

Cherwell District Council

Budget Planning Committee

Minutes of a meeting of the Budget Planning Committee held at Virtual meeting, on 25 January 2022 at 6.30 pm

Present Virtually:

Councillor Nicholas Mawer (Chairman)

Councillor Phil Chapman
Councillor John Donaldson
Councillor David Hughes
Councillor Andrew McHugh
Councillor Douglas Webb
Councillor Fraser Webster
Councillor Lucinda Wing
Councillor Sean Woodcock

Substitute Members Present Virtually:

Councillor Andrew Beere (In place of Councillor Shaida Hussain)
Councillor Maurice Billington (In place of Councillor Carmen Griffiths)

Also Present Virtually:

Councillor Tony Ilott – Lead Member for Finance and Governance

Apologies for absence:

Councillor Carmen Griffiths
Councillor Conrad Copeland
Councillor Shaida Hussain

Officers Present Virtually:

Bill Cotton, Corporate Director Environment and Place
Anita Bradley, Director Law and Governance & Monitoring Officer
Steve Jorden, Corporate Director Commercial Development, Assets & Investment
Vic Kurzeja, Director of Joint Property
Tim Spiers, Director of Digital & IT
Michael Furness, Assistant Director of Finance & S151 Officer
Vicki Jessop, Interim Assistant Director Housing and Social Care Commissioning
Robert Jolley, Assistant Director: Growth & Economy
Joanne Kaye, Strategic Business Partner
Stuart Parkhurst, Special Projects Manager
Nicola Riley, Assistant Director: Wellbeing
Natasha Clark, Governance and Elections Manager

Lesley Farrell, Democratic and Elections Officer

32 **Declarations of Interest**

There were no declarations of interest.

33 **Minutes**

The Committee endorsed the Minutes of the meeting of the 9 December 2021 as a correct record. The Chairman advised that the minutes would be formally agreed and signed at the next in person meeting of the Committee.

34 **Chairman's Announcements**

There were no Chairman's announcements.

35 **Urgent Business**

There were no items of urgent business.

36 **Reserves Review**

The Director of Finance submitted a report which updated the Budget Planning Committee on the Review of Reserves that had taken place in the preparation of the budget for 2022/2023 and the Medium Term Financial Strategy 2022/2023 – 2026/2027.

In response to Members' queries regarding if there were sufficient funds in reserves for potential transformation and redundancy costs arising from the recent announcement, pending formal decision, that Cherwell District Council (CDC) and Oxfordshire County Council were mutually ending their formal partnership working arrangements, the Assistant Director for Finance explained that any costs were currently unknown. The Assistant Director for Finance assured the Committee that any costs arising from the separation could be made available from reserves in 2022/2023. If any potential ongoing costs of separation were identified these would be picked up as part of the 2023/2024 budget process and a further review of the level of reserves held by the Council would take place.

In response to Members' comments regarding Growth Deal Reserves, the Assistant Director for Planning and Economy explained that the Growth Deal was a £215m, five year contract with Government to accelerate the delivery of housing in Oxfordshire and due to end on 31 March 2023. CDC was part of the Future Oxfordshire Partnership which included 4 workstreams: Affordable Housing, Oxfordshire Plan 2050, Infrastructure and Productivity. £150m of the £215m was for Infrastructure but was not allocated to a specific project.

The funds helped ensure that CDC contributed fully to the Oxfordshire system to deliver the contract.

Resolved

- (1) That the outcome of the review of reserves and the forecast over the Medium Term Financial Statement be noted.

- (2) That the following feedback be given to Executive:
 - That having enquired if sufficient reserves were held to mitigate transformation and redundancy costs involved in light of the separation of joint services between Cherwell District Council and Oxfordshire County Council, the Committee was assured that the costs of separation, if any, were currently unknown and if necessary, funds could be made available from reserves to support costs of separation in 2022/23. If any potential ongoing costs of separation were identified, these would be picked up as part of the 2023/24 budget process and a further review of the level of reserves held by the Council would also take place.

37 **2021/22 Capital Programme**

The Director of Finance submitted a report for the Committee to consider the 2021/2022 Capital Programme and discuss further the larger schemes and those with little spend so far in the financial year identified by the Committee Chairman.

In introducing the report, the Assistant Director of Finance explained that a total of 28 such schemes had been identified with a budget of £18.0m. As at 30 November 2021 there was total spend of £1.8m whilst the forecast for the year was £15.5m. Of the remaining £2.5m, £2.0m is forecast to be reprofiled into future years and £0.5m is expected to be an underspend against the total cost of the schemes.

The Assistant Director of Finance gave an overview of the schemes and was supported by the relevant lead officer to answer Members' questions on particular schemes.

Admiral Holland – Redevelopment Project - The Assistant Director for Planning and Economy explained that whilst construction was formally completed in September 2020, it was necessary to budget for retention which would be paid in September 2022 and had been reprofiled beyond the 2021/2011 financial year.

Garden Town – (Banbury Road roundabout, Bicester) – In response to Member's comments highlighting that Oxfordshire County Council (OCC) did not own all the land for the Banbury Road roundabout project and querying the impact if the owners would not sell the land, the Assistant Director for

Planning and Economy explained that this was an OCC project and CDC had not been informed of any issues. Homes England had informed CDC that the funds would be transferred by the middle of February 2022. These funds would then be transferred to OCC and would be considered spent by CDC in this financial year.

Bicester Library – In response to the Committee’s comments regarding the delays with the Bicester Library project and request for an update on progress, the Assistant Director for Planning and Economy explained that Bicester Library had been a very challenging project and issues still remained. There had been difficulties with archaeology on the site, although planning permission had now been granted for three affordable houses on the site. There were also ongoing problems with anti-social behaviour for which a solution needed to be found.

Build Team – Essential Repairs - In response to Members’ queries regarding why reserves had been marked for essential repairs and they had not been carried out the Assistant Director for Planning and Economy explained that repairs were required due to the Structural Integrity of the roof and CDC were currently in legal discussions with the owner of Town Centre House and the repairs could not be carried out until resolved.

Orchard Lodge, Phase 1, Newton Close, Phase I and Bullmarsh Close, Phase II – The Committee noted the updates.

On Street Recycling Bins – In response to Members’ comments regarding non-delivery of the on street recycling bins, the Director for Environment and Place undertook to circulate a response to Committee Members outside of the Committee.

Vehicle Replacement Programme – The Committee sought assurance that with the non-replacement of vehicles, services would not be compromised and requested an update as to when vehicles could be replaced.

The Director of Environment and Place advised the Committee that there was a well-known issue with a shortage of chips and this had extended the procurement process. The new green waste collection vehicles would be available within the next couple of weeks and would not cause a delay to the roll out of this service. With regard to the wider fleet, vehicles would be kept in good order until electric vehicles became more affordable.

Thorpe Lane Depot Capacity Enhancement - The Committee noted that the majority of the reserves had been reprofiled. In response to Members’ request for the current position, the Director of Environment and Place explained that technical solutions were being sought and a consultation report was expected within the next two months. The Assistant Director of Environmental Services would update the Committee when technical solutions had been found.

Burnehyll – Bicester Country Park - In response to Members comments that very little work had been carried out on this project and queries , the

Committee was concerned that the reserves would not be spent and there had been no decision to reprofile. The Director of Environment and Place explained to the Committee that there had been problems with staffing and the recruitment process was ongoing. Once the post was filled the project would progress. Noting the comments of Committee regarding the decision not to reprofile the scheme, the Director of Environment and Place advised he would ask the Assistant Director Environmental Services to update the Committee on the decision of re-profiling.

Chargeable Garden and Food Waste – In response to the Committee’s request for an update on the progress of the new waste collection systems which would come into force in March, The Director of Environment and Place updated the Committee on the progress of the project. The uptake of second bins had been better than expected and the project was expected to complete on time.

Disabled Facilities Grant – In response to Members’ comments about the potential implications on disabled facilities grants by the end of the formal partnership working arrangements with Oxfordshire County Council, the Interim Assistant Director Housing and Social Care Commissioning explained that there was an expectation to deliver £1.7m of disabled facilities grants and the team was on track to complete 200 adaptations this year. CDC would continue to operate a home improvement agency with OCC after the end of formal partnership.

In response to some members of the Committee querying if the Disabled Facilities Grant procedure was out of date and required review and updating, the Interim Assistant Director Housing and Social Care Commissioning confirmed that the Disabled Adaptations Policy had been updated in March 2021.

North Oxfordshire Academy Astro turf – In response to Members’ comments regarding the length of time this project had been running and that it was still not complete, the Assistant Director for Wellbeing explained that funds for the project were from Section 106 agreements, the United Learning Trust and CDC. All monies would have to be in place before procurement could take place. It was very complex but was expected to be delivered in 2022.

Bicester Leisure Centre Extension – In response to Members’ comments regarding no reserves having been spent, The Assistant Director for Wellbeing explained that a feasibility study was being completed to assess the possibility of an indoor learner pool being built in the area of the closed bowling alley. This would not increase the footprint of the Leisure Centre.

In response to questions from the Committee regarding the financial impact of the end of formal partnership working arrangements with OCC, the Corporate Director Commercial Development, Assets and Investment explained that the financial implications were currently unknown and any costs relevant to the work of the Committee would be submitted to the Budget Planning Committee at the appropriate time.

Resolved

- (1) That, having given due consideration, the 2021/2022 Capital Programme be noted.

38

Draft 2022/23 Capital and Investment Strategy

The Director of Finance submitted a report giving details of the draft Capital and Investment Strategy for 2022-23. This report was produced annually and gave details of how capital decisions were made and anticipated how the capital programme would be funded. It also gave details of borrowing limits and budget implications of the capital plans. The report contained an investment strategy which set out how the council made its investments and highlighted that the council was aware and considered risks when making investments.

In response to questions from the Committee the Assistant Director of Finance explained that the capital budget was as stated and that Cherwell District Council did not hold substantial amounts of capital. Any additional capital expenditure required would need to be funded through additional borrowing.

Resolved

- (1) That the draft Capital and Investment Strategy for 2022/23 be recommended to Full Council for adoption.

39

Covid-19 Business Grants

The Director of Finance submitted a report which provided the Committee with an update on the total amount of grants paid out to businesses in Cherwell to support them during the pandemic up to 31 December 2021.

In response to Members' comments regarding the amount of money written off by the government for loans given out during the pandemic and request for information on efforts made prior to the monies being written off into recovery of the loans given out within the Cherwell district, the Assistant Director of Finance explained that these were grants allocated to businesses and the loan monies written off were a separate matter. The Council had been given access to a government system and it was necessary for checks on businesses applying for grants to be made through this system or they could not be reclaimed. All necessary checks to prevent fraud were in place.

In response to questions from the Committee the Assistant Director of Finance explained that information on court action and fraud recovery would be circulated to Committee Members outside of the Committee.

Resolved

- (1) That the number and value of Covid-19 Business Grants paid out by Cherwell District Council to local businesses during the course of the pandemic to 31 December 2021 be noted.

40

Review of Committee Work Plan

The Committee considered its Work Plan.

Resolved

- (1) That the Committee Work Plan be noted.

The meeting ended at 8.10 pm

Chairman:

Date: