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Cherwell

DISTRICT COUNCIL
NORTH OXFORDSHIRE

Committee: Budget Planning Committee

Date: Tuesday 6 December 2022

Time: 6.30 pm

Venue: Bodicote House, Bodicote, Banbury, Oxon OX15 4AA

Membership

**Councillor Patrick Clarke
(Chairman)**

Councillor Hugo Brown

Councillor John Donaldson

Councillor David Hingley

Councillor Angus Patrick

Councillor Fraser Webster

Councillor Douglas Webb (Vice-Chairman)

Councillor Phil Chapman

Councillor Donna Ford

Councillor Matt Hodgson

Councillor Chris Pruden

Councillor Sean Woodcock

AGENDA

1. Apologies for Absence and Notification of Substitute Members

2. Declarations of Interest

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

3. Minutes (Pages 5 - 8)

To confirm as a correct record the minutes of the meeting held on 25 October 2022.

4. Chairman's Announcements

To receive communications from the Chairman.

5. Urgent Business

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

6. **Budget Proposals 2023/24 - 2027/28** (Pages 9 - 50)

Report of Assistant Director of Finance (S151 Officer)

Purpose of report

This report sets out the capital bids, revenue savings proposals and budget pressures for Cherwell District Council for the period 2023/24 to 2027/28. Feedback on the savings proposals will be taken into account as part of the overall response to the budget engagement. Feedback from the Committee on the revenue pressures and capital bids will be provided to the Executive to consider in finalising its budget proposals for Council.

Recommendations

The meeting is recommended to:

- 1.1 Agree feedback on the capital bids, revenue savings proposals and budget pressures to provide to the Executive to consider in finalising its 2023/24 budget proposal.

7. **Review of Committee Work Plan**

Verbal update by Strategic Finance Business Partner

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

Information about this Meeting

Apologies for Absence

Apologies for absence should be notified to democracy@cherwell-dc.gov.uk or 01295 221534 prior to the start of the meeting.

Declarations of Interest

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

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

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

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

Queries Regarding this Agenda

Please contact Matt Swinford, Democratic and Elections Team democracy@cherwell-dc.gov.uk, 01295 221534

Yvonne Rees
Chief Executive

Published on Wednesday 23 November 2022

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Cherwell District Council

Budget Planning Committee

Minutes of a meeting of the Budget Planning Committee held at Bodicote House, Bodicote, Banbury, Oxon OX15 4AA, on 25 October 2022 at 6.30 pm

Present:

Councillor Patrick Clarke (Chairman)
Councillor Douglas Webb (Vice-Chairman)
Councillor Hugo Brown
Councillor Phil Chapman
Councillor John Donaldson
Councillor Donna Ford
Councillor David Hingley
Councillor Matt Hodgson
Councillor Angus Patrick
Councillor Chris Pruden
Councillor Sean Woodcock

Substitute Members:

Also Present:

Apologies for absence:

Councillor Fraser Webster

Officers:

Michael Furness, Assistant Director Finance & S151 Officer
Sharon Hickson, Democratic and Elections Officer
Matt Swinford, Democratic and Elections Officer

10 **Declarations of Interest**

There were no declarations of interest.

11 **Minutes**

The Minutes of the meeting of the Committee held on 26 July 2022 were confirmed as correct record and were signed by the Chairman.

12 **Chairman's Announcements**

There were no Chairman's announcements.

13 **Urgent Business**

There were no items of urgent business.

14 **Monthly Performance, Finance and Risk Monitoring Report**

The Committee considered a report from the Assistant Director of Finance that summarised the Council's forecast revenue and capital outturn for 2022/23 as of 31 August 2022.

In response to questions from the Committee regarding the Policy contingency figures, the Assistant Director of Finance advised that the release of £332,000 was an inflation contingency and the release of £458,000 comes from a commercial risk element of policy contingency in relation to the under recovery of income in car parks.

In response to the following questions from the Committee, the Assistant Director of Finance advised that further information would be sought from the relevant departments and circulated to Committee members after the meeting:

- The Council's car parking income assumptions for pre-Covid and for 2022/2023 and the impact of the Council's decision to no longer charge in council owned car parks between 18:00-19:00.
- If there were difficulties recruiting permanent staff in Waste and Recycling.
- Request for statistics for 2019 and 2022 showing the footfall to see if the reduction in anticipated car parking income was indicative of potential budget implications with services provided by the Council within Banbury.

Resolved

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

15 **Financial Management Code - Forecast Self-Assessment Update**

The Committee considered a report from the Assistant Director of Finance and Section 151 Officer that gave an update on the Council's forecast self-assessment position as of February 2023 against the requirements of CIPFA's Financial Management Code.

Resolved

- (1) That the Council's self-assessment against the requirements of CIPFA's Financial Management Code be noted.

Review of Committee Work Plan

The Assistant Director of Finance gave a verbal update regarding the Budget Planning Committee Work Plan.

The Assistant Director of Finance advised that the next committee meeting agenda would have one agenda item, consideration of 2023/24 budget proposals including pressures and savings

In response to a question from the Committee asking if the next meeting would be prior to public consultation, the Assistant Director of Finance advised that the consultation would commence prior to the Budget Planning Committee meeting however the Committee comments would be reported to Executive along with public consultation response to inform their budget recommendations.

Resolved

(1) The verbal Committee Work Plan update be noted

The meeting ended at 6.54 pm

Chairman:

Date:

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Cherwell District Council

Budget Planning Committee

6 December 2022

Budget Proposals 2023/24 – 2027/28

Report of Assistant Director of Finance (S151 Officer)

This report is public

Purpose of report

This report sets out the capital bids, revenue savings proposals and budget pressures for Cherwell District Council for the period 2023/24 to 2027/28. Feedback on the savings proposals will be taken into account as part of the overall response to the budget engagement. Feedback from the Committee on the revenue pressures and capital bids will be provided to the Executive to consider in finalising its budget proposals for Council.

1.0 Recommendations

The meeting is recommended to:

- 1.1 Agree feedback on the capital bids, revenue savings proposals and budget pressures to provide to the Executive to consider in finalising its 2023/24 budget proposal.

2.0 Introduction

- 2.1 Cherwell District Council's (CDC's) Medium Term Financial Strategy (MTFS) agreed at Council in February 2022 identified a significant funding gap between its spending plans and forecast available resources of £5.5m in 2023/24. Therefore, CDC has been aware that it would be required to identify significant savings proposals for 2023/24.
- 2.2 The Cost-of-Living Crisis, continuing effects of Covid-19 and the associated financial impacts and uncertainty this has caused have made planning for the 2023/24 budget and updated Medium Term Financial Strategy (MTFS) very challenging. At the time of publishing this report, details of Government funding at individual local authority level for 2023/24 have not been announced and there are no indications of the levels of funding that the Government will provide individual local authorities beyond 2023/24.
- 2.3 The Autumn Statement on 17 November 2022, indicated that sector wide funding levels in the Spending Review for 2022/23 – 2024/25, as published in 2021, would be maintained, but did not provide the necessary detail for individual local authority

allocations. The Spending Review did indicate that Core Spending Power for local government would increase over this period; this includes assumed increases in income from council tax. The Autumn Statement committed to 1% real terms increases across the public sector over a subsequent three-year review. It is anticipated that the Government will announce individual local authority allocations for 2023/24 in December 2022 as part of the Provisional Local Government Finance Settlement. It is not clear whether any announcements will be made about later years.

- 2.3 In February 2023, as part of their proposed budget for 2023/24, the Executive will consider feedback from Budget Planning Committee on the budget proposals; it will also consider feedback from the public on the budget engagement taking place. In determining which of the budget proposals will be included in the proposed budget for 2023/24, the Executive will also consider the outcome of the Provisional Local Government Finance Settlement and other resources available through Council Tax and Business Rates.

3.0 Report Details

Funding Assumptions

- 3.1 The Spending Review for 2022/23 – 2024/25 was announced on 27 October 2021. The Spending Review confirmed the headline Local Government-wide allocations for three years but no local authority specific allocations have been announced beyond 2022/23. The Chancellor announced the Autumn Statement on 17 November 2022. Whilst no local authority specific allocations were announced for 2023/24, this did reconfirm that the final two years of the Spending Review headline allocations. A number of new business rates reliefs have been announced but it has been confirmed that local authorities will be compensated for these in full.
- 3.2 The provisional Local Government Finance Settlement for 2023/24 which sets out the specific levels of funding for councils. This is not expected to be published until late December 2022. In order to assist local authorities with their planning, the Government intends to publish a Position Statement on the finance settlement in early December 2022. The expectation is that this will include an update on the measures the Government expects to retain in 2024/25.

Government Grants

- 3.4 There have been no further announcements about the future of New Homes Bonus (NHB) at the time of writing this report and how any replacement scheme may operate. Therefore, the Council is continuing to plan on the basis that NHB will continue to be phased out. As no announcements have been made, CDC is assuming it will receive £1.6m in 2023/24 in line with the previous approach to distribution.
- 3.5 In 2022/23 CDC received another one-off Lower Tier Services Grant of £1.0m to ensure that it did not suffer a reduction in Spending Power. There were no announcements as part of the Spending Review on whether this grant would continue.

As there have been no specific announcements or consultations in the lead up to the budget and business planning process, the Council has assumed that the Government will provide a “roll over settlement” in the same way as has happened in previous years. This means that the Council is assuming it will receive 1 year’s funding for both New Homes Bonus and Lower Tier Services Grant in each of the next two years. CDC specific allocations will not be received until the Provisional Local Government Finance Settlement is announced (expected late December 2022).

Business Rates

- 3.6 CDC has been extremely successful in supporting the local economy to grow since the introduction of the Business Rates Retention Scheme in 2013/14. This meant that the amount of business rates the council could retain has grown significantly since the scheme was introduced. The government has been planning to review the Business Rates Retention Scheme to redistribute resources across local government. This would result in CDC retaining significantly less income than we have in previous years. The government has delayed the reset on a number of occasions, and it is now not expected to be introduced until April 2025 at the earliest.
- 3.7 The MTFS approved in February 2022 assumed that the Business Rates reset would take place in April 2023 and that the business rates related income CDC would be able to retain in 2023/24 would reduce to £4.6m. This is made up of the estimated Business Rates baseline for 2023/24 of £3.8m, and retained business rates growth above the baseline £0.8m. The Government has indicated the introduction of the Business Rates reset is now not expected to take place before April 2025. Therefore, the new MTFS forecast of income CDC will retain from business rates in 2023/24 is £13.3m (£3.8m baseline and £9.5m business rates growth related). This is not only an improvement on the February 2022 MTFS but an expected improvement of £1.8m in business rates related income compared to 2022/23.
- 3.8 The reset of business rates now expected in 2025/26 would reduce the amount of business rates related income retained by CDC by £9.5m.

Council Tax

- 3.9 Due to the continuing economic impact of Covid-19 and the Cost-of-Living crisis, the Council revised its forecasts of Council Tax income down within the MTFS in February 2022. It is currently assumed that Council Tax related income will increase by £0.5m compared to forecasts made in February 2022.
- 3.10 As in previous years, the current assumptions are that the Government will place a referendum limit of a £5 increase on Band D Council Tax. The Autumn Statement announced an increase in the referendum limit to 3%. The Council expects confirmation that the referendum limit will also continue to be a minimum of a £5 increase in Band D Council Tax as part of the Provisional Local Government Finance Settlement. An additional £5 increase has been assumed in each year of the MTFS.

Collection Funds

- 3.11 CDC currently anticipates that it will have a surplus on the Council Tax collection fund for 2022/23 of £0.3m, and a surplus on the 2022/23 Business Rates collection fund of £3.0m, after taking account of compensatory Government grants.

Corporate Updates

- 3.12 The Council has considered a number of items that have been reviewed as part of a corporate assessment that do not form part of the budget consultation as they are unavoidable, or policy decisions have already been taken. These include:
- setting aside a corporate figure for inflation
 - interest rates
 - areas where policy decisions have been taken
 - ongoing implications of Covid-19
- 3.13 Inflation is at unprecedented levels for recent times and the Council is not immune to its impact. In order to address cost pressures relating to inflation, officers have reviewed and reflected inflationary increases within contracts. This has resulted in £3.5m of allowance for inflation in 2023/24. This figure also includes assumptions relating to pay inflation and inflation on our fees and charges (where applicable).
- 3.14 Increasing interest rates have also put pressure on the Council's borrowing costs. To mitigate this, in July 2022 Officers, in consultation with the Council's treasury advisors and the Portfolio Holder for Resources, took out Public Works Loan Board loans ranging from 5 to 10 years. This will allow the Council to refinance its essentially variable rate short-term borrowing from other Local Authorities when they come due over the next 12 months. This has reduced the Council's exposure to interest rate refinancing risk.
- 3.15 However, the pressure from the interest rates available in July compared to the rates assumed in the Feb 2022 MTFS remains. This amounts to a pressure of £1.6m in 2023/24 which is partly offset by an improvement in the forecast interest receivable on the Council's treasury investments (from holding the borrowed cash until the short-term loans come due) and variable rate loans to third parties of (£0.352). Had the Council not taken out loans to be able to refinance short term loans when it did then the refinancing costs, based on the latest interest rate forecasts from our treasury advisors, could have been c£5.4m in 2024/25, £1.5m more than the Council is currently committed to paying per year. Therefore, even though there is a net cost of £1.25m in 23/24 for borrowing in July 2022 to refinance loans coming due up to the end of November 2023, the council will have saved approximately £1.5m per year for five years compared to waiting.
- 3.16 The Council has taken a number of decisions such as increasing the fees for Garden Waste and renewing the Debt and Money Advice Contract which will result in savings in 2023/24. As decisions have already been taken these do not need to be consulted on.
- 3.17 In February 2022 the decision was taken to end the formal strategic partnership between Cherwell District Council and Oxfordshire County Council. The process of decoupling the two authorities has been carried out at pace throughout 2022/23 with all decisions taken by 31 August 2022. Operating with joint management structures and joint teams had resulted in the sharing of costs between both authorities. In order that residents were not impacted by this decision and to ensure critical services were maintained Cherwell has acted quickly to introduce new dedicated

arrangements which provides the strategic leadership, focus and direction to support the district through the ongoing challenges all organisations are currently facing.

- 3.18 CDC has had to recruit into posts that were previously carried out jointly, but this has enabled a more focused approach to our service delivery and thus future activity, for example climate change. Cherwell DC has now approved an Annual Delivery Plan that sets out the key strategic priorities for our residents and communities following our separation from the partnership. The loss of savings from the joint working relationship are estimated to be £880k in 2023/24.
- 3.19 The Council is reviewing all of its buildings to maximise their potential, reduce costs and increase revenue through maximising the space used, including Castle Quay. The MTFS has been updated to reflect the spaces owned and used by the Council and the income they generate. This is against a backdrop of the Council undertaking work to maximise their potential benefit to the Council, residents, businesses and partners which will be reflected in future budget updates.

Budget Pressures

- 3.20 In addition to the current uncertainty around future government funding CDC has also identified a number of additional budget pressures that it is anticipating will need to be funded in 2023/24 and beyond. A large proportion of these relate to losses of income due to the ongoing impact of Covid, the rising cost of utilities, and decoupling. Pressures identified and proposed to be funded in the period 2023/24 – 2027/28 are set out in Table 1. Details are set out in Appendix 1.

Table 1: Budget Pressures

Directorate	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Ongoing Impact £m
Communities	0.989	0.046	0.001	0.171	0.001	1.208
Resources	0.487	(0.031)	0.000	0.000	0.000	0.456
Chief Executive	0.725	(0.251)	0.000	0.000	0.000	0.474
Total Pressures	2.201	(0.236)	0.001	0.171	0.001	2.138

Financial Impact of Reduced Funding and Budget Pressures

- 3.21 After considering the changes in funding, pressures and inflation assumptions, in order to set a balanced budget, new savings of £0.500m have been identified 2023/24 as shown in Table 2 below. A one-off contribution from reserves of £1.094m is also required in 2023/24. As set out in paragraph 3.22, CDC is consulting on the new savings for 2023/24 shown in Table 3 and detailed in Appendix 2.

Table 2: Medium Term Financial Strategy

	2023/24	2024/25	2025/26	2026/27	2027/28	Ongoing Impact
	£m	£m	£m	£m	£m	£m
Feb 2022 Funding Gap/(Surplus)	5.497	(0.377)	2.101	0.666	-	7.887
Corporate Updates	(6.356)	5.561	9.864	0.203	(0.062)	9.210
Funding Gap/(Surplus) before new pressures and savings	(0.859)	5.184	11.965	0.869	(0.062)	17.097
New Pressures	2.201	(0.236)	0.001	0.171	0.001	2.138
New Savings	(0.500)	(0.128)	(0.105)	(0.025)	0.000	(0.758)
New Capital Impact	0.252	0.030	0.038	0.036	0.120	0.476
Use of Reserves	(1.094)	1.094	0.000	0.000	0.000	0.000
Funding Gap/(Surplus)	0.000	5.944	11.899	1.051	0.059	18.953

Savings Proposals

3.22 New savings proposals totalling £0.500m in 2023/24 rising to £0.758m by 2027/28 have been identified and are being consulted upon as set out in Table 3. Details are set out in Appendix 2.

Table 3: Savings Proposals

Directorate	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	Ongoing Impact £m
Communities	(0.142)	(0.010)	(0.005)	0.000	0.000	(0.157)
Resources	(0.048)	0.000	0.000	0.000	0.000	(0.048)
Chief Executive	(0.270)	(0.078)	(0.020)	(0.025)	0.000	(0.393)
Exec Matters	(0.040)	(0.040)	(0.080)	0.000	0.000	(0.160)
Total Savings Proposals	(0.500)	(0.128)	(0.105)	(0.025)	0.000	(0.758)

Medium Term Financial Forecast

3.23 The latest assumption is that the implementation of new funding reforms including a business rates reset will take place in 2025/26. As no specific detail has been issued, the Council is also assuming a “roll forward” financial settlement from the Government for the next two years of the Spending Review Period. This means that the Council has assumed that New Homes Bonus payments based on historic performance will no longer be received but one-year annual payments for current performance will be, along with the continuation of Lower Tier Services Grant for the next two years.

3.24 CDC currently anticipates that it will have £2.6m less funding in 2024/25 and £9.5m less in 2025/26 compared to 2023/24. This significant reduction is driving the overall need to identify a further £6m of savings in 2024/25 and £12m in 2025/26. Therefore, CDC recognises that it has considerably more work to do to identify the additional savings that will be required in 2024/25 and beyond. This forecast is carried out at a time of considerable uncertainty surrounding Local Government resources pending the announcement of the Provisional Settlement. The MTFs position will be updated following the Local Government Finance Settlement and

taken into consideration when finalising budget proposals. At the same time, CDC will need to lobby the Government on how it intends to introduce the business rates reset to see if there is any opportunity to introduce a more phased approach.

Council Priorities 2023/24

- 3.25 The budget proposals being consulted upon takes into consideration the ability for CDC to continue to progress its priorities. CDC's Vision is to be a place where communities thrive, and businesses grow. Its four key strategic priorities are:
- Housing that meets your needs
 - Leading on environmental sustainability
 - An enterprising economy with strong and vibrant local centres
 - Healthy, resilient and engaged communities

In addition to the above strategic priorities, CDC will continue to make progress against the themes supporting all that we do. The budget proposals will enable the Council to deliver its Annual Delivery Plan 2022/24, approved by Executive in November 2022.

Capital Bids

- 3.26 CDC has an ambitious capital programme to deliver on the ambitions of the Council. The Council recognises it is consulting on revenue savings in 2023/24 and with significantly greater levels of savings anticipated in future years. Therefore, the Council has sought to maximise capital bids to be funded from external sources of funding and keep the value of new capital bids proposed for 2023/24 to a minimum. In addition, the current capital programme has been reviewed to ensure the projects previously approved still provide good value for money and meet the Council's corporate priorities.
- 3.27 The capital bids have a total value of £18m with a cost of £8m in 2023/24. Grants and other funding are available amounting to £13.6m, making the Council's net capital spend £4.4m. These have a focus on spend to save, health and safety and climate sustainability proposals to minimise the additional borrowing costs that will need to be included in the revenue budget. The largest individual bids are for £4.25m to redevelop the Market Square in Bicester, and £4m to enable land being purchased in 2022/23 to be developed into a new site for the Bicester Depot. A summary of the capital bids by Directorate is set out in Table 4 and the individual bids are set out in Appendix 3.

Table 4: Summary of Capital Bids by Directorate

Directorates	Profiled Spend 2023/24 £m	Total Project Cost £m	Grants and other Funding £m	Net Total Project Cost to Council £m
Chief Executive	2.912	8.063	(7.868)	0.195
Communities	4.191	9.115	(5.747)	3.368
Resources	0.855	0.855	0.000	0.855
Grand Total	7.958	18.033	(13.615)	4.418

Budget Approval

- 3.28 Executive will make its budget proposal to Council on 6 February 2023 and will consider comments from BPC and feedback from the public consultation. As well as the capital bids and revenue pressures and savings, this will include:
- Annual Delivery Plan 2022/24
 - Capital and Investment Strategy
 - Treasury Management Strategy
 - Property Strategy
 - Draft Capital Programme
 - Earmarked Reserves and General Balances Policy
 - Fees and Charges Schedule
 - Pay Policy Statement

Council will then consider the Budget at its meeting on 27 February 2023.

Equality Impact

- 3.29 The Equality Act 2010 imposes a duty on local authorities that, when making decisions of a strategic nature, decision makers must exercise 'due regard to the need to eliminate unlawful discrimination... advance equality of opportunity... and foster good relations.'
- 3.30 In developing budget proposals, services have considered the potential impact of change with respect to equality, diversity and inclusion, in line with our framework: *Including Everyone*. The budget engagement document summarises each service proposal and the response to the engagement will help inform the final assessment of equality impact. Following the public engagement, where a potential material service impact has been identified, an Equality Impact Assessment will be finalised. Individual assessments and an overarching summary impact assessment, taking into account the overall impact of the budget proposals, will be included within the Business & Budget Planning Report to Cabinet on Executive in February 2023 to inform the decision-making process. Appendix 4 details the overall Equality and Climate Impact Assessment (ECIA) for the savings proposals. Appendix 5 details an overarching Climate Impact Assessment.

4.0 Conclusion and Reasons for Recommendations

- 4.1 Budget Planning Committee is asked to comment and provide feedback to the Executive on the capital bids, revenue savings proposals and budget pressures for 2023/24 and beyond. This will form part of the overall consultation process for the production of the 2023/24 Budget and Annual Delivery Plan.

5.0 Consultation

- 5.1 Budget Planning Committee is meeting to discuss the budget proposals as part of the overall engagement on CDC's budget for 2023/24.

6.0 Alternative Options and Reasons for Rejection

- 6.1 There are no alternative options. This report consists of budget proposals which are being consulted on and no decisions have taken place at this stage. CDC is looking for responses to the budget proposals to be considered in finalising the budget for 2023/24, which will be proposed by the Executive and then considered by Council in February 2023.

7.0 Implications

Financial and Resource Implications

- 7.1 There are no immediate financial implications associated with this report. It is a consultation on budget proposals for 2023/24 and beyond for which no decisions have yet been taken.

Comments checked by:

Michael Furness, Assistant Director of Finance, 01295 221845,
michael.furness@cherwell-dc.gov.uk

Legal Implications

- 7.2 The provisions of the Local Government Finance Act 1992 set out what the council has to base its budget calculations upon and require the council to set a balance budget with regard to the advice of its section 151 officer. The setting of the budget is a function reserved to full Council, who will consider the draft budget as prepared by the Executive. This report, alongside the consultation document issued on 23 November 2022, form part of that process.

Comments checked by:

Shiraz Sheikh, Assistant Director Law & Governance, 01295 221651
Shiraz.Sheikh@cherwell-dc.gov.uk

Risk Implications

- 7.3 There are no risk implications arising directly from this report. The budget consultation alongside this report form part of the process the Council must go through in setting its budget for 2023/24.

Comments checked by:

Celia Prado-Teeling, Performance Team Leader, 01295 221556
Celia.prado-teeling@cherwell-dc.gov.uk

Equalities and Inclusion Implications

- 7.4 The approach to assessing equality impact of the budget and business planning process is addressed in the body of this report.

Comments checked by:

Celia Prado-Teeling, Performance Team Leader, 01295 221556
Celia.prado-teeling@cherwell-dc.gov.uk

Sustainability Implications

- 7.5 To support the delivery of the Council's Climate Action Framework, the potential impact of budget proposals on the council's ability to meet climate commitments was assessed.
- 7.6 Most of the proposals put forward were deemed by services to not impact the council's ability to meet our climate action commitments.

Comments checked by:

Ed Potter, Assistant Director Environmental Services, 0300 0030105

Ed.Potter@cherwell-dc.gov.uk

8.0 Decision Information

Key Decision N/A

Financial Threshold Met: N/A

Community Impact Threshold Met: N/A

Wards Affected

All

Links to Corporate Plan and Policy Framework

Links to all areas of the Corporate Plan.

Lead Councillor

N/A

Document Information

Appendix number and title

- Appendix 1 – Proposed Budget Pressures
- Appendix 2 – Savings Proposals
- Appendix 3 – Capital Bids
- Appendix 4 – Equality and Climate Impact Assessment 2023/24 – Budget Proposals
- Appendix 4a – Housing Assets
- Appendix 5 – Overarching Climate Impact Assessment

Background papers

None

Reference Papers

- [2023/24 Budget Consultation Document](#)

Report Author and contact details

Joanne Kaye, Strategic Finance Business Partner, 01295 221545,
joanne.kaye@cherwell-dc.gov.uk

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Appendix 1 - Proposed Budget Pressures

Chief Executive					
Reference	Service Activity	Title	Description	2023/24 £m	Total MTFS £m
PCUST231	CE-Corporate Customer Services	Telephony costs	The cost of our telephony licences has increased	0.005	0.005
PLAND231	CE-Land Charges	Land Charges LLC1 income	The national project to migrate Land Charges services to HM Land Registry will result in a loss of income for the Council	0.065	0.065
PPERF231	CE-Performance	Licenses for Performance Management System	We have had to purchase more licenses for our performance management system, following the decoupling from Oxfordshire County Council	0.009	0.009
PAFFH231	COM-Housing Assets	Repairs and Maintenance	High inflation costs mean we need a further £75k for essential repairs and maintenance	0.060	0.075
PAFFH232	COM-Housing Assets	Town Centre House pressures	Loss of income due to the building being vacant whilst roof is repaired	0.266	-
PLEIS232	CE-Leisure Facilities	Utility Costs	We are predicting higher costs due to utility prices increasing	0.320	0.320
			Total	0.725	0.474

Appendix 1 - Proposed Budget Pressures

Communities					
Reference	Service Activity	Title	Description	2023/24 £m	Total MTFS £m
PCARP231	COM-Car Parking	Adjusting the Car Parks income budget from 2023/24	Car Parking income dropped significantly during the covid pandemic and has not returned to pre pandemic levels due to changes in work patterns, reduced retail offers in town centres and the current cost of living crisis. It is not anticipated that car parking income will return to previous levels and therefore the income target must be adjusted.	0.800	0.845
PPCON231	COM-Public Conveniences	Increased costs for cleaning and maintenance contract for public conveniences	The cleaning and maintenance of our public conveniences is contracted out and expected to rise in line with inflation and resourcing pressures for the new contract in 23/24 and onwards	0.010	0.010
PWAST231	COM-Waste & Recycling	Additional crew and vehicle for growth of the district	Housing growth in the district is rising rapidly, which means a new waste crew is required approximately every 3 years. As this is entirely dependent on the level of housing growth we cannot predict exactly when this need will arise. We anticipate needing an additional crew in 2026/27 and we have identified an additional vehicle through the vehicle replacement programme.	-	0.170
PWAST233	COM-Waste & Recycling	Food Waste Transfer station fees	Operationally to move the food waste collected in Banbury to the processing plant in Cassington we use a transfer station. We are hoping to share the transfer costs with OCC but in the meantime are incurring the full £80,000 transfer costs.	0.080	0.080
PWAST234	COM-Waste & Recycling	Dry Recycling, Glass and Residual Costs	Increase in recycling costs	0.050	0.050
PEMPL231	COM-Emergency Planning	Inflationary costs in relation to the Council's Emergency Planning responsibilities	Cherwell District Council is supported by Oxfordshire County Council to prepare for and respond to emergency incidents that may arise in the district. Cherwell District Council pays for this support through a service level agreement with the County Council which includes provision for the rise in staffing costs	0.001	0.005
PLICE231	COM-Licensing	Reduction in licensing income	Levels of income for the Council's licensing function have not returned to pre-pandemic levels. We expect this trend to continue, which leaves a shortfall in the Council's licensing budget	0.040	0.040
PCSAF231	COM-Community Safety	Reduced contributions for public space CCTV	The Council provides public space CCTV in Cherwell. A small proportion of the cost of this CCTV network is met from partner contributions. Partners have reduced their contributions to this cost and therefore the council is now required to meet a greater proportion if the monitoring is to continue at the same level of service.	0.008	0.008
			Total	0.989	1.208

Appendix 1 - Proposed Budget Pressures

Resources					
Reference	Service Activity	Title	Description	2023/24 £m	Total MTFS £m
PITBS231	RES-IT - Business Systems, Support & Infrastructure	Increased Data Centre Costs	We are predicting the costs from running the cloud data centre environment to be greater than currently budgeted	0.050	0.050
PITBS232	RES-IT - Business Systems, Support & Infrastructure	Spatial Mapping and Local Land Property Gazetteer (LLPG) Address system support & maintenance	Additional support & maintenance costs for Spatial mapping and LLPG address systems, which are not currently included in the base budget	0.019	0.019
PITBS234	RES-IT - Business Systems, Support & Infrastructure	Reduction in income	Cost recovery from Oxfordshire County Council for sharing of IT services ceased following decoupling	0.033	0.033
PFCOS231	RES-Finance - Corporate Costs	Electronic Bank Transfer/Card Processing costs.	Additional costs from an increase in electronic transactions by card and bank transfers	0.070	0.070
PFCOS232	RES-Finance - Corporate Costs	Insurance premium increase	We are expecting an increase of 15%-20% when we renew our insurance contracts	0.063	0.063
PREV231	RES-Finance - Revs & Bens	Additional mandatory Department for Work and Pension reporting requirements	Additional work is required from a new DWP project including Housing Benefit Full Case Reviews (FCRs), Housing Benefit Matching Service (HBMS) referrals and Self-employed Earnings Reviews (SERs)	0.031	0.031
PREV232	RES-Finance - Revs & Bens	Computer software and licencing	Additional costs of computer licences and a new cloud based product	0.040	0.040
PDEMO233	RES-Democratic/Legal	New Legal Team structure	Cost of establishing our own legal team following the decoupling with Oxfordshire County Council	0.149	0.118
PINVP232	RES-Investment Properties	Reduced income	Removing unachievable income target	0.012	0.012
PPREV231	RES-Property - Corporate (Revenue)	Bodicote House Utilities	Increase in energy and utility pricing	0.020	0.020
			Total	0.487	0.456
			Total Pressures	2.201	2.138

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Appendix 2 - Proposed Budget Savings

Chief Executive					
Reference	Service Activity	Title	Description	2023/24 (£m)	Total MTFS (£m)
SHUMR231	CE-Human Resources	Reduction in consultancy fees	We no longer require consultancy support for the roll-out of our HR system so we can release the budget set aside for this in 2023/24	(0.020)	(0.020)
SHUMR232	CE-Human Resources	Reduction in external legal support	We have reduced the need to access external legal advice for complex HR/staffing matters and are therefore proposing to reduce this budget in 2023/24.	(0.011)	(0.011)
SHUMR233	CE-Human Resources	Back office efficiencies in HR	By reviewing our back-office HR processes we could make a saving in 2023/24.	(0.025)	(0.075)
SAFFH231	COM-Housing Assets	Rent increase for Affordable Rent and Shared Ownership properties	The Council's rent policy for Affordable Rent and Shared Ownership says we will follow Government guidance on rent increases. This is currently CPI plus 1% for Affordable Rent, and RPI plus 0.5% for Shared Ownership, which would mean an increase of around 13% next year. However, because of high inflation, the Government is consulting on a new rent cap of 7% or less for 2023/24, which would apply to our affordable rent tenants only. We are currently assuming a 5% cap. The rent cap will not apply to Shared Ownership properties, which would mean around 13% increase for all properties. However we are proposing to cap that at £40 per month. The alternative would be to cap it at £30 per month, however this would reduce the value of our housing stock and mean having to find further savings to bridge the gap.	(0.106)	(0.106)
SAFFH232	COM-Housing Assets	Bringing rent collection in house	By collecting the rent from council properties ourselves, instead of through a housing association we could achieve a saving in 2023/24	(0.015)	(0.030)
SHOSD231	CE-Housing Standards	Increase in HMO Licenses	By introducing a 5% increase in the license fee for landlords providing houses in multiple occupation we can generate additional income	(0.015)	(0.015)
SCDEV231	CE-Community Development	Increase grant income and or external funding	By applying for external grants and funding we hope to raise additional income in 2023/24 to support service delivery	(0.045)	(0.045)
SCPAR231	CE-Community Partnerships	Review of funding arrangements to partnership programmes	We could make a small saving in 2023/24 by focusing the financial support we give to partnership programmes to those that are supporting our overarching strategic priorities such as tackling the cost-of-living crisis and climate change.	(0.008)	(0.008)
SMUSE231	CE-Museum (General)	Gradual reduction in support to Banbury Museum	We are proposing a gradual reduction in the funding we give to Banbury Museum over a three-year period. This is as a result of a change to their business model which will enable the museum to generate additional income. If we go ahead with this proposal, we will keep the situation under constant review, so if it becomes untenable for the museum we will work with them to consider what options are available.	-	(0.058)
SSDEV231	CE-Sports Development	Adopting a full cost recovery model for our Holiday activities programme	Through delivering a holiday activity programme that generates enough income to cover its costs we can achieve a saving in 2023/24	(0.015)	(0.015)
SBTRA231	CE-Business Transformation (Three Way)	Joint transformation service	This money was earmarked for a joint transformation service with OCC, which we no longer need now that we will be delivering our own inhouse service.	(0.010)	(0.010)
			Total	(0.270)	(0.393)

Appendix 2 - Proposed Budget Savings

Communities					
Reference	Service Activity	Title	Description	2023/24 (£m)	Total MTFS (£m)
SDMAN231	COM-Development Management	Planning Service Efficiencies	Approved investment in the planning team will result in ongoing efficiencies through realisation of the recommendations made to streamline activity, implement new IT solutions to case tracking and invest in house capacity of the team.	(0.075)	(0.075)
SPROT231	COM-Environmental Protection	Reduction in cost of noise nuisance service	The Council utilises a noise recording app to assess noise nuisance complaints. The use of this app has reduced the need for officers to attend locations out of hours to carry out these assessments. Therefore, costs of the noise nuisance service have reduced slightly.	(0.002)	(0.002)
SLICE231	COM-Licensing	Licensing function and charges review	The Council will undertake a review of its licensing activities in recognition of the reduction in licence fees received by the council in recent years. This review will assess the capacity required by the council to fulfil its licensing functions in future years and the appropriate cost of the licences it issues to ensure the licensing costs are recovered by fees.	(0.040)	(0.040)
SBICR231	COM-Bicester Regeneration	Gradual reduction in grant to Bicester Vision	We currently contribute £15k towards the work on Bicester Vision, which is the only contribution we make to organisations leading similar projects across the district. By tapering this contribution off over three years as a saving we can ensure we are treating these organisations equally and provide resilience for Bicester Vision to adapt its funding streams.	-	(0.015)
CON233	COM-Economic Growth	Cutting grants to: Banbury Museum TIC and Experience Oxfordshire	Ceasing grants to Banbury Museum and Experience Oxfordshire would save the Council 25K per annum.	(0.025)	(0.025)
Total				(0.142)	(0.157)

Resources					
Reference	Service Activity	Title	Description	2023/24 (£m)	Total MTFS (£m)
SITBS231	RES-IT - Business Systems, Support & Infrastructure	Consolidation of telephony services	By consolidating our landline and mobile telephony services we could achieve a saving in 2023/24	(0.008)	(0.008)
SITBS232	RES-IT - Business Systems, Support & Infrastructure	Procurement exercise for Council internet connectivity to secure best value	Through carrying out a competitive procurement exercise for a new intranet connectivity supplier we are predicting a small saving in 2023/24	(0.002)	(0.002)
SITBS233	RES-IT - Business Systems, Support & Infrastructure	Increase charges for external IT customers	Proposal to increase the support charges to our external customers in-line with CPI as outlined in the Council contractual arrangements	(0.004)	(0.004)
SITBS234	RES-IT - Business Systems, Support & Infrastructure	Electronic Document Storage	By migrating Council documents to a more cost effective storage solution we could achieve a saving in 2023/24	(0.009)	(0.009)
SLEGL231	RES-Legal	Increase in income from legal agreements	We have adjusted the budget to reflect recent trends in income from providing legal support.	(0.025)	(0.025)
Total				(0.048)	(0.048)

Appendix 2 - Proposed Budget Savings

Corporate					
Reference	Service Activity	Title	Description	2023/24 (£m)	Total MTFS (£m)
SFCOS231	RES-Finance - Corporate Costs	Ensure services funded through external grants reflect the costs of support services required	Through adopting a new approach to allocating any grants we receive towards services we can deliver savings on existing and future grants by ensuring they take into account all the costs of providing the services	(0.040)	(0.160)
			Total	(0.040)	(0.160)
Total Savings				(0.500)	(0.758)

Council Tax Proposals					
Reference	Service Activity	Title	Description	2023/24 (£m)	Total MTFS (£m)
SFREV231	RES-Finance - Revs & Bens	Increase the Empty Homes Council Tax Premium	We currently include a flat rate of 100% of the annual council tax charge onto the council tax bills for long term empty homes but have the powers to charge up 300% for homes that have been empty for 5 years or up to 400% for any empty for 10 years or more. By increasing the level of additional council tax we charge for long term empty homes we can raise additional income but also encourage empty properties to be brought back into use.	(0.010)	(0.020)
SFREV233	RES-Finance - Revs & Bens	Remove the Council Tax Discount for uninhabitable properties	By no longer applying a 12 month discount of 25% for properties that are uninhabitable and/or undergoing structural repairs we can achieve a saving in 2023/24	(0.005)	(0.005)
			Total Council Tax Proposals	(0.015)	(0.025)

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Capital Bids - 2023/24

Appendix 3

		Expenditure (£m)					Funding (£m)		
Reference	Title	23/24	24/25	25/26	26/27	27/28	Total Budget	Grant & Other Funding	Balance to be funded by Borrowing
CVEHM232	Computer software upgrade for vehicle management	0.012					0.012	0.000	0.012
CVEHM233B	Bicester Depot Building	2.775	1.200				3.975	(0.750)	3.225
CENVC231	Investing in additional commercial waste containers		0.025	0.025			0.050	0.000	0.050
CENVC232	New Commercial Waste IT System	0.025					0.025	0.000	0.025
CBICR231	Transforming the Market Square in Bicester (as part of the Reimaging Bicester Outline Plan)	1.000	3.250				4.250	(4.250)	0.000
CECON231	UK Shared Prosperity Fund (UK SPF) Year Two Investment Plan programme	0.116	0.160				0.276	(0.220)	0.056
CECON233	UKSPF Rural Fund	0.263	0.264				0.527	(0.527)	0.000
Communities Total		4.191	4.899	0.025	0.000	0.000	9.115	(5.747)	3.368

Reference	Title	23/24	24/25	25/26	26/27	27/28	Total Budget	Grant & Other Funding	Balance to be funded by Borrowing
CGRAM231	DFG Funding	1.239	1.239	1.239	1.239	1.239	6.195	(6.195)	0.000
CCPAR231	S106 Capital Projects	1.673					1.673	(1.673)	0.000
CLEIS231	Inspection and treatment of the structural beams in the main Pool Hall at Spiceball leisure centre		0.100				0.100	0.000	0.100
CLEIS232	Replacement of the Sports Hall Roof at Bicester Leisure Centre		0.045				0.045	0.000	0.045
CLEIS233	Replacement of 3G Pitch Surface at Bicester Leisure Centre		0.050				0.050	0.000	0.050
Chief Executive Total		2.912	1.434	1.239	1.239	1.239	8.063	(7.868)	0.195

Reference	Title	23/24	24/25	25/26	26/27	27/28	Total Budget	Grant & Other Funding	Balance to be funded by Borrowing
CITBS231	Digital Strategy	0.350					0.350		0.350
CPCAP231	Spiceball Sports Centre - Solar PV Car Ports	0.180					0.180		0.180
CPCAP232	Kidlington Sports Centre - Solar PV Car Ports	0.137					0.137		0.137
CPCAP233	North Oxfordshire Academy - Solar Panels	0.018					0.018		0.018
CPCAP234	Community Centres Solar Panels	0.108					0.108		0.108
CPCAP235	Thorpe Lane - Solar Panels	0.034					0.034		0.034
CPCAP236	Thorpe Lane - Heater Replacement (Gas to Electric)	0.028					0.028		0.028
Resources Total		0.855	0.000	0.000	0.000	0.000	0.855	0.000	0.855

TOTAL New Capital Bids		7.958	6.333	1.264	1.239	1.239	18.033	(13.615)	4.418
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**Appendix 4 - Cherwell District Council
Equality Impact Assessment
Summary Savings proposals 2023/24**

November 2022

Section 1: Summary details

Directorate and Service Area	All Directorates and Service Areas
What is being assessed (e.g. name of policy, procedure, project, service or proposed service change).	This assessment sets out the overall impact that the budget and business planning proposals have on a range of equality and diversity characteristics, including the nine protected characteristics defined under the Equality Act 2010, and sets out any mitigations that have been put in place against possible negative impacts.
Is this a new or existing function or policy?	This impact assessment provides an overview of the 2023/24 budget and business planning proposals and so comments on changes to existing programmes as well as new proposals.
Summary of assessment Briefly summarise the policy or proposed service change. Summarise possible impacts. Does the proposal bias, discriminate or unfairly disadvantage individuals or groups within the community? (following completion of the assessment).	<p>This assessment covers the overall budget and business planning proposal for Cherwell District Council and seeks to highlight key evidence and intelligence that the Council has used to assess the impact of its budget proposals on the nine protected characteristics set out in the Equality Act 2010. The Council has also assessed the impact on those living in rural areas, those living with social deprivation, armed forces communities and carers.</p> <p>An initial review of all proposals was completed by the Performance and Insight Team to review the impact of savings and determine where mitigations would be required. Individual Equality Impact Assessments will be finalised following approval of budget proposals for any required policy change that could have a negative impact.</p> <p>The assessment has not identified any bias, unfair advantage or disadvantage to any groups or individuals. Where potential negative impacts have been identified, mitigations have been put in place to reduce impact.</p>
Completed By	Celia Prado-Teeling – Performance & Insight Team Leader
Authorised By	Shona Ware, Assistant Director – Customer Focus
Date of Assessment	November 2022

Section 2: Detail of proposal

<p>Context / Background</p> <p>Briefly summarise the background to the policy or proposed service change, including reasons for any changes from previous versions.</p>	<p>The Council's budget and business planning proposals are designed to enable us to deliver the key priorities in our Business Plan to enable communities to thrive and businesses to grow. Our strategic priorities are:</p> <ul style="list-style-type: none"> - Housing that meets your needs - Leading on environmental sustainability - An enterprising economy with strong and vibrant local centres - Healthy, resilient and engaged communities <p>This budget and business planning round has been impacted by reduction and ongoing uncertainty in major funding streams including the New Homes Bonus Grant and Business Rates. In addition, significant budget pressures have arisen due to reduction in income due to Covid-19, alongside the additional costs incurred due to the current economic environment and increased inflation. In combination, this is resulting in a challenging budgeting and business planning process as set out in the main Budget and Business Planning reports.</p>
<p>Proposals</p> <p>Explain the detail of the proposals, including why this has been decided as the best course of action.</p>	<p>This impact assessment covers all savings proposals across Wellbeing and Housing, Customer Focus, Human Resources and Organisational development, Properties, Planning and development, Growth and Economy, Environmental and Regulatory services. Details of proposals are set out in the main Budget and Business Planning proposals.</p> <p>Changes to fees and charges are addressed in the associated Fees and Charges schedule. Any increase to fees and charges may impact on those with more need to use a service, including due to an individual having one or more of the protected characteristics. Changes to fees and charges are proposed after consideration of inflation, service need, bench-marking and market opportunities. Where material service impact has been assessed from changes in charges these will be addressed through the equality impact assessment process that supports decision making on the budget and business planning report or the later specific decision-making process associated with review and any subsequent proposed change.</p>
<p>Evidence / Intelligence</p>	<p>In considering the impact of budget proposals before they are formally agreed, the Council undertakes a detailed process of democratic and community engagement. This includes:</p>

<p>List and explain any data, consultation outcomes, research findings, feedback from service users and stakeholders etc, that supports your proposals and can help to inform the judgements you make about potential impact on different individuals, communities or groups and our ability to deliver our climate commitments.</p>	<ul style="list-style-type: none"> • Using the Oxfordshire Joint Strategic Needs Assessment (JSNA) of health and wellbeing needs, and the associated Equalities Briefing and Cherwell District Profile to consider the impact of proposals as they are drawn up and in the development of this overarching assessment. The latest countywide JSNA can be found here; and detailed data for our main population settlements (Banbury, Bicester and Kidlington) is available here. • A public consultation process, the results of which will be published alongside the Budget and Business Planning proposals. • A democratic process including agreement of proposals by Executive, analysis and comment on those proposals by Budget and Business Planning Committee, and adoption of the budget by Full Council. Each of these stages provides an opportunity to invite comment and engagement from the public and representatives of particular organisations or population groups.
<p>Alternatives considered / rejected</p> <p>Summarise any other approaches that have been considered in developing the policy or proposed service change, and the reasons why these were not adopted. This could include reasons why doing nothing is not an option.</p>	

Section 3: Impact Assessment - Protected Characteristics

Age: In mid-2020 there were 151,800 residents in the Cherwell district, 3,829 of which were aged 85+. Cherwell's population is ageing with the 85+ population predicted to increase by 88% by 2037. There were 43,153 people aged under 25 in Cherwell in 2019 (28.5% of the total population), this is slightly lower than the figure for the rest of the county where around 30.5% of the population is aged under 25.

No specific issues relating to age have been identified as likely to arise as a result of these proposals.

Disability: As of October 2020, there were 2,875 attendance allowance claimants in Cherwell; also, 3,862 Personal Independence Payment and 2,696 Disability living allowance claimants across the district.

No specific issues relating to disability have been identified as likely to arise as a result of these proposals.

Gender Identity: There is limited information available on gender identity and data at a local level is not available. During the 2019-20 financial year, there were 445 applications for gender recognition certificates in the UK, but this will be under representative of those whose gender identity does not match the sex they were assigned at birth.

No specific issues relating to gender reassignment have been identified as likely to arise as a result of these proposals.

Pregnancy and Maternity: There were 1,791 live births in Cherwell in 2020 and is a comparatively higher fertility rate to the county average.

No specific issues relating to pregnancy and maternity have been identified as likely to arise as a result of these proposals.

Marriage and Civil Partnership: Only county-level data could be sourced for this protected characteristic. At the time of the 2011 Census there were 128,400 married households in Oxfordshire and 682 registered same-sex civil partnerships. Same sex marriage became legal in 2014. In 2017 in Oxfordshire there were 3,224 marriages of opposite sex couples and 79 same-sex marriages.

No specific issues relating to marriage and civil partnership have been identified as likely to arise as a result of these proposals.

Race including ethnic or national origin, colour or nationality: In the 2011 Census, 86.3% of Cherwell's residents were White British, 5.8% White-non-British, 4.3% were Asian/Asian British 0.46% Chinese and 0.80% Other Asian), 1.4% were Black/African/Caribbean/Black British, 1.8% Mixed and 0.4% were other ethnic groups. The majority of ethnic minority populations in Cherwell are based in Banbury.

No specific issues relating to race including ethnic or national origin, colour or nationality have been identified as likely to arise as a result of these proposals.

Religion or belief: The question on religion and belief in the 2011 Census survey was voluntary and 67.7% of residents in Cherwell responded to this question. 94.2% of those that responded said that they were Christian, the largest non-Christian group stated that they were Muslim (2.3%) and 25% of respondents said that they had no religion or belief. No specific issues relating to religion or belief have been identified as likely to arise as a result of these proposals.

Sex: In Cherwell in 2019 there were 75,832 females (50.3%) and 74,671 (49.6%) males. No specific issues relating to sex have been identified as likely to arise as a result of these proposals.

Sexual Orientation: There is limited data on sexual orientation defined as people identifying as heterosexual/straight, gay/lesbian, bisexual or another sexual attraction at a district level. It was estimated that there was a total of 12,300 people aged 16+ in Oxfordshire identifying as Lesbian, Gay or Bisexual in 2018. No specific issues relating to sexual orientation have been identified as likely to arise as a result of these proposals.

Rural Communities: According to the Output Area Classification (2011) 21% of Cherwell residents live in rural areas. This impact assessment has identified no specific impact of our budget and business planning proposals on rural communities.

Armed Forces: In April 2020 there were 9,360 regular armed forces personnel stationed in Oxfordshire and as of March 2020 there were 6,623 recipients of pensions/compensation under the Armed Forces Pension Scheme, War Pension Scheme and Armed Forces Compensation Scheme in the county. This impact assessment has identified no specific impact of our budget and business planning proposals on the Armed Forces.

Carers: According to the 2011 Census, there was a total of 13,354 people providing unpaid care in Cherwell. No specific issues relating to carers have been identified as likely to arise as a result of these proposals.

Care leavers: Care Leavers face many challenges as they move into adulthood, such as those relating to careers, education, accommodation and personal change. This impact assessment has identified no specific impact of our budget and business planning proposals on Care Leavers.

Areas of Social Deprivation: Parts of Banbury Cross and Neithrop, Banbury Ruscote, Bicester South and Ambrosden, Bicester West, Kidlington East, and Launton and Otmoor are within the most deprived areas of Cherwell. The proposal of increasing rent for Affordable Rent and Shared Ownership properties could have a negative impact on residents within areas of deprivation, there are mitigating actions in place to minimise this impact, such as increase on housing benefits and cost-of-living crisis support for Universal credit and other benefits' claimants.

Section 4 : Summary

The overall budget proposals have been developed with the objective of effectively targeting services so that we continue to meet the needs of the most vulnerable, including those living with deprivation, and fulfil our statutory duties. All proposals that will have an impact, positive or negative, on any protected characteristic or on rural communities, armed forces, carers or areas of social deprivation; as per the council's Equalities and Inclusion framework all proposals will have an individual EIA completed alongside policy development, to ensure full compliance to our commitment to equality, diversity and inclusion. The proposal to increase rent for Affordable Rent and Shared Ownership properties could have a negative impact on part of the residents within areas of deprivation; there are mitigating actions in place to minimise this impact, such as increases on benefits, cost-of-living crisis support and extra payments for benefits' claimants. Also, as always, we will be working closely across different services and voluntary sector to monitor the welfare of our most vulnerable residents to make sure sufficient support is in place.

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Cherwell
DISTRICT COUNCIL
NORTH OXFORDSHIRE

Appendix 4a

Cherwell District Council Equality and Climate Impact Assessment Housing assets - Savings proposals 2023/24

November 2022

Contents

Section 1: Summary details.....	3
Section 2: Detail of proposal.....	4
Section 3: Impact Assessment - Protected Characteristics.....	6
Section 3: Impact Assessment - Additional Community Impacts	7
Section 3: Impact Assessment - Additional Wider Impacts	8
Section 3: Impact Assessment - Climate Change Impacts	Error! Bookmark not defined.
Section 4: Review	9

Section 1: Summary details

Directorate and Service Area	Housing
What is being assessed (e.g. name of policy, procedure, project, service or proposed service change).	Rent increase for Affordable Rent and Shared Ownership properties
Is this a new or existing function or policy?	Existing service
Summary of assessment Briefly summarise the policy or proposed service change. Summarise possible impacts. Does the proposal bias, discriminate or unfairly disadvantage individuals or groups within the community? (following completion of the assessment).	<p>The Council's rent policy for Affordable Rent and Shared Ownership says we will follow Government guidance on rent increases. This is currently CPI plus 1% for Affordable Rent, and RPI plus 0.5% for Shared Ownership, which would mean an increase of around 13% next year. However, because of high inflation, the Government recently consulted on a new rent cap of up to 7% for 2023/24, which would apply to our affordable rent tenants only. The rent cap will not apply to Shared Ownership properties, which would mean around 13% increase for all properties. However, we are proposing to cap that at a maximum of £30 per month.</p> <p>Although the proposal could have a negative impact on a proportion of residents within areas of deprivation, there are mitigating actions in place to minimise this impact, such as increase on housing benefits and cost-of-living crisis support for Universal credit and other benefits' claimants.</p>
Completed By	David Padfield
Authorised By	Celia Prado-Teeling
Date of Assessment	21 st November 2022

Section 2: Detail of proposal

<p>Context / Background</p> <p>Briefly summarise the background to the policy or proposed service change, including reasons for any changes from previous versions.</p>	<p>The Council has a rent policy and this needs to be implemented each year to protect the Council's income stream and the value of the assets. This policy follows on the Government guidelines on rent increases. The Council could choose to depart from policy and raise rents by less than Government guidance. However, this would have financial consequences in 23/24 and beyond, because it would reduce the rental base of the stock.</p>
<p>Proposals</p> <p>Explain the detail of the proposals, including why this has been decided as the best course of action.</p>	<p>It is proposed that the Council implements its rent policy and follows Government guidance on rent setting. Departing from this policy because of the current cost of living crisis has been considered and rejected. Implementing the rent policy is a prudent action and ensures rental base and value of the Council's assets are maintained.</p>
<p>Evidence / Intelligence</p> <p>List and explain any data, consultation outcomes, research</p>	<p>The policy complies with all Government guidance and requirements. The Government has consulted on amending its rent increase guidance up to 7% increase. The Council will be bound by the Government's final decision on this issue.</p> <p>Affordable Rent is paid by the Council's tenants. Many are vulnerable. However, for those tenants on full Housing</p>

<p>findings, feedback from service users and stakeholders etc, that supports your proposals and can help to inform the judgements you make about potential impact on different individuals, communities or groups and our ability to deliver our climate commitments.</p>	<p>Benefit or Universal Credit, the cost of any rent increase will be met by increased benefits.</p>
<p>Alternatives considered / rejected</p> <p>Summarise any other approaches that have been considered in developing the policy or proposed service change, and the reasons why these were not adopted. This could include reasons why doing nothing is not an option.</p>	<p>An option was considered not to implement the rent policy. This option was rejected for a number of reasons including the need for prudent management of the Council's assets.</p>

Section 3: Impact Assessment - Protected Characteristics

Protected Characteristic	No Impact	Positive	Negative	Description of Impact	Any actions or mitigation to reduce negative impacts	Timescale and monitoring arrangements
Age	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Disability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Gender Reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Marriage & Civil Partnership	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Pregnancy & Maternity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Race	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Sex	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Sexual Orientation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Religion or Belief	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			

Section 3: Impact Assessment - Additional Community Impacts

Additional community impacts	No Impact	Positive	Negative	Description of impact	Any actions or mitigation to reduce negative impacts	Timescale and monitoring arrangements
Rural communities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Armed Forces	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Carers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Areas of deprivation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Potential financial impact on residents.	Tenants on full Housing Benefit or Universal Credit, the cost of any rent increase will be met by increased benefits. A variety of cost-of-living crisis support measures for Universal credit and other benefits' claimants have been announced.	Frequent consultation and monitoring will be arranged, via different outreach services such as housing and wellbeing

Section 3: Impact Assessment - Additional Wider Impacts

Additional Wider Impacts	No Impact	Positive	Negative	Description of Impact	Any actions or mitigation to reduce negative impacts	Timescale and monitoring arrangements
Other Council Services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Providers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
Social Value ¹	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			

¹ If the Public Services (Social Value) Act 2012 applies to this proposal, please summarise here how you have considered how the contract might improve the economic, social, and environmental well-being of the relevant area

Section 4: Review

Where bias, negative impact or disadvantage is identified, the proposal and/or implementation can be adapted or changed; meaning there is a need for regular review. This review may also be needed to reflect additional data and evidence for a fuller assessment (proportionate to the decision in question). Please state the agreed review timescale for the identified impacts of the policy implementation or service change.

Review Date	21/11/2022
Person Responsible for Review	David Padfield
Authorised By	Celia Prado-Teeling

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Appendix 5

Climate impact assessment of CDC 2022-23 budget proposals (draft)

In 2019, CDC declared a climate emergency and committed to prioritising climate action in decision making. More recently, a climate action framework was approved that commits the council to:

- Being carbon neutral in its operations by 2030
- Enabling a zero-carbon Cherwell by 2030.

In developing budget and business planning proposals, services were asked to assess how their plans affected the Council's ability to reduce its emissions from buildings, fleet, staff travel, purchased products and services (including construction) and to enable emission reductions at a district-wide level.

The proposals put forward were deemed by services to not negatively impact the council's ability to meet our climate action commitments.

The challenges regarding net zero are challenging but understood and increasingly embedded across the Council. The new climate action manager, who commences work for the Council in early December 2022, will help ensure future proposals and changes and the potential impact from those proposals are fully understood.

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