

Committee: Executive
Date: Monday 1 November 2010
Time: 6.30 pm
Venue: Bodicote House, Bodicote, Banbury, OX15 4AA

Membership

Councillor Barry Wood (Chairman)	Councillor G A Reynolds (Vice-Chairman)
Councillor Ken Atack	Councillor Norman Bolster
Councillor Colin Clarke	Councillor Michael Gibbard
Councillor James Macnamara	Councillor Nigel Morris
Councillor D M Pickford	Councillor Nicholas Turner

AGENDA

1. **Apologies for Absence**

2. **Declarations of Interest**

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

3. **Petitions and Requests to Address the Meeting**

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

4. **Urgent Business**

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

5. **Minutes** (Pages 1 - 12)

To confirm as a correct record the Minutes of the meeting held on 11 October 2010.

Strategy and Policy

6. Planning Policy for Wind Energy Development (Pages 13 - 58) 6.35 pm

Report of Head of Planning Policy and Economic Development

Summary

To seek approval for public consultation a draft “Planning Guidance on the Residential Amenity Impacts of Wind Turbine Development”.

Recommendations

The Executive is recommended:

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

7. Air Quality (Pages 59 - 94) 6.50 pm

Report of Head of Environmental Services

Summary

This report considers the issue of air quality across the district and the areas of concern identified by monitoring and assessment.

Recommendations

The Executive is recommended:

- (1) To support the declaration of an Air Quality Management Area in Hennef Way, Banbury;
- (2) To note the possible implications which may arise from developing an action plan to deal with an Air Quality Management Area; and
- (3) To note 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.

8. Economic Development Strategy (Pages 95 - 162)

7.05 pm

Report of Head of Planning Policy and Economic Development

Summary

To ask the Executive to consider a draft version of the Economic Development Strategy for public consultation.

Recommendations

The Executive is recommended:

- (1) To approve the Draft Economic Development Strategy attached as appendix 1 to this report for public consultation
- (2) To give delegated authority to the Head of Planning Policy & Economic Development, in conjunction 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.

9. Hardship Relief (for National Non Domestic Rates) (Pages 163 - 178) 7.20 pm

Report of Head of Finance

Summary

Section 49 of The Local Government Finance Act 1988 gives the Council discretionary power to reduce or remit business rates on the grounds of hardship. The purpose of this report is to agree an up to date policy which sets guidelines for considering applications and to give delegated authority to award relief. It is important that we ensure that all ratepayers making applications for this relief are treated in a fair, consistent and equitable manner.

The report outlines the :

- Legislation requirements of the award of hardship relief
- Criteria for hardship relief

Financial implications of awarding hardship relief

Recommendations

The Executive is recommended:

- (1) To consider the hardship discount scheme outlined in this report
- (2) To approve the proposed Hardship Relief policy framework to be adopted forthwith and be reviewed on an annual basis. (Appendix 1)

10. **Discretionary Rate Relief for Charities, Community Amateur Sports Clubs and 'Not for Profit' Bodies (for National Non Domestic Rates)** (Pages 179 - 194)
7.25 pm

Report of Head of Finance

Summary

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. The purpose of this report is to agree an up to date policy which sets guidelines for considering applications and to give delegated authority to award relief. It is important that we ensure that all ratepayers making applications for this relief are treated in a fair, consistent and equitable manner.

The report outlines the:

- Legislation requirements of the award of discretionary relief
- Criteria for discretionary relief
- Financial implications of awarding discretionary relief

Recommendations

The Executive is recommended:

- (1) To consider the discretionary scheme outlined in this report.
- (2) To approve the proposed Discretionary Relief policy framework to be adopted forthwith and be reviewed on an annual basis. (Appendix A)

Service Delivery and Innovation

11. **Local Development Framework Annual Monitoring Report** (Pages 195 - 202)
7.30 pm

Report of Head of Planning Policy and Economic Development

Summary

To seek 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.

Recommendations

The Executive is recommended:

- (1) To approve the Annual Monitoring Report for submission to the Secretary of State;
- (2) To note the district's housing delivery position

Value for Money and Performance

12. **Early response to the Comprehensive Spending Review and potential implications for the 2011/12 budget and the medium-term** **7.45 pm**

Report of Chief Executive and Head of Finance

Summary

****Report to Follow****

To highlight 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 these once we have further information on our future grant from central government, expected in late November/early December.

The Comprehensive Spending Review was announced on 20 October 2010. Officers are considering the implications of the review for inclusion in this report which will be published as soon as it is available.

13. **Value for Money Review of Development Control and Major Developments** **8.15 pm**
(Pages 203 - 212)

Report of Strategic Director for Planning, Housing & Economy and Improvement Project Manager

Summary

To consider 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

Recommendations

The Executive is recommended:

- (1) To endorse the updated VFM Review conclusion that the DC&MD service:
 1. has exceed delivery of the savings target from the 2007 full VFM Review and delivered all the key improvements
 2. has driven down its costs since the full VFM Review was undertaken
 3. 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
 4. has good performance and productivity, provides good quality with improving levels of customer satisfaction
 5. 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:

1. Reduce application advertising by only placing the minimum legal level requirement in the Oxford Times, saving £76k per annum
2. Remove duplication in minor application publicity (mainly neighbourhood notifications), saving £3k per annum
3. Introduce e-consultation to all parishes and internal and external consultees, saving £15k per annum
4. Reduce the professional fees budget by £20k per annum by no longer utilising the services of agricultural/retail specialist advice in routine applications
5. Deletion of a vacant, part-time, career planner post, saving £7k per annum
6. 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:

7. 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:

8. 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.

14. Value for Money Review of Planning Policy (Pages 213 - 218) 8.25 pm

Report of Strategic Director for Planning, Housing & Economy and Improvement Project Manager

Summary

To consider the findings of the Value for Money Review report for Planning Policy and the recommendations arising from the report

Recommendations

The Executive is recommended to:

- (1) Endorse the updated VFM Review conclusion that the Planning Policy service:
 1. has exceeded delivery on the savings target from the 2007 full VFM Review and delivered all the key improvements
 2. has steadily driven down its costs since the full VFM Review was undertaken
 3. compared with similar local authorities, costs are now below average spend for the family group
 4. levels of satisfaction have improved for the way the Council manages local development, which is influenced by planning policy
 5. the service is achieving on or just below its performance targets
 6. 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.

15. Performance Management Framework 2010/11 Second Quarter Performance Report (Pages 219 - 260) **8.30 pm**

Report of the Chief Executive and Corporate Strategy and Performance Manager

Summary

This report covers the Council's performance for the period 01 July to 30 September 2010 as measured through the Performance Management Framework.

Recommendations

The Executive is recommended:

- (1) To note the many achievements referred to in paragraph 1.4.
- (2) To request that officers report in the third quarter on the items identified in paragraph 1.5 where performance was below target or there are emerging issues.
- (3) To agree the responses identified to issues raised in the quarter one performance report in paragraph 2.1 or to request additional action or information.

16. **2010/11 Projected Revenue & Capital Outturn at 30 September 2010** (Pages 261 - 300) **8.40 pm**

Report of Head of Finance

Summary

This report summarises 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.

This report also reviews the treasury and procurement action plan performance for the first 6 months of 2010/11.

Recommendations

The Executive is recommended:

- (1) To note the projected revenue & capital position at September 2010.
- (2) To approve the transfer of £234,000 to the organisational change reserve.
- (3) To approve the Capital Slippage of £2.2m from the 2010/11 capital programme as detailed in Appendix 1 and consider this as part of the 2011/12 budget process.
- (4) To note the Q2 performance against 2010/11 investment strategy and the mid year report in Appendix 2.
- (5) To note progress against the Procurement Action plan detailed in Appendix 3 and the savings recorded in Appendix 4.

Urgent Business

17. **Urgent Business**

Any other items which the Chairman has decided is urgent.

(Meeting scheduled to close at 8.50 pm)

Information about this Agenda

Apologies for Absence

Apologies for absence should be notified to democracy@cherwell-dc.gov.uk or (01295) 221587 prior to the start of the meeting.

Declarations of Interest

Members are asked to declare interests at item 2 on the agenda or if arriving after the start of the meeting, at the start of the relevant agenda item. The definition of personal and prejudicial interests is set out in Part 5 Section A of the constitution. The Democratic Support Officer will have a copy available for inspection at all meetings.

Personal Interest: Members must declare the interest but may stay in the room, debate and vote on the issue.

Prejudicial Interest: Member must withdraw from the meeting room and should inform the Chairman accordingly.

With the exception of the some very specific circumstances, a Member with a personal interest also has a prejudicial interest if it is one which a Member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest.

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

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

Queries Regarding this Agenda

Please contact James Doble, Legal and Democratic Services james.doble@cherwell-dc.gov.uk (01295) 221587

Mary Harpley
Chief Executive

Published on Friday 22 October 2010

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Agenda Item 5

Cherwell District Council

Executive

Minutes of a meeting of the Executive held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 11 October 2010 at 6.30 pm

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

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

Also Present: Councillor Nicholas Mawer
Councillor Daniel Sames

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
Richard Hawtin, Team Leader Property & Contracts
Tony Brummell, Head of Building Control & Engineering Services
David Marriott, Head of Regeneration & Estates
Ed Potter, Head of Environmental Services
Pat Simpson, Head of Customer Services & Information Systems
James Doble, Democratic, Scrutiny and Elections Manager

50 Declarations of Interest

Members declared interests with regard to the following agenda items:

9. Flood and Water Management Act 2010 and Implications for Local Service Delivery.

Councillor Norman Bolster, Personal, as a County Councillor due to the County Council becoming responsible for the service.

Councillor Michael Gibbard, Personal, as a County Councillor due to the County Council becoming responsible for the service.

Councillor G A Reynolds, Personal, as a County Councillor due to the County Council becoming responsible for the service.

Councillor Nicholas Turner, Personal, as a County Councillor due to the County Council becoming responsible for the service.

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

There were no petitions or requests to address the meeting.

52 **Urgent Business**

There were no items of urgent business.

53 **Minutes**

The minutes of the meeting held on 6 September 2010 were agreed as a correct record and signed by the Chairman.

54 **Business Case for a shared management team between Cherwell District Council and South Northamptonshire Council**

The Portfolio Holder for Resources and Communications, Leader of Council and Chief Executive submitted a report to consider the business case for a shared management team between Cherwell District Council and South Northamptonshire Council. In the course of discussion it was noted that the Council meeting to consider the business case would now be on 8 December 2010, additionally it was proposed that there should be competitive recruitment to the role of Chief Executive and an IT working group be convened to look at IT integration issues.

Resolved

- (1) That the outcome of the Extraordinary Joint Meeting of Resources and Performance Scrutiny Board and Overview and Scrutiny Committee on 6th October at which both Committees considered the business case and the comments received during the consultation with unions and staff at both councils be noted.
- (2) That Council be recommended to approve the business case (and the fifteen specific recommendations included in it) for a shared management team between Cherwell District Council and South Northamptonshire Council, at its meeting on 8 December 2010.
- (3) That in light of the concerns from the Overview and Scrutiny Committee and Resources and Performance Scrutiny Board about arrangements for the appointment of the shared Chief Executive and the commitment in the business case to competitive recruitment to the shared roles, the Joint Working Group be asked to consider mechanisms for an open recruitment process to this role and

recommend the best way forward to both the Cherwell Executive and South Northamptonshire Cabinet.

- (4) That in light of the concerns from the joint Overview and Scrutiny meeting that a joint IT working group be convened to look at the issues of technology integration, costs and savings that would be required should a shared management team be agreed.

Reasons

The business case proposes a shared senior management team of twelve posts, with three further posts to be shared at this stage. Putting these shared posts in place will deliver an ongoing annual saving of £686,000 to this council, adding up to £3.430m over the next 5 years.

The implementation costs associated with achieving this annual saving of £686,000 will vary depending on which staff leave the two organisations and therefore a range of costs have been estimated in the draft business case. The lowest cost estimate is £817,000. The middle case (as used in the business case) is £1.384m and the highest cost estimate is £1.693m.

The Joint Working Group has recommended that, regardless of which staff in which organisations are made redundant, the costs will be split on a 60:40 basis, with Cherwell District Council picking up 60% of the costs. Both District Auditors have agreed with this approach 'in principle' and we will be able to report further at the meeting by which time the two Heads of Finance will have had another meeting with the District Auditors.

The expected overall pay back period for Cherwell District Council is 1.21 years, working on average one-off costs. This will improve to 0.71 years if one-off costs prove to be our best case costs or drop back to 1.48 years if we face the worst case one-off costs.

The business case is based on a maximum of 30 weeks redundancy compensation being given at both councils. This is currently not the practice at South Northamptonshire Council and the business case states that if either council awards, at their discretion, redundancy compensation exceeding 30 weeks then that council will be responsible for covering that additional cost.

The business case also identifies the possibility for further savings elsewhere in the organisations if a joint management team structure is put in place. Indicatively it sets out the level of additional savings if costs in the next tier of management were reduced by 15%, 20% and 25%.

If 20% reductions were identified in the next tier of management, as a result of the opportunities to work more closely once the senior management team were in place, this would equate to an approximate further ongoing annual saving for Cherwell District Council of 392,000 (or £1.960m over 5 years).

These savings would be in addition bring the total annual saving to potentially £1.078m per year, subject to further business cases which would explore the costs and benefits of services on a case by case basis.

Options

Option One

Not to recommend the business case to full Council. However, the financial benefits are clear and the risks of delivery appear to be manageable. If this case was not to be recommended to full Council the £3.430m saving generated directly by the business case would have to be found from making cuts to the council's own management team, from out-/in-sourcing a range of corporate services and almost certainly from cuts to other services, in light of the greater difficulty and time required in securing these alternative savings. Future savings of the type identified in the business case would also be foregone.

55 Bicester Town Centre Redevelopment - Compulsory Purchase order

The Head of Regeneration and Estates submitted a report to seek approval to the draft compulsory purchase order, and to refer it to Council for approval on 18 October 2010

Resolved

- (1) That Council be recommended to resolve to make a compulsory purchase order in respect of the land shown coloured pink and in respect of new rights in relation to the land shown coloured blue on the plan at annex 1 to the minutes (as set out in the minute book).

Reasons

Since the Council resolution on 19 July, the developer (Town Centre Retail (Bicester) Limited) has continued with its efforts to acquire outstanding land interests by agreement. Whilst some further progress has been made with such acquisitions, a number of interests remain to be acquired – thus the present recommendation to Council to formally authorise a CPO.

The making of the CPO does not mean that negotiations for the acquisition by agreement of the outstanding land interests will cease. During the CPO process the developer will continue to try and acquire these interests by agreement, if it is possible to do so on reasonable terms.

When the Council has resolved to make the CPO, the order will be published, and interested parties will be notified. There will then be a three week period within which any objections must be made. If no objections are received, the order may be confirmed by the Council itself. In the event that an objection is made by parties who have a legal interest in the affected properties, it will be necessary to ask the Secretary of State to hold a public Inquiry to consider the objections. In this event it is likely to be at least nine months before the outcome of the inquiry is known.

Options

- Option One** To proceed with the making of the CPO.
- Option Two** To delay while negotiations continue, although that may well result in delay in delivering the scheme

56 **Response to Formula Grant Consultation**

The Portfolio Holder for Resources and Communications, Leader and Chief Executive submitted a report containing the Council's response to the Government's Consultation Paper on Formula Grant distribution which included the transfer of funding for concessionary travel to upper tier authorities. A revised response to questions 18 and 19 was circulated at the meeting and adopted.

Resolved

- (1) That the contents of the report and response to the consultation set out in annex 2 to the minutes (as set out in the minute book) be agreed.
- (2) That the Council continue to lobby to minimise the financial implications of the transfer of funding for concessionary travel to upper tier authorities.

Reasons

The consultation for proposed changes to the Formula Grant was released on 28 July 2010 with a deadline for responses of 6 October 2010. The proposed settlement is normally issued in late November/early December. The settlement will be based on the resources agreed in the Spending Review which is due to be published on 20 October 2010.

57 **Flood and Water Management Act 2010 and Implications for Local Service Delivery**

The Strategic Director Planning, Housing and Economy submitted a report to consider arrangements being put in place locally to implement the Flood and Water Management Act 2010 and to facilitate essential, consequential, decisions about Council services and staffing (land drainage element of the engineering function). Members noted the significant contribution the Head of Building Control and Engineering Services and his team had made to the district both in terms of knowledge and the delivery of benefits to the community.

Resolved

- (1) That the implications of the Flood and Water Management Act (FWMA) be noted.

- (2) That the County Council as Lead Local Flood Authority (LLFA) be informed that, for the reasons set out in the report, it is unable to take up their offer of a formal, but unfunded, agency agreement that would allow Cherwell District Council (CDC) to operate on behalf of the LLFA in Cherwell.
- (3) That the County Council be informed that CDC will not be in a position to maintain its existing in house land drainage staff expertise and information systems under the terms of the new arrangements and that the district councils "duty to co operate with the LLFA" included in the Act will implemented solely through:
- Local Planning Authority (LPA) consultation on planning policy and development control
 - Provision of any local information or knowledge currently collated or coming to hand in the future
 - Potentially, consideration of making an offer of capital funding contributions towards flood defence works required for the District (these to be planned, designed and implemented by the LLFA and the bodies responsible for main rivers)

All other work on land drainage and flooding will cease.

- (4) That the Strategic Director Planning Housing and Economy be instructed to report to Personnel Committee on, and implement, the necessary staffing changes arising from these decisions on the FWMA and also from earlier changes to the workload of Cherwell's engineering service.
- (5) That work with the County Council be initiated to provide public and partner information to explain the rearrangement of functions, and new local responsibilities and contacts under the FWMA.

Reasons

New statutory arrangements for the local authority role in managing flood risk and responding to flooding problems and issues are included in the Flood and Water Management Act 2010 (FWMA). It is expected the relevant provisions of the Act will be fully enacted from 1 April 2011. The County Council will become the LLFA for Cherwell and will receive additional financial resources in its Government grant settlement to perform this function. District Councils will no longer have an independent statutory role in this field of activity. They will still have a duty to co operate with the LLFA (e.g. in respect of planning powers or provision of local information), and, potentially some concurrent powers to take action to enforce riparian (watercourse) owner responsibilities or implement land drainage works that fit with the policies and priorities of the LLFA.

Options

- Option 1** To decline the County Council's Agency offer and direct all future service requests to the LLFA

Option 2 To make 2011/2 budget provision for an Agency (growth item).

58

Self Service Payment at LinkPoint Offices

The Head of Customer Service and Information Systems submitted a report to seek Executive approval and funding for a new approach for taking payments in the LinkPoint offices, moving from PayPoint terminals to Self Serve Payment Kiosks, in order to achieve savings and improve customer service.

Resolved

- (1) That the Council relinquish PayPoint agent status and discontinue taking payments using Paypoint terminals, but retain PayPoint client status to enable the public to pay council bills at other Paypoint Agents
- (2) That agreement be given to stop the facility to deposit cheque payments at the LinkPoint offices and receive cheque payments only by post
- (3) That agreement be given to a supplementary capital estimate of up to £100,000 for the purchase of automated payment kiosks and their introduction into LinkPoint offices
- (4) That agreement be given to reduce the Customer Service Advisor establishment by 3 Full Time Equivalents after successful transition to the new arrangements

Reasons

The outcome of a recent review into the payments service has identified the introduction of self-service payment kiosks as an alternative that will help address most of the operational issues. Although requiring capital funding of up to £100,000, these will allow for the reduction in the staff establishment of 3 FTE (from existing vacancies) and provide a return on investment within two years.

Options

Option One To continue to use PayPoint and seek to introduce improvements

There are significant operational difficulties in using PayPoint. We are advised that their product is retail-based and not designed specifically for Local Government use, therefore specific requirements and enhancements we have looked at cannot be supported.

There are high operating costs and issues with customer satisfaction that cannot be improved easily.

This option is not recommended

Option Two Create four dedicated cashiering roles at the "specialist" level.

Dedicated cashier roles would undermine the improvements made in developing a flexible cross-discipline workforce. An

extra burden would also be placed on rota and absence management.

The LinkPoint offices are no longer set up with a designated cashier point.

This option is not recommended

Option Three Withdraw payment processing completely and direct our customers to other retail PayPoint Agents.

Other Agents would benefit from increased commission revenue and possible secondary spend. As an example, Oxford City Council no longer has cash offices and has confirmed that they no longer take any cash payments at all. They refer their customers to local PayPoint agents.

The report “Delivering Value for Money in Local Government: Meeting the challenge of CSR7” cites High Peak Council as an example of good practice in this area, when they stopped taking cash and cheques at their offices and directed customers to local PayZone agents.

The Council would be able to reduce the Advisor establishment by at least 3 FTE. There would also be further savings on the costs of collecting money from LinkPoint offices each day (approx £20,000 per year)

This option is not recommended as the Council has committed to continued cash payments

Option Four Cease being a PayPoint Agent and implement Self Service payment kiosks.

Ceasing to be a PayPoint agent but retaining client status will still allow our customers to pay council bills at any PayPoint agent, supporting the strategy to help local businesses.

These machines process cash (give change), cheques and card payments, provide receipts, read barcodes and can give basic account information – balances etc.

A one off investment of up to £100,000 can be recouped by directly reducing the resource within Customer Service. Given the amount of time spent handling payments, a reduction in 3 FTE would not impact the service delivery – i.e. would make available the same resource to deliver all services other than cash handling.

It is suggested that resources are reduced permanently two months after implementation, using them in the interim to help through the transitional period.

successful implementation of food waste recycling service. Members praised the work of the Head of Environmental Services for their continued work and high performance particularly with regard to Waste electrical and electronic equipment WEEE.

Resolved

- (1) That the proposed Waste and Recycling Service Efficiencies set out in annex 3 to the minutes (as set out in the minute book) be agreed
- (2) That a supplementary capital estimate of up to £130,000 for the acquisition of a glass collection vehicle be approved
- (3) That the proposed Recycling Initiatives and Service Developments set out in annex 4 to the minutes (as set out in the minute book) be agreed
- (4) That the changes in practice regarding the types of bins provided be agreed
- (5) That the reduction in waste to landfill and the rise in customer satisfaction levels of the waste and recycling service be noted.

Reasons

The waste & recycling service is seen as a high priority service by residents. Both overall performance & customer satisfaction are high. However it is important that the service continues to deliver value for money into the future by reducing the cost of delivery and increasing the performance of the service. The proposals in this report seek to achieve this.

Options

- | | |
|---------------------|---|
| Option One | Approve the supplementary capital estimate and agree the changes in container practices and other service developments. |
| Option Two | Re-tender the glass collection service and try and seek reduced costs. However the last tender had only four tenders and the current supplier was significantly cheaper than all the other tenders. |
| Option Three | Add glass to the blue bin and re-tender the dry recycling contract. This is likely to be cheaper than Option 2 but it is a more expensive option than Option 1 and would increase carbon emissions by around 1,000 tonnes |

60 **Award of Contract for the Supply of External Legal Advice Framework Contract to Oxfordshire Local Authorities**

The Head of Legal and Democratic Services submitted a report which sought to grant project approval and recommend the award of the external legal advice framework contract.

Resolved

- (1) That project approval be granted for and that the Council's entry into a framework contract arrangement under which legal services would be available from a panel of selected external solicitors, such arrangement to be put in place in conjunction with the other Oxfordshire authorities and other public sector bodies be authorised.
- (2) To authorise the award of the framework contract to:
 - Darbys Solicitors LLP
 - Blake Laphorn
 - Eversheds LLP
 - Trowers and Hamblins LLP
 - Freeth Cartwright LLP
 - Browne Jacobson LLP
 - Veale Wasbrough Vizards
 - Wragge and Co LLP

Reasons

Cherwell District Council had available to it a range of external legal services, from a number of firms of solicitors, through the use of a "call-off" contract put in place by all the Councils in Oxfordshire. This "call-off" contract expired at the end of July 2010 and has now been re-tendered.

Options

Option One To agree the Recommendations in this Report

Option Two To reject the Recommendations in this Report

61 **Service & Financial Planning Process and Budget Guidelines for 2011/12**

The Head of Finance and Corporate Strategy and Performance Manager submitted a report which informed the Executive of the service and financial planning process for 2011/12 and sought agreement of budget guidelines for issue to service managers to enable the production of the 2011/12 budget and update the Medium Term Financial Strategy for 2011/12 onwards.

Resolved

- (1) That the service and financial planning process for 2011/12 be noted

- (2) That the proposed budget guidelines and timetable for 2011/12 budget process be agreed.

Reasons

Council will be asked to agree the 2011/12 budget and corporate plan (and the service plans that underpin delivery) at their meeting on 21st February 2011.

62

Value for Money Review of Housing

The Strategic Director (Planning, Housing and Economy) submitted a report which presented the findings of the Value for Money (VFM) Review of housing and the recommendations arising from the report. Members requested that in implementing the conclusions of the review officers consider the possible resource implications of potential future changes to the housing benefit regime and report back on this as necessary.

Resolved

- (1) That it be noted that the service has delivered £160,000 savings above the £500,000 savings target set in the previous VFM review, and that these have been delivered ahead of schedule
- (2) That the achievement of all other recommendations from the previous VFM review, save for those around process benchmarking, and ensure these are pursued during the remainder of 2010/11 to identify areas of greater efficiency be noted
- (3) That the overall conclusion of the review, that the service is now below average cost for housing strategy and private sector housing, and remains above average cost for homelessness due to local circumstances and activity rather than unnecessary spend be endorsed. In addition it be noted that the service has high performance in terms of lower use of temporary accommodation, delivery of affordable housing and responding to the recession. Also it be noted that the service is high quality in terms of high levels of user satisfaction
- (4) That further improvements in value for money be sought and the following recommendations be approved;
 1. Reduce and reconfigured staffing arrangements in line with the revised needs of the service to achieve savings of £60,000
 2. Review temporary accommodation contract management arrangements with Sanctuary Housing to achieve savings of £40,000 and improve contract performance

Reasons

Housing was subject to a previous value for money review which reported to Executive on 12 May 2008. It was selected for a 'revisit' review during

2010/11 because high-level comparative budget information available through 2010/11 RA form analysis indicated it may still be comparatively expensive. A key element of the review was to better understand these comparative costs to verify the position of the service, and to identify any possible further savings.

The meeting ended at 8.20 pm

Chairman:

Date:

Executive

Planning Policy for Wind Energy Development

1 November 2010

Report of Head of Planning Policy & Economic Development

PURPOSE OF REPORT

To seek approval for public consultation a draft "Planning Guidance on the Residential Amenity Impacts of Wind Turbine Development".

This report is public

Recommendations

The Executive is recommended:

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

Executive Summary

Introduction

- 1.1 Members will be aware that at the Council meeting on 19th July 2010 a motion was passed which stated:-

"That this Council develops, as a matter of urgency, a policy setting minimum acceptable distances between proposed wind turbines and dwellings."

- 1.2 In response to this motion, officers have been working on a document which is now put before members in draft form for consideration. The document is attached as appendix 1 to this report.

Proposals

- 1.3 As a starting point for preparing this document, it is recognised that there is currently no minimum separation distance set out in English planning law or

guidance relating to wind turbines and residential development.

- 1.4 The Council's proposed strategic approach to assessing proposals for wind turbines is set out in policy SD3 of the Draft Core Strategy. This policy makes clear that the Council supports renewable and low carbon energy where appropriate. In assessing planning applications, it identifies a number of issues which are of local significance to Cherwell District which need to be considered. One of these is residential amenity.
- 1.5 The draft document before members today provides further guidance to support policy SD3 on the matter of residential amenity insofar as it is affected by proposals for wind turbines.
- 1.6 The approach taken by this document is to consider, holistically, the impact of wind turbines on dwellings, and to draw on guidance that is available to seek to draw robust conclusions on a practical and reasonable approach that could be taken by the Council in considering any future planning applications for wind turbines. In doing this, the document seeks to consider, firstly a general approach towards minimum separation distances between turbines and settlements based upon amenity considerations, and then to consider particular other factors that should reasonably be taken into account in considering proposals which may affect dwellings. These factors include:-
 - the impact on the wider landscape
 - noise levels
 - the impact upon heritage assets of all types
- 1.7 The document also considers issues such as safety factors relevant to wind turbines, the impact of "shadow flicker" (when the sun passes behind the rotors of the wind turbine casting a moving shadow over nearby properties) and the cumulative impact of more than one wind farm proposal.
- 1.8 It should be noted, and is made clear in the draft document, that its scope is limited to considering primarily issues surrounding the relationship between wind turbines and dwellings. The document does not seek to provide comprehensive guidance on all issues to be considered when considering proposals for wind turbines.
- 1.9 It should also be noted that the main purpose of the document is to give guidance on large wind turbine proposals. Table 2 in the draft document indicates how wind turbines can range vastly in size. Commercial scale wind turbines, however, are almost exclusively those classified as "large" – i.e. 90 metres or more high. The draft guidance therefore focuses on these. Nevertheless, the principles within it are broadly applicable to medium and small turbine proposals that may come before the Council.
- 1.10 The format of this draft document has been structured so that each chapter includes information on any national or local policy or guidance that exists to inform our proposed approach. It also includes sections giving guidance on relevant appeal decisions and on examples of other work that may have been carried out on the subject (such as planning guidance produced by other local authorities). Whilst all these sections are useful in helping explain the council's suggested approach, it is proposed that the sections on appeal decisions and other examples are not included within the final version of the

document in the interests of brevity.

The status of the document

- 1.11 It is proposed that the document is prepared as informal planning guidance by the Council. It will support emerging policy SD3 in the Draft Core Strategy. At an appropriate stage in the LDF process it will be possible to develop this informal guidance as a Supplementary Planning Document that elaborates on the criteria in policy SD3.
- 1.12 As a result of work on this document, and following public consultation, councillors will have the opportunity to consider amending policy SD3 in the Core Strategy to reflect the primary element of the draft guidance; namely that normally, a minimum separation distance of 800 metres between large scale wind turbines and dwellings will be expected.
- 1.13 It is proposed that if approved in draft form by the Executive, the draft document will be subject to a period of public consultation (see below). After this, members will be asked to approve the document as informal (non statutory) planning guidance from the Council on the subject of wind turbines and residential development. It will be shared with anyone considering a wind turbine proposal within the district, and will be a material consideration that the Planning Committee can take into account in considering proposals before them.

Public consultation

- 1.14 If members approve the draft document, it is proposed that it is then subjected to a period of public consultation. This would be a targeted consultation with a range of bodies including:-
- Parish and Town Councils
 - Local amenity groups
 - Adjacent local authorities and Oxfordshire County Council
 - Amenity groups, technical advice bodies and others that could have an interest in the scope and content of the document
 - The Government Office and relevant Government departments
 - Renewable UK (formerly the British Wind Energy Association) and other bodies that represent the wind energy industry.
 - Any party that is submitting a wind farm application or with whom the Council is in discussions at the time of the public consultation.

Conclusion

- 1.15 This draft document is before members today for consideration as to whether it provides a useful basis for informal planning guidance on the subject of distance separation standards between wind turbines and dwellings. If members approve the draft document, it will be subject to public consultation prior to being brought back to councillors for approval.

Background Information

- 2.1 The Government's general planning policy approach to renewable and low carbon energy production is set out most recently in a supplement to PPS1 titled "Planning & Climate Change" published in December 2007. This states:
- "In developing their core strategy and supporting local development documents, planning authorities should provide a framework that promotes and encourages renewable and low carbon energy generation. Policies should be designed to promote and not restrict renewable and low-carbon energy and supporting infrastructure."*
(para 19)
- 2.2 It goes on to say that in particular, planning authorities should (amongst other matters) *"ensure any local approach to protecting landscape and townscape is consistent with PPS22 [Renewable Energy] and does not preclude the supply of any type of renewable energy other than in the most exceptional circumstances."* (para 20).
- 2.3 This national policy position must condition any local approach which this Council takes towards minimum separation distances between wind turbines and residential development.
- 2.4 Although, as mentioned above, there is no minimum separation distance set out in English planning law or guidance relating to this matter, there is a body of general guidance and other information that has supported the preparation of this draft document, in addition to PPS1 and PPS22. This includes:-
- National studies and guidance on various related matters, such as "The Assessment and Rating of Noise from Windfarms"
 - Local studies including the Review of Renewable and decentralised energy potential in South East England (June 2010) and the Renewable Energy and Sustainable Construction Study (produced in 2009 by the Council to inform its Draft Core Strategy)
 - Planning policy and guidance on wind turbines produced by other local authorities within England, as well as guidance and policy produced for Scotland and Wales.
 - The recent appeal decision at Fewcott within Cherwell District
- 2.5 Of these, the Renewable Energy and Sustainable Construction Study is particularly relevant to Cherwell District because it was commissioned by the Council (jointly with West Oxfordshire District Council) to provide an evidence base for policies within our Draft Core Strategy. The advice in this document informed the Sustainable Development (SD) policies within the Draft Core Strategy, in particular policies SD1 – 5.
- 2.6 As set out in the Executive summary, policy SD3 set out the Council's general position towards assessing renewable energy proposals. It makes clear that the Council supports renewable and low carbon energy where appropriate. In assessing planning applications, it identifies a number of issues which are of local significance to Cherwell District which need to be considered. These

include the impact of proposals on landscape and biodiversity designations, visual impact upon local landscapes and impacts upon the historic environment and residential amenity.

- 2.7 It is these issues that form the basis of the structure of the draft informal planning guidance.

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 The key issue before members today is whether the draft document attached as appendix 1 provides a useful basis upon which to consider future proposals for wind turbines in the district.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

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

Consultations

Portfolio holder	Informal briefing
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Implications

Financial: There are no direct financial implications associated with the production of this guidance. Any costs can be met within existing budgets.

In terms of planning decisions that are made as a consequence of this guidance being in place, this may lead to an increased number of refusals of planning permission and an increase in appeals. In all cases, offices will advise the Planning committee as to the weight that should be given to this document (when considered against other factors relevant to a particular planning application) in considering individual planning applications.

Comments checked by Eric Meadows, Service Accountant, 01295 221552

Legal: It is recognised in the report that the guidance is non-

statutory and does not form part of the LDF. It will therefore have limited weight where the Council's decisions are contested. The guidance can be treated as a material consideration once it is produced in its final form (after public consultation). Councillors on the Planning Committee will, however, need to be advised as to the extent of this weight (when considered against other factors) in considering individual planning applications.

Comments checked by Nigel Bell, Solicitor, 01295 221687

Risk Management:

See legal and financial comments above.

Comments checked by Rosemary Watts, Risk Management & Insurance Officer, 01295 221566

Wards Affected

All

Corporate Plan Themes

A Cleaner, Greener Cherwell

Executive Portfolio

Councillor Michael Gibbard
Portfolio Holder for Planning & Housing

Document Information

Appendix No	Title
Appendix 1	Draft Wind Turbine Policy
Background Papers	
Supplement to PPS1: Planning & Climate Change (Communities & Local Government) PPS22: Renewable Energy (ODPM) Renewable Energy and Sustainable Construction Study (CAG for Cherwell and West Oxfordshire District Councils) Draft Core Strategy (Cherwell District Council)	
Report Authors	Philip Clarke, Head of Planning Policy & Economic Development Amy Smart, Assistant Planning Officer
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your place • your space
• your say •



Draft Planning Guidance on the Residential Amenity Impacts of Wind Turbine Development

November 2010

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Cherwell
DISTRICT COUNCIL
NORTH OXFORDSHIRE

Executive Summary

There is considerable interest in proposing commercial scale wind turbines in Cherwell and the surrounding districts. The purpose of this document is to help ensure that the wider benefits resulting from renewable energy generation are balanced with local issues including landscape impacts, and the economic, social and amenity impacts on local communities.

The document has been prepared as informal planning guidance, linked to Draft Core Strategy policy SD 3 which listed the issues of particular local significance when considering proposals for renewable energy schemes in the district. If approved in draft form by the Executive, the draft document will be subject to a period of public consultation. After this, members will be asked to approve the document as informal (non statutory) planning guidance. It will be shared with anyone considering a wind turbine proposal within the district, and will be a material consideration that the Planning Committee can take into account in considering proposals.

This document recommends separation distances between turbines and settlements or dwellings, firstly as a general standard for amenity reasons and then for a variety of reasons including landscape, noise, heritage, safety and shadow flicker. Where possible the standards set out in this document are linked to national guidance, or a local evidence base. The document does not provide a comprehensive list of the issues to be considered in determining applications for large scale wind turbine development.

This document will typically apply to commercial scale, large turbines but the principles could also apply to medium scale turbines (Chapter 2 provides more information).

Table 1 below lists the distances suggested in this document (see the individual chapter for further information and justification):

Table 1 Suggested Distance Summary

Impact or Issues	Chapter	Suggested 'Indicative' Distance
Dwellings and Settlements	Chapter 3	Normally a minimum of 800m from dwellings or settlements No less than 3 times turbine height (ground to blade tip) Settlements of more than 10 dwellings should not have turbines in more than 90 degrees of their field of view for a distance of 5km Individual dwellings should not have turbines in more than 180 degrees of their field of view for a distance of 10km
Landscape and Visual	Chapter 4	At least 400m from dwellings or settlements
Noise	Chapter 5	At least 400m from dwellings or settlements
Heritage	Chapter 6	Proposals resulting in significant adverse impacts on heritage assets within 2km will be unacceptable Detailed consideration of impacts on heritage assets to extend to 5km
Safety	Chapter 7	Ground to blade tip height + 10% between occupied buildings and roads
Shadow Flicker	Chapter 8	10 rotor diameters from dwellings or settlements

Wind turbines within these distances will not normally be considered appropriate. However, proposals will be considered on a case by case basis. For example, appropriate separation distances may also be influenced by the orientation of views, and the local land cover and topography. It will be for the applicant to demonstrate to the Council that amenity and other consideration are not harmed by the proposal.

Finally, this document also lists sources of further information which will be of assistance in determining wind turbine proposals in Appendix 1.

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3 Settlement Distance 11

4 Landscape and Visual Impacts 15

5 Noise 19

6 Heritage 23

7 Safety 27

8 Shadow Flicker 29

9 Cumulative Impacts 31

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Chapter 1 Introduction

- 1.1 Renewable energy generation is seen by all parliamentary parties as a key priority in reducing carbon emissions in order to meet national and international targets. Various national documents including the UK Renewable Energy Strategy (2009) and the Energy White Paper (2007) are clear on the importance attached to onshore wind as a sustainable source of energy. The White Paper identifies onshore and offshore wind, and biomass, as potentially the most cost effective ways of limiting carbon emissions.
- 1.2 The existing national planning policy guidance (particularly PPS1: Delivering Sustainable Development and PPS22: Renewable Energy) follow the same direction in terms of promoting renewable energy. The PPSs are to be replaced by a National Policy Framework as part of the Localism Bill. However, the overall policy direction is likely to remain similar given the direction of the letter sent to chief planning officers revoking Regional Spatial Strategies (RSS) (6 July 2010) which stated that:
- "Through their local plans, authorities should contribute to the move to a low carbon economy, cut greenhouse gas emissions, help secure more renewable and low carbon energy to meet national targets, and to adapt to the impacts arising from climate change".
- 1.3 The most recent 'evidence gathering' study relating to renewable energy potential in the South East, Oxfordshire, and Cherwell district is the 'Review of Renewable and Decentralised Energy Potential in South East England' (LUC and TV Energy, June 2010). This study was originally intended to inform the new Regional Strategy, but despite RSS revocation the report continued to be finalised and released in order to help local authorities prepare their own local targets and renewable energy strategies.
- 1.4 In the study, Oxfordshire was found to have the most potential for commercial scale wind energy across the region (Figure 3.1 of the above study). Cherwell district was found to have the most potential across Oxfordshire (Appendix 3.1 of the above study).
- 1.5 The Renewable Energy and Sustainable Construction Study (CAG, 2009) undertaken for the Council focused on strategic policy formulation rather than detailed spatial identification of the potential for renewable energy, but nevertheless illustrates in more local detail the kinds of factors constraining wind farm development in the district. These factors were subsequently listed as part of a 'criteria based' policy in Draft Core Strategy policy SD 3.
- 1.6 Draft Core Strategy policy SD 3 set out the Council's general position towards assessing renewable energy proposals. It makes clear that the Council supports renewable and low carbon energy where appropriate. In assessing planning applications, it identifies a number of issues which are of local significance to Cherwell District which need to be considered. These include the impact of proposals on landscape designations, visual impact upon local landscapes and impacts upon the historic environment and residential amenity.

Purpose and Status of this Document

- 1.7 The purpose of this document is to provide additional detail on the criteria set out in Draft Core Strategy policy SD 3, specifically relating to proposals for commercial scale wind turbines and the need to protect residential amenity. As it does this, the document seeks to respond to a motion passed by the Council in July 2010 relating to the distance between turbines and settlements or individual

dwellings (see para 1.10 below). This is necessary to ensure that the wider benefits resulting from renewable energy generation are balanced with local issues including landscape impacts, and the economic, social and amenity impacts on local communities.

- 1.8** This document recommends separation distances between turbines and settlements or dwellings for use in Cherwell, firstly as a general standard for amenity reasons and then for a variety of reasons including landscape, noise, heritage, safety and shadow flicker. Where possible the standards set out in this document are linked to national or local policy, or a local evidence base. The document does not provide a comprehensive list of the issues to be considered in determining applications for large scale wind turbine development.
- 1.9** This document will form informal planning guidance. If approved in draft form by the Executive, the draft document will be subject to a period of public consultation. After this, members will be asked to approve the document as informal (non statutory) planning guidance from the Council on the subject of wind turbines. It will be shared with anyone considering a wind turbine proposal within the district, and will be a material consideration that the Planning Committee can take into account in considering proposals before them.

Context

- 1.10** This document has been prepared in response to a motion adopted by Full Council on 19 July 2010, which read as follows:
- "That this Council develops, as a matter of urgency, a policy setting minimum acceptable distances between proposed wind turbines and dwellings".
- 1.11** There is currently no minimum separation distance in English planning law or guidance. What separation guidelines do exist in Scotland and Wales are explained as a general guide rather than a rule. Scottish Planning Policy 6 Annex A ⁽¹⁾ states that:
- "[Wind turbine] development up to 2km is likely to be a prominent feature in an open landscape...[T]his approach is being adopted solely as a mechanism for steering proposals to broad areas of search, and, within this distance, proposals will continue to be judged on a case by case basis".
- 1.12** In Wales, Technical Advice Note 8⁽²⁾ discusses distances specifically in relation to noise impacts, and states that:
- "500 metres is currently considered a typical separation distance between a wind turbine and residential property to avoid unacceptable noise impacts. However, when applied in a rigid manner it can lead to conservative results and so some flexibility is advised".
- 1.13** Jane Davidson (Environment Sustainability and Housing Minister), in response to a written question to the National Assembly for Wales, confirmed that:

1 <http://www.scotland.gov.uk/Resource/Doc/171491/0047957.pdf>

2 <http://wales.gov.uk/topics/planning/policy/tans/tan8/?lang=en>

"The issue is less to do with distance than the need to limit noise from wind farms to 5 decibels above background noise for both day and night time. The separation distances between wind turbines and residential properties can be examined as part of the refinement work by local planning authorities and on a case by case basis, taking into account topography and orientation, when decisions on planning applications are taken".

- 1.14** There are no statutory distances relating to residential amenity currently in place in England.
- 1.15** Two Private Member's Bills relating to minimum statutory distances have recently been proposed in Parliament . The first, a 'Ten Minute Rule' Bill, set out the following:

Turbine Height (metres)	Distance from Homes Suggested in Bill (miles)
25 to 50	0.5
50 to 100	1
100 +	1.5

- 1.16** The Bill also suggested an alternative approach, specifying 'set back distances' by using a fixed multiple in proportion to height.
- 1.17** This Bill was criticised in the planning press, and was reported as being 'arbitrary', 'ill founded' and 'inflexible' (Planning, 13 November 2009). It did not progress to a second reading, although this is not uncommon for 'Ten Minute Rule' Bills.⁽³⁾
- 1.18** A second Bill originated in the House of Lords and had its first reading on 27 July 2010. The date of the second reading is still to be announced. This set out the following:

Turbine Height (metres)	Distance from Homes Suggested in Bill (metres)
25 to 50	1000
50 to 100	1500
100 +	2000

- 1.19** The first and second Bills use miles and metres respectively to measure distance. Both Bills propose exceptions to these distances, where residents (the first bill) or owners (the second) of dwellings within the 'buffer zone' agree to the construction of the turbines.
- 1.20** It could be, therefore, that in the future, separation distances are set out in national planning law or policy.
- 1.21** In the absence of this, this document proposes a local approach to be taken towards wind turbine development in Cherwell. It adds detail to draft Local Development Framework policy (draft Core Strategy policy SD 3) in setting out minimum separation standards to protect residential amenity, and to reduce noise, safety and shadow flicker impact, and adverse impacts on landscape and heritage.

3 <http://www.parliament.uk/about/how/laws/bills/private-members/>

Chapter 2 Wind Turbine Size and Wind Speed

Wind Turbine Size

- 2.1** Wind turbines are measured in terms of height (hub height (a), rotor diameter (b) and ground to blade tip ($a + (b/2)$), and in terms of generating capacity (in watts, kilowatts (kW) or megawatts (MW); $1000w = 1kw$ and $1000kw = 1 MW$). The output of a wind turbine depends on the rotor diameter. Doubling the rotor diameter quadruples a turbine's output. Similarly, wind speed also increases generating capacity. A doubling of wind speed results in a roughly eight fold increase in power output.⁽⁴⁾
- 2.2** Although there are no rigid categories relating to the scale of wind turbines, individual onshore turbines tend to fall within four size bands: micro, small, medium and large.⁽⁵⁾
- 2.3** A combination of sources⁽⁶⁾ has been reviewed to suggest how we could broadly quantify these groupings. This is complicated by the fact that different turbine models have differing capacities compared to their heights. Consequently there is considerable overlap between the 'small' and 'medium' categories. Turbine efficiencies are also dynamic and constantly evolving, so our categorisation below represents only an approximate 'snapshot' at the current time.

Table 2 Wind Turbine Sizes

Grouping	Capacity	Ground to Blade Tip Height	Comments
Micro	Less than 100w	N/A	Used to charge 12 or 24 volt batteries
Small	0.6kW - 1 or 2.5kW	N/A	2.5kW typically the limit of building mounted (roof mounted) turbines.
	6 - 10kW	10 - 15m	Typically mast mounted turbines for domestic use
	Up to 100kW	20 - 50m	Typically suited for other applications, such as serving a village hall, a school, or a business. 100kW likely to be the absolute maximum in the 'small' banding although there is likely to be some overlap between 'small' and 'medium' in terms of height.
Medium	100s kW up to 1MW	50 - 80m	Larger than domestic application. A number of applications have been received by the Council for such turbines at farm locations.
Large	1 - 3MW	90 - 135m	Commercial scale turbines. This grouping represents the majority of planning applications submitted for wind turbines, according to the DECC.

4 'PPS22 Companion Guide', Technical Annex: Wind, CLG (2004)

5 'Review of Renewable and Decentralised Energy Potential in South East England', LUC & TV Energy (2010)

6 Renewable UK (formerly the British Wind Energy Association), the Department for Energy and Climate Change, the CAG Study, the Energy Saving Trust and planning applications received by the District Council

- 2.4 Onshore wind farms typically comprise a number of commercial scale or 'large' turbines, and at the largest are capable of generating tens of MW. Applications for schemes generating 5MW or more (or 15m or taller, or two or more turbines) are subject to Environmental Impact Assessment. Applications for schemes generating 50 MW or more are decided by the Infrastructure Planning Commission (or its future replacement).

Context

The turbines allowed at the Fewcott Appeal (APP/C3105/A/09/2116152) have an individual rating of between 2 and 2.5MW. Four turbines are proposed.

The turbines at the Westmill Community Wind Farm in the Vale of White Horse have an individual rating of 1.3 MW. There are five operational turbines generating enough electricity to power around 2,500 homes each year.

- 2.5 This document will typically apply to commercial scale, large turbines but the principles could also apply to smaller turbines, in particular medium scale turbines. As Table 2 shows, measurements can be made in terms of height and megawatts, so as a rough guide this document applies to any turbine with a ground to blade tip height of over 50m. It is noted that Planning Policy Statement 22 states that authorities should not set arbitrary limits on the numbers of turbines that will be acceptable in particular locations (para 21). This document recognises that there are likely to be more significant impacts arising from larger turbines and highlights the key policy guidance and thresholds to be used in siting these larger turbines. It does not, in itself, impose a limit on the specific numbers of turbines but rather focuses on their appropriate location.

Wind Speed

- 2.6 DECC guidance⁽⁷⁾ states that the benchmark currently used for the minimum commercially viable average wind speed varies between 5 metres per second (m/s) and 7m/s at 45m above ground level. In practice, most developers currently consider sites with wind speeds of over 6m/s at 45m. These speeds are noted in the Appeal Decision relating to the Fewcott proposal. Here, the Inspector also acknowledged that wind technology is constantly improving (meaning that turbines could become viable at lower wind speeds).
- 2.7 PPS22 recommends measuring wind data onsite for at least 12 months prior to finalising a scheme, which can be achieved through the use of historical meteorological data and onsite anemometers.⁽⁸⁾

7 Renewable and Low-carbon Energy Capacity Methodology, January 2010 at http://www.decc.gov.uk/assets/decc/what%20we%20do/uk%20energy%20supply/energy%20mix/renewable20energy/ored/1_20100305105045_e_@@_methodologyfortheenglishregions.pdf

8 PPS22 Companion Guide, Technical Annex para 32

Chapter 3 Settlement Distance

What are the Issues?

- 3.1** Cherwell is a rural district with a dispersed pattern of development. There are over 90 villages and hamlets in the district, containing 35.3% of the population. Most of these villages are relatively small, with populations under 500.⁽⁹⁾ Because few areas are far from existing settlements or individual dwellings, the amenity impacts of wind development are likely to be significant in many parts of the district. Additionally, many of the roads in the district pass through these small settlements and are unsuited to large vehicles.⁽¹⁰⁾
- 3.2** This chapter focuses on separation distances between wind turbines and settlements or dwellings for reasons of residential amenity. It is important to distinguish between impacts on residential amenity and other impacts arising from wind proposals such as landscape and wider visual impacts, noise impacts, or safety issues. Accordingly this document is split into several chapters which discuss how and why separation distances could be used to minimise the various impacts. However, there are inextricable links between this chapter and all others in the document - for example, residential amenity is heavily affected by noise levels.

National and Local Policy Guidance

- 3.3** Planning Policy Statement 22: Renewable Energy states that proximity to dwellings, and whether a site is constrained by a population centre or scattered dwellings, is one of the factors to be considered in appraising suitable sites for wind energy. It does not suggest the appropriate minimum proximity.
- 3.4** The Draft National Planning Policy Statement on Renewable Energy (2009) (intended to provide the basis for decisions by the Infrastructure Planning Commission) states that "Appropriate distances should be maintained between wind turbines and residential properties to protect residential amenity". It does not define 'appropriate'.
- 3.5** The 'Renewable Energy and Sustainable Construction Study' (2009) undertaken to inform future Core Strategy policies recommends that impact on residential amenity within the district be assessed by a 'residential survey' which considers the visual impact on individual dwellings closest to the proposal, and groups of dwellings, as distance increases. The Study suggests that separation distances for reasons of visual amenity are likely to be similar to those required for other reasons such as noise (which will, of course, differ on a case by case basis).
- 3.6** The Study was not undertaken specifically to recommend separation distances between dwellings and turbines. It did however examine the theoretical potential for renewable energy development (not just wind energy) in Cherwell. In doing so, the desk based study undertaken by the consultants across a broad study area used a notional separation distance of 800m between large scale turbines and dwellings (for noise and visual impact reasons) in order to assess general constraints on development and to identify areas that were less constrained. It noted that the use of different turbines or site layouts could justify smaller distances, whilst smaller turbines would also require smaller distances. In addition, local topography may mean that a smaller distance buffer may be appropriate.

9 Living in Cherwell, CDC (2010) at http://www.cherwell.gov.uk/media/pdf/i/g/Living_in_Cherwell_FULL_MMCL_July_2010.pdf

10 Renewable Energy and Sustainable Construction Study, CAG (2009) at http://www.cherwell.gov.uk/media/pdf/W/Renewable_Energy_and_Sustainable_Construction_Study_%28September_2009%29.pdf

Guidance from Appeal Decisions

- 3.7** A brief review of appeal decisions indicates that there is no general rule that is strictly applied in relation to distances between turbines and dwellings. Rather, a judgement is made according to the specifics of each case and the local circumstances that justify larger or smaller distances.
- 3.8** The Appeal Decision relating to the Fewcott Inquiry (APP/C3105/A/09/2116152) considered the effect of the proposals on individual views. It states that:
- "The appeal development would be prominent in the outlook from some 50 houses in Ardley and Fewcott, another 50 or thereabouts in Fritwell, some 12 in Stoke Lyne and the house at Green Farm. But I remind myself that no protection exists for the benefit of a private view. Consequently I do not regard as unacceptable the situation in which a turbine is prominent in the view from a domestic window. Rather, my concern is to recognise cases in which the effect on living conditions of people in such houses would be one of unacceptable dominance or overbearing. Evidence was given at the Inquiry that there is a risk of such an effect within up to 3 times the turbine height (to rotor tip) which in this case is 375m. This was based on observations at a wide number of finished wind farms." (paras 55 & 56)
- 3.9** The Inspector noted that one dwelling would experience an 'overbearing effect' created by the turbines, but that there would be no perceptible harm to the views in the wider area.
- 3.10** This appears to suggest that a minimum distance for residential amenity could be three times the turbine height. The minimum approximate 400m buffer resultant in this instance is in accordance with Chapter 4 Landscape and Visual Impacts, where it is suggested that turbines within 400m of a dwelling will have a dominant visual impact.
- 3.11** An Appeal Decision relating to a proposal in South Devon for 3 turbines up to 100m high (APP/K1128/A/08/2072150) discussed the impact of the turbines on a dwelling 500m away. The Inspector noted that the turbines would:
- "...fundamentally change the outlook from this property...[H]owever, the turbines would be slender structures and I do not believe that they would, at this distance and height, have an overbearing or dominating impact that would harm the residential amenity that the occupiers could reasonably expect in this rural agricultural setting".
- 3.12** Other dwellings in the locality (53 dwellings within 2km of the site) were noted as being unlikely to be adversely affected by impact on outlook. Given a combination of the separation distances, orientation of views, and the local effects of trees, other buildings and the topography, the Inspector was satisfied that the turbines would not significantly affect the living conditions of other occupiers.
- 3.13** An Appeal Decision relating to a proposal in Cumbria for 6 turbines up to 100m tall (APP/M0933/A/08/2090274) found that the visual impact of turbines on the amenity of occupiers of a dwelling 600m from the turbines would not be highly prominent - the turbines would not be so dominant or oppressive as to be unacceptable. The 600m distance was also noted as being acceptable in an Appeal Decision relating to a proposal in Essex for 5 turbines up to 125m tall (APP/P1560/A/08/2088548) although the Inspector states that this is not a general rule, but appropriate in that particular instance due to tree screening around the dwellings.
- 3.14** The Inspector in an Appeal relating to a proposal for 11 turbines 125m tall in Leicestershire (APP/F2415/A/09/2096369) found that the impact on the living conditions of residents 670m from the site of the turbines would not be unacceptable.

- 3.15** A distance of 700m from the nearest residential dwelling was found to be appropriate in the Appeal Decision relating to a proposal for 7 wind turbines 125m tall in Norfolk (APP/L2630/A/08/2084443).
- 3.16** A distance of between 600 and 800m from the nearest residential dwelling was also found to be appropriate in the Appeal Decision relating to a proposal for 5 turbines 100m tall in Nottinghamshire (APP/B3030/A/08/2072487).
- 3.17** 800m was also the distance between the nearest dwelling and 10 turbines up to 100m tall in a proposal in South Northamptonshire (planning application reference KE/03/0559), which was approved.
- 3.18** Other Inspectors consider turbines unacceptable at these distances. In one case (5 turbines at 125m tall in Dover, APP/X2220/A/08/2071880) the closest dwelling stood 360m from the nearest turbine. For this dwelling, the Inspector found that the turbine would be 'looming', 'unpleasantly overwhelming' and 'unavoidable'. This 'unpleasantly overwhelming and unavoidable' impact extended to dwellings within 800m. At a settlement 1km away from the turbines, the impact too would be dominating and unavoidable, although in this case it was the widely spaced spread of the turbines, rather than their height, that would be visually invasive. The Inspector noted that there were some more closely located properties that would be less affected, because the turbines would be more closely grouped rather than spread out.
- 3.19** At an appeal relating to a proposal for 16 turbines in Cambridgeshire (APP/W0530/A/05/1190473) the Inspector considered that the impact of the turbines on a settlement 800m away would be significant. The impact was exacerbated by the particular circumstances of the location; the settlement was surrounded by small, low level agricultural enclosures with hedgerows and trees, which made a significant contribution to the character of the area and the pastoral component to the setting of the village. The turbines were found to completely dominate the character and appearance of the area, and the appeal was dismissed.
- 3.20** This brief review of appeal decisions serves to demonstrate that there is no general rule being applied, for a number of reasons. Separation is clearly required for residential amenity, but the distance depends on a number of factors present in each case including topography and land cover.

Other Examples

- 3.21** Fenland District Council has produced 'Wind Turbine Development Policy Guidance' which considers each of the impacts raised by wind energy and suggests criteria or thresholds beyond which wind turbine development is unlikely to be acceptable. It does not have a section of residential amenity specifically. However the criteria referred to in the document's 'Landscape and Visual Impact' section are of interest. It suggests that the visual impact of turbines within 400m will be 'dominant', forming the principle element of the view and overpowering the viewer. It further suggests that, based on professional judgement, settlements of more than 10 dwellings should not have wind turbines in more than 90 degrees of their field of view from public or residential viewpoints for a distance of 5km. Individual dwellings should not have wind turbines in more than 180 degrees of their field of view for a distance of 10km. This focus on the 'field of view' occupied by wind turbines appears to tackle the issue raised by the Inspector in the Dover appeal (see para 3.18).
- 3.22** South Northamptonshire District Council's draft 'Wind Turbines in the Open Countryside' SPD has a section entitled 'Local Amenity' but the issues and guidance discussed in that section relate entirely to noise levels.

- 3.23** Torridge District Council's 'Wind Energy Policy' statement establishes a minimum distance between dwellings and turbines of 600m for reasons of 'local amenity', again defined specifically as noise and visual impact issues. The document acknowledges that in some cases lesser separation distances might be required.

Conclusions

- 3.24** The brief review of appeal decisions indicates that there is no single 'separation rule' relating to residential amenity being applied across the country, with judgements in each case being determined by local circumstances.
- 3.25** Looking specifically in Cherwell, we know that the district is 89.3 % rural,⁽¹¹⁾ with an evenly scattered dispersed distribution of settlements and isolated farmsteads.⁽¹²⁾ Most settlements in the district are small villages and hamlets.⁽¹³⁾ and typically, the setting of these settlements is tranquil and agricultural. Topography across the district is complex, but on the whole the district is relatively flat (particularly in the south of the district, although less so in the north/western part with its hills and valleys) and unlikely to provide any significant screening of turbines, whilst the district as a whole is 'noticeably lacking in woodland cover'.⁽¹⁴⁾
- 3.26** The combination of these factors means that within Cherwell, large scale wind turbines are likely to have a dominant impact within a broad distance. It is recommended that a separation distance of 800m is normally required between large scale wind turbines and dwellings.

Guidance within Cherwell District

A minimum separation distance of 800m between large scale wind turbines and dwellings will normally be expected. Appropriate separation distances may be influenced by the orientation of views, and the local effects of trees, other buildings and the topography, as well as other issues such as noise, safety, shadow flicker, and impacts on landscape or heritage assets.

Large scale wind turbines should always be separated from dwellings by a distance of at least three times the turbine height (ground to blade tip) for reasons of residential amenity.

Settlements of more than 10 dwellings should not have wind turbines in more than 90 degrees of their field of view from public or residential viewpoints for a distance of 5km from the viewpoint. Individual dwellings should not have wind turbines in more than 180 degrees of their field of view for a distance of 10km from the property.

Further Information

- 3.27** See Appendix 1 - 'General'.

11 Key Facts in One Place - Cherwell District, (GOSE), 2008 at <http://www.go-se.gov.uk/497648/docs/170192/179006/179028/Cherwell.pdf>

12 Cherwell Landscape Assessment, CDC (1995) at http://www.cherwell.gov.uk/media/pdf/7/n/CDC_Landscape_Assessment_-_Cobham_Nov_1995_-_lr.pdf

13 Living in Cherwell, CDC (2010) at http://www.cherwell.gov.uk/media/pdf/i/g/Living_in_Chерwell_FULL_MMCL_July_2010.pdf

14 CDC (1995)

Chapter 4 Landscape and Visual Impacts

What are the Issues?

4.1 A key consideration of proposals for wind turbines will be impacts on landscape character and visual amenity. Cherwell is a largely rural district with highly valued local landscapes. The Cherwell District Landscape Character Assessment (1995) states that:

"The landscape character of Cherwell district is immensely varied, with large areas of unspoilt countryside".

4.2 Making a planning judgement on the acceptable level of landscape or visual impact can be difficult since there is no guidance in relation to such 'acceptable levels' and landscape impacts cannot be quantified, unlike other impacts such as noise levels.

4.3 However, there are well established approaches to assessing the capacity of landscapes to accommodate wind turbines based on the following process:

Landscape Sensitivity + Visual Sensitivity + Landscape Value = Landscape Capacity.

4.4 Each of these elements will be informed by Landscape Character Assessment, whilst overall conclusions on capacity will also require an understanding of what level of change within the landscape would be acceptable.

4.5 Guidance on assessing landscape and visual impacts is discussed in more detail below.

National and Local Policy Guidance

4.6 In terms of national landscape designations, a small part of the district falls within the Cotswolds Area of Outstanding Natural Beauty (AONB). PPS22 states that within national designations, planning permission for renewable energy projects should only be granted where it can be demonstrated that the objectives of the designation of the area will not be compromised by the development, and any significant adverse effects are clearly outweighed by environmental, social and economic benefits (para 11). The Cotswolds AONB Conservation Board has produced a Management Plan for the AONB, which this District Council has adopted for use as supplementary guidance (it is therefore a material consideration in determining applications). This Management Plan encourages and supports appropriate scale renewable energy generation (including small scale single wind turbines) but states that wind farms are likely to be inappropriate.

4.7 In terms of locally valued landscapes, it is very clear in government guidance (PPS22 and PPS7) that local landscape designations should not be used to justify blanket restrictions on renewable energy development within broad areas. Instead, the approach should be to identify the different landscape characters of an area, and assess the capacity of those different landscapes to accommodate turbines using the approach set out in para 4.3. This could be undertaken by the local authority at a district level (see 'Other Examples', below) or could be undertaken on a smaller scale and on a case by case basis within the Landscape and Visual Impact Assessment (LVIA) submitted as part of a wind farm proposal in accordance with the Environment Impact Assessment Regulations.

4.8 The main source of guidance for producing a landscape character assessment is 'Landscape Character Assessment Guidance', Countryside Agency (2002) (weblinks are in Appendix 1).

4.9 The main sources of guidance to assess landscape and visual impact are:

- 'Guidelines for Landscape and Visual Impact', Landscape Institute and the Institute of Environmental Management and Assessment (2002)
 - 'Visual Representation of Windfarms Good Practice Guidance', Scottish Natural Heritage (2006)
 - 'Guidelines on the Environmental Impact of Wind Farms and Small Hydroelectric Schemes', Scottish Natural Heritage (2001)
 - PPS22 Companion Guide.
- 4.10** In brief, LVIAs should distinguish between landscape and visual effects. Landscape Impact Assessment considers change to individual landscape elements; change to landscape character; and change to designated landscapes and settings. Visual Impact Assessment considers change to views and visual amenity.
- 4.11** Within Cherwell, Landscape and Visual Impact Assessments can be informed by the Landscape Capacity and Sensitivity Assessment (LCSA) and the Oxfordshire Wildlife and Landscape Study (OWLS) (see Appendix 1) which are useful sources of local information. However, neither of these studies refers to wind turbines specifically, and the LCSA focuses on the landscapes around the main settlements of Banbury and Bicester.
- 4.12** In terms of policy guidance, Land Use Consultants⁽¹⁵⁾ advise that a policy prohibiting wind turbine developments "if significant landscape effects are created" is meaningless, because significant effects, or change, will occur inevitably. This view was echoed by the Inspector at the Fewcott appeal who noted, in that particular case, that "there would be change but not harm" (APP/C3105/A/09/2116152, para 54). Examples of how policies can be used to define acceptability or harm are discussed in para 4.17 below.
- 4.13** **It is important to note that landscape and visual impacts are likely to be assessed as part of the Environmental Impact Assessment process, in order to demonstrate that significant adverse effects are being avoided or mitigated.**

Guidance from Appeal Decisions

- 4.14** An Appeal Decision relating to a proposal in South Devon for 3 turbines up to 100m tall (APP/K1128/A/08/2072150) noted that the turbines would exert a characterising influence over the local landscape within a radius of 500m - 600m. In this case, the impact was exacerbated by the fact that the turbines would be sited near to the edge of a plateau and would be about double the height from the ridge, on which they would be sited, to the nearby valley floor. In visual terms, effects would be 'high' up to 1.5km/2km away, dropping to 'medium' at a distance of 3-5km.
- 4.15** At an Appeal Decision relating to a proposal in Cumbria for 6 turbines up to 100m tall (APP/M0933/A/08/2090274) found that the turbines would give rise to a significant change in the appearance of the immediately surrounding area (within 600m and 1km). However, the landscape was found to be 'sufficiently robust and of a scale that could assimilate the six structures without being dwarfed by them' (para 38).
- 4.16** An Appeal Decision relating to a proposal in Essex for 5 turbines up to 125m tall (APP/P1560/A/08/2088548) found that the turbines would exert a characterising influence over the landscape within and up to 700m distance. However a number of 'mitigating' factors were noted including existing human influence on the landscape, the topography, and the capacity of the exposed and windswept landscape to accommodate the turbines.

15 In a training event provided on behalf of CLG and the Centre for Sustainable Energy

Other Examples

4.17 There are several examples of studies and Supplementary Planning Documents (SPDs) prepared by other local planning authorities which consider in detail the capacity of the different landscape types within the district to accommodate wind turbines. Huntingdonshire District Council has produced an SPD on wind power (2006) which considers landscape issues, whilst Vale Royal Borough Council has produced an SPD on Landscape Sensitivity and Wind Turbine Development (2007). South Holland District Council's SPG on Wind Energy also follows the detailed landscape character assessment and subsequent landscape capacity approach. Fenland District Council's "Wind Turbine Development Policy Guidance" quantifies the impact that turbines are likely to have on each of the district's landscape types, and draws conclusions on the extent to which each landscape type can accommodate different 'magnitudes' of impact. It sets out the following:

Table 3

Distance from Turbines	Magnitude of Visual Impact
Within 400m	Dominant
400m - 2km	Prominent
2 - 5km	Conspicuous
5 - 15km	Apparent
15 - 30km	Inconspicuous
Over 30km	Negligible

4.18 Fenland's guidance document also refers to the proportion of a 'field of view' occupied by turbines in relation to residential visual amenity (see Chapter 3).

4.19 Torrington District Council's 'Wind Energy Policy' statement establishes minimum separation distances between turbines and designated landscapes (500m from AONB). In terms of non designated landscapes, it adds that developers are required to provide information on how the turbine proposal will integrate into the existing landscape, taking into account identified landscape character areas. A district wide Landscape Character Assessment was underway at the time the document was produced (May 2010) and it is stated that once this work is completed, it would be possible to produce a landscape sensitivity assessment to wind energy development in the district.

Conclusions

4.20 It is important to distinguish between landscape impacts and visual impacts, and between these impacts and residential amenity impacts, which are covered in Chapter 3.

4.21 Impacts on the wider landscape, and conclusions on the capacity of landscapes to accommodate large scale wind turbines, will need to be assessed in the Landscape and Visual Impact Assessment submitted with large scale wind proposals. This, in turn, can be informed by existing information on the landscape characters and types in Cherwell (the Oxfordshire Wildlife and Landscape Study and the Cherwell Landscape Character Assessment undertaken in 1995, listed in Appendix 1).

- 4.22** In terms of the visual impact of large scale turbines when experienced within a local landscape (i.e the landscape surrounding a settlement), it is considered that the Council could make use of the distances established by Fenland District Council in Table 3 above. For example, at a distance of 400m, large scale wind turbines are likely to have a dominant visual impact on the local landscapes around the settlement, and this is considered to be inappropriate.
- 4.23** Additionally, 15% of the district⁽¹⁶⁾ is covered by landscape designation (the AONB) or designations requiring careful consideration of the visual impacts of developments (the Green Belt). It is therefore necessary to include guidance relating to designated areas specifically. This can be directly influenced by national policy and the guidance of bodies such as Natural England.

Guidance within Cherwell District

Large and medium scale wind turbine developments within the AONB are unlikely to be permitted. Within the Green Belt, they will only be permitted where they do not compromise the openness of the Green Belt.

Large and medium scale wind turbine developments that would result in a 'dominant' landscape and visual impact (i.e within 400 metres of settlements) are unlikely to be permitted.

If a suitable broad location can be found, the following principles should guide the location of turbines:

- the direction and flow of the landscape and contours should be followed
- layouts should be designed to avoid (1) visual confusion and disordered clutter, (2) 'tangles' of turbines where multiple turbines are seen behind each other, and (3) isolated turbines that are remote from the rest of the group.

Adverse impacts should be minimised through appropriate mitigation. The local planning authority will seek to influence mitigation at the earliest stages in a proposal, and will enforce mitigation measures through the use of planning conditions.

- 4.24** The guidance documents set out in Appendix 1 - 'Landscape and Visual Impacts' should be used to avoid significantly adverse landscape impacts.
- 4.25** A thorough district wide landscape capacity assessment would enable the Council to develop more specific evidenced based guidance.
- 4.26** In undertaking a Landscape and Visual Impact Assessment of wind turbine proposals, reference should be made to the landscape characters within the district identified in the Oxfordshire Wildlife and Landscape Study.

Further Information

- 4.27** Please see Appendix 1 - 'Landscape and Visual Impacts'.

16 Key Facts in One Place - Cherwell, GOSE (2008) at <http://www.go-se.gov.uk/497648/docs/170192/179006/179028/Cherwell.pdf>

Chapter 5 Noise

What are the Issues?

- 5.1 Noise can have an adverse impact on the environment and the quality of life enjoyed by individuals and communities. There are two distinct types of noise source within a wind turbine - the mechanical noise produced by the gearbox and generator, and the aerodynamic noise produced by the passage of blades through the air.

National and Local Policy Guidance

- 5.2 The framework for assessing noise impacts is currently 'The Assessment and Rating of Noise from Wind Farms', produced by the Energy Technology Support Unit for the DTI in 1997 (ETSU-R-97). This provides the framework for the measurement of wind farm noise and for deriving suitable noise limits to offer a reasonable degree of protection. PPS22 recommends the use of ETSU-R-97 for assessing operational wind farm noise generation (standards outside of the planning system exist to manage construction noise generation (i.e. BS 5228 1997)).
- 5.3 ETSU-R-97 recommends the application of noise limits at the nearest noise sensitive properties (i.e. at numerous sites). Limits should be set relative to the existing background noise levels (which may increase with wind speed). The predicted noise levels from wind turbines are then compared with the limits to determine acceptability.
- 5.4 It further states that noise from wind farms should be limited to 5 decibels (dB A) above background levels for both day and night time. A fixed limit of 43 dB A is recommended for night time. Both day and night time lower limits can be increased to 45 dB A where the occupier of a property has some financial interest in the wind farm. It is important to note that noise levels are therefore measured in relation to the increase above the background noise levels. Therefore a noisier location could potentially accommodate noisier wind turbines.
- 5.5 The PPS22 Companion Guide contains a comparison between typical wind turbine noise at a distance of 350m and other common noise sources. It stresses that:
- Noise levels from turbines are generally low and, under most conditions, it is likely that turbine noise would be completely masked by wind-generated background noise
 - Aerodynamic noise from wind turbines is generally unobtrusive
 - Varying the speed of the turbines can, if necessary, reduce the sound output
- 5.6 Low frequency noise (infrasound) is sometimes raised as an issue in response to wind farm proposals. The PPS22 Companion Guide asserts that there is no evidence that ground transmitted low frequency noise from wind turbines is at a sufficient level to be harmful to human health.
- 5.7 Some non statutory research reports recommend that buffer zones are applied between turbines and dwellings for reasons of noise protection. This buffer zone could be 2km, or greater if the individual turbine has a capacity of over 2MW. This advice has not yet been incorporated into statutory guidance.
- 5.8 The guidance on assessing the noise impacts of wind farms is currently under review by the DECC to ensure that the ETSU-R-97 guidance is applied in a consistent and effective manner (Planning, 6 August 2010).
- 5.9 **It is important to note that noise impacts are likely to be assessed as part of the Environmental Impact Assessment process, in order to demonstrate that significant adverse effects are being avoided or mitigated.**

Guidance from Appeal Decisions

- 5.10** In the Fewcott Appeal, the Inspector concluded that a precautionary approach should be taken, limiting noise levels at each site to the lowest background noise level (rather than the less demanding common practice of relating the noise limit to wind speed). Existing and proposed noise levels were assessed at six locations. At the property closest to the nearest wind turbine (400m) the noise generated was found to be within the limits proposed by ETSU-R-97 (i.e 5 dB A above background noise levels).
- 5.11** At an Appeal Decision relating to a proposal for 10 turbines in Lincolnshire (APP/E2530/A/08/2073384) the Inspector discusses the 2km buffer zone suggested in a research document referred to him. He notes that "I could not find (among the 3 references to the subject in the reported studies) any scientific or other justification for its precise recommendation of a 2km separation distance between turbines and dwellings" (para 19).
- 5.12** It is of note that the Inspector at an Inquiry relating to proposals for 5 turbines 120m tall in Dover (APP/X2220/A/08/207/1880) discussed ETSU-R-97's rejection of minimum separation distances but concluded that "separation distance is the best insurance against unacceptable noise impact, whatever its cause" (para 59).

Other Examples

- 5.13** Cumbria County Council's guidance document on wind turbines refers to PPS22 and the ETSU-R-97 document but does not specify separation distances.
- 5.14** The national planning policy in Wales (as set out in Chapter 1) refers to a typical distance of 500m to avoid unacceptable noise impacts.
- 5.15** South Northants' draft SPD, 'Wind Turbines in the Open Countryside', examines the approach set by ETSU-R-97, finds there to be shortcomings, and refers to a '600m distance recommendation' between turbines and residential properties for noise reasons. It does not identify the source or justification for this figure.
- 5.16** Fenland District Council's 'Wind Turbine Development Policy Guidance' again refers to ETSU-R-97 and adds that 'common practice suggests that for 2-3MW turbines, a buffer of between 400m and 700m is required to minimise noise impacts'. This specific distance is not justified in any more detail.
- 5.17** It is of note that the ETSU-R-97 document states that a minimum separation distance of between 350 and 400m (as suggested in the predecessor to PPS 22) would be unlikely to offer an adequate level of protection today due to the difference in noise emissions from different types of turbines, the increase in scale of turbines today, and topographical reasons.

Conclusions

- 5.18** It is concluded that there are clear guidelines by which the acceptability of wind turbine proposals in relation to noise impacts can be quantified. The review of policy guidance and appeal decisions does indicate however that the important consideration is the level of noise generated over background noise levels (which will differ at different locations across the district). The review of policy guidance (PPS22 and its endorsement of ETSU-R-97) does indicate a 'minimum separation distance' within which noise impacts are likely to be unacceptable (400m).

Guidance within Cherwell District

In accordance with PPS22, wind farms should be located so that increases in ambient noise levels around noise sensitive developments are kept to acceptable noise levels with relation to existing background noise. The level of acceptability is as set out in 'The Assessment and Rating of Noise from Wind Farms' (ETSU-R-97).

As a general rule, a separation distance of less than 400m would be contrary to the advice set out in ETSU-R-97.

However, the important consideration is noise generation above background levels, rather than distance. If background noise levels are particularly high (for example, adjoining the M40), noise generated by turbines situated at or around 400m of dwellings may fall within the limits established in ETSU-R-97

Planning conditions or obligations will be used to safeguard local amenity, such as to secure mitigation measures including those set out in PPG24.

- 5.19** ETSU-R-97, PPS22 and its Companion Guide and PPG24: Planning and Noise offer further advice.
- 5.20** Early consultation with the Council's Environmental Health Department and the Anti Social Behaviour Manager is recommended.

Further Information

- 5.21** Please see Appendix 1 - 'Noise'.

Chapter 6 Heritage

What are the Issues?

- 6.1** Wind turbines may have adverse impacts on Scheduled Ancient Monuments, Conservation Areas, Listed Buildings and Registered Parks and Gardens, either directly (ground disturbance to archaeological sites) or indirectly (on the setting of such features). Many of Cherwell's villages and the town centres are protected by Conservation Areas, the district has approximately 3000 listed buildings, 55 Scheduled Ancient Monuments and a number of registered parks and gardens and historic battlefields.
- 6.2** The consideration of impacts on heritage assets focuses around two key issues - the significance, or value, of the heritage asset itself, and the significance of the impact that would be caused by wind turbine development. These issues are considered below.

National and Local Policy Guidance

Significance of Heritage Assets

- 6.3** Heritage assets can be designated or undesignated. Planning Policy Statement 5: Planning for the Historic Environment (PPS5) sets out a presumption in favour of the conservation of designated heritage assets. It states that heritage assets can be harmed by development which occurs within their setting, and suggests a 'hierarchy' of assets in para HE9.1:

"Substantial harm to or loss of a grade II listed building, park or garden should be exceptional. Substantial harm to or loss of designated heritage assets of the highest significance, including scheduled monuments, protected wreck sites, battlefields grade I and II* listed buildings and grade I and II* registered parks and gardens, World Heritage Sites, should be wholly exceptional".

- 6.4** PPS5 also contains advice on the balance between protecting heritage assets, and mitigating the effects of climate change.
- 6.5** Under the Planning (Listed Buildings and Conservation Areas) Act 1990, the Council has a statutory duty to have regard to the desirability of preserving listed buildings or their settings, and the desirability of preserving or enhancing the character or appearance of Conservation Areas. What constitutes the 'setting' is not universally defined and may vary on a case by case basis.
- 6.6** Planning Policy Statement 22: Renewable Energy advises against establishing fixed buffer zones around Scheduled Ancient Monuments, Conservation Areas, Listed Buildings, Registered Historic Battlefields and Registered Parks and Gardens. What is important is to consider how the objectives of the designation would be affected by a wind turbine proposal. It states that planning permission should only be granted 'where it can be demonstrated that the objectives of designation of the area will not be compromised by the development' (para 11).

Significance of Impacts

- 6.7** The Scottish Planning Advice Note 45 (Renewable Energy Technologies) suggests that indirect visual effects on the setting of nationally important monuments are not considered likely to be significant beyond 15km of the wind turbine and the indirect visual effect on the setting of an historic site of regional significance is not likely to be significant beyond 5km. It also provides useful guidance on how perception of a wind farm changes as distance increases.

- 6.8 In 2005 English Heritage issued guidance on 'Wind Energy and the Historic Environment'. This includes guidance on how to assess the impact of wind turbines on the setting and visual amenity of historic sites. It suggests six factors to be considered when assessing the acceptability of wind turbines: visual dominance, scale, intervisibility, vistas and sight lines, movement, sound or light effects, and the existence of previously unaltered settings. For example, in relation to movement, sound and light effects, the guidance states that 'adequate distance should always be provided between important historic sites and wind turbine developments'. It does not define adequate.
- 6.9 Combining the guidance in PAN 45 and the six English Heritage criteria makes it possible to consider the severity and significance of impact on historic sites. Severity and significance is typically measured on a point scale ranging from minimum to maximum, although differing categories are frequently used to describe points on the scale. There is no universal definition of when impacts are and are not considered to be significant, nor the point at which 'significant' becomes 'unacceptable'. The review of appeal decisions, below, briefly discusses some examples.
- 6.10 The assessment of impacts on heritage assets will be closely linked to the assessment of landscape and visual impacts, since impacts in both cases will depend on the Zone of Theoretical Visibility (ZTV) (i.e where the turbines will be seen from).
- 6.11 **It is important to note that heritage impacts are likely to be assessed as part of the Environmental Impact Assessment process, in order to demonstrate that significant adverse effects are being avoided or mitigated.**

Guidance from Appeal Decisions

- 6.12 At the Fewcott appeal, the Inspector assessed the impact on a range of listed buildings in the vicinity of the wind turbine site (there were 26 listed buildings within 2km of the turbines). The impact on one Grade II listed building, 500 metres from the nearest turbine, was found to be 'slight', ranking 3 on a scale of 8. At Rousham Park, a Grade I Registered Park and Garden 7km from the turbines, the impact was found to be of moderate/slight significance (ranking 4 on a scale of 8), reducing in significance in the summer months when trees are in leaf.
- 6.13 In other appeals there are frequently found to be adverse impacts on the setting of listed buildings and conservation areas within 2km of turbine sites, and up to 5km (as found in the Appeal Decision relating to a proposal for 6 turbines 125m tall in Norfolk, APP/K2610/A/05/1180685). This was not found however to justify refusal of the turbine development in an appeal relating to 7 turbines 125m tall in Norfolk (APP/L2630/A/08/2084443), nor in an appeal relating to a proposal for 5 turbines 100m tall in Nottinghamshire (APP/B3030/A/08/2072487).
- 6.14 In other cases, such as the appeal relating to a proposal for 10 2.3MW wind turbines in Lincolnshire (APP/E2530/A/08/2073384), there was found to be unacceptable harm caused to a number of heritage assets including a Grade I listed country house 9km from the proposed turbines, and this was one of the primary reasons for dismissing the appeal.

Other Examples

- 6.15 Fenland District Council's Wind Turbine Development Policy Guidance states that wind turbine developments within 2km of Conservation Areas and Listed Buildings will need to be carefully assessed to ensure there are not significant adverse effects on the settings of these features.
- 6.16 South Holland District Council's Supplementary Planning Guidance on Wind Energy similarly states that turbines demonstrated to have a significant adverse effect upon the views of church towers or spires (within Conservation Areas) within a 2km radius will be considered unacceptable.

- 6.17** South Northamptonshire's draft SPD 'Wind Turbines in the Open Countryside' requires proposed developments to be accompanied by a cultural heritage impact assessment which takes into account all listed buildings, conservation areas and historic parks and gardens within 5km of the site boundary.
- 6.18** Torrington District Council's 'Wind Energy Policy' statement contains a section on cultural heritage, and the need to consider the impacts of wind energy development on historic sites, although it does not recommend specific separation distances.

Conclusions

- 6.19** Due to the high number of heritage assets within Cherwell District, detailed consideration will be given to the direct and indirect impacts of wind turbine proposals on the historic environment. The guidance in this document relates particularly to the indirect impacts on the setting and visual amenity of historic sites. Like many of the other impacts discussed in this document, the significance of impacts on heritage assets, and the acceptability of these impacts, will vary on a case by case basis and will depend, for example, on sight lines or topography. Significance and acceptability will also depend on the 'significance' or value of the heritage asset itself, and the extent to which the asset, and the reasons for its designation or protection, would be compromised by the development. This document does not define the 'significance' of heritage assets or the impacts upon them. However, the established categorisation of assets such as Listed Buildings could inform an appropriate definition of significance (for example, Grade I listed buildings are of a higher, and more significant, value, than Grade II or Grade II* listed buildings).
- 6.20** One key theme emerging from the brief review of appeal decisions and other authorities' guidance documents is that significant impacts are more likely within 2km of the heritage asset, and may extend to a distance of up to 5km. There are examples where impacts were found to be unacceptable at a distance of over 5km but this is more likely to apply in exceptional circumstances dependent on the sensitivity of the asset and the details of the proposal.

Guidance within Cherwell District

Large scale wind turbines that are demonstrated to have significantly adverse impacts on designated heritage assets within a 2km radius will be considered unacceptable.

Significant impacts are likely up to a distance of 5km, and a detailed assessment will be undertaken to ensure no harm is caused to designated heritage assets within this distance.

- 6.21** Proposals for large scale wind turbines will be consulted upon with English Heritage, with the Archaeology team at the County Council, and the District Council's own specialist design and conservation team.

Further Information

- 6.22** Please see Appendix 1 - 'Heritage'.

Chapter 7 Safety

What are the Issues?

- 7.1 PPS 22 states that properly designed and maintained wind turbines are a safe technology. The only source of possible danger would be the loss of a piece of the blade or, in most exceptional circumstances, of the whole blade. Many blades are composite structures with no bolts or other separate components and blade failure is therefore most unlikely. Even for blades with separate control surfaces on or comprising the tips of the blade, separation is most unlikely (PPS22 Companion Guide, paras 49 and 50).
- 7.2 The build up of ice on turbine blades is unlikely to present problems on the majority of sites in England. For ice to build up on wind turbines, particular weather conditions are required that in England occur for less than one day per year. In those areas where icing of the blades does occur, fragments of ice might be released from the blades when the machine is started. Most wind turbines are fitted with vibration sensors which can detect any imbalance which might be caused by icing of the blades; in which case operation of machines with iced blades could be inhibited (PPS22 Companion Guide para 79).
- 7.3 Finally, concern is often expressed in public consultation responses about the effects of wind turbines on car drivers, who may be distracted by the turbines and the movement of the blades.

National and Local Planning Guidance

- 7.4 The minimum desirable distance between wind turbines and occupied buildings calculated on the basis of expected noise levels and visual impact will often be greater than that necessary to meet safety requirements. Fall over distance (i.e. the height of the turbine to the tip of the blade) plus 10% is often used as a safe separation distance (PPS 22 Companion Guide, para 51).
- 7.5 With regards to highway safety, PPS22 states that drivers are faced with a number of varied and competing distractions during any normal journey, including advertising hoardings, which are deliberately designed to attract attention. At all times drivers are required to take reasonable care to ensure their own and others' safety. PPS 22 highlights that turbines should not be treated any differently from other distractions a driver must face and should not be considered particularly hazardous.

Guidance from Appeal Decisions

- 7.6 At the Fewcott Appeal (APP/C3105/A/09/2116152) the Inspector concluded that the stability of built structures is not often a planning consideration because adequate checks are imposed on their design by other legislation or procedures. The Inspector was satisfied that certified compliance with European Standard IEC61 400-1 and with BS EN 61400 - 1:2005 Wind Turbine Design Requirements would provide adequate assurance of the safety of the development, and this could be secured by condition (Appeal Decision, para 93).
- 7.7 In one appeal case reviewed, relating to a proposal for 16 turbines 100m tall in Cambridgeshire (APP/W0530/A/05/1190473), safety issues featured prominently, particularly highway safety issues. Here, the closest turbines were to be 250m from the A14 Trunk Road. The Inspector noted that the road carried a substantial volume of traffic and an unusually high proportion of lorries. The road was operating significantly over its theoretical capacity and the Highways Agency was concerned about the number of accidents, whilst the highway authority had objected to the proposal. Although the Inspector highlights that "there are now a large number of wind farms adjoining or close to road networks with no history of accidents resulting from their installation" (para 59), he concluded that

the very little margin for driver error on the A14 and the particular combination of circumstances in this case (including the number and design of junctions on the road) could be especially critical to the point where optimum driver performance starts to decline. The proposed development was found to have a harmful impact on road safety.

Other Examples

- 7.8 In other authorities' Supplementary Planning Documents, it appears that safety is rarely discussed in its own right, separately from issues covered elsewhere in this document including Chapter 8.
- 7.9 Fenland District Council's Wind Turbine Development Policy Guidance states that, in order to ensure a safe zone around turbines in relation to ice build up, the following distance should be applied:

$$d = (D + H) \times 1.5$$

Where:

d = maximum falling distance of ice (in metres)

D = rotor diameter (in metres)

H = hub height (in metres)

Conclusions

- 7.10 It is concluded that there is adequate guidance in PPS22 relating to the positioning of turbines and safety concerns, which is worth reiterating in this document in order to present a comprehensive consideration of the recommended separation distances. Beyond this, it is clear from the brief review of appeal decisions that safety is rarely an issue discussed in its own right, particularly since other compliance procedures (for example British Standards) exist to ensure safe engineering and construction. Similarly in relation to highways safety, it is for the Highways Agency or highways authority to advise on the acceptability of proposals.

Guidance within Cherwell District

'Fall over distance' (the ground to blade tip height + 10%) will be required between wind turbines and occupied buildings and roads.

- 7.11 The advice in PPS22 is to be followed and compliance is to be achieved with the other relevant consent procedures relating to turbine safety.
- 7.12 The highways authority and the Highways Agency will be consulted on applications on a case by case basis.

Further Information

- 7.13 Please see Appendix 1 - 'Safety'.

Chapter 8 Shadow Flicker

What are the Issues?

- 8.1** Shadow flicker occurs as a result of the sun passing behind the rotors of a wind turbine, casting a moving shadow over nearby properties within 130° either side of north (PPS22). The likelihood of this occurring and its severity depends upon:
- The direction of the dwelling relative to the turbine (s)
 - The distance from the turbine (s)
 - The turbine height
 - The time of year (the effect is greater when the sun is brightest)
 - The proportion of daylight hours in which the turbine (s) operate
 - The frequency of bright sunshine and cloudless skies (particularly at low elevations above the horizon)
 - The prevailing wind direction.
- 8.2** Shadow flicker will not occur in periods of full cloud cover, and its impact will be reduced in overcast skies. Turbine blades will also not rotate continually during daylight hours, as the blades will not rotate during calm periods or very high winds and so shadow flicker would not occur in such conditions.
- 8.3** Turbines can also cause flashes of reflected light, which can be visible for some distance. It is possible to ameliorate the flashing but it is not possible to eliminate it. Careful choice of blade colour and surface finish can help reduce the effect. Light grey semi-matt finishes are often used for this.

National and Local Policy Guidance

- 8.4** The PPS 22 Companion Guide advises that flicker effects have been proven to occur only within ten rotor diameters of a turbine. Within this distance, the duration shadow flicker effects are likely to be very limited: 'A single window in a single building is likely to be affected for a few minutes at certain times of the day during short periods of the year'. There are no set thresholds for the acceptability of shadow flicker in the UK, but guidelines adopted by the Irish Government recommend that shadow flicker at dwellings and offices within 500m of a turbine should not exceed 30 hours per year or 30 minutes per day.
- 8.5** The 'Onshore Wind Energy Planning Conditions Guidance Note' (BERR) states that shadow flicker can be mitigated by siting turbines at sufficient distances from residences likely to be affected (the 10 rotor diameter distance suggested in PPS22); using tree planting and fitting window blinds; and using technology to stop turbines during episodes of shadow flicker.

Guidance from Appeal Decisions

- 8.6** An Appeal Decision relating to a proposal in Cumbria for 6 turbines up to 100m tall (APP/M0933/A/08/2090274) found that shadow flicker could potentially affect two dwellings for up to 25 hours per year. It was noted that:

"In practice the likelihood of shadow flicker occurring will be reduced by meteorological conditions and intervening structures. Whilst shadow flicker can be a source of nuisance, its effects are relatively easy to mitigate, not least by shutting down the relevant turbines during periods when it could occur...[S]hadow flicker is a matter which can appropriately be addressed by a condition which requires a protocol to be in place prior to the operation of the wind turbines" (para 72).

- 8.7** This appears to be a common approach in the majority of appeal decisions reviewed. In one appeal, relating to a proposal for 5 120m turbines in Dover (APP/X2220/A/08/2071880), the Inspector reviewed the effects of shadow flicker in much more detail and visited a sample of the properties with the potential to be affected (in that case 105 buildings within 820m distance), and found that for the most part shadow flicker effects would be avoided by a combination of distance, contours and building orientation. However, some dwellings fell within the 'ten rotor diameter' recommended in PPS22 and these dwellings would be adversely affected.

Other Examples

- 8.8** South Northants' draft SPD on Wind Turbines in the Open Countryside contains a section relating to shadow flicker and reflected light which states that proposals should ensure that shadow flicker does not affect residential properties. Shadow flicker may occur within ten times the rotor diameter of a turbine, so turbines should be located to avoid these locations.
- 8.9** Fenland District Council's Wind Turbine Development Policy Guidance sets out that proposals for wind turbines should ensure that shadow flicker does not affect any residential properties, A roads or B roads. Shadow flicker can affect properties within 130° either side of north and may occur within ten times the rotor diameter of a turbine, so turbines should be located to avoid these locations.

Conclusions

- 8.10** In conclusion, there is clear guidance that, to avoid shadow flicker, wind turbines should normally be located at a distance of at least 10 rotor diameters from dwellings. It has also been proven (PPS22) that within this 10 rotor diameter, shadow flicker will only occur in some conditions for some of the time and will only affect nearby properties within 130° either side of north. It is important however that the guidance discusses mitigation opportunities to ameliorate the effects of shadow flicker where they cannot be completely avoided.

Guidance within Cherwell District

To avoid shadow flicker, wind turbines should normally be located at a distance of at least 10 rotor diameters from dwellings.

Within this distance, investigations will be undertaken to identify any properties likely to be affected by shadow flicker. If there are found to be unacceptable shadow flicker impacts, mitigation measures should be taken including moving the position of the turbine, using technology to stop turbines during episodes of shadow flicker, or, as a last resort, using tree planting and fitting window blinds to ameliorate the effect.

Further Information

- 8.11** Please see Appendix 1 - 'Shadow Flicker'.

Chapter 9 Cumulative Impacts

What are the Issues?

- 9.1** Cumulative impact assessment requires the consideration of additional effects that may arise as a result of a wind turbine proposal in combinations with one or more existing or proposed schemes. This might include:
- Operational development
 - Developments under construction
 - Approved developments
 - Submitted applications
 - But not schemes at an earlier stage, for example where the local planning authority has been consulted on whether Environmental Impact Assessment would be required (a 'screening opinion'), or what issues the Assessment should consider (a 'scoping opinion').
- 9.2** Cumulative impact assessment is therefore somewhat speculative - the number of projects which will be built, and when, is uncertain (because the assessment can include 'submitted' - not approved - applications).
- 9.3** Cumulative assessment is focused on the potential relationship between different developments. The term 'cumulative impact' is often used to refer only to landscape and visual effects (hence there is a relationship between this section and Chapter 4), but there can be a wide range of other environmental, social and economic cumulative impacts.
- 9.4** 'Cumulative' does not necessarily mean a simple addition of the impacts of wind proposal A + wind proposal B. For example, wind proposal A may give rise to minor impacts on bird populations, well within the capacity of that bird population for regeneration and hence has little effect on the overall bird population level. The same would apply to wind proposal B, taken on its own. However, the level of bird mortality occasioned by proposals A and B taken together may exceed the capacity of the population for regeneration, in which case the bird population would go into decline. Whereas the impact of A and B, each on their own, is not discernible, the impact of A + B is to cause population collapse (Scottish Natural Heritage, 2005).
- 9.5** The definition of the 'cumulative impact' will vary according to the impact being considered. For example, when considering cumulative landscape and visual impacts, effects can be
- Combined (when multiple schemes are seen when looking in one direction)
 - Successive (when schemes are seen one after the other, such as when looking in an opposite direction)
 - Sequential (when schemes are seen one after the other when travelling through the landscape along roads or paths).
- 9.6** Key issues to consider will be:

Landscape

- Will wind farms become a significant or defining characteristic of the landscape?
- Will wind farms appear at odds with each other?

Visual

- Will the visible number of wind turbines increase?
- Will proposal lead to a feeling of being 'surrounded' by development?
- How will wind turbines or farms appear and relate to one another when seen together from viewpoints or routes?

9.7 Cumulative impacts will also result from the way in which different impacts of the same scheme interact with each other (planting to reduce noise or visual impacts may have positive or negative impacts on local wildlife depending on the species planted).

National and Local Policy Guidance

9.8 The document frequently referred to is the guidance on cumulative impact produced by Scottish Natural Heritage (see below). This explains how setting thresholds for the acceptability of cumulative impacts is likely to be simpler for infrastructure or road systems, where there are likely to be established upper limits for capacity which further development must not breach. Cumulative ecology assessment is best undertaken by appropriate agencies concerned with national populations (rather than a developer concerned with one proposal). Cumulative landscape assessment should be informed by an analysis of landscape sensitivity or capacity studies. It is unlikely that thresholds or capacities can be simply expressed in terms of turbine numbers or power output; they are more likely to be expressed in terms of acceptable limits of change.

9.9 **It is important to note that the consideration of cumulative impacts is a requirement of the Environmental Impact Assessment process, along with a consideration of the relevant alternatives.**

Guidance from Appeal Decisions

9.10 In an appeal decision relating to a proposal for 11 turbines up to 125m tall in Leicestershire (APP/F2415/A/09/2096369), the Inspector briefly discussed cumulative impact. He noted that two wind farms nearby were at application and scoping stages. Possible cumulative impacts were a material consideration, but the Inspector agreed with the cumulative impact assessment undertaken by the Appellant, which did not show that the proposed scheme would add undue harm to the local landscape nor to protected species and wildlife.

9.11 Cumulative landscape impacts were discussed in some detail in the appeal relating to a proposal for 6 turbines 100m tall in Cumbria (APP/M0933/A/08/2090274). Here, there were two existing wind farms 7km to the north and 25km to the south of the appeal site. The Inspector found that the gap between the schemes and the differences in land cover were sufficient to dispel an impression of a landscape dominated by wind farms. Nor, he found, would there be significant adverse cumulative effects in terms of serial (successive) and sequential views.

9.12 Shortly before the Cumbria application was determined by the Council, an application was submitted for 3 turbines 110m tall, 2km from the appeal site. The Inspector noted that this second scheme was not obviously going to be the 'preferred' scheme - the turbines were taller but smaller in number and so capable of generating less renewable energy. He found that it was not necessary to consider the cumulative impacts of both of the proposals together, since the application for the second scheme had not yet been determined. The cumulative impacts of the proposals should be considered at the Inquiry into the second scheme, when the full facts about the second scheme's impact were known.

- 9.13** Intervening distance and the degree of separation were considered to render cumulative impacts insignificant in an appeal relating to a proposal for 5 turbines 125m tall in Essex. (APP/P1560/A/08/2088548). Finally, the proliferation of single turbines and wind farms within a 60km radius of the appeal site in a proposal relating to 16 turbines in Cambridgeshire (APP/20530/A/05/1190473) was not considered to justify a conclusion that the additional turbines would be unacceptable on proliferation grounds.

Other Examples

- 9.14** Fenland District Council's SPD contains thresholds and criteria on cumulative visual impacts. It states that proposals for new wind turbine development, detached from existing sites by more than 500m but within 4km of existing turbine developments are unlikely to be acceptable in visual terms. There may be circumstances where it can be demonstrated that a distance greater than 500m is required. Proposals within 10km of existing turbine developments will need to be carefully considered.
- 9.15** Other SPDs are less quantitative but require careful judgements for each individual scheme to determine the acceptability of cumulative effects.

Conclusions

- 9.16** The cumulative assessment of proposals, whether the consideration of the combined impacts of numerous schemes, or the consideration of the interaction of impacts generated by a single scheme, is an important consideration in determining acceptability. It is considered that within the Cherwell district, the assessment of cumulative impacts should continue to be undertaken on a case by case basis.

Guidance within Cherwell District

Assessment of cumulative environmental, social and economic impacts will be undertaken on a case by case basis, founded on a well considered judgement of the information surrounding a proposal.

The Council will expect applicants to consider the cumulative impact of their proposal alongside any other approved, under construction, or operational schemes when they submit proposals.

Further Information

- 9.17** Please see Appendix 1 - 'Cumulative Impacts'.

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Executive

Air Quality

1 November 2010

Report of Head of Environmental Services

PURPOSE OF REPORT

This report considers the issue of air quality across the district and the areas of concern identified by monitoring and assessment.

This report is public

Recommendations

The Executive is recommended:

- (1) To support the declaration of an Air Quality Management Area in Hennef Way, Banbury;
- (2) To note the possible implications which may arise from developing an action plan to deal with an Air Quality Management Area; and
- (3) To note 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.

Executive Summary

Introduction

- 1.1 Air quality assessments have identified that road traffic sources are the main source of air pollutants within the District for which nitrogen dioxide (NO₂) and particulate matter (PM₁₀) are recognised as the main pollutants associated with road traffic.
- 1.2 There is a network of monitoring sites throughout the District which monitor nitrogen dioxide levels. Background levels are generally low. Nitrogen dioxide disperses relatively quickly with distance from source i.e. traffic. Elevated levels of nitrogen dioxide are often found in narrow built-up or congested streets. Hence in much of the District, levels are low since the concentration dramatically falls between the traffic and the areas where people may be exposed.
- 1.3 The 2009 Updating and Screening Assessment for Cherwell District Council identified that air quality objectives may be exceeded in three areas. Two

areas are in Banbury (Hennef Way and Horsefair/North Bar) and one area is in Bicester (Kings End/Queens Avenue). A fourth site at Bicester Road, Kidlington is close to the nitrogen dioxide annual mean objective and additional monitoring is being undertaken.

- 1.4 The detailed assessment of Hennef Way has been completed and indicates that an Air Quality Management Area must be declared since both the annual mean and the hourly mean levels are above the air quality objectives. Defra agree with this conclusion. The submission date for the Horsefair/North Bar and Kings End/Queens Avenue assessment reports is February/March 2011.
- 1.5 The declaration of an Air Quality Management Area will require additional assessment for a further 12 months and the development of an action plan aimed at achieving the air quality objectives. The development of an action plan will involve other parties across the Council such as Planning as well as external parties such as the Oxfordshire County Council Highways. The implementation of an action plan may have cost implications. Until such a plan is developed it is difficult to identify possible costs.

Proposals

- 1.6 To continue monitoring across the district
- 1.7 To declare an Air Quality Management Area in Hennef Way
- 1.8 To commence developing an action plan to address the problem identified in Hennef Way. This action plan will be produced by Spring 2012.
- 1.9 To continue monitoring in Kings End/Queens Avenue Bicester, Horsefair/North Bar in Banbury and Bicester Road, Kidlington and declare air quality management areas where air quality objectives are exceeded.

Conclusion

- 1.10 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.
- 1.11 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.
- 1.12 Two further detailed assessments are being undertaken.
- 1.13 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.

Background Information

National Air Quality Strategy

- 2.1 All local authorities are obliged to review and assess air quality following a prescribed timetable under the Environment Act 1995. A requirement of the act was that the Government prepare an Air Quality Strategy. The Air Quality Strategy was published in January 2000 with a revised version published in July 2007.
- 2.2 The Air Quality Strategy has national air quality objectives for seven pollutants. Local authorities are required to review and assess air quality against these objectives. At the centre of the Air Quality Strategy is the use of national air quality standards to enable air quality to be measured and assessed.
- 2.3 Where the likelihood of exceeding the air quality objectives has been identified in areas of public exposure, an Air Quality Management Area (AQMA) should be declared, followed by a further assessment, and the formulation of an action plan to work towards eliminating exceeding air quality limits.
- 2.4 The Air Quality objectives cover a number of pollutants
- Benzene
 - 1.3 Butadiene
 - Carbon monoxide
 - Lead
 - NO₂
 - Particles (PM₁₀)
 - Sulphur dioxide
- 2.5 Air quality assessments have identified that road traffic sources are the main source of air pollutants within the district. Nitrogen dioxide (NO₂) and particulate matter (PM₁₀) are recognised as the main pollutants associated with road traffic. Particulate matter is a problem on roads where there are large numbers of heavy goods vehicles. Such roads have not been identified in the district where there is public exposure therefore only nitrogen dioxide is the major concern.
- 2.6 Nitrogen dioxide is produced by the rapid oxidation of nitric oxide (emitted from car exhausts), mainly by ozone. It can irritate the lungs and lower resistance to respiratory infections such as influenza. Continued or prolonged exposure to high concentrations can increase the incidence of respiratory illness in children.

Air Quality Monitoring in Cherwell

- 2.7 Air Quality monitoring across the District has been undertaken for some time. Initial assessments prior to 2007 concluded that there were no likely

exceedence of the Air Quality Strategy objectives at the point of public exposure.

- 2.8 In 2007 the annual mean objective for NO₂ at Horsefair and Oxford Road Banbury were identified as potential problems. However the points at which these levels were measured by diffusion tubes were located where there was no relevant public exposure. A report looking at the overall picture of air quality recommended relocation of the diffusion to points of relevant public exposure.
- 2.9 In 2009 a network of 16 NO₂ diffusion tubes were placed at a variety of locations in Banbury, Bicester and Kidlington with one fixed automatic monitoring station in Banbury
- 2.10 The main source of air quality pollution is from road traffic sources. Typical areas where problems can exist include
- Narrow congested streets with residential properties close to the kerb
 - Busy streets where people may spend 1 hour or more close to traffic
 - Roads with high flow of buses and/or HGVs
 - Junctions
 - Bus and Coach Stations
- 2.11 Appendix 1 is the report on the District results which identifies Hennef Way and Horsefair/North Bar in Banbury and Queens Avenue/Kings End in Bicester as problematic. A detailed further assessment of Hennef Way has confirmed results for that area. A fourth site has produced results close to the maximum annual mean. This site is at Bicester Road, Kidlington.
- 2.12 Future residential and commercial growth may impact on traffic levels and hence air quality. Hence, it is important to consider air quality issues which may arise from future development. Consequently, the officer responsible for air quality is working closely with the Council's Planning team.
- 2.13 The additional sampling required for these areas does incur additional revenue costs. However, grant money of £10,000 received from DEFRA has covered this. In addition, DEFRA has given a grant of £11,700 towards dispersion assessment costs relating to Hennef Way.
- 2.14 A public consultation on air quality in Hennef Way opened on the 25th October and is expected to be completed by mid-November. The consultation will include bodies such as Oxfordshire Highways and the Environment Agency
- 2.15 All of the other Oxfordshire authorities have declared Air Quality Management Areas (AQMA's): Oxford City has 2 AQMA's at Green Road roundabout and Central Oxford with recent proposals to declare their whole area as an AQMA. West Oxfordshire has 2 AQMA's in Chipping Norton and Witney. South Oxfordshire has 3 AQMA's in Henley, Wallingford and Watlington. Vale of White Horse has 2 AQMA's in Abingdon and Botley.

Key Issues for Consideration/Reasons for Decision and Options

The following options have been identified. The approach in Option 1 which is the basis of the recommendations is believed to be the best way forward

Option One To support the current approach

Option Two To reject the current approach

Consultations

Defra An Air Quality Management Area for the 1 hour objective should be declared in the vicinity of the A422. The Council should take into account the likely exceedences outside the modelled area in particular at relevant locations alongside Ermont Way & Daventry Road

Implications

Financial: The increased air quality sampling costs are small, less than £500/year and are covered within the 2010/11 budget. Immediate additional costs are funded by DEFRA. Future costs due to the development of action plans to improve air quality cannot be quantified at this stage and are unlikely to be incurred until 2012/13

Comments checked by Denise Westlake, Service Accountant 01295 221982

Legal: There is a requirement to monitor and where required declare an Air Quality Management Area

Comments checked by Nigel Bell, Solicitor, Legal & Democratic 01295 221687

Risk Management: There is an increase in risk to health to prolonged exposure to elevated levels of nitrogen dioxide. The risk has been identified and further stages in this process are intended to mitigate the risk.

Comments checked by Rosemary Watts, Insurance & Risk Management officer 01295 221566

Wards Affected

Grimsbury and Castle and Easington in Banbury, Bicester Town and Bicester West and Kidlington North and South.

Corporate Plan Themes

A Clean and Green Cherwell

Executive Portfolio

Councillor Reynolds

Portfolio Holder for Environment, Recreation and Health

Document Information

Appendix No	Title
Appendix 1	2009 Air Quality Updating and Screening Assessment for Cherwell District Council.
Background Papers	
None	
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2009 Air Quality Updating and Screening Assessment for Cherwell District Council

In fulfillment of Part IV of the
Environment Act 1995
Local Air Quality Management

Cherwell District Council
November 2009

Updating and Screening Assessment



Title | 2009 Air Quality Updating and Screening Assessment for Cherwell District Council |

Customer | Cherwell District Council |

Customer reference | AEA/USA2009/CHERWELLDC |

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Report Reference number	AEAT/ENV/R/2912
Date	November 2009

Executive Summary

This report has been prepared in conjunction with Sean Gregory, Cherwell District Council. It fulfils the requirements of the Local Air Quality Management process as set out in Part IV of the Environment Act (1995), the Air Quality Strategy for England, Scotland, Wales and Northern Ireland 2007 and the relevant Policy and Technical Guidance documents. The LAQM process places an obligation on all local authorities to regularly review and assess air quality in their areas, and to determine whether or not the air quality objectives are likely to be achieved. Where exceedences are considered likely, the local authority must then declare an Air Quality Management Area (AQMA) and prepare an Air Quality Action Plan (AQAP) setting out the measures it intends to put in place in pursuit of the objectives.

Cherwell District Council has recently undertaken the following rounds of Review and Assessment.

The **Updating and Screening Assessment (2004)** and the **Progress Report (2005)** concluded that there were no likely exceedences of the AQS objectives for any of the AQS pollutants at any point of relevant public exposure. Therefore Cherwell District Council did not need to progress to a Detailed Assessment and no AQMAs were declared in the District Council area.

The **Updating and Screening Assessment (2006/2007)** modelled nitrogen dioxide (NO₂) and particulate matter (PM₁₀) concentrations at seven junctions in the District Council area, which were identified as being particularly busy. The model indicated that there were no likely exceedences of the AQS objectives for NO₂ or PM₁₀ at any point of relevant public exposure close to roads and junctions during 2006. The report also concluded that there were no likely exceedences of the AQS objectives for any of the other AQS pollutants at points of relevant public exposure within the District Council area.

The **Progress Report (2007)** identified an exceedence of the annual mean objective for NO₂ at the Horsefair diffusion tube site and annual mean NO₂ concentrations close to the objective at the Oxford Road diffusion tube site. However, these diffusion tubes were not located at points of relevant public exposure, hence the report concluded that there was no need for Cherwell District Council to proceed to a Detailed Assessment for NO₂. The report recommended that the Horsefair and Oxford Road diffusion tube sites be re-located to the nearest point of relevant public exposure to ensure that representative data is collected. The report also recommended that a continuous air quality monitoring station be established in the District Council area for the purpose of gathering inter-comparison data.

The **Progress Report (2008)** indicated that locations of diffusion tube sites within the District area had been reassessed and repositioned where required to suitable points of relevant public exposure. Also, a co-location study was in preparation, which was estimated to be operational by the end of 2008. The report concluded that there were no exceedences of the NO₂ annual mean objective within the District Council area during 2007.

The Updated Screening Assessment for 2009 concludes that Cherwell District Council is required to carry out a Detailed Assessment for NO₂ at the following locations exceedence of the annual mean objective for NO₂ in 2008:

- Horsefair, Banbury;
- Hennef Way, Banbury; and
- Queens Avenue, Bicester.

Cherwell District Council is not required to carry out a Detailed Review and Assessment for carbon monoxide, benzene, 1,3-butadiene, lead, PM₁₀ or SO₂.

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Appendices

Appendix A: QA/QC Data

1 Introduction

1.1 Description of Local Authority Area

Cherwell District is the Northern Oxfordshire District and includes three main centres of population, Banbury, Bicester and Kidlington. The latest estimate of Cherwell's population is 137,600 people (mid 2007) with over half the population living in Banbury and Bicester and around 65% living in the main three towns. No other settlement has more than 3500 residents and most villages are relatively small with populations under 500. Cherwell's population has grown rapidly with an increase of almost 12% between 1991 and 2001 and an estimated further increase of 4.5% since. Growth predictions of a further 8% by 2016 and a cumulative 15.5% by 2026 are significantly higher than projected regional and national rates. Most of the recent growth has been in Banbury (+1.6%) and Bicester (+4.4%) and this will continue with these towns projected to grow by 2.5% and 13.8% respectively between 2001 and 2016. Given the rural nature of Cherwell, there is limited public transport and hence a greater dependence on the car as the main mode of travel.

1.2 Purpose of Report

This report fulfils the requirements of the Local Air Quality Management process as set out in Part IV of the Environment Act (1995), the Air Quality Strategy for England, Scotland, Wales and Northern Ireland 2007 and the relevant Policy and Technical Guidance documents. The LAQM process places an obligation on all local authorities to regularly review and assess air quality in their areas, and to determine whether or not the air quality objectives are likely to be achieved. Where exceedences are considered likely, the local authority must then declare an Air Quality Management Area (AQMA) and prepare an Air Quality Action Plan (AQAP) setting out the measures it intends to put in place in pursuit of the objectives.

1.3 Air Quality Objectives

The air quality objectives applicable to LAQM **in England** are set out in the Air Quality (England) Regulations 2000 (SI 928), The Air Quality (England) (Amendment) Regulations 2002 (SI 3043), and are shown in Table 1.1. This table shows the objectives in units of micrograms per cubic metre $\mu\text{g.m}^{-3}$ (milligrams per cubic metre, mg.m^{-3} for carbon monoxide) with the number of exceedences in each year that are permitted (where applicable).

Table 1.1 Air Quality Objectives included in Regulations for the purpose of Local Air Quality Management in England.

Pollutant	Air Quality Objective		Date to be achieved by
	Concentration	Measured as	
Benzene	16.25 $\mu\text{g.m}^{-3}$	Running annual mean	31.12.2003
	5.00 $\mu\text{g.m}^{-3}$	Running annual mean	31.12.2010
1,3-Butadiene	2.25 $\mu\text{g.m}^{-3}$	Running annual mean	31.12.2003
Carbon monoxide	10.0 mg.m^{-3}	Running 8-hour mean	31.12.2003
Lead	0.5 $\mu\text{g.m}^{-3}$	Annual mean	31.12.2004
	0.25 $\mu\text{g.m}^{-3}$	Annual mean	31.12.2008
NO₂	200 $\mu\text{g.m}^{-3}$ not to be exceeded more than 18 times a year	1-hour mean	31.12.2005
	40 $\mu\text{g.m}^{-3}$	Annual mean	31.12.2005
Particles (PM₁₀) (gravimetric)	50 $\mu\text{g.m}^{-3}$, not to be exceeded more than 35 times a year	24-hour mean	31.12.2004
	40 $\mu\text{g.m}^{-3}$	Annual mean	31.12.2004
Sulphur dioxide	350 $\mu\text{g.m}^{-3}$, not to be exceeded more than 24 times a year	1-hour mean	31.12.2004
	125 $\mu\text{g.m}^{-3}$, not to be exceeded more than 3 times a year	24-hour mean	31.12.2004
	266 $\mu\text{g.m}^{-3}$, not to be exceeded more than 35 times a year	15-minute mean	31.12.2005

1.4 Summary of Previous Review and Assessments

1.4.1 First Round of Review and Assessment

Cherwell District Council completed the first round of Review and Assessments and concluded that no exceedences of the objectives for any pollutants were likely at relevant receptor locations. No AQMAs were declared in the Cherwell District Council area.

1.4.2 Second Round of Review and Assessment

The *Updating and Screening Assessment (2004)* and the *Progress Report (2005)* concluded that there were no likely exceedences of the AQS objectives for any of the AQS pollutants at any point of relevant public exposure. Therefore Cherwell District Council did not need to progress to a Detailed Assessment and no AQMAs were declared in the District Council area.

1.4.3 Third Round of Review and Assessment

The *Updating and Screening Assessment (2006/2007)* modelled NO₂ and PM₁₀ concentrations (using the DMRB screening model) at seven junctions in the District Council area, which were identified as being particularly busy. The model indicated that there were no likely exceedences of the AQS objectives for NO₂ or PM₁₀ at any point of relevant public exposure close to roads and junctions during 2006. The report also concluded that there were no likely exceedences of the AQS objectives for any of the other AQS pollutants at points of relevant public exposure within the District Council area.

The *Progress Report (2007)* identified an exceedence of the annual mean objective for NO₂ at the Horsefair diffusion tube site and annual mean NO₂ concentrations close to the objective at the Oxford Road diffusion tube site. However, these diffusion tubes were not located at points of relevant public exposure, hence the report concluded that there was no need for Cherwell District Council to proceed to a Detailed Assessment for NO₂. The report recommended that the Horsefair and Oxford Road diffusion tube sites be re-located to the nearest point of relevant public exposure to ensure that representative data is collected. The report also recommended that a continuous air quality monitoring station be established in the District Council area for the purpose of gathering inter-comparison data to inform future diffusion tube bias adjustment.

The *Progress Report (2008)* indicated that locations of diffusion tube sites within the District area had been reassessed and repositioned where required to suitable points of relevant public exposure. Also, a co-location study was in preparation, which was estimated to be operational by the end of 2008. The report concluded that there were no exceedences of the NO₂ annual mean objective within the District Council area during 2007.

2 New Monitoring Data

2.1 Summary of Monitoring Undertaken

Cherwell District Council currently undertake ambient monitoring of the following pollutants covered by the AQS:

- Nitrogen dioxide (NO₂)

2.1.1 Automatic Monitoring

A single NO₂ automatic monitoring station has been located at Hennef Way diffusion tube sampling location since May 2009. This will provide co-location data and enable Cherwell District Council to collate further data on NO₂ concentrations at this location. The data from this site is not used within this report, though will be assessed in the 2010 Progress Report.

2.1.2 Non-Automatic Monitoring

Throughout Cherwell District there is a network of 16 NO₂ diffusion tubes placed at various locations throughout Banbury, Bicester, Kidlington and Adderbury. Three sites within Banbury form part of the national network; these are highlighted in bold in Table 2.1 below.

Details of the diffusion tube monitoring locations are provided in Table 2.1. The locations include kerbside and urban background sites.

Table 2.1 Details of non- automatic monitoring sites

Site Name	Site Type	OS Grid Ref	Pollutants Monitored	In AQMA?	Relevant Exposure? (Y/N with distance (m) to relevant exposure)	Distance to kerb of nearest road (N/A if not applicable)	Worst-case Location?
Oxford Road (Banbury)	K	X 445617 Y 239308	NO ₂	N/A	Y (11 m)	1 m	Y
Middleton Road	K	X 446250 Y 240716	NO ₂	N/A	Y (5 m)	1 m	Y
Bridge Street	I	X 445951 Y 240576	NO ₂	N/A	N (23 m)	1 m	Y
Bankside	K	X 446376 Y 239618	NO ₂	N/A	Y (8m)	1 m	N/A
Horsefair	R	X 445364 Y 240695	NO ₂	N/A	Y (2 m)	3 m	Y
Sinclair Avenue	UB	X 444273 Y 241290	NO ₂	N/A	Y (9 m)	1 m	N
Cranleigh Close	UB	X 444366 Y 239654	NO ₂	N/A	Y (8 m)	1 m	N
Stroud Close	R	X 446335 Y 241687	NO ₂	N/A	Y (13 m)	2 m	N
Hennef Way	R	X 446570 Y 241725	NO ₂	N/A	Y (2 m)	3 m	Y
Queens Avenue	R	X 457968 Y 222353	NO ₂	N/A	Y (1 m)	1.5 m	Y
Market Square	K	X 458528 Y 222392	NO ₂	N/A	N	1 m	N
Tamarisk Gardens	UB	X 458332 Y 224432	NO ₂	N/A	Y (5 m)	0.5 m	N
Bicester Road	R	X 450268 Y 213512	NO ₂	N/A	Y (1 m)	1.5 m	Y
Oxford Road (Kidlington)	R	X 449088 Y 213989	NO ₂	N/A	Y (8 m)	3 m	Y
Benmead Road	UB	X 449172 Y 214325	NO ₂	N/A	Y (7 m)	1.5 m	N
The Green	K	X 447403 Y 235727	NO ₂	N/A	Y (1 m)	1 m	Y

Key to monitoring site types:

K	Kerbside	1 m from the kerb of a busy road - residential
R	Roadside	Roadside locations are typically within 1 to 5 m of the kerbside, but may extend up to 15 m depending upon the road configuration and traffic flow.
I	Intermediate	Between 20-30m from a busy road - residential
UB	Urban Background	More than 50m from a busy road – residential

2.2 Comparison of Monitoring Results with AQ Objectives

2.2.1 NO₂

Diffusion Tube Monitoring Data

Table 2.2a displays the diffusion tube monitoring results for 2008, corrected and uncorrected for bias using a national bias adjustment factor of 0.87. Table 2.2b displays the bias adjusted (using appropriate national bias adjustment factors for each of the years) diffusion tube monitoring results for across the time series 2006-2008. The output of the bias adjustment spreadsheet (Sep 2009) is shown in Appendix A.

Table 2.2a Results of NO₂ Diffusion Tubes

Site name	Within AQMA?	Data Capture 2008 %	Annual mean concentrations		
			Unadjusted 2008 ($\mu\text{g.m}^{-3}$)	Adjusted for bias 2008 ($\mu\text{g.m}^{-3}$)	NO ₂ at distance from roads ($\mu\text{g.m}^{-3}$)
Oxford Road (Banbury)	N/A	100%	49.7	43.2	27.8
Middleton Road	N/A	100%	45.2	39.4	29.6
Bridge Street	N/A	100%	43.2	37.5	21.4
Bankside	N/A	100%	25.5	22.2	17.9
Horsefair	N/A	100%	58.4	50.8	45.8
Sinclair Avenue	N/A	100%	22.9	19.9	N/A
Cranleigh Close	N/A	100%	17.8	15.4	N/A
Stroud Close	N/A	25%	34.0	29.6	21.5
Hennef Way	N/A	75%	114.5	99.6	88.1
Queens Avenue	N/A	100%	50.1	43.6	40.1
Market Square	N/A	100%	40.7	35.4	N/A
Tamarisk Gardens	N/A	92%	25.7	22.3	N/A
Bicester Road	N/A	92%	48.5	42.2	38.8
Oxford Road (Kidlington)	N/A	92%	42.8	37.3	28.9
Benmead Road	N/A	100%	24.6	21.4	N/A
The Green	N/A	75%	39.4	34.3	31.2

Bold Measured concentration exceeds the AQS objective

* National Bias Correction Factor of 0.87 applied to unadjusted data.

Table 2.2b Results of NO₂ Diffusion Tubes

Location	Within AQMA?	Annual mean concentrations ($\mu\text{g.m}^{-3}$) adjusted for bias		
		2006	2007	2008*
Oxford Road (Banbury)	N/A	31.3	35.0	27.8
Middleton Road	N/A	38.1	37.3	29.6
Bridge Street	N/A	38.8	37.3	21.4
Bankside	N/A	23.5	26.0	17.9
Horsefair	N/A	46.9*	36.2	45.8
Sinclair Avenue	N/A	20.8	21.0	19.9
Cranleigh Close	N/A	15.8	16.6	15.4
Stroud Close	N/A	31.2	25.4	21.5
Hennef Way	N/A	N/A	N/A	88.1
Queens Avenue	N/A	36.0	27.2	40.1
Market Square	N/A	34.6	34.9	35.4
Tamarisk Gardens	N/A	22.2	21.6	22.3
Bicester Road	N/A	30.2	29.0	38.8
Oxford Road (Kidlington)	N/A	37.5	32.6	28.9
Benmead Road	N/A	20.9	20.1	21.4
The Green	N/A	28.3	27.8	31.2

Bold Measured concentration exceeds the AQS objective.

* Distance from road calculation applied to 2008 data based BOX 2.3 from LAQM TG (09).

* Monitoring location at that time was not representative of public exposure.

When assessing the 2008 annual mean NO₂ concentrations (bias adjusted using national factor of 0.87 for 2008 then corrected using LAQM TG(09) Box 2.3) against the AQS Objective of 40 $\mu\text{g.m}^{-3}$, exceedences are evident at three of the diffusion tube monitoring locations.

Three diffusion tubes, at locations Horsefair (45.8 $\mu\text{g.m}^{-3}$), Hennef Way (88.1 $\mu\text{g.m}^{-3}$) and Queens Avenue (40.1 $\mu\text{g.m}^{-3}$) have recorded levels of NO₂ that exceed the annual mean objective of 40 $\mu\text{g.m}^{-3}$ for NO₂. Cherwell District Council is aware of these exceedences and are in the early stages of preparing to carry out a Detailed Assessment of NO₂ focusing on these areas. Cherwell District Council has a continuous NO₂ analyser at Hennef Way alongside triplicate diffusion tubes. Cherwell District Council are also preparing monitoring plans to support detailed assessments at Horsefair and Queens Avenue using diffusion tube data. This data will be used to inform a Detailed Assessment for each site. The Detailed Assessment will take account of the exceedences and advise on whether the declarations of AQMAs are necessary.

Diffusion tube measurements for the location at Bicester Road have indicated NO₂ concentration in the area to be 38.8 $\mu\text{g.m}^{-3}$. As this is close to the annual mean objective of 40 $\mu\text{g.m}^{-3}$ for NO₂ Cherwell District Council should continue to closely monitor NO₂ at this location.

2.2.2 Other pollutants monitored

No monitoring is currently undertaken in the Cherwell District Council area for PM₁₀, 1,3-butadiene, benzene, carbon monoxide, lead and sulphur dioxide. Based upon the findings of the previous assessments, the concentrations of these other pollutants are unlikely to be in excess of the air quality objectives at any location.

3 Road Traffic Sources

3.1 Narrow Congested Streets with Residential Properties Close to the Kerb

Cherwell District Council confirms that there are no newly identified congested streets with a flow above 5,000 vehicles per day and residential properties close to the kerb (within 2m), that have not adequately been considered in previous rounds of Review and Assessment.

3.2 Busy Streets Where People May Spend 1-hour or More Close to Traffic

Cherwell District Council confirms that there are no newly identified busy streets where people spend 1 hour or more close to traffic.

3.3 Roads with a High Flow of Buses and/or HGVs

Cherwell District Council confirms that there are no new or newly identified roads with high flows of buses or Heavy Duty Vehicles (HDVs).

3.4 Junctions

Cherwell District Council confirms that there are no new/newly identified busy junctions or busy roads that have not been considered previously.

3.5 Roads Constructed or Proposed Since the Last Round of Review and Assessment

Cherwell District Council confirms that there are no new or proposed roads since the 2008 Detailed Assessment.

3.6 Roads with Significantly Changed Traffic Flows

Cherwell District Council confirms that there are no new or newly identified roads with significantly changed traffic flows.

3.7 Bus and Coach Stations

The existing main bus station in Cherwell District Council has less than 2500 movements per day.

Cherwell District Council confirms that within the main bus station, the number of movements (a bus coming into the bus station then going out again should be counted as two movements) will not exceed 2,500 per day.

4 Other Transport Sources

4.1 Airports

Cherwell District Council confirms that there are no airports within the district that have a passenger throughput greater than 10 million passengers per annum.

4.2 Railways (Diesel and Steam Trains)

4.2.1 Stationary Trains

Cherwell District Council confirms that there are no locations where diesel or steam trains are regularly stationary for periods of 15 minutes or more, with potential for relevant exposure within 15m.

4.2.2 Moving Trains

New evidence has come to light that NO₂ concentrations can be elevated alongside railway lines with a large number of diesel locomotive movements. LAQM TG (09) outlines a new requirement that applies to a number of local authorities to assess railway lines with a high usage of diesel locomotives to establish whether there is relevant public exposure nearby. These lines need to be considered where the background annual mean nitrogen dioxide concentration is above 25 µg.m⁻³. Cherwell District Council is not identified as one of the local authorities at risk.

Cherwell District Council confirms that there are no locations with a large number of movements of diesel locomotives, and potential long-term relevant exposure within 30m.

4.3 Ports (Shipping)

Cherwell District Council confirms that there are no ports or shipping that meet the specified criteria within the Local Authority area.

5 Industrial Sources

5.1 Industrial Installations

5.1.1 New or Proposed Installations for which an Air Quality Assessment has been Carried Out

A proposed Energy from Waste Plant at Ardley is currently undergoing public consultation. An air quality impact assessment has been submitted, which assesses the potential impacts of the proposed facility and the associated amendments to the existing landfill and HWRC on air quality.

The assessment focuses on fugitive dust from traffic movements and combustion pollutants from traffic during the construction phase, along with combustion pollutants from traffic, combustion pollutants (Waste Incineration Directive pollutants) from the stack, fugitive dust and litter from waste handling operations, and fugitive odours and bioaerosols from waste handling operations during the site operational phase.

The air quality impact assessment concludes that the changes to the layout of the landfill site are not predicted to lead to any additional risk of odour, dust or bioaerosol impact and that the risk of significant generation of emissions during operational phase of the EfW is low. The assessment predicts that the greatest risk of dust impacts from the EfW will occur at the nearby properties during the construction phase. Effective mitigation would prevent unacceptable impacts occurring.

The findings of the screening assessment of traffic emissions relating to both the construction and operational traffic have found that impacts on air quality may be classified as negligible. The findings of the assessment of emissions from the proposed Ardley EfW stack has found that for a majority of substances the predicted long-term and short term impacts would be negligible.

Therefore, the air quality impact assessment concludes that the impact of emissions from the Ardley EfW would not give rise to significant adverse air quality effects for both human and ecological receptors in either the short term or the long-term.

Although the impacts on air quality from this development were considered to be negligible, a NO₂ diffusion tube concentration on the B430 close to junction 10 of the M40 motorway highlighted air quality at this location was approaching the annual mean air quality objective. There is no relevant exposure at this monitoring location; however a diffusion tube monitoring location was set up at the worst case scenario with relevant exposure on this approach road in the village of Ardley, adjacent to number 1 Crossways on Station Road. This monitoring commenced in March 2009.

Further assessment of health impacts has been undertaken as part of the Human Health Assessment.

Cherwell District Council has assessed new/proposed industrial installations, and concluded that it will not be necessary to proceed to a Detailed Assessment.

5.1.2 Existing Installations where Emissions have Increased Substantially or New Relevant Exposure has been introduced

Cherwell District Council confirms that there are no industrial installations with substantially increased emissions or new relevant exposure in their vicinity within its area or nearby in a neighbouring authority.

5.1.3 New or Significantly Changed Installations with No Previous Air Quality Assessment

Cherwell District Council confirms that there are no new or proposed industrial installations for which planning approval has been granted within its area or nearby in a neighbouring authority, with no previous air quality assessment.

5.2 Major Fuel (Petrol) Storage Depots

There are no major fuel (petrol) storage depots within the Cherwell District area.

5.3 Petrol Stations

Cherwell District Council confirms that there are no new petrol stations with an annual throughput of more than 2000 m³ of petrol that have busy roads nearby, with relevant exposure within 10 m of the pumps. There are also no new stations where throughput has increased, to exceed the threshold, since the 2008 Detailed Assessment.

5.4 Poultry Farms

Cherwell District Council confirms that there are no poultry farms housing in excess of 400,000 birds if mechanically ventilated / 200,000 birds if naturally ventilated / 100,000 birds in a turkey unit with relevant public exposure within 100m of the poultry units.

6 Commercial and Domestic sources

6.1 Biomass Combustion – Individual Installations

There are no biomass combustion plants in the Cherwell District area burning 50kW to 20Mw units, which require assessment.

6.2 Biomass Combustion – Combined Impacts

Cherwell District Council confirms that there are no biomass combustion plants in the District area that require a combined impact assessment.

6.3 Domestic Solid-Fuel Burning

Cherwell District Council confirms that there are no areas of significant domestic fuel use in the District area.

6.4 Small Boilers

Cherwell District Council confirms that there are no new or newly identified boiler plants rated at >5MW_(thermal) that burn coal or fuel oil since the previous Review and Assessment report.

7 Fugitive or Uncontrolled Sources

Cherwell District Council confirms that there are no potential sources of fugitive particulate matter emissions in the Local Authority area.

8 New Developments

The Council is required to plan for significant development over the next few years. Forward planning and planning decisions will have significant implications for air quality. The following paragraphs explain this in relation to new housing, transport and industrial development and provide an update of new significant development proposals in the District.

8.1 Summary of Developments

Under the new planning system, Structure Plans and Local Plans will be replaced by the Regional Spatial Strategy – called the South East Plan – and the Local Development Framework (LDF) for Cherwell District which will cover the period to 2026. However, many of the policies contained within the local plan (adopted 1996), including Policy ENV1 which seeks to ensure that the environment and residents are not unduly effected by development proposals which may cause pollution, have been saved and will continue to be used until replaced by the new LDF. The Non-Statutory Cherwell Local Plan 2011 also contains policies which seek to achieve the same objectives.

The LDF comprises different types of document:

- Development Plan Documents (DPDs);
- Supplementary Planning Documents (SPDs);
- A Statement of Community Involvement (SCI); and
- Annual Monitoring Reports (AMR).

The above documents are informed by national government policy, guidance and the South East Plan.

The Local Development Scheme sets out the documents the Council is currently producing as part of the LDF. These include:

- Core Strategy DPD;
- Delivery DPD;
- Planning Obligations SPD; and
- Building in Harmony with the Environment SPD.

Each of the DPDs and SPDs the Council prepares is subject to sustainability appraisal (SA). SA appraises the social, environmental and economic effects of the proposals in these documents, to ensure that they accord with the objectives of sustainable development.

The LDF aims to address local air quality issues through the promotion of sustainable development. It will contribute to the protection of the natural environment by seeking to minimise or mitigate against air pollutants. The LDF will ensure development is located in sustainable locations in order to reduce the need to travel, especially by private car, and subsequently help to reduce air pollution. The LDF will also encourage industrial development that is un-polluting.

8.2 Transport

In Cherwell walking, cycling and the use of public transport will be encouraged by the LDF. The LDF will ensure development is located near to services and facilities and employment opportunities in order to reduce the need for residents to travel (including commuting), especially by private car.

The Council's Integrated Transport and Land Use Strategies for Banbury and Bicester are currently under review and a study for the rural areas, 'Cherwell Rural Areas Integrated Transport and Land use Study' is being prepared. This work will consider the transport implications and requirements of new development options and assist the Council in deciding where to locate new development.

The LDF will locate development in order to help to maintain current averaging period objectives as stipulated in the Air Quality Regulations 2000 and (Amendment) Regulations 2002 for the purpose of Local Air Quality Management.

8.3 Housing and Redevelopment

Until the LDF is adopted, the local plan and the non-statutory Cherwell local plan set out Council policy for determining planning applications. The adopted plan and non-statutory Cherwell local plan allocate land for new development. The Council has recently received applications for large scale housing developments in Banbury for about 1,000 dwellings and in Bicester for about 1500 dwellings.

Large new development sites are likely to be subject to an Environmental Impact Assessment (EIA) that should consider the impact on the proposed development on air quality.

The redevelopment of the former RAF Upper Heyford site is currently subject of a planning appeal and application, with the planned development of 1075 housing units and associated public open space, a new mixed-use neighbourhood centre, a primary school, community, recreational, amenity and employment opportunities and associated physical infrastructure. An EIA has been produced and the results show that there will be a negligible deterioration in air quality from road traffic upon completion of the development.

8.4 Industry

There continues to be no significant industrial sources of NO₂ within the Cherwell District Council area.

In Banbury the Council is exploring the potential for a large mixed use development at Banbury Canalside, to the east of the town centre which will replace an existing industrial area. Prior to commencement of this development an EIA will be required detailing the impact on air quality for the area.

At Bicester a major commercial redevelopment of the town centre for mixed use is proposed as well as a large B1 classification business area. The Council has resolved to permit both schemes subject to the completion of legal agreements. Should these developments proceed after all legal matters are resolved development of the town centre scheme will proceed in 2009 for completion in 2011, whilst the business park is likely to be developed over a longer period. As previously reported, the developments have been subject to an EIA, which included consideration of the impact on air quality.

9 Air Quality Plans and Policies

9.1 AQMA Action Plan

There are currently no Air Quality Management Areas or existing Air Quality Action Plan in place within Cherwell District Council.

9.2 Local Transport Plan

Cherwell District Council's transport policy is addressed within Oxfordshire County Council's full Local Transport Plan (LTP), covering the period 2006 to 2011. In April 2006 Oxfordshire County Council adopted their second Local Transport Plan (LTP). This local transport plan covers a 5-year period from April 2006 to March 2011 and it set out a vision for transport in Oxfordshire. It focuses on five priority areas:

- Tackling congestion
- Delivering accessibility
- Safer roads
- Better air quality
- Improving the street environment

The LTP included a programme for improvements across the county to meet the priorities. The delivery of this programme was dependent upon the availability of funding over the course of the five-year plan period.

10 Conclusions and Proposed Actions

10.1 Conclusions from New Monitoring Data

Cherwell District Council undertakes diffusion tube monitoring of NO₂ throughout the local area. No automatic monitoring was carried out for the 2008 calendar year by Cherwell District Council.

Cherwell District Council carried out diffusion tube monitoring for NO₂ at 16 locations throughout the District. The 2008 bias adjusted results indicated that concentrations of NO₂ exceeded the NO₂ annual mean objective at three locations. These locations were:

- Horsefair, Banbury;
- Hennef Way, Banbury; and
- Queens Avenue, Bicester.

Of the areas where the exceedences were found, each area is considered to be representative of relevant exposure to the general public.

Cherwell District Council have already begun the process of planning to carry out Detailed Assessments for NO₂ at each of the above locations. The Council installed a temporary automatic analyser at Hennef Way in May , 2009, in order to provided relevant data which will be used for a Detailed Assessment. Cherwell District Council are also preparing monitoring plans for undertaking Detailed Assessments at Horsefair and Queens Avenue through diffusion tube data. This data will be used to inform a Detailed Assessment for each site.

Due to the limitations of diffusion tubes, Local Authorities are advised not to rely upon diffusion tube data alone as a basis of a Detailed Assessment or declaration of an AQMA for NO₂. It is recognized that automatic monitoring is not always possible and therefore if diffusion tube monitoring is the practicable monitoring method it should be ensured that:

- Monitoring is carried out for a full year as concentrations of some pollutants exhibit seasonal patterns (as a minimum six consecutive months should be monitored (3 in summer and 3 in winter) for example January to June or July to December to ensure they are representative of the full year);
- Tubes are deployed at several sites in the vicinity (for example several points around the roundabout and roads leading to the roundabout at locations of public exposure, as well as a range of urban background sites (3 to 4 sites typically)) to obtain a representative background concentration for the area and roadside or kerbside sites for model verification;
- Diffusion tubes have good precision (triplicate tubes could be positioned at a selected sub-set of the sites in order to gather information on diffusion tube precision); and
- Diffusion tubes are appropriately bias corrected.

No monitoring is currently undertaken in the Cherwell District Council area for PM₁₀, 1,3-butadiene, benzene, carbon monoxide, lead, particulate matter and sulphur dioxide. Based upon the findings of the previous assessments, the concentrations of these other pollutants are unlikely to be in excess of the air quality objectives at any location.

10.2 Conclusions from Assessment of Sources

10.2.1 Road Traffic Sources

There is no requirement to proceed to a Detailed Assessment for the following sources:

- Congested streets with a flow above 5,000 vehicles per day and residential properties close to the kerb that have not previously been assessed;
- Busy Streets Where People May Spend 1-hour or More Close to Traffic;

Cherwell District Council

- Roads with a High Flow of Buses and/or HGVs;
- Junctions;
- New Roads Constructed or Proposed Since the Last Round of Review and Assessment;
- Roads with Significantly Changed Traffic Flows and; and
- Bus and Coach Stations.

10.2.2 Other Transport Sources

There is no requirement to proceed to a Detailed Assessment for the following sources:

- Airports;
- Railways (Diesel and Steam Trains); and
- Ports (Shipping).

10.2.3 Industrial Sources

There is no requirement to proceed to a Detailed Assessment for the following sources:

- Industrial Installations;
- Major Fuel (Petrol) Storage Depots;
- Petrol Stations; and
- Poultry Farms.

10.2.4 Commercial and Domestic Sources

There is no requirement to proceed to a Detailed Assessment for the following sources:

- Biomass Combustion – Individual Installations;
- Biomass Combustion – Combined Impacts; and
- Domestic Solid-Fuel Burning.

10.2.5 Fugitive or Uncontrolled Sources

There is no new or newly identified source or potential sources of fugitive particulate matter therefore there is requirement to proceed to a Detailed Assessment for the this source.

10.3 Proposed Actions

This USA concludes that Cherwell District Council is required to carry out a Detailed Review and Assessment for NO₂ at the following locations:

- **Horsefair, Banbury;**
- **Hennef Way, Banbury; and**
- **Queens Avenue, Bicester.**

Cherwell District Council is **not** required to carry out a Detailed Review and Assessment for carbon monoxide, benzene, 1,3-butadiene, lead, PM₁₀ or SO₂.

11 References

Department for Environment, Food and Rural Affairs, (2009) Local Air Quality Management Technical Guidance LAQM.TG (09).

Department for Environment, Food and Rural Affairs, Air Quality Strategy for England, Scotland Wales and Northern Ireland, 2007.

Spreadsheet of Bias Adjustment Factors accessed at www.uwe.ac.uk/aqm/review.

UK National Air Quality Information Archive, accessed at www.airquality.co.uk,

Cherwell District Council, Air Quality Review and Assessment Progress Report, 2008

Cherwell District Council, Air Quality Review and Assessment Progress Report, 2007

Cherwell District Council, Air Quality Update and Screening Assessment, 2006/2007

Appendices

Appendix A: QA/QC Data

Appendix A: QA:QC Data

Diffusion Tube Bias Adjustment Factors

Diffusion tubes may systematically under or over-read NO₂ concentrations when compared to the reference chemiluminescence analyser. This is described as bias and can be corrected for to improve the accuracy of the diffusion tube results, using a suitable bias adjustment factor.

Cherwell District Council's diffusion tubes are prepared and analysed by Bristol City Council Scientific Services 7 Redcross Street Old Market Bristol BS2 0BA. The tubes are prepared by applying 30µl of a solution of 20% thiethanolamine in water to the metal grid within the tube end cap. The tubes are then assembled. Tubes are prepared monthly prior to dispatch.

As no automatic monitoring was undertaken in the Cherwell District during 2007 or 2008 the bias adjustment factor used within this Updating and Screening Assessment was derived from the national database of co-location studies (<http://www.uwe.ac.uk/aqm/review/R&Asupport/diffusiontube270209.xls>) as shown in Figure A1. The results from this spreadsheet provided a national bias adjustment factor of 0.87.

Figure A1: Diffusion Tube Bias Adjustment Calculations

Follow the steps below in the correct order to show the results of relevant co-location studies										This spreadsheet will be updated in late September 2009 on the R&A website
Data only apply to tubes exposed monthly and are not suitable for correcting individual short-term monitoring periods Whenever presenting adjusted data, you should state the adjustment factor used										
This spreadsheet will be updated every few months: the factors may therefore be subject to change. This should not discourage their immediate use.										
Published by Air Quality Consultants Ltd on behalf of Defra, the Welsh Assembly Government, the Scottish Government and the Department of the Environment Northern Ireland										
Step 1:	Step 2:	Step 3:	Step 4:							
Select the Laboratory that Analyses Your Tubes from the Drop-Down List	Select a Preparation Method from the Drop-Down List	Select a Year from the Drop-Down List	Where there is only one study for a chosen combination, you should use the adjustment factor shown with caution. Where there is more than one study, use the overall factor ³ shown in blue at the foot of the final column.							
If a laboratory is not shown, we have no data for this laboratory.	If a preparation method is not shown, we have no data for this method at this laboratory.	If a year is not shown, we have no data ²	If you have your own co-location study then see footnote ⁴ . If uncertain what to do then contact the Review and Assessment Helpdesk 0117 328 3668 aqm-review@uwe.ac.uk.							
Analysed By¹	Method To undo your selection, choose (All) from the pop-up list	Year⁵ To undo your selection, choose (All)	Site Type	Local Authority	Length of Study (months)	Diffusion Tube Mean Conc. (Dm) (µg/m3)	Automatic Monitor Mean Conc. (Cm) (µg/m3)	Bias (B)	Tube Precision⁶	Bias Adjustment Factor (A) (Cm/Dm)
Bristol Scientific Services	20% TEA in Water	2008	UB	LB Waltham Forest	12	41	36	14.2%	S	0.88
Bristol Scientific Services	20% TEA in Water	2008	R	Lewes DC	11	40	38	6.0%	S	0.94
Bristol Scientific Services	20% TEA in Water	2008	K	AEA Tech Intercomparison	12	122	116	5.4%	G	0.95
Bristol Scientific Services	20% TEA in Water	2008	R	Brighton and Hove CC	12	43	31	38.7%	G	0.72
Bristol Scientific Services	20% TEA in water	2008	Overall Factor³ (4 studies)				Use		0.87	

QA/QC of diffusion tube monitoring

The Workplace Analysis Scheme for Proficiency (WASP) is an independent analytical performance-testing scheme, operated by the Health and Safety Laboratory (HSL). WASP formed a key part of the former UK NO₂ Network's QA/QC, and remains an important QA/QC exercise for laboratories supplying diffusion tubes to Local Authorities for use in the context of Local Air Quality Management (LAQM). The laboratory participants analyse four spiked tubes, and report the results to HSL. HSL assign a performance score to each laboratory's result, based on their deviation from the known mass of nitrite in the analyte.

The performance criteria are based upon the Rolling Performance Index (RPI) statistic.

Bristol Scientific Services participate in the Workplace Analysis Scheme for Proficiency (WASP) for nitrogen dioxide. According to the Annual Performance Criteria for NO₂ Diffusion Tubes used in the Local Air Quality Management (LAQM), Bristol Scientific Services achieved a performance classification of 'Good' for rounds 100 to 104.

Executive

Economic Development Strategy

1 November 2010

Report of Head of Planning Policy & Economic Development

PURPOSE OF REPORT

To ask the Executive to consider a draft version of the Economic Development Strategy for public consultation.

This report is public

Recommendations

The Executive is recommended:

- (1) To approve the Draft Economic Development Strategy attached as appendix 1 to this report for public consultation
- (2) To give delegated authority to the Head of Planning Policy & Economic Development, in conjunction 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.

Executive Summary

Introduction

- 1.1 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.
- 1.2 The current Cherwell District Economic Development Strategy was prepared in 2006/07 and covers the period 2007 – 2011. It was prepared by the District Council and supported and developed the themes outlined in the (then) Community Plan. With that Strategy coming to the end of its life, it was always understood that it would need to be reviewed in 2010.
- 1.3 A key difference between the current Economic Development Strategy and any review is that this review is being carried out by the Local Strategic Partnership (LSP). It is widely recognised that whilst the District Council will

have a major role to play in helping to deliver any Economic Development Strategy, it can only do so successfully with input from many key partners. Ownership of the Economic Development Strategy by the LSP will help raise the profile of the Strategy and ensure that it can be delivered.

- 1.4 The new Sustainable Community Strategy “Our Vision, Our Future”, issued by the Cherwell Local Strategic Partnership in February 2010, sets the context for any review of the Economic Development Strategy. One of the four “ambitions” for the district in the period up to 2030, “Diverse & Resilient – Our Economy in 2030” sets some clear objectives to which the Economic Development Strategy needs to respond. Also, the ambitions of “Opportunities for all – our communities in 2030” and “Connected and protected – our infrastructure and environment in 2030” have objectives which need addressing within the Economic Development Strategy.

Proposals

- 1.5 The Draft Economic Development Strategy is attached as **appendix 1** to this report.
- 1.6 It should be noted that this draft Strategy is reflecting the most up-to-date information available including from studies commissioned to inform its production. There may be further minor changes needed to the draft strategy before it is published for public consultation, including amendments to the Delivery Plan. We also propose to improve the formatting of the document prior to commencing any public consultation. It is therefore requested that delegated authority is given to the Head of Planning Policy & Economic Development and the Portfolio Holder (Economic Development & Estates) to make any further minor changes as are necessary prior to public consultation.

Conclusion

- 1.7 The Economic Development Strategy is an important document for helping shape the economic development priorities of Cherwell District. It will help us consider how best to use our resources, and those of our partner organisations within the LSP, to build upon the strengths within our local economy, and tackle those issues that we know our local economy is currently facing.

Background Information

- 2.1 Creating a “district of opportunity” is one of the key priorities in the current corporate plan, and the Economic Development Strategy is an important tool to help the Council support this aim. The current Economic Development Strategy was prepared only three years ago however the ensuing period has seen Cherwell District, as everywhere else, facing huge economic challenges as a consequence of the global credit crunch in 2008. Tellingly, when the Sustainable Community Strategy was prepared in 2009–10, the two words that emerged as ambitions for our economy over the next few years were “diverse” and resilient”. A key challenge of the new Economic Development Strategy is to help achieve this ambition.
- 2.2 Consequently, rather than just rolling forward the previous Economic Development Strategy, the new draft Economic Development Strategy has been informed by work with a number of partners and through several new studies.
- Understanding the Resilience of Cherwell (July 2010) – commissioned by the Cherwell LSP and Cherwell District Council from CLES
 - Oxfordshire Employers Skills Study 2010: Cherwell - commissioned by Oxfordshire Economic Partnership and Cherwell District Council from Step Ahead Research Ltd.
 - Employment Land Review 2010 – commissioned by Cherwell District Council from URS Ltd
- 2.3 A consequence of this work has been that the new Economic Development Strategy has redefined the **key issues** that are currently facing Cherwell District (see section 2). In doing so, I has identified several themes:-
- Whilst levels of employment remain high, not everyone is benefiting from this.
 - We have relied heavily on public sector jobs which are set to reduce in number.
 - Whilst we still have a diverse economy, this is often seen in “lower value” activities, in common with other areas of the south Midlands.
 - Whilst manufacturing remains a particular strength, it is often seen in lower skilled jobs locally.
 - Whilst businesses are often highly satisfied with their location in Cherwell, this is not widely understood beyond the district.
 - We have an enterprising district with potential for innovation.
 - Global climate change is both an opportunity and a challenge for the economy of the district.
 - In the future, the community sector is seen as having an increased role to perform.

2.4 Emerging from these key issues, and from the objectives of the Sustainable Community Strategy, are a series of key **themes for delivery**, and these form the heart of the Economic Development Strategy. These are set out in section 6. They are divided into three groups:-

- | | |
|---------------------|---|
| Developing people | <ul style="list-style-type: none">• Creating employment• Providing access to employment• Enhancing skills• Engaging the community in economic development. |
| Developing place | <ul style="list-style-type: none">• Promoting employment sites and premises• Managing our infrastructure development• Supporting rural areas• Supporting urban centres |
| Developing business | <ul style="list-style-type: none">• Promoting business start up and enterprise• Developing local procurement and supply chains• Promoting business and cluster development• Attracting new investment• Developing a “world class” business community• Developing tourism |

2.5 Running throughout the Strategy are three “golden threads” which will inform all of the above themes. These lie at the heart of the strategy, and must inform the overall approach that the Strategy takes. These “golden threads” are:-

- The need to ensure that a diverse and resilient economy is at the heart of Cherwell’s vision
- Recognition of our capacity to deliver the Strategy and the importance of partnership working and building strong relationships as we seek to do so
- Maximising the green economy benefits arising from “Eco Bicester”.

Public consultation

2.6 This draft Economic Development Strategy is being recommended for public consultation only. It is proposed that we now consult on the document before bringing it back to the Council and the LSP Board early in 2011.

2.7 The proposed dates for the public consultation are 8th November to 17th January 2011. Copies of the document will be circulated to key stakeholders including all members of the LSP Board. We will also look to do the following to support the public consultation:-

- Inform local business organisations and their representative bodies
- Use our regular liaison meetings with the Bicester and Banbury Chambers

of Commerce and the Kidlington Voice to discuss the draft Strategy

- Discuss the Strategy with our partners in the Cherwell Investment Partnership (CHIP).
- Share the Strategy with all potential Local Enterprise Partnership partners, including Oxfordshire County Council, all Oxfordshire districts and authorities within the South East Midlands LEP.

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 The key issues for consideration is whether the draft Economic Development Strategy provides a useful summary of the key issues affecting our economy today, and a credible strategy for addressing problems within the economy, such that it should be published in draft form for public consultation.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

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

Consultations

- | | |
|--|--|
| Local strategic Partnership Board | The Board has met on several occasions to consider the emerging Economic Development Strategy. |
| Portfolio Holder – economic development & estates | Briefing |
| Local businesses | There has been advanced publicity on the emerging Economic Development Strategy through the latest issues of the Cherwell Investment Partnership publication “Business Moves” (Autumn 2010). |

Implications

- | | |
|-------------------|---|
| Financial: | The costs of producing the Economic Development Strategy, including the public consultation, can be met within existing resources.

Comments checked by Eric Meadows, Service Accountant 01295 221552 |
|-------------------|---|

Legal: There are no legal implications associated with the Economic Development Strategy. A robust Economic Development Strategy is, however, a useful part of any evidence base for the LDF which should help contribute towards a sound Plan.

Comments checked by Nigel Bell, Solicitor, 01295 221687

Risk Management: There is a risk to the reputation of the Council and to the LSP if a poor Economic Development Strategy is produced, or if the Council and its partners are not able to deliver on the promises made in the document.

Comments checked by Rosemary Watts, Risk Management & Insurance Officer 01295 221566

Wards Affected

All

Corporate Plan Themes

A District of Opportunity

Executive Portfolio

Councillor Norman Bolster
Portfolio Holder for Economic Development & Estates

Document Information

Appendix No	Title
Appendix 1	Draft Economic Development Strategy
Background Papers	
None	
Report Author	Steven Newman, Economic Development Officer
Contact Information	01295 221860 steven.newman@Cherwell-dc.gov.uk

Appendix 1

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

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:

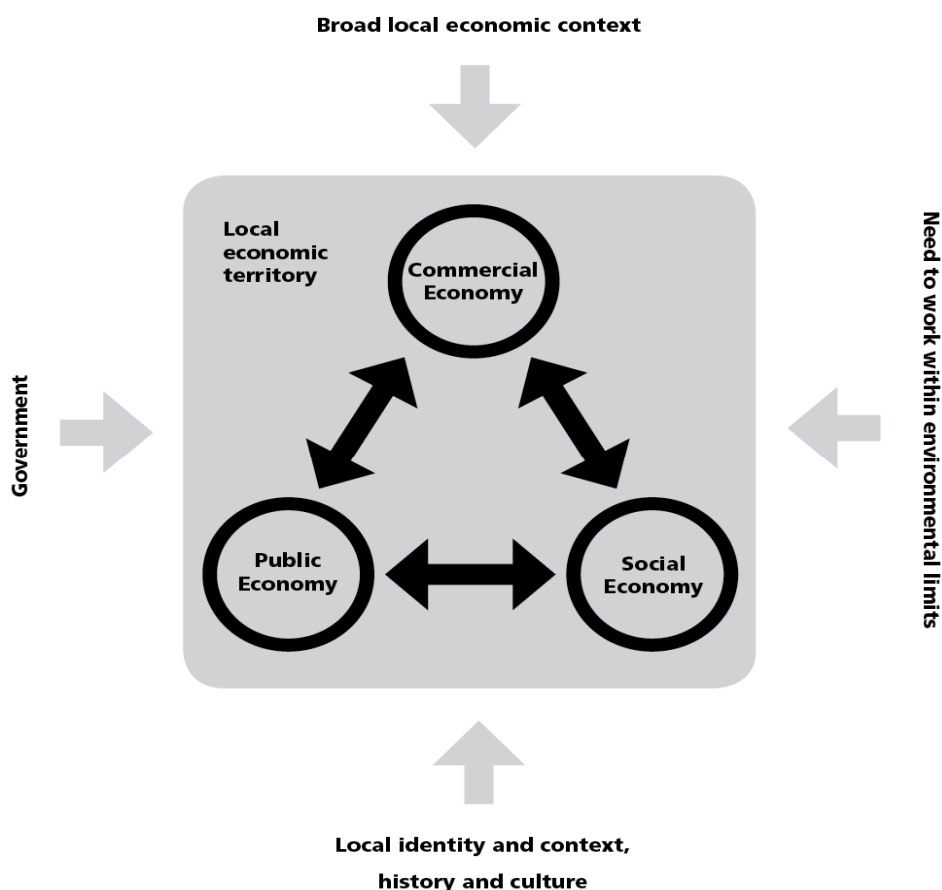


Figure 1: The CLES resilience model

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.

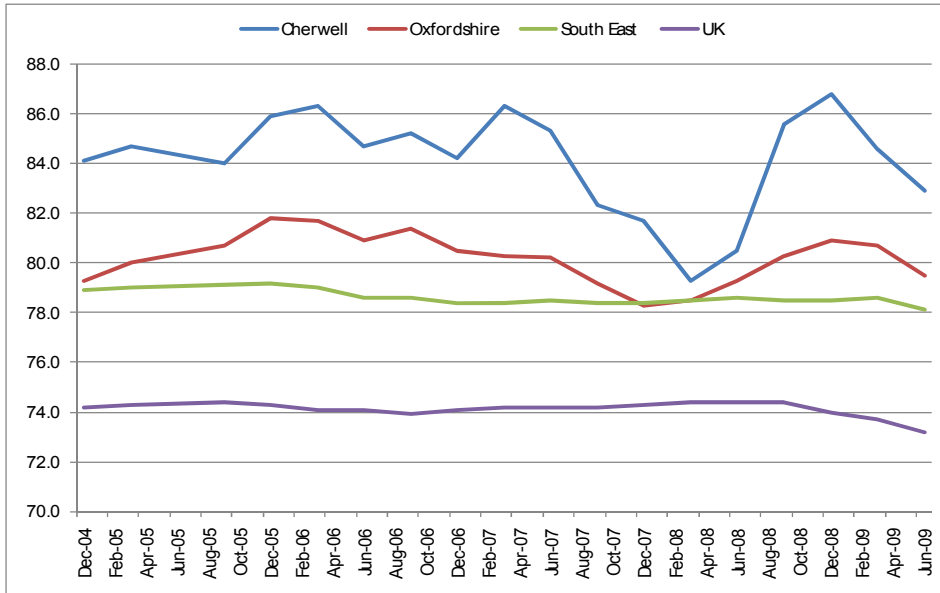
a) Levels of employment remain high but not everybody is benefiting

- 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

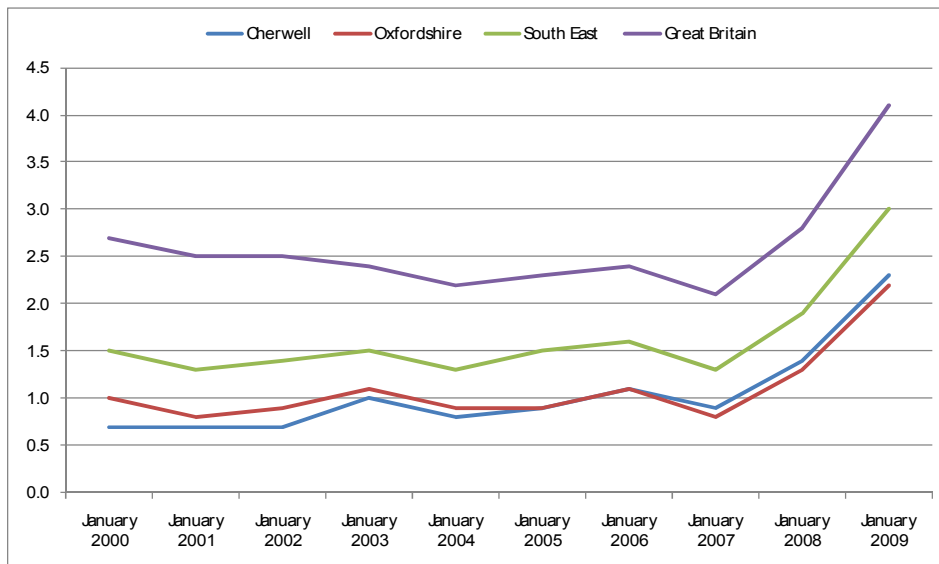
increased markedly through the recession, compared to other areas the rates are still low (1.8% in August 2010).

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 levels¹

	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

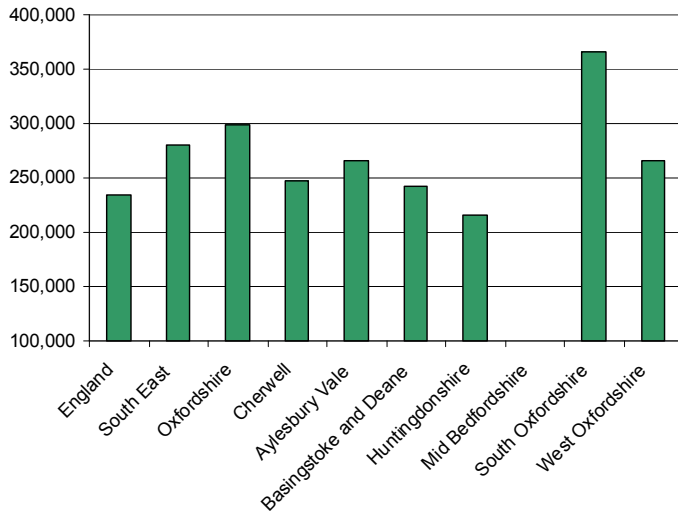
	Earnings 2002 (£)	Earnings 2009 (£)	Change 2002-2009 (£)	% change 2002-2009 (£)
Cherwell	426.1	549.5	123.4	29.0%
Oxfordshire	441.2	541.4	100.2	22.7%
South East	435.1	536.6	101.5	23.3%
UK	390.9	488.7	97.8	25.0%

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

¹ Source: ONS, Annual Business Inquiry, 2008

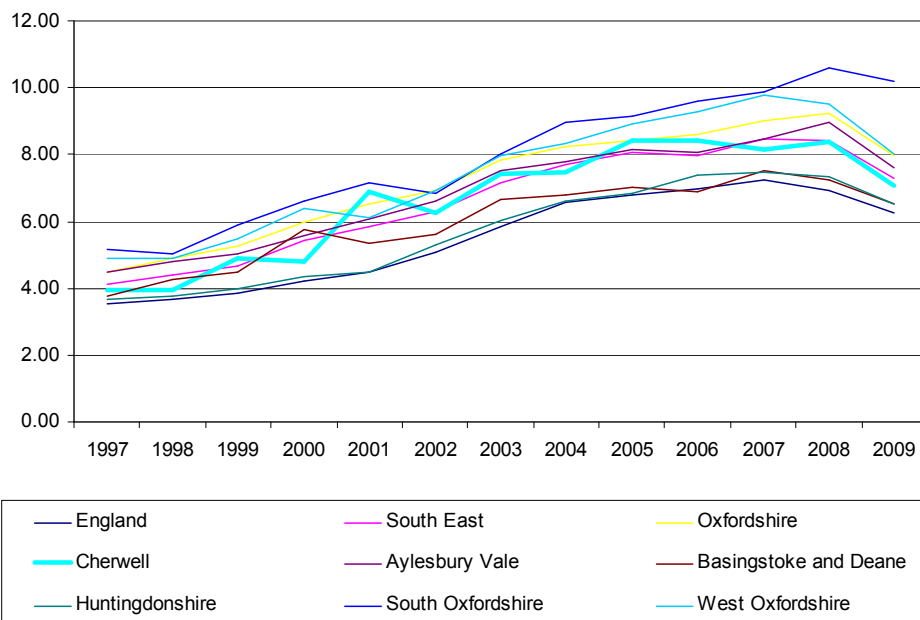
Whilst employers in north Oxfordshire may gain competitive advantage through lower wage rates (table 2) when compared with the south east and county, the ability to attract and retain employees in the district requires similarly competitively low costs of living. Housing affordability can be used as 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.

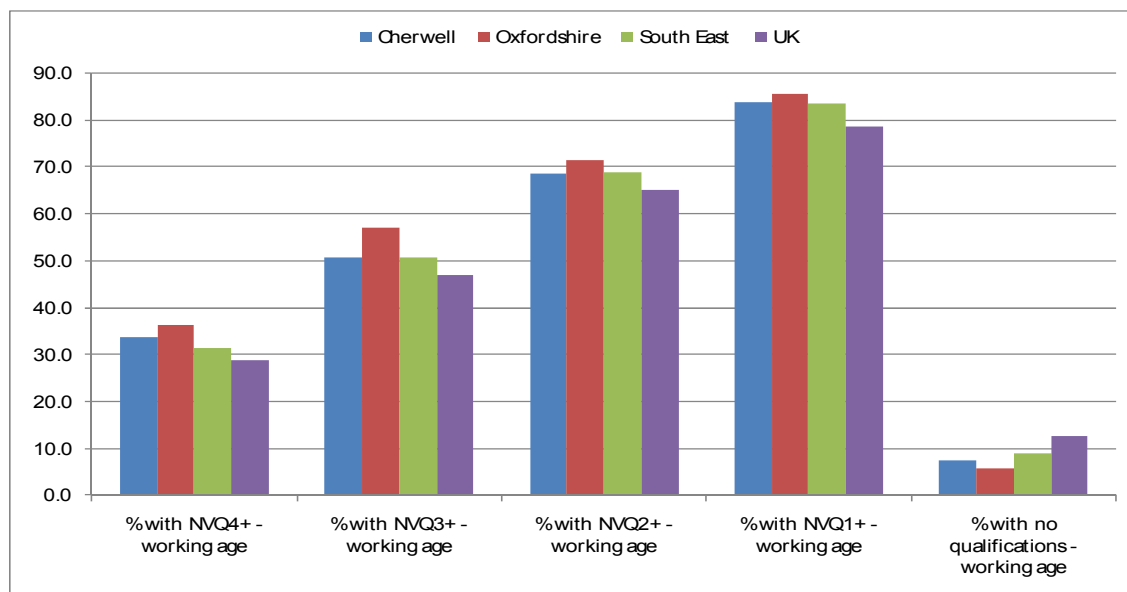
- Lack of 'basic' numeracy and literacy skills act as a barrier to other skills which are becoming essential in the workplace, especially with a decline in e.g. traditional manufacturing and construction jobs.
- A major impediment to finding work especially in the 'knowledge economy' age.
- Skills gaps 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+² 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

² 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

*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	
Oxfordshire	607,280	616,820	633,030	663,620	701,230	84,400	13.7%
Cherwell	131,990	132,320	134,670	141,900	148,830	16,510	12.5%

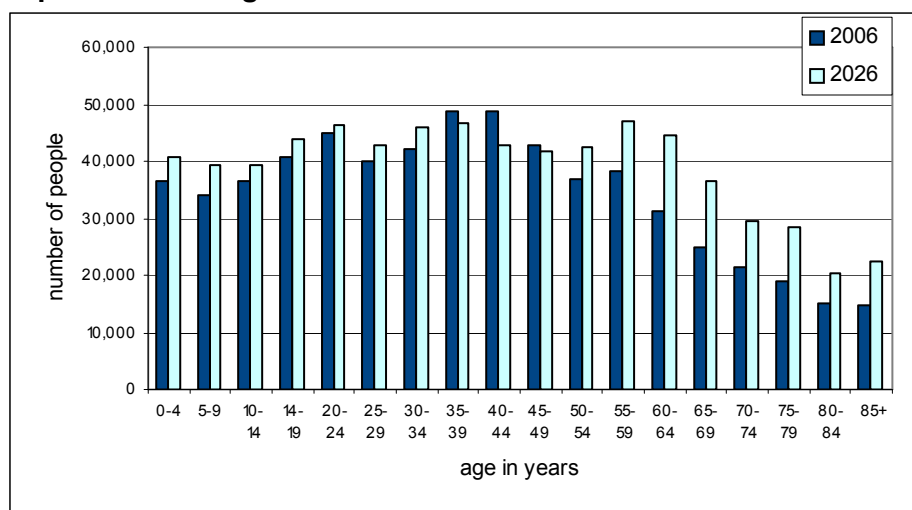
(Source: Oxfordshire County Council, Population and Household forecasts, 2010)

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
Cherwell				
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%

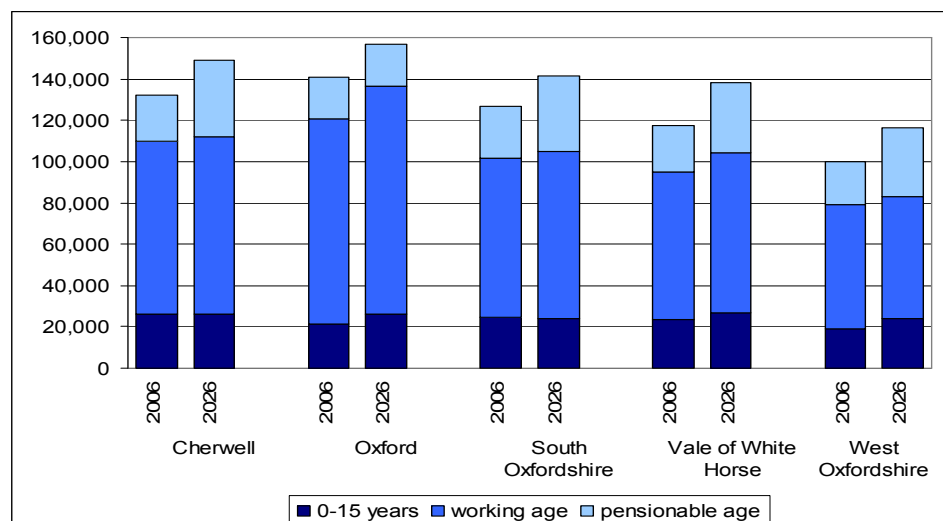
Cherwell's population has increased by almost 12% between 1991 and 2001, and by a further 4.5% since then. Growth predictions of a further 8% by 2016 and a cumulative 15.6% by 2026 are significantly higher than regional and national rates. Most of the recent growth has been in Banbury and Bicester and 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 85s³.

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.

³ 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

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)

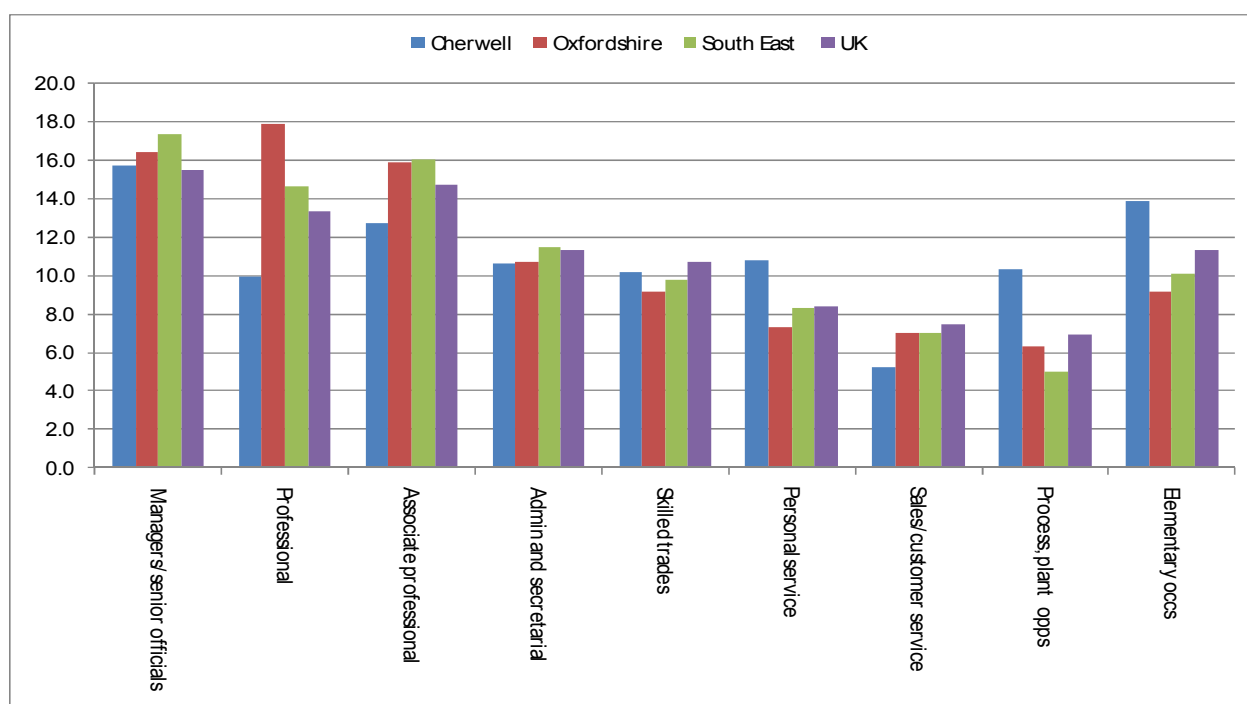
h) We have a diverse economy but often with 'lower value' activity similar to the south Midlands

- 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, 2009⁴

⁴ Source: ONS, Annual Population Survey, 2009

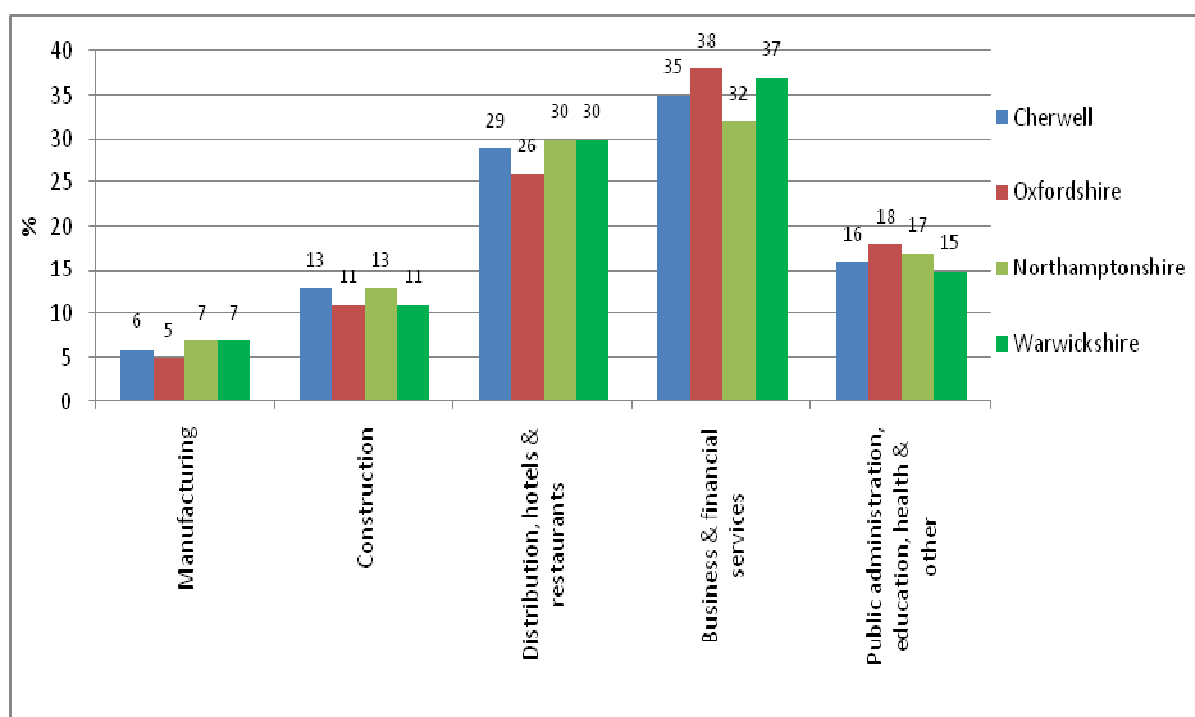


The occupational profile is revealing for Cherwell, in that fewer people are employed within higher level jobs (e.g. managers/senior officials accounting for 15.7%, professionals 9.9%, and associate professionals 12.7%). In each case, this is significantly lower than the Oxfordshire and regional averages, 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).

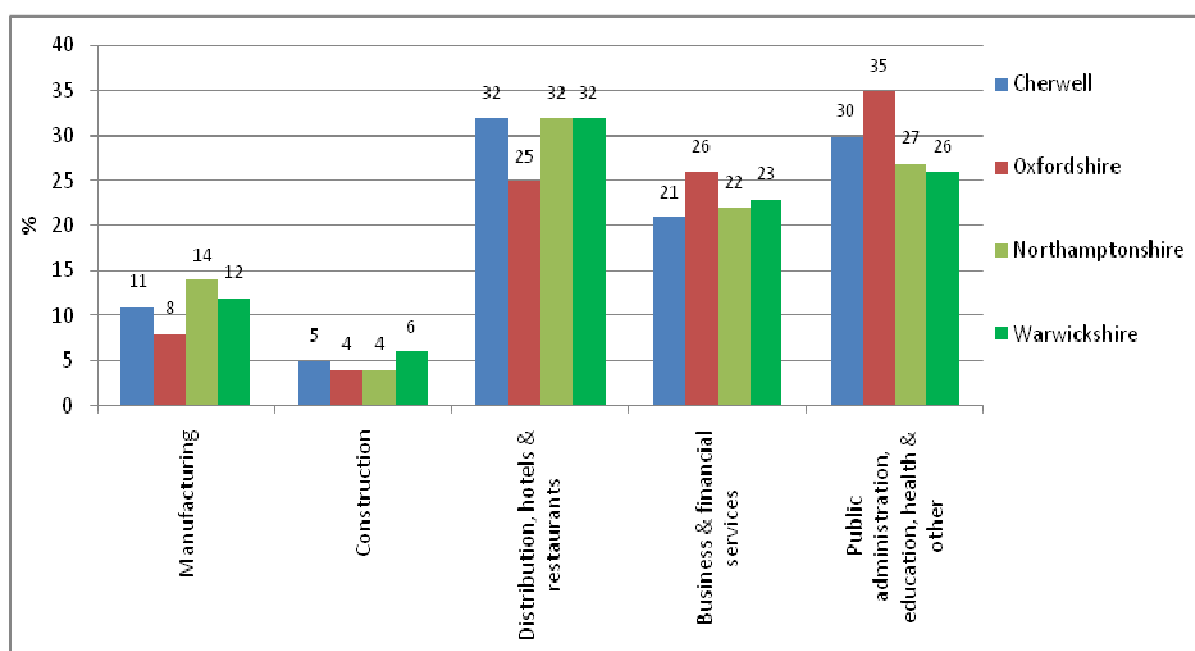
Figure 2.1: Broad sector profile - Cherwell, Oxfordshire, Warwickshire and Northamptonshire

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	200	800	0.9%	70.7	89,000	24.5%	57%	35%	8%	93%	5%	3%	1.01	0.70	3.4%	-0.3%
Pub	22	60	0.1%	6.3	105,000	2.2%	45%	36%	19%	76%	14%	8%	1.02	0.95	11.3%	3.8%
Fashion 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)⁵

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

⁵ 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.

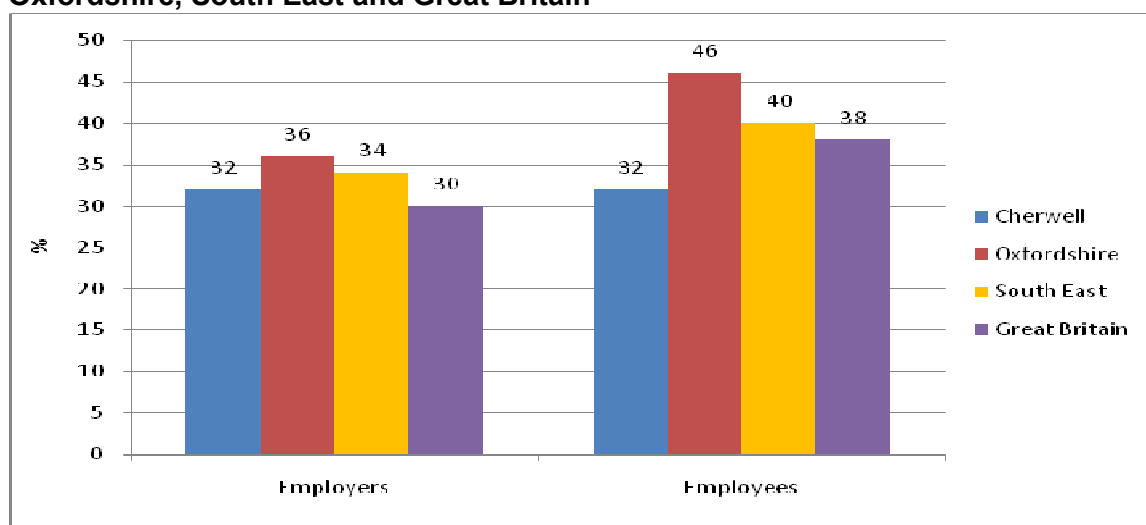
Not all places will be knowledge centres however; the lack of high value jobs raises questions about the future and possible increase in divergences with the rest of Oxfordshire and the wider South East. In order to increase inward investment, we will need to up the skills levels of employees and provide 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 2008⁶

	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 above⁷) in Cherwell is a little below the average for Oxfordshire as a whole but broadly in line with the regional and national average⁸. 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.

⁶ Source: ONS, Annual Business Inquiry, 2008

⁷ 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.

⁸ 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 activity⁹, illustrated by a Location Quotient (LQ)¹⁰ 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.

⁹ 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.

¹⁰ 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.

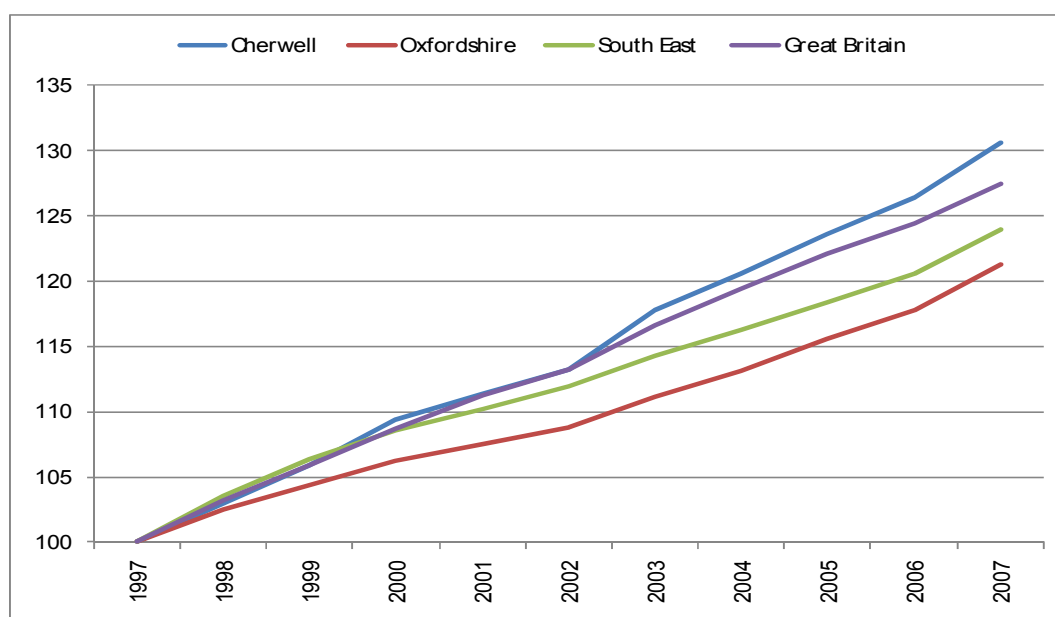
Business start-up levels are a good indicator of future economic growth. Studies show that 23% of new businesses create 71% of new employment, with businesses in high-tech sectors often having the greatest capacity for job creation. In addition to the direct employment they bring, new businesses also 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 population¹¹

	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

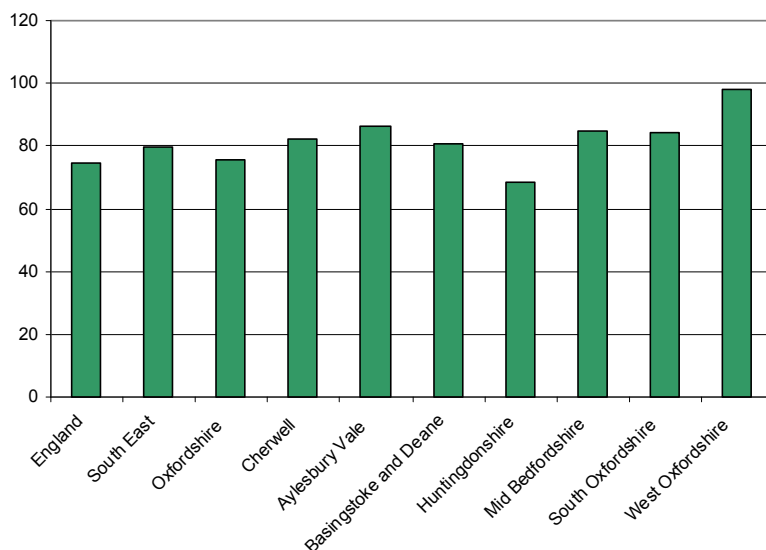
Figure 6: Stock of VAT registered businesses: Index 1997=100, 1997 to 2007



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.

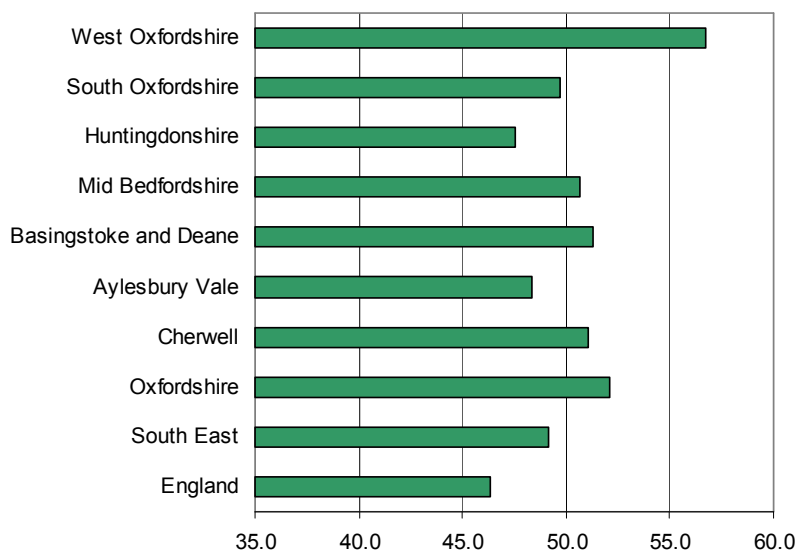
¹¹ Source: ONS, VAT registrations and stock, 2007

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.

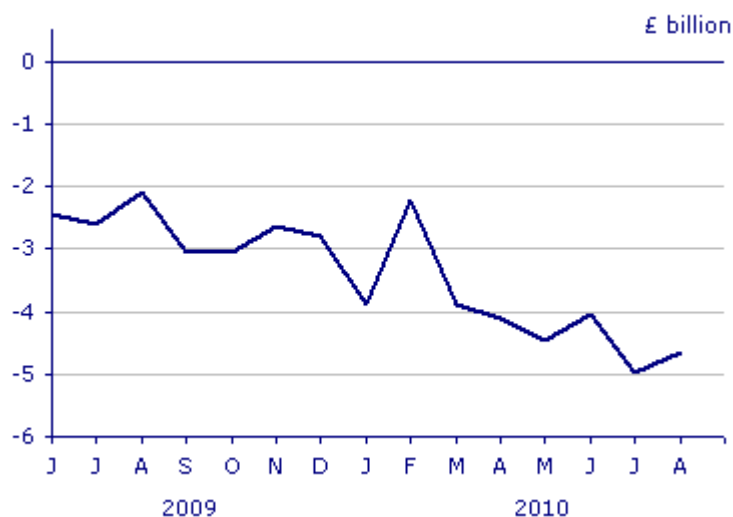
Transportation and telecommunication systems have a significant impact on economic development, and are set to be of increasing importance as costs of energy increase and waste is minimised.

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 Organisations¹², conducted by the Cabinet Office of the Third Sector in relation to National Indicator 7¹³, 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 results¹⁴. 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.

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

¹³ NI7 – Environment for a thriving third sector

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

Table 7: Social economy figures¹⁵

	Cherwell	Oxfordshire	Nationally
Registered third sector organisations			
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
Employees working for third sector organisations			
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
Trustees/directors of third sector organisations			
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%)¹⁶. As shown in Figure 2.7, the most commonly cited constraint is the economic climate (73%), followed by access to finance or

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

¹⁶ 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.

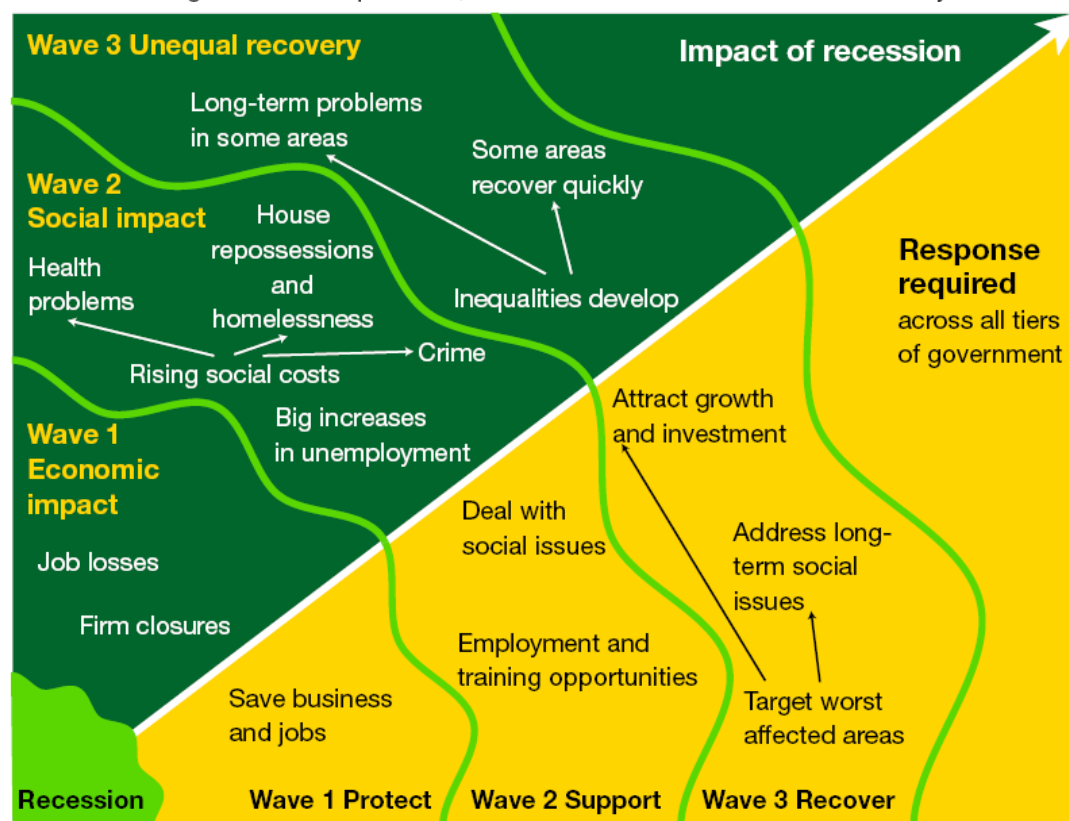
Recent experience, however, reminds us that economic development does not occur at a steady rate and is subject to many global influences; foreseeable and unforeseeable, controllable and uncontrollable. Our experience during the recession proved that Cherwell was a 'resilient' place, particularly in:

- 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:

Figure 1: Responses to the three waves of a recession

Economic effects generate social problems, and some areas are left behind in a recovery



Source: Audit Commission

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

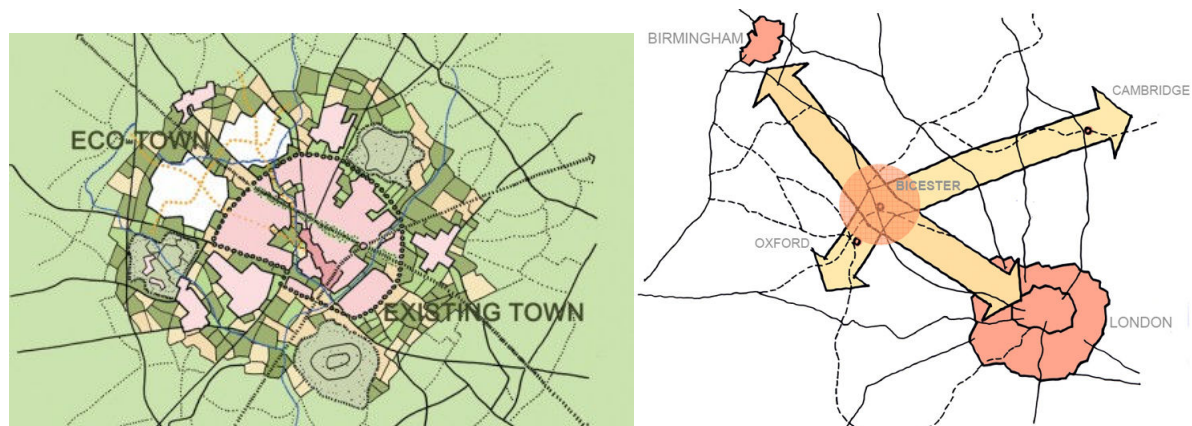
Banbury has undergone considerable growth over the past 20 years, and there is every reason to expect that to continue. The closure in 2008 of the aluminium works after 80 years was a major shock and Banbury's manufacturing sector will continue to face competition from lower cost competitors overseas. 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)
1) Create employment	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	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	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	Tackle the causes of under achievement			Skidz

the Community in Economic Development	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

Objective: Businesses will work with each other, and public and social partners, to become even stronger and more diverse, and We will:				
Aim	Action	Output/outcome	Time scale	Lead partner(s)
5) Promote business start-up and entrepreneurship	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	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	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.		CHIP/LEPs	
	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	Continue enabling investment in north Oxfordshire through our Cherwell-M40 Investment Partnership, maximising the use of the private and public sector's resources.		CHIP	
	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			

	<p>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.</p>			
	<p>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.</p>			
<p>9) Develop a 'World Class' Business Community</p>	<p>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.</p>			
	<p>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.</p>			
	<p>Identify overseas links, formed through civic activity or other networks, can be used to develop economic development opportunities</p>			
<p>10) Develop the Visitor Economy</p>	<p>Work in partnership with businesses and tourism bodies to enhance and develop our tourism product, maximising the value whilst minimising any negative affects.</p>			

C) Developing place

Objective: Our district will be an even better place in which to live, work, learn and spend leisure time, and We will:				
Aim	Action	Output/outcome	Time scale	Lead partner(s)
11) Promote employment sites & premises	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	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	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	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.			
- 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.			
- 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 cease 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.			
- 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.			

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.

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Executive

Hardship Relief (for National Non Domestic Rates)

1 November 2010

Report of Head of Finance

PURPOSE OF REPORT

Section 49 of The Local Government Finance Act 1988 gives the Council discretionary power to reduce or remit business rates on the grounds of hardship. The purpose of this report is to agree an up to date policy which sets guidelines for considering applications and to give delegated authority to award relief. It is important that we ensure that all ratepayers making applications for this relief are treated in a fair, consistent and equitable manner.

The report outlines the :

- Legislation requirements of the award of hardship relief
- Criteria for hardship relief
- Financial implications of awarding hardship relief

This report is public

Recommendations

The Executive is recommended:

- (1) To consider the hardship discount scheme outlined in this report
- (2) To approve the proposed Hardship Relief policy framework to be adopted forthwith and be reviewed on an annual basis. (Appendix 1)

Executive Summary

Introduction

- 1.1 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.
- 1.2 The current process used for determining awards has been governed by a policy approved in 1992. To date 5 requests have been received, with one

application granted. It is generally accepted that best practice for an Authority is to have a formal and up to date policy framework against which individual applications for hardship rate relief can be assessed. The policy will ensure all ratepayers making applications for hardship rate relief are treated in a fair, consistent and equitable manner.

- 1.3 There is a cost to the Council's General Fund, and therefore to the local Council Taxpayers, in awarding hardship relief and the Council must give due consideration to the interests of local residents when making awards.
- 1.4 By reducing the rate burden on business and organisations, rate relief can play an important role in ensuring the existence of local employment and community facilities and contribute towards the Council's Corporate Objectives.
- 1.5 The Council has a legal obligation to consider each request for relief and must come to a reasonable decision. Both the Government and the Audit Commission have issued guidance for Council's to follow when considering awards. That advice indicates that Council's must not adopt a blanket policy regarding awards, and must consider the individual merit of each request. However, it is reasonable, and considered good practice, to set criteria against which applications can be measured.

Proposals

- 1.6 Customers wishing to apply for this relief should be encouraged to do so using the council's approved application form however any application in writing holding all the relevant details will be considered.
- 1.7 The policy attached as Appendix 1, once it has been agreed by the Executive, will ensure that all ratepayers making applications for this relief are treated in a fair, consistent and equal manner.
- 1.8 This policy;
 - (a) Sets guidelines for the factors that should be considered when making a decision to award or refuse relief.
 - (b) Establishes a framework to ensure applications are dealt with in an efficient manner.
 - (c) Sets out the delegated authority to award relief in appropriate circumstances.
 - (d) Establishes an appeals procedure for organisations that are dissatisfied with the Council decision.
 - (e) Seeks to safeguard the interest of local taxpayers by ensuring that funds allocated for the award of discretionary rate relief are used in the most effective and economic way.

Council Policy Guidelines for Hardship Relief

- 1.9 Any decision must be balanced against the wider interests of the council tax payers of the District.

- 1.10 There must be proof that hardship exists.
- 1.11 Evidence must be provided to support the application.
- 1.12 A copy of the previous two years audited accounts for the organisation should be provided.
- 1.13 The amount of rates that will be remitted will depend upon the circumstances of each case.
- 1.14 Applications will be effective for a specific period and may then be reviewed upon re-application. Relief will be withdrawn on the sale of the business.
- 1.15 The purpose of this policy is to support local businesses in the community.
- 1.16 Authority to award this relief is delegated to the Head of Finance or Executive on appeal.
- 1.17 Up to 25% of the cost of this relief is met by the Authority.

Conclusion

- 1.18 In the current economic climate it is important that we support the local business community and that we do so in a transparent and equitable way that can be financially justified.

Key Issues for Consideration/Reasons for Decision and Options

- 1.19 The policy has not been reviewed since 1992
- 1.20 There are substantial budgetary implications to the award of this relief
- 1.21 The following options have been identified. The approach in the recommendations is believed to be the best way forward

- 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

Implications

Financial: Granting applications under this report will have an effect on the Councils finances and this must be considered in making an award of hardship relief.

Comments checked by Eric Meadows, Service Accountant, 01295 221552

Legal: This policy meets the requirements of the Local Government Finance Act 1988

Comments checked by Pam Wilkinson, Principal Solicitor, 01296 221688

Risk Management: Failure to agree this policy could lead to local businesses being unable to trade or the decisions made being challenged on equity.

Comments checked by Rosemary Watts, Risk Management and Insurance Officer 01295 221556

Wards Affected

All

Corporate Plan Themes

Cherwell, A District of Opportunity

Executive Portfolio

Councillor James Macnamara , Portfolio Holder for Resources and Communication

Document Information

Appendix No	Title
Appendix A	Business Rates Discretionary Rates Hardship Policy
Background Papers	
The Local Government Finance Act 1988	
Report Author	Lauretta Vitalis, Service Assurance Manager
Contact Information	01295 221861/7011 Lauretta.vitalis@Cherwell-dc.gov.uk



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 in certain circumstances for such bodies. A charging authority can reduce or remit the payment of rates where it is satisfied that an organisation meets the criteria of the section.

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.

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 of 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

2. Address of the premises applying for relief

3. What is the property used for?

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

5. Daytime phone number

Section B – Status of the organisation

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

6b If yes state the registration number

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

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

(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?

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

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.

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?

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?

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

Section E – Membership and access

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

17b. What are the membership fees? £

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

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

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

20b. If yes, please give details

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

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

22b. If yes, please give details

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.

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

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**

I

Executive

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

1 November 2010

Report of Head of Finance

PURPOSE OF REPORT

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. The purpose of this report is to agree an up to date policy which sets guidelines for considering applications and to give delegated authority to award relief. It is important that we ensure that all ratepayers making applications for this relief are treated in a fair, consistent and equitable manner.

The report outlines the :

- Legislation requirements of the award of discretionary relief
- Criteria for discretionary relief
- Financial implications of awarding discretionary relief

This report is public

Recommendations

The Executive is recommended:

- (1) To consider the discretionary scheme outlined in this report.
- (2) To approve the proposed Discretionary Relief policy framework to be adopted forthwith and be reviewed on an annual basis. (Appendix A)

Executive Summary

Introduction

1.1 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.

- 1.2 Registered Charities and community amateur sports clubs are already entitled to 80% mandatory rate relief against their rates. This legislation allows the Council discretion to top the relief to 100%. The Council also has the discretion to award 100% rate relief to organisations which do not operate for profit and whose objectives are mainly charitable, philanthropic, religious or concerned with social welfare. The relief can be awarded for either occupied or unoccupied premises
- 1.3 There is a cost to the Council's General Fund, and therefore to the local Council Taxpayers, in awarding discretionary relief and the Council must give due consideration to the interests of local residents when making awards.
- 1.4 By reducing the rate burden on business and organisations, rate relief can play an important role in ensuring the existence of local employment and community facilities and contribute towards the Council's Corporate Objectives.
- 1.5 The Council has a legal obligation to consider each request for relief and must come to a reasonable decision. Both the Government and the Audit Commission have issued guidance for Council's to follow when considering awards. That advice indicates that Council's must not adopt a blanket policy regarding awards, and must consider the individual merit of each request. However, it is reasonable, and considered good practice, to set criteria against which applications can be measured.

Proposals

- 1.6 Customers wishing to apply for this relief should be encouraged to do so using the council's approved application form however any application in writing holding all the relevant details will be considered.
- 1.7 The policy, once it has been agreed by the Executive, will ensure that all ratepayers making applications for this relief are treated in a fair, consistent and equal manner.
- 1.8 This policy;
 - (a) Sets guidelines for the factors that should be considered when making a decision to award or refuse relief
 - (b) Establishes a framework to ensure applications are dealt with in an efficient manner.
 - (c) Sets out the delegated authority to award relief in appropriate circumstances.
 - (d) Establishes an appeals procedure for organisations that are dissatisfied with the Council decision.

- (e) Seeks to safeguard the interest of local taxpayers by ensuring that funds allocated for the award of discretionary rate relief are used in the most effective and economic way.

Council Policy Guidelines for Discretionary Relief

- 1.9 Any decision must be balanced against the wider interests of the council tax payers of the District.
- 1.10 There must be proof that the organization meets the mandatory requirements for relief or is a 'not for profit' body.
- 1.11 Evidence must be provided to support the application.
- 1.12 A copy of the previous two years audited accounts for the organisation should be provided.
- 1.13 The amount of rates that will be remitted will depend upon the circumstances of each case.
- 1.14 Applications will be effective for either a specific period of time or open ended depending on each applicant's circumstances. Relief will be withdrawn on the closure of the organization or a change in its objectives or status.
- 1.15 The purpose of this policy is to support local businesses and organizations in the community.
- 1.16 Authority to award this relief is delegated to the Service Assurance Manager, Head of Finance or Executive on appeal.
- 1.17 75% of the 20% 'top up' relief if funded by the Council.
- 1.18 25% of any other discretionary relief is funded by the Council.

Conclusion

- 1.19 In the current economic climate it is important that we support the local business community and that we do so in a transparent and equitable way that can be financially justified.

Key Issues for Consideration/Reasons for Decision and Options

- 1.20 The policy has not been reviewed since 1992.
- 1.21 There are substantial budgetary implications to the award of this relief.
- 1.22 The following options have been identified. The approach in the recommendations is believed to be the best way forward.

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

Implications

Financial: Granting applications under this report will have an effect on the Councils finances and must be considered in making an award of discretionary relief. The 2010/11 budget is £138,088 and to date we have utilised £114,526 and would expect to use the full budget by the end of the financial year.

Comments checked by Eric Meadows, Service Accountant, 01295 221552.

Legal: This policy meets the requirements of the Local Government Finance Act 1988

Comments checked by Pam Wilkinson, Principal Solicitor, 01296 221688

Risk Management: Failure to agree this policy could lead to local businesses being unable to trade or the decisions made being challenged on equity.

Comments checked by Rosemary Watts, Risk Management and Insurance Officer 01295 221556.

Wards Affected

All

Corporate Plan Themes

Cherwell, A District of Opportunity

Executive Portfolio

Councillor James Macnamara, Portfolio Holder for Resources and Communication

Document Information

Appendix No	Title
Appendix A	Business Rates Discretionary Rates Policy
Background Papers	
The Local Government Finance Act 1988	
Report Author	Karen Curtin, Head of Finance Lauretta Vitalis, Service Assurance Manager
Contact Information	01295 221861/7011 Lauretta.vitalis@Cherwell-dc.gov.uk



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

2. Address of the premises applying for relief

3. What is the property used for?

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

5. Daytime phone number

Section B – Status of the organisation

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

6b If yes state the registration number

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

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

(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?

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

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.

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?

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

17b. What are the membership fees? £

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

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

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

20b. If yes, please give details

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

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

22b. If yes, please give details

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.

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

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**

I

Executive

Local Development Framework Annual Monitoring Report

1 November 2010

Report of Head of Planning Policy and Economic Development

PURPOSE OF REPORT

To seek 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.

This report is public

Recommendations

The Executive is recommended:

- (1) to approve the Annual Monitoring Report for submission to the Secretary of State;
- (2) to note the district's housing delivery position

Executive Summary

Introduction

- 1.1 An Annual Monitoring Report (AMR) has been prepared for the period 1 April 2009 to 31 March 2010. It presents information on development that took place or was permitted over that period and provides a comprehensive review of housing land supply. The AMR also reports on progress in preparing the Local Development Framework having regard to the programme set out in the Local Development Scheme (LDS).
- 1.2 A full paper copy of the AMR has not been attached to this report but is available electronically on the Council's website. A copy has also been placed in the Members' Room.
- 1.3 The Planning and Compulsory Purchase Act 2004 and the Town and Country Planning (Local Development) (England) Regulations 2004 (as amended) require the Council to produce an AMR. Upon approval by the Executive, it will form part of the Local Development Framework (LDF).
- 1.4 The information contained in the AMR will be used to inform policy making

for the LDF and in consultations on planning applications. The Council is required to submit the AMR to the Secretary of State by 31 December 2010. It will be made publicly available but is not subject to consultation.

Housing Supply

- 1.5 The monitoring of housing supply is a key part of the AMR. Planning Policy Statement 3 (PPS3) requires Local Planning Authorities (LPAs) to maintain a five year rolling supply of deliverable sites and states (paragraph 71) that where this cannot be demonstrated they should consider planning applications favourably having regard to other policies and considerations in the PPS. Maintaining such a housing supply is very difficult to achieve in the current market as it requires sufficient numbers of houses to be built within each five year period. This has become problematic for many LPAs as the policy was devised at a time of housing 'boom' rather than for the current economic situation.
- 1.6 When the 2009 AMR was presented to Members on 2 November 2009, it was reported that for first time the district did not have a 5 year land supply. Since that time a number of housing developments have been permitted and several other deliverable sites have come forward. These have been fed into a comprehensive review of housing delivery which has shown that, notwithstanding some slippage on other sites, the district has, in the view of officers, returned to a 5 year housing land supply position. The district has a supply of 5.1 years for the period 2010-2015 and 5.9 years for the period 2011-2016 (see table at Appendix 1).
- 1.7 Consequently, it can be reported that paragraph 71 of PPS3 no longer applies and there is not now a housing supply reason to consider favourably applications for 10 or more dwellings (the threshold for a housing land supply case) on sites not included in the district's supply of deliverable sites. This marks the end of a period since the 2009 AMR, during which the Council has been considering applications with a view to increasing supply. This position will now be reported to the Planning Committee as any further relevant planning applications for housing are considered.
- 1.8 It should be noted that the district's housing land supply calculations are based on a working figure of 13,400 (2006-2026), the former requirement of the now revoked South East Plan. This figure will be reviewed as preparation of the LDF's Core Strategy continues, having regard to the Council's resolution of 19 July 2010, "*...to progress on the basis of meeting the locally proposed housing target originally endorsed by Councillors and included in the submission of the draft plan to the Government (11,800 to 2026)...*", but also to the Secretary of State's advice (6 July 2010) that "*...Local authorities should continue to collect and use reliable information to justify their housing supply policies and defend them during the LDF examination process...*". A sound, evidenced based approach is required.
- 1.9 At the present time, there has been no formal completed review of the district's housing target since the revocation of Regional Spatial Strategies on 6 July 2010. Therefore, at this time, it is not possible to apply a reliable and justifiable alternative to the former requirement of 13,400 in current land supply calculations. If the district's housing requirement were to fall, then the land supply calculation would produce a higher rolling supply.
- 1.10 It is considered that at the present time, continuing to use the 13,400 figure

in housing land supply calculations is the most defensible position in the absence of any formal review of the district's housing target.

Local Development Scheme / Local Development Framework

- 1.11 Significant progress has been made during the monitoring year. The Draft Core Strategy was published in February 2010 and was followed by a round of public consultation including a series of exhibitions and meetings. Separate public consultation was undertaken on a draft Supplementary Planning Document for the Canalside regeneration project between November and December 2009.
- 1.12 Continued work on the evidence base for the LDF included further work on a Strategic Flood Risk Assessment; the completion of an Affordable Housing Viability Study, a Renewable Energy / Climate Change Study, and a Landscape Sensitivity and Capacity Assessment; further work on a Strategic Housing Land Availability Assessment, a Habitat Regulations Assessment (Appropriate Assessment), a review of the 2006 PPS6 (Retail) Assessment, and a review of the 2006 Employment Land Review.
- 1.13 Further progress on the Core Strategy has been held up by the revocation of the Regional Spatial Strategy and the need for the Council to review aspects of policy formerly included in the South East Plan as well as parts of its LDF evidence base, particularly those relating to determining appropriate levels of housing growth for the plan period. Changes to the plan making process and to national planning policy are also expected as a result of the change of Government and the Local Development Scheme (programme) will be revised once the full implications of these changes are clear.

Proposals

- 1.14 It is proposed that the Annual Monitoring Report be approved and the change in the district's housing land supply position be noted.

Conclusion

- 1.15 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.

Background Information

2.1 The AMR's key findings include the following:

Business Development and Town Centres

- 44,692m² (gross) of business development (offices, industry, or storage and distribution) was completed in Cherwell during 2009-10 (26,691m² net)
- 1.42ha of employment land has been lost to other uses
- 26,415m² (gross) of 'town centre uses' (shops, financial and professional services, offices and leisure) was completed in Banbury, Bicester and Kidlington centres, with 62,770m² (gross) completed across the district

Housing

- the district has returned to a five year rolling supply of deliverable sites with a 5.1 supply for 10/11 (2010 to 2015) and a 5.9 supply for 11/12 (2011-2016)
- there were 438 net housing completions in 09/10 (484 gross) and the total number of housing completions since 2006 is 2172
- housing completions in 10/11 are expected to be very low at about 172 dwellings, due to recent economic conditions and a time-lag effect in housebuilding
- work has started on the development of the district's next strategic housing site at South West Bicester. Housing completions are expected to rise again in 11/12 as homes begin to be built on that site and others recently permitted
- the total existing housing land supply from known deliverable and developable sites (2010-2026) is estimated to be 6289. This makes no allowance for other emerging LDF sites or small, unidentified windfall sites
- net affordable housing completions in 09/10 were 97, (199 gross including acquisitions)

Other Areas

- there have been no planning applications granted contrary to Environment Agency advice on flooding or water quality grounds
- there has been a net loss of the area of Local Wildlife Sites in the district (formerly County Wildlife Sites) due to some areas being deselected, but an increase in the area of Sites of Special Scientific Interest (SSSI) with a new site (Ardley Trackways) having been designated
- there has been an increase in the 'priority species' present within Cherwell and an increase in the 'priority habitat' area. Priority species and habitats are derived from the UK Biodiversity Action Plan and are a priority for biodiversity and conservation action
- 5 renewable energy schemes have been permitted in 2009-10, a decrease from 13 schemes in 2008-9
- 65% of applicable schemes recorded as complete during 2009-10 exceeded the maximum car parking standards.

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 The key issues for consideration are the need to approve the Annual Monitoring Report to meet statutory requirements and to note the positive change in the district's housing land supply position.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

Option One 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.

Option Two To seek amendment of the 2010 AMR in consultation with the Portfolio Holder for Planning and Housing before submission to the Secretary of State.

Option Three 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.

Consultations

Portfolio Holder for Planning and Housing (Cllr Michael Gibbard) Informal briefing noted

Implications

Financial: No significant direct financial implications arising from this report. The work on collecting data and preparing the AMR is met within existing budgets. There are risks of costs associated with unsuccessfully defending refusals of planning permission upon appeal particularly if the decisions made as a result of this report are not considered to be well founded.

Comments checked by Eric Meadows, Service Accountant, 01295 221551

Legal: The Council is required by regulations to submit an Annual Monitoring Report by 31st December each year. The district's housing land supply position and the requirements of Planning Policy Statement 3: Housing (PPS3) will often be material considerations in determining planning applications for residential development. The reasons for the refusal of planning permission need to be reasonable and capable of being substantiated upon challenge.

Comments checked by Nigel Bell, Solicitor, 01295 221687

Risk Management: The AMR provides information that could be material in refusal of planning permission for planning applications, particularly for residential developments that are contrary to policy. The AMR must be robust to reduce the risk of the Council being unsuccessful in defending planning appeals and the associated risk of costs being awarded against the Council.

Comments checked by Rosemary Watts, Risk Management and Insurance Officer, 01295 221566

Equalities There are no equality issues arising from this report.

Comments checked by Caroline French, Equalities and Diversity Officer, 01295 221856

Wards Affected

All

Corporate Plan Strategic Priorities

A District of Opportunity

Executive Portfolio

Councillor Michael Gibbard
Portfolio Holder for Planning and Housing

Document Information

Appendix No	Title
Appendix 1	Cherwell District Council Housing Land Supply Position (October 2010)
Background Papers	
Annual Monitoring Report 2010 (draft)	
Report Author	David Peckford, Senior Planning Officer
Contact Information	AMR – Amy Smart, Assistant Planning Officer, 01295 221850 Amy.Smart@cherwell-dc.gov.uk Housing Land Supply – David Peckford, Senior Planning Officer, 01295 221841 David.Peckford@cherwell-dc.gov.uk

CHERWELL DISTRICT COUNCIL HOUSING LAND SUPPLY POSITION (OCTOBER 2010)

Working Housing Figure for Land Supply Calculations
13,400

	Core Output Indicator	COMPLETIONS										PROJECTIONS									
		2006/	2007/	2008/	2009/	2010/	2011/	2012/	2013/	2014/	2015/	2016/	2017/	2018/	2019/	2020/	2021/	2022/	2023/	2024/	2025/
		7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
A) Working Housing Figure annualised over 20 years	H1a, H2c (a) (ii)	670	670	670	670	670	670	670	670	670	670	670	670	670	670	670	670	670	670	670	
B) Net additional dwellings completed in previous years	H2a	853	455	426																	
C) Net additional dwellings completed for the reporting year	H2b				438																
D) Cumulative net additional dwellings completed		853	1308	1734	2172																
E) Net projected completions for deliverable (available, suitable and achievable) sites	H2c (a)					172	500	838	1088	989	900	530	285	100	61	0	0	0	0	0	
F) Supply over the next 5 year years from deliverable sites (5 year rolling supply going forward e.g. 08/09 to 12/13)						3587	4315	4345	3792	2804	1876	976	446	161	61	0	0	0	0	0	
G) Gross area of land (hectares) for all deliverable (available, suitable and achievable) sites (site areas to be deducted upon site completion)	H2c (a) (i)					756															
H) Net projected completions for other specific, developable sites (excluding other housing potential)	H2c (b)					0	0	0	25	208	243	190	160	0	0	0	0	0	0	0	
I) Total projections for net additional dwellings in future years (completions for all deliverable and developable sites) (E+H)	H2c (a) + (b)					172	500	838	1113	1197	1143	720	445	100	61	0	0	0	0	0	
J) Cumulative projections for net additional dwellings in future years (completions for all deliverable and developable sites)						172	672	1510	2623	3820	4963	5683	6128	6228	6289	6289	6289	6289	6289	6289	
K) Cumulative shortfall or surplus in meeting working housing figure	-	183	-32	-276	-508	-1006	-1176	-1008	-565	-38	435	485	260	-310	-919	-1589	-2259	-2929	-3599	-4269	
L) Working annual requirement taking account of past completions (B & C) and projected completions for deliverable and developable sites (I)	-	670	660	672	686	702	737	754	748	717	673	627	616	638	714	823	988	1235	1646	2470	
M) Current and future estimation of 5 year rolling supply of deliverable (available, suitable and achievable) sites (E) having regard to past completions (B & C) and projected completions for deliverable and developable sites (I)						5.1	5.9	5.8	5.1	3.9	2.8	1.6	0.7	0.3	0.1	0.0	0.0	0.0	0.0	0.0	

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Executive

Value for Money Review of Development Control and Major Developments

1 November 2010

Report of Strategic Director for Planning, Housing & Economy and Improvement Project Manager

PURPOSE OF REPORT

To consider 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

This report is public

Recommendations

The Executive is recommended:

- (1) To endorse the updated VFM Review conclusion that the DC&MD service:
 - a. has exceed delivery of the savings target from the 2007 full VFM Review and delivered all the key improvements
 - b. has driven down its costs since the full VFM Review was undertaken
 - c. 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
 - d. has good performance and productivity, provides good quality with improving levels of customer satisfaction
 - e. 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:

- a. Reduce application advertising by only placing the minimum legal level requirement in the Oxford Times, saving £76k per annum
- b. Remove duplication in minor application publicity (mainly neighbourhood notifications), saving £3k per annum
- c. Introduce e-consultation to all parishes and internal and external consultees, saving £15k per annum
- d. Reduce the professional fees budget by £20k per annum by no longer utilising the services of agricultural/retail specialist advice in routine applications
- e. Deletion of a vacant, part-time, career planner post, saving £7k per annum
- f. 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:

- g. 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:

- h. 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.

Executive Summary

Introduction

- 1.1 This review forms part of the Value for Money programme of reviews, which aims to cover all services within the council and improve the value of services offered to residents of Cherwell.
- 1.2 DC&MD has been selected for a “VFM Update” in 2010. It had previously been assessed as part of the 2007 VFM Programme as being a relatively

high cost service.

- 1.3 As part of this Review, Performance Scrutiny Working Party members have considered it in detail stemming from their concerns regarding the Council's performance on major applications.

Proposals

- 1.4 To adopt the recommendations of the updated VFM Review 2010 in full.
- 1.5 To note the endorsement and contribution provided by Performance Scrutiny Members.

Conclusion

- 1.6 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.

Background Information

Overview of the Area

- 2.1 Development Control and Major Developments delivers a statutory council function that primarily involves the determination of planning applications. In Cherwell the service is central to the Council's aims and objectives for the district and has a strong track record of ensuring high quality development with maximum benefit to the wider community. The service is comprised of four elements:
- Development Control & Major Developments (75%)
 - Enforcement (15%)
 - Affordable Housing – Rural Exception Sites (5%)
 - Trees (5%)
- 2.2 The issues facing the service since the 2007/08 Full Value for Money Review include:
- The economic downturn and its impact on fee income
 - The Eco Town Bicester Project
 - Greater resource devoted to rural affordable housing projects
 - Major Public Inquiries
 - Rise in complex non fee paying work in relation to the renegotiation of planning obligations (due to recession)
 - Change of Government confirming removal of the £140k Housing and Planning delivery Grant allocated to this service for the last 3 years
- 2.3 The service employs 19.4FTEs in 2010 with net actual expenditure of £1.2m in 09/10, down £414k over three years.

Updated VFM Review Findings in 2010

- 2.4 Appendix 1 contains the Executive Summary of the updated VFM Review
- 2.5 Since 2007/8, the service has delivered more than asked of it in the original Value for Money Review, delivering £106K savings against a target £100K in specific budget areas. Further, the service has delivered major process and productivity efficiencies, including:
- revised scheme of delegation
 - moving to a single Planning Committee
 - introduction of public speaking
 - application administration improvements
 - planning enforcement systems and response levels.
- 2.6 In reaching a updated VFM conclusion, the Council has been compared with its family of similar local authorities as defined by CIPFA.

VFM Conclusion 2010

- 2.7 The Development Control and Major Development service has driven down costs over the period 2007/08 to 2009/10.
- 2.8 Compared to other similar authorities, on the surface, Cherwell is above

average cost. However, analysis shows variations across authorities in accounting practice and treatment of Housing and Planning Delivery Grant. Further, Cherwell has made significant investment in areas of local priority, such as conservation and enforcement. Taking all these factors into consideration, Cherwell's costs for its core service would be closer to the average cost for the family group.

- 2.9 The service has high performance in terms of processing the majority of planning applications, but, arising from Council policy, performance on major applications is well below the national target.
- 2.10 The service handles higher than average numbers of applications for the size of population and is highly productive, in terms of throughput of applications, by being focused on core activity. Any increase is likely to place the performance of the service under strain. There are also bottle necks in the administration team at the point of registration and validation of applications.
- 2.11 The service offers good quality in terms of achievement at appeals and has improving levels of customer satisfaction.
- 2.12 The overall conclusion of the review is that the service is at a balanced point. There is in-house capacity to cope with the early signs of a market recovery, though this may be at the expense of performance, but with flexibility presented by continuing the temporary planner post to down-size the service if income or applications decline.
- 2.13 This review recommends:
- a number of changes to improve service delivery and achieve savings of up to £167k, as outlined in detail below
 - a proposal that the Council introduces charging for pre-application advice to secure additional income of £10k
 - the final savings achieved must be at least £140k pa from 2011/12 in order to remove the service's reliance on Government Housing and Planning Delivery Grant.

Making Service Changes and Improvements

Savings:

- 2.14 Reducing the advertising spend to £15K will realise savings, based on 2009/10 costs, in the region of £76K per annum, by:
- Reducing press advertising to the minimum legal level, an approximate reduction in advertising of 85% of all applications submitted is achieved
 - Placing adverts in one title only, the Oxford Times. The Oxford Times is the only newspaper that gives district wide coverage, The Banbury Guardian and Bicester Advertiser do not offer this coverage
 - Consequently, reduce DC&MD Advertising Budget to £15k.
- 2.15 Remove duplication in minor application publicity (mainly neighbourhood notifications) saving £3k per annum, by:
- Notification of a minor application to be by the display of a site notice only

- Site notices are to be posted by the applicant/applicants agent with guidance issued on the display of the notice and checking for compliance undertaken by the case officer at the site visit stage
 - Redirection of released staff resource to improving support for the application process and addressing current resource pinch points (especially speed of validation / registration)
- 2.16 Introduce e-consultation to all parishes and internal and external consultees, saving £15k per annum, by:
- Introducing e-consultation to all parishes and internal and external consultees allowing a saving of £15k per annum in application associated print costs
 - Redirection of released staff resource to improving support for the application process and addressing current resource pinch points (especially speed of validation / registration).
- 2.17 Reduce the professional fees budget by £20k per annum by no longer utilising the services of agricultural/retail specialist advice in routine applications, as follows:
- The Council regularly utilises advice from retail and agricultural specialists on more routine cases. This amounts to around £20K per annum of the professional fees budget.
 - Ensuring the applicant utilises a suitably qualified consultant with the Council's case officer critically evaluating the submission.
- 2.18 An immediate staff establishment saving of £7k pa is possible. Staff establishment savings of a further £46k are available through the ending of the temporary Senior Planning Officer post should that be required as part of the assessment of realist fee income expectations in the 2011/12 budget process, as follows:
- The service plans its 2011/12 budget on the basis of maintaining flexibility to balance temporary staffing (value £46k) against realistic projections of fee income. The workload and capacity position is such that the temporary Senior Planning Officer post should continue unless the budget position worsens significantly.
 - One part-time, vacant career grade planner post be deleted from the establishment with an annual saving £7k.
 - All other posts will be are frozen when they become vacant, unless fee income can support a temporary role, or an internal low cost career progression change.
 - 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:

- 2.19 Introduce charges for pre-application advice from 2011/12. It is estimated that income in the region of £10K per annum may be achievable.
- 2.20 The approach proposed for Cherwell is to introduce charges for general pre-application advice from 2011/12, if not earlier. A business case will be

developed as part of the 2011/12 service planning process and savings blocks around a fee structure and to which types of applications to levy a charge. Initial estimates show that income in the region of £10K per annum is achievable as a new income source to the Council.

Service Improvements:

- 2.21 The service has high performance in terms of processing the majority of planning applications, but, arising from Council policy, performance on major applications is well below the national target. The service is also highly productive, in terms of throughput of applications, by being focused on core activity. The service is handling around 200 application cases per planner per year, compared to the national Planning Advisory Services' yardstick of 150. This shows that the service is achieving high levels of performance and productivity, achieved by a stronger focus on priorities. Any increase in applications is likely to place this under strain.
- 2.22 However, there are currently bottle necks in the administration team at the point of registration and validation of applications. Productivity and customer service can also be judged by the time taken to register a planning application. The national standard is to undertake the notification processes within 2 days of receipt of an application, but at Cherwell this can sometimes take up to 2 weeks.
- 2.23 It is proposed to address this issue and its impact on overall performance by redirection of staff resources released by the savings changes above, to improve support for the application process and other resources pinch points (especially speed of validation/registration).
- 2.24 Following the Performance Scrutiny Working Group's consideration of this Review, it is proposed 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.

Implications

Financial: The review has demonstrated that the DC&MD service is, on the face of it, above average cost. However, if exceptional factors are taken into consideration, the service moves closer to average cost. Savings of over £140K have been identified from 2010/11, which removes the Council's reliance on Housing and Planning Delivery Grant which this service has benefitted from for 3 years. Additional income of £10K is proposed through the introduction of a pre-application charging scheme and this will contribute towards the Council's savings building blocks.

Comments checked by Karen Curtin, Head of Finance 01295 221551

Legal: New service delivery channels and methods are being introduced and those currently used being reduced. These proposed service changes are within the legal requirements placed on the Council to meet its statutory obligations.

Comments checked by Nigel Bell, Solicitor, Legal & Democratic Services 01295 221686

Risk Management: There are risks associated with migrating customers away from current service delivery methods to the proposed new approaches. Introduction of the new schemes will need to reflect this transition period. A reduction in expenditure by the Council also represents a potential loss of income within the economy. Specifically introducing a new charging regime for pre-application advice may potentially distort the current service pattern and customer behaviour. This will need to be monitored closely. Professional Indemnity Insurance may be required and this is being assessed. Any loss of experienced staff and therefore reduced capacity in the service represent a risk for service continuity.

Comments checked by Rosemary Watts, Risk Management and Insurance Officer 01295 221566

Data Quality Base data for comparison has been the Revenue Estimates 2010/11 from the Council's CIPFA defined group of similar authorities. In reaching conclusions, the final data used has been augmented with contributions received direct from a number of the comparator authorities. Other source information has been used that follows best practice guidelines such as the Council's own satisfaction surveys. Financial data/comparison has been prepared by the relevant service accountant.

Comments checked by Neil Lawrence, Project Manager, Improvement 01295 221801

Wards Affected

All

Corporate Plan Themes

An Accessible, Value for Money Cherwell

Executive Portfolio

Councillor Michael Gibbard, Portfolio Holder for Planning and Housing
 Councillor Ken Atack, Portfolio Holder for Performance Management, Improvement and Organisational Development

Document Information

Appendix No	Title
Appendix 1	Value for Money Update Review of DC&MD: Executive Summary
Background Papers	
2007 Full VFM Review and Planning Improvement Plan	
Report Author	Alison Davies, Improvement Project Manager
Contact Information	01295 221580 Alison.davies@cherwell-dc.gov.uk

The update VFM Review of Development Control and Major Developments:

- revisits what was agreed in the 2007/08 Value for Money Review of Development Control and Major Developments
- evaluates the implementation of the recommendations and £100k saving target
- makes further recommendations for improving value for money and achieving savings. The savings are essential to compensate for the loss of £140k Housing and Planning Delivery Grant from 2011/12 and effectively this sets a savings target, which does not contribute to the Council's overall budget position, it only maintains the status quo.

Progress since the full Value for Money Review 2007/08

All the key improvements and savings agreed in the 2007/08 Value for Money Review have been delivered. Highlights include:

- £106k saving achieved against a target of £100k
- Process and productivity efficiencies made, including:
 - revised scheme of delegation
 - moving to a single Planning Committee
 - introduction of public speaking
 - application administration improvements
 - planning enforcement systems and response levels.

Value for Money conclusion 2010

In reaching a VFM conclusion, the Council has been compared with its family of similar local authorities as defined by CIPFA.

The Development Control and Major Development service has **driven down costs** over the period 2007/08 to 2009/10.

Compared to other similar authorities, on the surface, Cherwell is above average cost. However, analysis shows variations across authorities in accounting practice and treatment of Housing and Planning Delivery Grant. Further, Cherwell has made significant investment in areas of local priority, such as conservation and enforcement. Taking all these factors into consideration, Cherwell's **costs for its core service would be closer to the average cost for the family group.**

The service has **high performance** in terms of processing the majority of planning applications, but, arising from Council policy, performance on major applications is well below the national target.

The service handles **higher than average numbers of applications** for the size of population and is **highly productive**, in terms of throughput of applications, by being focused on core activity. Any increase is likely to place the performance of the service under strain. There are also bottle necks in the administration team at the point of registration and validation of applications.

The service offers **good quality** in terms of achievement at appeals and has **improving levels of customer satisfaction.**

The overall **conclusion of the review is that the service is at a balanced point.** There is in-house capacity to cope with the early signs of a market recovery, though this may be at the expense of performance, but with flexibility presented by continuing the temporary planner post to down-size the service if income or applications decline.

RECOMMENDATIONS

This review recommends:

- a number of changes to improve service delivery and achieve savings of up to £167k, as outlined in detail below
- a proposal that the Council introduces charging for pre-application advice to secure additional income of £10k
- the final savings achieved must be at least £140k pa from 2011/12 in order to remove the service's reliance on Government Housing and Planning Delivery Grant.

Key recommendations are:

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).

Executive

Value for Money Review of Planning Policy

1 November 2010

Report of Strategic Director for Planning, Housing & Economy and Improvement Project Manager

PURPOSE OF REPORT

To consider the findings of the Value for Money Review report for Planning Policy and the recommendations arising from the report

This report is public

Recommendations

The Executive is recommended to:

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

Executive Summary

Introduction

- 1.1 This review forms part of the Value for Money programme of reviews, which aims to cover all services within the council and improve the value of services offered to residents of Cherwell.
- 1.2 This service has been selected for an updated VFM review as it was previously found to have relatively high costs. As part of its Medium Term Financial Strategy the Council is looking to secure revenue savings over the next 4 years. This Review contributes towards this agenda.

Proposals

- 1.3 To adopt the recommendations of the updated VFM Review 2010 in full.

Conclusion

- 1.4 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.

Background Information

Overview of the Area

There are four elements to the Planning & Affordable Housing Policy service.

2.1 Planning Policy

- Local Development Framework (LDF) (90%)
- Provide Planning Policy advice and evidence for (approximately 10% but is demand led)

2.2 Design & Conservation

- Conservation Areas (at present 20%)
- Provide expert advice and guidance on works to historic buildings (at present 60%)
- Provide urban design advice and evidence to developers and planning control on (at present 10% due to major development being on hold during economic downturn, but in past has been 40%)
- Provide urban design and master planning advice on Special Projects and Council initiatives (10%)
- Additionally, provide input to LDF on design and conservation including advice on potential housing sites and design and conservation policies; Building for Life Assessments; Provide training to Planning Control colleagues on Design and Access Statements, use of stone, traditional roofing materials

2.3 Implementation

- Implementation (currently 10% however would usually be much higher)
- Provide Planning Policy advice and evidence on (currently 0% but this element is usually part of the role)
- Support to Council input on eco-town proposal at North West Bicester (currently 90%)

2.4 Strategic Projects

- Banbury canalside (leading in preparation of planning guidance document)
- Banbury Cultural Quarter (on project team – providing planning advice)
- Bicester Town Centre Redevelopment (on project team)
- Eco-town (major role in helping to take forward the North West Bicester proposal – master planning and implementation)
- RAF Upper Heyford (likely involvement in considering the urban design and historic building conservation impact of future planning applications and appeals)
- Banbury flood alleviation scheme

2.5 The service employs 12.3 FTEs in 2010 with net actual expenditure of £1.21m in 09/10, with the budget down £261k over three years.

Updated VFM Review Findings in 2010

2.6 Appendix 1 contains the Executive Summary of the updated VFM Review.

Updated VFM Conclusion 2010

- 2.7 The recommendations of the 2007 VFM have been implemented and £243k removed from specified budgets exceeding the target savings range of £100k - £200k.
- 2.8 The Planning Service has steadily driven down its total overall budgeted costs, with the budget down from £995k in 2007/08 to £734k in 2010/11, an overall saving of £261k.
- 2.9 Compared with similar local authorities, costs are now below average spend for the family group. In reaching an updated VFM conclusion, the Council has been compared with its family of similar local authorities as defined by CIPFA.
- 2.10 There are improved levels of satisfaction for the way the Council manages local development, which is influenced by planning policy, up 7% to 43% since 2007.
- 2.11 The service is achieving on or just below its performance targets. It has achieved its target for the net provision of affordable housing and is on target with its housing monitoring reports and the review the selected conservation areas for 2010/2011. However, total housing delivery has fallen short of the target owing to the impact of the global economic recession, and is currently under review. The revocation of the South East Plan in July 2010 is causing a delay in the submission of the LDF Core Strategy, due December 2010.

Making service changes to achieve £50k building block

- 2.12 Moving forward, with the continued pressure of the eco-town and the uncertainties created by emerging changes to planning policy at a national level, Planning Policy will need to reduce the services it delivers if it is to achieve the VFM savings block of £50k.
- 2.13 The following are proposed, subject to consultation, as possible savings targets to meet the requirement for £50k savings in block to be delivered through this VFM Review towards the Council's Medium Term Financial Strategy.

Area	Current budget £	Proposed reduction £
Printing & stationery	27,300	15,000
Professional fees	148,000	20,000
Counsel fees	15,000	15,000
Total savings		£50,000

Implications

Financial: The review has demonstrated that the Planning Service is below average spend and will be reducing its cost base further

with the proposal to deliver a further £50k savings through the Council's savings building blocks.

Comments checked by Karen Curtin, Head of Finance 01295 221551

Legal: The proposed service changes to achieve the savings target do not affect the Council's its statutory obligations.

Comments checked by Nigel Bell, Solicitor, Legal & Democratic Services 01295 221686

Risk Management: The risks associated in reducing the service cost base by £50k are operational and can be managed by the Head of Service. This VFM Update does not consider the implications of other savings that will be required by this Council in the coming months, such as the Statutory Savings Block. It provides a position statement which sets the context as a backdrop against which these savings blocks can be considered.

Comments checked by Rosemary Watts, Risk Management and Insurance Officer 01295 221566

Data Quality Base data for comparison has been the Revenue Estimates 2010/11 from the Council's CIPFA defined group of similar authorities. Other source information has been used that follows best practice guidelines such as the Council's own satisfaction surveys. Financial data/comparison has been prepared by the relevant service accountant.

Comments checked by Neil Lawrence, Project Manager, Improvement 01295 221801

Wards Affected

All

Corporate Plan Themes

An Accessible, Value for Money Cherwell

Executive Portfolio

**Councillor Michael Gibbard, Portfolio Holder for Planning and Housing
Councillor Ken Atack, Portfolio Holder for Performance Management,
Improvement and Organisational Development**

Document Information

Appendix No	Title
Appendix 1	Value for Money Update Review of Planning: Executive Summary
Background Papers	
2007 Full VFM Review and Planning Improvement Plan	
Report Author	Alison Davies, Improvement Project Manager
Contact Information	01295 221580 Alison.davies@cherwell-dc.gov.uk

Executive Summary:

In updating the 2007 VFM Review, the following conclusions have been reached about the service in 2010:

- the recommendations of the 2007 VFM have been implemented and £243K removed from specified budgets against a target savings range of £100K - £200K
- the Planning Service has steadily driven down its total overall budgeted costs, with the budget down from £995k in 2007/08 to £734k in 2010/11, an overall saving of £261k
- compared with similar local authorities, costs are now below average spend for the family group
- there are improved levels of satisfaction for the way the Council manages local development, which is influenced by planning policy, up 7% to 43% since 2007
- the service is achieving on or just below its performance targets. It has achieved its target for the net provision of affordable housing and is on target with its housing monitoring reports and the review the selected conservation areas for 2010/2011. However, total housing delivery has fallen short of the target owing to the impact of the global economic recession, and is currently under review. The revocation of the South East Plan in July 2010 is causing a delay in the submission of the LDF Core Strategy, due December 2010.

Recommendations:

Moving forward, with the continued pressure of the eco-town and the uncertainties created by emerging changes to planning policy at a national level, Planning Policy will need to reduce the services it delivers if it is to achieve the VFM savings block of £50k.

The following are proposed, subject to consultation, as possible savings targets to meet the requirement for £50k savings in block to be delivered through this VFM Review.

Area	Current budget £	Proposed reduction £
Printing & stationery	27,300	15,000
Professional fees	148,000	20,000
Counsel fees	15,000	15,000
Total savings		£50,000

Executive

Performance and Risk Management Framework 2010/11 Second Quarter Performance Report

1 November 2010

Report of the Chief Executive and Corporate Strategy and Performance Manager

PURPOSE OF REPORT

This report covers the Council's performance for the period 01 July to 30 September 2010 as measured through the Performance Management Framework.

This report is public

Recommendations

The Executive is recommended:

- (1) To note the many achievements referred to in paragraph 1.4.
- (2) To request that officers report in the third quarter on the items identified in paragraph 1.5 where performance was below target or there are emerging issues.
- (3) To agree the responses identified to issues raised in the quarter one performance report in paragraph 2.1 or to request additional action or information.

Executive Summary

Introduction

- 1.1 This is a report of the Council's performance in the second quarter of 2010/11 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.

Supporting information is also provided showing the performance on delivering all of the Corporate Plan; the Corporate Improvement Plan and Value for Money Programme; strategic service projects; and the performance of the Council's significant partnerships. For 2010/11 the Council has adopted an integrated risk and performance management framework which means that performance and risk is monitored and reviewed as part of a single process. This report includes a review of all strategic, corporate and partnership risks under each of our strategic priorities. All the supporting information is presented in the appendices to this report.

To measure performance we use a 'traffic light' system where Green is 100% of the target met, Amber 90% and above, and Red below 90%.

- 1.2 It should be noted that although this is primarily a report of corporate performance the Performance Management Framework also includes monitoring at service level against service plans. The majority of performance issues are dealt with at service and directorate level. However significant service successes and issues are reported to the corporate management team and where appropriate included in this report.
- 1.3 It is also important to note that at the time of writing this report a number of significant changes are being made to the national performance management framework by the new government. Confirmed changes are: the end of the Comprehensive Area Assessment, the cancellation of the Local Area Agreement, the cancellation of the Place Survey that was due to take place in 2010 and the deletion of the national performance indicators set. These changes are affecting all tiers of local government and partners in both the health and police services.

Emerging policy suggests that the Council will be required to report on a reduced number of performance measures. As such the Council will review its performance management framework in quarter three and bring a report to Executive in December 2010 outlining areas where greater efficiencies with regards to performance management can be made.

In the meantime the Council will monitor the situation and ensure that local performance management arrangements continue to be robust and effective, reflecting local priorities.

Proposals

- 1.4 We ask the Executive to note the significant progress made in delivering the Council's objectives. Particular highlights include:

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 years 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 30th 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

- 1.5 The Performance Management Framework allows Councillors to monitor the progress made in delivering our objectives and to take action when performance is not satisfactory or new issues arise. There are a number of such items identified in this report and we recommend officers should report on the latest position, implications, and the action they are taking in the next quarterly performance report. These are:

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 in the next quarter performance report.

Conclusion

- 1.6 In this report we show that at the second quarter Council continues to make strong progress on delivering its ambitions to improve the services delivered to the public. Risks and opportunities have been reviewed and the report highlights a small number of areas which the Council needs to keep under review to ensure targets are met. This report also identifies emerging issues which will be reported on in the next quarter and provides a summary of the direction the Council intends to take with regards to the future of performance management.

Background Information

2.1 Progress on Issues Raised

The Executive on 6 September 2010 requested progress reports on a number of areas identified in the first quarter performance report as areas where targets had not been met or where there were emerging issues. The position in relation to these is outlined 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.

2.2 Overview of Performance

The performance against the Corporate Scorecard is shown in appendix 1. In the sections below there is a summary of the performance against each of the frameworks that make up the Corporate Scorecard. This is followed by a summary of the performance on delivering the Strategic Service Projects and the Corporate Improvement Plan; the performance of the Council's significant partnerships; and the status of the Council's Strategic Risks.

The details are contained in appendices one to eight.

2.3 Corporate Scorecard – Local Area Agreement (LAA)

There are 16 National Indicator targets that are priorities for district councils within the Local Area agreement. However, the government has recently reviewed the LAA and has removed the requirement to report performance against the LAA from 10 October 2010. The role of the LAA in Oxfordshire will be reviewed in the near future and its status will be confirmed in the next quarterly performance report.

Successes

- All the cleaner greener targets in the LAA are on track, including the quality of environmental cleanliness, the recycling rates and the amount of waste per household.
- National Indicator 154 – additional homes provided. Despite the generally low level of house building, a higher than expected completion rate this month due to earlier than anticipated completions on a site in Yarnton.

Details in Appendix 2

2.4 Corporate Scorecard – Sustainable Community Strategy

Progress in delivering the Community Strategy is measured against a set of local priorities set out in a delivery plan for the community strategy. The new delivery plans have been signed off by the Local Strategic Partnership. Delivering the Community Strategy involves a number of partners and local agencies not all of these targets are the responsibility of Cherwell District Council. Where they are then they are included in our Corporate Plan or are reflected in the Local Area Agreement.

Successes

- The Local Strategic Partnership has launched the Cherwell Faith Forum, with excellent attendance and participation from faith communities across the district. This is a key success under the community leadership ambition in the sustainable community strategy. Other successes include a coordinated response to the new local transport plan for Oxfordshire, making a significant contribution to the development of a new economic development strategy for the district and the publication of the annual report for 2009/10.

2.5 Corporate Scorecard – Corporate Plan Pledges and Corporate Plan

The Corporate Scorecard includes the 16 pledges which were included in the 2010/11 Council Tax Leaflet which was sent to every household in Cherwell. Of these 14 are Green and 2 Amber.

The pledges are taken from the Corporate Plan which is comprised of local and national performance indicators that directly contribute to the Council's strategic priorities.

- Cross cutting priorities: (supporting the development of the eco-town in Bicester, and working to break the cycle of deprivation in the district).
- Cherwell: A District of Opportunity
- A Safe and Healthy Cherwell
- A Cleaner, Greener Cherwell
- An Accessible, Value for money Council

Successes

- The Brighter Futures in Banbury Programme has launched two projects aimed at reducing the number of young people not in education, employment or training.
- Eco-Bicester, good progress on the overall project including: Submission of master plan expected mid 2011, pre-applications discussions progressing, detailed planning application to be submitted in November/December 2010, draft Planning

Performance Agreement prepared, exhibition building at the Garth being finalised, awaiting decision on bid for National Affordable Housing Programme, travel survey progressing.

- The Council is removing 95% of fly-tipping within 48 hours of reporting this is against a target of 92%.
- A consultant delivered model for obstetric and paediatric services at the Horton Hospital has been agreed by the PCT and the Hospital Trust, thereby supporting the retention of local hospital services.
- Affordable housing delivery is on track to achieve 100 home this year.
- The number of households in temporary accommodation has steadied after a brief increase in May this year. Performance is still on target and being closely monitored.
- 'Next Step' careers advice for the over 25s now offered at regular surgeries at Banbury LinkPoint. The Council is in discussion to operate from Bicester and Kidlington.
- All of the council targets around resolution of customer complaints are on track.
- The recycling rate is expected to be at 58-59% by the year end, against a target of 55%.
- By the end of August 350 new people have accessed older person's group activities provided by the Council.
- Increase the number of new walkers using the local health walks: there are currently over 400 regular walkers on the Council's database a 10% increase.

Issues

- Deliver £300,000 funding for transport infrastructure through developer contributions: progress against this target has slowed due to reduced developer activity on major schemes.
- Emissions from fleet and Council buildings are falling. However, the Council overall emissions may increase slightly due to the larger sports centres.

Details in Appendix 3

2.6 Corporate Scorecard – Priority Service Indicators

These are a basket of 40 National Indicators and local service indicators that measure key aspects of service delivery that are not covered in the Sustainable Community Strategy or Corporate Plan. Of these 27 are reported in this quarter. 16 are Green, 3 Amber and 2 Red. There are 6 indicators which rely on data from third parties such as the police or the department for work and pensions and currently the Council is not receiving data from these sources. The police have changed their reporting arrangements in the light of new national

requirements and the department for work and pensions has a software issue that has prevented the supply of data in relation to benefits.

Successes

- The volume of visits to Banbury museum remains buoyant and schools use is also on track.
- Repeat homelessness cases remain within target.
- NI 181 (time taken to process new housing and council tax claims) – performance is exceeding target after work with the Capita to improve performance. The Council's service assurance team continues to monitor performance closely.

Issues

- NI 157a (processing of major planning applications with 13 weeks) is reported red as missing the target. This reflects an ongoing approach taken by the Council to focus on good negotiations with developers for the benefit of the district rather than focusing on speed. Given this preferred approach by the Council it is likely that this target will remain red whilst the challenging economic situation remains.
- NI 180 (The number of changes to circumstances affecting benefit entitlement) has been deleted from the national suite of performance measures and will no longer be provided by the Department for Work and Pensions. The indicators will be marked as closed on the Council's performance framework for 2010/11.
- All targets relating to Conservation areas will be reviewed as the vacant conservation officer post has been deleted in order to meet the Council's savings targets. The service will set revised priorities reflecting reduced resource and will report performance on a six monthly basis.

Details in Appendix 4

2.7 Corporate Scorecard – Financial Performance

There are two finance targets measuring variance on revenue and capital budgets against profile. Both are Green. There are no issues of concern at this point in time. In particular we are projecting that we will meet our target for efficiency savings this year. Budget guidelines for 2011/12 have been agreed and the Council continue to model various financial scenarios to plan for the expected budget reductions in 2011/12.

2.8 Corporate Scorecard – Human Resources

Three Human Resources indicators are monitored: staff turnover; days lost through sickness; and workforce capacity. All three are Green.

2.9 Corporate Scorecard – Customer Feedback

Four issues are covered: satisfaction with customer service when contacting the Council (monthly sample survey); feelings of safety (annual customer survey); feeling well informed about the Council (annual customer survey) and customer satisfaction measured by mystery shoppers (monthly). All targets are green.

Successes

- Our annual Council satisfaction survey has been completed for 2010 and the results for overall satisfaction with the Council and key council services are in the table below. The results show good improvement in general customer satisfaction at 73% of local residents surveyed satisfied in comparison to 67% in 2009.

In addition continuous improvement in satisfaction with all Council services, except car parks is shown, with strong improvement in refuse collection and recycling, dealing with anti-social behaviour and the street cleansing service.

Cherwell District Council Customer Satisfaction Survey Results 2010

	2006	2007	2008	2009	2010	% change 2009-10
Overall Satisfaction	60	65	67	67	73	+6
Household recycling collection service	79	76	75	78	83	+5
Dealing with anti-social behaviour/nuisance	34	30	36	36	44	+8
Refuse collection service	67	67	68	70	78	+8
Street cleansing service	59	63	66	67	72	+5
Local parks and open spaces	72	71	70	73	74	+1
Recycling centres	77	77	83	86	87	+1
Sports facilities	62	58	63	68	71	+3
Local development control	30	36	45	42	43	+1
Local car parking facilities	59	58	63	64	63	-1

2.10 Strategic Service Projects

There are 7 service-based projects that are of strategic significance because of the resources involved, their impact on the Council's reputation or their contribution to delivering the Council's corporate priorities. 2 of the projects are Green, 3 Amber and 1 Red.

Issues

- Bicester Town Centre Redevelopment – it may be possible to start on site early in the New Year, if the remaining land acquisitions are completed. However, currently terms have not been agreed with one landowner. The Council will be invited to make a Compulsory Purchase Order in October but, if it proves necessary to use this to secure the remaining land, it will not be possible to start on site until the end of 2011.
- Banbury Cultural Quarter – there has been good input to develop the concept. However, concern remains regarding overall funding for the Library/Mill in light of the County Council's funding review and Government funding cuts, as such the project is on hold and reporting as 'red'.
- New applications are now coming forward for the former RAF Upper Heyford development. It is encouraging that this development project is being reactivated by the new owner. There are however significant issues to address in relation to the revised scheme, its viability and the planning obligation matters arising.

Details in Appendix 5

2.11 Corporate Improvement Plan and Value for Money Review Programme

On 1 March 2010 Executive agreed the 2010/11 Corporate Improvement Plan. For 2010/11 the Improvement Plan has been fundamentally reviewed and focuses on the Council's key priorities and challenges. The plan reflects the impact of the recession and ongoing budget constraints as well as the strategic challenges outlined in the district's sustainable community strategy and the Council's strategic priorities, for example the changing needs for an aging population, improving services for younger people, building safe and strong communities.

There are 12 projects within the improvement plan and 10 value for money reviews programmed for 2010/11. Of the improvement plan projects 9 are reported as green and 2 as amber, the Strategic Asset Management project has been completed.

Of the value for money reviews 3 are reporting as amber (two due to minor delays) and the last as CMT is taking the lead on the support service recharges review and have changed the timeframes to reflect the work on meeting the council's savings targets.

Successes

- Housing, Corporate and Democratic, Strategy and Performance and

Recreation and Sport VFM reviews have both been completed and savings targets achieved or exceeded.

- The Equalities Improvement Project is ongoing a successful training programme and well attended knowledge events for staff and partners and a positive self assessment highlight areas of strong performance.

Issues

- The reducing Fear of Crime and Anti-Social Behaviour Improvement Project has identified risks associated with uncertainty around future funding and changing national policy.
- The Cohesive Communities Improvement Project has changed in scope with a greater focus on community development and support to the voluntary sector. This change will result in some delays to the project but reflects more closely the emerging policy agenda and also the implications of the national financial position.

Details in Appendix 6

2.12 Significant Partnerships

The Council has identified 19 partnerships as significant due to the level of resources involved, and the impact on the local community. Many of the most significant and difficult issues we face, crime, the environment, economic development, can only be tackled if agencies work together. Of these partnerships 9 are county wide (including the County Local Strategic Partnership and its supporting thematic partnerships) the remaining partnerships are specific to the Cherwell district and directly support our strategic priorities.

Successes

- The first meeting of the North West Bicester Strategic Delivery Board took place on 21 July. This partnership will ensure the effective delivery and coordination of the eco-Bicester project.
- The Cherwell M40 Investment Partnership has launched a new web site, published its business magazine and held a special meeting to review employment land. Membership of the group is increasing and business enquiry numbers are holding up.
- There has been good progress during July and August on the Brighter Futures in Banbury project, 'connecting the community' events were held to improve access to services and collect community feedback about the local area. In addition the partnership has launched projects to support young people not in education, employment or training. These projects will be delivered locally by the agencies involved in Brighter Futures (including connexions and the local college) and with the Princes trust as a

voluntary sector provider.

- Bicester Vision – the partnership now has more than 50% of its funding provided by the private sector. The funding enables the partnership manager to work with a number of local organisations on community initiatives. The role includes elements of town centre management as well as community liaison and communications. The regular partner meetings keep the town's major stakeholders informed about the plans for future growth and give the council the opportunity for much closer working relationships with many of the town's largest employers.

Issues

- The Oxfordshire Economic Partnership and the Oxfordshire Spatial Planning and Infrastructure Partnership. Both of these partnerships are likely to be subject to significant change as new national policy emerges. The new Local Enterprise Partnership (LEP) will cover some of the existing partnerships remits and it is possible that the Oxfordshire Economic Partnership will continue only as a business only organisation lobbying organisation. The loss of its delivery role will affect some aspects of the Council's economic development work.

Details in Appendix 7

2.13 Strategic Risks

In order to effectively manage its performance and resources the Council needs to be aware of the risks it faces and to have arrangements in place to manage these. From 1st April 2010 the Council has integrated its risk and performance management and monitoring arrangements.

We have 19 strategic, corporate and partnership risks identified on our register that are reviewed on a monthly basis. Operational and service risks are reviewed at the directorate and service level and escalated to the strategic risk register where appropriate.

Status this quarter

- All current strategic, corporate and partnership risks and mitigation actions have been reviewed and updated on a monthly basis during quarter 2. There are no changes to the strategic and partnership risks on the register.
- There have been some changes to the corporate risk register including: improvements in the risk ratings for corporate health and safety and job evaluation.
- There are no additional issues arising with regards to any of our

strategic, corporate or partnership risks. However, all risks are being reviewed in the light of changing policy and budgetary requirements and constraints.

Details in Appendix 8

Key Issues for Consideration/Reasons for Decision and Options

3.1 This report presents the Council's performance against its corporate scorecard for the second quarter of 2010/11. It includes an overview of our successes, areas for improvement and emerging issues to be considered.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

- Option One**
1. To note the many achievements referred to in paragraph 1.3.
 2. To request that officers report in the third quarter on the items identified in paragraph 1.4 where performance was below target or there are emerging issues.
 3. To agree the responses identified to issues raised in the quarter one performance report in paragraph 2.1 or to request additional action or information.
- Option Two** To identify any additional issues for further consideration or review.

Consultations

No specific consultation on this report is required. However, it should be noted that several indicators are based on public consultation or customer feedback.

Implications

Financial: Financial Effects – The resource required to operate the Performance Management Framework is contained within existing budgets. However the information presented may lead to decisions that have financial implications. These will be viewed in the context of the Medium Term Plan & Financial Strategy and the annual Service & Financial Planning process.

Efficiency Savings – There are none arising directly from this report.

Comments checked by Karen Curtin, Head of Finance 01295 221551

Legal:

Maintaining National Indicators and the LAA was a statutory requirement during the reporting period that this report covers.

Comments checked by Liz Howlett, Head of Legal and Democratic Services, 01295 221686

Risk Management:

The purpose of the Performance Management Framework is to enable the Council to deliver its strategic objectives and improve customer satisfaction. All managers are required to identify and manage the risks associated with achieving this. All risks are logged on the Corporate Risk Register and there is an update on managing risks recorded at least quarterly. A failure to identify and improve key drivers of customer satisfaction through effective Performance Management is one of the Council's strategic risks.

Comments checked by Rosemary Watts, Risk and Insurance Officer, 01295 221566

Data Quality

Data for performance against all indicators has been collected and calculated using agreed methodologies and in accordance with Performance Indicator Definition Records (PIDRs) drawn up by accountable officers. The council's performance management software has been used to gather and report performance data in line with performance reporting procedures.

Comments checked by Ros Holloway, lead officer on data quality, 01295 221801

Wards Affected

All

Document Information

Appendix No	Title
Appendix 1	Corporate Scorecard 2010/11
Appendix 2	Local Area Agreement
Appendix 3	Corporate Plan
Appendix 4	Priority Service Indicators
Appendix 5	Strategic Service Projects
Appendix 6	Corporate Improvement Plan
Appendix 7	Significant Partnerships
Appendix 8	Strategic Risks

Background Papers	
Cherwell District Council Performance Management Framework	
Report Author	Claire Taylor, Corporate Strategy and Performance Manager
Contact Information	01295 221563 claire.taylor@cherwell-dc.gov.uk

Corporate Scorecard 2010/2011 April - September 2010				Total GREEN	23	23
				AMBER	4	3
				RED	1	2
				NO DATA (N/A)	0	0
Measure Definition	Responsible Service	Reporting Frequency	Comment on Performance to date	Quarter One	Quarter Two	
Working in Partnership						
Local Area Agreement	Corporate Strategy, Performance & Partnerships	Quarterly	It is anticipated that there will be no further funding given associated with the LAA. The countywide LAA Steering Group has now been discontinued. The district performance officers continue to collect data relating to those indicators that districts are responsible for as many of these indicators are priorities for Cherwell. Of these, Cherwell isn't expecting to meet all of its targets by the end of the year.	A	R	
Cherwell Sustainable Community Strategy	Corporate Strategy, Performance & Partnerships	Quarterly	The Cherwell Local Strategic Partnership Board received its first performance report in September. Progress is good but further work needed to ensure the delivery of the aspirations in the Sustainable Community Strategy.	A	A	
Corporate Plan Pledges						
A District of Opportunity						
Contribute to the creation of 200 new jobs	Planning Policy & Economic Development	Monthly	Total gains recorded 681 * Total losses recorded 925 Net: -244 * The 2010 Employer Survey is underway and is revealing job gains (and losses) that had previously not be known.	G	G	
Help another 1000 local people at our Bicester and Banbury job clubs	Planning Policy & Economic Development	Monthly	169 job seekers helped in Sep 10. Banbury - 134, including 40 at special 'Neighbourhood Action Group' & 60 over the 3 days of the 16-24yr old 'Opportunities Market' at Castle Quay. Bicester - 35 job seekers at 2 Job Clubs.	G	G	
Deliver 100 new homes for those in need of better housing	Housing Services	Monthly	The previous quarter has seen five additional mortgage rescue completions delivered by CDC. The scheme allows families who are struggling with mortgage difficulties to remain in their home as tenants of an RSL. Housing Services can also report the first completion under the Armed Forces Home Ownership Scheme. This new affordable housing product is tailored to the needs of forces personnel often required to relocate at short notice.	G	G	
Work with partners to make significant progress on completion of Bicester town centre develop.	Regeneration & Estates	Monthly		G	G	
Launch new programme of work to tackle deprivation in Cherwell	Strategic Director - Environment & Community	Monthly	Good progress on multi agency basis. Clear geographic and specific resident need focus. Several new joint activities already underway. Effective partner coordination measures in place. Clarity on what, where and why. Community involvement plans being prepared.	G	G	
Make significant progress on all the Bicester eco town demonstration projects	Planning Policy & Economic Development	Monthly	Exhibition Building at the Garth: Lease agreed with Bicester Town Council, license with P3Eco signed. Start delayed whilst foul drainage solution sought. Cooper School under construction. Bryan House decision on bid for National Affordable Housing Programme (NAHP) awaited. Travel survey progressing. Work started on Community Hall at church in June 2010. Construction skills course accreditation agreed but more work needed. Residential retrofit programme progressing with insulation scheme identified	G	G	
A Safe and Healthy Cherwell						
Work with partners to deliver yet another reduction in crime & ASB offences	Safer Communities, Urban & Rural Services	Monthly		G	G	
Continue to support the provision of the best possible services at the Horton Hospital	Recreation & Health	Monthly	Consultant delivered model for obstetric and paediatric services agreed by the PCT and ORHT as being deliverable and additional funding agreed. Paediatric consultant recruitment well underway.	G	G	
Continue to support new and improved health services for Bicester and surrounding areas	Recreation & Health	Monthly	The PCT has agreed that their original procurement process required alteration. Therefore a new procurement process has been approved which is simplifying the process based on one integrated solution in one location.	A	A	

Corporate Scorecard 2010/2011 April - September 2010				Total GREEN	23	23
				AMBER	4	3
				RED	1	2
				NO DATA (N/A)	0	0
Measure Definition	Responsible Service	Reporting Frequency	Comment on Performance to date	Quarter One	Quarter Two	
Attract an extra 100,000 visits to new & refurbished leisure centres and Woodgreen Pool	Recreation & Health	Monthly	Baseline - 978,556. On Target. Figures for April - August 473,008. Sept figures not available until mid October.	G	G	
A Cleaner, Greener Cherwell						
Increase satisfaction with street & environmental cleanliness from 67% to 69%	Environmental Services	Monthly	A large increase to 72% from 67% last year	A	G	
Increase household recycling rate to 55% by 31 March 2011	Environmental Services	Monthly	Recycling rate expected to be 58-59% by year end	G	G	
Deliver a further year of CO2 emissions reductions from the council	Environmental Services	Monthly	Emissions from fleet and Council buildings falling but the increase from Sports Centres may lead to a small overall increase	G	A	
An Accessible, Value for Money Council						
Reduce our costs by a further £800,000	Finance	Monthly	As at 30th September 2010 £532K of the £800K target have been achieved - representing 66%	G	G	
Deliver a council tax increase in 2011/12 which is below inflation	Finance	Monthly	Budget for 2011/12 will be prepared in line with this target	G	G	
Double the number of council services that can be booked, paid for or applied for online from 50 to 100	Customer Services & Information Systems	Monthly	Online services continue to develop and we are currently on track to meet the target of 100 online services. Currently we have 65 transactions available online that range from missed bins calendar, payment for items to submitting your planning applications online. Lagan Citizen Portal, will be available later this year (November 2010) that will allow the creation further online services	G	G	
Performance Indicators						
Performance against Priority Service Indicators	Corporate Strategy, Performance & Partnerships	Monthly	Of 27 indicators reported this time 16 are green, 2 red, 3 amber and 6 have no data. Of the 6 indicators missing data, 4 relate to software issues preventing data reporting and 2 where data is no longer available from external source. The Red and Amber indicators relate to conservation, planning applications and appeals.	R	R	
Financial Performance						
Percentage variance on revenue budget expenditure against profile (+2%/-5%)	Finance	Monthly	Projected to be within agreed budget tolerances.	G	G	
Percentage variance on capital budget expenditure against profile (+2%/-5%): Other projs	Finance	Monthly	Projected to be on target - Slippage request from 10/11 programme to 11/12 programme of £4.8M along with project deletions of £375K. These were approved at Executive in September. Further detailed review being undertaken as preparation for 2011/12 capital bid process.	G	G	
Human Resources						
Staff turnover (voluntary leavers)	People & Improvement	Quarterly	Turnover is extremely low (1% all leavers) due mainly to current economic climate.	G	G	

Corporate Scorecard 2010/2011 April - September 2010				Total GREEN	23	23
				AMBER	4	3
				RED	1	2
				NO DATA (N/A)	0	0
Measure Definition	Responsible Service	Reporting Frequency	Comment on Performance to date	Quarter One	Quarter Two	
Number of days lost through sickness	People & Improvement	Quarterly	Still within target for Q2. Slight increase on same period last year	G	G	
Workforce capacity (excluding temporary, casual and agency staff)	People & Improvement	Quarterly	Capacity remains high (95.63%) due to extremely low staff turnover	G	G	
Customer Feedback						
Ensure at least 82% of residents say they feel safe at home and in the community	Safer Communities, Urban & Rural Services	Monthly	No Place Survey now to take this from. Nearest indicator is the CDC Satisfaction survey. Most recent score is 81.5%. People walking in town after dark is pulling the satisfaction down. Only 44% in town and 66% in community are satisfied.	G	G	
Ensure that 66% of our customers when asked feel well informed about the Council	People & Improvement	Monthly	69.1% achieved. This is a positive result and represents significant improvement on 2009 performance, indicating an upward trend	G	G	
Ensure that at least 95% of our customers are satisfied with our customer service when contacting the Council	Customer Services & Information Systems	Monthly	99% of customers were satisfied with the service they received on 17.9.2010	G	G	
Achieve above average performance in a nationally comparative mystery shoppers survey	Customer Services & Information Systems	Monthly	The first wave of telephone mystery shopping showed a 10% improvement on 08/09 and brought us to within 2% of the average performance; the next wave in the autumn should see us meet this target.	G	G	
Collected for information only (no RAG score):						
Other Surveys						
Measure Definition	Responsible Service	Reporting Frequency	Comment on Performance			
Customer Satisfaction Survey (for information purposes only)	Corporate Strategy, Performance & Partnerships	Annual	Satisfaction survey completed. General trend of improvement. Overall satisfaction: 2006 = 60% 2007 = 65% 2008 = 67% 2009 = 67% 2010 = due Autumn			
Inspection Scores						
Measure Definition	Responsible Service	Reporting Frequency	Comment on Performance	Rating 2009/10	Rating 2010/11	
CPA	Community & Corporate Planning		Awarded March 2009. CPA has now ended.		n/a	
CAA - Area Assessment	Community & Corporate Planning		no longer applicable		n/a	
CAA - Organisational Assessment	Community & Corporate Planning		no longer applicable		n/a	
Use of Resources	Finance	Annual	No longer applicable.		n/a	
Data Quality	Community & Corporate Planning	Annual	no longer applicable		n/a	

Corporate Scorecard 2010/2011 April - September 2010				Total GREEN	23	23
				AMBER	4	3
				RED	1	2
				NO DATA (N/A)	0	0
Measure Definition	Responsible Service	Reporting Frequency	Comment on Performance to date	Quarter One	Quarter Two	
Equalities Framework	Community & Corporate Planning	Annual	A decision was made at Executive (6 Sept 2010) not to seek formal accreditation in November 2011 as per the Corporate Equality Action Plan but to undertake a Self Assessment under the 'Achieving Status' which has been completed.		n/a	
Investors in People	Human Resources	Annual	Awarded January 2009	Accredited	Accredited	

**Local Area Agreement 2010/2011
April - September 2010**

	Quarter One Actual	Quarter One Target	Quarter One Performance	Quarter Two Actual	Quarter Two Target	Quarter Two Performance	Comment
Cherwell: A District of Opportunity							
NI154 Net additional homes provided	38.00	46.00	R	190.00	91.00	G	A higher than expected figure for the quarter, particularly due to housing completions being recorded earlier than anticipated on an allocated site in Yarnton.
NI155 Number of affordable homes delivered (gross)	4.00	4.00	G	19.00	5.00	G	Position on Orchard Way/ Fairway: HCA bid submitted in March 2010 and still awaiting decision. In the meantime we are pursuing alternative funding options such as discount purchase and self-build.
NI156 Number of households living in temporary accommodation	28.00	33.00	G	29.00	33.00	G	The position with T.A is being monitored closely. The consequences of the recent recession mean the approach to T.A needs to continue to be proactive, and there is a need to bring forward the further units planned for at Bryan House Bicester, Edward Street Banbury, Orchard Way Banbury and as part of the young persons high support acquisition scheme.
A Safe and Healthy Cherwell							
NI008 Adult participation in sport and active recreation (%)	N/A	N/A					Annual Reporting
NI021 Dealing with local concerns about ASB and crime	N/A	N/A					No data due - Place Survey has been discontinued.
NI110 Young People's participation in positive activities (%)	N/A	N/A					Annual Reporting
A Cleaner, Greener Cherwell							
NI185 CO2 reduction from Local Authority operations	N/A	N/A					Annual Reporting - Data not due til March 2011
NI188 Planning to Adapt to Climate Change	N/A	N/A					Annual Reporting - Data not due til March 2011
NI191 Residual household waste per household (kg)	99.25	98.75	A	201.99	296.25	G	On track
NI192 Percentage of household waste sent for reuse, recycling and composting	62.73	62.00	G	60.96	60.00	G	
NI195a Improved street and environmental cleanliness (litter) (%)	2.00 (March)	4.00 (March)	G	2.00 (July)	4.00 (July)	G	Four Monthly Reporting Cycle
NI195b Improved street and environmental cleanliness (detritus) (%)	8.00 (March)	9.00 (March)	G	2.00 (July)	9.00 (July)	G	Four Monthly Reporting Cycle
NI196 Improved street and environmental cleanliness - fly tipping	N/A	N/A					Annual Reporting - Data not due til March 2011

**Local Area Agreement 2010/2011
April - September 2010**

	Quarter One Actual	Quarter One Target	Quarter One Performance	Quarter Two Actual	Quarter Two Target	Quarter Two Performance	Comment
Cherwell: An Accessible, Value for Money Council							
NI005 Overall/general satisfaction with local area	N/A	N/A					No data due - Place Survey has been discontinued.
NI140 Fair Treatment by local services	N/A	N/A					No data due - Place Survey has been discontinued.
NI179 Value for money - total net value on ongoing cash-releasing value for money gains that have impacted since the start of the 2008/09 financial year (£k)	245000.00	200000.00	G	532000.00	400000.00	G	

**Corporate Plan
2010/2011 Action Plan
April 2010 - September 2010**

	Quarter One	Quarter Two	Comment
An Accessible, Value for Money Cherwell			
Seek accreditation for customer service - customer service excellence award	G	G	Awaiting outcome of VFM review. Work scheduled to start end of October
Support for parishes and community groups to have a website	G	G	We have successfully delivered ahead of schedule 20 parish websites with a support and training package that makes the parish self sufficient. A CDC apprentice paid a significant part in this achievement. (http://www.cherwell.gov.uk/bodicotepc/)
Carry out website testing to ensure it is user friendly	G	G	Mystery shopping during October will include use of our self service kiosks in local shops and the terminals in our LinkPoint offices.
Retain the Crystal Mark for our website	G	G	The Webteam are continually assessing website content and structure to ensure that they continue to meet the Crystal standard. This is part of the SOCITM Better connected work plan for the website to be rated 4 stars (SOCITM Better connected November benchmarking)
Undertake a peer review of our performance in terms of equality	G	R	Task completed. Self assessment done, external assessment not taking place in 2010 due to savings requirement. Areas of strength and development opportunities identified.
Develop a 'hardest to reach' action plan to improve access and take up of our services	G	G	The Outreach officers are on target to visit at least 24 community groups. The Rural-Run-about is being launched at Cropredy on 14th October.
90% of complaints received are resolved within Stage One	G	G	In September 14 complaints received all stage 1
95% of all complaints that are escalated to Stage Two are resolved	G	G	There are no stage 2 complaints in September
No complaints escalated from Stage Three to the Ombudsman	G	G	There were no Ombudsman complaints received in September.
Maintain our score of 3 in UoR Assessment and secure score of 4 for at least 1 KLoE	G	G	
Reduce our costs by a further £800,000	G	G	As at 30th September 2010 £532K of the £800K target have been achieved - representing 66%

**Corporate Plan
2010/2011 Action Plan
April 2010 - September 2010**

Address the MTFs by developing a clear action plan which will reduce Council expenditure	G	G	MTFS Has been constantly reviewed and action plans developed based on assumptions relating to funding cuts. At present we are working on a realistic assumption of a 30% real cut and await the CSR announcement on 20/10/10
Deliver a Council Tax increase in 2011/12 below inflation	G	G	Budget for 2011/12 will be prepared in line with this target
Produce a combined annual report of performance and finance in June 2010	G	G	Completed
Improve access to our services by delivering a 'link points-on-legs' service	G	G	
Promote access to cultural and sporting facilities to Looked after Children	G	G	
Expand access to services provided by our partners through Council access points	G	G	"Next Step" careers advice for over 25s now offered at regular surgeries at Banbury LinkPoint. In Discussion to operate from Kidlington and Bicester
Establish a procedure for members of the public to submit petitions to the council	G	G	Considered by Executive in June and was agreed by Full Council on 19 July. Petitions scheme is available on the internet and e-petitions process is ready for December. However, it should be noted that the government has withdrawn the statutory guidance on petitions and e-petitions. Previously it had been thought necessary to bring a further report to Council to change the constitution and petitions scheme to ensure the council was compliant with the guidance, it is now believed that the existing constitution and petitions scheme fully allow for e-petitions and therefore this is under review
Provide more information to local people about how to become a councillor	G	G	Leaflet is on the internet and will be circulated to political parties and published in January. Additionally, it is being considered whether to hold a potential candidates opening evening early in the new year to outline the election process and role of a councillor.
Ensure that 72% of our customers when asked feel well informed about the Council	G	A	69.1% achieved. Whilst slightly off target this result is positive as it represents significant improvement on our performance in 2009 and indicates an upward trend
Possible increase in the number of Cherwell Links produced	R	R	CMT Exception No increase in the number of Cherwell Link's planned at this stage.

**Corporate Plan
2010/2011 Action Plan
April 2010 - September 2010**

Increase the readership of Cherwell Link	R	G	Customer satisfaction survey demonstrates increased levels of awareness of council information from Cherwell Link
95% of our customers are satisfied	G	G	99% of customers were satisfied with the service they received on 17.9.2010
Double the number of services that can be booked, paid for, applied for online (50 to 100)	G	G	Online services continue to develop and we are currently on track to meet the target of 100 online services. Currently we have 65 transactions available online that range from missed bins calendar, payment for items to submitting your planning applications online. Lagan Citizen Portal, will be available later this year (November 2010) that will allow the creation further online services.
Extend opportunities for customers to feed back their experiences of our services	G	G	
Ensure we use customer information to develop and improve our services	G	G	
Make our annual satisfaction survey available to all residents	G	G	Executive agreed to defer the assessment in the light of the required budget savings. Self assessment completed and areas of strength identified.

An Accessible, Value for Money Cherwell : National Indicators

	2009/2109 Actual	2009/2010 Target	2009/2010 Performance	Quarter One Actual	Quarter One Target	Quarter One Performance	Comment
NI014 Avoidable contact: the proportion of customer contact that is of low/no value to the customer	7.23	15.00	G	7.27	12.50	G	Avoidable contact total assessed 12258, 882 Avoidable 11376 value phones 687 avoidable, 2746 value face to face 195 avoidable, 8825 value
NI179 Value for Money: net value for money cash-releasing gains for the current financial year	600,000	600,000	G	532,000	400,000	G	on target.

	Corporate Plan Actions	National Indicators
Number Green and Amber	25	2
Percentage	92.59%	100.00%
Status	Amber	Green

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Priority Service Indicators 2010/2011
April - September 2010

	Quarter One Actual	Quarter One Target	Quarter One Performance	Quarter Two Actual	Quarter Two Target	Quarter Two Performance	Comment
Building Control & Engineering Services							
BCES 006 % of buildings accessible to people with a disability	100.00	100.00	G	100.00	100.00	G	Emerging Issue We have recently undertaken audits of 3 of our publicly accessible buildings, Bodicote House, Banbury Museum and Exeter Hall. Whilst technically all these are accessible some shortcomings were found which we will recommend need to be addressed. The audit write-ups will be circulated to the managers responsible for these buildings in the next month.
Corporate Strategy & Performance							
NI 35 Building resilience to violent extremism: (a) Understanding of, & engagement with, Muslim communities;							Annual indicator, next report due March 2011.
(b) Knowledge and understanding of the drivers and causes of violent extremism;							Annual indicator, next report due March 2011.
(c) Development of a risk-based preventing violent extremism action plan;							Annual indicator, next report due March 2011.
(d) Effective oversight, delivery & evaluation of projects & actions							Annual indicator, next report due March 2011.
Development Control & Major Developments							
NI157a Processing of major applications within 13 weeks	63.64	60.00	G	45.45	60.00	R	Approach is to negotiate on major applications where development outcomes are beneficial. This will result in lower performance where major application numbers remain relatively low.
NI157b Processing of minor applications within 8 weeks	93.69	65.00	G	91.87	65.00	G	
NI157c Processing of other applications within 8 weeks	99.12	80.00	G	96.34	80.00	G	
DCMD 001 % Planning appeals allowed against refusal decision	20.00	30.00	G	37.50	30.00	R	Further analysis of possible reasons for reduced performance and decision trends is underway.
Environmental Services							
NI 185 CO2 reductions from local authority operations (%)							Annual Indicator Data not due until March 2011.
NI 186 Per capita reduction in CO2 emissions in the LA area							Annual Indicator Data not due until March 2011.

Priority Service Indicators 2010/2011
April - September 2010

	Quarter One Actual	Quarter One Target	Quarter One Performance	Quarter Two Actual	Quarter Two Target	Quarter Two Performance	Comment
NI 188 Planning to adapt to climate change (score)							Annual Indicator Data not due until March 2011.
ES 001 % of abandoned vehicles investigated in 24 hours	100.00	98.00	G	100.00	98.00	G	
ES 002% of abandoned vehicles removed within 24 hours	100.00	88.00	G	95.45	88.00	G	
Finance							
NI180 The number of changes of circumstances affecting HB/CTB entitlement processed within the year	?	23049.00	?				This indicator has been deleted from April 2010 and the data is no longer provided by DWP.
NI181 Time taken to process Housing Benefit/Council Tax benefit new claims and change events	10.29	11.00	G	9.73	11.00	G	CMT Success The prioritisation of changes (BVPI 78b) by Capita has resulted in improvement of this indicator. The Service Assurance team will continue to monitor closely.
BV009 % Council Tax collected : EXCH001	30.06	24.68	G	58.44	49.40	G	
BV010 % NNDR collected : EXCH002	31.57	24.70	G	58.91	49.50	G	
BV078a Average time for new HB/CTB claims EXCH003	15.46	20.00	G	17.32	20.00	G	
BV078b Average time to process change in circumstances : EXCH004	11.46	13.00	G	8.23	13.00	G	CMT Success It was flagged by the Service Assurance team (contract management) with Capita that they had not met the target for 2 consecutive months and they were asked to give some priority to changes to address this. Improved performance is reflected both here and in NI 181.
BV079bi.05 % HB Recovered: Overpayment EXCH005	?	78.00	?	?	78.00	?	CMT Emerging Issue Ongoing software issues, still unable to report
BV079bii.05 % HB Recovered: including outstanding EXCH006	?	9.00	?	?	10.50	?	CMT Emerging Issue Ongoing software issues, still unable to report
BV079biii.05 % HB O'Pay: Written Off EXCH007	?	1.50	?	?	3.00	?	CMT Emerging Issue Ongoing software issues, still unable to report
FIN 001 % Invoices paid within 30 days	97.77	98.00	G	98.22	98.00	G	CMT Exception Target 99% amended retrospectively to 98% as agreed in Service Plan.

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Priority Service Indicators 2010/2011
April - September 2010

	Quarter One Actual	Quarter One Target	Quarter One Performance	Quarter Two Actual	Quarter Two Target	Quarter Two Performance	Comment
PSI FIN 002 % of local suppliers invoices paid within 14 days	?	100.00	?	?	100.00	?	CMT Exception It is not possible to run reports from Agresso until software has been upgraded to version 5.5.

Priority Service Indicators 2010/2011
April - September 2010

	Quarter One Actual	Quarter One Target	Quarter One Performance	Quarter Two Actual	Quarter Two Target	Quarter Two Performance	Comment
Housing Services							
NI 187 Tackling fuel poverty - people receiving income based benefits living in homes with a low energy efficiency rating: (a) Percentage dwellings occupied with a low energy efficiency rating;							Annual indicator, next report due March 2011.
(b) Percentage dwellings occupied with a high energy efficiency rating							Annual indicator, next report due March 2011.
HS 001 Housing advice: repeat homelessness cases	1.00	2.00	G	1.00	3.00	G	
People & Improvement							
HR 012 Work days lost due to sickness	1.41	2.68	G	3.27	4.02	G	Sickness is broken down as 53% short term and 47% long-term. Slight increase in long-term sickness for same period last year.
Planning Policy & Estates							
NI159 Supply of ready to develop housing sites							Annual indicator, next report due March 2011.
NI170 Previously developed land that has been vacant or derelict for more than 5 years							Annual indicator, next report due March 2011.
PAHP 001 No of Conservation Areas	59.00	59.00	G	59.00	59.00	G	Targets will be reviewed and adjusted for 2010/11 as there has been a decision to reduce staff resources devoted to this work. (2010/11 budget - vacant Conservation Officer post deleted). Progress will therefore be slower than originally planned.
PAHP 002 % Conserv Areas with up to date Character Appraisals	45.76	47.48	A	47.46	50.48	A	Targets will be reviewed and adjusted for 2010/11 as there has been a decision to reduce staff resources devoted to this work. (2010/11 budget - vacant Conservation Officer post deleted). Progress will therefore be slower than originally planned.
PAHP 003 % of Conserv Areas with published Management Plans	94.92	77.97	G	77.97	81.36	A	Targets will be reviewed and adjusted for 2010/11 as there has been a decision to reduce staff resources devoted to this work. (2010/11 budget - vacant Conservation Officer post deleted). Progress will therefore be slower than originally planned

Priority Service Indicators 2010/2011
April - September 2010

	Quarter One Actual	Quarter One Target	Quarter One Performance	Quarter Two Actual	Quarter Two Target	Quarter Two Performance	Comment
Recreation & Health							
NI 56 Obesity among primary school age children in Year 6: (i) Percentage of children in Year 6 with height and weight recorded who are obese							Annual indicator, next report due March 2011.
RH 001 Number of visits to Banbury Museum in person (per 1000 population)	369.23	374.64	A	765.37	763.69	G	CMT Success The volume of visitors using the Museum remains buoyant, following the very successful summer
RH 002 Number of pupils visiting Banbury Museum (per 1000 population)	772.00	600.00	G	1233.00	1100.00	G	CMT Success Schools usage of the Museum is currently exceeding the target. The demand is very strong over the winter period.
NI 184 Food establishments in the area which are broadly compliant with food hygiene law (%)							Annual indicator, next report due March 2011.
Safer Communities , Urban & Rural Services							
NI032 Repeat incidents of domestic violence							Data not available from Thames Valley Police.
Cross-Service Indicator							
NI182 Satisfaction of business with LA regulation services	89.88	92.00	A	89.79	92.00	A	Satisfaction remains high. Continued effort required to improve response rates

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**Strategic Service Projects 2010/2011
April 2010 to September 2010**

	Quarter One	Quarter Two	Comment
Banbury Canalside	A	G	The report back to the Executive on the Supplementary Planning Document, following consultation, has been delayed, while issues are discussed with the Environment Agency, and further work on flood risk is undertaken
Banbury Cultural Quarter	A	R	Project on hold due to Oxfordshire County Council funding review
Bicester Town Centre Redevelopment	A	A	CMT Exception Whilst it may be possible to start work on site early in the new year, if the remaining land acquisitions are completed, currently terms have not been agreed with one landowner. The Council will be invited to make a Compulsory Purchase Order in October, but, if it proves necessary to use this to secure the remaining land, it will not be possible to start on site until the end of 2011. Work on the infrastructure is proceeding as planned. It is scheduled to be completed by the end of March 2011.
Flood Alleviation	G	A	Subject to the Inspector's decision, and legal processes completing, whereby confirmation of the order is first advertised and a general vesting certificate made, the earliest start on site is late September 2010. However, this is not ideal for bulk earthworks and the Environment Agency are instead preparing to start on site early in 2011 and complete the works by late 2011. A contractor has been appointed to undertake the works.
RAF Upper Heyford	A	A	New owners presenting revised proposals. Application for retention of bungalow area being considered. Revised Master Plan application expected during November. Major issues on viability and affordable housing likely Heyford 2 Inquiry now unlikely. Oxfordshire enforcement cases being negotiated.
SW Bicester Development	G	A	Continuation of development beyond Phase 1 still uncertain. Possibility that revised proposals for local entre will be put forward by applicant.
Eco Bicester	G	G	Demonstration projects progressing including on site exemplar of approximately 400 houses, local retail, care home, employment uses. Project Steering Group meeting fortnightly to discuss emerging proposals, workstreams and masterplan. Awaiting more information on eco town funding.

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Corporate Improvement Plan & Value For Money Programme 2010/2011
April - September 2010

	Quarter One	Quarter Two	Comment
Corporate Improvement Plan			
Reducing Fear of Crime and Anti social Behaviour improvement plan project	G	A	CMT Emerging Issue Significant reductions in funding; uncertainty of other areas of funding; and changing Coalition Policy will have an effect on the deliverability of outcomes. Report to 20 October CMT
Deprivation (including health inequalities) plan project	G	G	Good progress on multi agency basis. Clear geographic and specific resident need focus. Several new joint activities already underway. Effective partner coordination measures in place. Clarity on what, where and why. Community involvement plans being prepared.
Changing needs of an ageing population plan project	G	G	Preparations are being made for the allocation of forty units of Extra Care Housing at Orchard Fields Banbury. This development is due to complete in March 2010.
Cohesive Communities plan project	A	A	Project underway. CMT have agreed strategic direction, new medium term community development strategy to be drafted which will cover all community development and cohesion work.
Use of Natural Resources plan project	G	G	On Track
Value for Money Review Programme	A	G	Overall programme is progressing well, and has been adapted to incorporate savings targets from building blocks to ensure all savings required from service areas are considered together. A number of completed reviews are identifying savings in excess of targets
Strategic Management of Assets plan project	G	G	Most of the necessary work to review asset management procedures had been completed before the decision to abandon the planned audit commission inspection under use of resources was made. The Asset Management Plan has been updated, and will be reported to the executive in August
Improve Data Quality plan project	G	G	Health check programme for year completed. Update in Q2 exec report. Action plan to be developed. Next round of QA will be in quarter four as part of the annual audit programme.
Customer Intelligence to Drive Improvement plan project	G	G	On track. Data quality review completed and next stage of project underway.
Flexibility in response to recession & LA Grant decisions project	G	G	Project underway and on track
Promote Equality and Diversity plan project	G	G	Self assessment completed, strong equalities improvement. Training programme underway with good feedback.
Improving Services for Young People plan project	G	G	CIP Project scoping report to go to CMT in November

Corporate Improvement Plan & Value For Money Programme 2010/2011
April - September 2010

	Quarter One	Quarter Two	Comment
Value for Money Review Programme			
Housing vfm review	G	G	Review findings agreed by CMT and Use of Resources. To be considered by Executive in October
Corporate and Democratic Core vfm review	A	G	The main elements of the review (Corporate & Democratic ; Corporate Strategy, Performance & Partnerships) reported to CMT in September. Savings targets exceeded for both elements
Culture and Heritage vfm review		G	Project Brief agreed by CMT on 29 September. Considered by Use of Resources 7 October.
Customer services vfm review	G	A	Review is progressing well, but final report date to be put back to late October to allow further work to be undertaken and a joint improvement plan to be developed with the Customer Intelligence improvement project
Economic Development and Tourism vfm review			Project not yet started
Planning Policy vfm review		G	Review completed at the Project brief stage and reported to CMT 29 September 2010.
Support Services Recharges vfm review	R	A	This review will no longer progress through the VFM programme, being carried out instead by CMT as part of savings building blocks work
Urban and Rural vfm review	G	A	Review progressing well but final report delayed until late October
Development Control & Major Developments Review	G	G	On track
Recreation & Sport VFM Review	G	G	Review work completed. Report to CMT due to be considered on 6 October. Savings target exceeded

Significant Partnerships 2010/2011
April - September 2010

	Quarter One	Quarter Two	Comment
Oxfordshire-wide Partnerships			
Oxfordshire Partnership Board	G	G	Oxfordshire Partnership has begun a further review of some thematic partnerships reporting to it to ensure that they provide optimum value for money with their partnership working.
Public Services Board	G	G	The impact of reduced LAA reward grant funding continues to be assessed by the Public Services Board.
Spatial Planning & Infrastructure Partnership	G	A	CMT Emerging Issue Changes in Government policy framework particularly creation of Local Enterprise Partnerships will result in new arrangements. OEP likely to continue as business only organisation.
Children's Trust	G	G	Area Trusts now established and CDC elected member on area trust (Cllr Sames) and also on main trust board (Cllr Reynolds).
Health and Well Being Partnership Board	G	G	Wide ranging progress on obesity, ageing successfully and mental health strategies. Some uncertainty around implications of Health White Paper. New commissioning requirements re carers support
Environment and Waste Partnership	G	G	Financial arrangements are currently being reviewed
Oxfordshire Safer Community Partnership	G	G	Attendance at Quarterly meetings.
Stronger Communities Alliance	G	G	Over the last quarter, three separate Connecting the Community Events were held at the Sunshine Centre, Samuelson Court, and Grimsbury Community Centre.
Oxfordshire Economic Partnership	A	A	CMT Emerging Issue Changes in Government policy framework particularly creation of Local Enterprise Partnerships will result in new arrangements. OEP likely to continue as business only organisation.

Significant Partnerships 2010/2011
April - September 2010

	Quarter One	Quarter Two	Comment
Cherwell-specific Partnerships			
Cherwell Local Strategic Partnership	G	G	The Board continues to lead the development of the new Economic Development Strategy and is actively engaged with the Local Transport Plan and the Brighter Futures in Banbury Project. The Management Group has finalised the Partnership's Annual report and is developing a performance framework. The wider Cherwell Community has continued to contribute through the various forums, including a launch meeting of the Cherwell Faith Forum in late September.
Brighter Futures in Banbury Steering Group	G	G	Good progress on multi agency basis. Clear geographic and specific resident need focus. Several new joint activities already underway. Effective partner coordination measures in place. Clarity on what, where and why. Community involvement plans being prepared.
Cherwell Safer Community Partnership	G	G	Reported at last CUSP meeting progress on Action plan from the 4 Performance groups. Also outlined review of NAG's. Reviewed budget and undertook prioritisation exercise.
Cherwell M40 Investment Partnership	G	G	New website 'live' at www.cherwell-m40.co.uk Employment Land Review special meeting held 11 Aug. Quarterly meeting held 23 Sept. Business Moves published & distributed in Sep to promote further business investment. Enquiry numbers maintained. CHIP membership increasing.
Banbury Town Centre Partnership	G	G	Attendance at Quarterly meetings.
Bicester Vision	G	G	CMT Success The partnership now has more than 50% of its funding provided by the private sector. The funding enables the partnership manager to work with a number of local organisations on community initiatives. The role includes elements of town centre management as well as community liaison and communications. The regular partner meetings keep the town's major stakeholders informed about the plans for future growth and give the council the opportunity for much closer working relationships with many of the town's largest employers.
Kidlington Village Centre Management Board	G	G	Attendance and reporting to the Quarterly meetings.
Homelessness Strategy Partnership	G	G	This partnership is delivering the homelessness strategy 2007-11 - From Crisis to Prevention. The partnership is being reviewed and is likely to undergo change in membership from April 2011. This is to include greater representation from Education, DWP and Adult Services.
Cherwell RSL Partnership & Sanctuary Housing Group	G	G	The RSL Development Group met on September 21st. The Group includes CDC housing officers, planning officers, RSL development partners, and representatives of the Homes and Communities Agency.
NW Bicester Strategic Delivery Board	G	G	The first meeting of the Strategic Delivery Board took place on 21 July 2010 and is set to meet quarterly with the next meeting on 8 November 2010.

Risk Management 2010/2011 April - September 2010													
Risk Heading	Owner	Description	Q1 : June 2010				Controls	Q2 : September 2010				Direction of Travel	Risk Mitigation this Quarter /Comments
			Gross Risk Rating	Gross RAG	Net Risk Rating	Net RAG		Gross Risk Rating	Gross RAG	Net Risk Rating	Net RAG		
Strategic Risks													
STRAT01 Deprivation & Equalities	Ian Davies	The risk in not breaking the cycle of deprivation and addressing inequalities across the District is that the life opportunities of residents in the greatest need will not be improved and as a result the reputation of the Council will suffer. The risk is particularly acute in areas such as the Neithrop, Ruscote and Grimsbury wards in Banbury where there is a high level of deprivation as measured by the Government's indices of multiple deprivation.	High Medium 12	A !	Medium 9	A	Proposals include a) Long term approach for support to local people and communities as many issued can only be addressed on this basis b) Multi agency action with clear and common objectives c) Additional funding from Government grants to supplement current resources	High Medium 12	A !	Medium 9	A	➡	Risk reviewed. No change
STRAT02 Eco Town	John Hoad	The risks are that national and local policy support and resources will be inadequate to support the development of the NW Bicester Eco-Town. As a result the Council may fail to fully exploit the Eco-Town as an opportunity to develop a centre of excellence in terms of sustainable living.	High 16	R	Medium 8	A	a) Planning policy development through Local Development Framework. b) Eco Bicester Town Project plan and related partnership working with private and public sector partners c) Dedicated Project Team	High 16	R	Medium 8	A	➡	No change to risk or controls
STRAT03 Local Development Framework	Philip Clarke	The risks are that the Local Development Framework is not prepared adequately, in time, or is found unsound at public examination. Such outcomes would result in further risks arising from speculative planning applications, undesirable major developments and / or expense for the Council in contesting planning appeals. An unsound plan would mean that the Council would have to repeat 2 to 3 years work at high cost.	High 20	R	High Medium 15	A !	This risk will be managed through close dialogue with GOSE and other local authorities. Interim advice from the SoS is anticipated during July and Councillors will be advised when more is known.	High 20	R	High Medium 15	A !	➡	No change to risk or controls
STRAT04 Economic & Social Changes	John Hoad	The risk is that the Council does not identify and respond to general economic and social changes and as a result would not fulfil its role as a community leader and a provider of top quality services driven by a clear understanding of community and individual needs.	High 16	R	High Medium 12	A !	Control measures remain the same a) Service and financial planning process b) Sustainable Community Strategy c) Economic Development Strategy and related partnership activities	High 16	R	High Medium 12	A !	➡	No change to risk or controls
STRAT05 Horton Hospital	Ian Davies	The risks to maintaining the Horton Hospital as a facility that meets community aspirations for local health provision are the deliverability and affordability of a revised consultant delivered service model for paediatrics and obstetrics. Failure of either will jeopardise current service provision and could result in a service reduction from the Horton.	High 16	R	Medium 9	A	a) Support to the PCT in challenging ORHT proposals b) Providing evidence of deliverability of consultant delivered services elsewhere c) Gaining consensus locally that this is important	High 16	R	Medium 9	A	➡	Risk reviewed. No change
STRAT06 The Natural Environment	Ed Potter	The risk is that the Council does not take the necessary actions to meet its obligation, as set by National Government, to ensure its own operations and that of its District's residents and businesses reduce their carbon footprints.	High Medium 15	A !	Medium 9	A	a) Environmental Strategy for a changing climate b) Responsibility for delivery plans for the Environmental Strategy clear c) Relevant delivery groups	High Medium 15	A !	Medium 9	A	➡	No change to risk or controls
STRAT07 Managing Change	Anne-Marie Scott	The risk is that the Council does not adequately manage the impact of major change programmes on organisational performance and individual morale.	High 16	R	High Medium 12	A !	Change management policies in place External legal and HR support planned Project management approach applied, incorporating risk identification and mitigation	High 16	R	High 16	R	🚫	Staff and union consultation process underway and due to report back to Council in October
STRAT08 Financial Resources	Karen Curtin	The risk is that in an uncertain economic and financial climate the Council will not have the resources to deliver its corporate priorities. Poor economic conditions also tend to produce increased demand on services. As the Council's income from capital reduces our dependency on interest to support revenue expenditure must also reduce and capital assets will need to be rebuilt to fund future infrastructure investments. Failure to do either will result in budgetary shortfall, service reductions, above inflation increases to council tax and lack of capital to fund future community schemes.	High 16	R	High Medium 12	A !	Whilst we don't under estimate the challenges presented as a result of the economic downturn, the council's financial position remains strong ensuring we are able to continue to meet our priorities in the future. Our rolling programme of VFM reviews has generated cost reductions of £3.7m over the last 3 years, proving our ability to deliver identified savings in full over extended periods of time. Support costs and frontline services alike have been subject to VFM reviews. We have reduced support costs by £1m over the last 3 years, a reduction of 18% in real terms. a) Budget 2010/11 b) Medium financial strategy and sensitivity analysis c) Workforce planning d) Dashboard - budget monitoring	High 16	R	High Medium 12	A !	➡	Monthly Budget Monitoring and variance reports to CMT, EXEC and AARC

Risk Management 2010/2011 April - September 2010													
Risk Heading	Owner	Description	Q1 : June 2010				Controls	Q2 : September 2010				Direction of Travel	Risk Mitigation this Quarter /Comments
			Gross Risk Rating	Gross RAG	Net Risk Rating	Net RAG		Gross Risk Rating	Gross RAG	Net Risk Rating	Net RAG		
Corporate Risks													
CORP01 Health & Safety	David Marriott	The risk is that a failure to comply with health and safety and welfare legislation and policies could lead to injuries and death, high sickness absence and claims and litigation against the Council.	High 20	R	High Medium 10	A !	a) Wide range of Health & Safety policies and procedures in place as set out on the Council's intranet b) Training is given to all relevant staff undertaking manual work c) Relevant safe working practice notes are issued as part of standard induction procedures	High 20	R	High Medium 10	A !	➡	Control measures applied. No change to risk or controls.
CORP02 Capital Investments	Karen Curtin	The risk is to the Council's ability to fund its activities because of a reduction in investment income or income from other capital assets such as buildings.	High 16	R	High Medium 12	A !	a) Utilisation of treasury management advisors to assist with investing in strong rated institutions. b) We adhere to an annual investment strategy that complies with CIPFA code c) All rental income from buildings is monitored monthly and managed by the Head of Estates to minimise the number of "empty" properties. In this economic climate we will review our occupancy rates. d) Budget 2010/11 e) Medium term financial strategy f) Asset Management Strategy g) Dashboard - budget monitoring h) Annual Treasury Management Strategy i) Counterparty Lists	High 16	R	High Medium 12	A !	➡	Regular Budget Monitoring and exception reports. Investment strategy monitored by AARC.
CORP03 ICT Systems	Pat Simpson	1) ICT unable to provide Disaster Recovery Services as required by the Business Continuity Plan. 2) Loss of ICT systems that would have a significant negative impact on service delivery and cause exceptional costs to the Council.	High 20	R	Medium 8	A	1a) Disaster Recovery Plan to be tested by system administrators on a 6 monthly schedule. 2a) Architectural approach of systems and implementation of key projects is quality assured by external auditors; 2b) Annual compliance with ISO 27001 through annual testing of operation procedures by external auditors	High 20	R	Medium 8	A	➡	The risk will be reassessed after testing again once the works at Thorpe Lane depot are complete
CORP04 Equalities Legislation	Claire Taylor	The risk is the Council may be open to litigation and loss of reputation if it is not compliant with equalities legislation.	High Medium 15	A !	Medium 9	A	a) Equalities scheme b) Mandatory Equalities Training c) Equalities performance monitored through d) PMF e) IDEA Peer assessment planned for 2010 f) Equalities steering group and communications plan	High Medium 15	A !	Medium 9	A	➡	Risk reviewed, no major change to risk rating. New legislation in force October 2010. Managers briefing and staff communications being prepared.
CORP05 Job Evaluation	Anne-Marie Scott	The risk is the impact of a significant number of appeals arising from the Job Evaluation scheme on the resources of the Council and Human Resources in particular. Also there is a risk that Job Evaluation may encourage staff to pursue equal pay claims due to greater awareness.	High Medium 12	A !	Medium 6	A	1) Consultation with employee representatives 2) Equal pay audit 3) Job Evaluation project 4) Removal of Company Car Scheme	High Medium 12	A !	Medium 6	A	➡	Appeals process now complete, 1 collective grievance raised by Unison being dealt with. This has the risk to become an equal pay claim but early investigation does not suggest the complaint is valid
CORP06 Civil Emergency	Paul Marston-Weston	Civil Emergency	High Medium 15	A !	Medium 5	A	As a Category 1 Responder under the Civil Contingencies Act 2004, the Council has a duty to prepare and maintain an Emergency Plan which is updated on a regular basis. Furthermore, the plan has an annual testing and exercising schedule. Table top exercises are carried out annually to test the robustness of the plan and for plan familiarisation. Training is also provided as necessary to relevant staff to enable them to undertake effectively their emergency planning duties/role.	High Medium 15	A !	High Medium 10	A !	➡	Gross risk remains high but mitigated by effective planning and training. Further updating of plans/details undertaken in August. BC Plan live test in next 6 months. EP plan test in October
CORP07 Data Quality	Claire Taylor	The risk is that unreliable data sources are used to support decision and policy making putting the Council at risk of making poor decisions. Decisions are made on the basis of information about the population and the nature of the district. If data is out of date, incomplete or inaccurate, those decisions may turn out to be inappropriate.	High Medium 12	A !	Medium 9	A	a) Single trusted data source available for all decision makers to access b) Use external trusted and reliable data source as the basis for our own information c) Internal audit programme for performance indicators d) Initiate a series of data quality health checks	High Medium 12	A !	Medium 9	A	➡	Risk reviewed. No major changes to risk. Data Quality action plan on track. CAA requirements have ceased but council still has own internal audit requirements in place to QA

Risk Management 2010/2011 April - September 2010													
Risk Heading	Owner	Description	Q1 : June 2010				Controls	Q2 : September 2010				Direction of Travel	Risk Mitigation this Quarter /Comments
			Gross Risk Rating	Gross RAG	Net Risk Rating	Net RAG		Gross Risk Rating	Gross RAG	Net Risk Rating	Net RAG		
Partnership Risks													
PART01 Local Area Agreement	Claire Taylor	The risk is the failure to deliver the Council's elements of the Local Area Agreement having a negative impact on service delivery to the public, the Council's reputation with other local authorities and this being reflected in national inspection regimes.	High Medium 12	A !	Medium 9	A	a) PMF b) High level of District engagement in LAA2 negotiation c) CDC coordination of all Oxon districts LAA performance management arrangements. d) LSP management group to monitor performance	High Medium 12	A !	Medium 9	A	➡	CDC continues to performance manage the district LAA. Risks are associated with overall county delivery, however the importance of the LAA looks like it is declining.
PART02 Local Strategic Partnership	Claire Taylor	The risk is the failure of the Local Strategic Partnership to deliver its objectives having a negative impact on service delivery to the public, the Council's reputation with other local agencies and this being reflected in national inspection regimes.	Medium 9	A	Medium 6	A	a) Partnership governance review implemented b) Management group to support implementation of LSP decisions c) Annual self assessment of performance	Medium 9	A	Medium 6	A	➡	Risk reviewed. Currently there is a high level of commitment to the LSP and meetings are working well. However, personnel changes and reduced resources may have an impact in the coming months. Risk under close review with a high potential for increased risk later on in the year.
PART03 Community Safety Partnership	Chris Rothwell	Failure of the Community Safety Partnership to deliver a continuous reduction in crime and the fear of crime.	High Medium 12	A !	Medium 9	A	The four Action Groups produce annual action plans to deliver the priorities of the partnership. This is monitored bi-monthly by the partnership's performance management team (CDC head of service and TVP local commander) which reports into the quarterly strategic partnership meetings.	High Medium 12	A !	Medium 9	A	➡	
PART04 Spatial Planning & Infrastructure Partnership	John Hoad	The risk is the failure of the Spatial Planning and Infrastructure Partnership to establish itself as an effective body locally and in relations with National Government. The consequences are reduced funding for the local area and failure to fully exploit development and infrastructure provision opportunities.	High Medium 12	A !	Medium 8	A	Control Measures remain the same. a) Partnership Work Programme / Forward Plan b) Resource provision for Partnership work (use of LAA Reward Grant)	High Medium 12	A !	Medium 8	A	➡	

Indicated by:-	How the risk should be managed
High	Requires Active Management High impact / High Probability: this risk requires active management to manage down and maintain the exposure at an acceptable level. Escalate upwards.
High Medium	Contingency Plans Required A robust contingency plan is required, together with early warning mechanisms to detect any deviation from the profile. Escalate upwards.
Medium	Monitoring Required This risk may require some additional risk mitigation to reduce the likelihood (if it can be done cost effectively), but good housekeeping to ensure that the impact remains low should be adequate. Monitor to identify any change in the risk.
Low	Review Periodically This risk is unlikely to require further mitigating actions, but the status should be reviewed quarterly to ensure that conditions have not changed.
➡	Risk rating stayed the same Last month compared to this month
➡	Risk rating improved Performance increased (risk rating decreased) Last month compared to this month
➡	Risk rating worsened Performance declined (risk rating increased) Last month compared to this month

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Executive

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

1 November 2010

Report of Head of Finance

PURPOSE OF REPORT

This report summarises 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.

This report also reviews the treasury and procurement action plan performance for the first 6 months of 2010/11.

This report is public

Recommendations

The Executive is recommended:

- (1) To note the projected revenue & capital position at September 2010.
- (2) To approve the transfer of £234,000 to the organisational change reserve.
- (3) To approve the Capital Slippage of £2.2m from the 2010/11 capital programme as detailed in Appendix 1 and consider this as part of the 2011/12 budget process.
- (4) To note the Q2 performance against 2010/11 investment strategy and the mid year report in Appendix 2.
- (5) To note progress against the Procurement Action plan detailed in Appendix 3 and the savings recorded in Appendix 4.

Executive Summary

Introduction

- 1.1 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.
- 1.2 The revenue and capital expenditure in Q2 has been subject to a detailed review by Officers and reported monthly to management as part of the corporate dashboard. An additional benchmark has been included this year to measure the accuracy of projections by budget holders on a month by month basis.
- 1.3 A review of the treasury performance for Q2 and a mid year report is also included within this report.
- 1.4 Our performance has been regularly reviewed by our treasury management advisors Sector and by the Accounts, Audit and Risk Committee.
- 1.5 Progress against the Council's procurement strategy and the annual saving's target is also included within this report.

Conclusion

- 1.6 Due to the downturn in the economy, impact of the credit crunch on Council services and the volatility of the financial markets, the Council is keeping a watching brief on any challenges that they may need to face which may result in a redirection of budgets.
- 1.7 The variances on the revenue and capital projections are within the Council's stated tolerances of +2% / -5%.
- 1.8 The Council has a General Fund Revenue reserve to meet any budgetary surplus or deficit.
- 1.9 The actual return on investments for the quarter to September 2010 was £674k compared with a budget of £673k a variance of £1k. This is in line with expectations and within budget tolerances.
- 1.10 We are projecting to be on track to deliver against the annual investment return budget at this stage.
- 1.11 The Council's performance against the procurement action plan is in line with timescales and after 6 months 69% of the savings target has been achieved.

Background Information

Revenue and Capital Position at 30 September 2010

- 2.1 The Dashboard Revenue Report for September 2010 shows an overspend against budget of £273k. This differs from the projected year end position detailed below through profiling of expenditure and income
- 2.2 Total capital spend to September 2010, including commitments, amounts to £2.2M. This represents 14% of the total annual budget and 30% of the periodic budget. This is prior to adjustment for profiling and projects that are to be deferred. (Appendix 1)

Revenue Projected Outturn 2010/11

SEPTEMBER 2010 PROJECTIONS	Full-Year Budget	Projected Out-turn	Projection Variance
	2010/11	2010/11	2010/11
	£000's	£000's	£000's
DIRECTORATES			
Corporate Core	4,751	4,586	(165)
Environment & Community	10,718	10,918	200
Planning Housing & Economy	5,677	5,551	(126)
Net Expenditure Services	21,146	21,055	(91)
Investment Income		0	0
Windfall Interest – VAT Fleming Claim		-234	-234
Transfer to Reserves		234	234
Net Revenue Projected Underspend 2010/11 @ September 2010			(91)

- 2.3 There is an overspend in Environment and Community of £200K which primarily relates to Car Park income which is currently £112k net underachieved, which projected to the year end, is £268k. Car parking income is down nationally; however, proposed changes to fees and charges have been put forward and will partly mitigate these losses if implemented.

This shortfall in income is offset by savings on maintenance of (£10k) and additional income received for Excess Charges. A vacant post and other efficiencies within Safer Communities partly help to offset this reduction in income further. And additionally within Environmental Services negotiations re gate fees have saved £10 per tonne, resulting in a saving in year of (£26k). Fuel price per litre is currently at budgeted level which means it could easily become an issue over the coming months.

Within Health & Recreation, as per the Project Agreement, CDC is responsible for any changes to NNDR compared to the level in the Base Case. This increase has been calculated at £40k for both the Interim Services Period and the Full Service Period to the end of this financial year. This additional budget pressure is offset by savings within the Museum budget.

- 2.4 The underspend in Corporate Core of £165K comprises primarily of projected underspends within Corporate training of £65K and underspends within Legal & Democratic Services of £125K which offset various other projected

overspends. The underspends within Legal and Democratic can be further analysed as £55k within Democratic Services for Vacant Posts / unpaid leave / reduced expenditure., £50K arising from the VFM review of Legal Services / / reduced Counsel fees and reduced Parish and District Election costs.

- 2.5 The underspend in Planning, Housing and Economy of £126K relates to planning fee income being significantly above estimate however this will be carefully monitored over the coming months to ascertain any impact of the economic downturn. There is a reduction in projected consultancy costs and printing within Planning Policy & Economic Development totalling £55K and further savings within Housing including £25K savings from the rent Deposit Scheme. These help to offset the impact of rental Income being short of budget by £96k mainly due to Castle Quay and a projected overspend in concessionary fares of circa £100k.
- 2.6 We are currently projecting to be in line with the investment income budget.
- 2.7 We are currently projecting an underspend of £91k at the year end. This assumes that approval is given to the transfer to reserves as detailed above. This variance is within the Council's stated tolerances of +2% / -5% and will continue to be monitored on a monthly basis.

Capital Projection 2010/11

- 2.8 Total capital spend to September 2010, including commitments, amounts to £2.2M. This represents 14% of the total annual budget and 30% of the periodic budget. This is prior to adjustment for profiling and projects that are to be deferred.

SEPTEMBER 2010 PROJECTIONS	Full-Year Budget	Projected	Projection Variance
		Out-turn	
	2010/11	2010/11	2010/11
	£000's	£000's	£000's
DIRECTORATES			
Corporate Core	101	36	(65)
Environment & Community	2,619	1,827	(792)
Planning Housing & Economy	12,367	5,805	(6,562)
	15,087	7,668	(7,419)
Analysed:-			
Deferrals approved September Executive			4,861
Deletions approved to September Executive			375
Additional Slippage Identified – Appendix 1			2,204
Net projected under / overspends			(21)
Total			7,419

- 2.9 The projected spend for capital schemes at Q2 taking into consideration the slippage requests is £7.7M.

- 2.10 Assurance has been sought from Service Heads to ensure that schemes are started according to budgeted profile and have been reviewed by the Capital Investment Delivery Group.
- 2.11 The review undertaken has identified a further £2.2M of slippage required into the 2011/12 programme. These are detailed in Appendix 1 and approval is sought for this slippage to take place,

Efficiencies

- 2.12 We have achieved good progress on achieving the budgeted commitment of reducing costs by £800k (Public Promise) by April 2011 with 65% (£522K) of the £800K secured as at the 30th September 2010.
- 2.13 Work has commenced on all of the reduction streams and we anticipate achieving the full £800k by the end of the year.

Treasury Performance Quarter 2 2010/11

- 2.14 The actual return on investments for the quarter to September 2010 was £674k compared with a budget of £673k a variance of £1k.

2009/10 Budget by Fund Manager					
Fund		Amount Managed	Average % rate	Interest Receivable	Monthly equivalent
TUK		25,000,000	3.31%	826,513	68,876
Investec		20,344,000	1.97%	400,000	33.333
In House (avg)		15,000,000	0.81%	122,240	10,186
Total		60,344,000	2.24%	1,348,753	112,396

The actual return on investments by Fund manager can be seen below:

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	
Total	71,341,438	674,377	675,289	912	1.87

- 2.15 The performance is in line with expectations and within budget tolerances. We are projecting to be on track to the annual budget at this stage.
- 2.16 The mid year report contained within Appendix 2 considers the economic conditions and compliance with our annual treasury management strategy.

Progress on Procurement Action Plan

- 2.17 Progress against the Council's procurement action plan is detailed in Appendix 3.

- 2.18 Collaboration continues apace with Councils across Oxfordshire, Buckinghamshire and Northamptonshire via the Strategic Procurement Partnership for Oxfordshire, the Milton Keynes Oxfordshire and Buckinghamshire Procurement Partnership and the Northamptonshire Areas Procurement Service.
- 2.19 Cherwell is currently undertaking the following shared procurement projects:
- Telephony Maintenance – two Northamptonshire Councils;
 - Cash Collection – all Oxfordshire authorities;
 - Cleaning Materials – all Oxfordshire and many Northamptonshire authorities;
 - Buildings maintenance – all Oxfordshire districts.
 - Agency staff (Countywide) – Oxford City Council in process of leading.
 - Tyres (City & CDC) – Cherwell to lead on.
- 2.20 The procurement target for securing ongoing cashable savings in 2010/11 is £225,000 and to date total savings achieved amount to £156,723 – i.e. 69.7% of the total at the mid-year mark. The full detail behind the savings can be seen in Appendix 4.
- 2.21 A growing percentage of the cashable savings have been secured by including a range of initiatives within tender documents, such as fixed pricing for the second and third year of the contract or at least fixing increases by 1% below the Consumer Price Index; requesting prompt payment discounts against invoice payments – the average being 3% but discounts offered being as high as 5%; requiring the contract to be made available to other local authorities and public bodies with retrospective discounts agreed in the event that there is an increase in expenditure over the year.
- 2.22 These savings will result in budget reductions in the formulation of the 2011/12 budget and contribute to in year cost reductions.
- 2.23 Non cashable savings of over £28,009 have been due to the reduction in transaction costs as a result of transactions undertaken using Procurement Cards and the impact of the procurement process on our capital programme has reduced Council expenditure by circa £417,268.

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 This report illustrates the Council's performance against the 2010/11 Revenue and Capital Budget and includes details of Treasury Performance as at Qtr 2 – September 2010

The following options have been identified. The approach in the recommendations is believed to be the best way forward

- | | |
|-------------------|---|
| 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. |

Consultations

The revenue and capital position has been subject to regular review by the Corporate Management Team and as part of the PMF framework.

Compliance with our investment strategy and monitoring of our returns was reported to the Accounts, Audit and Risk Committee on 23rd September 2010.

Implications

Financial:	<p>Financial Effects – The financial effects are as outlined in the report.</p> <p>Efficiency Savings – There are no efficiency savings arising from this report however the budget 2010/11 was based on a number of efficiencies. A number of the £800k savings will be allowable for efficiencies.</p> <p>Comments checked by Karen Muir, Corporate System Accountant 01295 221559</p>
Legal:	<p>Presentation of this report is in line with the CIPFA Code of Practice.</p> <p>Comments checked by Nigel Bell, Head of Legal and Democratic Services 01295 221686</p>
Risk Management:	<p>The position to date highlights the relevance of maintaining a minimum level of reserves and budget contingency to absorb the financial impact of changes during the year.</p> <p>Comments checked by Rosemary Watts, Insurance and Risk Manager, 01295 221566.</p>

Wards Affected

All

Corporate Plan Themes

An Accessible and Value for Money Council

Executive Portfolio

Councillor James Macnamara
Portfolio Holder for Resources

Document Information

Appendix No	Title
Appendix 1	Capital Programme Slippage Request 2010/11
Appendix 2	Treasury Mid Year Report
Appendix 3	Progress against the 2010/11 Procurement Action Plan
Appendix 4	Procurement Savings Target
Background Papers	
2010/11 Budget Booklet Medium Term Financial Strategy 2010/11 Investment Strategy CIPFA Treasury Management Code of Practice 2010/11 Procurement Strategy and Action Plan	
Report Author	Karen Curtin, Head of Finance Karen Muir, Corporate System Accountant Viv Hichens, Corporate Strategic Procurement Manager
Contact Information	01295 221551 karen.curtin@cherwell-dc.gov.uk

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	0	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.
	TOTAL	3,453	24	2,204	

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Appendix 2

Treasury Management Update

Quarter Ended 30th 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.

- 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 30th September 2010 saw the following:
- Activity indicators suggest that the recovery has faded sharply since the second quarter (1st April to 30th 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	
Total	71,341,438	674,377	675,289	912	1.87

- 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.

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
Total Investments	£28,295,000	1.94%		
Total Investments - excluding Icelandic exposure	£24,295,000	1.32%		
Total Investments - Icelandic Exposure Only	£4,000,000	5.73%		

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
Total Investments	£25,000,000	3.61%		
Total Investments - excluding Icelandic exposure	£22,500,000	3.31%		
Total Investments - Icelandic Exposure Only	£2,500,000	6.30%		

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
CERTIFICATES OF DEPOSITS											
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
TOTAL CERTIFICATES OF DEPOSITS				19,801,023.51			(8,578.41)	19,792,445.10	55,171.23	19,847,616.33	0.66
COMMERCIAL PAPER											
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
TOTAL COMMERCIAL PAPER				499,329.67			(6.36)	499,323.31	355.69	499,679.00	0.13
CASH											
	GBP Cash -- Settled Balance			86,184.42				86,184.42		86,184.42	
TOTAL CASH				86,184.42				86,184.42		86,184.42	
TOTAL				20,386,537.60			(8,584.77)	20,377,952.83	55,526.92	20,433,479.75	0.64

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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"> • Rollout the Procurement Strategy in conjunction with the Procurement Guide via workshops and on project training: <ul style="list-style-type: none"> • 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"> ○ Options appraisals ○ Price/quality ratios and evaluation criteria ○ Sustainability considerations and calculating full lifetime costs ○ Specification writing ○ Key performance indicators and contract management ○ Nomination of Procurement Champions by service. 	<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"> • Options appraisal • Full life cycle costings • Sustainability • Specification writing • KPIs <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"> 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. Introduce price/quality ratios into project planning to ensure evaluation criteria other than price are given due consideration. 	<p>End May 2010: Procurement Team</p> <p>September 2010: Procurement Manager</p>	<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> <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"> • Train officers in the calculation of whole life costing, including the initial purchase cost, operating, management and disposal costs. • Ensure full lifetime cost calculations carried out on all projects. 	<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"> • 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. • Fire & Intruder – a similar approach to Heating and Cooling Plant is in place. • 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. <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"> Provide specification writing training for key projects. 	Onward going: Procurement Team	<ul style="list-style-type: none"> Stationery Tyres Thorpe Lane Refurbishment <p>Specification writing training has been provided for the following projects to great success:</p> <ul style="list-style-type: none"> Heating & Cooling Fire & Intruder Telephony Maintenance Asset Register software <p>It will also be applied to the following projects:</p> <ul style="list-style-type: none"> Insurance Window cleaning, graffiti and gum removal
<ul style="list-style-type: none"> Promote consideration of key performance indicators and contract management consideration at project planning stage. 	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

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"> 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. 	<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>

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7.2 Governance and compliance		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> 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"> Providing a checklist for retention in the project file for use on all projects by July 2010. Enhance the scrutiny and policy development role of the Procurement Steering Group Strategy Group by: <ul style="list-style-type: none"> Holding first quarterly meeting by the end of September 2010 with agreement on areas for focus and meeting dates for 	<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>

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7.2 Governance and compliance		
Action	Target Date /Who	Progress to date
<p>remainder of 2010/11</p> <ul style="list-style-type: none"> Monitor procurement indicators with an agreed recording mechanism in place by December 2010. 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. 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. 	<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"> 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. 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. 	<p>Procurement Team</p> <p>Onward going: Procurement Team</p>	<ul style="list-style-type: none"> Total cashable savings to date of £156,723 (70% of target achieved) Total non-cashable savings to date: £28,009 Refer to Appendix 4 for a breakdown of savings to date. <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>

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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"> Lot 1 General building and joinery Lot 2 Electrical work Lot 3 Plumbing Lot 4 Painting and decorating

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"> 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. 	<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

7.4 Understand the contract management requirements of the Council and identify ways to streamline the process and promote best practice		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> • Improve contract management knowledge via rollout of a user manual & workshops across the service areas: <ul style="list-style-type: none"> ○ Devise manual including findings from the contract management focus group ○ Consult widely on the manual ○ Rollout manual 	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.

7.5 Sustainability		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> • 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 • Ensure full lifetime cost calculations carried out on all projects – as per 7.1 • Consider the costs and benefits of environmentally preferable goods/services as alternatives as part of the full lifetime cost calculation process. • Promote awareness, train and encourage buyers to review their consumption of goods and services, reduce usage and adopt more environmentally friendly alternative products. 	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

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7.5 Sustainability		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> 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. Promote the Sustainable Procurement Strategy with the market place via: <ul style="list-style-type: none"> Pre-tender market engagement exercises; Working with the council supplier workshops; Meet the Buyer events; Local business liaison newsletters; Including a copy of the policy with all quotation and tender exercises. Encourage buyers to break down larger contracts to match SME and Social Enterprise capacity where appropriate. Develop the inclusion of sustainability factors within contract management key performance indicators. Make provision for the collection of cost benefit data for sustainable solutions put in place. 	<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 & cooling plant maintenance and fire & 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 & cooling, fire & intruder tenders, window, graffiti, gum removal and buildings maintenance contracts.</p> <p>Included in public toilet cleansing, heating & cooling and fire & intruder tenders.</p> <p>Spreadsheet provided by Environmental Officer to be used with future tenders.</p>

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

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

7.7 Continuous improvement		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> • Effective benchmarking of current contracts against other authorities in the South East. • Actively engage with local suppliers and seek feedback on how we can improve our contracting processes – as per 7.8 • Support the delivery of services to end users, ensuring stakeholder 	<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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7.7 Continuous improvement		
Action	Target Date /Who	Progress to date
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.

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7.8 Mixed Economy		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> • 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"> ○ Dispatch of and collation of feedback from of an online questionnaire; ○ An engagement forum at a Meet the Buyer event; ○ Feedback questionnaire for short listed suppliers. • 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"> ○ Encouraging breaking down of projects into lots where appropriate; ○ Including local SMEs on invitation to quote exercises; ○ Considering Selling to the Council workshops for all relevant projects; ○ Participating in and hosting further Meet the Buyer events; 	<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 & cooling, fire & 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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7.8 Mixed Economy		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> ○ Explore how we developing closer strategic and operational working arrangements with the Voluntary and Community Sectors: ○ Partner with the Economic Development team to provide further support for social enterprises within the district. 		Steven Newman in Economic Development. Currently reviewing his resilience report.

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7.9 E-Commerce		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> • Undertake an options appraisal to determine the cost benefits of an e tendering system in partnership with other Oxfordshire authorities. • Exploitation of South East Business Portal via loading of forward plans and adverts. • 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. • When appropriate, include in the specification for corporate contracts requirements for web-based or similar e-ordering as a means of streamlining ordering procedures. 	<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>

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

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7.10 Corporate Procurement Resources		
Action	Target Date /Who	Progress to date
<ul style="list-style-type: none"> Raise the profile of the Procurement Service and its achievements, both internally and with external stakeholders by: <ul style="list-style-type: none"> Arranging bi-monthly 1-2-1's with key Heads of Service; Bi-monthly internal newsletter containing copy of contracts register, updates and tips; Meetings with the partners listed in 7.6 Recruitment, retention and development of capable procurement staff in all procurement-related posts. 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 	<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>

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7.10 Corporate Procurement Resources		
Action	Target Date /Who	Progress to date
<p>Continuous Professional Development.</p> <ul style="list-style-type: none"> 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. 	<p>Onward going: Procurement Manager</p> <p>Onward going: Procurement Manager</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 & Estates (particularly property) while the Corporate Purchasing Officer not only focuses on genuinely corporate contracts but also Urban and</p>
<ul style="list-style-type: none"> Consider an “apprentice” procurement officer as part of the Oxfordshire Hub 	<p>March 2011: Head of Finance and Procurement Manager</p>	
<ul style="list-style-type: none"> Merge and co-locate the existing corporate procurement and service assurance team into a single team. 	<p>March 2011: Head of Finance</p>	
<ul style="list-style-type: none"> Allocate procurement team members to provide support for particular directorates on significant projects. 	<p>Procurement Manager: onward going</p>	

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

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

Contract Description	Cashable	Non-cashable	Capital
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		£100,000
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		£81,000
Bodicote Old House Refurbishment	£3,544		£236,268
Coffee Machine supplies	£100		
Washrooms (Museum/TIC)	£527		
Fire Systems	£2,554		
Intruder and CCTV	£3,541		
Total:	£156,723	£28,009	£417,268
Notes			
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.			

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