

# Meeting of Council

Monday 21 July 2014

Members of Cherwell District Council,

A meeting of Council will be held at Bodicote House, Bodicote, Banbury, OX15 4AA on Monday 21 July 2014 at 6.30 pm, and you are hereby summoned to attend.



**Sue Smith**  
Chief Executive

Friday 11 July 2014

## AGENDA

1 **Apologies for Absence**

2 **Declarations of Interest**

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

3 **Communications** (Pages 1 - 2)

To receive communications from the Chairman and/or the Leader of the Council.

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

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

#### **5 Urgent Business**

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

#### **6 Minutes of Council (Pages 3 - 20)**

To confirm as correct records the Minutes of Council held on the 16 June 2014 and the special meeting of Council on 7 July 2014.

#### **7 Minutes**

- a) Minutes of Executive, Lead Member Decisions and Executive Decisions not included in the Executive work programme incorporating the Private Executive Meeting Notice and the Notice of Intention to make Key Decision

The Leader of the Council to formally propose that the minutes of the meetings of the Executive and Lead Member Decisions as set out in the Minute Book (circulated separately) be received and to report that since the last meeting at which the minutes of Committees were submitted (24 February 2014), no decisions have been taken by the Executive which were not included in the 28 day notice relating to the Oxfordshire Strategic Economic Plan, Build! ® Programme Phased Delivery and Land Acquisition.

- b) Minutes of Committees

The Leader of the Council to formally propose that the minutes of committees as set out in the Minute Book (circulated separately) be received.

#### **8 Questions**

- a) Written Questions

To receive any written questions and answers which have been submitted with advance notice in accordance with the constitution. A written response to the question will be circulated at the meeting.

- b) Questions to the Leader of the Council

The Chairman to invite questions to the Leader of the Council (including any matters arising from the minutes).

Following a response to their question being provided members will be entitled to a follow up or supplementary question.

- c) Questions to Committee Chairmen on the minutes

The Chairman to invite questions to Chairmen of Committees on any matter arising from the minutes of their committee (if any).

## 9 Motions

To debate any motions which have been submitted with advance notice, in accordance with the constitution.

## Council Business Reports

### 10 General Fund and Capital Programme Provisional Outturn 2013-14 Carry Forward and Capital Slippage (Pages 21 - 28)

Report of Director of Resources and Interim Head of Financial Management

#### Purpose of report

To approve the 2013-14 revenue budget carry forwards and capital slippage requests in line with the Council's Financial Procedure Rules.

#### Recommendations

- 1.1 That the items that are shaded in Appendix 1 which are revenue budgets recommended by Executive for carry forward be approved under financial procedure rule 2.4.6 (b).
- 1.2 That the capital slippage items detailed in Appendix 2 recommended by Executive be approved for carry forward to the 2014-15 capital programme under financial procedure rule 2.4.6 (b).
- 1.3 To approve the recommendation from Accounts, Audit and Risk Committee that paragraph 2.4.6 of the Financial Procedure Rules is amended to require the approval of Accounts, Audit and Risk Committee to relevant carry forward requests rather than Full Council.

### 11 2013/14 Treasury Management Annual Report (Pages 29 - 46)

Report of Director of Resources and Interim Head of Finance and Procurement

#### Purpose of report

This report presents information on treasury management performance and compliance with treasury management policy during 2013/14 as required by the Treasury Management Code of Practice.

## **Recommendations**

The meeting is recommended:

- 1.1 To note the contents of this report in line with the Treasury Management Strategy.

## **12 Accounts, Audit and Risk Committee Annual Report 2013/14 (Pages 47 - 52)**

Report of Interim Head of Finance and Procurement

### **Purpose of report**

This report summarises the work of the Accounts, Audit and Risk Committee during 2013-14.

## **Recommendations**

The meeting is recommended

- 1.1 To note the Accounts, Audit and Risk Committee Annual Report 2013/14.

## **13 Budget Planning Committee Annual Report (Pages 53 - 60)**

Report of Head of Law and Governance

### **Purpose of report**

This report presents the Budget Planning Committee Annual Report for 2013/14.

## **Recommendations**

The meeting is recommended:

- 1.1 To note the Budget Planning Committee Annual Report 2013/14.

## **14 Overview and Scrutiny Committee Annual Report (Pages 61 - 74)**

Report of Head of Law and Governance

### **Purpose of report**

This report presents the Overview and Scrutiny Annual Report for 2013/14.

## **Recommendations**

The meeting is recommended:

- 1.1 To note the Overview and Scrutiny Annual Report 2013/14.

## 15 Exclusion of the Press and Public

The Chairman, will if necessary, move the exclusion of the press and public if members have indicated (under the relevant agenda item) they wish to ask a question on any matter arising from an exempt minute.

In making the decision, members should balance the interests of individuals or the Council itself in having access to the information. In considering their decision members should also be mindful of the advice of Council Officers.

Should members decide not to discuss the issue in public, they are recommended to pass the following recommendation:

“That, in accordance with Section 100A(4) of Local Government Act 1972, the press and public be excluded from the meeting for the following item of business, on the grounds that it could involve the likely disclosure of exempt information as defined in paragraphs of Schedule 12A of that Act, as set out in the Minute Book.”

## 16 Questions on Exempt Minutes

Members of Council will ask questions on exempt minutes, if any.

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

## Information about this Agenda

### Apologies for Absence

Apologies for absence should be notified to [democracy@cherwellandsouthnorthants.gov.uk](mailto:democracy@cherwellandsouthnorthants.gov.uk) or 01295 221589 prior to the start of the meeting.

### Declarations of Interest

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

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

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

## **Evacuation Procedure**

When the continuous alarm sounds you must evacuate the building by the nearest available fire exit. Members and visitors should proceed to the car park as directed by Democratic Services staff and await further instructions.

## **Access to Meetings**

If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named below, giving as much notice as possible before the meeting.

## **Mobile Phones**

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

## **Queries Regarding this Agenda**

Please contact Natasha Clark, Democratic and Elections  
natasha.clark@cherwellandsouthnorthants.gov.uk, 01295 221589

## CHAIRMAN'S ENGAGEMENTS

16 June 2014 – 21 July 2014

### June

- Saturday 21 June The Chairman and his wife attended a theatrical review at the invitation of Banbury & District Samaritans at Marlborough Road Methodist Church, Banbury. The review by a local theatrical group, Poetic Licence, staged 'Peter the Great' celebrating the life and works of Peter Ustinov.
- Friday 27 June The Chairman attended the St John Ambulance Annual Awards Presentation Evening in Kidlington and presented certificates to volunteers and units for hours served in the year.
- Saturday 28 June Banbury Town Council Armed Forces Day parade.

### July

- Thursday 3 July The Chairman and his wife attended an informal 'fete' and barbeque to celebrate Independence Day at RAF Croughton at the invitation of Col. Douglas Mellars, Commander of the 422d Air Base Group.
- Sunday 6 July The Chairman attended Banbury Town Mayor's Sunday and Hobby Horse Festival in Banbury. The Chairman joined the Mayor and Civic Party for a procession from the Town Hall to People's Park where a full programme of activities took place in the arena.
- Sunday 6 July *The Vice Chairman and her husband attended Bicester Town Council's Civic Service and Parade at St Edburg's Church at the invitation of Councillor Lynn Pratt, Mayor of Bicester.*
- Monday 7 July The Chairman was invited by Barrus in Bicester to attend their Award Presentations.
- Friday 11 July The Chairman and his wife attended a VIP Reception at Broughton Castle, Nr Banbury at the invitation of the Chair of the Trustees of Age UK Oxfordshire, the Vice Lord Lieutenant and High Sheriff of Oxfordshire. This included a tour of the castle personally led by Lord & Lady Saye & Sele and their son Martin Fiennes and a short presentation. This was followed by Jazz in the Castle gardens with the George Huxley Jazz Band.
- Saturday 12 July The Chairman and his wife attended the Royal International Air Tattoo at RAF Fairford at the invitation of Lt Col Marc Galler, 422 Air Base Group Deputy Commander. RAF Fairford comes under the leadership of the US Air Force 422d Air Base Group stationed at RAF Croughton.
- Wednesday 16 July The Chairman attended the Annual General Meeting of the Oxfordshire County Scout Council and Open Forum on Oxfordshire Scouting at the invitation of The County Chairman and The County Commissioner of the Oxfordshire County Scout Council.
- Sunday 20 July The Chairman and his wife attended the 'Songs of Praise' Civic Service in Brackley Market Square at the invitation of the Cllr Peter Rawlinson, Chairman of SNC.

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# Agenda Item 6

## Cherwell District Council

### Council

Minutes of a meeting of the Council held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 16 June 2014 at 6.30 pm

Present: Councillor Alastair Milne Home (Chairman)  
Councillor Melanie Magee (Vice-Chairman)

Councillor Ken Atack  
Councillor Andrew Beere  
Councillor Claire Bell  
Councillor Maurice Billington  
Councillor Fred Blackwell  
Councillor Norman Bolster  
Councillor Ann Bonner  
Councillor Mark Cherry  
Councillor Colin Clarke  
Councillor Surinder Dhesi  
Councillor John Donaldson  
Councillor Diana Edwards  
Councillor Andrew Fulljames  
Councillor Michael Gibbard  
Councillor Carmen Griffiths  
Councillor Timothy Hallchurch MBE  
Councillor Chris Heath  
Councillor David Hughes  
Councillor Russell Hurle  
Councillor Tony Ilott  
Councillor Ray Jelf  
Councillor Matt Johnstone  
Councillor Mike Kerford-Byrnes  
Councillor James Macnamara  
Councillor Kieron Mallon  
Councillor Nicholas Mawer  
Councillor Nigel Morris  
Councillor Jon O'Neill  
Councillor D M Pickford  
Councillor Lynn Pratt  
Councillor Neil Prestidge  
Councillor Nigel Randall  
Councillor G A Reynolds  
Councillor Barry Richards  
Councillor Alaric Rose  
Councillor Dan Sames  
Councillor Les Sibley  
Councillor Lawrie Stratford  
Councillor Rose Stratford  
Councillor Lynda Thirzie Smart  
Councillor Nicholas Turner  
Councillor Douglas Webb

Councillor Barry Wood  
Councillor Sean Woodcock

Apologies for absence: Councillor Simon Holland  
Councillor Bryn Williams  
Councillor Douglas Williamson

Officers: Sue Smith, Chief Executive  
Karen Curtin, Director (Bicester)  
Ian Davies, Director of Community and Environment  
Martin Henry, Director of Resources / Section 151 Officer  
Kevin Lane, Head of Law and Governance / Monitoring Officer  
Natasha Clark, Team Leader, Democratic and Elections

## 1 **Declarations of Interest**

There were no declarations of interest.

## 2 **Communications**

### **Welcome**

Following the recent election, the Chairman thanked former Councillors Ahmed, Cullip, Emptage, O'Sullivan and Ross for their service to the district during their time as councillors.

The Chairman welcomed Councillors Bell, Griffiths, Johnstone, Richards and Williams to the Council and congratulated them and all other councillors who were returned at the recent election.

The Chairman also welcomed former CDC Chairman Catherine Fulljames to the meeting.

### **Annual Council**

The Chairman reminded Members that by convention the minutes of Committees, questions, petitions and motions were not taken at Annual Council and these, if any, would be considered at the next meeting.

### **Chairman's Engagements**

The Chairman advised Members that a copy of the events attended by himself or the Vice-Chairman had been tabled.

### **Post**

The Chairman reminded Members to collect post from pigeon holes after the meeting.

### **Special Council**

The Chairman reminded Members that there would be a Special Council meeting at 6.30pm on Monday 7 July to consider the Council's warding pattern proposals for submission to the Boundary Commission.

3 **Urgent Business**

There were no items of urgent business.

4 **Minutes of Council**

The minutes of the meeting of Council held on 24 February 2014 and the Special Meetings of Council held on 10 April 2014 and 29 May 2014 were agreed as a correct record and signed by the Chairman.

5 **Election of Chairman for the Municipal Year 2014/2015**

(The outgoing Chairman, Councillor Lawrie Stratford, presided for the consideration of this matter and those preceding)

It was moved by Councillor Wood and seconded by Councillor Reynolds, that Councillor Alastair Milne Home be elected as Chairman for 2014/15. There were no there were no other nominations.

**Resolved**

- (1) That Councillor Alastair Milne Home be elected Chairman of the Council for 2014/15.

6 **Investiture of Chairman**

Councillor Alastair Milne Home, having made and signed the required Declaration of Acceptance of Office was invested with the Chairman's Chain and took the Chair,

7 **Chairman's Address**

Councillor Alastair Milne Home thanked members for his appointment and addressed the Council.

8 **Vote of Thanks to Immediate Past Chairman**

The Chairman of the Council presented Councillor Lawrie Stratford with his past Chairman's badge as a token of his term of office.

Members paid tribute to Councillor Lawrie Stratford and thanked him for the dedication he had shown representing the Council, the services he had rendered to the District and gracious way he had presided over the deliberations of Council during his year of office.

9 **Past Chairman's Response**

Councillor Lawrie Stratford addressed Council to report on his term of office.

Councillor Lawrie Stratford reported that he had attended 80 functions during his term of office and raised £4400. Councillor Lawrie Stratford presented cheques of £1000 each to representatives from the Banbury Foodbank, the Bicester Foodbank, the Kidlington Foodbank and Katherine House Hospice. He confirmed that the remaining £400 would be donated to support a Parkinsons charity.

Councillor Lawrie Stratford paid particular thanks to Councillor Rose Stratford, his consort for the year and Liz Matthews, the Chairman's PA and presented them with a token of his appreciation.

Prior to the election of the Vice-Chairman, Councillor Kieron Mallon, outgoing Vice-Chairman, addressed Council and advised that he had enjoyed his year supporting the immediate past Chairman but he would not be seeking election as Chairman due to his involvement in campaigning for the 2015 General Election.

10 **Election of Vice-Chairman for the Municipal Year 2014/2015**

It was moved by Councillor Wood and seconded by Councillor Reynolds, that Councillor Melanie Magee be elected as Vice-Chairman for 2014/15. There were no other nominations.

**Resolved**

- (1) That Councillor Melanie Magee be elected Vice-Chairman of the Council for 2014/15.

11 **Investiture of Vice-Chairman**

Councillor Melanie Magee, having made and signed the required Declaration of Acceptance of Office was invested with the Vice-Chairman's Chain.

12 **Annual Council Business Report**

The Chief Executive submitted a report which presented the results of the 22 May 2014 district elections, the constitution of Political Groups, sought appointment of the Leader of the Council and the noting of the appointment of the Deputy Leader and Executive for the Municipal Year 2014/15 and requested Members to consider and agree the suggested constitution of Committees for the Municipal year 2014/2015. The report also sought nominations for representatives to the County Council Health Overview and Scrutiny Committee and Police and Crime Commissioner Scrutiny Panel.

The Chief Executive reported that there were district elections in 17 seats and Councillors were returned as follows:

Banbury Calthorpe – Councillor Colin Clarke  
Banbury Easington – Councillor Kieron Mallon  
Banbury Grimsbury and Castle – Councillor Claire Bell  
Banbury Hardwick - Councillor Tony Ilott  
Banbury Neithrop – Councillor Matt Johnstone  
Banbury Ruscote – Councillor Barry Richards  
Bicester West – Councillor Norman Bolster  
Bloxham and Bodicote – Councillor Chris Heath  
Deddington – Councillor Bryn Williams  
Fringford – Councillor Barry Wood  
Kidlington North – Councillor Douglas Williamson  
Kidlington South – Councillor Carmen Griffiths  
Kirtlington – Councillor Simon Holland  
Otmoor – Councillor Timothy Hallchurch MBE  
Sibford – Councillor George Reynolds  
The Astons and Heyfords – Councillor James Macnamara  
Wroxton – Councillor Douglas Webb

The Chief Executive reported that the constitution of the Council and political groups was now 40 Conservatives, 7 Labour, 2 Liberal Democrats and 1 Independent.

The Group Leaders were: Councillor Barry Wood, Leader of the Conservative Group and Leader of the Council; Councillor Sean Woodcock, Leader of the Labour Group and Leader of the Opposition and Councillor Douglas Williamson, Leader of the Liberal Democrat Group.

Councillor Reynolds proposed that Councillor Barry Wood be appointed Leader of the Council. Councillor Bolster seconded the proposal.

The newly appointed Leader of the Council, Councillor Wood, reported that for the Municipal Year 2014/15 he would reappoint Councillor Reynolds as Deputy Leader of the Council.

For the Municipal Year 2014/15, the Executive would comprise:

Councillor Barry Wood – Leader of the Council  
Councillor George Reynolds – Deputy Leader of the Council  
Councillor Ken Atack - Lead Member for Financial Management  
Councillor Norman Bolster – Lead Member for Estates and the Economy  
Councillor John Donaldson - Lead Member for Banbury Brighter Futures  
Councillor Michael Gibbard – Lead Member for Planning  
Councillor Tony Ilott - Lead Member for Clean and Green  
Councillor Kieron Mallon – Lead Member for Performance and Customer  
Councillor Debbie Pickford – Lead Member for Housing  
Councillor Nicholas Turner - Lead Member for Joint Working and IT

## **Resolved**

- (1) That the results of the District elections held on 22 May 2014 be noted.

- (2) That the constitution of Political Groups (40 Conservatives, 7 Labour, 2 Liberal Democrats and 1 Independent) and notification of Group Leaders: Councillor Barry Wood, Leader of the Conservative Group and Leader of the Council; Councillor Sean Woodcock, Leader of the Labour Group and Leader of the Opposition and Councillor Douglas Williamson, Leader of the Liberal Democrat Group, be noted.
- (3) That Councillor Barry Wood be appointed Leader of the Council.
- (4) That the appointment of the Deputy Leader of the Council, the membership of the Executive and the Executive Portfolios for 2014/15 be noted.
- (5) That the allocation of seats on committees that were subject to the political balance requirements be agreed as set out below:

	<b>TOTAL</b>	<b>CON</b>	<b>LAB</b>	<b>LD</b>
Accounts, Audit & Risk Committee	<b>8</b>	<b>6 (-1)</b>	<b>1</b>	<b>1 (+1)</b>
Appeals Panel	<b>10</b>	<b>8</b>	<b>1 (-1)</b>	<b>1 (+1)</b>
Budget Planning Committee	<b>12</b>	<b>10</b>	<b>2</b>	<b>0</b>
Joint Appeals Panel	<b>3</b>	<b>2</b>	<b>1</b>	<b>0</b>
Joint Personnel Committee	<b>5</b>	<b>4</b>	<b>1</b>	<b>0</b>
Licensing Committee	<b>12</b>	<b>10</b>	<b>1 (-1)</b>	<b>1 (+1)</b>
Overview & Scrutiny	<b>12</b>	<b>10</b>	<b>2</b>	<b>0</b>
Personnel Committee	<b>12</b>	<b>10</b>	<b>2</b>	<b>0</b>
Planning Committee	<b>18</b>	<b>14</b>	<b>3</b>	<b>1</b>
Standards Committee	<b>8</b>	<b>7</b>	<b>1</b>	<b>0</b>
<b>Proportional Total by Committee</b>	<b>100</b>	<b>82</b>	<b>17</b>	<b>1</b>
<b>Aggregate Entitlement</b>	<b>100</b>	<b>81*</b>	<b>15*</b>	<b>4</b>
<b>Adjustment Required</b>	<b>-</b>	<b>-1</b>	<b>- 2</b>	<b>+3</b>

- (6) That the allocation of seats on committees not subject to political balance requirements be agreed as set out below:

	<b>TOTAL</b>	<b>CON</b>	<b>LAB</b>	<b>LD</b>
Council and Employee Joint	<b>12</b>	<b>10</b>	<b>2</b>	<b>0</b>
Joint Arrangements Steering Group	<b>5</b>	<b>4</b>	<b>1</b>	<b>0</b>

- (7) That members (and where appropriate, substitute members) be appointed to serve on each of the committees and other bodies as set out below in accordance with the nominations to be made by political groups:

### **Proportional Committees**

#### **Accounts, Audit and Risk Committee**

##### **Membership (8 members with unnamed substitutes)**

##### **Conservative (6)**

Cllr Ray Jelf

Cllr Mike Kerford-Byrnes

Cllr Nick Mawer

Cllr Dan Sames

Cllr Lawrie Stratford

Cllr Barry Wood

##### **Labour (1)**

Cllr Barry Richards

##### **Liberal Democrats (1)**

Cllr Douglas Williamson

#### **Appeals Panel**

##### **Membership (10 members with no substitutes)**

##### **Conservative (8)**

Cllr Fred Blackwell

Cllr Carmen Griffiths

Cllr Russell Hurle

Cllr Tony Ilott

Cllr Ray Jelf

Cllr Rose Stratford

Cllr Bryn Williams

Cllr Douglas Webb

##### **Labour (1)**

Cllr Claire Bell

##### **Liberal Democrats (1)**

Cllr Alaric Rose

## **Budget Planning Committee**

### **Membership (12 members with unnamed substitutes)**

#### **Conservative (9)**

Cllr Ken Atack

Cllr Carmen Griffiths

Cllr Tim Hallchurch

Cllr Mike Keyford Byrnes

Cllr Alastair Milne Home

Cllr Nick Mawer

Cllr Nigel Randall

Cllr Douglas Webb

Cllr Barry Wood

#### **Labour (2)**

Cllr Barry Richards

Cllr Sean Woodcock

#### **Liberal Democrats (0)**

## **Joint Appeals Panel**

### **Membership (3 seats, 2 named substitutes)**

#### **Conservative (2)**

Cllr Fred Blackwell

Cllr James Macnamara

#### **Labour (1)**

Cllr Claire Bell

#### **Liberal Democrats (0)**

#### **Substitutes**

#### **Conservative (1)**

Cllr Colin Clarke

#### **Labour (1)**

Cllr Andy Beere

#### **Liberal Democrats (0)**

## **Joint Personnel Committee**

### **Membership (5 members, 3 named substitutes)**

#### **Conservative (4)**

Cllr Ken Atack

Cllr Lynn Pratt

Cllr George Reynolds

#### **Labour (1)**

Cllr Mark Cherry

#### **Liberal Democrats (0)**

#### **Substitutes**

#### **Conservative (2)**

Cllr Norman Bolster

Cllr Lawrie Stratford

#### **Labour (1)**

Cllr Surinder Dhesi

#### **Liberal Democrats (0)**



## Licensing Committee

**Membership (12 seats and 5 substitutes based on proportional representation with each represented party having at least 1 substitute)**

**Conservative (10)**

Cllr Fred Blackwell  
Cllr Colin Clarke  
Cllr Diana Edwards  
Cllr Michael Gibbard  
Cllr Tony Ilott  
Cllr Ray Jelf  
Cllr Nigel Morris  
Cllr George Reynolds  
Cllr Douglas Webb  
Cllr Bryn Williams

**Labour (1)**

Cllr Matt Johnstone

**Liberal Democrats (1)**

Cllr Alaric Rose

### Substitutes

**Conservative (3)**

Cllr Debbie Pickford  
Cllr Lawrie Stratford  
Cllr Rose Stratford

**Labour (1)**

Cllr Andy Beere

**Liberal Democrats (1)**

Cllr Douglas Williamson

## Overview and Scrutiny Committee

**Membership (12 members with unnamed substitutes)**

**Conservative (10)**

Cllr Maurice Billington  
Cllr Ann Bonner  
Cllr Diana Edwards  
Cllr David Hughes  
Cllr Jon O'Neill  
Cllr Lynn Pratt  
Cllr Neil Prestidge  
Cllr Dan Sames  
Cllr Lawrie Stratford  
Cllr Bryn Williams

**Labour (2)**

Cllr Claire Bell  
Cllr Sean Woodcock

**Liberal Democrats (0)**

## **Personnel Committee**

**Membership (12 members, unnamed substitutes who shall not be members of the Appeals Panel)**

**Conservative (10)**

Cllr Ken Atack

Cllr Norman Bolster

Cllr Ann Bonner

Cllr Tim Hallchurch

Cllr Simon Holland

Cllr Melanie Magee

Cllr Lynn Pratt

Cllr George Reynolds

Cllr Lynda Thirzie Smart

Cllr Barry Wood

**Labour (1)**

Cllr Mark Cherry

Cllr Surinder Dhési

**Liberal Democrats (0)**

## **Planning Committee**

**Membership (18 members, 12 named substitutes)**

**Conservative (14)**

Cllr Fred Blackwell

Cllr Colin Clarke

Cllr Michael Gibbard

Cllr Chris Heath

Cllr David Hughes

Cllr Russell Hurle

Cllr Mike Kerford Byrnes

Cllr James Macnamara

Cllr Alastair Milne Home

Cllr Nigel Randall

Cllr George Reynolds

Cllr Trevor Stevens

Cllr Lawrie Stratford

Cllr Rose Stratford

**Labour (3)**

Cllr Andy Beere

Cllr Matt Johnstone

Cllr Barry Richards

**Liberal Democrats (1)**

Cllr Douglas Williamson

**Substitutes**

**Conservative (10<sup>1</sup>)**

Cllr Ken Atack  
Cllr Andrew Fulljames  
Cllr Carmen Griffiths  
Cllr Jon O'Neill  
Cllr Debbie Pickford  
Cllr Nicholas Turner  
Councillor Bryn Williams  
Cllr Barry Wood

**Labour (1)**

Cllr Sean Woodcock

**Liberal Democrats (1)**

Cllr Alaric Rose

**Standards Committee**

**Membership (8 members, 8 substitute members)**

**Conservative (7)**

Cllr Fred Blackwell  
Cllr Chris Heath  
Cllr James Macnamara  
Cllr Nigel Randall  
Cllr Lynda Thirzie Smart  
Cllr Lawrie Stratford  
Cllr Rose Stratford

**Labour (1)**

Cllr Andy Beere

**Liberal Democrats (0)**

**Substitutes**

**Conservative (7)**

Cllr Ken Atack  
  
Cllr Colin Clarke  
Cllr Diana Edwards  
Cllr Tim Hallchurch  
Cllr Russell Hurle  
Cllr Jon O'Neill  
Cllr Barry Wood

**Labour (1)**

Cllr Barry Richards

**Liberal Democrats (0)**

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<sup>1</sup> Only 8 of 10 named substitutes appointed

## **Non-Proportional Committees**

### **Council and Employee Joint Committee**

#### **Membership (12 seats)**

##### **Conservative (10)**

Cllr Colin Clarke  
Cllr Tim Hallchurch  
Cllr Russell Hurle  
Cllr Tony Ilott  
Cllr Melanie Magee  
Cllr Kieron Mallon  
Cllr Nick Mawer  
Cllr Lynn Pratt  
Cllr Nigel Randall  
Cllr Barry Wood

##### **Labour (2)**

Cllr Mark Cherry  
Cllr Barry Richards

##### **Liberal Democrats (0)**

### **Joint Arrangements Steering Group**

#### **Membership (5 members, 3 substitutes)**

##### **Conservative (4)**

Cllr Ken Atack  
Cllr Norman Bolster  
Cllr Nicholas Turner  
Cllr Barry Wood

##### **Labour (1)**

Cllr Sean Woodcock

##### **Liberal Democrats (0)**

#### **Substitutes**

##### **Conservative (2)**

Cllr Michael Gibbard  
Cllr Debbie Pickford

##### **Labour (1)**

Cllr Barry Richards

##### **Liberal Democrats (0)**

- (8) That Councillor Rose Stratford be appointed as Cherwell District Council's representative to the Oxfordshire County Council Health Overview and Scrutiny Committee.
- (9) That Councillor George Reynolds be appointed as Cherwell District Council's representative to the Police and Crime Commissioner Scrutiny Panel.

13 **Section 113 Arrangements - Authorisation of Staff to Issue Fixed Penalty Notices Policy Framework Decision**

The Head of Environmental Services submitted a report which sought approval of the Council (CDC) entering into an agreement under Section 113 of the Local Government Act 1972 with Banbury Town Council (BTC) to allow BTC officers to issue fixed penalty notices for offences committed under section 88 of the Environmental Protection Act 1990 and section 3 of the Dogs (Fouling of Land) Act 1996 and to make appropriate adjustments to the policy framework to permit this arrangement.

**Resolved**

- (1) That approval be given to Cherwell District Council (CDC) entering into an agreement with Banbury Town Council (BTC) pursuant to Section 113 of the Local Government Act 1972 that permits BTC officers to issue fixed penalty notices for offences committed under section 88 of the Environmental Protection Act 1990 and section 3 of the Dogs (Fouling of Land) Act 1996, and that the Head of Law and Governance accordingly be authorised to conclude such an agreement by negotiation with BTC within the parameters set out in this report.
- (2) That the principle of placing at the disposal of CDC, officers employed by BTC for the purpose of issuing fixed penalty notices be added to the adopted policy framework.

The meeting ended at 7.25 pm

Chairman:

Date:

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## Cherwell District Council

### Council

Minutes of a special meeting of the Council held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 7 July 2014 at 6.30 pm

Present: Councillor Melanie Magee (Vice-Chairman)

Councillor Ken Atack  
Councillor Andrew Beere  
Councillor Claire Bell  
Councillor Maurice Billington  
Councillor Norman Bolster  
Councillor Ann Bonner  
Councillor Mark Cherry  
Councillor Colin Clarke  
Councillor Surinder Dhesi  
Councillor John Donaldson  
Councillor Andrew Fulljames  
Councillor Michael Gibbard  
Councillor Carmen Griffiths  
Councillor Timothy Hallchurch MBE  
Councillor Chris Heath  
Councillor David Hughes  
Councillor Russell Hurle  
Councillor Tony Ilott  
Councillor Matt Johnstone  
Councillor Mike Kerford-Byrnes  
Councillor Kieron Mallon  
Councillor Nicholas Mawer  
Councillor Nigel Morris  
Councillor D M Pickford  
Councillor Nigel Randall  
Councillor G A Reynolds  
Councillor Barry Richards  
Councillor Alaric Rose  
Councillor Dan Sames  
Councillor Les Sibley  
Councillor Lawrie Stratford  
Councillor Rose Stratford  
Councillor Lynda Thirzie Smart  
Councillor Nicholas Turner  
Councillor Bryn Williams  
Councillor Douglas Williamson  
Councillor Barry Wood  
Councillor Sean Woodcock

Apologies  
for  
absence: Councillor Alastair Milne Home  
Councillor Fred Blackwell  
Councillor Diana Edwards

Councillor Simon Holland  
Councillor Ray Jelf  
Councillor James Macnamara  
Councillor Jon O'Neill  
Councillor Lynn Pratt  
Councillor Neil Prestidge  
Councillor Trevor Stevens  
Councillor Douglas Webb

Officers: Sue Smith, Chief Executive  
Calvin Bell, Director of Development  
Karen Curtin, Director (Bicester)  
Ian Davies, Director of Community and Environment  
Martin Henry, Director of Resources / Section 151 Officer  
Kevin Lane, Head of Law and Governance / Monitoring Officer  
Natasha Clark, Team Leader, Democratic and Elections

#### 14 **Declarations of Interest**

Members and Officers declared interests in the following agenda items:

##### **7. Update to Treasury Strategy 2014-15.**

Councillor Dan Sames, Non Statutory Interest, as a Director of Graven Hill Village Development Company Limited.

Councillor David Hughes, Non Statutory Interest, as a Director of Graven Hill Village Holdings Limited.

Councillor Nigel Morris, Non Statutory Interest, as a Director of Graven Hill Village Development Company Limited.

Councillor Timothy Hallchurch MBE, Non Statutory Interest, as a Director of Graven Hill Village Holdings Limited.

Karen Curtin, Declaration, as a Director of Graven Hill Village Holdings Limited and Graven Hill Village Development Company Limited.

Sue Smith, Declaration, as a Director of Graven Hill Village Holdings Limited.

#### 15 **Communications**

##### **Special Meeting**

The Chairman advised Council that as this was a Special meeting minutes of Committees, questions, petitions and motions would not be taken and these, if any would be considered at the next scheduled meeting on 21 July 2014.

##### **Post**

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



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

There were no petitions or requests to address the meeting.

17 **Urgent Business**

There were no items of urgent business.

18 **Cherwell Boundary Review Warding Arrangements Submission**

The Chief Executive submitted a report to agree Cherwell District Council's warding arrangements submission to the Local Government Boundary Commission for England.

Councillor Mallon proposed the warding arrangements for Banbury as presented to the Boundary Review Working Group. Councillor Lawrie Stratford seconded the proposal.

By way of an amendment, Councillor Beere proposed that the proposed warding arrangements for Banbury should be amended to those submitted by the Labour Group to the Boundary Review Working Group. Councillor Woodcock seconded the proposal.

On being put to the vote the amendment was lost. Council then considered the substantive motion, which was put to the vote and duly carried.

**Resolved**

- (1) That, subject to the renaming of Kidlington North and Kidlington South as Kidlington East and Kidlington West and correction of typographical errors, the warding arrangements for Bicester, Kidlington and the rural areas proposed by the Boundary Working group (annex to the minutes as set out in the Minute Book) be agreed for submission to the Local Government Boundary Commission for England.
- (2) That the warding arrangement proposals for Banbury appended to these minutes (annex to the Minutes as set out in the Minute Book) be agreed as the preferred Banbury warding pattern for submission to the Local Government Boundary Commission for England.
- (3) That authority be delegated to the Chief Executive to make any necessary amendments to the warding arrangements submission prior to submission to the Local Government Boundary Commission for England in light of the resolutions of Council.

19 **Update to Treasury Strategy 2014-15**

The Director of Resources and Interim Head of Finance and Procurement submitted a report which sought agreement of the proposed amendments of

the existing Treasury Strategy for 2014-15 required to facilitate the proposals for the development of the Graven Hill and other projects, as recommended by the Accounts, Audit and Risk Committee.

**Resolved**

- (1) That the proposed amendments to the Treasury Strategy as reviewed by Accounts Audit and Risk Committee on 25 June 2014 (annex to the minutes as set out in the Minute Book) be agreed.
- (2) That the proposal to provide delegated authority to the Director of Resources in the application of Minimum Revenue Provision (MRP) be approved.

The meeting ended at 7.20 pm

Chairman:

Date:

## Cherwell District Council

21st July 2014

<p><b>General Fund and Capital Programme Provisional Outturn 2013-14 Carry Forward and Capital Slippage</b></p>
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### **Report of the Director of Resources and Interim Head of Finance and Procurement**

This report is public

#### **Purpose of report**

To approve the 2013-14 revenue budget carry forwards and capital slippage requests in line with the Council's Financial Procedure Rules.

#### **1.0 Recommendations**

- 1.1 That the items that are shaded in **Appendix 1** which are revenue budgets recommended by Executive for carry forward be approved under financial procedure rule 2.4.6 (b).
- 1.2 That the capital slippage items detailed in **Appendix 2** recommended by Executive be approved for carry forward to the 2014-15 capital programme under financial procedure rule 2.4.6 (b).
- 1.3 To approve the recommendation from Accounts, Audit and Risk Committee that paragraph 2.4.6 of the Financial Procedure Rules is amended to require the approval of Accounts, Audit and Risk Committee to relevant carry forward requests rather than Full Council.

#### **2.0 Introduction**

- 2.1 A report summarising the Council's provisional Revenue and Capital performance for the financial year 2013-14 was presented to Executive on 23<sup>rd</sup> June 2014 (the full report including appendices is available on the council website). The majority of the decisions required in the report are within the power of Executive. However, the Council's Financial Procedure Rules (paragraph 2.4.6) state that Full Council approval is required where the underspend exceeds 10% of the individual budget heading (where this amounts to £10,000 or more) or £50,000, whichever is less.
- 2.2 The Director of Resources, in his role as Chief Financial Officer, has to endorse the 2013-14 Statement of Accounts before 30 June 2014 in order to meet audit

requirements. This date was before Full Council has formally approved the carry forwards and slippage requests.

- 2.3 If Full Council require any changes, then these will be discussed and agreed with the external auditor in July. These changes can then be incorporated into the Statement of Accounts that are presented to Accounts, Audit and Risk Committee on 17 September 2014. This will enable Ernst Young to give their audit opinion before the statutory deadline of 30 September.
- 2.4 In order to facilitate a complete accounts approval process prior to the end of June, in future years, the Accounts, Audit and Risk Committee has requested to recommend to Full Council that paragraph 2.4.6 of the Financial Procedure Rules is amended to require the approval of the Accounts, Audit and Risk Committee to relevant carry forward requests rather than Full Council.

### **3.0 Report Details**

- 3.1 The outturn position figures are still subject to further validation work but will form the basis of the 2013-14 financial statements. Any further changes will ensure compliance with statutory requirements and proper accounting practices.

#### **Revenue Budget Carry Forward**

- 3.2 Full Council approval is required where the underspend exceeds 10% of the individual budget heading (where this amounts to £10,000 or more) or £50,000, whichever is less. These requests are listed in **Appendix 1**.

#### **Capital Programme Slippage**

- 3.3 As a result of the year-end review, further slippage is also requested and detailed in **Appendix 2** again for which Full Council approval is required.
- 3.4 Slippage has been high this year due to the many external factors that have inhibited planned progress being made on a variety of the approved capital schemes.
- 3.5 There are several projects in Bicester requesting slippage and the two biggest are: South West Bicester sports village (£1.5m) and Bicester Community building (£3m).

### **4.0 Conclusion and Reasons for Recommendations**

- 4.1 To comply with the Council's Financial Procedure Rules (paragraph 2.4.6).
- 4.2 To approve a revision to the Council's capital programme necessitated by slippage in various capital schemes.

### **5.0 Consultation**

Cllr Ken Atack – Lead  
Member for Financial  
Management

Cllr Atack is content with the report and supportive of  
the recommendations contained within it.

## **6.0 Alternative Options and Reasons for Rejection**

- 6.1 This report highlights the revenue carry forward requests and capital slippage that required Full Council approval.  
The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: To reject the current proposals and to make alternative recommendations or ask officers for further information. This has been rejected because provisional outturn position has already been approved by Executive at its meeting on 23 June.

## **7.0 Implications**

### **Financial and Resource Implications**

- 7.1 There are no financial implications arising directly from this report as the budget carry forwards and capital slippage requests have been included in the provisional outturn position.

Comments checked by: Nicola Jackson, Corporate Finance Manager  
01295 221731 [nicola.jackson@cherwellandsouthnorthants.gov.uk](mailto:nicola.jackson@cherwellandsouthnorthants.gov.uk)

### **Legal Implications**

- 7.2 There are no legal implications arising directly from this report as the budget carry forwards and capital slippage requests have been included in the provisional outturn position.

Comments checked by: Kevin Lane, Head of Law and Governance  
0300 0030107 [kevin.lane@cherwellsouthnorthants.gov.uk](mailto:kevin.lane@cherwellsouthnorthants.gov.uk)

### **Risk management**

- 7.3 There are no risk implications arising directly from this report as the budget carry forwards and capital slippage requests have been included in the provisional outturn position.

Comments checked by: Nicola Jackson, Corporate Finance Manager  
01295 221731 [nicola.jackson@cherwellandsouthnorthants.gov.uk](mailto:nicola.jackson@cherwellandsouthnorthants.gov.uk)

## **8.0 Decision Information**

### **Wards Affected**

All

### **Links to Corporate Plan and Policy Framework**

All

## Lead Councillor

Councillor Ken Attack – Lead Member for Financial Management

## Document Information

Appendix No	Title
1	Budget carry forward requests
2	Capital slippage
Background Papers	
None	
Report Author	Tim Madden, Interim Head of Finance & Procurement
Contact Information	0300 0030106 tim.madden@cherwellandsouthnorthants.gov.uk

**CHERWELL DISTRICT COUNCIL  
REQUESTS FOR BUDGET CARRY FORWARDS TO 2013-14**

**APPENDIX 1**

REQUIRING MEMBER APPROVAL IF MORE THAN 10% of BUDGET  
(EXECUTIVE UP TO £50k, COUNCIL ABOVE)

Amount	Head of Service	Approved	% of budget	Approval
<b>BUDGET CARRY FORWARD REQUESTS</b>				
InCase software upgrade in 2014-15	Tim Madden	6,100	15.0%	
Corporate finance salary savings on vacant posts	Tim Madden	30,000	16.2%	Council
Saving on audit fees to be used for future additional audit work	Tim Madden	14,500	8.1%	
Saving on bank charges	Tim Madden	10,000	13.9%	Council
Parking Feasibility	Tim Madden	20,000	14.8%	Council
Improvement Team posts	Jo Pitman	34,000	37.0%	Council
Committed spend required for 2014-15 to undertake coaching qualification training and to support further training for managers.	Jo Pitman	45,000	21.7%	Council
Member training reserve - for All Out Elections 2016	Kevin Lane	8,125	1.7%	
Fee income to cover Counsel costs - Banbury House	Kevin Lane	9,319	19.5%	
Development of Cherwell's Community Infrastructure Strategy. The need for a Community Infrastructure Strategy has been agreed by the Board of the Cherwell Local Strategic Partnership.	Chris Rothwell	12,138	8.0%	
To offset reduced 2014-15 funding from Thames Valley Police	Chris Rothwell	57,130	22.3%	Council
Unspent grant to fund Child Sexual Exploitation training	Chris Rothwell	1,000	0.8%	
Surplus in licensing income	Chris Rothwell	5,331	11.9%	
Surplus in licensing income	Chris Rothwell	37,611	nil budget	
Staff vacancies to cover agency costs prior to shared services.	Chris Rothwell	4,284	3.5%	
Salary underspends used to progress sports project feasibility studies.	Ian Davies	20,000	6.5%	
To help fund the Countywide Affordable Warmth Network (AWN). AWN is jointly funded by 6 Oxfordshire Authorities targeting to fuel poverty and	Chris Stratford	1,500	81.9%	
Unspent grant committed for ACE training (Local Charity)	Chris Stratford	29,446	29.2%	Council
To develop the Design Code to a draft final stage before the review process becomes viable.	Andy Preston	2,045	0.9%	
To pay for agency cover and IT enhancements (new scanner and mobile working)	Andy Preston	40,000		
		<b>387,529</b>		
<b>IFRS GRANTS</b>				
Brighter Futures - Skills Reward Grant	Ian Davies	43,360	Grant	
Safer Communities	Chris Rothwell	14,128	Grant	
Go Active	Chris Rothwell	8,532	Grant	
Active Women	Chris Rothwell	1,771	Grant	
Community Games	Chris Rothwell	2,903	Contribution	
Courtyard Youth Arts	Chris Rothwell	81,821	Contribution	Council
Individual Electoral Reform Section 31	Kevin Lane	7,501	Grant	
Individual Electoral Reform Max2	Kevin Lane	6,107	Grant	
Heat Network from DECC & OCC	Karen Curtin	90,180	Grant	Council
New Burdens CT & HB grants	Tim Madden	84,310	Grant	Council
		<b>340,613</b>		
<b>S31 Grant</b>	<b>Tim Madden</b>	<b>384,873</b>		Council
<b>Retained Business Rates</b>	<b>Tim Madden</b>	<b>523,000</b>		Council
<b>New Homes Bonus</b>	<b>Martin Henry</b>	<b>550,909</b>		Council
<b>Eco Town interest to Eco Town EMR</b>	<b>Karen Curtin</b>	<b>81,403</b>		Council
<b>Investment Income to replenish capital reserves</b>	<b>Tim Madden</b>	<b>303,849</b>		Council
<b>TRANSFERS TO EAR MARKED RESERVES</b>				
Increased planning application income for future legal costs of appeals / judicial review	Andy Preston	50,000	8.7%	Council
Increased planning application income for costs of future planning application work	Andy Preston	100,000	17.4%	Council
Business rates retention scheme	Tim Madden	128,099	100%	Council
Expenditure from PCC elections	Kevin Lane	57,495	100%	Council
Expenditure from County elections	Kevin Lane	19,240		
Move unspent budget to Civic Insignia Reserve	Kevin Lane	5,000	33%	
Country Park	Tim Madden	50,000		Council
Contribution to local plan	Adrian Colwell	170,000		Council
		<b>579,834</b>		
<b>TOTAL TRANSFERS TO EARMARKED RESERVES</b>		<b>3,152,010</b>		

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**CHERWELL CAPITAL SLIPPAGE REQUESTS**

Appendix 2

DESCRIPTION	ANNUAL BUDGET £000	ANNUAL SPEND £000	VARIANCE £000	Slippage Required £000	% of Budget	Approval
Eco Town - Travel Behaviour	45	45	0	0		
Green Deal	92	92	0	0		
	<b>137</b>	<b>137</b>	<b>0</b>	<b>0</b>		
Biomass Heating for Bicester Leisure Centre	385	78	(307)	307	80%	
Hanwell Fields Community Centre	6	0	(6)	0		
Community Centre Refurbishments	84	0	(84)	84	100%	
Replacement Cabling Infrastructure for CCTV and Of	48	48	0	0		
CCTV IP Transmission	21	21	(0)	0		
Solar Photovoltaics at Sports Centre	97	17	(80)	80	82%	
Village Hall, Recreation Play Grants	37	0	(37)	7	19%	
Football Development Plan in Banbury	20	0	(20)	20	100%	
Woodgreen Leisure Centre inc Car Parks & Footways	0	4	4	0		
South West Bicester Sports Village	1,637	179	(1,458)	1,458	89%	
Athletics Track Refurbishment - North Oxfordshire	165	0	(165)	165	100%	
Stratfield Brake Repair Works	80	58	(22)	22	28%	
Kidlington & Gosford Sports Centre - Track Replacement	202	125	(77)	77	38%	
Circular Walks DDA Works	2	0	(2)	0		
Car Park Refurbishments	28	0	(28)	28	100%	
Implementing Vehicle Parks Proposals	17	0	(17)	17	100%	
Sports Centre Modernisation Programme	249	131	(118)	118	47%	
<b>Community Services Total</b>	<b>3,078</b>	<b>662</b>	<b>(2,416)</b>	<b>2,383</b>		
Energy Efficiency Projects	73	24	(49)	49	67%	
Off Road Parking Facilities	18	0	(18)	18	100%	
Urban Centres Improvements	15	0	(15)	15	100%	
Vehicle Replacement Programme	620	374	(246)	201	32%	
Recycling Bins	120	24	(96)	96	80%	
Fleet Management System	16	12	(4)	4	25%	
Mini MRF [Materials Recovery Facility]	29	0	(29)	29	100%	
Recycling Bank Replacement 1314	25	24	(1)	0		
Vehicle Lifting Equipment	30	29	(1)	0		
Thorpe Lane Depot Hard Standing	35	0	(35)	35	100%	
<b>Environmental Services Total</b>	<b>981</b>	<b>487</b>	<b>(494)</b>	<b>447</b>		
<b>Community &amp; Environment Total</b>	<b>4,059</b>	<b>1,149</b>	<b>(2,910)</b>	<b>2,830</b>		
Iclipse Software Upgrade	11	11	0	0		
Standardisation	31	31	0	0		
Harmonisation	9	9	0	0		
Renewal of PCs	42	61	19	0		
Microsoft Licensing Agreement	50	67	17	0		
Thin Client Extension	37	28	(9)	9	24%	
Core Business System Integration	48	24	(24)	24	50%	
Corporate Bookings System	50	31	(19)	19	38%	
Extended Contract for Website Hosting	20	0	(20)	20	100%	
Visualifies Upgrade	16	0	(16)	16	100%	
Server Replacement 1314	24	21	(3)	3	13%	
Financial System Upgrade	100	0	(100)	100	100%	
CDC&SNC Cust Servs Desktop	20	0	(20)	20	100%	
<b>Transformation Total</b>	<b>458</b>	<b>284</b>	<b>(174)</b>	<b>211</b>		
Resourcelink Implementation	13	13	0	0		
<b>Finance &amp; Procurement Total</b>	<b>13</b>	<b>13</b>	<b>0</b>	<b>0</b>		
<b>Resources Total</b>	<b>471</b>	<b>297</b>	<b>(174)</b>	<b>211</b>		
Cherwell Community Led Programme	4,158	4,061	(97)	97	2%	
Sanctuary Acquisition Merton and Cedar	15	15	0	0		
Disabled Access Audit	15	0	(15)	15	100%	
Chasewell Community Centre Roof	15	13	(2)	0		
Units 6&7 Thorpe Way Roof	84	51	(33)	0		
23&24 Thorpe Place Roof Lights	27	0	(27)	27	100%	
Condition Survey Works	350	0	(350)	350	100%	
Replacement AC to Main Chamber Bodicote	80	0	(80)	80	100%	
Highfield Depot redevelopment Office & Welfare Facilities	265	47	(218)	156	59%	
Bicester Community Building	3,200	163	(3,037)	3,037	95%	
Access to Highfield Depot	22	0	(22)	22	100%	
Bicester Cattle Market Car Park Phase 2	90	0	(90)	90	100%	
Bicester Pedestrianisation	250	0	(250)	250	100%	
Future Regeneration Schemes Preliminary Prof Fees	42	36	(6)	6	14%	
Old Bodicote House	345	58	(287)	262	76%	
Bicester Town Centre Redevelopment	2,750	8	(2,742)	250	9%	
Highfield Depot Repairs	16	0	(16)	0		
Kidlington High Street Pedestrianisation	46	0	(46)	46	100%	
Orchard Way Refurbishment	250	251	1	0		
Photovoltaic at Bodicote House & Banbury Museum	3	0	(3)	0		
Disabled Facilities Grants	892	804	(88)	88	10%	
Discretionary Grants for Domestic Properties - Es	385	236	(148)	101	26%	
Land Claypits Lane Bicester	56	0	(56)	56	100%	
Banbury Foyer & Banbury Youth Hub	68	58	(10)	0		
Discretionary House Condition Grants	65	65	(0)	0		
<b>Regeneration &amp; Housing Total</b>	<b>13,489</b>	<b>5,868</b>	<b>(7,621)</b>	<b>4,933</b>		
<b>Development Total</b>	<b>13,489</b>	<b>5,868</b>	<b>(7,621)</b>	<b>4,933</b>		
<b>Capital Total</b>	<b>18,156</b>	<b>7,451</b>	<b>(10,705)</b>	<b>7,974</b>		

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## Cherwell District Council

### Council

21 July 2014

<b>2013/14 Treasury Management Annual Report</b>
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### **Report of Director of Resources and Interim Head of Finance and Procurement**

This report is public

#### **Purpose of report**

This report presents information on treasury management performance and compliance with treasury management policy during 2013/14 as required by the Treasury Management Code of Practice.

#### **1.0 Recommendations**

The meeting is recommended:

- 1.1 To note the contents of this report in line with the Treasury Management Strategy.

#### **2.0 Introduction**

- 2.1 The annual treasury report is a requirement of the Council's reporting procedures. It covers the treasury activity during 2013/14 and the actual performance against Prudential Indicators for 2013/14.
- 2.2 The report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. During 2013/14 the reporting requirements were that members receive an annual treasury strategy in advance of the year, a mid-year treasury report and an annual report describing the activity compared to the strategy. The Accounts, Audit and Risk Committee has been nominated to scrutinise the treasury activity of the Council and they receive regular reports on compliance with strategy and a comprehensive overview of investments made.
- 2.3 The Council is required to comply with both Codes through Regulations issued under the Local Government Act 2003.
- 2.4 Councils invest money from the sale of assets and invest Government revenue grant paid to councils in regular intervals, before they have to spend it. This is with

the aim of earning interest to support services and keep council tax down. All investments are placed to ensure security of investments firstly, followed by liquidity and the final consideration is yield.

- 2.5 Cherwell District Council sold its housing stock on 29 March 2004 and this generated a substantial capital receipt. It is the Council's capital receipts and useable reserves that are being invested. As the Council continues to invest in infrastructure throughout the District these balances will reduce.

### 3.0 Report Details

- 3.1 The Treasury Management Strategy for 2013/14, which includes the Annual Investment strategy, was approved by Council in February 2013. It sets out the Council's ranked investment priorities in the order: security of capital, liquidity and yield.

- 3.2 In 2013/14 the Council aimed to achieve the optimum return (yield) from investments but always within the context of proper levels of security of the monies and liquidity.

#### Annual Treasury Performance 2013/14

- 3.3 Investment rates available in the market have continued at historically low levels. The average level of funds available for investment purposes was £69.8m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the Capital Programme and ECO Bicester.

- 3.4 Investment performance at 31 March 2014 was as follows :-

<b>Fund</b>	<b>Amount at 31 March 2014</b>	<b>Interest Budget</b>	<b>Actual Interest</b>	<b>Variance</b>	<b>Average Rate of Return %</b>
Investec	£0	£57,500	£49,802	-£7,698	-0.07%
In House	£56,453,167	£493,034	£509,523	£16,489	0.87%
<b>Total</b>	<b>£56,453,167</b>	<b>£550,534</b>	<b>£559,325</b>	<b>£8,791</b>	<b>0.80%</b>

- 3.5 During 2013/14 the council made the decision to recall the funds from fund manager Investec, hence at 31 March 2014 (as per table above) there is no holding

- 3.6 The council has been committed to reducing its reliance on investment income and in preparing the revenue budget for 2013/14 only £146,000 worth of investment income was utilised

- 3.7 As can be seen from the table above the actual interest received totalled £0.559m. Within the £0.559m, there was interest received in respect of Eco Town funds totalling £81k and this has been transferred to the Eco Town Funds, leaving a balance of £0.478m.

- 3.8 The 2013/14 budget required £146,000 investment income. Therefore the additional interest received of £0.332m, has been treated as windfall income and has been transferred to reserves.

The financial year 2013/14 continued the challenging investment environment of previous years, namely low investment returns and continuing heightened levels of counterparty risk.

### 3.9 Icelandic Investments

The Council was one of over 100 local authorities that were affected by the collapse of Icelandic banking institutions. The Council held a total of £6.5 million in 3 investments with Glitnir.

As reported previously out of the £6.5m original capital investment £5.7m has been returned to the Council. The remaining balance of £729k and the associated interest relating to the investment are still held within Iceland but are accruing interest on an annual basis.

We continue to have discussions with the LGA and Bevan Brittan on the potential for transfer to the UK.

## 4.0 Conclusion and Reasons for Recommendations

- 4.1 The annual treasury report is a requirement of the Council's reporting procedures. It covers the treasury activity during 2013/14 and the actual performance against Prudential Indicators for 2013/14.

## 5.0 Consultation

The Treasury Management outturn was provisionally reported to the Executive on 23 June 2014

## 6.0 Alternative Options and Reasons for Rejection

- 6.1 This report illustrates the Council's Treasury performance for 2013/14 against budget and includes the Annual Treasury Report 2013/14
- 6.2 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.

## **7.0 Implications**

### **Financial and Resource Implications**

- 7.1 There are no specific financial effects arising directly from this report other than the impact on reserves as outlined in paragraph 3.8 above.

Comments checked by: Nicola Jackson, Corporate Finance Manager  
01295 221731 [nicola.jackson@cherwellandsouthnorthants.gov.uk](mailto:nicola.jackson@cherwellandsouthnorthants.gov.uk)

### **Legal Implications**

- 7.2 There are no legal implications arising directly from any outcome of this report.

Comments checked by: Kevin Lane, Head of Law and Governance  
0300 0030107 [kevin.lane@cherwellsouthnorthants.gov.uk](mailto:kevin.lane@cherwellsouthnorthants.gov.uk)

### **Risk management**

- 7.3 There are no risk implications arising directly from any outcome of this report.

Comments checked by: Nicola Jackson, Corporate Finance Manager  
01295 221731 [nicola.jackson@cherwellandsouthnorthants.gov.uk](mailto:nicola.jackson@cherwellandsouthnorthants.gov.uk)

### **Equality and Diversity**

- 7.4 There are no equality and diversity implications arising directly from any outcome of this report.

Comments checked by: Louise Tustian, Senior Performance & Improvement Officer  
01295 221786 [louise.tustian2@cherwellandsouthnorthants.gov.uk](mailto:louise.tustian2@cherwellandsouthnorthants.gov.uk)

## **8.0 Decision Information**

### **Wards Affected**

All

### **Links to Corporate Plan and Policy Framework**

All

### **Lead Councillor**

Councillor Ken Atack – Lead Member for Financial Management

## Document Information

<b>Annex No</b>	<b>Title</b>
Appendix 1	2013-14 Treasury Management Annual Report Appendix 1
<b>Background Papers</b>	
<b>Report Author</b>	Tim Madden, Interim Head of Finance & Procurement
<b>Contact Information</b>	0300 0030106

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## Annual Treasury Management Report 2013/14

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### **Purpose**

This Council is required through regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for 2013/14. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2013/14 the minimum reporting requirements were that full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 25/2/2013)
- a mid year treasury update report (Accounts, Audit & Risk Committee 04/12/13)
- an annual review following the end of the year describing the activity compared to the strategy (this report)

The Accounts, Audit and Risk Committee has been nominated to scrutinise the treasury activity of the Council and it receives regular reports. In addition, this Council has received quarterly treasury management update reports by the Executive.

Recent changes in the regulatory environment place a much greater onus on members for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

This Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Accounts, Audit & Risk Committee before they were reported to the full Council.

## Executive Summary

During 2013/14, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

<b>Prudential and treasury indicators</b>	<b>2012/13 Actual £000</b>	<b>2013/14 Actual £000</b>
Capital expenditure	11,172	7,451
Capital Financing Requirement:	(11,172)	(7,451)
Net borrowing	0	0
External debt	0	0
Investments		
• Longer than 1 year	0	0
• Under 1 year	64,415	56,453
• Total	<b>64,415</b>	<b>56,453</b>

Other prudential and treasury indicators calculated at the time of preparing our Treasury Strategy for 2013/14 are to be found in Annex 1 of this report. .

The financial year 2013/14 continued the challenging investment environment of previous years, namely low investment returns and continuing heightened levels of counterparty risk.

## Introduction and Background

This report summarises:

- Capital activity during the year;
- Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
- Reporting of the required prudential and treasury indicators;
- Overall treasury position identifying the impact on investment balances;
- Summary of interest rate movements in the year;
- Detailed investment activity.

### 1. The Council's Capital Expenditure and Financing 2013/14

The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed:

	<b>2012/13 Actual £000s</b>	<b>2013/14 Actual £000s</b>
Capital Expenditure	11,172	7,451
<b>Total Capital expenditure</b>	<b>11,172</b>	<b>7,451</b>
<b>Resourced by</b>		
Capital receipts	(9,617)	(6,585)
Government Grants & Other Contributions	(1,109)	(539)
Use of Reserves	(446)	(327)
Direct Revenue Financing		-
<b>Total resources used</b>	<b>11,172</b>	<b>7,451</b>

### 2. The Council's Overall Borrowing Need

The Council is debt free and does not currently have a borrowing requirement.

### 3. Treasury Position as at 31 March 2014

The Council's investment position is organised by the treasury management team in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the beginning and the end of 2013/14 the Council's treasury position was as follows:

	2012/13 Actual £000	2013/14 Actual £000
Investments		
Longer than 1 year	0	-
Under 1 year	64,415	56,453
Total	<b>64,415</b>	<b>56,453</b>

### 4. The Strategy for 2013/14

The Treasury Management Strategy Statement (TMSS) for 2013/14, which includes the Annual Investment Strategy, was approved by the Council on 25/2/2013. It sets out the Council's investment priorities as being:

- **Security of capital;**
- **Liquidity; and**
- **Yield**

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 Capita Asset Services suggested creditworthiness approach, including sovereign credit rating and Credit Default Swap (CDS) overlay information provided by Sector.

### 5. The Economy

- After strong UK GDP growth of 0.7%, 0.8% and 0.7% in quarters 2, 3 and 4 respectively in 2013, it appears that strong growth will continue into 2014 as forward surveys are very encouraging. There are also positive indications that recovery is starting to broaden away from reliance on consumer spending and the housing market into construction, manufacturing, business investment and exporting. This strong growth has resulted in unemployment falling much faster towards the threshold of 7%, set by the MPC last August, before it said it would consider any increases in Bank Rate. In the February 2014 Inflation Report, the MPC therefore broadened its forward guidance by adopting five qualitative principles and looking at a much wider range of indicators. Accordingly, markets are expecting a first increase around the end of 2014, though recent comments from MPC members have emphasised they would want to see strong growth well established, and an increase in labour productivity / real incomes, before they would consider raising Bank Rate

- Also encouraging has been the sharp fall in inflation (CPI), reaching 1.7% in February: forward indications are that inflation will continue to be subdued. The return to strong growth has also helped lower forecasts for the increase in Government debt by £73bn over the next five years, as announced in the Autumn Statement, and by an additional £24bn, as announced in the March 2014 Budget - which also forecast a return to a significant budget surplus, (of £5bn), in 2018-19.
- The Federal Reserve has continued with its monthly \$10bn reductions in asset purchases which started in December; asset purchases have now fallen from \$85bn to \$55bn and are expected to stop by the end of 2014, providing strong economic growth continues this year.

Abbreviation	
MPC	Monetary Policy Committee
CPI	Consumer Prices Index

## 5. Interest Rate Forecast

The Council's treasury advisor, Capita Asset Services, provides the following forecast:

	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17
Bank rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.25%	1.50%	1.75%
5yr PWLB rate	2.60%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.20%	3.20%	3.30%	3.40%	3.50%
10yr PWLB rate	3.70%	3.70%	3.80%	3.80%	3.90%	3.90%	4.00%	4.10%	4.20%	4.30%	4.40%	4.50%	4.50%
25yr PWLB rate	4.40%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%	4.90%	5.00%	5.00%	5.10%	5.10%	5.10%
50yr PWLB rate	4.40%	4.50%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.10%	5.10%	5.20%	5.20%

Capita Asset Services undertook a review of its interest rate forecasts in February, after the Bank of England's latest quarterly Inflation Report. This latest forecast now includes a first increase in Bank Rate in quarter 4 of 2015 (previously quarter 2 of 2016), and reflects greater caution as to the speed with which the MPC will start increasing Bank Rate than the current expectations of financial markets.

## 6. Investment Outturn for 2013/14

**Investment Policy** – the Council's investment policy is governed by CLG guidance, which was been implemented in the annual investment strategy approved by the Council on 25/02/2013. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

### Investments held by fund managers

In 2013/14 the Council decided to recall the monies managed by Investec and manage it in house. Therefore, there were no funds held with fund managers at the end of 2013/14. The performance of the managers against the benchmark return was:

<b>Fund Manager</b>	<b>Balance 01/04/2013 £'000</b>	<b>Balance 31/03/14 £'000</b>	<b>Return in 2013/14 £'000</b>
In House	50,480	56,453	509
Investec	11,840	0.00	50
<b>Total</b>	<b>£62,320</b>	<b>£56,453</b>	<b>559</b>

The actual return on investments for 2013/14 was £559k compared with a budget of £146k a positive variance of £413k. However approximately £81k of the interest received is in respect of the investment of Eco Town funds and this has been allocated back to the Eco Town funding pot.

The budget was based on an average investment balance of £57m and an interest rate of 0.97%. The actual average balance was £64m which attracted an average return of 0.80%.

### 7. Icelandic Bank Defaults

The Council was one of over 100 local authorities that were affected by the collapse of Icelandic banking institutions. The Council held a total of £6.5 million in 3 investments with Glitnir.

As reported previously out of the £6.5m original capital investment £5.7m has been returned to the Council. The remaining balance of £729k and the associated interest relating to the investment are still held within Iceland and continuing to accrue interest on an annual basis.

We continue to have discussions with the LGA and Bevan Brittan on the potential for transfer to the UK.

## Annex 1 Prudential and Treasury Indicators

### Investment & Debt Portfolio Position

	<b>31/03/14 Actual Portfolio £m</b>
<b>External Borrowing:</b>	
- Total External Borrowing	0
<b>Other Long Term Liabilities:</b>	
- Finance Leases	0
<b>Total Gross External Debt</b>	<b>0</b>
<b>Investments:</b>	
<b>Managed in-house</b>	
- Short-term monies (Deposits/ monies on call / MMFs)	56,453
- Long-term investments	
<b>Managed externally</b>	
- By Fund Managers	0
- Pooled Funds (please list)	0
<b>Total Investments</b>	<b>56,453</b>

#### Background:

It is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators.

#### Net Borrowing and the Capital Financing Requirement:

This is a key indicator of prudence. In order to ensure that over the medium-term net borrowing will only be for a capital purposes, the local authority needs to ensure that the net external borrowing does not (except in the short term) exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional increases to the capital financing requirement for the current and next two financial years.

The Director of Resources reports that the authority had no difficulty meeting this requirement in 2013/14, nor is there any difficulties envisaged for future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

### Estimates of Capital Expenditure:

This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, considers the impact on Council Tax.

The Council's capital expenditure plans are summarised below and this forms the first of the prudential indicators. This total expenditure can be paid for immediately by resources such as capital receipts, capital grants etc. However, where these resources are insufficient any residual expenditure will form a borrowing need.

	<b>2013/14 Actual £000s</b>	<b>2014/15 Estimated £000s</b>	<b>2015/16 Estimated £000s</b>	<b>2016/17 Estimated £000s</b>
Capital Expenditure	7,451	35,285	26,834	1,500
<b>Financed by:</b>				
Capital receipts	(6,585)	(24,384)	(467)	(725)
Capital grants	(539)	(375)	-	(375)
Reserves funded through Revenue	(327)	(389)	-	(400)
External Funding		(900)	-	-
<b>Net financing need for the year</b>	<b>-</b>	<b>-</b>	<b>26,367</b>	<b>-</b>

### Ratio of Financing Costs to Net Revenue Stream:

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs.

The definition of financing costs is set out in the Prudential Code.

The ratio is based on costs net of investment income.

<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>2013-14 Approved %</b>	<b>2013-14 Actual%</b>	<b>2014-15 Estimate %</b>	<b>2015-16 Estimate %</b>	<b>2016-17 Estimate %</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Capital Financing Requirement:

The CFR is simply the total outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of Council's underlying borrowing need.



The Council is required to pay off an element of the accumulated General Fund capital spend each year through a revenue charge (the Minimum Revenue Provision), although it is also allowed to undertake additional voluntary payments.

£'000	2012/13	2013/14	2014-15	2015/16	2016/17
	Actual	Actual	Estimate	Estimate	Estimate
<b>Capital Financing Requirement</b>					
<b>Total CFR</b>	<b>-3,152</b>	<b>-3,152</b>	<b>6,085</b>	<b>32,452</b>	<b>32,452</b>
<b>Movement in CFR</b>	<b>0</b>	<b>0</b>	<b>9,237</b>	<b>26,367</b>	<b>0</b>
<b>Movement in CFR represented by</b>					
Net financing need for the year (above)	0	0	9,237	26,637	0
Less MRP/VRP and other financing movements	0	0	0	0	0
<b>Movement in CFR</b>	<b>0</b>	<b>0</b>	<b>9,237</b>	<b>26,637</b>	<b>0</b>

#### **Actual External Debt:**

This indicator is obtained directly from the Council's balance sheet. It is the closing balance for actual gross borrowing plus other long-term liabilities. This Indicator is measured in a manner consistent for comparison with the Operational Boundary and Authorised Limit.

<b>Actual External Debt as at 31/03/2014</b>	<b>£m</b>
Borrowing	0
Other Long-term Liabilities	0
<b>Total</b>	<b>0</b>

#### **Incremental Impact of Capital Investment Decisions:**

This is an indicator of affordability that shows the impact of capital investment decisions on the Council Tax. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved capital programme with an equivalent calculation of the revenue budget requirement arising from the proposed capital programme.

This reflects the fact that capital expenditure is predominantly financed from internal resources (grants, contributions, revenue and capital receipts) and that any increase in the underlying need to borrow is supported through the Revenue Support Grant system. However, any borrowing undertaken in 2014/15 and 2015/16 that is not supported either through internal funds or central grant will have an incremental impact on Council Tax.

### Adoption of the CIPFA Treasury Management Code:

This indicator demonstrates that the Council has adopted the principles of best practice.

Adoption of the CIPFA Code of Practice in Treasury Management
The Council approved the adoption of the CIPFA Treasury Management Code at its Full Council meeting on 27 <sup>th</sup> February 2012.

The Council has incorporated the changes from the revised CIPFA Code of Practice into its treasury policies, procedures and practices.

This Council is aware that there is now a new indicator on net debt which has been considered; however, this is not detailed further as the Council currently has no plans to go into debt during the 2013-14 financial year.

### Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure:

These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates.

The upper limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate rises which could adversely impact on the revenue budget. The limit allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments:

	Existing level (or Benchmark level) at 31/03/13 £m or %	2013-14 Approved £m or %	2013-14 Revised £m or %	2014-15 Estimate £m or %	2015-16 Estimate £m or %	2016-17 Estimate £m or %
Upper Limit for Fixed Interest Rate Exposure	-£0.030	-£0.030	-£0.030	-£0.030	-£0.030	-£0.030
Upper Limit for Variable Interest Rate Exposure	-£0.012	-£0.012	-£0.012	-£0.012	-£0.012	-£0.012

The limits above provide the necessary flexibility within which decisions are made for drawing down new loans on a fixed or variable rate basis; the decisions are ultimately determined by expectations of anticipated interest rate movements as set out in the Council's treasury management strategy.

As the Council's investments are substantially in excess of its borrowing, these calculations have resulted in a negative figure.

### Maturity Structure of Fixed Rate borrowing:

This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

<b>Maturity structure of fixed rate borrowing</b>	<b>Existing level (or Benchmark level) at 31/03/13 %</b>	<b>Lower Limit for 2013/14 %</b>	<b>Upper Limit for 2014/15 %</b>
Less than twelve months	0%	0%	100%
12 months – 10 years	0%	0%	100%
10 years plus	0%	0%	100%

#### **Credit Risk:**

The Council considers security, liquidity and yield, in that order, when making investment decisions with Security the most important. With the uncertainty in market, the Council is seeking to place investments for a short term and is effectively forgoing return in order to protect capital.

Credit ratings remain an important element of assessing credit risk, but they are not a sole feature in the Council's assessment of counterparty credit risk.

The Council also considers alternative assessments of credit strength, and information on corporate developments of and market sentiment towards counterparties. The following key tools are used to assess credit risk:

- Published credit ratings of the financial institution
- Sovereign support mechanisms;
- Credit default swaps (where quoted);
- Share prices (where available);
- Economic fundamentals, such as a country's net debt as a percentage of its GDP);
- Corporate developments, news, articles, markets sentiment and momentum;
- Subjective overlay.

The only indicators with prescriptive values remain to be credit ratings. Other indicators of creditworthiness are considered in relative rather than absolute terms.

#### **Upper Limit for total principal sums invested over 364 days:**

The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Council having to seek early repayment of the sums invested.

	<b>2013-14 Approved £m</b>	<b>2013-14 Revised £m</b>	<b>2014-15 Estimate £m</b>	<b>2015-16 Estimate £m</b>	<b>2016-17 Estimate £m</b>
<b>Upper Limit for total principal sums invested over 364 days</b>	15.0	15.0	15.0	15.0	15.0

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## Cherwell District Council

### Council

21 July 2014

<p><b>Accounts, Audit and Risk Committee Annual Report 2013-14</b></p>
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### Report of Interim Head of Finance and Procurement

This report is public

#### **Purpose of report**

This report summarises the work of the Accounts, Audit and Risk Committee during 2013-14.

#### **1.0 Recommendations**

The meeting is recommended

- 1.1 To note the Accounts, Audit and Risk Committee Annual Report 2013/14.

#### **2.0 Introduction**

- 2.1 The Annual Report contains information relating to the work of the Accounts, Audit and Risk Committee during 2013-14. There is a constitutional obligation for the Committee to produce an annual report on its the activities of the Committee, as set out in the Committee's Terms of Reference.
- 2.2 The Annual Report 2013-14 was approved by the Accounts, Audit and Risk Committee on 25 June 2014.

#### **3.0 Report Details**

##### **Role of the Committee**

- 3.1 The Accounts Audit and Risk Committee is a regulatory Committee. The purpose of the committee is to oversee the financial processes of the Council; the Audit Commission recommended that all local authorities establish a committee of this nature.
- 3.2 The Accounts, Audit and Risk Committee (AARC) operates in accordance with the "Audit Committees, Practical Guidance for Local Authorities" produced by the

Chartered Institute of Public Finance and Accountancy (CIPFA) in 2006. The Guidance defines the purpose of an Audit Committee as follows:

“To provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority’s financial and non-financial performance to the extent that it affects the authority’s exposure to risk and weakens the control environment, and to oversee the financial reporting process.”

3.3 The Council’s Accounts, Audit and Risk Committee has an ongoing role in ensuring a responsive and effective internal audit function and the effective management of the Council’s risks and provides ‘robust challenge’ to the internal control and other governance arrangements of the Council.

3.4 The terms of reference of the AARC are defined within the Council’s Constitution; the relevant extract is below;

- Ensuring that the Council’s corporate governance arrangements are adequate and operating effectively in practice
- Considering the Council’s Code of Corporate Governance and the Annual Governance Statement before approval by the Executive
- Monitoring the effectiveness of the Council’s risk management procedures, the internal control environment and counter fraud and corruption arrangements and report any concerns to the Executive
- Endorse the annual Risk Management Strategy and recommend it to the Executive for adoption
- Approval of the Council’s Statement of Account
- Considering any reports of internal or external auditors and agreeing the action to be taken from those reports including any recommendations to the Council
- To consider and make recommendations on the internal audit plan
- To consider a report on the effectiveness of the internal audit system at least annually
- To consider risks associated with significant partnerships entered into by the Council and to receive reports on the management of those risks
- To receive the External Auditor’s annual audit letter and make recommendations arising from it
- To produce an annual report to Council on the activities of the committee.

### **Membership**

3.5 The Audit Committee comprised of eight elected members during 2013-14 representing all political parties:

Councillor Trevor Stevens (Chairman)	80% attendance
Councillor Mike Kerford-Brynes (Vice-Chairman)	100% attendance
Councillor Andrew Beere	100% attendance
Councillor Ray Jelf	80% attendance
Councillor Nicholas Mawer	80% attendance
Councillor Lawrie Stratford	100% attendance
Councillor Rose Stratford	40% attendance
Councillor Barry Wood	80% attendance

3.3 Having the right skills, knowledge and experience are key attributes for members of an audit committee to have in order for this key assurance function to be effective.

- 3.4 Specifically members should have the ability to question, probe and seek clarification about complex issues, and should have experience in some of the core functions of the Committee; financial awareness is essential, but a broad understanding of the financial, risk and control, and governance issues facing local authorities and the Council specifically is more important than having an accounting background or professional qualification.

#### **Other Members**

- 3.5 The Committee was also grateful for the attendance and contribution of the Lead Member for Financial Management – Councillor Ken Attack.

#### **Officers**

- 3.6 The Committee continues to be well supported by Officers, providing reports either in accordance with the Committee's work programme, or at the request of the Committee.

- 3.7 During the year the following officers attended meetings;

Martin Henry – Director of Resources / Section 151 Officer

Karen Curtin – Head of Finance and Procurement (until July 2013)

Tim Madden – Interim Head of Finance and Procurement (from Sept 2013)

Nicola Jackson – Corporate Finance Manager

Denise Taylor – Corporate Finance Accountant

Karen Muir - Technical and Project Accountant

Claire Taylor - Corporate Performance Manager

Louise Tustian - Senior Performance and Improvement Officer

Jeff Brawley – Investigations Manager

Natasha Clark - Democratic and Elections Team Leader

Gavin Lane - Democratic and Elections Officer

Sharon Hickson – Assistant Democratic and Elections Officer

Lesley Farrell – Assistant Democratic and Elections Officer

Chris Dickens – Chief Internal Auditor (PwC)

Ed Cooke – Audit Manager (PwC)

#### **External Audit**

- 3.8 The External Auditors, Ernst Young, routinely attend all the Committee meetings making a welcome contribution to governance processes within the Council and the development of committee members.

#### **Work Programme**

- 3.9 The Committee reviewed a number of items in the course of the year in order to assure itself of the adequacy of the Council's internal control arrangements.

#### **Key Assurances Gained:**

- 3.10 The Audit Committee can confirm that:

- the system of risk management in the Council is adequate in identifying risks and in allowing the authority to understand the appropriate management of those risks, and
- there are no areas of significant duplication or omission in the systems of governance in the authority that have come to the Committee's attention and not been adequately resolved.

### **Review of Internal Control Systems**

3.11 The Committee reviewed a number of items in the course of the year in order to assure itself of the adequacy of the Council's internal control arrangements. These included:

- External Audit Annual Audit Letter 2012-13
- Internal Audit Annual Report for 2012-13
- Internal Audit Progress Reports for 2013-14
- Corporate Risk Register 2013-14
- Treasury Management quarterly monitoring 2013-14
- Treasury Management Strategy 2014-15
- Risk Management Quarterly Reviews 2013-14
- Fraud Updates

### **External Audit Annual Audit Letter 2012-13**

3.12 The Annual Audit Letter 2012-13 from Ernst Young contained three elements:

- an unqualified opinion of the Council's 2012-13 financial statements on 20 September 2013
- concluded that the Council had made proper arrangements to secure economy, efficiency and effectiveness in its use of resources on 20 September 2013
- certified completion of the audit.

### **Internal Audit Annual Report for 2012-13**

3.13 This report was directly linked to the core functions of the Committee and one of the Audit Committee's Terms of Reference was to "consider the annual report of the internal audit service and to consider a summary of actual and proposed internal audit activity and the levels of assurance it could give over the Council's corporate governance arrangements."

3.14 The report was received annually from the Internal Audit Manager and the final version was presented to AARC on 26 June 2013.

3.15 In terms of the Authority's risk management framework, Internal Audit provided a satisfactory assurance rating, stating that our processes are sufficiently formalised and provide information on key risks and issues relating to the individual services and the Authority as a whole. They have raised recommendations to further enhance and embed risk management processes.

### **Financial Statements & Annual Governance Statement Approval 2012-13**

3.16 Comprehensive review of statements - the Committee members met with the Head of Finance and Procurement and finance officers to undertake a comprehensive review of the financial statements and Annual Governance Statement prior to adoption at the committee meeting, this resulted in a thorough understanding of the key statements and identification of some small amendments to the accounts.

3.17 Approval of the draft set of accounts – the Committee approved the draft statement of accounts, enabling the External Auditors to start their statutory audit of the Statement of Accounts.

### **Risk Management**

3.18 The committee owns and regularly monitors the risk register as part of its terms of reference and recommends amendments where appropriate. Updates of the risk register are presented at meetings as a standard agenda item.



## 4.0 Conclusion and Reasons for Recommendations

- 4.1 There is a constitutional obligation for the Committee to produce an annual report on its the activities of the Committee, as set out in the Committee's Terms of Reference.

## 5.0 Consultation

**Consultee Name:**  
Accounts, Audit and Risk  
Committee

**Consultee Response:**  
Agreed, subject to the inclusion of any  
further comments from members of the  
Committee.

## 6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not accept the report. This has been rejected, as the report seeks to inform the Council of the activities of the Accounts, Audit and Risk Committee.

## 7.0 Implications

### Financial and Resource Implications

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

Comments checked by: Tim Madden, Interim Head of Finance & Procurement 0300 0030106

[Tim.Madden@Cherwellandsouthnorthants.gov.uk](mailto:Tim.Madden@Cherwellandsouthnorthants.gov.uk)

### Legal Implications

- 7.2. There are no legal implications arising directly from any outcome of this report.

Comments checked by: Kevin Lane, Head of Law and Governance, 0300 0030107

[Kevin.Lane@cherwellandsouthnorthants.gov.uk](mailto:Kevin.Lane@cherwellandsouthnorthants.gov.uk)

### Risk Implications

- 7.3 There are no risk implications arising directly from any outcome of this report.

Comments checked by:

Tim Madden, Interim Head of Finance & Procurement 0300 0030106

[Tim.Madden@Cherwellandsouthnorthants.gov.uk](mailto:Tim.Madden@Cherwellandsouthnorthants.gov.uk)

## 8.0 Document Information

### Wards Affected

All wards are affected

### Links to Corporate Plan and Policy Framework

All corporate plan themes.

### Lead Councillor

Councillor Trevor Stevens, Chairman of Accounts, Audit and Risk Committee  
2013/14

<b>Annex No</b>	<b>Title</b>
None	
<b>Background Papers</b>	
None	
<b>Report Author</b>	Nicola Jackson, Corporate Finance Manager
<b>Contact Information</b>	<a href="mailto:Nicola.Jackson@cherwellandsouthnorthants.gov.uk">Nicola.Jackson@cherwellandsouthnorthants.gov.uk</a> 01295 221731

## Cherwell District Council

### Council

21 July, 2014

<p><b>Budget Planning Committee Annual Report 2013/14</b></p>
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### Report of Head of Law and Governance

This report is public

#### **Purpose of report**

This report presents the Budget Planning Committee Annual Report for 2013/14.

#### **1.0 Recommendations**

The meeting is recommended:

- 1.1 To note the Budget Planning Committee Annual Report 2013/14.

#### **2.0 Introduction**

- 2.1 The Budget Planning Committee Annual Report 2013/14 is attached at Appendix 1.
- 2.2 The Annual Report contains information relating to the work of the Budget Planning Committee during 2013/14.

#### **3.0 Report Details**

- 3.1 Although there is no constitutional obligation to produce an annual report on the activities of the Budget Planning Committee, it is nevertheless considered desirable that a report be prepared and presented to Council.
- 3.2 The Annual Report 2013/14 was approved by the Budget Planning Committee on 24 June 2014.

## **4.0 Conclusion and Reasons for Recommendations**

- 4.1 Whilst there is no constitutional obligation to produce an annual report on the activities of the Budget Planning Committee, it is nevertheless considered desirable that a report be prepared and presented to Council

## **5.0 Consultation**

**Consultee Name:**

Budget Planning Committee

**Consultee Response:**

Agreed, subject to the inclusion of any further comments from members of the Committee.

## **6.0 Alternative Options and Reasons for Rejection**

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not accept report. Rejected, as report seeks to inform the Council of the activities of the Budget Planning Committee.

## **7.0 Implications**

### **Financial and Resource Implications**

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

Comments checked by:

Nicola Jackson, Corporate Finance Manager 01295 221731

[nicola.jackson@cherwellandsouthnorthants.gov.uk](mailto:nicola.jackson@cherwellandsouthnorthants.gov.uk)

### **Legal Implications**

- 7.2 There are no legal implications arising from the report.

Comments checked by:

James Doble, Democratic and Elections Manager 01295 221587

[james.doble@cherwellandsouthnorthants.gov.uk](mailto:james.doble@cherwellandsouthnorthants.gov.uk)

## **8.0 Decision Information**

### **Wards Affected**

All

### **Links to Corporate Plan and Policy Framework**

Detailed in the Annual Report

## Lead Councillor

Councillor Nicholas Mawer, Budget Planning Committee Chairman 2013/14

## Document Information

<b>Appendix No</b>	<b>Title</b>
Appendix 1	Budget Planning Committee Annual Report 2013/14
<b>Background Papers</b>	
None	
<b>Report Author</b>	Dave Parry – Democratic and Elections Officer
<b>Contact Information</b>	Tel: 01327 322365 Email: <a href="mailto:dave.parry@cherwellandsouthnorthants.gov.uk">dave.parry@cherwellandsouthnorthants.gov.uk</a>

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## **Budget Planning Committee Annual Report**

**2013 – 2014**

The Budget Planning Committee has been established to:

- Provide strategic overview of all matters that could significantly impact upon the finances of the authority
- Oversee the implementation of the forthcoming and ongoing financial reform that will significantly affect the Council
- Provide advice on the impact of business and housing growth in the district and estimate the financial impact of such growth
- Be responsible for supporting the budget setting strategy and process for:
  - o the general fund
  - o capital programme
  - o assets
  - o treasury management
  - o reserves
  - o investments
  - o recommending the Committee's preferred option, for formal consideration by Executive, in light of the Council's stated priorities.
- Have a planning horizon which will be medium term (five years) including the medium term financial strategy
- Will also focus on major projects facing the Council that will have a significant impact on the resources of the Council as well as the budget setting round for the forthcoming financial year.
- Be responsible for considering how the council responds to: changes in the way the council is funded, value for money and other legislative initiatives and reforms.
- Innovate and challenge the way the Council manages its budget and financial affairs.

Membership of the Committee for the year 2013/14 and attendance was:

Councillor Nicholas Mawer (Chairman) – 7/7

Councillor Douglas Webb (Vice-Chairman) – 6/7

Councillor Ken Atack – 5/7

Councillor Andrew Beere – 6/7

Councillor Maurice Billingham – 3/7

Councillor Margaret Cullip – 4/7

Councillor Tim Emptage – 7/7

Councillor Russell Hurle – 5/7

Councillor Mike Kerford-Byrnes – 0/2

Councillor Neil Prestidge – 3/7

Councillor Nigel Randall – 5/5

Councillor Laurie Stratford – 6/7

Councillor Barry Wood – 5/7

Substitutes attending during the year – Councillor John Donaldson (1); Councillor Rose Stratford (2); Councillor Sean Woodcock (1)

During the year the following officers attended meetings of the Committee: Martin Henry – Director of Resources and Section 151 Officer; Karen Curtin – Head of Finance and Procurement (until July 2013); Tim Madden – Interim Head of Finance and Procurement (from September 2013); Jo Pitman – Head of Transformation; Nicola Jackson – Corporate Finance Manager; Rakesh Kumar – GIS Manager; Beth Baines – Strategic Finance Accountant; Joanne Kaye - Interim Strategic Finance Accountant; Dave Parry - Democratic and Elections Officer.

Over the past year the Committee has considered 22 written reports and received several verbal updates. In addition, the Committee held a number of informal meetings during the autumn to scrutinise budget bids. The matters considered at each of the formal meetings have been as follows:

6 May 2013

- Terms of Reference and Draft Work Programme.
- 2012/13 outturn and Key Messages for Explanatory Forward.
- Financial Context – MTFs Latest Position, Capital Resources.
- Council Tax Reduction Scheme (Yr. 2).

9 July 2013

- Implications of Comprehensive Spending Review on MTFs Latest Position (including New Homes Bonus Funding).
- Business Rate Growth Monitoring
- Impact of Welfare Reform on Funding.
- Budget Monitoring Position: May 2013 Revenue & Capital 2013/14.
- Work Programme 2013/14.



8 October 2013

- Medium Term Financial Strategy Update and Latest Position.
- Budget Strategy 2014 to 2015 and Beyond.
- 2013/14 Capital Programme Review and 2014/15 Capital Strategy.
- Investment Opportunities
- Update on Business Rates Incentives
- Welfare Reform Update.
- Work Programme 2013/14.
- Budget Building Blocks (Exempt).

26 November 2013

- Capital Programme: Capital Bids 2014-15 (Exempt).
- Medium Term Financial Strategy Update and Latest Position.

3 December 2013

- Budget Update 2014-15.

21 January 2014

- Review of IT Capital Bids.
- 2014/15 Base Budget, including Capital Bids.
- Review of Capital Process (Urgent Business).

11 March 2014

- Capital Programme 2013-14.
- Quarter 3 Financial Performance.
- Review of Reserves.
- Fees and Charges Review 2014-15.
- Work Programme.

As this list of reports shows, the Committee has considered a wide range of subjects where it has been able to look in detail at many of the important financial issues that face the Council. This has enabled members to both get a better understanding of the issues involved and feed back to officers thoughts and opinions on draft policies being developed for the Executive and Council.

Councillor Nicholas Mawer - Chairman

With support from Martin Henry – Lead Officer

24 June, 2014.

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## Cherwell District Council

### Council

21 July, 2014

#### Overview and Scrutiny Annual Report 2013/14

#### Report of Head of Law and Governance

This report is public

#### **Purpose of report**

This report presents the Overview and Scrutiny Annual Report for 2013/14.

#### **1.0 Recommendations**

The meeting is recommended:

- 1.1 To note the contents of the Overview and Scrutiny Annual Report 2013/14.

#### **2.0 Introduction**

- 2.1 The Overview and Scrutiny Annual Report 2013/14 is attached at Appendix 1.
- 2.2 The Annual Report contains information relating to the work of the Overview and Scrutiny Committee during 2013/14.

#### **3.0 Report Details**

- 3.1 The Overview and Scrutiny Committee has a constitutional obligation “to produce a unified annual report for the whole scrutiny process” and present it to Council.
- 3.2 The Annual Report 2013/14 was approved by the Overview and Scrutiny Committee on 17 June 2014.

#### **4.0 Conclusion and Reasons for Recommendations**

- 4.1 Council is invited to note the content of the Overview and Scrutiny Annual Report 2013/14.

## 5.0 Consultation

**Consultee Name:**  
Overview and Scrutiny  
Committee

**Consultee Response:**  
Schedule to be inserted listing activities against  
the corporate priorities.

## 6.0 Alternative Options and Reasons for Rejection

6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not to accept the report. This is rejected, as the report meets the Constitutional requirement.

## 7.0 Implications

### Financial and Resource Implications

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

Comments checked by:  
Nicola Jackson, Corporate Finance Manager 01295 221731  
[nicola.jackson@cherwellandsouthnorthants.gov.uk](mailto:nicola.jackson@cherwellandsouthnorthants.gov.uk)

### Legal Implications

7.2 The Overview and Scrutiny Committee has a constitutional obligation “to produce a unified annual report for the whole scrutiny process” and present it to Council.

Comments checked by:  
James Doble, Democratic and Elections Manager 01295 221587  
[james.doble@cherwellandsouthnorthants.gov.uk](mailto:james.doble@cherwellandsouthnorthants.gov.uk)

## 8.0 Decision Information

### Wards Affected

All

### Links to Corporate Plan and Policy Framework

Detailed in the Annual Report

### Lead Councillor

None

## Document Information

<b>Appendix No</b>	<b>Title</b>
Appendix 1	Overview and Scrutiny Annual Report 2013/14
<b>Background Papers</b>	
None	
<b>Report Author</b>	Dave Parry – Democratic and Elections Officer
<b>Contact Information</b>	Tel: 01327 322365 Email: <a href="mailto:dave.parry@cherwellandsouthnorthants.gov.uk">dave.parry@cherwellandsouthnorthants.gov.uk</a>

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# **Overview and Scrutiny Annual Report 2013/14**

**June 2014**

## **Foreword**

This annual report for overview and scrutiny at Cherwell District Council outlines the work of the Overview and Scrutiny Committee in 2013/14.

The Committee has continued to build on the work that has been done over the last few years and has sought to minimise the turnover of committee membership in order to develop an experienced group of councillors who are building up a strong skill base and understanding of the principles of good scrutiny and at the same time a knowledge of scrutiny case history.

With the decision of Council in May 2013 to review the scrutiny arrangements and create a single Overview and Scrutiny Committee with responsibility for all overview and scrutiny activity, the new Overview and Scrutiny Committee has continued the work done to-date, and ensure relevant topics are reviewed and challenged, thus providing checks and balances as well as supporting the Executive in decision making.

I very much believe that overview and scrutiny continues to make a valuable contribution to the continuing success of this Council.

**Councillor Ann Bonner  
Chairman,  
Overview and Scrutiny Committee  
2013/14**



## Overview & Scrutiny Committee

### Membership

Councillor Ann Bonner (Ch)	Councillor Dan Sames (Vice Ch)
Councillor Alyas Ahmed	Councillor Melanie Magee
Councillor Alastair Milne Home	Councillor Jon O'Neill
Councillor Lynn Pratt	Councillor Nigel Randall
Councillor Lawrie Stratford	Councillor Rose Stratford
Councillor Douglas Williamson	Councillor Sean Woodcock

### Substitutes

Councillor Nick Mawer  
Councillor Gordon Ross

### Guests in attendance

Lead members:

Councillor Ken Atack – Lead Member for Financial Management  
Councillor John Donaldson – Lead Member for Banbury Brighter Futures  
Councillor Michael Gibbard – Lead Member for Planning  
Councillor Tony Ilott – Lead Member for Public Protection  
Councillor Debbie Pickford – Lead Member for Housing  
Councillor Nicholas Turner – Lead Member for Performance and Customers  
Councillor Barry Wood – Leader of the Council

Councillors:

Councillor James Macnamara

Officers:

Ian Davies – Director of Community and Environment  
Bob Duxbury – Development Control Team Leader  
Ryszard Filipiak – Service Assurance Team Leader  
Jackie Fitzsimons – Interim Public Protection and Environmental Health Manager  
Sean Gregory – Environmental Protection Officer  
Mark Harmon – Environmental Protection Manager  
Kevin Larner – Rural Development and Countryside Officer  
Tim Madden – Interim Head of Finance and Procurement  
Tim Mills – Private Sector Housing Manager  
Marianne North – Housing Needs Manager  
Andy Preston – Head of Development Management  
Claire Taylor – Corporate Performance Manager  
Louise Tustian – Senior Performance and Improvement Officer  
Shirley Vaughan – Performance and Planning Officer  
Hedd Vaughan Evans – Research and Intelligence Officer

External Officers:

Shirley McAneny – Transport Coordinator (Community Transport and Concessionary Fares) – Oxfordshire County Council.  
 Barbara Shaw – Chief Executive, Banbury CAB.

<b>Corporate Priorities - Links to Scrutiny Topics 2013/14</b>	
An Accessible, Value for Money Council	Performance Monitoring. Business Planning & Service Plan Process 2014/15. Concessions Policy. Welfare Reform Update. Customer Insights Reporting. Joint Visit to Westminster with South Northamptonshire Council's Scrutiny Committee. Cherwell District Council Five Year Business Strategy. Housing Service Plan.
A Cleaner Greener District.	Air Quality in the District.
A District of Opportunity	Banbury Brighter Futures. Community Transport and Dial-a-Ride. Wind Turbines. Commissioning of Services to Banbury Citizens Advice Bureau. Planning Enforcement Service Plan.

**Link to Corporate Priorities: An Accessible, Value for Money Council.**

**Performance Monitoring**

Periodically throughout the year, the Overview and Scrutiny Committee reviewed the Council's performance as measured through the Performance Management Framework. Annual Performance was reviewed in May, 2013, with Quarter 1, 2 and 3 reports being considered in September and November 2013, and March 2014 respectively. The Council's generally excellent performance was readily acknowledged and praised. Where issues or areas of concern had been identified, further information and assurance had been sought, with appropriate Lead Members and key Officers attending to provide information and explanation.

### **Business Planning & Service Plan Process 2014/15**

In August 2013 the Committee reviewed the Business Planning and Service Plan process, noting that the key elements would be the new Medium Term Financial Strategy, the outcomes from the Customer Satisfaction and Budget consultation processes, the impacts from the census, and any other known impacts on services. A draft of both the Business Plan and Service Plan was submitted to the November meeting, with development of the Service Plan overlapping with the Business Plan process, with both being completed in January 2014.

It was identified that an important aspect would be reviewing how the delivery of a service plan progressed during the year and, in this respect, it was agreed that the Head of Development Management be invited to the November meeting to advise the current position (see below).

### **Concessions Policy**

During August the Committee considered a scoping document prepared by Committee member Councillor Randall, proposing a Scrutiny Review to ascertain the value or otherwise of the Council adopting a formal concessions policy. The Committee had agreed that a Scrutiny Review be undertaken by way of an informal working group comprising Committee members Councillors Jon O'Neill, Nigel Randall and Lawrie Stratford. The informal working group subsequently prepared a draft policy, and this was supported by the Committee for recommendation to the Budget Planning Committee for consideration.

### **Welfare Reform Update**

In September the Committee considered the progress being made with respect to the introduction of national changes in the welfare system. Areas of particular scrutiny included the number of mutual exchanges that had taken place since the introduction of the Spare Bedroom Subsidy rule; the number of appeals made under the Council Tax Reduction Scheme; the localisation of the Social Fund; the introduction of the Benefit Cap, and the spend on the Discretionary Housing Payments budget. The Committee had commended the work of the Local Government Resources Review Project team in respect of both the anticipation of the changes, and also as these were rolled out. Future monitoring of the Welfare Reforms would take place through the Performance Management process, with appropriate Officers being required to report to the Committee where an indicator showed red.

### **Customer Insights Reporting**

During September and December the Committee reviewed Customer Insight Reports for Quarters 1 and 2, noting overall satisfaction rates; satisfaction regarding particular services; complaints; media enquiries, social media, and website interaction.

The Committee noted that a new, two stage complaints process had now been introduced and welcomed the fact that, from 1 January 2014, the complaints process was to be moved within the Performance and Insight team in order to centralise responsibility for complaints management. Relatively low satisfaction levels were noted in respect of the Council's website, but the Committee had been informed that this area had already been identified for improvement, as the website was particularly important if future plans to 'channel shift' customers to web transactions (from face-to-face or telephone contact)

were to be successful. The Committee also welcomed the intention to update and improve the on-line complaints form and the provision of additional information which would enable complainants to raise their issues with the appropriate authority/organisation where this was not the Council.

### **Joint Visit to Westminster with South Northamptonshire Council's Scrutiny Committee**

In November the Committee undertook a joint visit with South Northamptonshire Council's Scrutiny Committee to Westminster. Arranged through the Parliamentary Outreach Service, Members received an overview of the Select Committee process from Mr Glenn McKee, Committee Secretary to the Communities and Local Government Committee. Members also attended a number of Select Committees that were in session, and valuable insight was gained into the process.

### **Cherwell District Council Five Year Business Strategy**

At its meetings in November and December the Committee reviewed the Council's draft five year Business Strategy and emerging priorities for the annual business plan.

The Committee supported the draft strategic priorities, but concerns were raised regarding a potential decline in the Council's recycling rates, and an assurance was obtained that the appropriate key objective would be amended to ensure monitoring took place. The Committee also raised concerns that future cuts by central Government and the County Council would impact on key objectives c4, ("Work to promote and support health and wellbeing across the district"), c5, ("Provide high quality and accessible leisure opportunities") and c6, ("Provide support to the voluntary and community sector"). It was therefore agreed that consideration be given to not only the Council's involvement, but what measures the Council could take, and whether business and other third parties could provide support. The Committee agreed that the Executive be asked to consider additional or amended objectives in respect of b4 ('Reduce our carbon footprint and protect the natural environment'); c2 ('Work with Partners to support financial inclusion and help local people into paid employment'), and c6 ('Provide support to the voluntary and community sector'). The Committee was also of the view that some reference should be included regarding promoting tourism within the district.

The Committee also identified that the critical documents for review by Members were the individual service plans and that, accordingly, in future these should be made available for Member consideration at the earliest opportunity.

### **Housing Service Plan**

As part of a thorough review of the Housing Service Plan, the Committee held an informal meeting during February, 2014, with all Members of the Council invited to attend. A report was then submitted to the scheduled meeting the following week, identifying key challenges and achievements. The Committee commended the work of Housing Services, and commented in particular on the excellent level of the cooperation coordination between the teams within the section, and the admirable progress to date in preventing homelessness, delivering and enabling housing development, improving housing standards and commissioning housing related services. The Committee also supported the establishment of a Credit Union and appointment of a Credit Union Development Officer (shared post with South Northamptonshire Council) on a three year contract, and

supported the principle of undertaking annual inspections of licensed Houses in Multiple Occupation (HMO's).

## **Link to Corporate Priorities: A Cleaner Greener District.**

### **Air Quality in the District**

Following on from earlier consideration during 2012/13, the Committee further reviewed the subject of Air Quality across the District in May 2013 and January 2014. Whilst acknowledging the excellent monitoring work done by the Councils staff, the Committee was very concerned that there was little action the Council could take to secure improvements where monitoring showed these were required. Improvement measures were the responsibility of a number of other organisations, and there was an apparent absence of penalty action should recommended remedial actions fail to be progressed. The Committee had agreed to retain the matter on its Work Programme for 2014/15, and had suggested the topic be discussed by the Oxfordshire County Council's Cherwell Localities Committees.

## **Link to Corporate Priorities: A District of Opportunity**

### **Banbury Brighter Futures**

In July 2013 the Committee received a report and presentation on the performance of the Brighter Futures in Banbury Programme 2012/13, and advising priorities for 2013/14.

The Committee had noted the positive progress made to date and that, with all partners fully engaged, the direction of travel on all themes was good. The only area where progress had not been as great as it might have been in respect of education, and this was mainly due to changes in personnel. It was acknowledged, however, that efforts were underway to increase the pace of improvement and have educational achievement at or above the average for the County as a whole.

An area where the Committee had previously raised concerns related to recycling rates. In this respect it was acknowledged that a lot of work had been undertaken in the area, with blitz teams and also through education. With a high number of flats and Houses in Multiple Occupation, there were particular challenges, and although the area was kept tidy, more work was needed to increase recycling rates.

Although the Committee acknowledged that the areas of greatest need in the district remained the Wards covered by the BBF Programme, and resources should remain focused on these, it was also acknowledged that experience gained and good practice was being rolled-out across the District, particularly through Connecting Communities Events.

Through partners such as Sanctuary Housing, careful monitoring was taking place to ascertain the impact of changes to the Benefits rules, and whether the types of housing accommodation being provided was appropriate. It was acknowledged, however, that decisions were taken only when clear evidence was available to ensure the right type of accommodation was provided for local needs. Notwithstanding this, the target for the provision of affordable housing had been exceeded, and the transfer of land from

Oxfordshire County Council would enable further provision, and there were a higher number of development sites within the Banbury Brighter Futures programme area than anywhere else in the District.

The Committee had concluded that excellent progress had been made during the first three years of the programme, albeit it was important that there be no loss of momentum. It was acknowledged that all partner organisations remained fully engaged, whilst efforts should be made to identify and engage with new partners (e.g. School Head Teachers and Governors). The knowledge and experience gained and good practice identified through the BBF programme should, wherever possible, be utilised elsewhere across the District, and a focus on housing was to be encouraged. The provision of a Credit Union, which would become operational in 2014, was also welcomed.

### **Community Transport and Dial-a-Ride**

At its meeting in August the Committee was addressed the Council's Countryside and Communities Manager and Oxfordshire County Council's Transport Coordinator (Community Transport and Concessionary Fares) who advised on the operation of the 'Dial-a-Ride' service, the development of Community transport, and the operation of the Oxfordshire Community Transport Advisory Group.

The Committee noted that the Dial-a-Ride service was well used across the district, and that the top-up provided by the Council for the years 2012/13 and 2013/14 was helping to maintain the service at the level required by users. However, it was also noted that the County Council would be reviewing the future of the service as part of its overall budget setting process, and concern was expressed that any future additional contribution by the district council could only be considered if it was known the service as a whole was to continue. The item was therefore retained on the Work Programme, and the Countryside and Communities Manager and the Transport Coordinator (Oxfordshire County Council) invited to attend a future meeting to advise on the future of the scheme.

### **Wind Turbines**

At its August meeting the Committee considered a scoping document prepared by Committee member Councillor O'Neill, proposing a Scrutiny Review into the possible introduction of an updated policy regarding the future development of wind farms in the district. The Committee acknowledged the value of having a revised policy that would stand up to the planning appeals process and thereby help protect communities throughout the district. It was therefore agreed that a Scrutiny Review, to be undertaken by Committee members Councillors Ann Bonner and Jon O'Neill supported by other Members and officers as appropriate, review the Council's current policy in respect of wind turbine developments with a view to developing and subsequently introducing an updated policy. The Review was currently on hold pending the outcome of a Planning Appeal Hearing.

### **Commissioning of Services to Banbury Citizens Advice Bureau**

During December the Committee received a presentation advising on the services provided by the Banbury Citizens Advice Bureau and, in particular, the operation of the contract with the Council. The debt and money advice services included the mortgage rescue scheme, and the scheme within Cherwell was recognised as the most successful in the region. Debt management plans had been arranged for 1407 families and benefits advice given to clients had resulted in additional income of £3.8m being secured.

Additionally, advice to people made redundant and people with disabilities had secured benefit payments which, in-turn, had prevented instances of homelessness.

Support from the Council had helped the CAB facilitate 201 people into volunteering, and the volunteer driver service had already delivered 1191 journeys and was therefore likely to hit its annual target of 2000 journeys (it being already apparent that, with the reduction in ambulance services, demand for the volunteer driver service was increasing).

Monitoring by the Council of the various elements of the contract was undertaken by the Housing Needs Manager and the Countryside and Communities Manager and, rather than simply specifying footfall and client numbers, this related to outcomes, thus ensuring the issue of service quality was monitored, as well as service volume. It was acknowledged, however, that pressure on the service was increasing and it was currently running a budget deficit. The Committee therefore agreed that the item be retained on the Work Programme, and that further reports be submitted to future meetings.

### **Planning Enforcement Service Plan**

At its meeting in December the Committee received an update on the impact on the Planning Enforcement service of the allocation of additional staff resources. The Committee noted the fluctuating number of complaints, and welcomed the intention to adopt a more proactive rather than reactive approach, and it was acknowledged that it was the allocation of additional resources that had improved performance to the point where this could be considered. The Committee also agreed that, whilst the service was discretionary, it was unquestionably essential to ensuring the credibility and effectiveness of the whole planning process. It was equally acknowledged that the discretionary element allowed the Council to decide against action where this was considered inappropriate, and this helped ensure the Council was seen to act in a fair and reasonable manner, and also make the best use of its resources.

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