson, and Councillor Cotter advised the Proper Officer that Councillor Cotter had decided to leave the Independent Group and join the Progressive Oxfordshire Group.
- 2.2 A Member changing political group requires a review of the allocation of seats on committees and changes to committee membership to be made if necessary. This is reported to the next scheduled Council meeting and effective from the date of that meeting.

3.0 Report Details

3.1 The current constitution of Council (48 members) is:

31 Conservative (65%)
 9 Labour (19%)
 4 Independent (8%)
 2 Liberal Democrat (4%)
 1 Green (2%)
 1 Vacancy (2%)

3.2 In May 2019 the four Independent councillors notified the Chief Executive they had formed the Independent Group. The two Liberal Democrat councillors and one Green councillor notified the Chief Executive they had formed the Progressive Oxfordshire Group. Proportionality and committee appointments were made including these Groups, alongside the Conservative Group and Labour Group.

3.3 As a result of Councillor Cotter leaving the Independent Group and joining the Progressive Oxfordshire Group, the current political groupings of Council for committee allocations is:

| | % of seats |
|---------------------------|------------|
| 31 Conservative | 65% |
| 9 Labour | 19% |
| 4 Progressive Oxfordshire | 8% |
| 3 Independent | 6% |
| 1 Vacant | 2% |

3.4 In light of the amended seat percentage entitlement, Table one sets out the revised allocation of seats of proportional committees:

| Political Balance | TOTAL | CON | LAB | PROG OXF | IND | VACANT |
|---|------------|-----------|-----------|-----------|----------|----------|
| Accounts, Audit & Risk Committee | 8 | 5 | 2 | 1 | 0 | 0 |
| Appeals Panel | 10 | 7 | 2 | 0 (-1) | 1 (+1) | 0 |
| Budget Planning Committee | 12 | 8 | 2 | 1 | 1 | 0 |
| Joint Appeals Committee | 3 | 2 | 1 | 0 | 0 | 0 |
| Joint Shared Services & Personnel Committee | 5 | 3 | 1 | 1 | 0 | 0 |
| Licensing Committee | 12 | 8 | 2 | 1 | 1 | 0 |
| Overview & Scrutiny | 12 | 8 | 2 | 1 | 1 | 0 |
| Personnel Committee | 12 | 8 | 2 | 1 | 1 | 0 |
| Planning Committee | 18 | 12 | 3 | 2 | 1 | 0 |
| Standards Committee | 8 | 6(+1) | 2 | 0 (-1) | 0 | 0 |
| Proportional Total by Committee | 100 | 67 | 19 | 10 | 5 | 0 |
| Aggregate Entitlement | 100 | 67 | 19 | 8 | 6 | 0 |

| | | | | | | |
|----------------------------|------------|---------------|-----------|----------------|---------------|----------|
| Adjustment Required | N/A | Plus 1 | Ok | Minus 2 | Plus 1 | 0 |
|----------------------------|------------|---------------|-----------|----------------|---------------|----------|

3.5 In light of the amended seat percentage entitlement, Table two sets out the revised allocation of seats of proportional committees:

| Political Balance | TOTAL | CON | LAB | PROG OX | IND | VACANT |
|-----------------------------------|--------------|------------|------------|----------------|------------|---------------|
| Joint Arrangements Steering Group | 5 | 3 | 1 | 1 | 0 | 0 |
| Partnership Working Group | 5 | 3 | 1 | 1 | 0 | 0 |

3.6 As a result of the above calculations, the following amendments to committee membership are required:

Accounts, Audit and Risk Committee

Remove: Independent Group member
Add: Progressive Oxfordshire Group member

Appeals Panel

Remove: Progressive Oxfordshire Group member
Add: Independent Group member

Joint Shared Services and Personnel Committee

Remove: Independent Group member (and named substitute)
Add: Progressive Oxfordshire Group member (and named substitute)

Planning Committee

Remove: Independent Group member (to leave 1 Independent Group member)
Add: Progressive Oxfordshire Group member (and named substitute) (additional seat)

Joint Arrangements Steering Group

Remove: Independent Group member (and named substitute)
Add: Progressive Oxfordshire Group member (and named substitute)

Partnership Working Group

Remove: Independent Group member (and named substitute)
Add: Progressive Oxfordshire Group member (and named substitute)

3.7 The Independent Group Spokesperson and the Progressive Oxfordshire Group Spokesperson have been notified of the amendments required and will notify the Proper Officer ahead of the 24 February 2020 Council meeting. The information will be published as an addendum to the report as soon as it is available.

4.0 Conclusion and Reasons for Recommendations

4.1 A change in political group membership has resulted in a review of the allocation of seats on committees that are both subject to and not subject to the political balance

requirements with amendments to committee membership. The Constitution requires Council to agree each of these aspects.

5.0 Consultation

Councillor Katherine Tyson, Amended appointments to be advised
Progressive Oxfordshire Group
Spokesperson

Councillor Les Sibley, Amended appointments to be advised
Independent Group
Spokespersons

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: Not to amend appointments to committees. This is rejected as the change of political group membership has resulted in amended entitlement to seats on committees for the Independent Group and Progressive Oxfordshire Group.

7.0 Implications

Financial and Resource Implications

7.1 There are no financial implications arising directly from the report.

Comments checked by: Dominic Oakeshott, Assistant Director of Finance (Interim)
01295 227943, Dominic.Oakeshott@cherwell-dc.gov.uk

Legal Implications

7.2 It is a legal requirement for Council to agree proportionality and appoint members to Committee based on the nominations of Group Leaders / Spokespersons.

Comments checked by: Nick Graham, Director Law and Governance & Monitoring Officer, nick.graham@cherwell-dc.gov.uk

Risk Implications

7.3 In ensuring the legal requirements are met risk to the authority is mitigated.

Comments checked by: Nick Graham, Director Law and Governance & Monitoring Officer, nick.graham@cherwell-dc.gov.uk

8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

All

Lead Councillor

None

Document Information

| Appendix No | Title |
|----------------------------|--|
| None | |
| Background Papers | |
| None | |
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