

# Public Document Pack

## Cherwell District Council

### Executive

Minutes of a meeting of the Executive held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 1 November 2010 at 6.30 pm

Present: Councillor Barry Wood (Chairman)  
Councillor G A Reynolds (Vice-Chairman)

Councillor Ken Atack  
Councillor Norman Bolster  
Councillor Michael Gibbard  
Councillor James Macnamara  
Councillor Nigel Morris  
Councillor D M Pickford  
Councillor Nicholas Turner

Apologies for absence: Councillor Colin Clarke

Officers: Mary Harpley, Chief Executive and Head of Paid Service  
Ian Davies, Strategic Director - Environment and Community  
John Hoad, Strategic Director - Planning, Housing and Economy  
Karen Curtin, Head of Finance  
Liz Howlett, Head of Legal & Democratic Services and Monitoring Officer  
Martin Henry, Chief Finance Officer / Section 151 Officer  
Ed Potter, Head of Environmental Services  
Claire Taylor, Corporate Strategy and Performance Manager  
Sean Gregory, Environmental Protection Officer  
Steven Newman, Economic Development Officer  
David Peckford, Senior Planning Officer  
Amy Smart, Assistant Planning Officer  
James Doble, Democratic, Scrutiny and Elections Manager

#### 63 **Declarations of Interest**

Members declared an interest in the following agenda item:

##### 7. Air Quality

Councillor G A Reynolds, Personal, as a close relative lives within the area of Grimsbury and Castle ward considered by the report.

#### 64 **Petitions and Requests to Address the Meeting**

There were no petitions or requests to address the meeting.

65 **Urgent Business**

There were no items of urgent business.

66 **Minutes**

The minutes of the meeting held on 11 October 2010 were agreed as a correct record and signed by the Chairman.

67 **Planning Policy for Wind Energy Development**

The Head of Planning Policy and Economic Development submitted a report which sought approval for public consultation a draft "Planning Guidance on the Residential Amenity Impacts of Wind Turbine Development".

**Resolved**

- (1) That the draft document entitled "Planning Guidance on the Residential Amenity Impacts of Wind Turbine Development" be approved as a basis for public consultation.
- (2) That a public consultation be undertaken with relevant key stakeholders and that after this, the outcome of that public consultation be reported to members alongside a revised draft of the policy for approval.

**Reasons**

Council agreed on 19 July 2010 that as a matter of urgency, a policy be developed setting minimum acceptable distances between proposed wind turbines and dwellings.

**Options**

- |                     |  |
|---------------------|--|
| <b>Option One</b>   | To approve the draft document and agree that it should be taken forward for public consultation.                 |
| <b>Option Two</b>   | To approve the draft document with amendments and agree that it should be taken forward for public consultation. |
| <b>Option Three</b> | Not to approve the draft document in its current form, or to agree not to proceed with this planning guidance.   |

68 **Air Quality**

The Head of Environmental Services submitted a report to consider the issue of air quality across the district and the areas of concern identified by

monitoring and assessment. In the course of discussion Members requested Officers to report back on trains idling at Banbury Station, to continue to monitor air quality at Ardley and to contact Cllr Milne Home to be contacted re action plan.

### **Resolved**

- (1) That the declaration of an Air Quality Management Area in Hennef Way, Banbury be supported
- (2) That the possible implications which may arise from developing an action plan to deal with an Air Quality Management Area be noted
- (3) That the further areas where elevated nitrogen dioxide levels have been identified and may lead to them being declared Air Quality Management Areas in the future be noted.

### **Reasons**

Air Quality in the area covered by Cherwell District Council is good. However there are four areas where air quality objectives may not be achieved.

An area around Hennef Way must be declared as an Air Quality Management Area following detailed assessment of monitoring data and subsequent support of these conclusions by DEFRA.

Two further detailed assessments are being undertaken.

There is a risk of future costs for dealing with implementing an action plan for an Air Quality Management Area. These costs cannot be predicted at this stage and are unlikely to arise before 2012/13.

### **Options**

**Option One**                      To support the current approach

**Option Two**                      To reject the current approach

## **Economic Development Strategy**

The Head of Planning Policy and Economic Development submitted a report to ask the Executive to consider a draft version of the Economic Development Strategy for public consultation.

### **Resolved**

- (1) That the Draft Economic Development Strategy attached as annex 1 to the minutes (as set out in the minute book) be approved for public consultation
- (2) That the Head of Planning Policy & Economic Development, be given delegated authority in consultation with the Portfolio Holder (Economic

Development & Estates) to make minor further modifications to the draft Economic Development Strategy prior to it being published for public consultation.

### **Reasons**

The Economic Development Strategy is an important document, not only for the Council, but also for our partner organisations working within Cherwell District. The purpose of the Economic Development Strategy is to set the direction we collectively need to take to ensure that the economy of the district remains strong and diverse for the benefit of all who live and work here.

### **Options**

- |                     |   |
|---------------------|---|
| <b>Option One</b>   | To approve the draft Economic Development Strategy and agree that public consultation should be undertaken on it.                 |
| <b>Option Two</b>   | To approve the draft Economic Development Strategy with amendments and agree that public consultation should be undertaken on it. |
| <b>Option Three</b> | Not to approve the draft Economic Development Strategy.   |

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### **Hardship Relief (for National Non Domestic Rates)**

The Head of Finance submitted a report to agree an up to date policy which sets guidelines for considering applications and to give authority to award relief. It was noted that an incorrect version had been circulated with the agenda pack and the correct version had been circulated prior to the meeting.

### **Resolved**

- (1) That the hardship discount scheme be noted
- (2) That the proposed Hardship Relief policy framework as set out in annex 2 to the minutes (as set out in the minute book) be adopted and reviewed on an annual basis.

### **Reasons**

The Local Government Finance Act 1988 and associated Regulations gives the Council a discretionary power to award rate relief including that of Section 49 hardship rate relief in respect on the National Non-Domestic Rate (NNDR). The NNDR is also referred to as "business rates". The Council has 4,409 NNDR payers with a net collectable debit of £64,728,413.

### **Options**

- |                   |   |
|-------------------|---|
| <b>Option One</b> | To agree the recommendations as set out in the report |
|-------------------|---|

- Option Two** To amend the recommendations
- Option Three** Not to agree the recommendations

71 **Discretionary Rate Relief for Charities, Community Amateur Sports Clubs and 'Not for Profit' Bodies (for National Non Domestic Rates)**

The Head of Finance submitted a report which sought agreement on up to date policy which sets guidelines for considering applications and to give authority to award relief, in accordance with Section 47 of The Local Government Finance Act 1988 gives the Council discretionary power to reduce or remit business rates for Charities, Community Amateur Sports Clubs and 'not for profit' bodies.

**Resolved**

- (1) That the discretionary scheme be noted.
- (2) That the proposed Discretionary Relief policy framework as set out as annex 3 to the minutes (as set out in the minute book) be approved and reviewed on an annual basis

**Reasons**

The Local Government Finance Act 1988 and associated Regulations gives the Council a discretionary power to award rate relief under Section 47 in respect of the National Non-Domestic Rate (NNDR). The NNDR is also referred to as "business rates". The Council has 4,409 NNDR payers with a net collectable debit of £64,728,413.

**Options**

- Option One** To agree the recommendations as set out in the report
- Option Two** To amend the recommendations
- Option Three** Not to agree the recommendations

72 **Local Development Framework Annual Monitoring Report**

The Head of Planning Policy and Economic Development submitted a report which sought approval of the Local Development Framework's Annual Monitoring Report (AMR) for submission to the Secretary of State for Communities and Local Government, and to present the district's current housing land supply position.

## **Resolved**

- (1) That the Annual Monitoring Report be approved for submission to the Secretary of State
- (2) That the district's housing delivery position be noted

## **Reasons**

The Annual Monitoring Report provides important information to assist policy making and development control decision making and is a statutory mechanism for monitoring housing delivery. It's most significant conclusion is that the district has returned to a 5 year land supply position, marking the end of a period during which the Council has been considering planning applications with a view to increasing supply. The AMR notes that significant progress has been made on the Local Development Framework. However, the revocation of Regional Spatial Strategies has created some additional areas of work. The programme for completing the LDF will be revised once there is more information available about anticipated changes to local plan-making and to national planning policy.

## **Options**

- |                     |   |
|---------------------|---|
| <b>Option One</b>   | To accept the 2010 AMR, noting the district's housing land supply position and agree that it should be submitted to the Secretary of State.                 |
| <b>Option Two</b>   | To seek amendment of the 2010 AMR in consultation with the Portfolio Holder for Planning and Housing before submission to the Secretary of State.           |
| <b>Option Three</b> | To take any actions required by the Executive having considered the AMR, in addition to its submission to the Secretary of State with or without amendment. |

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## **Early response to the Comprehensive Spending Review and potential implications for the 2011/12 budget and the medium-term**

The Chief Executive and Head of Finance submitted a report which highlighted the key announcements in the 2010 Comprehensive Spending Review, the potential implications for the Council in the short- to medium-term and the nature of the cost reductions which the Council must now consider in advance of finalising having received further information on the future grant from central government, expected in late November/early December. In the course of discussion the Executive requested that the Independent Remuneration Panel be informed that in line with staff Council is likely to agree a 0% increase in allowances for elected members.

## **Resolved**

- (1) That the outcome of the 2010 Comprehensive Spending Review for local government and the very tough target of an overall 26% cut in government grant over the next four years be noted.
- (2) That it be noted that this outcome is very much in line with the council's 'realistic' planning scenario of 30% real term cuts, although the actual position will not be known until late November/early December.
- (3) That the proposed actions which are now underway to generate income and realise cumulative savings of £11.9m for inclusion in 2011/12 budget be supported.
- (4) That the informal view of the Resources Scrutiny Working Group in relation to the fees and charges review be noted.
- (5) That the options for further savings as set out in the report be noted, so that when the council receives a clearer indication of the actual government grant for 2011/12 and possibly beyond, fully worked up savings can be brought for consideration at the 6 December Executive meeting.

## **Reasons**

The actions highlighted will enable the Council to prepare a first draft of the 2010/11 budget. This will be presented to the Executive in early December and this report will include the latest position on the grant settlement and the impact on the medium term financial forecast.

## **Options**

- |                     |   |
|---------------------|---|
| <b>Option One</b>   | To agree the recommendations as set out in the report |
| <b>Option Two</b>   | To amend the recommendations                          |
| <b>Option Three</b> | Not to agree the recommendations                      |

## **Value for Money Review of Development Control and Major Developments**

The Strategic Director for Planning, Housing & Economy and Improvement Project Manager submitted a report which presented the findings of the Value for Money Review report for Development Control and Major Developments (DC&MD VFM Review) and the recommendations arising from the report

## **Resolved**

- (1) To endorse the updated VFM Review conclusion that the DC&MD service:
- has exceeded delivery of the savings target from the 2007 full VFM Review and delivered all the key improvements
  - has driven down its costs since the full VFM Review was undertaken
  - although, on the face of it, is above average cost, analysis shows core service costs would be closer to average when local factors and accounting practices of other comparator authorities are taken into account
  - has good performance and productivity, provides good quality with improving levels of customer satisfaction
  - is at a balanced point. There is capacity to cope if applications increase, though this may be at the expense of performance, but with the flexibility to down-size the service relatively quickly if income or applications decline.
- (2) To adopt the following recommendations from the update VFM Review, changing the way the service is delivered in the future, achieving savings of up to £167k and, thereby, reducing the Council's reliance on Housing and Planning Delivery Grant.

### **Savings:**

- Reduce application advertising by only placing the minimum legal level requirement in the Oxford Times, saving £76k per annum
- Remove duplication in minor application publicity (mainly neighbourhood notifications), saving £3k per annum
- Introduce e-consultation to all parishes and internal and external consultees, saving £15k per annum
- Reduce the professional fees budget by £20k per annum by no longer utilising the services of agricultural/retail specialist advice in routine applications
- Deletion of a vacant, part-time, career planner post, saving £7k per annum
- In the event that fee income remains the same or declines, reduce staff establishment costs by ending the temporary contract to "backfill" resources allocated to the Eco Town project. This gives budget flexibility of £46k and, should there be a small upturn in fee income, allows for the continuation of this temporary post.



**Income:**

- Introduce charges for pre-application advice from 2011/12. It is estimated that income in the region of £10K per annum may be achievable.

**Service Improvements:**

- Redirect staff resources released by the changes in service delivery associated with achieving the savings above, to improve support for the application process and other resource pinch points (especially speed of validation/registration).
- (3) To note the endorsement of the findings of this Review by the Performance Scrutiny Working Group at its meeting on 21 September 2010 and their request that further consideration be given to a more efficient and less costly way of undertaking Ward Notifications such as using the e-mail system or appending Notifications to the Members' Newsletter.

**Reasons**

This updated review proposes changes to the way the service will be delivered, reducing the Council's reliance on Housing and Planning Delivery Grant. It proposes an additional income stream and enables a refocus of released resources to improve some service areas.

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**Value for Money Review of Planning Policy**

The Strategic Director for Planning, Housing & Economy and Improvement Project Manager submitted a report which presented the findings of the Value for Money Review report for Planning Policy and the recommendations arising from the report

**Resolved**

- (1) Endorse the updated VFM Review conclusion that the Planning Policy service:
- has exceed delivery on the savings target from the 2007 full VFM Review and delivered all the key improvements
  - has steadily driven down its costs since the full VFM Review was undertaken
  - compared with similar local authorities, costs are now below average spend for the family group
  - levels of satisfaction have improved for the way the Council manages local development, which is influenced by planning policy
  - the service is achieving on or just below its performance targets

- will need to reduce the services it delivers if it is to achieve the VFM savings block of £50k.
- (2) To agree that the proposal for achieving the £50k savings block be adopted as part of the Council's Medium Term Financial Strategy.

### **Reasons**

This updated review identifies that this service is now below average cost in comparison to its family group and proposes changes to the way the service could be delivered in order to achieve the £50k saving block towards the Council's Medium Term Financial Strategy.

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### **Performance Management Framework 2010/11 Second Quarter Performance Report**

The Chief Executive and Corporate Strategy and Performance Manager submitted a report outlining the Council's performance for the period 1 July to 30 September 2010 as measured through the Performance Management Framework. In the course of discussion Members requested that they be advised of the new performance management reporting as it becomes clear and that a meeting be arranged with officers and Councillors Atack and Wood to consider the Performance Management Framework in detail.

### **Resolved**

- (1) That the many achievements as set out below be noted:

#### **Cherwell: A District of Opportunity**

- Urban Regeneration: the Council has launched a consultation on proposals to pedestrianise areas of Kidlington.
- Economic Development: the Council's job clubs remain examples of national good practice with video footage used at this year's Conservative Party Conference. The team continue to work with community groups to improve accessibility.
- Affordable Housing: housing continues to provide support to local residents in challenging economic times with a good level of affordable housing scheme delivery. This includes the first affordable housing completion under the Armed Forces personnel Home Ownership Scheme. This is tailored to forces personnel often required to re-locate at short notice. The housing team have also worked to secure 5 mortgage rescue completions. This scheme allows families struggling with mortgage repayments to remain in their home as tenants of a registered social landlord.
- Eco Bicester: significant progress is being made on plans for the first "exemplar" phase of the eco town. This has been subject of extensive consultation in the local community.

- Urban Regeneration: the Old Town Party in Banbury had over 3,000 attendees, 300 participants in the community art wall and was supported by 5 local community groups and 26 local traders. This contributes to both the Council's community cohesion and development objectives and also to increasing the vibrancy of our town centres.

### **A Cleaner Greener Cherwell**

- Street Cleansing: satisfaction with street and environmental cleanliness has increased to 72% for 2010 in comparison to 67% in 2009.
- Rural Development: a successful countryside forum was held with over 50 attendees to discuss actions and progress with regards to conservation target areas and biodiversity across the district.
- In Bloom Awards: Bicester achieved a Silver Gilt award in the national competition awards and Gold in the regional round. Banbury and Kidlington secured Silver Gilt awards.

### **A Safe and Healthy Cherwell**

- Activities for Young People: a successful summer programme of activities has been delivered with 1473 recorded attendances. Activities included a holiday sports road show and coaching clinics.
- Reducing Crime: working with partners to reduce crime and anti-social behaviour: Thames Valley Police are showing a 30% reduction in crime for this year.

### **An Accessible Value for Money Council**

- Reducing the Council's costs by £800,000 in 2010/11: as of the 30 September £532,000 (66%) of the target has been achieved.
- Providing More Services Online: there are currently 65 transactional services available on the Council's website. The council's consultation portal has also seen increasing availability of Council consultation activities including widening access to the annual satisfaction survey.
- Delivering Savings Through Improved Procurement: a new contract procured in partnership with the Oxfordshire district councils will deliver significant savings for cleaning the district's public conveniences.
- Improving Customer Satisfaction: the results of the Council's annual customer survey show that overall satisfaction with the Council and the services it delivers has increased. General satisfaction has improved from 67% in 2009 to 73% in 2010. Full details are included in the table presented in paragraph 2.9. A

- (2) To request that officers report in the third quarter on the items identified below where performance was below target or there are emerging issues:

**Cherwell: A District of Opportunity**

- Contribute to the creation of 200 jobs in the district. Vodafone have just announced the closure of its Banbury Office with significant redundancies expected. A post redundancy support package is being prepared.
- Local Development Framework (core strategy) – the changes in national planning policy resulting in the abolition of Regional Spatial Strategies raises questions as to our ability to publish the LDF to our original timetable (this issue is ongoing and will remain under review).
- The percentage of planning appeals allowed against a refusal decision: this is an indicator that can be easily affected by adverse outcomes measured against a low number of cases (there have been fewer appeal cases in the period concerned). The corporate management team are due to review the factors that may have influenced performance and will report in the next quarter report if any issues emerge that need to be addressed.

**Working in Partnership**

- The cancellation of the Local Area Agreement (LAA) and changes in national policy and funding arrangements mean that there is some uncertainty with regards to future partnerships. Emerging issues include whether the LAA will continue for the rest of 2010/11, the role of the new local economic partnership and the impact of changes in community safety funding on the county wide community safety partnership. As such it is recommended that this issue is revisited

- (3) To agree the responses identified to issues raised in the quarter one performance report as set out below:

**Cherwell: A District of Opportunity**

- Achieve 300 new homes:

Following a slow first quarter (38 completions) the second quarter has seen 152 net completions making the total for the year 190. Progress has improved; however there are still some risks with regards to meeting this objective at the end of the year given the challenging economic circumstances.

- Local Development Framework (core strategy) – the changes in national planning policy resulting in the abolition of Regional Spatial Strategies raises questions as to our ability to publish the LDF to our original timetable.

Work is being undertaken to establish what evidence we need to support a new position on growth levels within the district.

### **An Accessible, Value for Money Council**

- Cherwell Link (the residents newsletter)

The corporate plan for 2010/11 set an objective to increase the editions of Cherwell Link produced. Given the financial impact of another edition at the current time, no increase is planned for the current year. As such this objective will not to be met at year end. However, results from the customer satisfaction survey suggests that there are increased levels of awareness with regards to the Council's services and high levels of readership of the existing editions of the newsletter.

### **Reasons**

The Council's performance in the second quarter of 2010/11 is measured through the Performance Management Framework. Central to this is the Corporate Scorecard, which is made up of the Council's priority performance targets. The Corporate Scorecard covers seven areas of performance. These are: performance against the Local Area Agreement; the Community Strategy (Our District, Our Future); the Corporate pledges; Priority Service Indicators; Financial Performance; Human Resources; and Customer Feedback.

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### **2010/11 Projected Revenue & Capital Outturn at 30 September 2010**

The Head of Finance submitted a report which summarised the Council's Revenue and Capital performance for the first 6 months of the financial year 10/11 and projections for the full 10/11 period. These are measured by the budget monitoring function and reported via the Performance Management Framework (PMF) informing the 10/11 budget process currently underway. The report also reviewed the treasury and procurement action plan performance for the first 6 months of 2010/11.

### **Resolved**

- (1) That the projected revenue & capital position at September 2010 be noted.
- (2) That the transfer of £234,000 to the organisational change reserve be approved.
- (3) That the Capital Slippage of £2.2m from the 2010/11 capital programme as detailed in annex 4 to the minutes (as set out in the minute book) be approved and considered as part of the 2011/12 budget process.

- (4) That the Q2 performance against 2010/11 investment strategy and the mid year report in annex 5 to the minutes (as set out in the minute book) be noted.
- (5) That progress against the Procurement Action plan detailed in annex 6 to the minutes (as set out in the minute book) and the savings recorded in annex 7 to the minutes (as set out in the minute book) be noted.

### **Reasons**

In line with good practice budget monitoring is undertaken on a monthly basis within the Council. The revenue and capital position is reported monthly to the Corporate Management Team and formally to the Executive on a quarterly basis. This report includes the position at Q2.

### **Options**

- Option One** To review current performance levels and consider any actions arising.
- Option Two** To approve or reject the recommendations above or request that Officers provide additional information.

The meeting ended at 8.53 pm

Chairman:

Date:

## **Appendix 1**

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### **An Economic Development Strategy for Cherwell District (2011 – 2016)**

- 1) Introduction
- 2) Cherwell's Economy – the Key Issues
- 3) Vision for the Future
- 4) Strategic Context
- 5) Delivering the Sustainable Community Strategy
- 6) Themes for Delivery
- 7) Taking the Strategy Forward

**Please forward any comments to: [steven.newman@cherwell-dc.gov.uk](mailto:steven.newman@cherwell-dc.gov.uk)**

## 1) Introduction

### **What is the Economic Development Strategy for Cherwell?**

It is 'vision' supporting and developing themes outlined in the Community Strategy, setting out the direction we collectively need to take to ensure that the economy and society of the District is prosperous and resilient, for the benefit of all who live and work in north Oxfordshire. To be successful, it must integrate with partners and other key strategies, such as housing and transport, to maximise its impact. Ultimately, it should support Cherwell to prepare to resist future economic, environmental and social challenges, and to maximise opportunities. This is particularly timely as the nationally- significant Bicester Eco-Town project begins.

### **When will it happen?**

The Strategy covers the 5 year (medium term) period from 2011 to 2016, as part of the Community Strategy's vision for 2030. It will both inform annual delivery plans and look to a longer horizon to ensure cohesion and synergy with other strategic documents and policy frameworks.

### **Why is it necessary?**

An Economic Development Strategy is necessary to reflect the changed economic conditions, and priorities of the Cherwell Local Strategic Partnership, as identified in broad terms within the Cherwell Sustainable Community Strategy 2010.

Economic growth has until recently been enjoyed since the early 1990s but the context has changed considerably through a series of crises hitting the world's financial systems, deeply affecting global, national and local economies:

- The housing crisis (i.e. sub-prime mortgage defaults & slowing market);
- The banking crisis (i.e. collapse of banks, nationalisation & recapitalisation);
- The 'credit crunch' (i.e. constraints in borrowing for investment);
- Recession (i.e. reduced output and increased unemployment);
- Public borrowing (i.e. high public debt, reducing expenditure)
- Public spending cuts(i.e. further unemployment and increased reliance upon private and social sectors)

Whilst the causes of the crises were beyond the direct control of local partners, the Economic Development Strategy previously developed for Cherwell (2007-11) ensured that resources were adjusted to provide a timely, flexible and effective response to minimise the impact upon people and businesses. Support to residents facing redundancy, for example, was given through operating Job Clubs and an enterprise agency alongside core support for the 6,000 local businesses.

High aspirations for the local economy remain and we now also have a changed national political context, new local Community Strategy and new research to inform our understanding. Significantly, we have a unique opportunity to deliver economic growth through 'Eco Bicester' development, to be focussed upon the North West Bicester site and raising opportunities around 'green technologies' throughout the district and beyond.



Against a volatile background, local economic strategy and effective partnerships will have an important role to play, ensuring that resources are co-ordinated and that priorities can be agreed towards achieving the community's vision.

### **Where does it cover?**

The Strategy deals with economic development as a theme that cuts across all that happens in Cherwell District, north Oxfordshire. Whilst administrative boundaries may be tightly drawn, partnerships and trade across boundaries are supported. A framework is provided for decision-making and local action; specific locations are rarely mentioned, apart from in annual operational plans.

North Oxfordshire is in a paradoxical position. On the one hand, it lies at the geographical heart of England, mid-way between the powerhouses of London and Birmingham, and in an excellent position for business. However, we also lie at the far north-western corner of the administrative South East region, at a junction point between the South East, East and West Midlands and South-West regions. This has in the past led to difficulties in being on the periphery of the large and economically highly active South-East region but, with a review of regions, there is renewed vigour to put Cherwell more effectively 'on the map'.

### **Who is it for?**

It's for everybody with an interest in north Oxfordshire: businesses, investors, residents, visitors and communities. Whilst the Strategy is led by Cherwell District Council, the shared vision belongs to all members of the Local Strategic Partnership. The Council will co-ordinate annual operational plans but many goals will be delivered either whole or in part by other agencies, organisations and communities.

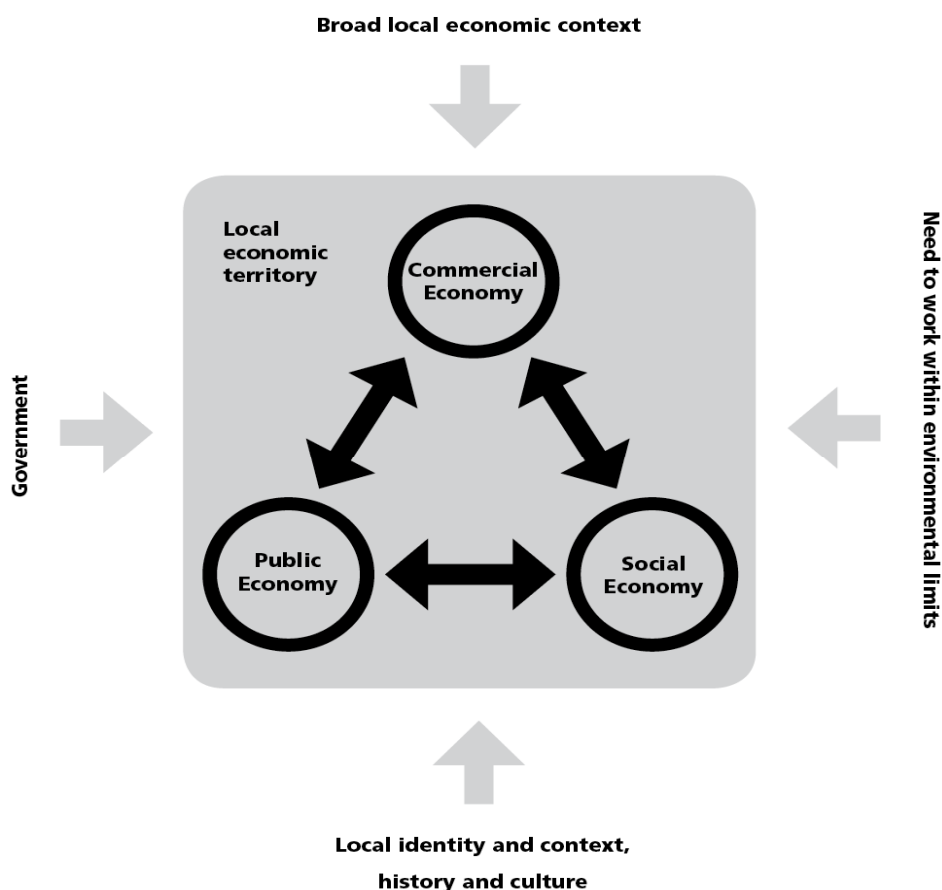
### **Upon what evidence is it based?**

The Strategy draws upon the following research:

- Cherwell Community Strategy 2010
- Cherwell Economic Resilience Study 2010
- Cherwell Employers Skills Study 2010
- Cherwell Employment Land Review 2010
- Eco-Bicester Economic Development Strategy 2010
- Oxfordshire Economic Assessment 2010

### **How will it be made to happen?**

Building upon research and partnership discussions since 2009, the strategy will be predominantly delivered through a series of Annual Operational Plans which will focus on how the vision will be realised in the short-term within north Oxfordshire. It seeks to configure resources between partners across the social, private and public sectors in north Oxfordshire, exploiting the value to be added local by innovative and effective linkages, as illustrated below:



**Figure 1: The CLES resilience model**

The resilience model stands out because it acknowledges the relative strength of the reciprocal relationships between the public, private and social sectors that help generate resilience within an area. Stronger mutual relationships allow a locality to be more flexible, proactive and agile if faced with an economic/environmental shock or changing context.

Aiming to enhance the resilience of Cherwell's economy, this strategy follows a logical format:

- Firstly, we will outline the economic situation for the District; some of the recent and long-term trends, and key issues to address over the period of the strategy.
- Then we will outline the strategic context within which we are working, and the main aims of the Community Strategy that we are seeking to deliver.
- Finally, we will present a series of themes covering the economy in the District, giving a more focused view of how we will move forward over the next five years.

**Map of district showing local key business infrastructure to be inserted her.**

## 2) Cherwell's Economy – the Key Issues

**We face the following issues**, in no particular order of priority:

- a) Levels of **employment** remain high but not everybody is benefiting;
- b) We have increasingly relied upon **public sector** jobs which are set to reduce in number;
- c) **Wages** paid within Cherwell still lag behind South East regional averages;
- d) There are still residents without the right **skills**;
- e) There remain pockets of **deprivation** within our overall prosperity;
- f) Our **population** is expected to grow significantly;
- g) Employment **land, premises & services** do not always meet modern business needs;
- h) We have a **diverse** economy but often with 'lower value' activity similar to the south Midlands;
- i) **Manufacturing** is a particular strength but is often lower skilled locally;
- j) The **knowledge** economy is growing but not quickly enough;
- k) Businesses are highly **satisfied** with their location in Cherwell yet this is not widely understood beyond the district;
- l) This is an **enterprising** district with potential for innovation;
- m) The **environment** provides both challenges and opportunities, especially through the 'Eco Bicester' project;
- n) **Globalisation** has also become a significant issue for the economy: both a challenge and opportunity;
- o) The **community** sector will have an increasing role to play.

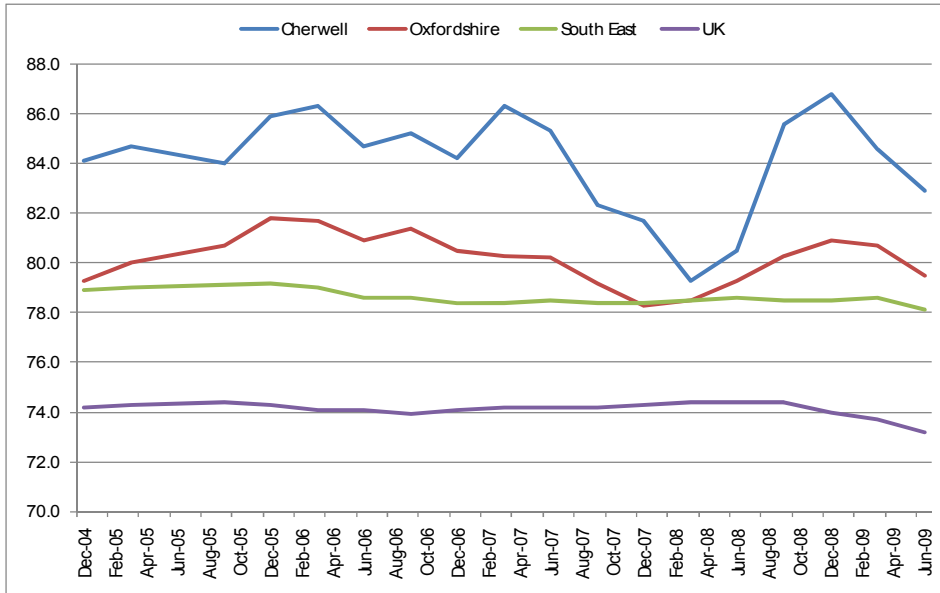
### a) Levels of employment remain high but not everybody is benefiting

- 70,200 residents (over 16 years old) of the district (April 2009 - March 2010) were in work (as employees or self employed).
- Individuals and communities have been affected by the national recession.
- Youth inactivity & unemployment has become a serious concern since 2009.
- Disability Allowance claimants and long term unemployed face challenges in finding work.

The employment rate demonstrates the percentage of people working within the private, public and social sectors within Cherwell. The employment rate across the three sectors is very high (82.9%), higher than the comparator areas of Oxfordshire, the wider South East and the UK. The rate has been consistently high since 2004, and despite a drop between 2007 and early 2008, has always been higher than the comparators. At its peak at the end of 2008, the rate was particularly high at around 87%. Despite the fall due to the recession, the impact upon the labour market has been limited. This limited impact of the recession upon the labour market is illustrated in Figures 2 and 3, showing that although Jobseekers Allowance (JSA) claimant rates

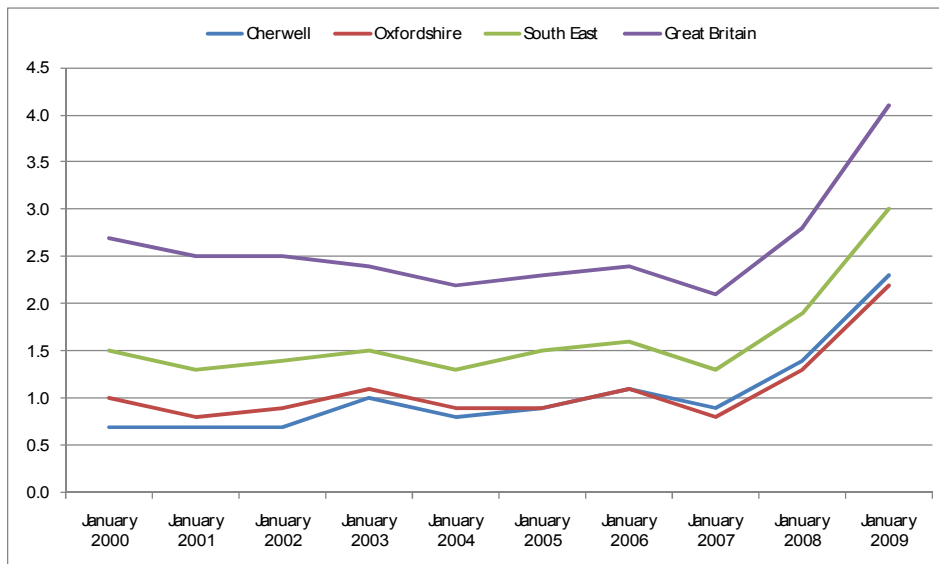
increased markedly through the recession, compared to other areas the rates are still low (1.8% in August 2010).

**Figure 2: Employment rate as a percentage of the working age population, December 2004 to June 2009**



Source: ONS, Annual Population Survey, 2009

**Figure 3: Job Seekers Allowance rates as a percentage of the working age population, January 2000 to January 2009**



Source: ONS, Claimant Count, 2009

**b) We have increasingly relied upon public sector jobs which are set to reduce in number**

The strong labour market performance has been helped by large growth in public sector employment, which is demonstrated in Table 1.

**Table 1: Private and public sector employment levels<sup>1</sup>**

	Cherwell		Oxfordshire		South East		Great Britain	
	% of Employment	% change 1998-2008	% of Employment	% change 1998-2008	% of Employment	% change 1998-2008	% of Employment	% change 1998-2008
Private Sector	74.2%	-2.4%	69.2%	-3.4%	74.3%	6.2%	73.1%	4.6%
Public Sector	25.9%	39.1%	29.9%	34.7%	25.5%	21.5%	27.0%	25.4%

Although Cherwell has a strong level of private sector employment, this has actually decreased by 2.4% during 1998-2008 and the public sector has taken the slack in terms of local employment, increasing by 39.1% during 1998-2008, particularly in education. The proportional reliance on the public sector, however, remains lower than that of the county and nation as a whole. The major public spending cuts being implemented, however, present a significant challenge if the private and social sectors are to provide alternative employment.

### c) Wages paid within Cherwell still lag behind South East regional averages

Wage earnings are a key indicator of the interaction between labour supply and demand in an economy, and the living standards of its employees. High earnings can be an indicator of strong labour demand as well as higher value activities in an economy, whilst low wages could imply either low demand for labour or lower value added activities. Within Cherwell, workplace earnings, whilst higher than the national average, are lower than the Oxfordshire and South East averages, although the relative change in earnings has increased markedly between 2002 and 2009, suggesting an increase of knowledge intensive activities. The resident based earnings are notably high compared to workplace based earnings, both in terms of 2009 averages and percentage change over time against the comparators, suggesting high levels of out commuting to increasingly higher paid, higher value jobs.

**Table 2: Full time workplace gross median weekly earnings, 2002-2009**

	Earnings 2002 (£)	Earnings 2009 (£)	Change 2002-2009 (£)	% change 2002-2009 (£)
Cherwell	400.0	490.1	90.1	22.5%
Oxfordshire	429.3	517.5	88.2	20.5%
South East	419.9	513.6	93.7	22.3%
UK	390.9	488.7	97.8	25.0%

Source: ONS, Annual Survey of Hours and Earnings, 2002 and 2009

**Table 3: Full time residence based gross median weekly earnings, 2002-2009**

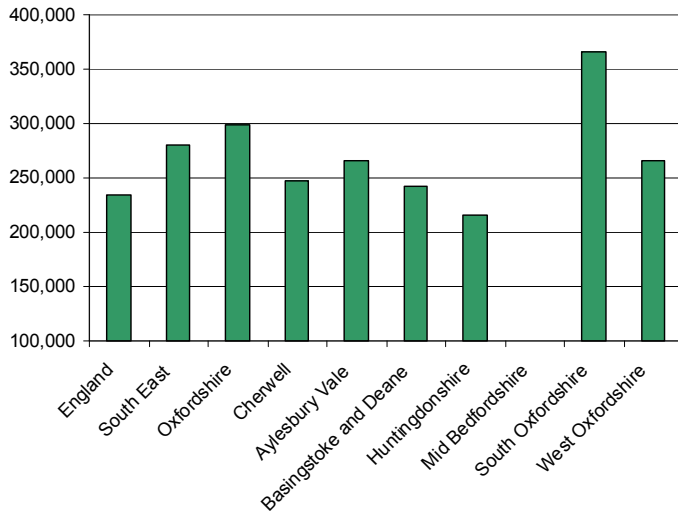
	Earnings 2002 (£)	Earnings 2009 (£)	Change 2002-2009 (£)	% change 2002-2009 (£)
Cherwell	426.1	549.5	123.4	29.0%
Oxfordshire	441.2	541.4	100.2	22.7%
South East	435.1	536.6	101.5	23.3%
UK	390.9	488.7	97.8	25.0%

Source: ONS, Annual Survey of Hours and Earnings, 2002 and 2009

<sup>1</sup> Source: ONS, Annual Business Inquiry, 2008

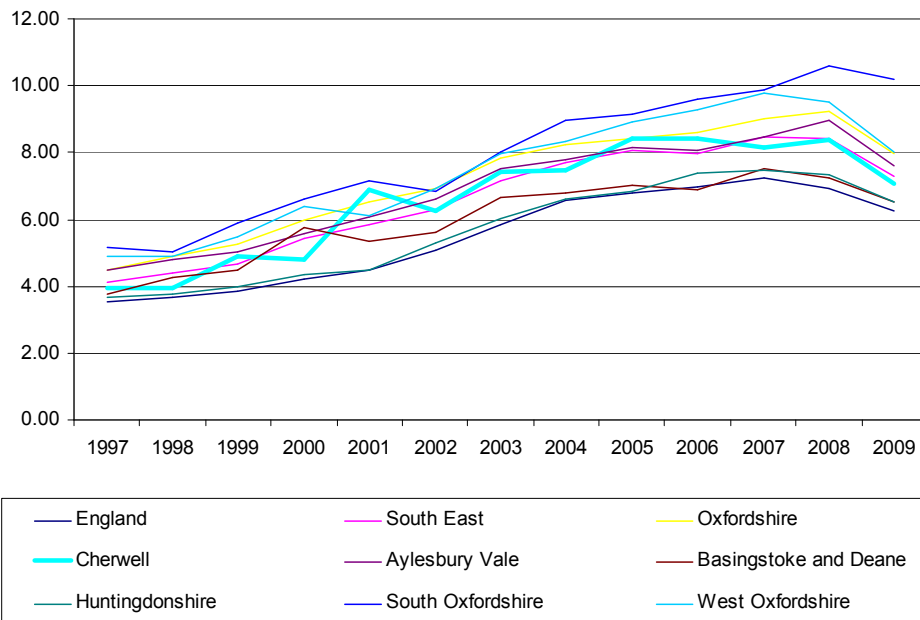
Whilst employers in north Oxfordshire may gain competitive advantage through lower wage rates (table 2) when compared with the south east and county, the ability to attract and retain employees in the district requires similarly competitively low costs of living. Housing affordability can be used as a proxy and the tables below indicate that, when compared nationally, regionally and within Oxfordshire, the cost of living in Cherwell is broadly in line with the respective earnings rates, and is competitive with other similar districts, especially others in the County.

**1) Mean house prices (£) based on Land Registry data, 2010**



Source: CLG Live Statistics

**2) Housing Affordability Ratio: ratio of median house price to median earnings**



Source: CLG Live Statistics 1997-2009

With lower house prices and lower wages locally, coupled with a central location connected to cities by an excellent transport infrastructure, it is unsurprising to see below a relatively high number of residents travelling over 20km to work, often to the relatively higher paid jobs indicated in table 3.

## Commuting flows/patterns

### Travel Distance to Work (percentage of residents in each location travelling the distance shown)

	Work from home	Less than 2km	2km-5km	5km-10km	10km-20km	20km-30km	More than 30km
England	9.2	20	20	18.2	15.2	5.3	7.2
South East	9.9	20.4	15.2	13.7	14.3	6.7	11.1
Cherwell	9.7	24.5	13.8	13.1	14.3	7.7	12.4

(Office of National Statistics – 2001 Census)

The challenge, therefore, is to attract higher value employers into north Oxfordshire to provide residents with opportunities to work locally in activities that create further wealth and employment, therefore reducing the need to commute outwards.

#### d) There are still residents without the right skills

Prosperity depends on employment and productivity, and skills are an essential part of achieving higher levels of both. Skills are of economic value to individuals as workers, to the organisations that employ them, and to the country as a whole through greater productivity and competitiveness. There are also considerable social benefits to individuals and society which aid the development of a more equitable and better functioning society which in turn supports economic growth and performance. The economic and social impact of skills can be maximised by investing in the right skills. These are the skills which achieve business success and create opportunities for individuals and effectively meet the changing needs of the labour market.

The pay-off from investments in training and skill development by the individual, firm and the country take time to materialise. They are rarely instant and cannot be achieved by 'one-off' investments. Moreover, skills degrade and their value depreciates if not maintained and updated. Improving the skills of Cherwell is therefore a long term and continual task but one which also requires immediate and urgent action if we are to realise the potential benefits of skills to north Oxfordshire in remaining competitive.

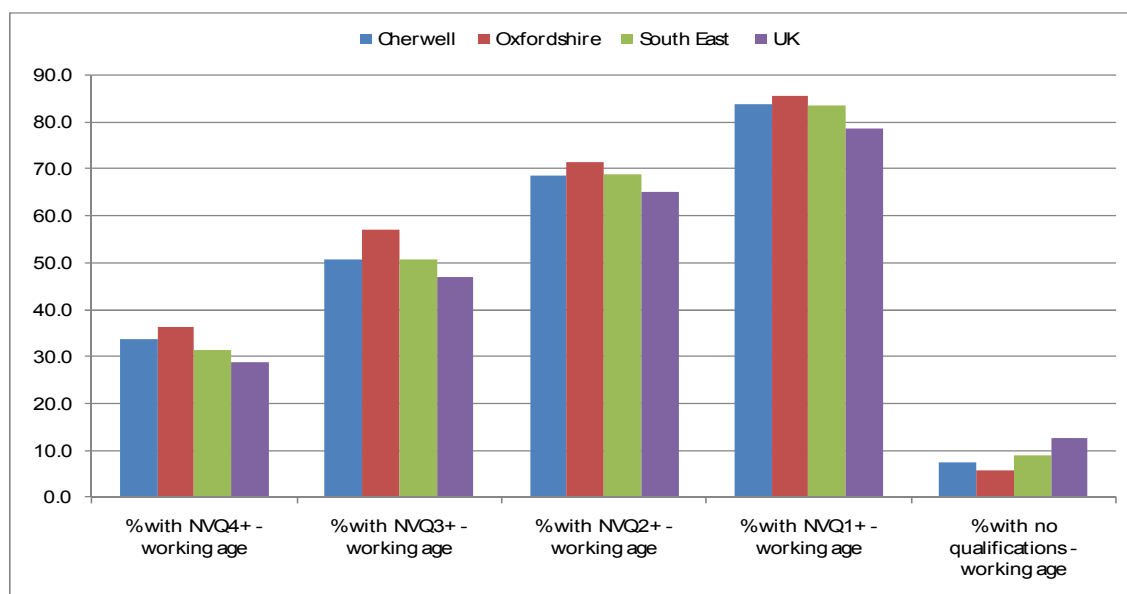
- Lack of 'basic' numeracy and literacy skills act as a barrier to other skills which are becoming essential in the workplace, especially with a decline in e.g. traditional manufacturing and construction jobs.
- A major impediment to finding work especially in the 'knowledge economy' age.
- Skills gaps can also reflect an employer's ability to recruit the right people with the right skills in the first place: initiatives like Job Club have helped locally to address this issue by developing job seekers' basic employability and job search skills.

In terms of labour market performance and skills, there is a significant positive correlation between high level graduate skills and the proportion of the workforce within knowledge industries. Figure 4 shows that skill levels are high for Cherwell residents (33.6% qualified to Level 4+<sup>2</sup> and half of all residents obtaining at least a Level 3+ qualification, highlighting intermediate skills to support those of key workers), but are in fact lower than the resident and workplace average for Oxfordshire, which

<sup>2</sup> An NVQ4+ level qualification is the equivalent of a first or foundation degree, diploma in higher education, HNC, HNDM or BTEC diploma, indicative of high employee skill levels. These are recognised as the skills required to drive innovation and leadership within an economy, and to enable businesses to compete globally. An NVQ2+ is the equivalent of five A\* to C grades at GCSE or other vocational qualifications

suggests that people commute from Cherwell across Oxfordshire and elsewhere within the South East for higher paid jobs than what is generally available within Cherwell. Cherwell has lower workplace earnings and higher resident earnings.

**Figure 4: Qualifications by NVQ Level for the working age population, 2008**



Source: ONS, Annual Population Survey, 2009

Note; The difference between figures for 'no qualification' and 'NVQ1+' consists of 'other qualifications'.

The Cherwell Employers Skills Study 2010 also suggests a need to support *employees* to ensure they have the skills required to help their employer maximise their competitiveness in the current climate. As is the case across the County and in the neighbouring areas of Northamptonshire and Warwickshire, the incidence of skills gaps reported by employers has increased since 2008 (20% compared with 14%), with particular issues highlighted around motivation of established staff members, their ability to keep up with change and to be *flexible* in terms of the skills they have and how they apply them. Skills gaps can also reflect an employer's ability to recruit the right people with the right skills in the first place: initiatives like Job Club may be helping to address this issue by developing job seekers' basic employability and job search skills.

Cherwell employers value training and are more likely to train than those elsewhere in the County, with around half (48%) feeling that they get a high return on investment from training staff, 55% funding or arranging training in the past year (51% across Oxfordshire) and 73% of those with skills gaps increasing training activity in response to this issue (compared with 57% across Oxfordshire). However, employers in Cherwell are, if anything, slightly less likely than the Oxfordshire average to have used external training provision (74% compared with 78%) and those businesses that have trained externally are less likely to have a "close relationship" with any provider (32% compared with 40%), which may mean that Cherwell employers are more likely to choose training providers on an *ad hoc* basis. Qualitative evidence from the study suggests that some Cherwell employers may need help choosing from the training available and judging the quality of what is on offer.



There also appears to be scope to strengthen relationships between employers and education providers around improving the work readiness of young people and informing them about different possible career paths. Around half of Cherwell businesses (47%) indicate that they would be interested in working with providers on this issue but some employers feel that providers need to take a more *pro-active* approach to developing engagement of this kind. Bicester eco-town could provide an opportunity for engaging employers in the environmental technologies sector.

**e) There remain pockets of deprivation within our overall prosperity**

- Cyclical nature of problems facing households.
- Concentration in Banbury with households also affected elsewhere
- Numbers of school leavers not in education, employment or training (NEET) at all time high.

Cherwell is a relatively affluent area but there are significant differences in wealth distribution. Banbury in particular has pockets of severe deprivation, second only to Oxford in the County (two Lower Super Output Areas are within the top 20 most deprived in England). Cherwell as a whole is ranked 276 out of 354 local authorities in the Index of Multiple Deprivation, with 1 being the most deprived; 354 the least.

(The Indices of Multiple Deprivation combine information relating to income, employment, education, health, skills and training, barriers to housing and services and crime into an overall measure of deprivation. The measures are taken at a ward-sized level referred to by the Office of National Statistics as a Lower Super Output Area (LSOA))

Other forms of deprivation derive from rural isolation. Over 62% of the population lives in the principal centres of Banbury, Bicester and Kidlington, with the remainder in more than 70 smaller settlements of between 50 and 3,500 people; therefore Cherwell's population faces both urban and rural challenges.

**f) Our population is expected to grow significantly**

- The number of residents of pensionable age in particular is set to grow, presenting challenges and opportunities for service provision and employment.

Future population projections

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\*Please Note – the following growth forecasts are based on South East Plan housing figures (Cherwell – 13,400 to 2026). The Secretary of State has now announced the revocation of the South East Plan.

There will still be a population increase (potentially based on 11,800 dwellings in Cherwell), however it is not possible, without a new housing figure and detailed analysis, to provide revised population growth forecasts at the moment.

**Oxfordshire and Cherwell Population Growth**

	2001	2006	2010	2016	2026	Change 2006 to 2026	
<b>Oxfordshire</b>	607,280	616,820	633,030	663,620	701,230	84,400	13.7%
<b>Cherwell</b>	131,990	132,320	134,670	141,900	148,830	16,510	12.5%

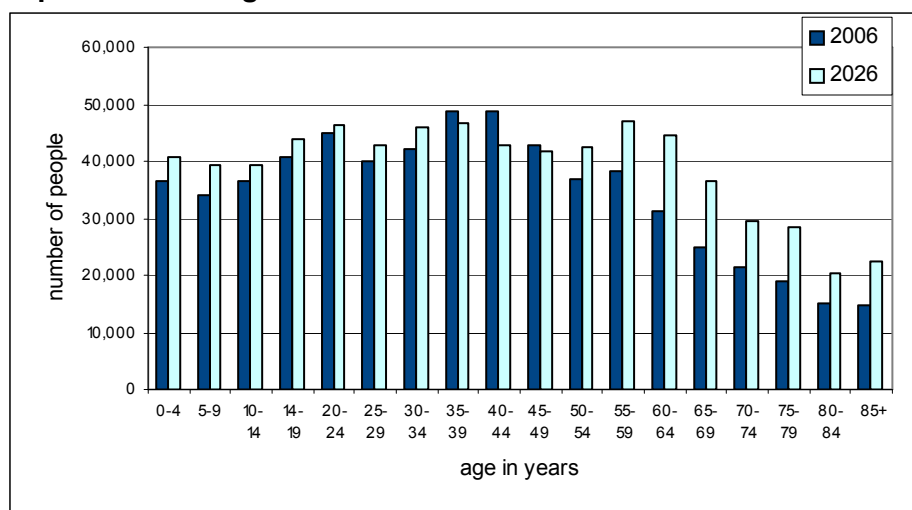
(Source: Oxfordshire County Council, Population and Household forecasts, 2010)

**Town Population Growth** - Figures only cover the town wards (Urban extensions will create most growth in adjacent rural wards around Banbury and Bicester)

	All persons			
	2006	2011	2016	% change 2001-2016
<b>Cherwell</b>				
Banbury	43,590	44,940	45,640	4.7%
Bicester	30,080	29,830	31,670	5.3%
Kidlington	13,410	13,410	13,160	-1.9%

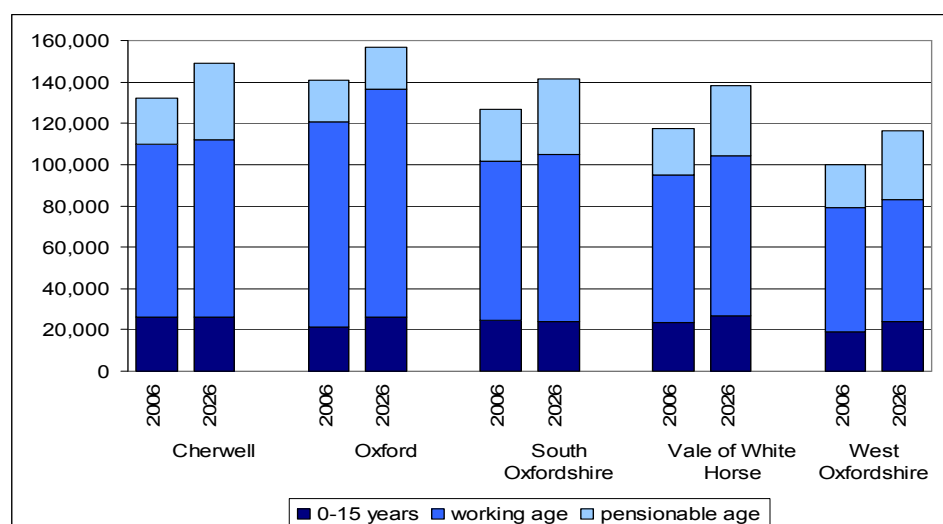
Cherwell's population has increased by almost 12% between 1991 and 2001, and by a further 4.5% since then. Growth predictions of a further 8% by 2016 and a cumulative 15.6% by 2026 are significantly higher than regional and national rates. Most of the recent growth has been in Banbury and Bicester and this will continue, with Bicester's population projected to grow by 13.8% between 2001 and 2016; however the rapid growth across the District will put pressure on the local infrastructure. Kidlington's population is expected to reduce due to declining size of households and green belt restraints on growth.

### Population and Age in Oxfordshire



(OCC, Population and Household forecasts, 2010)

### Population and Age in Cherwell



(OCC, Population and Household forecasts, 2010)

Cherwell now has the highest proportion of 0-15 year olds in Oxfordshire. By 2031 the population is forecast to age dramatically, with numbers in each of the over 65s, over 75s and over 85s bands increasing by at least 23 percentage points more than national rates, and by more than 47 percentage points in the case of the over 85s<sup>3</sup>.

**g) Employment land, premises & services do not always meet modern business needs**

- Demand for office and manufacturing sites and premises is low with few new developments beginning.
- Pressure remains to use industrial and office land for other uses, and to demolish vacant buildings; further reducing supply.
- The LDF seeks to identify appropriate locations and amounts of new land.
- Utilities such as power, water/sewage and broadband are key issues that could restrict economic growth.

Cherwell’s natural environment is a key feature of the District and plays an important role in the setting of Cherwell’s settlements and contributes significantly to the wider Oxfordshire countryside. On this basis, it is important to balance the protection of Cherwell’s natural environment with the need for improved economic prosperity and ensure that development is provided in a sustainable manner that minimises any impact on the environment.

The arrival of the M40 and the employment land planned within our towns has provided the District with the opportunity to accommodate economic growth; however, it is realised that the potential for existing employment land to accommodate future growth is limited. In this context, it is important that we balance the land requirements associated with economic growth with the protection of Cherwell’s natural environment.

<sup>3</sup> Oxfordshire Partnership  
<http://www.oxfordshirepartnership.org.uk/wps/wcm/connect/occ/OxfordshirePartnership/Oxfordshire+2030/2030+strategy+in+full/OP+-+O+2030+12>

The solution to economic growth is not necessarily to increase the supply of employment land but to examine the manner in which employment land is currently used and to explore new ways of improving the efficiency of land use. It is also important to ensure that sites identified for development are able to come forward within a reasonable timeframe to ensure balance with housing development. There are also further alternative options for the provision of employment; for example encouraging home-based working where appropriate.

#### Current land supply situation: Employment land

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Total employment land availability in Cherwell is currently - **125 hectares**. This figure includes land identified in the Council's Employment Land Review (ELR) (\* July 2006) and planning permissions (on sites not identified in the ELR) in 2008/09. The ELR included allocated but underdeveloped employment sites, and vacant or underutilised (but unallocated) sites in existing industrial areas identified through separate survey work. (Cherwell Annual Monitoring Report, 2009).  
(\*Further work is currently being undertaken to update information on Employment Land for the LDF)

#### **h) We have a diverse economy but often with 'lower value' activity similar to the south Midlands**

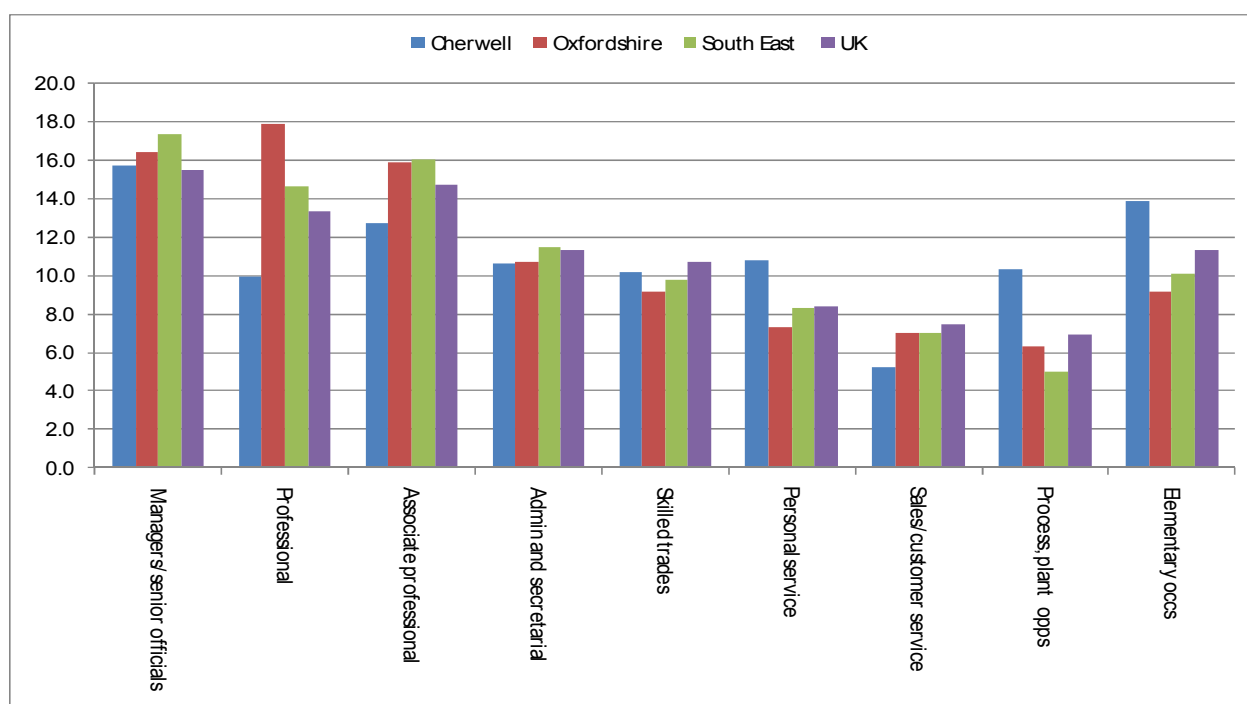
- Evidence of differences with Oxfordshire and between the north and south of Cherwell district
- The business base within Cherwell generally consists of lower value activity, as highlighted in the reliance upon wholesale/retail and increasing growth of public sector employment.

The socio-economic and occupational characteristics of the labour market are central to Cherwell's competitiveness; they shape the economic opportunities that residents are able to access and are a key indicator to the strength of the existing knowledge economy. Over the last decade, there has been a widespread structural change from non-skilled occupations to management and professional, resulting in a declining demand for skilled craft workers and lower skilled manual workers, which is set to continue for the foreseeable future as the economy shifts further towards knowledge intensive activities.

#### **Figure 5: Occupations by residents in employment, 2009<sup>4</sup>**

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<sup>4</sup> Source: ONS, Annual Population Survey, 2009

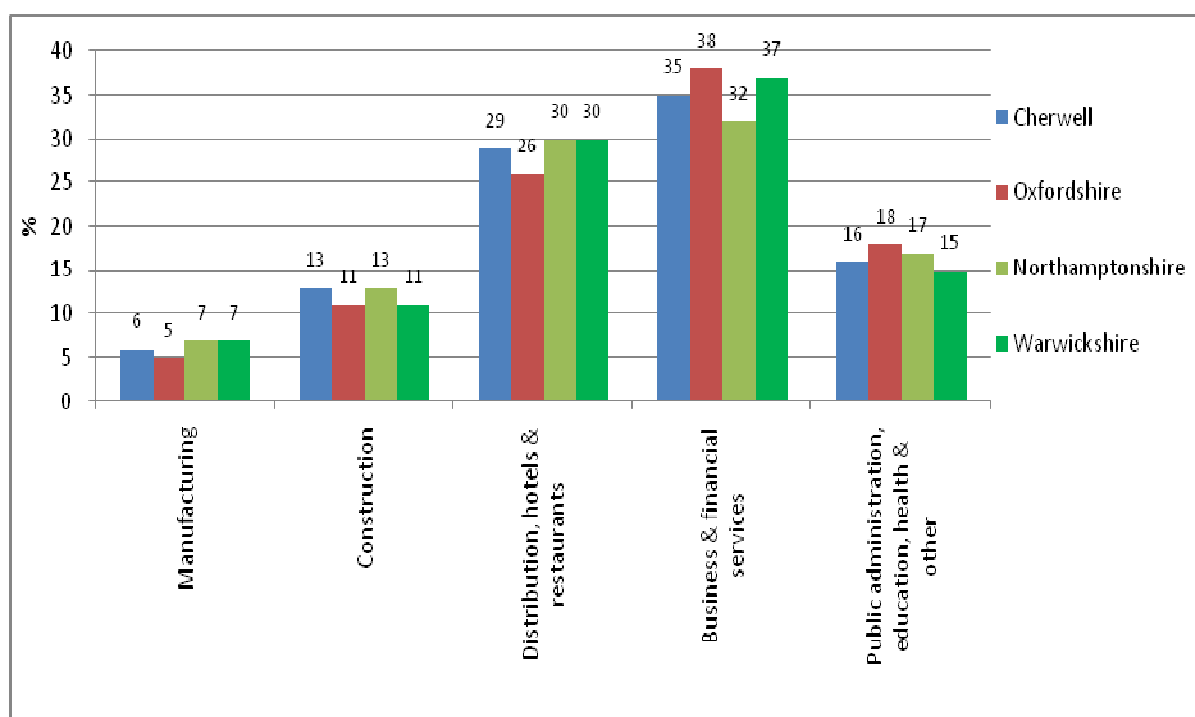


The occupational profile is revealing for Cherwell, in that fewer people are employed within higher level jobs (e.g. managers/senior officials accounting for 15.7%, professionals 9.9%, and associate professionals 12.7%). In each case, this is significantly lower than the Oxfordshire and regional averages, reinforcing the case that Cherwell is an area of relative lower value activity when compared to the wider region and economically disengaged from the Oxfordshire core.

As shown in Figure 2.1, compared with the county as a whole, Cherwell businesses are more likely to be in the distribution, hotels & restaurants sector and less likely to be in business & financial services. The Figure suggests that Cherwell's sector profile may have as much in common with neighbouring areas in Warwickshire and Northamptonshire as with Oxfordshire as a whole. These comparisons are even more striking if the distribution of *employment* is considered (Figure 2.1b).

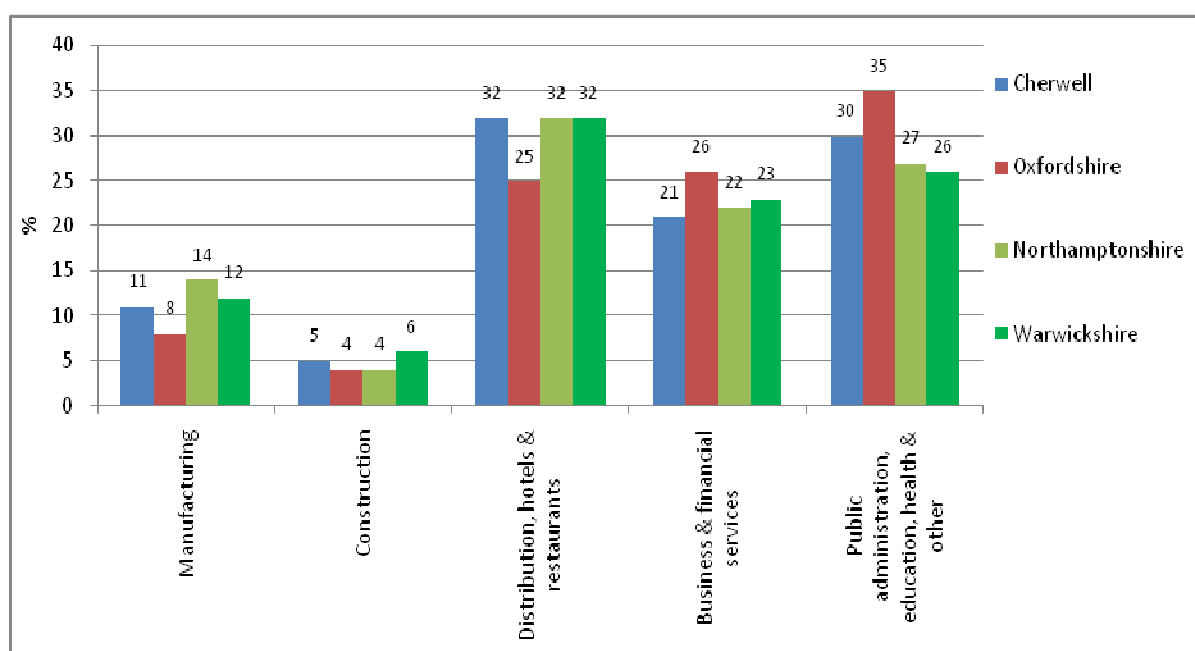
**Figure 2.1: Broad sector profile - Cherwell, Oxfordshire, Warwickshire and Northamptonshire**

**Fig 2.1a: Businesses**



Source: Annual Business Inquiry 2008. Does not include the self-employed.

Fig 2.1b: Employment



There are however differences between the North and South of the District. (\* Identified by the Oxfordshire Employer Skills Study – Cherwell – 2010). North Cherwell has a greater proportion of employment in manufacturing (12% compared with 6% in South Cherwell) and distribution, hotels & restaurants (30% compared with 24%) and a smaller proportion in the "public administration, education, health & other" sector (39% compared with 54%).

### Creative and Cultural Industries

Much business activity crosses over standard classifications, such as creative and cultural industries. The Department for Culture, Media and Sport (DCMS) defines the Creative Industries as: “those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property”.

Expanding this definition further, a Creative Economy is defined as “the people, enterprises and communities that transform cultural (both traditional and contemporary) skills, knowledge and ideas into economically productive goods, services and places” (Mt Auburn Associates, 2005). It can therefore be seen as having potential to develop the ‘resilience’ connections within Cherwell, as identified earlier.

DCMS have identified that the Creative Industries include: Advertising, Architecture, Arts and Antiques Markets, Computer and Video Games, Crafts, Design, Designer Fashion, Film and Video, Music, Performing Arts, Photography, Publishing, Software, Television and Radio. For the purposes of the Oxfordshire study (2010), Cultural Tourism and Heritage, Visual Arts, Festivals, Museums and Galleries, Community Arts Organisations, Individual Artists and Crafts people must be included as well.

- Cultural and creative businesses are slightly underrepresented in Cherwell when compared to the UK, and to the rest of Oxfordshire, but have increased by 220 jobs between 2003 and 2007.
- Publishing is particularly well represented in terms of the number of jobs in Cherwell, mainly provided by larger businesses.
- The table below provides detail for further analysis:

## Cherwell District

Table A.1 Summary Table of CCI Businesses by Sub-sector: Cherwell District

Cultural Sub-sector	Number of Cultural Businesses	Gross employment	% of all emp across district	Gross turnover (£ m)	Average turnover per worker (£)	% of gross Cultural turnover	Business size by employment band (%)			Legal status (%)			LQ (UK = 1.00)		Growth rate per annum *	
							1 to 10	11 to 49	50+	Company	Sole Proprietor	Partnership	Number	Employment	Number	Employment
Advertising	30	440	0.4%	56.2	128,000	19.5%	6%	0%	94%	83%	0%	17%	0.88	1.18	-0.8%	6.9%
Architecture	31	130	0.1%	9.5	71,000	3.3%	37%	36%	27%	74%	18%	8%	1.07	0.64	4.6%	-1.3%
Art and Antiques	16	80	0.2%	5.7	67,000	2.0%	29%	27%	44%	52%	33%	15%	0.86	1.01	0.5%	-2.3%
Comp Games, Softw & Etc Pub.	200	800	0.9%	70.7	89,000	24.5%	57%	35%	8%	93%	5%	3%	1.01	0.70	3.4%	-0.3%
Fashion	22	60	0.1%	6.3	105,000	2.2%	45%	36%	19%	76%	14%	8%	1.02	0.95	11.3%	3.8%
Museums and Other Cult Fac	10	300	0.2%	1.9	6,000	0.7%	8%	92%	0%	100%	0%	0%	0.96	0.55	15.8%	27.0%
Music and Visual Performing Arts	79	220	0.2%	12.5	57,000	4.3%	67%	30%	3%	25%	60%	6%	0.95	0.49	2.0%	-6.2%
Publishing	78	960	2.0%	120.9	125,000	41.9%	26%	60%	14%	68%	23%	10%	1.07	1.85	-6.5%	1.5%
Radio and Television	20	30	0.0%	1.8	67,000	0.6%	100%	0%	0%	50%	50%	0%	1.02	0.11	15.5%	20.5%
Video, Film and Photography	25	80	0.1%	3.3	44,000	1.1%	30%	0%	70%	59%	33%	7%	0.99	0.68	15.3%	11.4%
Total	510	3,100	4.3%	288.7	-	100.0%	33%	37%	30%	71%	21%	6%	1.00	0.97	2.5%	2.0%

Source: IDBR and ABI ONS data (as of March 2008), VAT and/or PAYE based Enterprises/ Organisations.

Note: All figures are estimates and rounded to avoid disclosure. Figures may not add due to rounding.

\* Based on period 2003 to 07. In 2005 ABI changed their survey reference date, hence growth rates are indicative estimates only.



**i) Manufacturing is a particular strength but is often lower skilled locally**

- Manufacturing is a key wealth creating activity, especially when exporting.
- 'Value added' manufacturers investing in skills, technology and local networks perform well but are under-represented in Cherwell compared with other parts of Oxfordshire.
- Traditional manufacturers can become uncompetitive in the global economy.

It seems likely that, without some fairly dramatic action, manufacturing activity in our region will continue to decline. This suggests that either the strategy needs to address this head on or alternatives need to be sought to ensure the diverse economy which forms the corner - stone of the Vision

Table 4 highlights a number of niches within Cherwell. Immediately apparent are the number of niches within manufacturing, reflecting the high levels of employment within this sector. Some of these are high value (e.g. manufacture of medical equipment) and potentially lower value (e.g. industrial process equipment).

**Table 4: 3 digit SIC code where location quotient is above 1.5 (Great Britain=1.0)<sup>5</sup>**

3 digit SIC classification with a location quotient over 1.5	Number	Location quotient
Manufacture of industrial process control equipment	441	19.44
Manufacture of other transport equipment not elsewhere classified	47	17.69
Manufacture of lighting equipment and electric lamps	211	5.58
Manufacture of medical and surgical equipment and orthopaedic appliances	425	5.01
Reproduction of recorded media	49	4.68
Wholesale of agricultural raw materials and live animals	213	3.96
Provision of services to the community as a whole	5,146	3.87
Manufacture of insulated wire and cable	82	3.85
Data processing	232	3.75
Forestry, logging and related service activities	85	3.63
Manufacture of articles of paper and paperboard	409	3.48
Farming of animals	7	2.86
Non-scheduled air transport	120	2.79
Manufacture of electrical equipment not elsewhere classified	172	2.62
Wholesale of food, beverages and tobacco	1,301	2.54
Manufacture of other food products	981	2.42
Manufacture of gas/distribution of gaseous fuels through mains	108	2.34
Quarrying of sand and clay	54	2.33
Publishing	809	2.29
Other financial intermediation	628	2.19
Wholesale on a fee or contract basis	355	2.12
Printing and service activities related to printing	639	1.97
Sale of motor vehicle parts and accessories	489	1.97
Renting of automobiles	151	1.82
Renting of personal and household goods not elsewhere classified	105	1.78
Maintenance and repair of motor vehicles	858	1.76
Wholesale of machinery, equipment and supplies	1,021	1.74
Other service activities	1,459	1.72
Manufacture of railway and tramway locomotives and rolling stock	56	1.62

<sup>5</sup> Source: ONS, Annual Business Inquiry, 2008

Finishing of textiles	26	1.61
Manufacture of machine tools	52	1.60
Research and experimental development on natural sciences and engineering	422	1.56
Telecommunications	768	1.54

The statistics available suggest that the lower value activity is present when looking at the low proportion that works in knowledge intensive activity, which includes advanced manufacturing activities. This is not to say that higher value activities do not exist, as can be seen from the niche in medical equipment manufacture. Although these companies may not be locally owned they still provide the local population with labour opportunities; however there are a number of key potential opportunities within advanced engineering/manufacturing which cross over with low carbon growth, as well as motor racing manufacture which is a key niche within Cherwell.

Other key niches within Cherwell include community services, with employment of 5,000 evenly split between judicial/law activities and defence. The wholesale of food, beverages and tobacco; and of machinery, equipment and supplies are other key niches with considerable employment, reflecting the overall high levels of employment within the wholesale and retail sector.

A more diverse industry mix means the greater the ability to withstand external shocks.

**j) The knowledge economy is growing but not quickly enough.**

- Compared with other parts of Oxfordshire, employment in "high skilled industries" is less common in Cherwell and high skilled clusters are less strong. The proportion of employment in such industries is similar to that in Warwickshire and Northamptonshire
- Higher Level Skills are important, suggesting a different challenge around supporting Higher Level Skills in the District as these skill needs are likely to be more *dispersed*, among smaller high technology or knowledge intensive employers or in *niche* activities within firms where lower level skills are more common.
- Recruitment: while Cherwell employers are less likely than those across Oxfordshire to face recruitment difficulties (34% of those trying to recruit compared with 39%) and this problem has decreased in importance since 2008 (43%), recruitment challenges remain, especially for specialist roles. Recruitment difficulties are similarly less of an issue in Northamptonshire and Warwickshire. Competition for staff, including competition from other areas and attracting potential employees to Cherwell as a place to work, appears to represent a key issue for some businesses. (Source: Oxfordshire Employers Skills Study 2010: Cherwell)

The knowledge economy is vital for the future of Cherwell and the wider Oxfordshire area because of the presence of high value added activities in the area, which are also of importance to the regional and national economy. If Cherwell wants to remain competitive within the global economy, it needs to secure focused investment and business growth within the key sectors, such as advanced manufacturing, biosciences, software and research and development. To better understand its current performance, a good guide is the percentage of employment in Knowledge Based Industries (KBIs).

Employment within KBIs has increased, as shown in Table 5, but is considerably lower within Cherwell when compared to Oxfordshire, the South East and Great Britain; however in the South of the District businesses generally engage within higher value activity, with strong

linkages to the Oxford core. The growth in knowledge intensive jobs in recent years has been relatively strong, an encouraging sign for the future of Cherwell's knowledge economy.

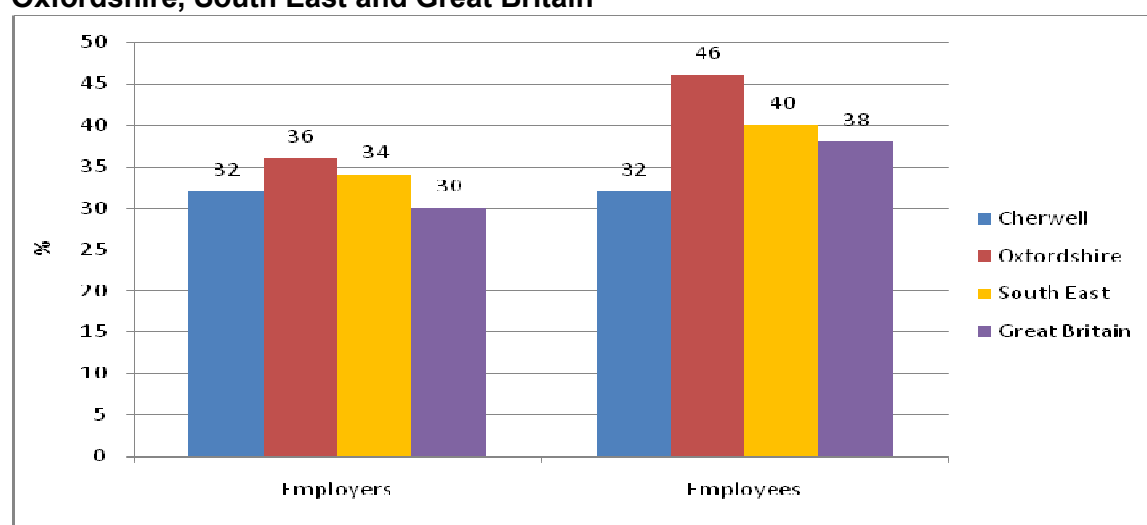
Not all places will be knowledge centres however; the lack of high value jobs raises questions about the future and possible increase in divergences with the rest of Oxfordshire and the wider South East. In order to increase inward investment, we will need to up the skills levels of employees and provide local employment opportunities to retain its higher skilled resident workforce.

**Table 5: Total employees in knowledge based industries, percentage of total employees and percentage change, 2003 to 2008<sup>6</sup>**

	KBI employees (2008)	KBI employees as % of total	% change 2003-2008
Cherwell	11,100	16.6%	6.8%
Oxfordshire	88,700	27.6%	3.1%
South East	902,000	24.0%	3.6%
Great Britain	5,828,900	21.8%	4.5%

Figure 2.2 shows that the proportion of employers in "high skilled industries" (where more than 40% of the workforce nationally has qualifications at Level 4 or above<sup>7</sup>) in Cherwell is a little below the average for Oxfordshire as a whole but broadly in line with the regional and national average<sup>8</sup>. In contrast, the proportion of *employment* accounted for by these activities is much further below the Oxfordshire average (32% compared with 46%) and below the figures for the South East and Great Britain as a whole. Employees in Cherwell are around half as likely to work in "high skilled industries" as is the case in Oxford (62%).

**Figure 2.2: Proportion of employers and employees in "high skilled" industries - Cherwell, Oxfordshire, South East and Great Britain**



Source: Annual Business Inquiry 2008. Does not include the self-employed.

<sup>6</sup> Source: ONS, Annual Business Inquiry, 2008

<sup>7</sup> Level 4+ = Degree level qualification or higher, Level 3 = A levels or equivalent, Level 2 = 5+ GCSEs or equivalent, Level 1 = 1-5 GCSEs or equivalent.

<sup>8</sup> This definition of "high skilled" industries is based on the industry classification developed by Local Futures as part of their Regional Economic Architecture model ('A Regional Perspective on the Knowledge Economy in Great Britain'). This designates industries where graduates account for at least 40% of the workforce as "K1" industries, the most knowledge intensive group within the economy.

The District has a strong concentration of employers engaged in 'research & development' as their main business activity<sup>9</sup>, illustrated by a Location Quotient (LQ)<sup>10</sup> of 1.77 but this is below the average for Oxfordshire (LQ of 2.67) and much lower than the figures for Oxford and Vale of White Horse for example (LQs of 4.91 and 4.37 respectively). Analysis also suggests that the proportion of *employment* accounted for by research & development activities is actually below the South East average (LQ of 0.76 compared with an Oxfordshire average figure of 2.27).

This reflects the presence of R&D employers in the District that are *smaller* than the regional average. In Cherwell, 93% of all employers engaged in this activity are small or micro-businesses (49 employees or less), compared with 88% across the South East, 87% across Oxfordshire and 74% in Vale of White Horse.

#### **k) Businesses are highly satisfied with their location in Cherwell yet this is not widely understood beyond the district**

- Investors tend initially to consider more congested and expensive parts of the county
- Ensure that Cherwell becomes even more attractive to both live and work in.

More than nine out of ten Cherwell businesses (93%) are satisfied or very satisfied with their business location, in line with the County average (92%). While there has been no increase in satisfaction in Cherwell as is the case across Oxfordshire (up from 88% satisfied in 2008), this is likely to reflect the fact that the proportion of Cherwell businesses satisfied with their location in 2008 was *already* high (92%). Source: Oxfordshire Employers Skills Study 2010 – Cherwell.

Specific advantages are:

- central geographical position (39%)
- good transport links (22%)
- proximity to customers, suppliers or other businesses (20%).

The importance of a "central geographical position" as an advantage for Cherwell is likely to reflect the easy access from the District to other areas such as Warwickshire, Northamptonshire and Buckinghamshire and this advantage was more likely to be cited in Cherwell than across the county as a whole (29%). This was felt to be beneficial from the point of view of both easy access to *markets* and access to a wide pool of potential *employees*, an important consideration as the unemployment rate locally was still seen as fairly low compared with the national average.

However, accessibility also means that employers outside Cherwell can also compete to employ our residents so it is important to ensure attractive opportunities to both live and work in Cherwell are provided.

Location-related *disadvantages*, in contrast, were only mentioned by around four out of ten employers (41%). Of those criticisms of the area, most appear to be less of a concern than in other parts of Oxfordshire. These include poor transport infrastructure (5% compared with 8%), traffic congestion (4% compared with 7%) and the high cost of living (6% compared with 8%). Only 9% of Cherwell businesses report transport disadvantages of any kind compared with 14% across the County.

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<sup>9</sup> i.e. this does not include employers in other industries who undertake R&D but for whom this does not represent the main focus of their business.

<sup>10</sup> An LQ of more than 1 indicates a higher than average concentration of activity benchmarked against the South East. The greater the LQ, the greater the relative strength of the activity.

### I) This is an enterprising district with potential for innovation

There were 5,800 VAT registered businesses in Cherwell at the end of 2007.

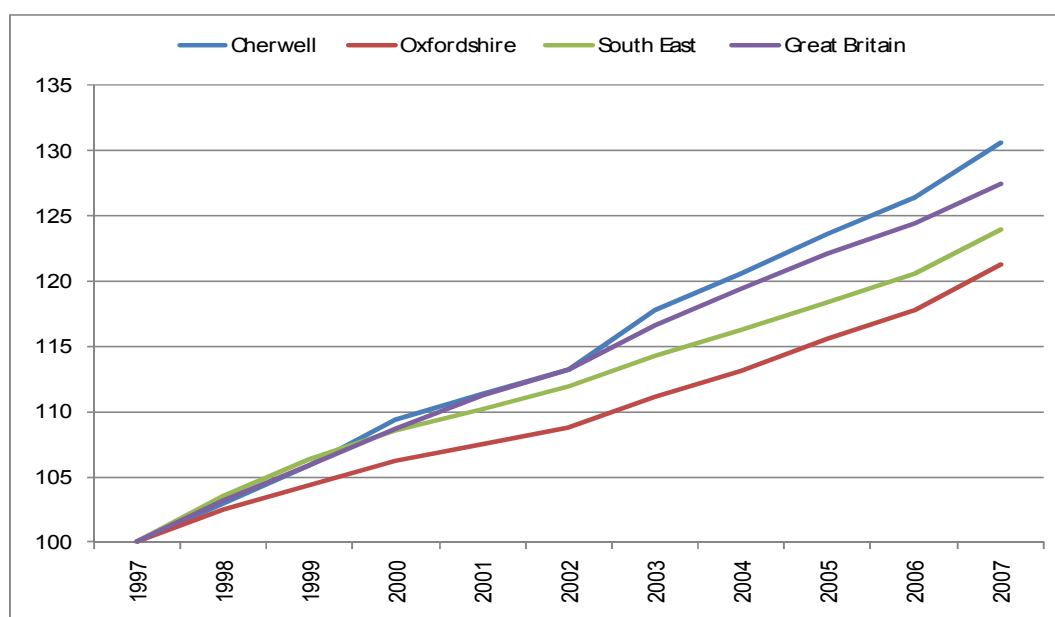
Business start-up levels are a good indicator of future economic growth. Studies show that 23% of new businesses create 71% of new employment, with businesses in high-tech sectors often having the greatest capacity for job creation. In addition to the direct employment they bring, new businesses also help foster innovation and can have a beneficial effect through enhancing competition, helping improve efficiency.

The number of VAT registrations in relation to the adult population is one way of measuring business start ups, although it is important to note that not all businesses are VAT registered and the smallest businesses might be missed.

**Table 6: VAT registrations and de-registrations per 10,000 working age population<sup>11</sup>**

	VAT registrations per 10,000 working age pop	VAT de-registrations per 10,000 working age pop
Cherwell	63.0	41.6
Oxfordshire	59.1	43.1
South East	62.4	45.2
UK	54.5	39.0

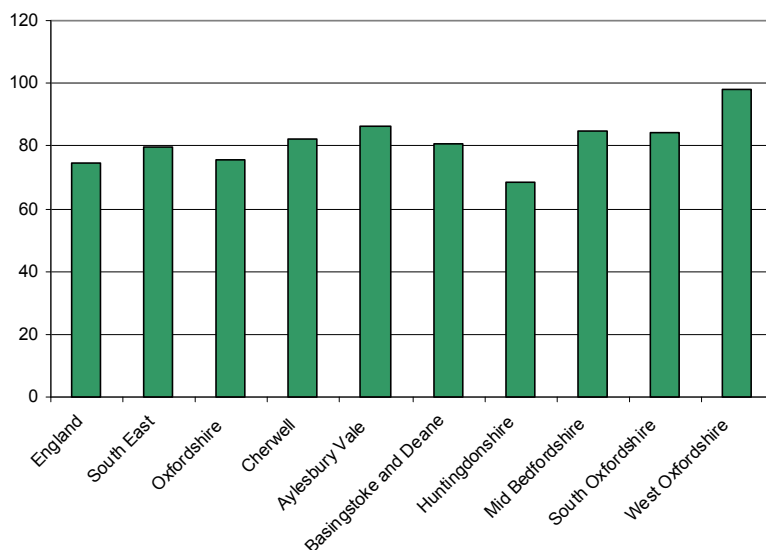
**Figure 6: Stock of VAT registered businesses: Index 1997=100, 1997 to 2007**



The data from Table 6 and Figure 6 shows that Cherwell is an enterprising area, with VAT registrations per 10,000 working age population higher than the comparators, and business stock, over time, also being higher than the county, regional and national levels.

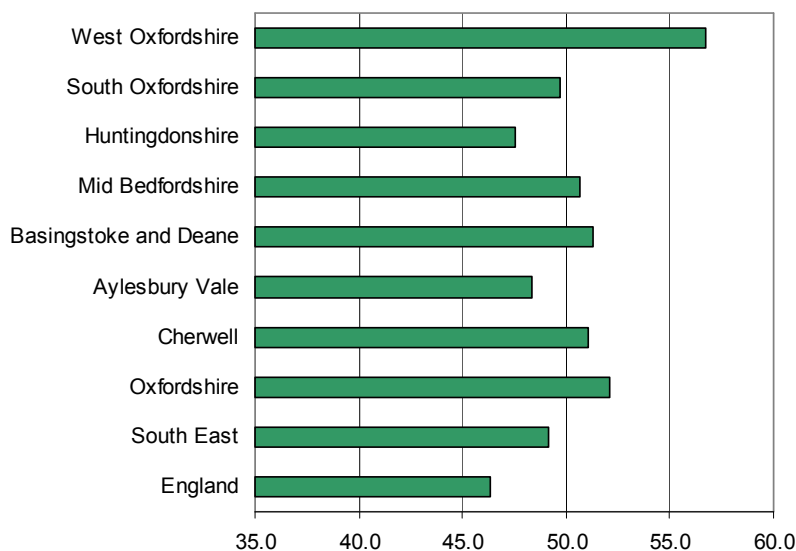
<sup>11</sup> Source: ONS, VAT registrations and stock, 2007

### New Enterprises per 10,000 working age population (2008)



Source: Business Demography 2008 and Mid Year Population Estimates 2008

### 5-year business survival rates (2003-2008) - check



Source: Business Demography 2008

However, it is notable that VAT de-registrations are lower than the Oxfordshire and wider South East levels; this could allude to both strengths and weaknesses within the economy. The low de-registration rates could point to Cherwell's businesses being better managed and/or supported by the public sector; however it could also point to the creation of businesses that lack competitive activity, suggesting the sectors where start ups are prevalent have less risk involved and are generally less knowledge intensive than in other parts of the county and

region. It is clear, however, that the skills of entrepreneurs are critical to the creation and growth of enterprises and that support will continue be needed.

**m) The environment provides both challenges and opportunities, especially through the 'Eco Bicester' project;**

Cherwell is the location of the nationally-significant North West Bicester (Eco-town) site. The detailed issues and vision are contained within the Eco Bicester One Shared Vision and emerging economic strategy for NW Bicester.

- The opportunity is to develop 'green technologies' and build 'green knowledge' around existing and new employers, sectors and clusters in Bicester and throughout the district to create a cluster of expertise and potential competitive advantage for new and existing employers.
- The challenge is to enable investment to provide at least 1 job for each of the 5,000 dwellings, ensuring that those jobs contribute to the wider themes of this vision for the district's economy. The detail for achieving this is contained within the North West Bicester Economic Development Strategy.

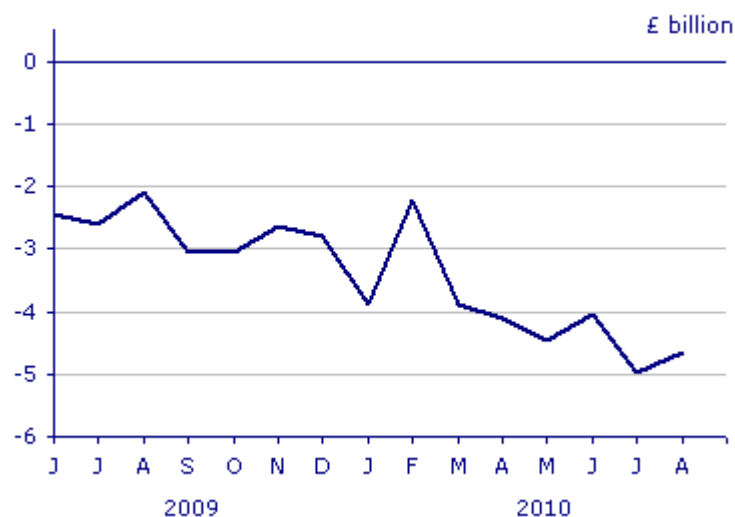
Transportation and telecommunication systems have a significant impact on economic development, and are set to be of increasing importance as costs of energy increase and waste is minimised.

**Insert eco-Bicester challenges & opportunities from emerging work.**

**n) Globalisation has also become a significant issue for the economy: both a challenge and opportunity;**

Our successful businesses look both within and beyond north Oxfordshire to sell their products and services, as do their competitors. Competition is increasingly global for many businesses and set to grow further with increasing movement of products, services, capital, people and knowledge.

Whilst figures are not available locally, the worsening of the UK's balance of trade deficit during and since the period of the recession meant that the [deficit on trade in goods and services is significant: £4.6 billion in August 2010 \(as illustrated below\)](#).



Balance of Trade, Office for National Statistics, August 2010

Whilst the surplus on trade in services was a fruitful £3.6 billion in August, the deficit on trade in goods was a worrying £8.2 billion.

In recent decades, we have seen the growth of four major developing economies; China, India, Brazil and Russia. Increasingly, manufacturing has been moving to lower-costs overseas locations but with rising costs of transportation and some concerns over responsiveness and quality, some have returned to ever more efficient bases here in the UK, including north Oxfordshire. Services have also been considered 'mobile' - call centres being a notable example – yet quality standards have not always been met resulting in new opportunities arising, yet again always demanding gains in efficiency and effectiveness.

If we are to prosper and achieve sustainable economic recovery with reduced national debt, this imbalance needs to be addressed at national and local levels, including at the level of the individual person.

#### **o) The community sector will have an increasing role to play**

- The community/social sector is already important in north Oxfordshire
- Government direction for a 'Big Society' will place more responsibility on community groups and individuals.

The resilience pilot project identified the lack of quantitative data available to understand the size and structure of the social economy; however the National Survey of Third Sector Organisations<sup>12</sup>, conducted by the Cabinet Office of the Third Sector in relation to National Indicator 7<sup>13</sup>, provides a useful summary of the social economy in upper and unitary authorities. Using population as a proxy, it is possible to provide approximate figures for the social economy in Cherwell from the Oxfordshire results<sup>14</sup>. Cherwell makes up 21.6% of Oxfordshire's population therefore it is possible to apply this proxy to the survey results. This shows a particularly strong representation of the social sector in Oxfordshire, with whom to work closely with.

<sup>12</sup> National Survey of Third Sector Organisations <http://www.nstso.com/about/>

<sup>13</sup> NI7 – Environment for a thriving third sector

<sup>14</sup> Oxfordshire Survey <http://www.nstso.com/reports/>



**Table 7: Social economy figures<sup>15</sup>**

	Cherwell	Oxfordshire	Nationally
<b>Registered third sector organisations</b>			
Total number of registered third sector organisations	694	3,213	170,552
Per capita number of registered third sector organisations (per 1,000 people)	5.02	5.13	3.38
<b>Employees working for third sector organisations</b>			
Total number of employees working for third sector organisations (full-time equivalents)	3,180	14,724	640,198
Per capita number of employees working for third sector organisations (per 1,000 people)	23.01	23.49	12.69
<b>Trustees/directors of third sector organisations</b>			
Total number of trustees/directors of third sector organisations	3,397	15,729	772,173
Per capita number of trustees/directors of third sector organisations (per 1,000 people)	24.6	25.09	15.31

## Summary of Issues facing businesses in Cherwell:

**Figure 2.6: Key location advantages and disadvantages - Cherwell and Oxfordshire (% of businesses mentioning)**

**Fig 2.6a: Advantages**

	Cherwell	Oxfordshire
Central geographical location	39	29
Good transport links	22	20
Proximity to customers, suppliers or other businesses	20	21
Thriving/ prosperous area	12	13
Pleasant/ scenic environment	7	8
Potential customers/ tourists attracted to the area	5	8
Easy location to travel/ commute to	5	5
Availability/ choice of business accommodation	3	2
Good local education (schools, colleges, universities)	2	5
Skill levels of the local population	2	3
Easy to find potential employees	1	2

**Fig 2.6b: Disadvantages**

	Cherwell	Oxfordshire
High cost of living	6	8
Cost of business accommodation	5	5
Poor transport infrastructure	5	8
Competition from similar businesses locally	5	4
Traffic congestion	4	7
Lack of potential employees locally with relevant skills/ experience	4	2
Rural area/ remote from other locations	3	2
High pay expectations	1	2

Source: Oxfordshire Employer Skills Survey May-June 2010. Bases: Cherwell =303 businesses, Oxfordshire = 1,277 businesses. Unprompted responses. Multiple responses possible.

Nine out of ten Cherwell businesses (90%) report that they face constraints on their business of some kind, a higher proportion than found in 2008 (83%)<sup>16</sup>. As shown in Figure 2.7, the most commonly cited constraint is the economic climate (73%), followed by access to finance or

<sup>15</sup> <http://www.nstso.com/ModuleStorage/GetFile.aspx/cdd494c121fd47a0aad3b05ca9021881.pdf>

<sup>16</sup> This reflects the trend across Oxfordshire as a whole (89% of businesses report constraints in 2010 compared with 81% in 2008).

cash flow and lack of market opportunities (both 28%).

While constraints relating to the economic downturn have grown in importance since 2008, other issues appear to be less of a concern, for example salary costs, which may reflect an *easing* of this issue linked to changes in the economy. The incidence of concerns relating to poor transport infrastructure and traffic congestion also appears to have reduced. The reasons for this are unclear but it may be that this concern has become a lower priority for employers focused on more pressing issues related to the economic downturn. Trends in constraints between 2008 and 2010 are reflected across Oxfordshire.

**Figure 2.7: Most common constraints on businesses - 2008 and 2010 (% of businesses reporting)**

	Cherwell		Oxfordshire	
	2008	2010	2008	2010
Threat of potential recession (2008) / The economic climate (2010)	54	73	50	73
Access to finance/ cash flow	-	28	-	30
Lack of market opportunities	21	28	20	25
Poor transport infrastructure/ traffic congestion	24	19	27	19
High salary costs	20	16	24	18
Existing staff skill levels	13	13	12	15
Recruitment problems	17	15	20	14
Lack of suitable premises	15	12	14	13

Sources: Oxfordshire Employer Skills Survey July-Sept 2008, Base = 305 Cherwell businesses; Oxfordshire Employer Skills Survey May-June 2010, Base = 303 Cherwell businesses. Key:  = more of a concern in 2010,  = less of a concern in 2010.

The economic climate appears less of a constraint in South Cherwell than North Cherwell, reported by 67% of respondents compared with 79%. However, existing staff skill levels (17% compared with 10%) appears more of a concern.

### 3) Vision for the Future

The vision of the Sustainable Community Strategy for Cherwell in 2030 is:

“A diverse economy with opportunities for all, vibrant communities connected by a sense of pride, place and purpose”.

But what will the economy of Cherwell look like in 2016 – or 2030 or 2060 for that matter? The honest answer is that we do not know for certain, and while we can make reasoned arguments for expecting certain changes, the further into the future we look, the thicker the mists of time become. However, this is no reason not to try and envisage how we would like that economy to be, drawing on what we know is happening now and what we believe is likely to happen in the future.

Across the UK economy, we are aware of several factors that are almost certainly going to grow in importance in the coming years;

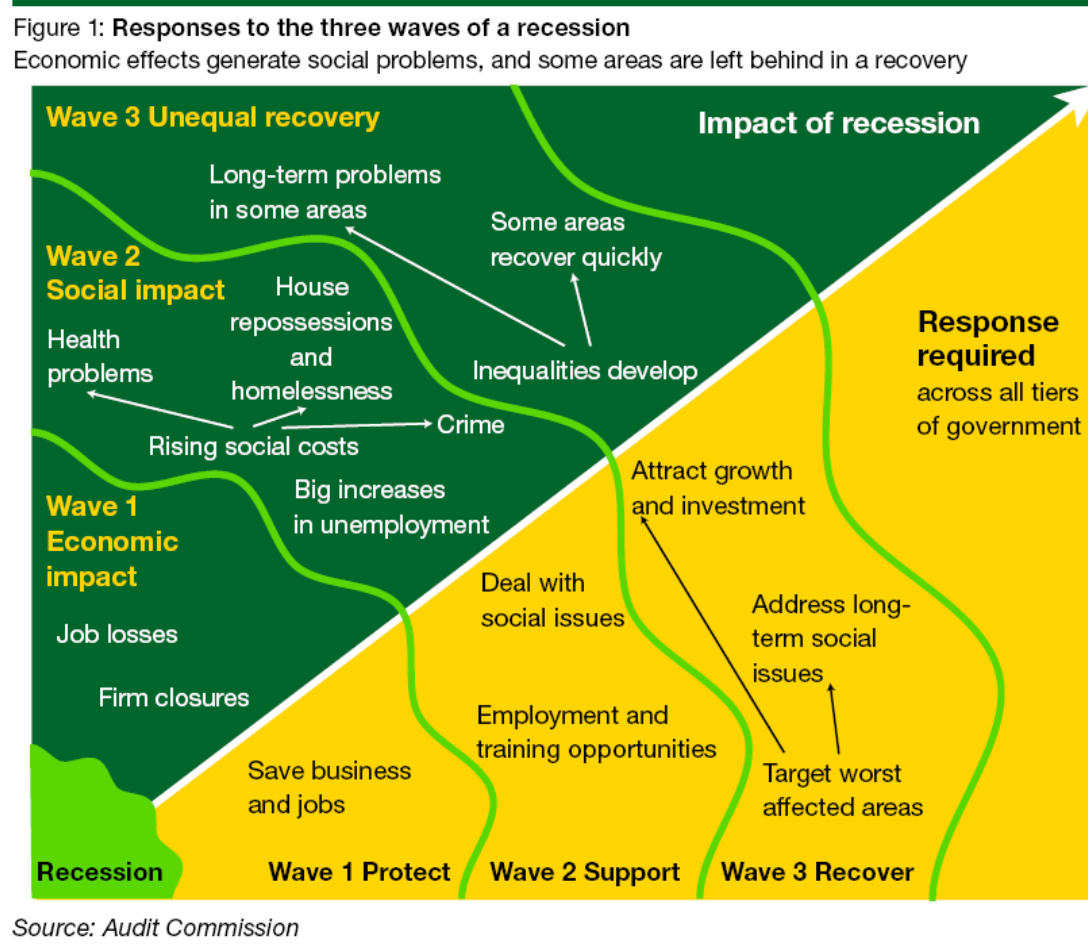
- Increasing global trade, including the movement of products, services, people and knowledge;
- The effective minimum level of qualifications for employment is steadily increasing;

- Jobs in services to individuals, from hairdressing to personal shopping, are expected to increase as time becomes an increasingly rare commodity for many people;
- The draw of the south east for people relocating, both from other parts of the UK and further afield, will remain as long as the area retains its general prosperity.

Recent experience, however, reminds us that economic development does not occur at a steady rate and is subject to many global influences; foreseeable and unforeseeable, controllable and uncontrollable. Our experience during the recession proved that Cherwell was a 'resilient' place, particularly in:

- Economic partnership across the private, public and social sectors
- Business culture, and
- Its ability to cope with recession

By previous actions and by rapidly adjusting its economic development strategy, Cherwell took swift action to develop effective partnerships and services to meet head-on the waves of recessionary impact, as explained below:



Nevertheless, the recession has had an impact on Cherwell businesses and the economic climate remains a constraint for 73% of employers. However, expectations around turnover and staff growth in the next year are quite positive (70% expect turnover to increase, 24% expect increased staff numbers) and there are signs that employers in Cherwell are taking proactive steps to try to grow their business or recover from the downturn, for example by looking to new markets or undertaking innovative activities.

The incidence of businesses with the aim to "grow by increasing sales" has increased strongly in Cherwell (82% in 2010 compared with 73% in 2008). This proportion is greater than that found across Oxfordshire as a whole (78%) and has increased at a faster rate. The importance of this aim in the District suggests that businesses may have an interest in training or support to help them achieve their goal.

The study also suggests a need to support *employees* to ensure they have the skills required to help their employer maximise their competitiveness in the current climate. As is the case across the County and in the neighbouring areas of Northamptonshire and Warwickshire, the incidence of skills gaps reported by employers has increased since 2008 (20% compared with 14%), with particular issues highlighted around motivation of established staff members, their ability to keep up with change and to be *flexible* in terms of the skills they have and how they apply them. (Employers Skills Survey 2010 – Cherwell)

The response has therefore been achieved by effective mobilisation and co-ordination of social, public and private resources. The challenge for Cherwell must now, therefore, be to maximise competitiveness and to ensure that effective action can be taken to repel the impact of further waves of recession through sustainable economic growth, defined as:

“Growth that can be sustained and is within environmental limits, but also enhances environmental and social welfare and avoids greater extremes in future economic cycles”. (Communities & Local Government, 2009b, p3).

Prosperity within a resilient Cherwell will be built through:

- 1) Innovation
- 2) Creativity, and
- 3) Entrepreneurship

Against a background of these factors, we have unique local circumstances; our geographical location in the country, our history, culture and heritage, the presence of transport links and other infrastructure. In this section we explore a possible future for the District, its three main urban centres, and its rural population.

## **Cherwell**

Following the completion of the M40 in 1990, Cherwell has grown in population, and seen its economy turned around, with low unemployment and high economic activity and resilience through the recession. However, we are still a relatively low-wage economy. Simply increasing wages isn't going to help – companies need to be successful and productive to be able to afford to pay, and this situation must be sustainable in the face of competition.

The future economy of Cherwell needs to retain what is good now and address its weaknesses. Population growth has been, and is likely to continue to be, driven by migration into the area. The presence of a strong economy is a cause, an effect, and a necessary requirement of such population growth. A key issue in the future will remain a careful balancing of population growth, economy and infrastructure. Cherwell is a good place to live and work, and our top priority must be to maintain that.

Cherwells' economy will by necessity be even more outward-looking than it is now. We will seek to add to our strong indigenous industry with selected inward investments, focussing on

those companies which either bring diversity to our economy, or add to established strengths. We will also see an increase in companies trading on an international, global basis, in both goods and services.

We will need to provide new sites for development to ensure a paced economic growth; this will also be necessary if we are to redevelop existing sites in the district, something that will be necessary to ensure that sites remain relevant to modern business needs and to address the changing nature of our built and natural environment.

We see Cherwell further strengthening its technical capacity, using high-profile areas such as motor-sports as a 'shop front', but fulfilling a leading role in a variety of high-technology, specialised engineering sectors. We also expect Bio-technology to become an increasingly significant wealth generator, especially in the southern part of the District.

## **Banbury**

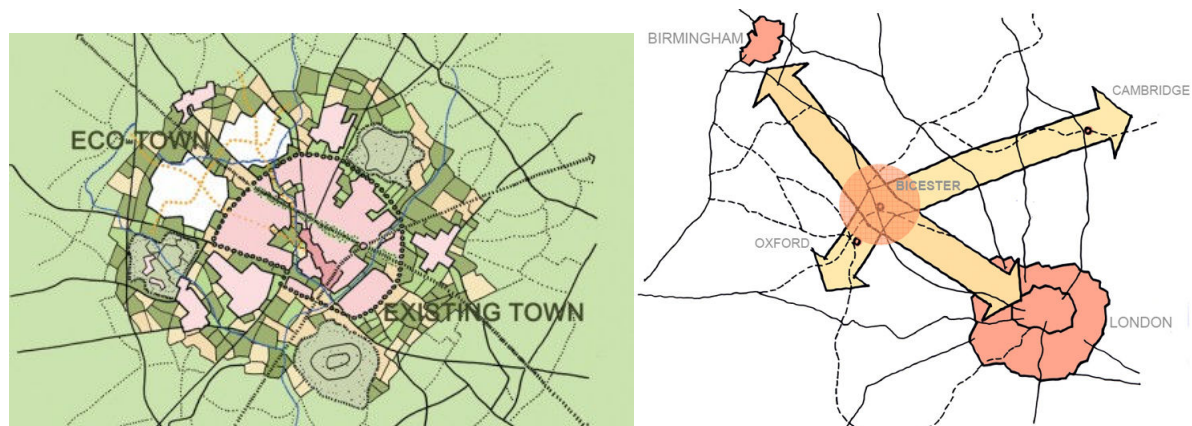
Banbury has undergone considerable growth over the past 20 years, and there is every reason to expect that to continue. The closure in 2008 of the aluminium works after 80 years was a major shock and Banbury's manufacturing sector will continue to face competition from lower cost competitors overseas. However, with a large proportion of manufacturing in higher-value and specialised areas which are more dependent on skilled input, we can have some confidence that the sector will remain a significant employer locally.

Banbury has a strong industrial heritage, and we see this evolving into a robust, 21st century engineering economy, well located in relation to customers and suppliers. Driven by flagship sectors such as motor-sports and advanced materials, this will give Banbury a firm footing from which it can compete in a global marketplace. A cluster of other employment activity, such as food production, will ensure that a diverse range of jobs and employers maintain a 'resilient' private economy.

The town itself will also continue to be a sub-regional shopping centre, attracting shoppers from a broad catchment of towns and villages. A continuing programme of environmental improvements and regeneration will enable its town centre 'product' to remain competitive and attractive in a dynamic retail / tourism market.

## **Bicester**

The development of an 'eco town' at north west Bicester, expected to create 5,000 homes and at least 5,000 jobs, provides an enormous and unique opportunity for the town to create itself as an internationally renowned location. The master planning of the site will take account of the land required to deliver the employment whilst work with partners will seek to successfully promote the site to established and new businesses. There is great scope for the north west Bicester development to act as a catalyst for inward investment and repositioning of the local economy, through the development of skills and expertise leading to innovative 'eco-regeneration' elsewhere in the town and beyond.



Bicester's history has been dominated by the presence of the Defence activities, and its location at a nexus of major transport routes. As the MOD has gradually reduced its presence, other private industry has had to provide alternative employment. Bicester's industrial estates have nurtured manufacturing employment since the 1960s but are not entirely suited to modern employment requirements.

The ease of access from Bicester to Oxford, Aylesbury and London has made it a popular residential area, but created significant issues of transport pressures and a 'brain drain'. Bicester must become a more attractive work location for many of its more-qualified and higher-earning residents.

We expect Bicester to become a significant location in the Oxford-Cambridge Arc, and so see an increase in science and technology based businesses, exploiting innovations and spin-outs from academic research.

Bicester will be able to take advantage of both materials engineering and bio-technology in its economic future, thanks to its location and the strength of those sectors already nearby. In addition, as these become more established the breadth of the towns' knowledge economy will increase to encompass other areas of innovation and creativity.

An example is in the motorsport engineering strengths of Oxford & Cherwell Valley College in Bicester and connections to local industry and Oxford Brookes University in leading green technology research.

The presence of the Bicester Village retail development has placed the town on the international map and given the town a stronger retail offering than would be expected in a centre of this size; our primary concern will continue to be to ensure that the town centre is vital and viable, and able to co-exist with Bicester Village in a mutually productive way. Drawing visitors from a very wide area, we expect that Bicester will show an increase in specialist high-value retailers appealing to discerning but affluent customers alongside its good range of local services in a revitalised town centre with enhanced rail services.

## **Kidlington**

The economy in Kidlington is dominated by the proximity of Oxford, and inevitably its future is intimately linked with the future of the city. It is a popular location to live for people working in Oxford, and has also developed a considerable office property stock. We see Kidlington being a quality centre for office and laboratory based businesses, especially in the locally significant bio-technology sector and other activities 'spun out' from the universities and those relating to

the nearby airport. Access, traffic and landscape will give the village a competitive offer to businesses. Above all, Kidlington will develop a stronger awareness of itself, integrate its facilities and use this to drive and maintain its distinctive character.

Kidlington will need to work hard to retain those aspects of village life that it most treasures; providing an attractive centre around which a sustainable community can thrive. The village will also benefit from developing stronger links between its resident, shopper, and daytime employee populations. Its relationship with the surrounding environment, particularly the Green Belt, will shape its future development.

## **Rural**

The countryside has undergone massive changes in recent years and this is likely to continue. Increasingly, the countryside is being perceived less as an area of production, particularly agricultural production, and more as a managed environment. Quality of life factors have made rural villages attractive, and consequently expensive, places to live with knock on effects for young people seeking to set up home in their native territory.

We expect that villages will remain popular places to live, but that their small size may mean that local services become shared. The changing rural economy will continue to benefit from the growing public interest in the food and drink we consume, enabling rural enterprises to offer higher-value products such as organic produce. 'Light touch' industries, especially in the creative sphere, will continue to be attracted to rural locations, taking advantage of excellent communications connections to remain fully engaged in the economy while enjoying social and environmental advantages.

Some rural communities do, however, suffer a technological disadvantage when it comes to broadband connectivity. Given increasing reliance upon Information Communication Technology within the 'knowledge economy', it is of fundamental importance to address this issue.

## 4) Strategic Context

The purpose of any strategy is to provide a focussed approach to achieving its' key goals. Therefore, our strategy must first and foremost concentrate on delivering for Cherwell. However, it is important to remember that many initiatives and actions that enable us to deliver on our aims are dependent on our partners, and many issues that affect us reach more broadly than our District border.

### Community Strategy

The new Cherwell Sustainable Community Strategy (SCS) 'Our District; Our Future' identifies the central importance of a 'resilient' economy and provides a strategic context for the revision of the Cherwell Economic Development Strategy for 2010 – 2016.

The SCS identifies seven challenges:

- Managing growth;
- Managing resources and creating prosperity;
- Adapting to an ageing population;
- Empowering the next generation;
- Reducing inequality and addressing deprivation;
- Safe, strong and vibrant communities;
- Adapting to climate change.

### Local Strategic Context

There is also a need for the Economic Development Strategy to integrate with the other medium-term strategies, and for all of those strategies to contain elements of local economic development at their core;

- Rural Strategy
- Cultural Strategy
- Housing Strategy
- Environmental Strategy
- Community Safety Strategy
- Public Health Strategy

### Economic Strategy

Following the election of a coalition government in 2010, the strategic context for economic development has – along with other strategy – changed significantly. Local Enterprise Partnerships (LEP) are emerging to take over the responsibilities of former regional economic strategy and, once LEPs are defined, then new sub-regional strategies will be drawn.

### Add more when Local Enterprise Partnership's are confirmed

We are likely to see links and parallels continue between higher-tier strategies, aiming to, for instance:

- improve the productivity and competitiveness of businesses



- raise skill levels to drive this improvement, and to spread the benefits of a vibrant economy amongst the populace to ensure community sustainability.
- temper the need and desire for economic growth with consideration of the environmental impacts traditionally attendant to such growth.

The weakness of higher tier strategy can be an inability to engage or take action at a human level; whereas our 'resilient' approach will ensure that Cherwell is also led and actively supported locally towards its longer term vision.

## Eco-town Economic Development Strategy

A detailed strategy is being developed for the Eco town at Bicester, meeting the requirement of Planning Policy Statement 1 policy ET10 - Employment:

"It is important to ensure that eco-towns are genuine mixed-use communities and that unsustainable commuter trips are kept to a minimum. An economic strategy should be produced to accompany planning applications for eco-towns that demonstrate how access to work will be achieved. The strategy should also set out facilities to support job creation in the town and as a minimum there should be access to one employment opportunity per new dwelling that is easily reached by walking, cycling and/or public transport". (The Department for Communities & Local Government, 2009a, p8).

It aims to generate innovative employment around four key areas:

- 1) Construction jobs
  - Jobs related to construction of the Eco-development
- 2) Endogenous jobs
  - 'service' jobs related to the increase in population
  - Population thresholds: a tipping point?
- 3) Exogenous jobs
  - Bicester as a hub for 'eco'-activity
  - Other high value-added employment
  - Using the re-branding of Bicester as a key attraction
- 4) Changing patterns of living and working

It has three key components:

- **Formulation** – covering the initial stages of the eco-town's development
- **Evolution** – demonstrating how the economy will evolve, particularly in response to new a changing context, and in particular how it may lead to more efficient resource use and low-carbon production
- **Implementation** – guidance on how relevant key actions will be taken forward

## Procurement Strategy

Cherwell District Council is identifying how it can use its resources most effectively: it spends around £18 million a year on a diverse range of goods, works and services with external suppliers. It aims to commit to ensuring the goods and services it purchases are manufactured, delivered, used and disposed of in an environmentally and socially responsible manner, and deliver long term value for money for the Council and the public sector as a whole. There remains a challenge to engage local suppliers to play a greater role, and for partners organisations to follow suit to maximise their positive impact upon the local economy

## **Spatial Strategy**

Delivery of economic development frequently has a crucial spatial dimension contained within national Planning Policy Statements and the Local Development Framework.

### **1) Planning for Economic Development**

In planning for sustainable economic growth, Planning Policy Statement 4 states that Cherwell District Council, as local planning authority, should:

- a. Set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth;
- b. Support existing business sectors, and identifies new and emerging sectors whilst retaining flexibility to respond to changing circumstances;
- c. Positively plans for clusters of knowledge-driven or high technology industries, co-ordinated with the regional level;
- d. Make the most efficient and effective use of land;
- e. Identify, protect and promote key distribution networks, and locates or co-locate developments which generate substantial transport movements;
- f. Plan for the delivery of sustainable transport and phasing of development;
- g. Disaggregate minimum job targets from regional to local level;
- h. Safeguard land from other uses, identify a range of sites, facilitate a broad range of economic development and not carry forward sites that are unlikely to be developed during the plan period;
- i. Encourage new uses for vacant or derelict buildings;
- j. Consider how sites for different business types can be delivered;
- k. Facilitate new working practices such as live-work.

### **2) Local Development Framework**

The Local Development Framework (LDF) is the Council's vehicle for shaping its overall spatial strategy and setting out its planning policies for Cherwell District. The LDF is not a single document but a suite of documents which are prepared at different times as required. The Economic Development Strategy therefore has strong links with the LDF, and some of the studies which have informed this Economic Development Strategy (such as the Employment Land Review) will also inform the work on the LDF.

The first document within the LDF is the Core Strategy. This will set out the overall development strategy for the district and the core policies (and allocations) that the Council will need to follow. In February 2010, the Council produced its Draft Core Strategy and consulted with local people on this. This Draft Core Strategy set out some broad policies for protecting employment land and identified several major areas where employment uses would be promoted.

The Draft Core Strategy was written in the context of the (then) regional spatial strategy for the south east of England; the South East Plan. This required the district to provide 13,400 new homes over the period 2006 - 2026. In July 2010 the new Secretary of State revoked all regional spatial strategies, and instead permitted local authorities to consider what level of growth would be appropriate within their areas and, if they can justify these, plan for them accordingly.

Cherwell District Council has indicated its intention to review its housing figures with a view to proposing some new targets which, it considers, may result in less development pressure on certain areas. In doing this, it has reaffirmed its commitment to growth at Bicester in line with its eco-town status.

At the time of writing this draft Economic Development Strategy, the Council is currently undertaking the work to inform what these new housing targets may be, and what impact this may have upon overall levels of growth, and its spatial distribution, across the district. The review of the Economic Development Strategy has come at a good time to allow the Core Strategy to consider the economic implications of growth (or lack of it) and make sure that it responds to the economic needs and priorities of the district as set out in the Economic Development Strategy.

## 5) Delivering the Sustainable Community Strategy

The Community Strategy is the main source of aspirations and goals for the Economic Development Strategy, and has four ambitions:

- Opportunities for all;
- A diverse and resilient economy;
- Connected infrastructure and protected environment;
- Resourceful and receptive community leadership.

Development of the local economy will in fact involve all four ambitions; in light of the strong linkages – between the community, private and public sectors - that will need to underpin the development of a 'resilient' economy. Primary focus will, however, be upon 'creating a diverse and resilient economy', summarised below:

We aim:

“To develop a diverse and resilient industrial base and an appropriately skilled workforce that can adapt to the challenges of climate change, supported by a well planned and effective infrastructure of housing, transport, leisure and services. We need appropriate growth in housing development to meet the needs of the population. We need to link this to supporting the population to gain the skills and flexibility to access local jobs, develop existing businesses and actively attract new businesses into the area which, in turn, encourages our younger population to stay or return here. A resurgence in localism, support for local products and businesses, and appropriate evolution of villages will strengthen our farming and rural areas”.

“Our economic ambition takes into account the jobs we have now and the jobs we would like to have in the future, the skills of our workforce and the wealth of enterprise and innovation on our doorstep. A vibrant and diverse economic infrastructure is the bedrock on which we can build a sustainable future”.

## **6) Themes for Delivery**

We have established that the local economy is a complex series of interactions between private, public and social interests, and that the inter-relationships form the basis of value to be added to Cherwell's economy. This may not always be easy - or even necessary - to measure, but continuous practical experience over the past two decades nevertheless provides us with a solid basis upon which to build our shared economic vision for 2016.

Through seeking a 'diverse and resilient economy', we wish to be active in ensuring the comprehensive sustainability of our community through the following cross-cutting and broad themes:

### **A) Cross-cutting themes:**

Throughout all activity in Cherwell, we will further develop our economy by working together to:

- 1) Ensure a diverse and resilient economy remains at the heart of Cherwell's Vision**
- 2) Acknowledge capacity and build strong relationships**
- 3) Maximise the 'green economy' benefits arising from Eco-Bicester**

#### **a. Ensure a diverse and resilient economy remains at the heart of Cherwell's Vision**

Cherwell has been a prosperous district with very low unemployment. Much of the stability we have experienced has come from small and medium sized businesses and these businesses need continued support so that they are maintained. We also need to look to new and innovative business to attract this into the area and retain the population through a range of work opportunities. Lastly we need to ensure that our population is skilled enough to take up these opportunities and to balance this with homes they can live in and transport they can get to work with.

#### **b. Acknowledge capacity and build strong relationships**

There is an established culture of co-operation in north Oxfordshire with a strong track-record of taking both proactive and timely reactive steps to address economic 'shocks'. It is upon this positive culture that the annual delivery plans will be based, enabling a flexible and responsive approach to be taken, through effective community leadership in uncertain times.

#### **c. Maximise the 'green economy' benefits arising from Eco-Bicester**

In maintaining the global competitiveness of Cherwell's economy, we must sustain an environment in which people choose to live, work and visit. As energy costs rise and regulations tighten, the 'green economy' will be synonymous with the whole economy. Individuals, businesses and locations will have to be 'green' to survive and to compete. We have a unique opportunity to be at the forefront of sustainable community development through Eco-Bicester, and to spread the benefits across the whole district.

### **B) Broad themes: people, business and place**

Whilst valuing the inter-relationships, we will also take actions to develop the diversity and resilience of our local economy, as identified by the Community Strategy:

1. Raise expectations and ambitions and provide a range of economic opportunities for everyone including lifelong learning and retraining. We will foster and develop alternative ways of accessing employment such as apprenticeships, volunteering or work-based training;
2. Promote and support business diversification and a sustainable economy in both urban and rural environments. Protect and grow local services and businesses, while supporting town centres to be attractive economic hubs for the district.
3. Manage our infrastructure development, matching housing growth with local jobs, transport to work, facilities and services. We will plan effectively for our future workforce and employment patterns, focusing on what we need to achieve in raising our skills and actively attracting the right businesses into the area.

There are complex inter-linkages within and between these objectives but can be simplified into three broad headings:

- 1) Developing people
- 2) Developing business
- 3) Developing place

## **A) Developing people**

**Our people are indeed the greatest asset within our community and, to engage all, we will:**

### **1. Create employment**

Our economy generally consists of high levels of employment and economic activity but as identified in Issue b, this has increasingly been reliant upon a growing public sector whilst the private sector has contracted slightly. The implications of the coalition government's austerity plans, with likely reductions in public sector employment and expenditure will be experienced over the years of this strategy and will need interpretation and review locally.

Underpinning all other themes in the delivery of our economic strategy, continued high levels of engagement with the economy will support skills development, business growth, community vibrancy and social inclusion.

**We will:**

- **Create sufficient additional jobs** by the end of 2016 to cope with the predicted increase in population.
- **Maintain the low unemployment rate** in the district.

### **2. Provide access to Employment**

Creating jobs is insufficient to ensure a prosperous economy. If we cannot find the right people with the right skills and aptitudes to fill those jobs, in the right location, then neither the local

populace nor the employer will benefit. It is therefore vital that we continue to ensure that local people are able to take advantage of the opportunities that are created. This means more than simply ensuring they have access to training; it involves helping people into work for the first time, return to work with new skills and to progress as individuals.

The Job Clubs provide examples of best practice in how the private, public and social sectors can forge successful working partnerships to tackle an economic shock within a locality. The momentum created should ensure effective labour market support to individuals in good times as well as bad.

**We will:**

- **Continue to develop the Job Clubs** to improve access to skills, training, enterprise and employment opportunities.
- **Develop alternative ways of accessing employment** such as self-employment, apprenticeships, volunteering or work-based training.
- **Help economically inactive people** into work and training, in co-operation with employers.
- **Consider spatial aspects**, such as commuting and other means of accessing employment, when planning for land use in both employment and housing, including home-based working.

### **3. Enhance Skills**

Cherwell is served by Oxford and Cherwell Valley (Further Education) College (OCVC), and we are within an hour's travel of five universities, incorporating three business schools. Despite this, skill levels in the District are still a cause for concern. It is vital for our future prosperity that we equip the existing and future working population with the skills required for a 21st Century economy. These skills range across the board, including both technical skills and generic 'soft' skills such as customer service, team-working and so forth, and must be based on the needs of employers.

To maintain our diverse and resilient economy, skills development is about improving productivity, efficiency, and adding value. Through the recession, however, the challenge has also arisen to help provide individuals with the basic skills, knowledge and support to enter and return to work.

**We will:**

- **Develop relationships with local employers** as partners in addressing education and skills issues.
- **Enable employers to identify and to meet their future skills needs**, working with the Skills Funding Agency, schools, colleges and universities to jointly gain a greater understanding of needs and provision, and supporting key local sectors.
- **Provide the 'eco' skills** needed to develop Bicester eco-town, to attract businesses and to develop a competitive 'green economy'.
- **Raise expectations and ambitions** and provide a range of economic opportunities for everyone including lifelong learning and retraining.
- **Promote** apprenticeships, Future Jobs Fund Projects, eco town construction & technology skills, as well as volunteering and informal learning to equip people for work.

#### 4. Engage the Community in Economic Development

Although our economy is generally prosperous, there are small areas where numbers of people suffer the linked disadvantages of poor housing, low skills, and low employment and economic activity. Where these problems are concentrated, we must have a flexible approach dealing with all the issues. The danger of communities forming within our large towns on the shared basis of exclusion from the broader prosperity is alienation, social exclusion and eventually problems of crime and disorder.

**We will:**

- **Tackle the causes of under achievement** which include engagement in education and training, poor housing, lack of access to transport, poor social and economic cultures and dependence on benefits - e.g. Banbury deprivation project.
- **Take advantage of the strong local identity** – the strong place identity among Cherwell residents means there is an opportunity for the public sector to work with the social sector primarily to generate additional benefits for the local economy.

### B) Developing business

**Businesses will work with each other, and public and social partners, to become even stronger and more diverse, and**

**We will:**

#### 5. Promote business start-up and entrepreneurship

The creation of new businesses, especially those in creative and knowledge-based sectors, is vital for the future of our economy. It will create more diversity and resilience amongst the businesses in our economy. Businesses started in a locality often have a strong loyalty to their 'place of birth', and generate all the benefits of wealth generation associated with a head-office function.

For some people, starting a business is self-employment in its truest sense; the aim is sustainable income rather than growth, and the focus is on the activity at hand rather than managing a business. This has an important role to play for individuals for whom mainstream employment may be inaccessible – their domestic demands may require them to manage time in a different way to 9-5 employment, or they may have recently become redundant with no clear opportunity to use their skills in a role with a new employer.

For others, the business is the focus, and these are the true entrepreneurs; their aim would be growth and competitiveness whatever their product. These businesses provide the powerhouses of the future for our economy, growing and employing people in skilled roles. Both self-employment and entrepreneurship are vital to our economy.

**We will:**

- **Increase the numbers of new businesses forming**, fostering enterprise through Oxfordshire Business Enterprises, enabling all residents considering starting a



business to gain help and support, smoothing the start-up process and ensuring early survival.

- **Enable high skill** and high tech entrepreneurship through the Innovation and Growth Team, Oxford Innovation and other local support networks,
- **Support the early survival and growth of enterprises**, through developing the network of agencies, banks and other professional advisers, training and education providers and local authorities.
- **Embed an entrepreneurial culture in our young people**, through programmes such as Young Enterprise, increasing the number of young people involved in these programmes.

## 6. Develop local procurement and supply chains

In an increasingly global economy, individual purchasing and investment decisions are often taken outside Cherwell yet the effects of those decisions can then be felt locally through business closures and job losses. Whilst in a global market place, it is increasingly difficult to compete on price alone, so quality and service are becoming more important, as is an understanding of the local 'multiplier' effects.

The public, private and increasingly social elements of a resilient economy should ensure that the exchange of products and services can involve all potential providers to contribute, allowing 'value for money' to be identified, especially where it contributes to circulation of wealth locally. Initiatives, such as breaking down larger contracts to match small to medium sized enterprise (SME) and social enterprise capacity, and encouraging collaboration between local SMEs and social enterprises to compete for larger contracts, will have a real positive impact on the local supply chain.

### We will:

- **Maximise opportunities for the private and social sectors** to supply to public sector.
- **Ensure Cherwell District Council's Sustainable Procurement Strategy is implemented** to deliver community and financial benefits through clever procurement.
- **Work with public sector to develop a single procurement portal** building upon the strong relationships that exist within the public sector in Cherwell.
- **Assist businesses to identify local supply chains.**

## 7. Promote business & cluster development

All businesses now compete in a national, international or for many a global marketplace. It is recognised that businesses geographically related and operating in a broadly similar field have much to gain by working in partnership, pooling their resources and knowledge to operate collaboratively against competition elsewhere.

Cherwell is already home, fully or partially to some established clusters (for instance, we are at the mid-point in the famed 'motor-sport valley'). There is considerable prestige to be gained by acting as the 'spiritual home' to an established and high-profile cluster, and to this end we should seek to be supportive of such groups.

Support for businesses is often delivered on a themed basis. Effective support provides a high return on the time invested by the company in becoming engaged; it is therefore a sign of a

strong business support framework that it manages its contacts with the private sector closely and streamlines processes – this is all the more important when there are multiple agencies involved.

**We will:**

- **Continue to support the growth of established clusters** locally involved with the bio-medical, motor-sport and high-technology sectors and identify key areas for co-operative development, and identify further clusters.
- **Develop and integrate a new ‘green technology cluster’** in and around Bicester as part of the eco-town.
- **Engage with our businesses** to understand what support we can give them to stay and grow here into medium sized, high performing businesses.
- **Operate a protocol for business support**, clarifying the roles of various agencies and the transferring of clients between them.

## **8. Attract new investment**

A key part of the success of the Cherwell economy in recent years has been the concerted drive to attract inward investment, building upon the strong communication links of the M40, and the railways. A key to the success here has been the Cherwell-M40 Investment Partnership, bringing together public and private sector partners to deliver comprehensive support for inward investors and expanding local companies. A number of highly successful firms have set-up or grown, making strong commitments to the area as a result, bringing many quality jobs and contributing diversity and resilience.

**We will:**

- **Continue enabling investment** in north Oxfordshire through our Cherwell-M40 Investment Partnership, maximising the use of the private and public sector’s resources.
- **Develop a North Oxfordshire focused inward investment strategy** to ensure effective working with other partners, such as UK Trade and Investment (UKTI) and any new services provided at Oxfordshire level to attract investment, especially on a European and global basis.
- **Continue to focus on attracting high-quality jobs** to meet local need and opportunities, such as in ‘green technologies’, where the associated developments are of benefit to the area both economically and environmentally.
- **Plan effectively** for our future workforce and employment patterns, focusing on what we need to achieve in raising our skills and actively attracting the right businesses into the area.

## **9. Develop a ‘World Class’ Business Community**

No business, however small, can continue untouched by the increasing impact of globalisation. As a part of one of the most economically active and dynamic regions in the world, we are ‘in the top drawer’ as a local economy. Developing our new businesses and encouraging appropriate inward investment will increase our competitiveness, and many of these new firms will join existing ones in trading on a European, and even a global basis.

We must be prepared to support and facilitate the internationalisation of our businesses, by giving them access to specialist knowledge and support, opportunities and markets. We must maintain our links with other parts of the world as a geographical and governmental entity, and

look for opportunities to develop more. Since the demise of NOVEC (North Oxfordshire Virtual Exporters Club) there has been a vacuum for networking and support for export at the local level, which we are keen to address. Such a group will enable the sharing of experience and pooled resources, reducing the often daunting barriers to international markets.

**We will:**

- **Create an international trade network** locally, bringing experienced importers, exporters and traders together with novices and professional services to share experiences, develop knowledge and exploit opportunity.
- **Promote exporting opportunities** to local businesses arising from the UK Trade International and other such bodies to make opportunities for overseas market development and research readily available to local businesses.
- **Identify overseas links**, formed through civic activity or other networks, can be used to develop economic development opportunities.

## **10. Develop the Visitor Economy**

The visitor economy is a unique sector comprising not only of attractions and overnight accommodation but also transport, retail and other services. The visitor economy can be an important part of an locality, providing expenditure, facilities, services and opportunities that might not otherwise exist. Cherwell's tourism product faces the challenge of nearby tourism 'hot-spots' such as Oxford City, the Cotswolds, Silverstone, Stratford-upon-Avon, Warwick and the Chilterns. However, our strong transport infrastructure and central location for all these areas does give us a unique offering.

The promotion of Oxford and Oxfordshire allows the potential for venues in the district to engage with the lucrative business tourism market. Both Banbury and Bicester have in recent years seen limited investment in hotels and further investment is needed to meet existing and projected demand.

Business tourism fits well with our aim to be a centre of business growth and innovation in the sub-region. Our improved accessibility in comparison with Oxford City centre, and our generally good transport links, means we are in a strong position to develop the premier business tourism product for Oxfordshire.

**We will:**

- **Work in partnership with businesses and tourism bodies to enhance and develop our tourism product, maximising the value whilst minimising any negative affects.**

## **C) Developing place**

**Our district will be an even better place in which to live, work, learn and spend leisure time, and**

**We will:**

## **11. Promote employment sites & premises**

The successful Cherwell-M40 partnership brought together public and private sector partners, enabling the paced development and occupation commercial property to meet demands from employers. All businesses require premises; be they on an industrial estate, in a town or village, or even at home. It is important to maintain the capacity to create new space to meet needs when required, but it is also important to make the best use of existing business sites. We will seek to protect existing allocations of land for new employment generating development, and ensure sufficient new land is available through the Local Development Framework to accommodate economic growth.

Continued marketing, improvement and redevelopment where necessary of existing employment sites and premises will form a central pillar in the support we provide to the business community. Our main aim must be balance the need for new land against the opportunity to re-use previously developed land. We hope to improve the efficiency of land use, increasing the amount of employment and economic activity without unnecessarily increasing the amount of land used.

**We will:**

- **Provide a good supply of employment land** to accommodate the expansion needs of existing and future employers, across a diverse range of activity, making best use of land without compromising the environment.
- **Complete a review of employment land provision** within the district to feed into the Local Development Framework and inform local planning for business growth until 2026.
- **Work to increase the overall density of employment** on main business sites, and encourage and facilitate the redevelopment of sites and premises.
- **Continue to work closely with partners** in the commercial property and investment fields to encourage the bringing forward of new commercial property to meet demand, working to re-develop and improve existing commercial properties to maintain high environmental standards, meet changing demand patterns and improve the built environment for local people.
- **Enhance business environments** to encourage a virtuous cycle of upgrading of premises to encourage further investment, reducing the number of vacant units and enhancing economic activity.

## **12. Manage our infrastructure development**

The quality of communications links has been highlighted as one of the key economic drivers in our district. Transport and telecommunications provide the key link to markets that businesses require and in a rural, centrally located area, maintaining and improving those connections is a vital task for economic development to take place.

We need to ensure that people have convenient access to homes and jobs, being able to get themselves to their place of work in a reasonable time and a sustainable manner. Cherwell residents travel further to work than people in the rest of the South East and nationally. Car ownership overall is high and residents in the rural areas are particularly dependent on their cars. Over 60% of people drive to work. This dependency on cars to get Cherwell's residents to work could prove to be a problem as fuel prices continue to rise and, therefore, alternatives are required.

We will:

- **Continue to lobby for key transport developments** identified as necessary for moving the Cherwell economy forwards.
- **Develop broadband accessibility** across the district, lobbying for and exploiting new faster technologies as and when they become available and enabling more effective homeworking for a growing number of employees.
- **Enable a good supply of housing** and a wide range of affordable housing opportunities to ensure that housing provision is able to support the development of the local economy and people's ambitions and needs.
- **Ensure that utilities to all businesses meet present and future demand**, particularly in the older industrial areas where power and water/sewage supplies can become inadequate.
- **Develop Eco-Bicester** as an exemplar of innovative transport and communications.

### 13. Support rural areas

Cherwell's Rural Strategy acknowledges the importance of a strong local economy. Rural business locations are proving to be ever more popular, due to a combination of lower cost and pleasant surroundings, making them particularly appealing to start-up and micro-businesses where the owner lives locally. This is especially true of those working in the valuable creative or knowledge driven sectors. A key enabler of such rural business growth is good communications, and the increasing availability of high-speed internet connections means we are in a position to capitalise on this factor providing that access to broadband is improved in some rural locations.

We will:

- **Enable sustainable rural communities** through the development of appropriate sites and premises for local employment, especially in relation to new high-skill small firms that would benefit from a high-quality working environment.
- **Encourage diversification of farms and other rural businesses** to enable the creation of local employment and reduce commuting.
- **Support rural shops and businesses** in serving their rural communities and in creating jobs, ensuring that NNDR (business rate) relief is provided to all eligible businesses and encouraging patronage and community involvement.
- **Explore opportunities to pool resources** and community facilities to provide new community and commercial opportunities, including networks and hubs for home workers and shared travel to work schemes
- **As noted in 'infrastructure', ensure that broadband technology is available** throughout the district.

### 14. Support urban centres

Our three Urban Centres, in Kidlington, Bicester and Banbury, have an important role to play at a county and sub-regional level. Much has been achieved in creating thriving attractive places where people want to live, work and relax, but these places exist in a dynamic environment, and therefore if they do not keep moving forwards, in relative terms, they can be moving backwards.

The urban centres play a pivotal role in the economic life of the District. They form hubs around which our economy revolves, as meeting points for communications, and providing a critical mass of property, businesses and local customers. Quality urban centres represent the District to the outside world, being one of the main impressions gained by visitors here on either business or pleasure and therefore high quality, tidy, thriving centres establish the District firmly as a modern, dynamic and pleasant place to live, work and visit.

To enhance the resilience of Cherwell and to maximise resources, there is scope to stimulate more business interaction between our urban areas providing businesses with a perfect opportunity to develop cross sector working relationships, activity and trade.

**We will:**

- **Work with local chambers and business networks** to form closer working relationships between each other, and with public and community partners.
- **Support town centres** to maintain their economic vitality through their shops, markets and events.
- **Undertake regeneration** schemes and actions to enhance the attractiveness and success of the centres.

a. **Banbury**

- **Implement the 'Banbury Brighter Futures' project**, engaging businesses, and improving the proportion of residents in identified wards with skills and qualifications.
- **Implement the 'Banbury Cultural Quarter' development** to build the creative and cultural sector.
- **Redevelop Canalside, including Tramway Industrial Estate**, ensuring that existing businesses are supported in relocating locally if necessary.
- **Redevelop Orchard Way** - the existing 8 retail and 13 residential units at the junction with Orchard Way and Fairway. The scheme will provide for 4 retail units with better specifications and increased floorspace and 33 new residential units.
- **Redevelop Bolton Road** - a comprehensive redevelopment of the north western edge of Banbury town centre, which also includes the meteor car park.

b. **Bicester**

- **Maximise the potential of the eco-town development** – build upon the accessibility of Bicester, its skilled workforce, further education opportunities, and location to attract new businesses and seize this major opportunity, as detailed separately in the eco-Bicester Economic Development Strategy.
- **Improve the quality of business premises and access to utilities**, as noted in 'infrastructure', by working with partners.
- **Work with Bicester Village** to raise the international profile of the town, maximising the links with other areas of this strategy.
- **Complete the Town Centre Redevelopment Project** - a comprehensive redevelopment of the Crown, Crown Walk and Franklins yard car parks to provide a supermarket, cinema, replacement car parks and bus facilities and further retail and restaurant units.
- **Remodel Market Square** – led by Oxfordshire County Council, a highway and townscape improvement scheme.

c. **Kidlington**

- **Enable stronger links** between industrial areas, local residents and the village centre.
- **Maximise its unique advantages:** the benefits of the airport, University of Oxford Begbroke Science Park and its proximity to Oxford.
- **Consider Kidlington pedestrianisation** – a project from the Kidlington Village Centre Management Board involving a review of the current ineffective Traffic Regulation Order for the High Street and formal public consultation on changes to be made, not only to the Order but signage too.

## 7) Taking the Strategy Forward

Having identified the themes to address the issues, it is necessary to prepare for action and to plan how this can best be done to achieve an even more diverse and resilient Cherwell.

### Key Delivery Partners

Oxfordshire Economic Partnership  
Oxfordshire Learning and Skills Partnership  
South East England Regional Development Agency (SEEDA)  
Local Chambers of Commerce and Business Networks  
Local Businesses  
Oxfordshire and Cherwell Valley College  
Cherwell District Council  
Cherwell Community and Voluntary Services  
Oxfordshire County Council Banbury Town Centre Partnership  
Bicester Vision  
Kidlington Village Centre Management Board  
Oxfordshire Rural Community Council  
Jobcentre Plus  
Cherwell Skills Action Group  
West Oxfordshire and Cherwell Partnership

### Capacity and Partnership

Many economic development strategies will explain in great detail proposals for attracting investment, creating jobs and so forth. But frequently omitted from these documents is any detail on the ability to deliver the aims, and the potential human resources required.

Much of the work in economic development is now delivered in partnership – both with professional bodies such as Job Centre Plus and Business Link, and with voluntary groups such as community associations. A key part of the success in economic development in Cherwell over the last 20 years has been the Cherwell-M40 Investment Partnership (CHIP), which has been instrumental in attracting and retaining quality employers in the district. As with many fields, economic development has its own jargon and specialist knowledge; to achieve our aims we must communicate as clearly as possible with our partners, and where appropriate work with our partners to increase their capacity to work with us.

### We will:

- **Identify the importance of economic development within Cherwell** – throughout all strategies of the Local Strategic Partnership.
- **Be realistic** – with the new Local Strategic Partnership (LSP) Board in place, there is a need for partners to utilise this structure to determine the key three or four strategic priorities for Cherwell in the future and concentrate on these rather than spreading themselves too thinly.
- **Develop our existing partnerships by enhancing co-operation** between the social/community, private and public sectors to be utilised for more effective action.
- **Develop stronger links between LSP partners** – as the pressure to reduce costs within the public sector mounts, there will be a need for public, private and social bodies to form even stronger links. Differences need to be understood and accounted for when the partners are developing strategy, policy or delivering programmes.
- **Create strong links** between the private, public and voluntary sectors with clear roles and contributions to the economic, aspiration and skills agenda.
- **Communicate and build understanding** – encourage individuals, organisations and businesses to recognise how their actions contribute to this vision.
- **Ensure relationships between partners are meaningful** – it is important that the Council continues to keep up the good work in engaging the private and social sectors separately; however it is important that Cherwell does not rest on its laurels and continues to ensure the relationships that exist are fit for purpose and generate meaningful results for the economy.

Our work is knowledge-based, and so depends greatly on quality information, which in turn rests upon quality data. A good base of robust data from a variety of sources is an essential resource, and one we will work to maintain. We also need to keep up our analytical capacity to turn that data into information, and we need to maintain strong working partnerships to create the context within which that information becomes knowledge. Ultimately, we must become a learning organisation to effectively deliver our strategic aims.

**We will:**

- **Undertake an annual review of our skills base** to ensure we are constantly upgrading the skills we have to deliver economic development in Cherwell.
- **Maximise the opportunities for voluntary and community sector** representatives to be involved in training and development opportunities alongside professional staff to increase their capacity to engage.
- **Maintain an economic database** covering land, property and businesses as the underpinning of a knowledge-driven service, and access to other data sources as appropriate.
- **Use our working partnerships** to analyse and learn from data and information.



## A) Developing people

Objective: Our people are indeed the greatest asset within our community and, to engage all, we will:				
Aim	Action	Output/outcome	Timescale	Lead partner(s)
<b>1) Create employment</b>	<b>Create sufficient additional jobs</b> by the end of 2016 to cope with the predicted increase in population.			
	<b>Maintain the low unemployment rate</b> in the district.			
<b>2) Provide access to Employment</b>	<b>Continue to develop the Job Clubs</b> to improve access to skills, training, enterprise and employment opportunities.			
	<b>Develop alternative ways of accessing employment</b> such as self-employment, apprenticeships, volunteering or work-based training			
	<b>Help economically inactive people</b> into work and training, in co-operation with employers			
	<b>Consider spatial aspects</b> , such as commuting and other means of accessing employment, when planning for land use in both employment and housing, including home-based working.			
<b>3) Enhance Skills</b>	<b>Develop relationships with local employers</b> as partners in addressing education and skills issues.			
	<b>Enable employers to identify and to meet their future skills needs</b> , working with the Skills Funding Agency, schools, colleges and universities to jointly gain a greater understanding of needs and provision, and supporting key local sectors.			
	<b>Provide the 'eco' skills</b> needed to develop Bicester eco-town, to attract businesses and to develop a competitive 'green economy'			
	<b>Raise expectations and ambitions</b> and provide a range of economic opportunities for everyone including lifelong learning and retraining.			
	<b>Promote</b> apprenticeships, Future Jobs Fund Projects, eco town construction & technology skills, as well as volunteering and informal learning to equip people for work.			
<b>4) Engage</b>	<b>Tackle the causes of under achievement</b>			Skidz

<b>the Community in Economic Development</b>	which include engagement in education and training, poor housing, lack of access to transport, poor social and economic cultures and dependence on benefits - e.g. Banbury deprivation project.			
	<b>Take advantage of the strong local identity</b> – the strong place identity among Cherwell residents means there is an opportunity for the public sector to work with the social sector primarily to generate additional benefits for the local economy.			

## B) Developing business

<b>Objective:</b> <b>Businesses will work with each other, and public and social partners, to become even stronger and more diverse, and</b> <b>We will:</b>				
<b>Aim</b>	<b>Action</b>	<b>Output/outcome</b>	<b>Time scale</b>	<b>Lead partner(s)</b>
<b>5) Promote business start-up and entrepreneurship</b>	<b>Increase the numbers of new businesses forming</b> , fostering enterprise through Oxfordshire Business Enterprises, enabling all residents considering starting a business to gain help and support, smoothing the start-up process and ensuring early survival.			
	<b>Enable high skill and high tech entrepreneurship</b> through the Innovation and Growth Team, Oxford Innovation and other local support networks,			
	<b>Support the early survival and growth of enterprises</b> , through developing the network of agencies, banks and other professional advisers, training and education providers and local authorities.			
	<b>Embed an entrepreneurial culture in our young people</b> , through programmes such as Young Enterprise, increasing the number of young people involved in these programmes.			
<b>6) Develop local procurement and supply chains</b>	<b>Maximise opportunities for the private and social sectors</b> to supply to public sector.			

	<b>Ensure Cherwell District Council's Sustainable Procurement Strategy is implemented</b> to deliver community and financial benefits through clever procurement.			
	<b>Work with public sector to develop a single procurement portal</b> building upon the strong relationships that exist within the public sector in Cherwell.			
	<b>Assist businesses to identify local supply chains.</b>			
<b>7) Promote business &amp; cluster development</b>	<b>Continue to support the growth of established clusters</b> locally involved with the bio-medical, motor-sport and high-technology sectors and identify key areas for co-operative development, and identify further clusters.		CHIP/LEPs	
	<b>Develop and integrate a new 'green technology cluster'</b> in and around Bicester as part of the eco-town.			
	<b>Engage with our businesses</b> to understand what support we can give them to stay and grow here into medium sized, high performing businesses.			
	<b>Operate a protocol for business support</b> , clarifying the roles of various agencies and the transferring of clients between them			
<b>8) Attract new investment</b>	<b>Continue enabling investment</b> in north Oxfordshire through our Cherwell-M40 Investment Partnership, maximising the use of the private and public sector's resources.		CHIP	
	<b>Develop a North Oxfordshire focused inward investment strategy</b> to ensure effective working with other partners, such as UK Trade and Investment (UKTI) and any new services provided at Oxfordshire level to attract investment, especially on a European and global basis.			
	<b>Continue to focus on attracting</b>			

	<p><b>high-quality jobs</b> to meet local need and opportunities, such as in 'green technologies', where the associated developments are of benefit to the area both economically and environmentally.</p>			
	<p><b>Plan effectively</b> for our future workforce and employment patterns, focusing on what we need to achieve in raising our skills and actively attracting the right businesses into the area.</p>			
<p><b>9) Develop a 'World Class' Business Community</b></p>	<p><b>Create an international trade network</b> locally, bringing experienced importers, exporters and traders together with novices and professional services to share experiences, develop knowledge and exploit opportunity.</p>			
	<p><b>Promote exporting opportunities</b> to local businesses arising from the UK Trade International and other such bodies to make opportunities for overseas market development and research readily available to local businesses.</p>			
	<p><b>Identify overseas links</b>, formed through civic activity or other networks, can be used to develop economic development opportunities</p>			
<p><b>10) Develop the Visitor Economy</b></p>	<p><b>Work in partnership with businesses and tourism bodies to enhance and develop our tourism product, maximising the value whilst minimising any negative affects.</b></p>			

### C) Developing place

<b>Objective:</b> Our district will be an even better place in which to live, work, learn and spend leisure time, and <b>We will:</b>				
Aim	Action	Output/outcome	Time scale	Lead partner(s)
<b>11) Promote employment sites &amp; premises</b>	<b>Provide a good supply of employment land</b> to accommodate the expansion needs of existing and future employers, across a diverse range of activity, making best use of land without compromising the environment.			
	<b>Complete a review of employment land provision</b> within the district to feed into the Local Development Framework and inform local planning for business growth until 2026.			
	<b>Work to increase the overall density of employment</b> on main business sites, and encourage and facilitate the redevelopment of sites and premises.			
	<b>Continue to work closely with partners</b> in the commercial property and investment fields to encourage the bringing forward of new commercial property to meet demand, working to re-develop and improve existing commercial properties to maintain high environmental standards, meet changing demand patterns and improve the built environment for local people.			
	<b>Enhance business environments</b> to encourage a virtuous cycle of upgrading of premises to encourage further investment, reducing the number of vacant units and enhancing economic activity.			
<b>12) Manage our infrastructure development</b>	<b>Continue to lobby for key transport developments</b> identified as necessary for moving the Cherwell economy forwards.			
	<b>Develop broadband accessibility</b> across the district, lobbying for and exploiting new faster technologies as			

	and when they become available and enabling more effective homeworking for a growing number of employees.			
	<b>Enable a good supply of housing</b> and a wide range of affordable housing opportunities to ensure that housing provision is able to support the development of the local economy and people's ambitions and needs.			
	<b>Ensure that utilities to all businesses meet present and future demand</b> , particularly in the older industrial areas where power and water/sewage supplies can become inadequate.			
	<b>Develop Eco-Bicester</b> as an exemplar of innovative transport and communications.			
<b>13) Support rural areas</b>	<b>Enable sustainable rural communities</b> through the development of appropriate sites and premises for local employment, especially in relation to new high-skill small firms that would benefit from a high-quality working environment.			
	<b>Encourage diversification of farms and other rural businesses</b> to enable the creation of local employment and reduce commuting.			
	<b>Support rural shops and businesses</b> in serving their rural communities and in creating jobs, ensuring that NNDR (business rate) relief is provided to all eligible businesses and encouraging patronage and community involvement.			
	<b>Explore opportunities to pool resources</b> and community facilities to provide new community and commercial opportunities, including networks and hubs for home workers and shared travel to work schemes			
	<b>As noted in 'infrastructure', ensure that broadband technology is available</b> throughout the district.			
<b>14) Support urban centres</b>	<b>Work with local chambers and business networks</b> to form closer working relationships between each other, and with public and community partners.			
	<b>Support town centres</b> to maintain			

	their economic vitality through their shops, markets and events.			
	<b>Undertake regeneration</b> schemes and actions to enhance the attractiveness and success of the centres.			
<b>- Banbury</b>	<b>Implement the ‘Banbury Brighter Futures’ project</b> , engaging businesses, and improving the proportion of residents in identified wards with skills and qualifications.			
	<b>Implement the ‘Banbury Cultural Quarter’ development</b> to build the creative and cultural sector.			
	<b>Redevelop Canalside, including Tramway Industrial Estate</b> , ensuring that existing businesses are supported in relocating locally if necessary.			
	<b>Redevelop Orchard Way</b> - the existing 8 retail and 13 residential units at the junction with Orchard Way and Fairway. The scheme will provide for 4 retail units with better specifications and increased floorspace and 33 new residential units.			
	<b>Redevelop Bolton Road</b> - a comprehensive redevelopment of the north western edge of Banbury town centre, which also includes the meteor car park.			
<b>- Bicester</b>	<b>Maximise the potential of the eco-town development</b> – build upon the accessibility of Bicester, its skilled workforce, further education opportunities, and location to attract new businesses and cease this major opportunity, as detailed separately in the eco-Bicester Economic Development Strategy.			
	<b>Improve the quality of business premises and access to utilities</b> , as noted in ‘infrastructure’, by working with partners.			
	<b>Work with Bicester Village</b> to raise the international profile of the town, maximising the links with other areas of this strategy.			
	<b>Complete the Town Centre Redevelopment Project</b> - a			

	comprehensive redevelopment of the Crown, Crown Walk and Franklins yard car parks to provide a supermarket, cinema, replacement car parks and bus facilities and further retail and restaurant units.			
	<b>Remodel Market Square</b> – led by Oxfordshire County Council, a highway and townscape improvement scheme.			
<b>- Kidlington</b>	<b>Enable stronger links</b> between industrial areas, local residents and the village centre.			
	<b>Maximise its unique advantages:</b> the benefits of the airport, University of Oxford Begbroke Science Park and its proximity to Oxford.			
	<b>Consider Kidlington pedestrianisation</b> – a project from the Kidlington Village Centre Management Board involving a review of the current ineffective Traffic Regulation Order for the High Street and formal public consultation on changes to be made, not only to the Order but signage too.			



## Appendix 1: Information Sources and Background Documents

**To be updated**

### Information Sources

**Centre for Local Economic Strategies (2010)** – Understanding the Resilience of Cherwell.

**Cherwell Local Strategic Partnership (2010)** – Our District, Our Future; a Sustainable Community Strategy.

**Oxfordshire Economic Partnership (2006)** – Oxfordshire Economic Strategy

**Step Ahead Research (2008)** – Oxfordshire Employers Skills Study - Cherwell

**Step Ahead Research (2010)** – Oxfordshire Employers Skills Study - Cherwell

**Tourism South East (2010)** - The Economic Impact of Tourism on Oxfordshire - Estimates for 2009.

**UK Commission for Employment and Skills (July 2010)** - The Value of Skills: An Evidence Review.

### Background Documents

**Department for Communities & Local Government (2008a)** - Creating Strong, Safe and Prosperous Communities.

**Department for Communities & Local Government (2008b)** – Tackling Worklessness – A Review of the Contribution and Role of Partnerships – An Interim Report. Councillor Stephen Houghton, Claire Dove & Iqbal Wahhab. November 2008.

**Department for Communities & Local Government (2009a)** - Eco-towns - A supplement to Planning Policy Statement 1.

**Department for Communities & Local Government (2009b)** – Planning Policy Statement 4 – Planning for Sustainable Economic Growth.

**Department for Communities & Local Government (2009c)** - Local Democracy, Economic Development and Construction Bill - Local Economic Assessments - Policy Statement.

**HM Government (2009)** - Partnerships for Growth: A National Framework for Regional and Local Economic Development. December 2009.

**SEEDA - South East England Development Agency (2006)** - Regional Economic Strategy 2006-2016.

## **Appendix 2: Consultation**

- **14 January & 8 February 2010 - Banbury Corporate Finance Initiative** (Jeremy Lincoln - Chairman).
- **21 January 2010 – Cherwell-M40 Investment Partnership.**
- **February 2010 – involvement of LSP partners in Resilience research.**
- **12 March 2010 – LSP Management Group discussion.**
- **19 March 2010 - Resilience Study consultation at ‘Banbury in Business’ Summit.**
- **7 July 2010 – Resilience Study findings and consultation at LSP Board**
- **August 2010 – Employers Skills Study consultation to LSP**
- **11 August 2010 – Cherwell Investment Partnership - Employment Land Review**
- **30 September 2010 – LSP Board**
- **18 October 2010 – Eco-Bicester Economic Development Strategy Group (businesses, councillors, officers).**
- **Development of ideas (exporting, digital, etc)**

## Appendix 3: Significant Partnerships

### Local Strategic Partnership (LSP)

**Cherwell Investment Partnership (CHIP)** – a loose public-private partnership with property agents, chambers of commerce and representatives of local stakeholders who guide the service's efforts aimed at encouraging inward investment and the growth of indigenous businesses. Key objectives for 2010/11 are to continue / expand the partnership, develop the newly launched website to attract new investment, take action with partners on specific schemes to improve the district and work at Oxfordshire level to ensure that Cherwell draws benefit & investment leads from regional & national resources.

**Bicester Vision** – a partnership of local businesses and Authorities, with the objective of promoting Bicester. A significant partnership for the Council, for whom the Council provide a hosting service for the employment of the Bicester Vision Partnership Manager. It is an autonomous organisation which the Council supports financially, but their activities are not included in this plan. Key objectives for 2010/11 include the working with partners on the North West Bicester Scheme and developing the Bicester Vision continuation proposals.

**Kidlington Village Centre Management Board** – a groups of local authorities and public agencies seeking to guide the management and development of the village centre, and acting as a liaison group which brings together representatives from all three tiers of local government, the Police, and from business.

**Banbury Town Centre Partnership** - Guides activities on a range of town centre issues including the management and development of the town centre, and acting as a liaison group which brings together representatives from all three tiers of local government, the Police, and from business.

**Oxfordshire Economic Partnership (OEP)** – A public-private partnership funded significantly by government through SEEDA and also employing staff transferred from Oxfordshire County Council This organisation is in receipt of significant LAA1 reward grant funding and Cherwell is seeking assurance on funding allocation as described above. OEP receives financial support from the Council (currently £5,000pa).

Key objectives for 2010/11 are subject in significant part to the allocation or otherwise of LAA1 reward funding which as described above.

**Job Club Partnership**–There are many partners involved in delivering the Job Clubs, which are managed and co-ordinated by Cherwell District Council. Key objectives for 2010/11 will be:

- to secure the continued commitment and participation of partners to Cherwell's Job Clubs during 2010/11 (assuming the need continues)
- Review and expand the current Worklessness Outreach Project, currently being piloted by partners with Charter Community Housing at the Sunshine Centre in Banbury
- extend access to job club services – particularly maintain and develop the Job Club website as a place of choice for local job vacancies, advice and guidance.
- work in partnership with the **Banbury Deprivation Project**, such as targeting NEETs in the defined Wards in most need and other community projects such as the Rainbow Venue.
- Work with businesses and the colleges to expand Apprenticeship opportunities in Cherwell.



## **BUSINESS RATES DISCRETIONARY HARDSHIP RELIEF POLICY**

### **A. Scope of This Policy**

This policy is in respect of Discretionary Hardship Rate Relief only. Section 49 of the Local Government Finance Act 1988 gives charging authorities the discretion to reduce or remit the payment of rates for any ratepayer. A charging authority can reduce or remit the payment of rates where it is satisfied that the ratepayer would sustain hardship if it did not do so and it is reasonable for it to do so having regard to the interests of its council tax payers.

It is for each charging authority to decide on the facts of each case whether to exercise its powers under section 49 - and to judge the extent of those powers.

Cherwell District Council intends to use these powers to support businesses suffering temporary hardship. The aim is to reduce or remit the rates in order to help the business through a problem period, not to provide continuous support to an unsustainable business. Consequently, it will be necessary to determine if the business is sustainable.

Each case will be considered on its own merits and the application process kept as simple as possible. However, the government guidelines state that the reduction or remission of rates should be the exception rather than the rule. Consequently, the Council is anxious to ensure that businesses are aware of the range other help which may be available and what steps to take to achieve improvement. If you require additional information please contact our Customer Services Department on 01295 227054.

### **B. Funding the Hardship Relief Policy**

The amount of funding set aside to support this policy will be reviewed by the Council on an annual basis as part of the budget setting process. For most organisations 75% of the cost of this discretionary relief is met by central government and this Council will be responsible for funding the remaining 25%. Consequently in deciding whether to grant discretionary rate relief Cherwell District Council will look at the cost of the relief against the Council's budgetary provisions and remaining funds.

### **C. Awards of relief**

If your application is successful and you are awarded hardship relief it will be applied to your account and you will be sent an amended bill showing the amount granted. If this results in an overpayment of business rates a refund will be sent to you.

It is possible that relief will be granted for a period of up to two years but initially under this policy rate relief awarded will be for a maximum period from the date of application up to the end of that financial year, but could be for a shorter period as defined in the ratepayer's application. Ratepayers receiving relief will need to reapply for relief for the following year but relief will not exceed 2 financial years.

#### **D. Equality & Diversity**

When applying the content of this policy to the determination of an application for a rate relief reduction, officers of the Council will base their decisions solely on the criteria in this policy and not discriminate against any particular group or groups. Officers will also aim to consider any impact on equality and diversity in the community of the organisation applying for relief.

#### **E. Right of Appeal**

Your application will be processed within one month of receiving the relevant information and you will be notified in writing of the decision and if relief is not granted you will be told why. As this is a discretionary power, we will re-consider our decision on appeal in the light of any additional points you wish to make.

#### **F. Scope and General Conditions For Hardship Relief**

- Awards shall be limited to up to two consecutive financial years (a financial year is the period 1 April to 31 March) starting in the year that the application is made, however applicants will need to reapply for the 2<sup>nd</sup> year and provide any supporting evidence again.
- Awards will not usually be backdated to any previous years.
- Any Hardship relief awarded is, throughout the period of the award, financially sustainable (i.e. the Council has the necessary funding).
- All other forms of rate relief have already been considered. If another type of relief is more appropriate you will be advised accordingly.
- Applications must be in writing, and, as a minimum must contain the information specified in the Council's standard application form shown in Appendix 1.
- Applications will only be considered where signed by the ratepayer, or, where an organisation is the ratepayer, an appropriately authorised representative of the organisation.
- Additional information deemed by the Council to be essential in order for a fair evaluation of the application to be made must be supplied within 4 weeks of a request.
- The business must demonstrate how it is beneficial to the local community and why it is currently suffering financial hardship.
- The business provides employment to local residents in an area where employment opportunities are limited.

#### **Examples of appropriate circumstances**

The following examples indicate circumstances where it may be appropriate to award relief. They are included in this policy in the form of broad general guidelines and are not intended to be prescriptive.

- a) The ratepayer is severely or terminally ill

b) Without rate relief the business will close and deprive local residents of an essential service.

c) The ratepayer's business has been detrimentally affected by circumstances beyond the ratepayers control and these circumstances do not constitute part of the normal risks in running a business (e.g. a natural disaster, an unusual or uncontrollable event in the neighbourhood of the business such as a fire making the immediate area of the business unsafe).

**N.B. in addition,** it must be in the interest of the community as a whole for Hardship relief to be granted.

### **G. How to apply for NNDR Hardship Relief.**

You will need to complete a NNDR Hardship Relief application form (Appendix 1), which is also available on the Council's website or by contacting the Business Rates Section.

### **Authority to Award Relief**

In the interests of efficiency, the authority to consider applications is delegated as set out below:

- ◆ Awards to be considered by the Service Assurance Technical Specialist for Revenues and recommendation approved by Head of Finance
- ◆ All Hardship Relief appeal cases: To be considered by Members Appeal Panel/Executive.

Details of the recipients and the amount of awards will be reported to the Executive annually.

Officers and Members who have an interest in any aspect of an application for relief must not participate in the decision making or appeals process and must declare their interest.

Examples of interests include those in the following list. However, the list is not intended to be exhaustive.

- Membership of the organisation making an application
- A close relative who is a member of the organisation making an application
- An interest in the property for which the relief is being sought
- Membership of a similar organisation (e.g. a rival sporting club)

Where an officer or Councillor is unsure whether they have an interest they should seek advice from the Head of Legal and Democratic Services as the Council's Monitoring Officer. The Head of Legal and Democratic Service may in turn need to liaise with the Head Finance on any case referred to them (e.g. where cases of conflict of interest will need to be monitored by the Service Assurance Team on an on-going basis).

### **Cancellation of relief**

Relief will be cancelled if:

1. The applicant ceases to be the ratepayer
2. The property becomes empty or the occupation changes in some other way.

3. The use of the property changes
4. The aims or objectives of the ratepayer change
5. There is an increase in the amount of rates payable

The ratepayer has an obligation to tell the Council where (1) to (4) applies.

Where relief is cancelled for any of the reasons from (2) to (4) above, a new application may be made straight away.

Where relief is cancelled for reason (5) above the decision will immediately be reconsidered and a new decision made, based on the new amount of rates payable.

## **Appeals Process**

Appeals may only be made by the original applicant. An appellant may appoint an agent act on their behalf and in such cases the Council will require written authorisation from the appellant before dealing with their agent.

Appeals against decisions will be considered by the Member Appeals Panel/Executive. Decisions on appeals made by the Members Appeal Panel/Executive will be final.

Applicants must make an appeal within four weeks of the issue of the letter notifying them of the Council's decision.

Applicants will be notified of the date on which the appeal will be considered, which will be within eight weeks of receipt of the appeal, or where the appeal is to be considered by the Executive, within twelve weeks. Or in both circumstances as soon as reasonably practicable thereafter.

Applicants may appeal against the decision to award or not award relief, or against the level of relief awarded.

Appeals must be made in writing and must give the reasons why it is believed the decision should be amended. New or additional information may be included, but only if it is relevant to the decision making process.

The appellant may make a request to present evidence in person but does not have a right to do so. Such requests will be considered at the discretion of the Head of Finance.

The Members Appeal Panel/Executive can request a meeting with either the applicant and/or the appropriate Revenues Service officer to hear evidence in person. The Executive may nominate a representative or representatives to attend such meetings on its behalf.

Each application will be considered individually on its merit.

The appeal decision may be adjourned if further information is required from either party.

The applicant will be informed of the final decision, and the reasons for the decision within four weeks of the hearing.

Submitting an appeal does not affect the appellant's legal rights to challenge a decision made by the Council through the Judicial Review process.

If the Council has requested further evidence from the ratepayer and this has not been received within four weeks, the appeal will be deemed to have been discontinued and the applicant notified in writing. No further consideration will be given to that appeal but the rate payer can submit a subsequent application but backdating will not be considered.



## **NATIONAL NON-DOMESTIC RATES**

## **HARDSHIP RELIEF**



### **General Information**

Section 49 of the Local Government Finance Act 1988 gives Cherwell District Council, as a billing authority, discretion to reduce or remit payment of rates where it is satisfied that the ratepayer would sustain hardship if it did not do so, and where it is reasonable for Cherwell District Council to do so having regard to the interests of its Council Tax payers.

In making decisions on whether to grant relief, Cherwell District Council considers guidance issued by the Communities and Local Government Department (CLG). The CLG has said that whilst it is for each billing authority to decide on the facts of each case whether to exercise its powers under Section 49 – and to judge the extent of those powers – authorities may wish to bear in mind the following guidance:

- i. Although authorities may adopt rules for the consideration of hardship cases, they should not adopt a blanket policy either to give or not to give relief, each case should be considered on its own merits;
- ii. Reduction or remission of rates on grounds of hardship should be the exception rather than the rule;
- iii. The test of 'hardship' need not be confined strictly to financial hardship; all relevant factors affecting the ability of a ratepayer to meet its liability for rates should be taken into account;
- iv. 75 per cent of the cost of any hardship relief granted is offset against the authority's payment to the national non-domestic rate pool, 25 per cent is borne locally and met by the local authority;
- v. The 'interests' of Council Tax payers in an area may go wider than direct financial interests. For example, where the employment prospects in the area would be worsened by a company going out of business, or the amenities of an area might be reduced by, for instance, the loss of the only provider of a service in the area; and
- vi. Consideration will be given to the financial impact on the Council and the local community in making awards. Relief may be refused or capped if it is considered that the financial cost to the Council or the local community outweighs the benefits generated through the award of relief.

## **How to apply for Hardship Relief**

- ◆ Please complete the attached application form as fully as possible. If you have any difficulties completing the form, please contact the Customer Services department on 01295 227054.
- ◆ In addition to the standard application form ratepayers will be required to supply supporting information such as audited accounts and articles of association. In some circumstances the Council may decide that it is necessary for one or more officers to visit the rated premises to establish further facts.
- ◆ In some instances the Council may require the applicant to visit the Council's offices to provide verbal information in support of the application. Where a visit is required the Council will give a minimum of fourteen days notice of the date the visit is required.
- ◆ The Council will not consider applications where the ratepayer has failed to provide information that has been requested within 4 weeks of the request, or where the ratepayer does not cooperate with the Council's request to visit a property.
- ◆ It is recognised that some organisations may not currently keep records of sufficient detail to provide the information that is normally required to support an application. Where the Council is satisfied that the information is genuinely not available, and that the organisation has co-operated to provide all information that is available, the Council will consider the application based on the information provided. Only one application will be considered in this way, and future applications must provide all information that is required.
- ◆ If the process of keeping record to the standard required will incur additional expense for the organisation it will be up to the organisation to decide whether the additional expense is worthwhile in order to apply for relief.
- ◆ Once an application is received no action will be taken to recover unpaid rates until fourteen days after the decision has been notified to the ratepayer. However, payment cannot be withheld pending an appeal. In the event that an appeal is successful, any overpayment will be refunded.
- ◆ In the event of an application being discontinued or refused recovery action may be commenced fourteen days after the ratepayer has been notified of the discontinuation or refusal.
- ◆ Where an application has been refused either initially or following an appeal, further applications will not be considered within the same financial year except where:
  - a) The use of the property changes, or
  - b) The objectives of the organisation change, or
  - c) There have been other changes that may affect the Council's decision (for example where an organisation has taken action to address an issue which had previously precluded an award of relief).
- ◆ The decision on whether to consider a reapplication shall be made by the Head of Finance.

## NATIONAL NON-DOMESTIC RATES

### APPLICATION FOR HARDSHIP RELIEF UNDER SECTION 49 OF THE LOCAL GOVERNMENT FINANCE ACT 1988

1. Name of Ratepayer	
2. Business Rates account number	
3. Address of property to which this hardship application relates	
4. Address for correspondence if different from 3. above	
5. Please describe the nature of the business / organisation (i.e. what sort of goods and / or services do you provide?).	
6. How long has the business / organisation been established?	
7. Please state the number of staff employed by the business / organisation at the property.	Full Time:                      Part Time:
8. How many of these employees live in Cherwell District Council?	Full Time:                      Part Time:
9. Please state the days and hours that the property is open for business / in use.	

<p>10. Please state the period for which hardship relief is being sought.</p>	
<p>11. How long do you expect the circumstances giving rise to this application for hardship relief to last?</p>	
<p>12. Any hardship relief granted will normally be for a short fixed period only. Please explain how you plan to keep your business / organisation viable and meet your business rate and other liabilities in the future.</p> <p>(This is particularly important if your business rates rose in the last financial year as it is likely that they will rise again.)</p>	
<p>13. Please give as much information as possible regarding the reasons why you consider that your business / organisation would sustain hardship if the Council does not reduce or remit the rates due (please use additional sheets of paper if necessary).</p>	
<p>14. Does the business / organisation provide a service to the local community which is not provided by any other local business / organisation? If so please explain what this service is.</p>	

15. Please provide copies of the last two years' audited accounts for the business / organisation (if audited accounts are not available, please provide un-audited ones).

16. Please provide an up to date copy of your trading account showing the current financial position of the business / organisation.

If no trading account is available, please provide other paperwork, such as copies of bank statements, till receipts and VAT returns for the period for which relief is being sought in order to demonstrate the hardship suffered.

**I certify that to the best of my knowledge and belief the foregoing statements are correct, and that the organisation to which they refer is not established or conducted for profit.**

**I HEREBY CERTIFY THAT I WILL NOTIFY THE COUNCIL OF ANY CHANGES TO THESE PARTICULARS SHOULD THEY OCCUR.**

**DATE:** \_\_\_\_\_

**SIGNED:** \_\_\_\_\_

**CAPACITY IN WHICH SIGNED:** \_\_\_\_\_

Once completed, this form should be returned to:

**Service Assurance Team, Bodicote House, Bodicote, Banbury, Oxfordshire,  
OX15 4AA**



## **BUSINESS RATES DISCRETIONARY RELIEF POLICY**

### **A. Scope of This Policy**

This policy is in respect of Discretionary Rate Relief for Charities, Community Amateur Sports Clubs [CASC] and 'Not for Profit' bodies. Section 47 of the Local Government Finance Act 1988 gives charging authorities the discretion to reduce or remit the payment of rates for any ratepayer. A charging authority can reduce or remit the payment of rates where it is satisfied that an organisation meets the criteria of the policy. .

It is for each charging authority to decide on the facts of each case whether to exercise its powers under section 47 - and to judge the extent of those powers.

Cherwell District Council intends to use these powers to support organisations which are entitled to mandatory relief as a charity or CASC and require a 'top up' or are 'not for profit' bodies requiring 100% relief.

Each case will be considered on its own merits and the application process kept as simple as possible. Consequently, the Council is anxious to ensure that organisations are aware of the help which is available and what steps to take to achieve this. If you require additional information please contact our Customer Services Department on 01295 227054.

### **B. Funding the Discretionary Relief Policy**

The amount of funding set aside to support this policy will be reviewed by the Council on an annual basis as part of the budget setting process. The Council pays 75% of the 20% 'top up' relief and 25% of any other discretionary award. Consequently in deciding whether to grant discretionary rate relief Cherwell District Council will look at the cost of the relief against the Council's budgetary provisions and remaining funds.

### **C. Awards of relief**

If your application is successful and you are awarded discretionary relief it will be applied to your account and you will be sent an amended bill showing the amount granted. If this results in an overpayment of business rates a refund will be sent to you.

Relief can be granted on an on-going basis or for a specific period of time. This will depend on the circumstances of each applicant and the nature of the organisation. Where an award is withdrawn, one full financial year notice must be given.

### **D. Equality & Diversity**

When applying the content of this policy to the determination of an application for a rate relief reduction, officers of the Council will base their decisions solely on the criteria in this policy and not discriminate against any particular group or groups. Officers will also aim to consider any impact on equality and diversity in the community of the organisation applying for relief.

### **E. Right of Appeal**

Your application will be processed within a month of receiving all the necessary information and you will be notified in writing of the decision and if relief is not granted you will be told why. You should continue to pay your business rates at the current rate until a decision and a revised bill is received. As this is a discretionary power, we will re-consider our decision on appeal in the light of any additional points you wish to make.

#### **F. Scope and General Conditions For Discretionary Relief**

- Awards can be for either a specific period or open ended. Open ended awards will be reviewed and further information requested at any time should the need arise.
- Awards will not usually be backdated to any previous years.
- Any relief awarded is, throughout the period of the award, financially sustainable (i.e. the Council has the necessary funding).
- All other forms of rate relief have already been considered. If another type of relief is more appropriate you will be advised accordingly.
- Applications must be in writing, and, as a minimum must contain the information specified in the Council's standard application form shown in Appendix 1.
- Applications will only be considered where signed by the ratepayer, or, where an organisation is the ratepayer, an appropriately authorised representative of the organisation.
- Additional information deemed by the Council to be essential in order for a fair evaluation of the application to be made must be supplied within 4 weeks of a request.
- The organisation must demonstrate that it is a charity or trustee for a charity and the premises are used mainly or wholly for charitable purposes OR
- Is a Community Amateur Sports Club registered as such with the Inland Revenue OR
- Is an organisation which is not established for profit and whose aims are charitable or philanthropic, religious, educational or concerned with social welfare, science, literature or fine arts.

#### **Examples of appropriate circumstances**

The following examples indicate circumstances where it may be appropriate to award relief. They are included in this policy in the form of broad general guidelines and are not intended to be prescriptive.

- a) The organisations objectives are in accordance with those of the Council
- b) The contribution the organisation makes to the community as a whole and the extent to which its membership is available to all or specific groups of people
- c) The extent to which the facilities and services provided complement or replace those provided by the Council

### **G. How to apply for NNDR Discretionary Relief.**

You will need to complete a NNDR Discretionary Relief application form (Appendix 1), which is also available on the Council's website or by contacting the Business Rates Section.

### **Authority to Award Relief**

In the interests of efficiency, the authority to consider applications is delegated as set out below:

- ◆ All awards with to be considered by the Service Assurance Technical Specialist for Revenues and recommendation approved by Head of Finance
- ◆ All Discretionary Relief appeal cases: To be considered by Members Appeal Panel/Executive.

Details of the recipients and the amount of awards will be reported to the Executive annually.

Officer and Members who have an interest in any aspect of an application for relief must not participate in the decision making or appeals process and must declare their interest.

Examples of interests include those in the following list. However, the list is not intended to be exhaustive.

- Membership of the organisation making an application
- A close relative who is a member of the organisation making an application
- An interest in the property for which the relief is being sought
- Membership of a similar organisation (e.g. a rival sporting club)

Where an officer or Councillor is unsure whether they have an interest they should seek advice from the Head of Legal and Democratic Services as the Council's Monitoring Officer. The Head of Legal and Democratic Service may in turn need to liaise with the Head Finance on any case referred to them (e.g. where cases of conflict of interest will need to be monitored by the Service Assurance Team on an on-going basis).

### **Cancellation of relief**

Relief will be cancelled/reviewed if:

1. The applicant ceases to be liable for NNDR
2. The property becomes empty.
3. The use of the property changes
4. The aims or objectives of the ratepayer change
5. There is a decrease or increase in the amount of rates payable

The ratepayer has an obligation to tell the Council where (1) to (4) applies.



Where relief is cancelled/reviewed for any of the reasons from (2) to (4) above, a new application may be made straight away.

Where relief is cancelled for reason (5) above the decision will immediately be reconsidered and a new decision made, based on the new amount of rates payable.

## **Appeals Process**

Appeals may only be made by the original applicant. An appellant may appoint an agent act on their behalf and in such cases the Council will require written authorisation from the appellant before dealing with their agent.

Appeals against decisions will be considered by the Member Appeals Panel/Executive. Decisions on appeals made by the Members Appeal Panel/Executive will be final.

Applicants must make an appeal within four weeks of the issue of the letter notifying them of the Council's decision.

Applicants will be notified of the date on which the appeal will be considered, which will be within eight weeks of receipt of the appeal, or where the appeal is to be considered by the Executive, within twelve weeks. Or in both circumstances as soon as reasonably practicable thereafter.

Applicants may appeal against the decision to award or not award relief, or against the level of relief awarded.

Appeals must be made in writing and must give the reasons why it is believed the decision should be amended. New or additional information may be included, but only if it is relevant to the decision making process.

The appellant may make a request to present evidence in person but does not have a right to do so. Such requests will be considered at the discretion of the Head of Finance.

The Members Appeal Panel/Executive can request a meeting with either the applicant and/or the appropriate Revenues Service officer to hear evidence in person. The Executive may nominate a representative or representatives to attend such meetings on its behalf.

Each application will be considered individually on its merit.

The appeal decision may be adjourned if further information is required from either party.

The applicant will be informed of the final decision, and the reasons for the decision within four weeks of the hearing.

Submitting an appeal does not affect the appellant's legal rights to challenge a decision made by the Council through the Judicial Review process.

If the Council has requested further evidence from the ratepayer and this has not been received within four weeks, the appeal will be deemed to have been discontinued and the

applicant notified in writing. No further consideration will be given to that appeal but the rate payer can submit a subsequent application but backdating will not be considered.

## **NATIONAL NON-DOMESTIC RATES**

### **DISCRETIONARY RELIEF**



#### **General Information**

Section 47 of the Local Government Finance Act 1988 gives Cherwell District Council, as a billing authority, discretion to reduce or remit payment of rates to Charities, Community Amateur Sports Clubs or 'Not for Profit' bodies.

In making decisions on whether to grant relief, Cherwell District Council considers guidance issued by the Communities and Local Government Department (CLG). The CLG has said that whilst it is for each billing authority to decide on the facts of each case whether to exercise its powers under Section 49 – and to judge the extent of those powers – authorities may wish to bear in mind the following guidance:

- i. Although authorities may adopt rules for the consideration of discretionary cases, they should not adopt a blanket policy either to give or not to give relief, each case should be considered on its own merits;
- ii. Is membership open to all sections of the community? Is membership of minority groups encouraged and are the facilities open to other users;.
- iii. Does the organisation provide education or training for its members or are there schemes for particular groups of people. Do the facilities replace or compliment those provided by the Council. Does the organisation run a bar?
- iv. Is membership drawn from mainly local people and is the organisation affiliated to any national body, such as the Sports Council?
- v. 75% of the 20% top up relief is paid by the Council. 25% of any other discretionary award is payable by the Council.
- vi. The 'interests' of Council Tax payers in an area may go wider than direct financial interests. For example, where the employment prospects in the area would be worsened by a company going out of business, or the amenities of an area might be reduced by, for instance, the loss of the only provider of a service in the area; and
- vii. Consideration will be given to the financial impact on the Council and the local community in making awards. Relief may be refused or capped if it is considered that the financial cost to the Council or the local community outweighs the benefits generated through the award of relief.

## **How to apply for Hardship Relief**

- ◆ Please complete the attached application form as fully as possible. If you have any difficulties completing the form, please contact the Customer Services department on 01295 227054.
- ◆ In addition to the standard application form ratepayers will be required to supply supporting information such as audited accounts and articles of association. In some circumstances the Council may decide that it is necessary for one or more officers to visit the rated premises to establish further facts.
- ◆ In some instances the Council may require the applicant to visit the Council's offices to provide verbal information in support of the application. Where a visit is required the Council will give a minimum of fourteen days notice of the date the visit is required.
- ◆ The Council will not consider applications where the ratepayer has failed to provide information that has been requested within 4 weeks of the request, or where the ratepayer does not cooperate with the Council's request to visit a property.
- ◆ It is recognised that some organisations may not currently keep records of sufficient detail to provide the information that is normally required to support an application. Where the Council is satisfied that the information is genuinely not available, and that the organisation has co-operated to provide all information that is available, the Council will consider the application based on the information provided. Only one application will be considered in this way, and future applications must provide all information that is required.
- ◆ If the process of keeping record to the standard required will incur additional expense for the organisation it will be up to the organisation to decide whether the additional expense is worthwhile in order to apply for relief.
- ◆ Once an application is received no action will be taken to recover unpaid rates until fourteen days after the decision has been notified to the ratepayer. However, payment cannot be withheld pending an appeal. In the event that an appeal is successful, any overpayment will be refunded.
- ◆ In the event of an application being discontinued or refused recovery action may be commenced fourteen days after the ratepayer has been notified of the discontinuation or refusal.
- ◆ Where an application has been refused either initially or following an appeal, further applications will not be considered within the same financial year except where:
  - a) The use of the property changes, or
  - b) The objectives of the organisation change, or
  - c) There have been other changes that may affect the Council's decision (for example where an organisation has taken action to address an issue which had previously precluded an award of relief).
- ◆ The decision on whether to consider a reapplication shall be made by the Head of Finance in all cases.

**Form CR1**

**Application for charitable rate relief [for charities, community amateur sports clubs and 'not for profit' bodies]**

If you are applying for mandatory relief, complete sections A,B and F.

If you are applying for discretionary relief and additional top-up discretionary relief (village halls, community centres and charity shops) complete all sections.

**Remember to sign the declaration and enclose supporting documents.**

**Section A – Details of the organisation**

1. Name of the organisation

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2. Address of the premises applying for relief

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3. What is the property used for?

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4. Name and address of the secretary or treasurer of the organisation

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5. Daytime phone number

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**Section B – Status of the organisation**

6a Is the organisation registered with the Charity Commissioners? YES/NO

6b If yes state the registration number

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7a is the organisation exempt from registration as a charity? YES/NO

7b If yes, on what grounds is it exempt?

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(For advice about registration as a charity contact the Charity Commissioners)

**Section C – Aims and objectives**

8. Is the organisation established or conducted for profit? YES/NO

9. What are the main sources of the organisation's income?

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10. Please state briefly the main aims and objectives of the organisation.

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11a. Is the organisation a local or national organisation, or affiliated to a local or national body? YES/NO

11b. If yes please give name and address of the organisation or body.

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**Section D – Provision of facilities**

12a. Does the organisation provide facilities which relieve, enhance or supplement those which Cherwell District Council provides? YES/NO

12b. If yes, what are they?

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13. Are the facilities mainly for the use of or by Cherwell District Council residents? YES/NO

14a. Were the facilities originally provided by means of self-help or grant aid? YES/NO

14b. Is self-help or grant aid still used to maintain the facilities? YES/NO

15. Does the organisation run a licensed bar on the premises for which relief is sought? YES/NO

16a. Is all of the property used for or by the organisation? YES/NO If no, how much of the property is used for the organisation and how often?

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16b. Who uses the remaining parts of the property and how often?

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**Section E – Membership and access**

17a. Is membership open to all of the community? YES/NO

17b. What are the membership fees? £

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18. How many people are on the membership waiting list?

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19. How long is the membership waiting list in months or weeks?

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20a. Are there membership concessions for Cherwell District Council residents? YES/NO

20b. If yes, please give details

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21a. Are there membership concessions for special groups in the community? (like disabled people or the elderly) YES/NO

21b. If yes, please give details

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22a. Are facilities available to non members? (like schools or casual public sessions) YES/NO

22b. If yes, please give details

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23. Does the organisation provide training or education for members to develop their skills? YES/NO

## Section F – Funding

24. Please give details of local authority grants or other financial assistance the organisation has received in the last two years.

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25. What are the main sources of funding for the organisation?

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**Please supply the following documents, where applicable, to support this application.**

- Proof of charitable status (a copy of the letter from the Charity Commissioners granting charitable status)
- Trust deed or other statement of constitution
- Rules of the organisation
- Subscription scales and membership lists
- Most recent audited accounts and balance sheet
- Memorandum and Articles of Association

Do you wish these documents to be returned? YES/NO

I certify that the information given is correct to the best of my knowledge and belief.

Signed \_\_\_\_\_ Date \_\_\_\_\_

Please print name \_\_\_\_\_

Capacity in which signed \_\_\_\_\_

**Please send the completed form to:**

**The Service Assurance Team,  
Cherwell District Council  
P.O. Box 27  
Banbury  
OX15 4BH**





APPENDIX 1

Service	DESCRIPTION	Capital Budget 2010/11 £000	Slippage Already Approved £000	Additional Slippage Requiring Approval £000	Detail
Environmental Services	Climate Change Initiatives Fund	66	0	16	Expected spend in quarter 4, £16k to be slipped to 2011/12 - 07/10/10 RS
Economic Development & Estates	Bicester Cattle Market Car Park Phase 2	324	24	70	On site, end of defects next year. Launton Road junction works to be determined
Economic Development & Estates	Future Regeneration Schemes Preliminary Prof Fees	100	0	50	We are in the process of procuring the first phase of this work, and I shall be able to give a better projection as to when expenditure will be required by the end of November
Economic Development & Estates	Old Bodicote House	871	0	371	Tenders received and a contract to be placed shortly. A more accurate projection will be available when the contractor's programme has been received.
Economic Development & Estates	Kidlington High Street Pedestrianisation	25	0	20	It is anticipated that the majority of this budget will be required to finance a public Inquiry next year.
Housing Services	Land Claypits Lane Bicester	187	0	187	Slippage to 11/12 - £187k
Housing Services	Funding for Mollington & Hornton Rural Exception Sites	120	0	60	Mollington site identified £60k to be spent in Nov. Horton site - slippage into 11/12 £60k.
Housing Services	Purchase of Temp Acc Bryan House Bic & Edward St	660		330	Slight delay - first allocation of spend to take place in Oct of £220k. £110k to be spent in March. Bryan House - slippage to 11/12 £330k.
Housing Services	Orchard Way Banbury Redevelopment	1,100	0	1,100	£1.1 slippage to 11/12. Note: £660k of this budget belongs to DM. Housing Commitments total £500k only.
	<b>TOTAL</b>	<b>3,453</b>	<b>24</b>	<b>2,204</b>	

# Appendix 2

## Treasury Management Update

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### Quarter Ended 30<sup>th</sup> September 2010 and Mid Year Report

#### 1 Introduction

- 1.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised November 2009) was adopted by this Council in March 2002.

The primary requirements of the Code are as follows:

- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
- Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
- Receipt by the full council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy for the year ahead, a **Mid-year Review Report** and an Annual Report (stewardship report) covering activities during the previous year.
- Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
- Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is the Accounts, Audit and Risk Committee.

- 1.2 This mid year report has been prepared in compliance with CIPFA's Code of Practice, and covers the following:

- An economic update for the first six months of 2010/11
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy
- A review of the Council's investment portfolio for 2010/11
- A review of compliance with Treasury for 2010/11

#### 2 Economic background

- 2.1 Global economy - the sovereign debt crisis peaked in May 2010 prompted, in the first place, by major concerns over the size of the Greek government's total debt and annual deficit. However, any default or write down of Greek debt would have substantial impact on other countries, in particular, Portugal, Spain and Ireland. This crisis culminated in the EU and IMF putting together a €750bn support package in mid May.
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- 2.1.1 Growth in the US, UK and the Euro zone in quarter 2 of 2010 was particularly driven by strong growth in the construction sector catching up from inclement weather earlier in the year and is unlikely to be repeated; general expectations are for much more subdued figures for the remainder of 2010. Market expectations for all three sectors of the economy is that these have all peaked and are pointing downwards, though not necessarily in to negative territory.
- 2.2 UK economy - following the general election in May 2010, the coalition government has put in place an austerity plan to carry out correction of the public sector deficit over the next five years. The inevitable result of fiscal contraction will be major job losses during this period, in particular in public sector services. This will have a knock on effect on consumer and business confidence. House prices have started a negative trend during the summer and mortgage approvals are at very weak levels and also declining.
- 2.3 Economic Growth - GDP growth is likely to have peaked at 1.2% in quarter 2 of 2010.
- 2.4 Unemployment - the trend of falling unemployment (on the benefit claimant count) has now been replaced since July with small increases which are likely to be the start of a new trend of rising unemployment.
- 2.5 Inflation and Bank Rate - CPI has remained high so far during 2010. It peaked at 3.7% in April and has fallen back to 3.1% in August. RPI remains high, at 4.7% in August. Although inflation has remained stubbornly above the MPC's 2% target, the MPC is confident that inflation will fall back under the target over the next two years. The last quarterly Inflation Report in August showed a significant undershoot after the end of 2011.
- 2.6 The Bank of England finished its programme of quantitative easing with a total of £200bn in November 2009 (although there is currently some increase in expectations that there might be a second round of quantitative easing).  
Sector's view is that there is unlikely to be any increase in Bank Rate until the middle of 2011.
- 2.7 AAA rating – prior to the general election, credit rating agencies had been issuing repeated warnings that unless there was a major fiscal contraction, then the AAA sovereign rating was at significant risk of being downgraded. Sterling was also under major pressure during the first half of the year. However, after the Chancellor's budget on 22 June, Sterling has strengthened against the US dollar and confidence has returned that the UK will retain its AAA rating. In addition, international investors now view UK government gilts as being a safe haven from EU government debt. The consequent increase in demand for gilts has helped to add downward pressure on gilt yields and PWLB rates.
- 2.8 Quarter 2 Update - the quarter ended 30<sup>th</sup> September 2010 saw the following:
- Activity indicators suggest that the recovery has faded sharply since the second quarter (1<sup>st</sup> April to 30<sup>th</sup> June);
  - The pace of recovery in retail spending is slowing, but the recovery in spending off the high street gather pace;
  - Further doubt cast on the sustainability of the recovery in the labour market;
  - The recovery in the housing market falter;
  - Disappointment that the public finances are not on a clearly improving trend;
-

- The UK's trade deficit widen further, despite the continued weakness of sterling;
  - CPI inflation fall at a slower pace than in the second quarter;
  - The doves on the Monetary Policy Committee gain the upper hand;
  - Equity and bond markets respond in different ways to the news that the recovery is faltering;
  - The recoveries in the US and euro-zone lose further pace.
- 2.8.2 Activity indicators have suggested that the recovery has lost considerable pace since real GDP (Gross Domestic Product) expanded by 1.2% q/q in the second quarter of 2010. The weighted average of the output balances of the CIPS/Markit surveys fell from an average of 55.5 in Q1 to 52.6 in Q2. As the surveys tend to lead the official GDP data, the surveys are consistent with quarterly growth in GDP slowing to around only 0.2% by the end of the year (well below the long term average of about 0.5%)
- 2.8.3 The recovery off the high street may have picked up at a faster pace in Q2 but the recovery in retail spending through shops seems to have deteriorated over the quarter as retail sales volumes fell by 0.5% on the previous month in August. An average fall of -18 in Q1 to -20 in Q2 in consumer confidence (reported by GfK) may have also played a role in the fall in retail spending.
- 2.8.4 Further doubt has been cast on the sustainability of the recovery in the labour market. The ILO measure of unemployment was around 8,000 lower in the 3 months to July although employment actually rose by 286,000 over the same period.
- 2.8.5 The recovery in the housing market has also begun to falter. Only 47,400 mortgages for new house purchase were approved in August on the Bank of England's official measure; this is nearly 20% lower than at the end of 2010. Furthermore, the Nationwide house price index fell by 0.5% and 0.8% in July and August respectively before rising by 0.1% in September.
- 2.8.6 August's public finances figures severely dented hopes that the fiscal position is on a clearly improving trend. The public borrowing figure (on the PSNB ex. measure) of £15.9bn in August was nearly £2bn larger than at the same time a year ago. However, this figure still left a cumulative borrowing total in the first five months of the fiscal year of £58.1bn, around £4bn below last year's equivalent figure of £61.9bn. The UK's trade deficit widened further in the third quarter, despite the continued weakness of sterling. The trade in goods deficit rose from £7.5bn to £8.7bn in July which was the largest deficit on record.
- 2.8.7 CPI (consumer price inflation) inflation fell from 3.2% to 3.1% in July, and remained unchanged in August. Inflation therefore fell in this quarter but at a slower pace than in the previous quarter. While oil price inflation has begun to ease, an easing in clothes deflation and a pick-up in food and drink inflation were responsible for preventing CPI inflation from falling further in August. The Bank of England's quarterly Inflation Report in August once again projected inflation to fall to below the 2% target and remain there at the two year policy horizon. The MPC (Monetary Policy Committee) voted to maintain the outstanding stock of asset purchases under quantitative easing (QE) at £200bn at each meeting in the quarter. The minutes to September's MPC meeting revealed that for most members "the probability that further action would become necessary to stimulate
-

the economy and keep inflation on track to hit the target in the medium term had increased.” Also, the majority of members on the MPC voted in each meeting to keep official interest rates on hold, apart from Andrew Sentence who voted for a 25bp rise.

2.9 Sector’s view for the next six months of 2010/11 - it is currently difficult to have confidence as to exactly how strong the UK economic recovery is likely to be, and there are a range of views in the market. Sector has adopted a moderate view. There are huge uncertainties in all forecasts due to the major difficulties of forecasting the following areas:

- the speed of economic recovery in the US and EU
- the degree to which government austerity programmes will dampen economic growth
- the speed of rebalancing of the UK economy towards exporting and substituting imports
- changes in the consumer savings ratio
- the potential for more quantitative easing, and the timing of this in both the UK and US
- the speed of recovery of banks’ profitability and balance sheet imbalances
- the potential for a major EU sovereign debt crisis which could have a significant impact on financial markets and the global and UK economy

2.9.2 The overall balance of risks is weighted to the downside and there is some risk of a double dip recession and deleveraging, creating a downward spiral of falling demand, falling jobs and falling prices, although this is currently viewed as being a small risk.

2.9.3 Sector believes that the longer run trend is for gilt yields and PWLB rates to rise due to the high volume of gilt issuance in the UK, and the high volume of debt issuance in other major western countries.

### 3 Interest rate forecast

3.1 The Council’s treasury adviser, Sector, provides the following forecast:

Sector's Interest Rate View													
	NOW	Dec-10	Mar-11	Jun-11	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13
Sector's Bank Rate View	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%	1.50%	2.00%	2.50%	3.00%	3.25%	3.25%
5yr PW LB Rate	1.88%	2.20%	2.20%	2.40%	2.60%	2.80%	3.00%	3.30%	3.60%	3.80%	4.10%	4.40%	4.40%
10yr PW LB View	3.14%	3.30%	3.30%	3.40%	3.70%	3.90%	4.00%	4.30%	4.40%	4.60%	4.60%	4.90%	4.90%
25yr PW LB View	4.04%	4.20%	4.30%	4.30%	4.40%	4.50%	4.70%	4.70%	4.80%	5.00%	5.00%	5.00%	5.00%
50yr PW LB Rate	4.10%	4.20%	4.30%	4.30%	4.40%	4.50%	4.70%	4.70%	4.80%	5.00%	5.00%	5.00%	5.00%

3.2 The forecast is based on recent events which have caused a major fall in bond yields which, in turn, have dragged down PWLB rates.

3.3 Recent UK and US statistics indicate that recovery is likely to be anaemic. The Bank of England Inflation Report in August downgraded the forecast for GDP growth for 2011 from 3.4% to 2.8% but even 2.8% is widely viewed as being optimistic.

- 3.4 The increase in the risk of further quantitative easing in the UK and US (i.e. a further loosening of monetary policy) implied that the forecasts for the first increase in Bank Rate needed to be put back from Q1 2011 to Q3.
- 3.5 Long term PWLB rates are expected to remain at historically low levels during 2011 but then to be on a rising trend to reach 5.00% in December 2012 due to the high volume of gilt issuance in the UK, and the high volume of debt issuance in other major western countries. Gilt yields and PWLB rates – especially in the medium to long maturity periods, have fallen considerably due to the sovereign debt crisis in the EU which peaked in May. This, together with the coalition government's emergency budget to accelerate the speed of reduction in the public sector deficit, has meant that UK gilts have taken on safe haven status for international investors.
- 3.6 It is currently difficult to have confidence as to exactly how strong the UK economic recovery is likely to be, and there are a range of views in the market. Sector has adopted a moderate view. There are huge uncertainties in all forecasts due to the major difficulties of forecasting the following areas:
- the speed of economic recovery in the US and EU;
  - the degree to which government austerity programmes will dampen economic growth;
  - the speed of rebalancing of the UK economy towards exporting and substituting imports;
  - changes in the consumer savings ratio;
  - the potential for more quantitative easing, and the timing of this in both the UK and US;
  - the speed of recovery of banks' profitability and balance sheet imbalances;
  - the potential for a major EU sovereign debt crisis which could have a significant impact on financial markets and the global and UK economy.
- 3.7 The overall balance of risks is weighted to the downside and there is some risk of a double dip recession and deleveraging, creating a downward spiral of falling demand, falling jobs and falling prices, although this is currently viewed as being a small risk.

## **4 Annual Investment Strategy**

- 4.1 The Treasury Management Strategy Statement (TMSS) for 2010/11, which includes the Annual Investment Strategy, was approved by the Council on 22.02.2010. It sets out the Council's investment priorities as being:
- Security of Capital
  - Liquidity
- 4.2 The Council will also aim to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term to cover short term cash flow needs but also to seek out value available in significantly higher rates in periods up to 12 months with highly credit rated financial institutions, using Sector's suggested creditworthiness approach, including sovereign credit rating
-

and Credit Default Swap (CDS) overlay information provided by Sector: this applies in particular to nationalised and semi nationalised UK banks.

- 4.3 Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the quarter ended 30.9.2010. Investments held as at 30 September 2010 across the 3 funds are detailed in Appendix 2a. Investment performance for quarter ended 30.9.2010

Fund	Amount at 30 Sept 210	Q2 Interest Budget	Q2 Actual Interest	Variance	Annual Rate of return %
TUK	25,000,000	413,257	427,521	14,264	
Investec	20,344,343	200,000	106,916	-93,084	
In House	25,997,095	61,120	140,852	79,732	
<b>Total</b>	<b>71,341,438</b>	<b>674,377</b>	<b>675,289</b>	<b>912</b>	<b>1.87</b>

- 4.4 The 12month benchmark for investment returns according to Sector is 1.34% and as illustrated, the authority outperformed the benchmark by **53 bps** primarily as a result of the longer term investments which are achieving >5% - these however are nearing maturity.
- 4.5 The Council's budgeted investment return for 2010/11 is **£1.348m** and performance for the year to date is in line with the budget.

## 5 Compliance with Treasury Limits

- 5.1 During the financial year to date the Council has operated within the treasury limits and Prudential Indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices.

## 6 Icelandic Investments

- 6.1 The Council currently has a total of £6.5 million in short term investments (i.e. those with maturity periods of up to one year) with one of the affected banks Glitner. The latest position is that, the Council currently does not have preferential credit status and as such would only recover 31% of this balance. Local Authorities have objected to this creditor status and legal action is being taken.
- 6.2 Local authorities' objections will now be considered under the processes followed under Icelandic insolvency law, and court action will be taken as necessary. 14 test cases which contain legal arguments to support preferential creditor status and 100% recovery have been presented to the Icelandic Courts in September 2010. Cherwell represent 3 of these cases (each deposit is a separate test case).
- 6.3 The defendants including the winding up board now have until mid October 2010 to file their submissions in response.
- 6.4 The LGA is confident that local authorities' priority status as depositors will in due course be secured and 100% recovered and we will keep this committee informed of progress.
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## CHERWELL DISTRICT COUNCIL (in-house)

### Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date
Clydesdale Bank	2,000,000	0.75%		call
Nat West Liq Select	4,500,000	0.80%		call
RBS MMF	795,000	0.51%		mmf
Newcastle BS	1,000,000	1.65%	02/03/2010	01/03/2011
Principality	1,000,000	1.45%	18/05/2010	15/03/2011
Skipton BS	1,000,000	1.23%	01/06/2010	07/02/2011
West Brom BS	1,000,000	1.15%	01/06/2010	07/02/2011
Yorkshire BS	1,000,000	1.20%	29/06/2010	15/03/2011
Ulster Bank	3,000,000	1.48%	11/08/2010	11/08/2011
Clydesdale Bank	5,000,000	1.70%	25/08/2010	25/08/2011
Lloyds	4,000,000	1.72%	02/03/2009	02/03/2012
Borrower - Icelandic Exposure	Principal (£)	Interest Rate	Start Date	Maturity Date
Glitnir	2,000,000	5.74%	06/02/2007	08/02/2010
Glitnir	2,000,000	5.72%	26/10/2006	26/10/2009
<b>Total Investments</b>	<b>£28,295,000</b>	<b>1.94%</b>		
<b>Total Investments - excluding Icelandic exposure</b>	<b>£24,295,000</b>	<b>1.32%</b>		
<b>Total Investments - Icelandic Exposure Only</b>	<b>£4,000,000</b>	<b>5.73%</b>		

## CHERWELL DISTRICT COUNCIL (TUC)

### Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date
Barclays	5,000,000	6.35%	28/10/2008	28/10/2011
Norwich & P'Borough	2,500,000	6.20%	30/03/2009	30/03/2011
Barclays	3,000,000	2.50%	01/05/2009	01/05/2012
Lloyds TSB	1,500,000	1.90%	02/09/2010	02/09/2011
Nationwide BS	3,000,000	1.15%	02/09/2010	06/06/2011
Bank of Scotland	2,500,000	1.30%	17/05/2010	17/11/2010
Bank of Scotland	5,000,000	2.05%	26/07/2010	26/07/2011
Borrower - Icelandic Exposure	Principal (£)	Interest Rate	Start Date	Maturity Date
Glitnir	2,500,000	6.30%	31/08/2007	30/03/2009
<b>Total Investments</b>	<b>£25,000,000</b>	<b>3.61%</b>		
<b>Total Investments - excluding Icelandic exposure</b>	<b>£22,500,000</b>	<b>3.31%</b>		
<b>Total Investments - Icelandic Exposure Only</b>	<b>£2,500,000</b>	<b>6.30%</b>		

# Portfolio valuation

As at 30 September 2010

Nominal	Security	Cost Price	Purchase Yield	Book Cost	Market Price	Market Yield	Profit / (Loss)	Net Market Value	Accrued Interest	Total Market Value	Duration
<b>CERTIFICATES OF DEPOSITS</b>											
3,700,000	SVENSKA HANDELSBANKEN CD 0.8 10082010-10022011	100.00	0.80	3,700,000.00	99.99	0.83	(378.44)	3,699,621.56	4,135.89	3,703,757.45	0.36
2,100,000	RBS 1.26 22 FEB 2010 - 22 FEB 2011	100.04	1.21	2,100,924.50	100.15	0.87	2,256.68	2,103,181.18	15,948.49	2,119,129.67	0.40
400,000	CREDIT AGRICOLE CIB 0.95 21 SEP 2010 - 21 MAR 2011	100.00	0.95	400,000.00	99.99	0.96	(27.37)	399,972.63	93.70	400,066.33	0.47
2,000,000	RABOBANK 0.95 05 MAY 2010 - 05 MAY 2011	100.00	0.95	2,000,000.00	99.92	1.08	(1,637.46)	1,998,362.54	7,704.11	2,006,066.65	0.59
2,000,000	BARCLAYS - BACR 1.44 18 JUN 2010 - 20 JUN 2011	100.00	1.44	2,000,000.00	100.16	1.21	3,258.38	2,003,258.38	8,206.03	2,011,464.41	0.72
2,000,000	LLOYDS BANK CD 1.45 18062010-20062011	100.00	1.45	2,000,000.00	100.17	1.21	3,400.76	2,003,400.76	8,263.01	2,011,663.77	0.72
2,000,000	BNP PARIBAS 1.0 18 JUN 2010 - 20 JUN 2011	100.00	1.00	2,000,000.00	99.85	1.21	(3,006.16)	1,996,993.84	5,698.63	2,002,692.47	0.72
1,800,000	HSBC SECURITIES CD 1 10082010-10082011	100.00	1.00	1,800,000.00	99.72	1.33	(5,092.98)	1,794,907.02	2,515.07	1,797,422.09	0.86
2,000,000	DEUTSCHE BANK AG CD 1.005 09092010-09092011	100.00	1.00	2,000,099.01	99.64	1.40	(7,394.49)	1,992,704.52	1,156.44	1,993,860.96	0.94
1,800,000	NATIONWIDE B.S 1.4 09 SEP 2010 - 09 SEP 2011	100.00	1.40	1,800,000.00	100.00	1.40	42.66	1,800,042.66	1,449.86	1,801,492.52	0.94
<b>TOTAL CERTIFICATES OF DEPOSITS</b>				<b>19,801,023.51</b>			<b>(8,578.41)</b>	<b>19,792,445.10</b>	<b>55,171.23</b>	<b>19,847,616.33</b>	<b>0.66</b>
<b>COMMERCIAL PAPER</b>											
500,000	UK T BILL 15TH NOV 2010	99.87	0.50	499,329.67	99.86	0.51	(6.36)	499,323.31	355.69	499,679.00	0.13
<b>TOTAL COMMERCIAL PAPER</b>				<b>499,329.67</b>			<b>(6.36)</b>	<b>499,323.31</b>	<b>355.69</b>	<b>499,679.00</b>	<b>0.13</b>
<b>CASH</b>											
	GBP Cash -- Settled Balance			86,184.42				86,184.42		86,184.42	
<b>TOTAL CASH</b>				<b>86,184.42</b>				<b>86,184.42</b>		<b>86,184.42</b>	
<b>TOTAL</b>				<b>20,386,537.60</b>			<b>(8,584.77)</b>	<b>20,377,952.83</b>	<b>55,526.92</b>	<b>20,433,479.75</b>	<b>0.64</b>

**Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010**

7.1 Deliver the Council's procurement strategy ensuring that the key objectives are understood and embedded across the Council		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> <li>• Rollout the Procurement Strategy in conjunction with the Procurement Guide via workshops and on project training:               <ul style="list-style-type: none"> <li>• Hold three overview workshops by end June 2010 with follow-ups in between October and December 2010 with focus on:                   <ul style="list-style-type: none"> <li>○ Options appraisals</li> <li>○ Price/quality ratios and evaluation criteria</li> <li>○ Sustainability considerations and calculating full lifetime costs</li> <li>○ Specification writing</li> <li>○ Key performance indicators and contract management</li> <li>○ Nomination of Procurement Champions by service.</li> </ul> </li> </ul> </li> </ul>	<p>Wave 1: end June 2010 – Procurement Team</p> <p>Wave 2: end December 2010 – Procurement Team</p>	<p>The initial three workshops were held with Heads of Service and the Procurement Champions by the end of June.</p> <p>The Procurement team are targeting suitable officers for a series of short, interactive workshops in November covering the following key areas:</p> <ul style="list-style-type: none"> <li>• Options appraisal</li> <li>• Full life cycle costings</li> <li>• Sustainability</li> <li>• Specification writing</li> <li>• KPIs</li> </ul> <p>In addition to this each Procurement Officer is reviewing their own forward plan for the next six months to identify the needs of officers on a job-by-job basis. This approach has worked well with the property maintenance tenders where one officer has been put through an intensive induction of specification writing and drafting performance management mechanisms – this has directly contributed to savings of between 32 and 72% on the cooling, heating, fire and intruder maintenance contracts.</p> <p>The Procurement Manager is also following up with the Procurement Champions – eight officers who are acting as the eyes and ears of the Procurement team across the Council – on needs within their directorates.</p>

Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010

7.1 Deliver the Council's procurement strategy ensuring that the key objectives are understood and embedded across the Council		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> <li>Improve procurement options appraisal process via further development of stakeholder questionnaires by end May, ensuring their use for all procurement exercises at project commencement, recording project objectives for meeting Procurement KPIs.</li> </ul>	End May 2010: Procurement Team	<p>The objectives of all these initiatives are to deliver more robust procurement, increase savings and implement effective contract management practices.</p> <p>In the case of the public conveniences contract in addition to the 18% savings achieved the operations manager now has a pecuniary performance mechanism in place with real teeth that is reducing the time spent on the management of the contract while delivering a dramatic improvement in the standards of cleanliness across the district.</p> <p>The stakeholder questionnaire has been developed to take greater account of options appraisal where the level of specification / statement of requirements are questioned in light of the increased pressure on savings. The questionnaire was promoted at the workshops and rather than being a self-service option via the intranet the Procurement Team have now decided to work through the questionnaire at the initial stakeholder meeting, as this is proving more effective and engages officers unfamiliar with the procurement process, acting as a mini training session.</p>
<ul style="list-style-type: none"> <li>Introduce price/quality ratios into project planning to ensure evaluation criteria other than price are given due consideration.</li> </ul>	September 2010: Procurement Manager	<p>This has been included in the stakeholder questionnaire and is particularly important as the required standard for each and every contract is now being reviewed – i.e. how might we downgrade the specification level without</p>

Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010

7.1 Deliver the Council's procurement strategy ensuring that the key objectives are understood and embedded across the Council		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> <li>• Train officers in the calculation of whole life costing, including the initial purchase cost, operating, management and disposal costs.</li> <li>• Ensure full lifetime cost calculations carried out on all projects.</li> </ul>	<p>March 2011: Procurement Team</p> <p>Onward going: Procurement Team</p>	<p>harming the service to achieve yet further savings.</p> <p>This is being adopted on a project by project basis:</p> <ul style="list-style-type: none"> <li>• Heating and Cooling Plant – part of the tender evaluation process was a consideration to advice on the state of the plant across the property portfolio with the responsibility for a survey and onward monitoring of the Council's plant transferred from the in-house team to the contractor. The performance mechanism means that we will get more out of our existing plant and capital bids will be placed at the correct time allowing for maximum efficiency of all our plant.</li> <li>• Fire &amp; Intruder – a similar approach to Heating and Cooling Plant is in place.</li> <li>• Bodicote Old House – bidders were required to put forward calculations for whole life costings for everything from heating, lighting and water usage. The heating plant was put out under both a gas and a biomass option with the biomass boiler being chosen due to the lifetime costing and payback over a 15 year period.</li> </ul> <p>This approach is to be applied to the following contracts over the next six months:</p>

Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010

7.1 Deliver the Council's procurement strategy ensuring that the key objectives are understood and embedded across the Council		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> <li>Provide specification writing training for key projects.</li> </ul>	Onward going: Procurement Team	<ul style="list-style-type: none"> <li>Stationery</li> <li>Tyres</li> <li>Thorpe Lane Refurbishment</li> </ul> <p>Specification writing training has been provided for the following projects to great success:</p> <ul style="list-style-type: none"> <li>Heating &amp; Cooling</li> <li>Fire &amp; Intruder</li> <li>Telephony Maintenance</li> <li>Asset Register software</li> </ul> <p>It will also be applied to the following projects:</p> <ul style="list-style-type: none"> <li>Insurance</li> <li>Window cleaning, graffiti and gum removal</li> </ul>
<ul style="list-style-type: none"> <li>Promote consideration of key performance indicators and contract management consideration at project planning stage.</li> </ul>	Onward going: Procurement Team	<p>This has been addressed with the public convenience cleansing contract – particularly in terms of defaults and reducing contract management across all four partnering authorities. With the implementation of the first truly corporate fire and intruder alarm maintenance contract this is being given particular importance to streamline the time required to manage contracts within the property services team.</p> <p>As part of the VfM review of Urban and Rural, procurement are also offering their services to aid with streamlining the contract management resources required for such contracts as</p>

**Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010**

<b>7.1 Deliver the Council's procurement strategy ensuring that the key objectives are understood and embedded across the Council</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<ul style="list-style-type: none"> <li>Develop and make available a first wave of training modules in conjunction with the Improvement and Efficiency South East agency to meet identified procurement knowledge needs by end of March 2011.</li> </ul>	<p>March 2011: Procurement Manager</p>	<p>landscaping.</p> <p>The Corporate Contracts Officer has devised a simple performance mechanism with a pecuniary clause for use with the current property maintenance tenders. This will be used as a minimum for further goods and services contracts.</p> <p>Consultation is being undertaken with Heads of Service over the next three months to identify needs.</p>

<b>7.2 Governance and compliance</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<ul style="list-style-type: none"> <li>Ensure all operational procurement and contract management activity complies with the Council's Contract Procedure Rules and statutory regulations by:                             <ul style="list-style-type: none"> <li>Providing a checklist for retention in the project file for use on all projects by July 2010.</li> </ul> </li> <li>Enhance the scrutiny and policy development role of the Procurement Steering Group Strategy Group by:                             <ul style="list-style-type: none"> <li>Holding first quarterly meeting by the end of September 2010 with agreement on areas for focus and meeting dates for</li> </ul> </li> </ul>	<p>July 2010: Procurement Manager</p> <p>End of September 2010: Procurement Manager</p>	<p>Procurement officers have been using a process tick list for the last year and files are now being produced with a key documents list and dividers to ensure compliance.</p> <p>The Procurement Team have now added a minima tick list for contract management and the Corporate Contracts Officer has drawn up a three tier approach to levels of contract management which is being put in place for all current contracts</p> <p>A meeting is planned for the end of October with the Head of Finance and the Monitoring Officer.</p>



### Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010

7.2 Governance and compliance		
Action	Target Date /Who	Progress to date
<p>remainder of 2010/11</p> <ul style="list-style-type: none"> <li>Monitor procurement indicators with an agreed recording mechanism in place by December 2010.</li> <li>A “No Purchase Order No Pay” policy is proposed whereby all expenditure is approved before it is committed. Retrospective Purchase Orders i.e. those raised after the commitment has been made should be discouraged and in due course sanctions should be considered for non compliance.</li> <li>Any tendering and contract management should be managed using a robust project plan, with responsibilities clearly outlined and clearly laid out targets, milestones, timescales and identification of resources. Such a project plan should be monitored regularly by the project team and failure to achieve timescales rectified immediately. (This applies not only to formal tendering processes but also to the performance of the contract once in place to ensure the desired outcomes are achieved and the Council’s objectives are met.) Templates to be made available by October 2010.</li> </ul>	<p>December 2010: Procurement Team</p> <p>December 2010: Head of Finance</p> <p>October 2010: Procurement Manager</p>	<p>Corporate Contracts Officer has assumed responsibility and indicators will be produced quarterly from December onwards.</p> <p>Work is underway to promote the use of purchase orders. This project is being led by Controls team Leader.</p> <p>This is being monitored on a project by project basis with the Procurement Manager having regular meetings with Heads of Service and Team meetings to ensure that all projects are picked up and planned robustly. The Procurement Manager is also sitting on groups such as the ICT Capital Programme Monitoring Group and VfM reviews – such as Urban and Rural.</p>
7.3 Achieve greater efficiency and demonstrate improved value for money		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> <li>Deliver VFM savings associated with best practice procurement for all categories with a lifetime contract value of more than £10,000 per annum with records maintained for anticipated and actual savings. Cashable savings target of £225,000 for 2010/11.</li> <li>Further develop additional savings strategies such as prompt payment discounts and retrospective discounts for additional expenditure on existing and contracts with bi-monthly updates on progress.</li> </ul>	<p>Procurement Team</p> <p>Onward going: Procurement Team</p>	<ul style="list-style-type: none"> <li>Total cashable savings to date of £156,723 (70% of target achieved)</li> <li>Total non-cashable savings to date: £28,009</li> <li>Refer to Appendix 4 for a breakdown of savings to date.</li> </ul> <p>15 of the 30 suppliers previously identified are now applying a prompt payment discount to their invoices and in the last 6 months we have saved £330.76 with just one supplier.</p>

Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010

7.3 Achieve greater efficiency and demonstrate improved value for money		
Action	Target Date /Who	Progress to date
		<p>Prompt payment discounts are being requested with each and every competitive process (quotation and tender) going forward with the average offer being 3%. The public convenience cleansing contract netted a further 3.25% saving while the heating and cooling plant contracts netted up to a 5% saving.</p> <p>All new contractors asked to sign up to 1% below CPI formula for all new contracts.</p> <p>Collaborative buying power being used – e.g. public toilet cleansing contract has seen an additional 2% offered for one company being awarded all 5 lots (three other local authorities) and an agreement of a further discount for each additional £50k of expenditure in a year – i.e. should the partnership attract other local authorities – once contract in place Procurement will approach South Northants, Cotswold, Oxford City Council and other members of the Milton Keynes Oxfordshire and Buckinghamshire Procurement Partnership.</p> <p>Three years of CDC expenditure data is now being used by the Procurement Team to help with benchmarking and better understanding expenditure – particularly with new corporate contracts such as the planned and reactive buildings maintenance contract which will cover:</p> <ul style="list-style-type: none"> <li>Lot 1 General building and joinery</li> <li>Lot 2 Electrical work</li> <li>Lot 3 Plumbing</li> <li>Lot 4 Painting and decorating</li> </ul>

Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010

7.3 Achieve greater efficiency and demonstrate improved value for money		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> <li>Further develop spend analysis and category management analysis via participation in the Transform Partnership, a project covering all authorities in the South East and funded by the Improvement and Efficiency South East agency, to recover duplicate payments to suppliers and identify cost reduction opportunities via identifying lower commodity prices. Aim to identify efficiencies by October 2010.</li> </ul>	<p>October 2010: Procurement Team</p>	<p>Lot 5 Works over £5000</p> <p>A project is being considered for a Contract Cost Reduction Programme which current suppliers – both those with whom we have a contract and those with whom we spent more than £5000 in the last year may be approached to put forward proposals as to how they might cut their costs in line with CSR reductions.</p> <p>This data was also used as part of a free of charge duplicate invoice project which demonstrated the effectiveness of the Council’s Creditors team with only one duplicate payment over the past three years – an achievement recognised by Spikes Cavell who undertake this work for hundreds of local authorities.</p> <p>This same data is also being used for the publication of the Council’s expenditure over £500, which is due to be in place by the end of October.</p>



**Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010**

<b>7.4 Understand the contract management requirements of the Council and identify ways to streamline the process and promote best practice</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<ul style="list-style-type: none"> <li>• Improve contract management knowledge via rollout of a user manual &amp; workshops across the service areas:                             <ul style="list-style-type: none"> <li>○ Devise manual including findings from the contract management focus group</li> <li>○ Consult widely on the manual</li> <li>○ Rollout manual</li> </ul> </li> </ul>	Findings: January 2011 Rollout by March 2011.	Corporate Contracts Officer has reviewed all contracts on Contracts Register and the Procurement Team have agreed a three tier approach to contract management which will be implemented with all contracts over the next six months. Basic minima for monitoring and implementing performance criteria have also been agreed.
<b>7.5 Sustainability</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<ul style="list-style-type: none"> <li>• Embed the Sustainable Procurement Strategy via the Procurement Guide workshops, ensuring officers understand the requirements of Level 3 Practice Level” of the Flexible Framework, from the National Procurement Strategy – three workshops by end-June and three refreshers by end December as per 7.1</li> <li>• Ensure full lifetime cost calculations carried out on all projects – as per 7.1</li> <li>• Consider the costs and benefits of environmentally preferable goods/services as alternatives as part of the full lifetime cost calculation process.</li> <li>• Promote awareness, train and encourage buyers to review their consumption of goods and services, reduce usage and adopt more environmentally friendly alternative products.</li> </ul>	Wave 1: end June 2010 – Procurement Team Wave 2: end December 2010 –  Procurement Team Onward going: Procurement Team  Onward going: Procurement Team  Onward going: Procurement Team	Sustainable Procurement Strategy and the focus on Sustainability in all procurement projects were included in the workshops. Further consultation with the Environmental Officer has led to the agreement that Procurement Champions and Green Champions should be one and the same. Being undertaken for all new projects – particularly the property maintenance contracts. These objectives are also being reported to the Use of Natural Resources project group headed by Ed Potter.  Being looked at with the Bodicote Old House refurbishment and the property maintenance tenders.  Sustainable Procurement Strategy is included with all procurement undertaken through the procurement team with suppliers asked to sign up to the strategy’s objectives and a percentage of the evaluation criteria set aside for evidence of sustainability in action throughout the lifetime of

**Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010**

<b>7.5 Sustainability</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<ul style="list-style-type: none"> <li>• Ensure sustainability is addressed with each procurement exercise by including it as a section within the stakeholder questionnaires and encouraging sustainability to be included within evaluation criteria as well as the assessment/pre-qualification stages.</li> <li>• Promote the Sustainable Procurement Strategy with the market place via:                             <ul style="list-style-type: none"> <li>○ Pre-tender market engagement exercises;</li> <li>○ Working with the council supplier workshops;</li> <li>○ Meet the Buyer events;</li> <li>○ Local business liaison newsletters;</li> <li>○ Including a copy of the policy with all quotation and tender exercises.</li> </ul> </li> <li>• Encourage buyers to break down larger contracts to match SME and Social Enterprise capacity where appropriate.</li> <li>• Develop the inclusion of sustainability factors within contract management key performance indicators.</li> <li>• Make provision for the collection of cost benefit data for sustainable solutions put in place.</li> </ul>	<p>Onward going: Procurement Team</p> <p>Onward going: Procurement Team</p> <p>Onward going: Procurement Team</p> <p>Onward going: Procurement Team</p>	<p>the contract.</p> <p>Section included and being used.</p> <p>More than 20 companies attended both the heating &amp; cooling plant maintenance and fire &amp; intruder alarm maintenance workshops where Sustainability and the Strategy formed part of the presentation and discussion. A similar number are due to attend the forthcoming Window Cleaning, Graffiti and Gum Removal workshops. A countywide supplier workshop programme is currently underway for the planned and reactive buildings maintenance framework.</p> <p>Done with public toilet cleansing, heating &amp; cooling, fire &amp; intruder tenders, window, graffiti, gum removal and buildings maintenance contracts.</p> <p>Included in public toilet cleansing, heating &amp; cooling and fire &amp; intruder tenders.</p> <p>Spreadsheet provided by Environmental Officer to be used with future tenders.</p>

<b>7.6 Collaboration</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<ul style="list-style-type: none"> <li>• Develop further strategic links with the following procurement partners to share best practice, reduce duplication and administration costs and</li> </ul>	<p>Onward going: Procurement Team</p>	<p>Continuing to share work programmes with Councils across Oxfordshire, Buckinghamshire</p>

**Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010**

<b>7.6 Collaboration</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<p>release additional savings:</p> <ul style="list-style-type: none"> <li>• Oxfordshire Procurement Hub (become a formal member?)</li> <li>• Strategic Procurement Partnership for Oxfordshire (SPPO)</li> <li>• Milton Keynes, Oxfordshire and Buckinghamshire Procurement Partnership (MKOB)</li> <li>• Procurement arm of Improvement and Efficiency South East (IESE) – and future partners – PCT, Thames Valley Police, Universities and Colleges.</li> </ul> <p>• Consider options for joint working and/or shared services.</p>	<p>Corporate Management Team</p>	<p>and Northamptonshire via the Strategic Procurement Partnership for Oxfordshire, the Milton Keynes Oxfordshire and Buckinghamshire Procurement Partnership and the Northamptonshire Areas Procurement Service.</p> <p>Currently undertaking the following shared procurement projects:</p> <ul style="list-style-type: none"> <li>• Cash Collection – all Oxfordshire authorities;</li> <li>• Cleaning Materials – all Oxfordshire and many Northamptonshire authorities;</li> <li>• Buildings maintenance – all Oxfordshire districts.</li> <li>• Agency staff (Countywide) – Oxford City Council in process of leading.</li> <li>• Tyres (City &amp; CDC) – Cherwell to lead on.</li> </ul> <p>Work continues in this area.</p>

<b>7.7 Continuous improvement</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<ul style="list-style-type: none"> <li>• Effective benchmarking of current contracts against other authorities in the South East.</li> <li>• Actively engage with local suppliers and seek feedback on how we can improve our contracting processes – as per 7.8</li> <li>• Support the delivery of services to end users, ensuring stakeholder</li> </ul>	<p>End March 2011: Procurement Team</p> <p>Onward going: Procurement Team</p>	<p>Transform project will assist with this. Currently benchmarking buildings maintenance framework and Window cleaning, gum and graffiti removal.</p> <p>Feedback received from Meet the Buyer in April 2010 and also the two supplier workshops carried out. Feedback being requested for all supplier workshops of which there have been three in the last five months.</p>

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<b>7.7 Continuous improvement</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
involvement and customer satisfaction surveys are routinely included.	Onward going: Procurement Team	Introducing customer satisfaction questionnaires at the end of each project. Also, collating data from the procurement guide workshops.

<b>7.8 Mixed Economy</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<ul style="list-style-type: none"> <li>• Continue to make it easier for local businesses to trade with us and implement a two-way dialogue process via online questionnaires and focus groups:                             <ul style="list-style-type: none"> <li>○ Dispatch of and collation of feedback from of an online questionnaire;</li> <li>○ An engagement forum at a Meet the Buyer event;</li> <li>○ Feedback questionnaire for short listed suppliers.</li> </ul> </li>   <li>• Maximise options for procuring from a diverse and competitive range of suppliers including minority businesses, voluntary and community sector groups, small firms and social enterprises by:                             <ul style="list-style-type: none"> <li>○ Encouraging breaking down of projects into lots where appropriate;</li> <li>○ Including local SMEs on invitation to quote exercises;</li> <li>○ Considering Selling to the Council workshops for all relevant projects;</li> <li>○ Participating in and hosting further Meet the Buyer events;</li> </ul> </li> </ul>	<p>Procurement Team:</p> <p>September 2010</p> <p>March 2011 July 2010</p> <p>Onward going: Procurement Team</p>	<p>Have moved to more engagement on project by project basis offering supplier workshops with all relevant projects and supplier engagement meetings within the tender process so that both sides fully understand the requirements and capabilities.</p> <p>Projects are being broken down into lots where appropriate – e.g. Toilet cleansing, heating &amp; cooling, fire &amp; intruder, buildings maintenance.</p> <p>For each invitation to quote exercise there is a conscious effort to source local SME's – as with the Mobile Security contract</p> <p>Aim to set up a regular liaison meeting with</p>



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<b>7.8 Mixed Economy</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<ul style="list-style-type: none"> <li>○ Explore how we developing closer strategic and operational working arrangements with the Voluntary and Community Sectors:</li> <li>○ Partner with the Economic Development team to provide further support for social enterprises within the district.</li> </ul>		Steven Newman in Economic Development. Currently reviewing his resilience report.

<b>7.9 E-Commerce</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<ul style="list-style-type: none"> <li>• Undertake an options appraisal to determine the cost benefits of an e tendering system in partnership with other Oxfordshire authorities.</li> <li>• Exploitation of South East Business Portal via loading of forward plans and adverts.</li> <li>• Explore the use of e-auctions wherever appropriate, in collaboration with other Oxfordshire or wider SE authorities. Include bids of £20k pa in future capital programmes for e-procurement initiatives, such as e-auctions, where these have the potential to deliver revenue savings.</li> <li>• When appropriate, include in the specification for corporate contracts requirements for web-based or similar e-ordering as a means of streamlining ordering procedures.</li> </ul>	<p>Procurement Team: end March 2011</p> <p>Onward going: Procurement Team Procurement Team: end March 2011</p> <p>Onward going: Procurement Team</p>	<p>Procurement Manager has met with the South East Business Portal and is putting together a report for CMT for December.</p> <p>Currently using the South East Business portal to list contracts register, notify opportunities and electronically manage the pre-qualification process – which is cutting down on administration of the initial stage of restricted tenders.</p>

**Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010**

<b>7.9 E-Commerce</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<ul style="list-style-type: none"> <li>Continue to monitor available options for e-sourcing/e-tendering, particularly in collaboration with other authorities.</li> </ul>	Onward going: Procurement Team	

<b>7.10 Corporate Procurement Resources</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<ul style="list-style-type: none"> <li>Raise the profile of the Procurement Service and its achievements, both internally and with external stakeholders by:                             <ul style="list-style-type: none"> <li>Arranging bi-monthly 1-2-1's with key Heads of Service;</li> <li>Bi-monthly internal newsletter containing copy of contracts register, updates and tips;</li> <li>Meetings with the partners listed in 7.6</li> </ul> </li> <li>Recruitment, retention and development of capable procurement staff in all procurement-related posts.</li> <li>Development and delivery of a procurement training programme; providing training and supporting professional procurement staff in obtaining core qualifications and keeping their skills up-to-date through</li> </ul>	<p>Procurement Manager: onward going January 2011 Onward going: Procurement Team</p> <p>Onward going: Procurement Manager</p>	<p>Further to procurement workshops the Procurement Manager is having regular updates with Heads of Service. Procurement Manager is also attending service team meetings.</p> <p>Team are all continuing their development with the aim of all three members of the team being MCIPS qualified within the 2011/12 financial year.</p> <p>Targeted procurement skills workshops being rolled out in November and December.</p>

**Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010**

<b>7.10 Corporate Procurement Resources</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
<p>Continuous Professional Development.</p> <ul style="list-style-type: none"> <li>Ensure effective use of the Corporate Procurement Team to provide a range of services, from advice and guidance to undertaking full procurement processes for departments on specific projects to seek Value for Money in all contracts let.</li> <li>Consider an “apprentice” procurement officer as part of the Oxfordshire Hub</li> <li>Merge and co-locate the existing corporate procurement and service assurance team into a single team.</li> <li>Allocate procurement team members to provide support for particular directorates on significant projects.</li> </ul>	<p>Onward going: Procurement Manager</p> <p>Onward going: Procurement Manager</p> <p>March 2011: Head of Finance and Procurement Manager</p> <p>March 2011: Head of Finance</p> <p>Procurement Manager: onward going</p>	<p>By using the annual procurement forward plan (procurement projects identified with a value of £10k or more) and the individual officer work plans an overview document listing procurement projects and this action plan is helping to ensure the most effective use of the procurement resources. The recent procurement guide workshops emphasized the range of help and support that can be provided by the procurement team – from options appraisal to contract expiry – i.e. cradle to grave. This will be reviewed as part of the 2011/12 Budget process in November 2010.</p> <p>This will be addressed as part of the project to consider how contract management is delivered across the Council. See Action 7.4.</p> <p>As above.</p> <p>This is being done by Service Area at present – Corporate Contracts Officer is focused on Environmental Services and Regeneration &amp; Estates (particularly property) while the Corporate Purchasing Officer not only focuses on genuinely corporate contracts but also Urban and</p>

**Appendix 3 - Record of Progress for the Corporate Procurement Action Plan for the year of 2010 to 2011 as at the end of September 2010**

<b>7.10 Corporate Procurement Resources</b>		
<b>Action</b>	<b>Target Date /Who</b>	<b>Progress to date</b>
		Rural, Safer Communities and Finance.

**Appendix 4 Procurement Cashable and Non-Cashable  
Savings Achieved for Financial Year 2010 to 2011 as at 30 September 2010**

<b>Contract Description</b>	<b>Cashable</b>	<b>Non-cashable</b>	<b>Capital</b>
P Cards		£28,009	
CCTV	£8,225		
Wheelie Bins	£7,500		
Public Toilets	£18,400		
Mobile Security	£12,153		
Out of Hours Telephone Answering Service	£10,000		
Mobile Solutions (phones & blackberries)	£8,000		
Cattle Market Car Park Extension - interest rate for cashable saving worked out as 1.5%	£1,500		<b>£100,000</b>
Glass Recycling - fixed price for 2nd year - CPI saving of 2.4%	£2,100		
Vehicle Spare Parts - price increase 1% below CPI - i.e. 1.4% & 2.5% prompt payment discount	£2,730		
PAT Testing - fixed price for 2nd year - CPI saving of 2.4%	£100		
Water machines fixed price for 2nd year - CPI saving of 2.4%	£100		
Furniture - additional expenditure savings from 09/10 (£2500) + price increase 1% below CPI	£2,780		
Eco Town Consultants - rates kept at 2009 level - i.e. CPI saving of 2.4% on £10,000	£240		
Cash Collection - 6 month extension agreed at existing prices	£1,127		
Prompt payment discount exercise	£331		
Dry Recyclables	£33,000		
Banbury Football consultancy	£250		
Cleaning materials	£290		
Confidential Shredding	£9,958		
Heating	£8,321		
Cooling	£3,137		
ICT Hardware and Software via Buying Solutions	£10,000		
Treasury Management	£5,000		
Thorpe Lane Phases 3 & 4	£1,215		<b>£81,000</b>
Bodicote Old House Refurbishment	£3,544		<b>£236,268</b>
Coffee Machine supplies	£100		
Washrooms (Museum/TIC)	£527		
Fire Systems	£2,554		
Intruder and CCTV	£3,541		
<b>Total:</b>	<b>£156,723</b>	<b>£28,009</b>	<b>£417,268</b>
<b>Notes</b>			
1) P Cards - Savings are calculated as £50 per transaction			
2) Cashable savings from capital projects - calculated as a saving of 1.5% to reflect the interest earned per annum.			
3) Prompt Payment Discounts - 15 companies have signed up to date. Savings shown are for discounts received against the glass recycling contract.			