

Meeting of Council

Monday 20 July 2015

Members of Cherwell District Council,

A meeting of Council will be held at Bodicote House, Bodicote, Banbury, OX15 4AA on Monday 20 July 2015 at 6.30 pm, and you are hereby summoned to attend.



Sue Smith
Chief Executive

Friday 10 July 2015

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 - 18)

To confirm as a correct record the Minutes of Council held on 19 May 2015.

7 Minutes

- a) Minutes of Executive, Lead Member Decisions and Executive Decisions not included in the 28 day notice

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 February meeting, the last time this was reported, two key or restricted decisions relating to the Recycling Contract and Additional Capital Bids have been taken by the Executive which were not included in the 28 day notice.

- 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 Cherwell Local Plan 2011-2031 (Part 1): Inspector's Report on the Examination into the Cherwell Local Plan and Plan for Adoption (Pages 19 - 38)

** Due to the size of the documents, the six appendices for this report are being published and printed as a separate document **

Report of Head of Strategic Planning and the Economy

Purpose of report

The main purpose of this report is to allow Members to consider the content of the Inspector's Report on the Examination into the Submission Cherwell Local Plan, to decide whether to approve Main Modifications to the Local Plan as recommended by the Inspector together with additional modifications to enable the Plan to proceed to adoption, and to consider whether to adopt the Plan, as modified.

Recommendations

The meeting is recommended:

- 1.1 To note the conclusions of the Inspector's report (Appendix 1) and accept his recommendations regarding the Main Modifications that are required to make the Plan sound.
- 1.2 To approve the incorporation of additional modifications as set out in Appendix 2, including consequential changes to the Policies Maps arising from the Inspector's recommendations.
- 1.3 To adopt as a development plan document the Local Plan (Appendix 3) incorporating all of the Main Modifications recommended by the Inspector together with the additional modifications as set out in Appendix 2, in accordance with Regulation 26 of the Town and Country Planning (Local Planning) Regulations 2012.
- 1.4 To delegate to the Head of Strategic Planning and the Economy prior to the publication of the Local Plan the correction of any further minor spelling, grammatical or typographical errors together with any improvements from a presentational perspective.

- 1.5 To delegate to the Head of Strategic Planning and the Economy the publication of an updated Adopted Policies Map to illustrate graphically the application of policies contained in the adopted development plan, comprising any site specific saved policies of the Cherwell Local Plan 1996 not replaced by the adoption of the Cherwell Local Plan 2011-2031, and site specific saved policies of the adopted Oxfordshire Minerals and Waste Local Plan 1996, in addition to relevant policies contained in Cherwell Local Plan Part 1.
- 1.6 To acknowledge that in adopting the Local Plan, it will revoke those saved policies indicated as being replaced in Appendix 7 of the Plan (Appendix 3) with immediate effect.

11 2014/15 Treasury Management Annual Report (Pages 39 - 56)

Report of Director of Resources and Head of Finance and Procurement

Purpose of report

This report presents information on treasury management performance and compliance with treasury management policy during 2014/15 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 Overview and Scrutiny Annual Report 2014/15 (Pages 57 - 66)

Report of Head of Law and Governance

Purpose of report

This report presents the Overview and Scrutiny Annual Report for 2014/15.

Recommendations

The meeting is recommended:

- 1.1 To note the contents of the Overview and Scrutiny Annual Report 2014/15.

13 Notification of Urgent Action Appointment of Outside Body Representative to the Oxfordshire Health Overview and Scrutiny Committee (Pages 67 - 70)

Report of Chief Executive

Purpose of report

To notify Council of urgent action taken by the Chief Executive to change the appointed Cherwell District Council representative on the Oxfordshire Health Overview and Scrutiny Committee.

Recommendations

The meeting is recommended:

- 1.1 To note the urgent taken by the Chief Executive to appoint Councillor Nigel Randall as Cherwell District Council's representative to the Oxfordshire Health Overview and Scrutiny Committee.

14 Exclusion of the Press and Public

The following reports contain exempt information as defined in the following paragraphs of Part 1, Schedule 12A of Local Government Act 1972.

3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information).

5 – Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings

Members are reminded that whilst the following items have been marked as exempt, it is for the meeting to decide whether or not to consider them in private or in public. In making the decision, members should balance the interests of individuals or the Council itself in having access to the information. In considering their discretion members should also be mindful of the advice of Council Officers.

Should Members decide not to make a decision in public, they are recommended to pass the following recommendation:

“That under Section 100A of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business on the ground that, if the public and press were present, it would be likely that exempt information falling under the provisions of Schedule 12A, Part 1, Paragraphs 3 and 5 would be disclosed to them, and that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.”

15 Recycling Contract (Pages 71 - 146)

Exempt report of Head of Environmental Services

16 Additional Capital bids for CCTV at Thorpe Lane Depot and Bodicote House (Pages 147 - 154)

Exempt report of Head of Finance and Procurement

17 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 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

Agenda Item 3

CHAIRMAN/VICE CHAIRMAN'S ENGAGEMENTS

20 May – 20 July 2015

Date	Event
Thursday 4 June	<i>The Vice Chairman attended an event at Broughton Castle at the invitation of the Board of Trustees of Banbury Citizen's Advice Bureau to celebrate their 50 year anniversary.</i>
Saturday 6 June	The Chairman and her husband attended an open evening, reception and sounding of retreat at Read House, Arncott Wood. This was at the invitation of the Commandant, Offices, Instructors and Cadets of the Oxfordshire (The Rifles) Battalion Army Cadet Force.
Tuesday 9 June	<i>The Vice Chairman attended a dinner hosted by the Lord Lieutenant and the Bishop of Dorchester which was held at Dorchester Abbey to welcome the new Chairmen and Mayors of Oxfordshire to their year in office.</i>
Wednesday 10 June	The Chairman attended and chaired the Parish Liaison Meeting which was held at Bodicote House.
Thursday 11 June	<p>The Chairman began the day with a visit to the Citizen's Advice Bureau in Cornhill, Banbury where she was able to see at first hand the valuable service the CAB provides for the constituents of Cherwell. During 2014-15 the CAB in Banbury helped over 5003 residents with over 15000 issues.</p> <p>Later that day the Chairman attended the visit to the Bicester Green Project by HRH The Duke of Gloucester who was accompanied by the Vice Lord-Lieutenant. She then accompanied the party to the Banbury Ceremony Room at Old Bodicote House where HRH The Duke of Gloucester, together with the Lord Lieutenant and the Chairman of Oxfordshire County Council, presented nine British Empire Medals to local recipients.</p>
Monday 22 June	At the invitation of the Chairman of OCC, the Chairman attended the Flag Raising Ceremony to celebrate British Armed Forces Day at Oxford Castle.
Wednesday 24 June	<i>The Vice Chairman attended the Great Barn at Upper Aynho for the Cherwell Community Awards at the invitation of Sanctuary Housing and presented one of the awards.</i>
Friday 26 June	The Chairman and her husband attended a pre Armed Forces Day Cocktail Party at St George's Barracks, Arncott at the invitation of Lieutenant Colonel Rae of the DEMS Training Regiment.
Saturday 27 June	<i>The Vice Chairman, at the invitation of the Town Mayor of Banbury and The Officer Commanding 142 Squadron, attended a ceremony to commemorate the granting of the Freedom of the Town to 142 Vehicle Squadron, The Royal Logistics Corps (Queen's Own Oxfordshire Hussars). This began with refreshments at the Whately Hall Hotel before the start of the Freedom Ceremony and Trooping of the Colour. This was followed by the Squadron marching through Banbury, led by the band of the Irish Guards and in the company of cadet and veteran groups.</i>
Saturday 27 June	The Chairman, her husband and daughter attended the US Embassy Croughton Annex Annual Summer Barbeque at the home of Bill and Whitney Babash in Caversfield.

JULY

- Wednesday 1 July The Chairman attended the official opening of Bicester Community Hospital followed by a tour of the new hospital.
- Saturday 4 July The Chairman and her husband attended the Blue Plaque unveiling ceremony commemorating General Sir Kenneth Darling (senior British Army officer who was Commander in Chief of Allied Forces Northern Europe from 1967 to 1969). This took place at Vicarage Farmhouse, Chesterton and was followed by an address by Professor Sir Hew Strachan, FBA, military historian.
- Saturday 4 July The Chairman and her husband attended The Rotary Club of Banbury Cherwell President's Night dinner at the Rye Hill Golf Club, near Banbury.
- Sunday 5 July *The Vice Chairman attended Banbury Town Mayor's Sunday and Hobby Horse Festival. This began with a civic procession from the Town Hall to People's Park Banbury where the various events took place throughout the afternoon. This year's theme was 'Ride a Cock Horse to Banbury Cross'.*
- Wednesday 8 July The Chairman and her husband attended a garden party hosted by The High Sheriff of Oxfordshire and his wife at their home in Thame.
- Friday 10 July The Chairman attended the St John Ambulance Awards Evening in Kidlington where service certificates were awarded by the Lord Lieutenant recognising 3, 6 and 9 years' service.
- Sunday 12 July The Chairman and her husband attended the Bicester Town Mayor's Civic Service St. Edburg's Church, Bicester followed by a parade and march past in the Market Square.
- Saturday 18 July *The Vice Chairman attended the Royal International Air Tattoo at RAF Fairford at the invitation of Col Douglas Mellars, 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.*

- **Correct at time of printing**

Agenda Item 6

Cherwell District Council

Council

Minutes of a meeting of the Council held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 19 May 2015 at 6.30 pm

Present: Councillor Melanie Magee (Chairman)
Councillor Chris Heath (Vice-Chairman)

Councillor Ken Atack
Councillor Andrew Beere
Councillor Claire Bell
Councillor Maurice Billington
Councillor Fred Blackwell
Councillor Norman Bolster
Councillor Mark Cherry
Councillor Colin Clarke
Councillor Ian Corkin
Councillor Surinder Dhesi
Councillor John Donaldson
Councillor Michael Gibbard
Councillor Carmen Griffiths
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 Alastair Milne Home
Councillor Richard Mould
Councillor D M Pickford
Councillor James Porter
Councillor Lynn Pratt
Councillor Neil Prestidge
Councillor Nigel Randall
Councillor G A Reynolds
Councillor Barry Richards
Councillor Sandra Rhodes
Councillor Dan Sames
Councillor Les Sibley
Councillor Trevor Stevens
Councillor Lawrie Stratford
Councillor Rose Stratford
Councillor Lynda Thirzie Smart
Councillor Nicholas Turner
Councillor Douglas Webb
Councillor Bryn Williams
Councillor Douglas Williamson

Councillor Barry Wood
Councillor Sean Woodcock

Apologies for absence: Councillor Ann Bonner
Councillor Timothy Hallchurch MBE
Councillor Simon Holland
Councillor Nigel Morris

Officers: Sue Smith, Chief Executive
Calvin Bell, Director of Development
Karen Curtin, Commercial 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 **Welcome**

The Chairman welcomed all Members and guests to the meeting.

Following the recent election, the Chairman thanked former Councillors Edwards, Andrew Fulljames, O'Neill and Rose for their service to the district during their time as councillors.

2 **Councillor Ann Bonner**

The Chairman reported that Councillor Ann Bonner had submitted apologies for the meeting and requested a leave of absence for six months due to ill health.

Resolved

That Councillor Ann Bonner be granted a leave of absence for six months.

3 **Declarations of Interest**

The following declarations were made:

15. Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 - Mandatory Standing Orders re Dismissal of Statutory Officers.

Sue Smith, Declaration, as the report affected her contract of employment as a statutory officer and would leave the meeting for the duration of the item.

Martin Henry, Declaration, as the report affected his contract of employment as a statutory officer and would leave the meeting for the duration of the item.

Kevin Lane, Declaration, as the report affected his contract of employment as a statutory officer and would leave the meeting for the duration of the item.

4 **Communications**

Recording at meetings

The Chairman advised the meeting that under the Openness of Local Government Bodies Regulations 2014 members of the public were permitted to film, broadcast and report on the meeting, subject to the efficient running of the meeting not being affected.

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.

Due to a printing error, a revised agenda front sheet had been tabled. The Group nominations to committees for the coming year had also been tabled.

Chairman's Engagements

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

Planning Training, Thursday 21 May 2015

The Chairman advised Members that Planning Training would be taking place at 1.30pm on Thursday 21 May 2015. It was a requirement for all Members who sit on Planning Committee to have attended training. New members and substitutes on the Committee should attend the training and other Committee Members are encouraged to attend as a refresher.

The training was open to all Members irrespective of whether they sat on Planning Committee and would hopefully prove helpful for the many questions they were likely to receive from constituents about Planning on an on-going basis.

Finance Training, Tuesday 26 May 2015

The Chairman advised Members that training on Local Government Finance would be held on Tuesday 26 May at 6pm in place of the Budget Planning Meeting. All Members were welcome to attend the session which would be led by the Director of Resources.

Post

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

5 **Urgent Business**

There were no items of urgent business.

6 **Minutes of Council**

The minutes of the meeting held on 23 February 2015 were agreed as a correct record and signed by the Chairman.

7 **Election of Chairman for the Municipal Year 2015/16**

(The outgoing Chairman, Councillor Alastair Milne Home, presided for the consideration of this matter and those preceding)

It was moved by Councillor Wood and seconded by Councillor Reynolds, that Councillor Melanie Magee be elected as Chairman for the municipal year 2015/16. There were no other nominations.

Resolved

- (1) That Councillor Melanie Magee be elected Chairman of the Council for the municipal year 2015/16.

8 **Investiture of Chairman**

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

9 **Chairman's Address**

Councillor Melanie Magee thanked members for her appointment and addressed the Council. She reported that her chosen charity for this year was SeeSaw, which provides grief support for children and young people in Oxfordshire. Her consorts for the year would be her husband, David Magee and her daughter, Dannie Magee.

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

The Chairman of the Council presented Councillor Milne Home with a gift and his past Chairman's badge as a token of his term of office.

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

11 **Past Chairman's Response**

Councillor Alastair Milne Home addressed Council to report on his term of office.

Councillor Milne Home reported that he had attended numerous and varied functions during his term of office and hosted events to raise money for his chosen charities. Councillor Milne Home presented cheques to representatives from the Let's Play Project in Banbury and the Royal National Institute of Lifeboats (RNLI).

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

12 **Election of Vice-Chairman for the Municipal Year 2015/16**

It was moved by Councillor Wood and seconded by Councillor Reynolds, that Councillor Chris Heath be elected as Vice-Chairman for the municipal year 2015/16. There were no other nominations.

Resolved

- (1) That Councillor Chris Heath be elected Vice-Chairman of the Council for the municipal year 2015/16.

13 **Investiture of Vice-Chairman**

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

14 **Annual Council Business Report**

The Chief Executive submitted a report which presented the results of the 7 May 2015 district elections, the constitution of Political Groups, requested Members to note the appointment of the Deputy Leader and Executive for the Municipal Year 2015/16 and to consider and agree the suggested constitution of Committees for the Municipal year 2015/2016.

Resolved

- (1) That the results of the District elections held on 7 May 2015 be noted:

Ambrosden and Chesterton – Councillor Lynn Pratt
Banbury Easington – Councillor Nigel Morris
Banbury Grimsbury and Castle – Councillor Andrew Beere
Banbury Hardwick - Councillor Nicholas Turner
Banbury Ruscote – Councillor Mark Cherry
Bicester East – Councillor Rose Stratford
Bicester North – Councillor Melanie Magee
Bicester South – Councillor James Porter
Bicester Town – Councillor Richard Mould

Bicester West – Councillor Les Sibley

Caversfield (By-election) – Councillor Ian Corkin

Cropredy – Councillor Ken Atack

Hook Norton – Councillor Ray Jelf

Kidlington North – Councillor Sandra Rhodes

Kidlington South – Councillor Neil Prestidge

The Astons and Heyfords – Councillor Mike Kerford-Byrnes

Yarnton, Gosford and Water Eaton - Councillor Michael Gibbard

- (2) That the constitution of Political Groups (41 Conservatives, 7 Labour, 1 Liberal Democrat and 1 Independent) and notification of Group Leaders: Councillor Barry Wood, Leader of the Conservative Group and Leader of the Council and Councillor Sean Woodcock, Leader of the Labour Group and Leader of the Opposition, be noted.
- (3) That the appointment of the Deputy Leader of the Council, the membership of the Executive and the Executive Portfolios for 2015/16 be noted.

Lead Member Portfolio	Councillor
Leader of the Council (Responsibility for Eco Town/Garden Town including Graven Hill, policy, partnerships, Law and Governance, Human Resources, Communications, Performance and Programme Management)	Councillor Barry Wood
Deputy Leader of the Council (Responsibility for Leisure, Car parks, customer service and Museum)	Councillor George Reynolds
Lead Member for Public Protection	Councillor Tony Ilott
Lead Member for Housing	Councillor John Donaldson
Lead Member for Clean and Green	Councillor Debbie Pickford
Lead Member for Banbury Futures (Responsible for Brighter Futures and Banbury Projects Board)	Councillor Kieron Mallon
Lead Member for Change Management, Joint Working and IT	Councillor Nicholas Turner
Lead Member for Financial Management	Councillor Ken Atack

Lead Member for Estates and the Economy	Councillor Norman Bolster
Lead Member for Planning	Councillor Michael Gibbard

- (4) That the allocation of seats on committees that were subject to the political balance requirements be agreed:

	TOTAL	CON	LAB
Accounts, Audit & Risk Committee	8	7	1
Appeals Panel	10	8	2
Budget Planning Committee	12	10	2
Joint Appeals Panel	3	2	1
Joint Commissioning Committee	4	3	1
Joint Scrutiny Committee	5	4	1
Licensing Committee	12	10	2
Overview & Scrutiny	12	10	2
Personnel Committee	12	10	2
Planning Committee	18	15	3
Standards Committee	8	7	1
Proportional Total by Committee	100	86	18
Aggregate Entitlement	100	89*	15*
Adjustment Required	-	+3	-3

- (5) That the allocation of seats on committees not subject to political balance requirements be noted:

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

- (6) 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 made by political groups:

Proportional Committees

Accounts, Audit and Risk Committee

Membership (8 members with unnamed substitutes)

Conservative (7)

Cllr Colin Clarke

Cllr Ray Jelf

Cllr Mike Kerford-Byrnes

Cllr Nicholas Mawer

Cllr Lawrie Stratford

Cllr Rose Stratford

Cllr Barry Wood

Labour (1)

Cllr Barry Richards

Appeals Panel

Membership (10 members with no substitutes)

Conservative (9)

Cllr Fred Blackwell

Cllr Timothy Hallchurch

Cllr Russell Hurle

Cllr Tony Ilott

Cllr Ray Jelf

Cllr James Macnamara

Cllr Richard Mould

Cllr Douglas Webb

Labour (1)¹

Cllr Andrew Beere

Budget Planning Committee

¹ One seat from Labour Group to Conservative Group as per PR calculation requirements

Membership (12 members with unnamed substitutes)

Conservative (10)

Cllr Ken Atack
Cllr Colin Clarke
Cllr Ian Corkin
Cllr Carmen Griffiths
Cllr Russell Hurle
Cllr Mike Kerford-Byrnes
Cllr Nicholas Mawer
Cllr Nigel Randall
Cllr Douglas Webb
Cllr Barry Wood

Labour (2)

Cllr Barry Richards
Cllr Sean Woodcock

Joint Appeals Panel

Membership (3 seats, 2 named substitutes)

Conservative (2)

Cllr Fred Blackwell
Cllr James Macnamara

Labour (1)

Cllr Andrew Beere

Substitutes

Conservative (1)

Cllr Colin Clarke

Labour (1)

Cllr Matt Johnstone

Joint Commissioning Committee

Membership (4 members, unnamed substitutes)

Conservative (3)

Cllr Ken Atack
Cllr George Reynolds
Cllr Nicholas Turner

Labour (1)

Cllr Barry Richards

Joint Scrutiny Committee

Membership (5 members, unnamed substitutes)

Conservative (4)

Cllr David Hughes
Cllr Lynn Pratt
Cllr Sandra Rhodes

Labour (1)

Cllr Sean Woodcock

Cllr Bryn Williams

Licensing Committee

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

Conservative (11)

Cllr Fred Blackwell
Cllr Colin Clarke
Cllr Michael Gibbard
Cllr Tony Ilott
Cllr Ray Jelf
Cllr Richard Mould
Cllr George Reynolds
Cllr Lawrie Stratford
Cllr Rose Stratford
Cllr Douglas Webb
Cllr Bryn Williams

Labour (1)²

Cllr Matt Johnstone

Substitutes

Conservative (4)³

Cllr David Hughes
Cllr Alistair Milne Home
Cllr Debbie Pickford
Vacant

Labour (1)

Cllr Andrew Beere

Overview and Scrutiny Committee

Membership (12 members with unnamed substitutes)

Conservative (10)

Cllr Timothy Hallchurch
Cllr Chris Heath
Cllr David Hughes
Cllr Alistair Milne Home
Cllr James Porter
Cllr Lynn Pratt
Cllr Neil Prestidge

Labour (1)

Cllr Claire Bell
Cllr Matt Johnstone

² 1 seat from Labour Group given to Conservative Group as per PR calculation requirements

³ The Conservative Group has appointed 4 of their 5 permitted substitutes

Cllr Sandra Rhodes
Cllr Lawrie Stratford
Cllr Bryn Williams

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 Ian Corkin
Cllr Melanie Magee
Cllr James Porter
Cllr Lynn Pratt
Cllr George Reynolds
Cllr Lynda Thirzie Smart
Cllr Bryn Williams
Cllr Barry Wood

Labour (2)

Cllr Andrew Beere
Cllr Mark Cherry

Planning Committee

Membership (18 members, 12 named substitutes)

Conservative (16)

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 Alistair Milne Home
Cllr Richard Mould
Cllr Lynn Pratt
Cllr Nigel Randall
Cllr George Reynolds

Labour (2)⁴

Cllr Matt Johnstone
Cllr Barry Richards

⁴ 1 seat from Labour Group given to Conservative Group as per PR calculation requirements

Cllr Trevor Stevens
Cllr Lawrie Stratford
Cllr Rose Stratford

Substitutes

Conservative (11)⁵

Cllr Ken Atack
Cllr Carmen Griffiths
Cllr Tim Hallchurch
Cllr Debbie Pickford
Cllr James Porter
Cllr Sandra Rhodes
Cllr Nicholas Turner
Cllr Bryn Williams
Cllr Barry Wood
Vacant
Vacant

Labour (1)

Cllr Andrew Beere

Standards Committee

Membership (8 members, 8 substitute members)

Conservative (7)

Cllr Fred Blackwell
Cllr Chris Heath
Cllr Simon Holland
Cllr James Macnamara
Cllr Richard Mould
Cllr Lawrie Stratford
Cllr Rose Stratford

Labour (1)

Cllr Andrew Beere

Substitutes

Conservative (7)⁶

Cllr Ken Atack
Cllr Timothy Hallchurch
Cllr Russell Hurle
Cllr Lynda Thirzie Smart
Cllr Barry Wood

Labour (1)

Cllr Matt Johnstone

⁵ The Conservative Group has appointed 9 of their 11 permitted substitutes

⁶ The Conservative Group has appointed 5 of their 7 permitted substitutes

Vacant

Vacant

Non-Proportional Committees

Council and Employee Joint Committee⁷

Membership (12 seats)

Conservative (10)

Cllr Ian Corkin

Cllr Melanie Magee

Cllr Kieron Mallon

Cllr Nicholas Mawer

Cllr James Porter

Cllr Lynn Pratt

Cllr Nigel Randell

Cllr Sandra Rhodes

Cllr Bryn Williams

Cllr Barry Woods

Labour (2)

Cllr Surinder Dhesi

Cllr Mark Cherry

Joint Arrangements Steering Group

Membership (5 members, 3 substitutes)

Conservative (4)

Cllr Ken Atack

Cllr Norman Bolster

Cllr Nicholas Turner

Cllr Barry Wood

Substitutes

Conservative (2)

Cllr Michael Gibbard

Cllr Barry Wood

Labour (1)

Cllr Sean Woodcock

Labour (1)

Cllr Barry Richards

- (7) That Councillor Kieron Mallon be appointed as Cherwell District Council's representative to the Police and Crime Commissioner Scrutiny Panel.

⁷ This Committee is subject to review later on this agenda

- (8) That Councillor George Reynolds be appointed as Cherwell District Council's representative to the Police and Crime Commissioner Scrutiny Panel.

15

Joint Councils Employee Engagement Committee

The Chief Executive submitted a report which recommended the implementation of the Joint Councils Employee Engagement Committee to undertake consultation and engagement with employees on behalf of Cherwell District Council and South Northamptonshire Council as set out in the final business case for joint working agreed by both authorities at their Council Meetings in February 2015.

Resolved

- (1) That following adoption of the final business case for joint working by Council in February 2015 and a period of consultation with the relevant Trade Union Representatives, subject to South Northamptonshire Council resolving in similar terms:
- 1) The Joint Councils Employee Engagement Committee be established with the terms of reference as set out in the Final Business Case 'Developing the Approach to Joint Working and the Delivery of Local Authority Services' agreed by Council in February 2015 (and annex to the Minutes as set out in the Minute Book)
 - 2) The existing arrangements for employee consultation (the Council and Employee Joint Committee at Cherwell District Council and the Council and Employee Local Joint Committee at South Northamptonshire Council) be disbanded.
- (2) That the allocation of seats on the Committee and the membership of the Committee be agreed as follows:

Allocation of Seats of Non-Proportional Committee

	TOTAL	CON	LAB
Joint Councils Employee Engagement Committee	3	2	1

Membership of Non-Proportional Committees

Joint Councils Employee Engagement Committee

Membership (3 seats, unnamed substitutes)

Conservative (2)

Labour (1)

Cllr Nicholas Turner

Cllr Surinder Dhesi

Cllr Barry Wood

16 **Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 - Mandatory Standing Orders re Dismissal of Statutory Officers**

The Head of Law and Governance submitted a report to enable the Council to comply with the legal obligation imposed upon it to incorporate new constitutional provisions dealing with the dismissal of statutory officers for alleged misconduct, to approve the composition of the required Panel to be introduced as part of the process and to delegate authority to appropriate officers to appoint the Panel and arrange meetings (if necessary).

Resolved

- (1) That the inclusion of the procedure (annex to the Minutes as set out in the Minute Book) as part of the Officer Employment Procedure Rules in the Council's constitution be approved and it be noted that the Head of Law and Governance has exercised his delegated authority to make consequential amendments to the constitution as necessary to reflect the requirements contained in the Local Authorities (Standing Order) (England) (Amendment) Regulations 2015 ("the 2015 Regulations).
- (2) That the constitution of the Panel as solely comprising the independent persons appointed by this Council and South Northamptonshire Council pursuant to section 28(7) of the Localism Act 2011 be approved.
- (3) That authority be delegated to the Head of Law and Governance (or one of the Deputy Monitoring Officers should the Head of Law and Governance be the subject of the relevant disciplinary action) to appoint the Panel and convene meetings of it in the event that this ever becomes necessary.
- (4) That it be noted that the Head of Transformation would automatically amend the Joint Local Discipline and Dismissal Guide for Statutory Officers and that she had already taken steps to amend the contracts of employment of the statutory officers as necessary to reflect the changes introduced by the 2015 Regulations.

Council - 19 May 2015

The meeting ended at 7.30 pm

Chairman:

Date:

Cherwell District Council

Council

20 July 2015

<p>Cherwell Local Plan 2011-2031 (Part 1): Inspector's Report on the Examination into the Cherwell Local Plan and Plan for Adoption</p>
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Report of Head of Strategic Planning and the Economy

This report is public

Purpose of report

The main purpose of this report is to allow Members to consider the content of the Inspector's Report on the Examination into the Submission Cherwell Local Plan, to decide whether to approve Main Modifications to the Local Plan as recommended by the Inspector together with additional modifications to enable the Plan to proceed to adoption, and to consider whether to adopt the Plan, as modified.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the conclusions of the Inspector's report (Appendix 1) and accept his recommendations regarding the Main Modifications that are required to make the Plan sound.
- 1.2 To approve the incorporation of additional modifications as set out in Appendix 2, including consequential changes to the Policies Maps arising from the Inspector's recommendations.
- 1.3 To adopt as a development plan document the Local Plan (Appendix 3) incorporating all of the Main Modifications recommended by the Inspector together with the additional modifications as set out in Appendix 2, in accordance with Regulation 26 of the Town and Country Planning (Local Planning) Regulations 2012.
- 1.4 To delegate to the Head of Strategic Planning and the Economy prior to the publication of the Local Plan the correction of any further minor spelling, grammatical or typographical errors together with any improvements from a presentational perspective.
- 1.5 To delegate to the Head of Strategic Planning and the Economy the publication of an updated Adopted Policies Map to illustrate graphically the application of policies contained in the adopted development plan, comprising any site specific saved

policies of the Cherwell Local Plan 1996 not replaced by the adoption of the Cherwell Local Plan 2011-2031, and site specific saved policies of the adopted Oxfordshire Minerals and Waste Local Plan 1996, in addition to relevant policies contained in Cherwell Local Plan Part 1.

- 1.6 To acknowledge that in adopting the Local Plan, it will revoke those saved policies indicated as being replaced in Appendix 7 of the Plan (Appendix 3) with immediate effect.

2.0 Introduction

- 2.1 The Cherwell Local Plan Part 1 has now reached the final stages of preparation. The Draft Cherwell Local Plan was submitted to the Secretary of State for Communities and Local Government via the Planning Inspectorate on 31 January 2014, and the Examination Hearings commenced on 3 June 2014.
- 2.2 On the second day of the Hearings the Inspector suspended the Examination for 6 months, to enable the Council to: *"...put forward proposed modifications to the plan involving increased new housing delivery over the plan period to meet the full, up to date, objectively assessed, needs of the district, as required by the National Planning Policy Framework (NPPF) and based on the Oxfordshire Strategic Housing Market Assessment 2014 (SHMA)..."*. The Oxfordshire SHMA was published in April 2014 after submission of the Local Plan. The SHMA was produced by independent consultants on behalf of all the Oxfordshire Councils in order to meet the requirements of the National Planning Policy Framework (NPPF paragraph 147).
- 2.3 The Council published Proposed Main and Minor Modifications for consultation in August 2014, and the modifications were revised and approved by the Council on 20 October 2014, following consideration of representations received.
- 2.4 The Proposed Main and Minor Modifications were submitted to the Secretary of State on 21 October 2014, and the Examination Hearings resumed on 9 December, extending to 23 December 2014. The order of issues considered at the Examination and the Council's opening statement are attached as Appendices 5 and 6.
- 2.5 A number of correction and Hearing Documents were produced by the Council to address issues arising at the Examination and these were submitted alongside a Schedule of Hearing Minor Modifications, as requested by the Inspector, on 6 February 2015.
- 2.6 The final Inspector's Report on the examination was received by the Council on Thursday 11 June 2015 and was made available to the public via the Council's website and at deposit locations on Friday 12 June 2015. An advertisement was placed in local newspapers on Thursday 18 June announcing the publication of the Inspector's Report and all those people on the Council's Local Plan database were notified direct.
- 2.7 The Council now needs to consider the content of the Inspector's Report and his recommended modifications, and agree the next steps in the Local Plan process.

3.0 Report Details

3.1 The Role of the Inspector

3.1.1 Nigel Payne was appointed by the Secretary of State for Communities and Local Government as the independent Inspector to examine the Cherwell Local Plan. The Inspector is required to consider all representations made in accordance with Regulation 20 of the Town and Country Planning (Local Planning) (England) Regulations 2012 (Local Plan regulations).

3.1.2 In examining the Plan the Inspector's responsibilities are to assess whether the local authority has met the Duty to Co-operate, whether the Plan is legally compliant and whether the Plan is sound. The four tests of soundness, as set out in paragraph 182 of the NPPF, are as follows:

- *Positively prepared- the plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development;*
- *Justified- the plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence;*
- *Effective- the plan should be deliverable over its period and based on effective joint working on cross-boundary strategic priorities; and*
- *Consistent with national policy- the plan should enable the delivery of sustainable development in accordance with the policies in the Framework.*

3.1.3 The Inspector set a programme for the hearing sessions. The programme allowed for appropriate consideration of legal compliance matters including duty to co-operate and SA/SEA, in addition to assessing soundness. The Hearings Programme for the December Hearings setting out the Inspector's issues and questions for discussion is attached as Appendix 5 to this report for reference.

3.2 The Inspector's Report

3.2.1 The Planning Inspectorate's guidance, "*Examining Local Plans Procedural Practice*" December 2013 (3rd Edition v.2), indicates that Inspectors' reports should be brief, avoid direct reference to representations and provide clear conclusions in relation to Duty to Co-operate, legal compliance and tests of soundness. The options available to the Inspector are:

- to conclude that the Local Plan is unsound and changes cannot be made to make it sound, and/or legal procedural requirements have not been met, including the Duty to Co-operate (in which case the Council would not be able to adopt the Plan),
- to conclude that the Plan is sound provided that certain main modifications as recommended by the Inspector are made to the policies or supporting text prior to the Plan being adopted.

3.2.2 The guidance makes clear that the Inspector will only make recommendations necessary to make the Plan sound and that minor changes, known as additional modifications, can be made by the local planning authority without the need to be examined (paragraph 5.2). Whilst the guidance does not mention the relevant part of the Planning and Compulsory Purchase Act 2004, it is important to note that

Section 23 provides that the Council can adopt the plan with additional modifications, if those additional modifications (taken together) do not materially affect the policies that would be set out in the document if it was adopted with the main modifications recommended by the Inspector but no other modifications (see sections 3.22 and 4 below).

3.2.3 The basis for the Inspector's examination of the Plan is the submitted plan of January 2014 and his report and recommendations therein have been compiled accordingly. **The report indicates that the Plan "provides an appropriate basis for the planning of the district to 2031, providing a number of modifications are made"** (Inspector's Non-technical summary). The Inspector's modifications for the most part reflect those modifications proposed by the Council.

3.2.4 The Inspector's report comprises two parts:

- the main report giving the Inspector's assessment of the Plan, his recommendations and the reasons for his recommendations; and
- an appendix comprising a schedule of main modifications necessary to make the Plan sound.

3.2.5 The Inspector's modifications are based on those proposed by the Council in October 2014 but amended by the Inspector where considered necessary by him for soundness.

Main conclusions and recommendations of the Inspector's report:

3.3 Assessment of Duty to Co-operate (Paragraphs 7-11 of the Report)

3.3.1 The Inspector considers that the Council has satisfactorily documented where and when co-operation has taken place, with whom, and what basis, and provided evidence to demonstrate that positive engagement has continued since the submission of the Plan. The Inspector observes (paragraph 10) that the formal arrangements in place between the Oxfordshire authorities to fully address the results of the 2014 SHMA, as referred to in paragraph B.89b of the plan as modified, reinforces his conclusion that the Council has met the Duty to Co-operate.

3.4 Assessment of Legal Compliance (Paragraph 249 of the Report)

3.4.1 Paragraph 249 of the report contains the Inspector's assessment of legal compliance. He concludes that the Plan meets all of the legal requirements.

3.5 Assessment of Soundness- overall conclusions and recommendations

3.5.1 The Inspector identified fourteen main issues upon which the soundness of the Plan depended. These were the focus of the December Examination Hearings. The summary below focusses on key issues of note and highlights the main areas where the Inspector has not agreed with the Council's proposals. The Inspector's Report is attached as Appendix A to this report. The report is written in an accessible style and provides clear conclusions on all the principal issues and sub-issues. The summary below is therefore not intended to be a comprehensive analysis of all of the Inspector's main modifications, but seeks to highlight the Inspector's overall conclusions on the fourteen identified main issues.

3.6 Issue 1: Strategy, Vision and Objectives (Paragraphs 20-29):

3.6.1 The Inspector was content that firm evidence has been provided that the plan policies and proposals are realistic and economically deliverable in terms of on and off site infrastructure provision. He considered that the plan's spatial vision and strategic focus for new development on Banbury and Bicester, together with Upper Heyford, is entirely sound and sustainable in principle, and indicated that none of the alternatives put forward by representors are preferable. The Inspector considered that the strategy is supported by fifteen sensible strategic objectives. He was content that the strategy, vision and objectives are supported by a clear and robust evidence base, including demonstrating that reasonable alternatives to the proposed strategy have been assessed at all relevant stages dating back to 2008. He confirmed that the Council has carried out extensive and appropriate public consultation at each relevant stage of the plan process, including in respect of the proposed main modifications.

3.7 Issue 2: Employment (Policy SLE1) (Paragraphs 30-42 of the Report)

3.7.1 The Inspector concluded that subject to Main Modifications MM19, MM20 and MM21 as amended by him, policy SLE1 is sound and compliant with NPPF guidance.

3.7.2 The Inspector did not consider it necessary or appropriate to include a reference in the policy to "examining options for the release of land at motorway junctions in the district for very large scale logistics buildings in the Part 2 LP" (as proposed by the Council under SHMM1 February 2015) as the need is as yet largely unproven. In addition he considered such schemes would be road based, likely to be visually intrusive in the open countryside due to the size of buildings and be potentially difficult to cater for in highway capacity terms at the M40 junctions. The Inspector referred to the availability of alternative locations such as DIRFT III near Daventry, granted permission specifically to meet national and regional need for such major schemes, and having the advantage of rail access. He concluded that the employment sites identified in the Plan are sufficient to provide the level of jobs needed to deliver the Plan's strategy and objectives over the Plan period and such a commitment is unnecessary and may raise unrealistic expectations or concerns as to the content of Local Plan Part 2.

3.8 Issue 3: Housing Scale and Distribution (policies BSC 1 to 6) (Paragraphs 43-63 of the Report)

3.8.1 The Inspector concluded that subject to Main Modification MM34 to include provision for 22,840 net new homes and the identification of the additional and extended strategic sites, the plan now addresses the full objectively assessed needs for housing, including affordable housing, in the plan period. He indicated that the supporting text to policy BSC 1 needs to be modified as proposed in MMs 30-33. He also considered that it is essential for clarity and soundness that the Council's firm commitment to help meet the needs of Oxford City is formally recorded in the plan in new paragraphs B.89b and B.90 (MMs 28-29), which the Inspector has reworded slightly from that proposed by the Council in respect of the third and last paragraph of B89b.

3.8.2 The Inspector concluded that subject to main modifications MMs 25-30 and 40-45, policies BSC2, 4 and 5 are sound.

3.8.3 The Inspector indicated that Main Modification 39 as proposed by the Council is required to make Policy BSC3 (Affordable housing) sound. He also indicated that in view of the latest Government policy announcement on affordable housing it is necessary for soundness to delete the third paragraph of the policy which refers to affordable housing provision on schemes of 3-10 dwellings. In effect this means that the policy would require affordable housing provision to be made by schemes of 10 or more dwellings throughout the district; however government guidance indicates that contributions should not be sought from schemes of 10 dwellings or less. The additional modifications in Appendix 2 therefore include a consequential change to policy BSC 3 to correct this, amending the threshold to 11.

3.8.4 The Inspector's main modification 46, for policy BSC6, travelling communities, updates the policy with regard to pitch provision, as proposed by the Council in SHMM9 (February 2015). His modification also adds two additional criteria to be considered in assessing the suitability of sites: the existing level of local provision and the availability of alternatives to applicants.

3.9 *Issue 4: Retail (Policy SLE2) and Tourism (Policy SLE3) (Paragraphs 76-81 of the Report)*

3.9.1 The Inspector concluded that subject to main modifications MMs22, 23, 24 and 26, as amended by him, policies SLE2 and SLE3 are sound. The Inspector's main modification to the text of policy SLE3 now makes reference to Former RAF Upper Heyford representing a potential new tourism development, in addition to RAF Bicester.

3.10 *Issue 5: Transport (Policies SLE 4 and 5) (Paragraphs 82-85 of the Report)*

3.10.1 The Inspector concluded that subject to main modifications MMs 25 and 27, as amended by him, policies SLE4 and SLE5 are sound. The Inspector's modifications include inserting a reference to in kind contributions from development as an alternative to financial contributions to mitigate the transport impacts of development.

3.11 *Issue 6: Climate Change, Energy, Environment and Landscape (Policies ESD1-18, except Policy ESD14) (Paragraphs 87-109 of the Report)*

3.11.1 The Inspector was generally supportive of these policies as proposed to be modified by the Council, and finds them sound, with the exception of two policies. Policy ESD15, the Urban Rural Fringe proposed the identification of green buffers at Banbury and Bicester. The Inspector considered that the policy is unnecessary as other relevant policies including Policy ESD13 and saved adopted Cherwell Local Plan policy C15 could be used in relation to protecting local landscape character and vulnerable gaps between settlements to prevent coalescence. As such he finds Policy ESD15 unsound and recommends its deletion. (Acceptance of this recommendation will mean renumbering policies ESD16 to ESD18 and the supporting paragraphs).

3.11.2 The Inspector suggested (paragraph 106) that a reworded policy applying only to specific locations meeting the narrower definition of "valued landscapes" or "areas of environmental or historic significance" as defined in the NPPF, particularly around

Banbury and Bicester, could be considered for inclusion in Local Plan Part 2 once the local needs of villages have been assessed to identify where development would be inappropriate.

3.11.3 The Inspector also recommended modifications to Policy ESD3 so that the third paragraph now refers to the strategic site allocations being expected to provide “contributions” to carbon emissions reductions and wider sustainability, rather than being expected to “reflect exemplary” contributions. He has modified the final paragraph of the policy to refer to “independent” economic viability assessments being undertaken rather than “in house” viability assessments.

3.12 Issue 7: Community Facilities and Green Spaces (Policies BSC7-12) (Paragraphs 110-116 of the Report)

3.12.1 The Inspector concluded that subject to Main Modifications MMs47-50, policies BSC7-12 are sound.

3.13 Issue 8: Bicester Housing Sites (Paragraphs 114- 141 of the Report)

3.13.1 The Inspector considered that the Sustainability Appraisal process has confirmed that the most sustainable options for new housing at Bicester have been identified in the Plan and that the evidence base demonstrates that all of the selected sites are viable and deliverable over the plan period (albeit Bicester 1 may continue to be developed beyond the plan period). As such it was not necessary for the Inspector to consider alternative or additional strategic site allocations to those identified, with non-strategic sites being a matter for consideration in Local Plan part 2.

3.13.2 With reference to the request for part of land north of Gavray Drive (Policy Bicester 13) to be designated as a Local Green Space (as resolved by Council at its meeting on 20th October 2014), the Inspector indicated (paragraph 140) that he does not consider this to be justified.

3.13.3 The Inspector concluded that subject to main modifications MMs 67, 70-76, and 88-91 as amended by him, policies Bicester 1, 2, 3, 12 and 13 are sound.

3.14 Issue 9: Bicester Other Sites (Paragraphs 142-159 of the Report)

3.14.1 The Inspector concluded that subject to main modifications MMs 77-87, as amended by him, policies Bicester 5 to 11 are sound.

3.14.2 In policy Bicester 8 (Former RAF Bicester), the Inspector recommended the deletion of reference to the development of a museum to RAF Bomber Command, as this now seems unlikely to proceed. He also recommended a modification to the wording in the last paragraph of the policy to indicate that the continuation of gliding use will be supported, consistent with the Council’s proposed modification in SHMM20 (February 2015).

3.14.3 In Policy Bicester 10, the Inspector recommended a modification to the wording of the bullet point on “Access and Movement” under “Infrastructure Needs”, to refer to safeguarding of land for future highway improvements to peripheral routes on this side of town. The Inspector’s modifications do not refer to ancillary uses at the site including a hotel as was being proposed by the Council under SHMM24 (February

2015). Whilst he referred to the Council proposing to amend the Policies Map to facilitate the development of a hotel on the site frontage as part of the overall scheme, he did not recommend its inclusion as part of his main modifications.

3.15 Issue 10: Banbury Housing Sites (Paragraphs 160-184 of the Report)

3.15.1 The Inspector indicated that the Sustainability Appraisal process considered realistic alternative options, and indicated that all the strategic new housing sites, including those in the proposed modifications, are sustainable. The Inspector considered that all are demonstrably viable and deliverable. As such the Inspector indicated that it was not necessary to identify any additional or extended sites in Banbury over the plan period as things stand, and none of those put forward would be more sustainable alternatives to the allocated sites.

3.15.2 The Inspector concluded that subject to main modifications MMs 95-103 and 116-124, as amended by him, policies Banbury 1, 2, 3, 4, 5, 16, 17, 18 and 19 were sound. In policy 18, Land at Drayton Lodge Farm, the Inspector's modification deletes the reference to potentially contaminated land on the site, as proposed by the Council in its minor modification SHMM55 (February 2015), as no evidence existed to justify its inclusion.

3.16 Issue 11: Banbury Other Sites (Paragraphs 185-211 of the Report)

3.16.1 The Inspector concluded that subject to main modifications MMs 105-115, as amended by him, policies Banbury 6 to 15 are sound.

3.16.2 The Inspector main modification 115 to policy Banbury 15 (land north east of the M40) significantly changes the allocation from that proposed by the Council, in that he recommended a reduction in site area to 13 hectares, contained by the A361 in the east and the M40 in the west, with consequential changes to the policy and throughout the plan to reflect the reduced allocation. The Inspector considered that development of land to the east of the A361 would have a significantly detrimental impact on the local landscape and materially extend the built up area of Banbury to the east and lead to a significantly harmful erosion of its rural setting on this side of the town. He observed that development of the larger site proposed by the Council was likely to require major contributions for transport and highway improvements but there was no clear evidence that an acceptable programme of works could be delivered taking into account other committed development. The Inspector considered that there was insufficient evidence to justify the whole 49 ha of the site at present. A smaller scheme would reduce harmful landscape impacts, be likely to prove viable without the need for significant highway improvements, and would ensure that sufficient new land is available to meet largely non-strategic B2 and B8 needs arising from within and/or related to the Banbury area.

3.16.3 The Inspector's modifications also include amended wording to policy Banbury 6, employment land west of the M40. Under Infrastructure Needs: Access and Movement, the wording makes clear that a route needs to be reserved for a future road connection. In policy Banbury 12, land for the relocation of Banbury United Football Club, the Inspector's modification amends the wording of the policy and lower text to indicate that the remaining land not required by the football club is considered suitable for a secondary school to serve the town. However his modification does not include reference to the amount of land to be reserved for the

football club and secondary school, as contained in the Council's minor modification SHMM43 (February 2015).

3.17 Issue 12: Villages and Rural Areas (Policies Villages 1-5) (Paragraphs 212-233 of the Report)

3.17.1 The Inspector concluded that subject to main modifications MMs 131-157, as amended by the Inspector, policies Villages 1-5 are sound.

3.17.2 The Inspector's modification to policy Villages 5, former RAF Upper Heyford, "Infrastructure Needs" indicates that the 2.22ha site for a new 1- 1.5 form entry primary school to be provided should have potential for future expansion if required, as proposed by the Council in SHMM65 (February 2015). Under "Key site specific design and place shaping principles" his modification refers to the need to reinstate the historic Portway route across the western end of the main runway as a public right of way on its original alignment. However his modifications do not include reference to the exact number of homes at the site to be dependent on further examination, or include additional text regarding the northern edge of development adjacent to the taxiways, as proposed by the Council in SHMM64 and SHMM66 (February 2015).

3.18 Issue 13: Kidlington (Policies Kidlington1 and Kidlington2) and the Oxford Green Belt (Policy ESD14) (Paragraphs 234-242 of the Report)

3.18.1 The Inspector concluded that subject to main modifications MMs 61, 62 and 125-127, as amended by him, policies Kidlington 1 and 2 and policy ESD14 are sound. He considered that exceptional circumstances exist to justify limited changes to the Green Belt boundary as set out in policy Kidlington 1, in respect of meeting high value employment needs. However, the Inspector did not consider it necessary for reference to be made to a potential small scale local review of the Green Belt boundary to help meet Kidlington's local housing need, as he indicated this should be able to be addressed under policy Villages 3 (rural exception sites), and exceptional circumstances do not therefore exist at present. His modifications therefore deleted references to the potential for small scale local review of the Green Belt boundary to meet Kidlington's local housing need, as proposed by the Council in its modifications.

3.19 Issue 14: Infrastructure, Delivery and Monitoring (Policy INF1)

3.19.1 The Inspector concluded that main modifications MMs 159-168, as proposed by the Council, were required to the Infrastructure Delivery Plan and the Delivery and Monitoring section, with the exception of the reference to a possible small scale Green Belt review to meet Kidlington's local housing need in modification 185, which the Inspector has deleted. He indicated that consequential changes from the Inspector's main modifications should be incorporated into the employment trajectory.

3.20 Overall Conclusion and Recommendation (Paragraphs 250-251 of the Report)

3.20.1 The Inspector indicated that the Submitted Plan (January 2014) has a number of deficiencies relating to soundness and as such recommends non-adoption of the Plan as submitted in January 2104. However, he concluded that with the

recommended Main Modifications set out in the Appendix of his report, the Cherwell Local Plan satisfies the requirements of Section 20(5) of the 2004 Act and meets the criteria for soundness in the National Planning Policy Framework.

3.21 Consequential changes

3.21.1 Paragraph 4 of the Inspector's report indicated that there were a number of consequential amendments to the Policies Map arising from his main Modifications which were a matter for the Council and did not form part of his recommendations. These changes are indicated on the Plans attached at Appendix 3 and comprise the following:

- Removal of all Green Buffers following the Inspector's deletion of Policy ESD15
- Reduction in the size of strategic employment allocation Banbury 15: Land north east of Junction 11

3.21.2 In addition there are a number of consequential amendments to the text necessitated by the Inspector's Main Modifications, as indicated in the Schedule of additional modifications attached as Appendix 2 to this report. This includes consequential changes to the IDP: the Inspector's Main Modification 222 relates to the Draft IDP accompanying the Main Modifications August 2014 in Appendix 8. Minor modifications to the IDP to address changes consequential to the Inspector's modifications as well as clarification/corrections/updates and other matters raised through the August public consultation are listed in the additional modifications contained in Appendix 2 to this report.

3.22 Additional Modifications

3.22.1 Paragraph 6 of the Inspector's Report refers to additional minor modifications prepared by the Council, and indicates that as they are not directly relevant to his examination of the Plan for soundness, for the most part they are not referred to in his report. However he indicated that the Council will take representations into account before finalising the Plan text for adoption.

3.22.2 As indicated under Section 2 above, the Council has published a series of additional minor modifications since the Plan was submitted in January 2014. Minor modifications were published alongside main modifications for public consultation in August 2014, and further minor modifications were made at the Council meeting on 20 October in response to representations received.

3.22.3 In addition, at the Inspector's request, a Schedule of Hearing Minor Modifications was submitted on 6 February 2015. The minor modifications comprised those put forward by the Council during and after the hearings and the content of Statements of Common Ground entered into immediately preceding the Hearings.

3.22.4 The Inspector has incorporated or modified a number of the minor modifications from August and October 2014, and February 2015 in making his Main Modifications to the Plan. Substantive changes to the Plan contained within the modifications approved by the Council in October 2014 and in the Schedule of Hearing Minor Modifications submitted in February 2015 which are not incorporated into the Inspector's Main Modifications are as follows:

- Reference to the possibility of a small scale Green Belt review for meeting Kidlington's local housing needs (MMs 17, 61, 62, 126, 160) (See 3.18 above)
- Reference to the examination of options for the release of land at motorway junctions for very large scale logistics buildings as part of Local Plan part 2 (SHMM1) (See 3.7 above)
- Deletion of policies Bicester 9 and Banbury 13 regarding burial provision and insertion of references to contributions towards burial provision within the strategic site allocation policies (SHMMs 13, 16, 21, 22, 23, 28, 32, 35, 36, 37, 38, 40, 44, 45, 47, 50, 56, 60). (The Inspector considers Policies Bicester 9 and Banbury 13 are sound and references within the site policies are not necessary)
- The eastern portion of strategic site allocation Banbury 15: Land east of the M40. (MM115) (See 3.16 above)
- References to ancillary uses including a hotel in Policy Bicester 10 (SHMMs 24). (See 3.14 above)
- Reference to the specific amount of land required for a secondary school on site Banbury 12 (Land for the relocation of Banbury United Football Club) (SHMM43)
- References to a spine road and the specific amount of land to be safeguarded to meet secondary school education needs in policy Banbury 17 (South of Salt Way east) (SHMM48, 49, 51 and 54). The Inspector's alternative wording refers to land being reserved for a secondary school and for provision of an east-west link for local traffic.
- Additional text in Section E: Monitoring and Delivery (SHMMs 67-73).

3.22.5 As the Inspector has considered the changes required to make the Plan sound the Council could decide to proceed to adoption without making any additional modifications. However, some of the minor modifications proposed by the Council were made in response to representations received following consultation, and others were proposed to correct grammatical errors, provide greater clarity and ensure that the Plan is as up to date as possible. The incorporation of some additional modifications is therefore considered appropriate to achieve a better quality plan, without contradicting the Inspector's conclusions.

3.22.6 In considering whether additional modifications are required the Council needs to be mindful of the provisions of section 23 of the Planning and Compulsory Purchase Act 2004 (as modified by the Localism Act 2011), which allows additional modifications to be made to the Plan if the additional modifications taken together would not materially affect the policies that would be contained in the Plan if it were adopted with just the Inspector's modifications. It should also be noted that many of the minor modifications proposed in February arose from discussion at the Hearings and having heard the evidence and considered the hearing modification, it was open to the Inspector to decide which recommendations he thought were appropriate. This is demonstrated by the inclusion of some of the hearing modifications proposed by the Council within his main modifications.

3.22.7 This has been taken into account in considering whether the minor modifications previously proposed by the Council should be carried forward into the Plan for adoption. The list of minor modifications recommended to be incorporated into the plan for adoption therefore focus on those changes required for clarity, consistency, to provide factual updates or corrections, grammatical corrections, or to remove

repetition. These are in addition to those required as consequential amendments to the Inspector's main modifications referred to under Para 3.21 above. The additional modifications proposed for incorporation in the Plan for adoption are set out in Appendix 2, and officers consider that taken together, they meet the requirements of section 23 of the Planning and Compulsory Purchase Act 2004.

3.22.8 Those minor modifications not included in the schedule of Additional Modifications in Appendix 2 are summarised below:

Minor Modifications October 2014

3.22.9 Minor Modification 334b: (Appendix 6 Monitoring framework) proposed a new row to be inserted at the start of the table for PSD1: "Policy PSD1 Local Plan indicators: N/A Target N/A":

- This has been updated in the Schedule attached at Appendix 2 to make the indicator more specific.

Minor Modification 335a: (Appendix 6 Monitoring Framework) proposed to amend the indicator and target for Policy Banbury 11 to read: "Indicator: Progress on delivering the Banbury linear park. Target: as set out in Policy Banbury 11":

- This is not proposed to be taken forward as the monitoring indicator for Banbury 11 already covers the entire policy and as the IDP includes the specific infrastructure project, its delivery will be monitored as part of INF1.

Minor Modifications February 2015

3.22.10 The reasons for those February Minor Modifications (SHMMs) not being included in the Plan for adoption fall under the following categories:

- i) The Inspector did not agree with the modification proposed:
 - SHMM1 (Policy SLE1)
- ii) The Inspector has already incorporated or has modified the wording of the SHMM in making his main modifications to the Plan:
 - SHMM8 and SHMM9 (policy BSC6 Travelling communities), SHMM14 (policy Bicester 2), SHMM17 (policy Bicester 5 paragraph C.69), SHMM19 (policy Bicester 7, paragraph C.83), SHMM20 (policy Bicester 8), SHMM55 (policy Banbury 18), SHMM65 (policy Villages 5)
- iii) The Inspector has not accepted the SHMM and has recommended alternative text:
 - SHMM12 (policy ESD14, paragraph B.256), SHMM25 (policy Bicester 10), SHMM29 and SHMM30 (policy Bicester 12), SHMM43 (policy Banbury 12), SHMM46 (policy Banbury 15), SHMM48 (policy Banbury 17), SHMM49 and SHMM51 (Banbury 17), SHMM61 (Paragraph C.190, Kidlington)
- iv) The SHMMs are no longer required as a consequence of the Inspector's recommendation that policies Bicester 9 and Banbury 13 (burial provision) are sound:
 - SHMM13 (policy Bicester 2), SHMM16 (policy Bicester 3), SHMM21, SHMM22, and SHMM23 (policy Bicester 9), SHMM28 (policy Bicester 12), SHMM32 (policy Bicester 13), SHMM35 (policy Banbury 1), SHMM36 (policy Banbury 2), SHMM37 (policy Banbury 3), SHMM38 (policy Banbury 4),

SHMM40 (policy Banbury 5), SHMM44 and SHMM45 (policy Banbury 13), SHMM47 (policy Banbury 16), SHMM50 (policy Banbury 17), SHMM56 (policy Banbury 18), SHMM60 (policy Banbury 19)

- v) The Inspector has not incorporated the SHMM in his main modifications:
- SHMM2, SHMM3, and SHMM4 (policy SLE2): these changes proposed minor deletions and re-wording to policy SLE2 following discussion at the hearings.
 - SHMM15 (policy Bicester 2): Proposed insertion of text providing additional information on ecological surveys required. This proposed change arose from a statement of common ground SOCG PM19B
 - SHMM18 (policy Bicester 5): Proposed deletion of text referring to proposals for A1 use within the town centre area of search prior to it being reviewed in Local Plan part 2. This proposed change arose from discussion at the hearings.
 - SHMM24 (policy Bicester 10): Proposed additional reference to use classes to include “plus ancillary uses (including a hotel)”. This proposed change resulted from a Statement of Common Ground SOCG PM12
 - SHMM26 (policy Bicester 11): Proposed insertion of text relating to cumulative ecological impact. This proposed change resulted from a Statement of Common Ground SOCG PM19B.
 - SHMM27 (policy Bicester 11): Proposed insertion of text relating to landscape boundary treatment on the northern boundary of the site.
 - SHMM31 (policy Bicester 12): Proposed insertion of additional text relating to ecological surveys required. This proposed change resulted from a Statement of Common Ground SOCG PM19B.
 - SHMM33 (policy Bicester 13): Proposed insertion of additional text relating to ecological surveys required. This proposed change resulted from a Statement of Common Ground SOCG PM19B.
 - SHMM34 (policy Banbury 1): Proposed changes to land area and use class sections of the policy. These proposed changes resulted from a Statement of Common Ground SOCG PM25.
 - SHMM39 (policy Banbury 4): Proposed insertion of reference to provision of access to the proposed secondary school on site Banbury 12. This proposed change resulted from a Statement of Common Ground SOCG PM19B.
 - SHMM52 , SHMM53 and SHMM54 (policy Banbury 17): These proposed the insertion of text to refer to provision of a cricket pitch as part of outdoor sports provision, a strategic landscape buffer in the vicinity of Tudor Hall School, and amending “link road” to “spine road”. All of these changes arose from discussion at the hearings.
 - SHMM57 (policy Banbury 18, Land at Drayton Lodge Farm): Proposed additional text under open space to refer to the possibility of the adjoining golf course contributing to the development’s open space provision if shown to be surplus to requirements. This proposed change arose from discussion at the hearings.
 - SHMM58 and SHMM59 (policy Banbury 19): Proposed insertion of text to refer to review of the Local Transport Plan, and replacement of “approximately 70% houses 30% flats under “dwelling mix” with “to be informed by Policy BSC4: Housing mix”. This proposed change arose from discussion at the hearings.

- SHMM63 (paragraph C.205): Proposed amendment to text referring to the provision of new or expansion of existing education facilities. This proposed change arose from a Statement of Common Ground SOCG PM19B.
- SHMM64 and SHMM66 (Villages 5): Proposed reference to the exact number of homes at the site to be dependent on further examination, and the inclusion of additional text regarding the northern edge of development adjacent to the taxiways. These proposed changes arose from discussion at the hearings.
- SHMM76 (5.2 Key Policies Map: Bicester): Proposed extension of Bicester 10 to the south arising from discussion at the Hearings.

3.22.11 The following SHMMs are not specifically referred to by the Inspector in the report and/or he has not made main modifications to the policies/paragraphs concerned:

- SHMM10: Proposed deletion of “and highly valued” from paragraph B.245 of policy ESD13. This proposed change arose from discussion at the Hearings
- SHMM11: Proposed deletion of paragraph B.255 of ESD14 providing historical context to the Green Belt. This proposed change resulted from discussion at the Hearings
- SHMM41: Proposed deletion of the word “small” from the following bullet point of Banbury 9: “Use classes- Retail (including small A1, A3), Hotel (C1). This proposed change resulted from a Statement of Common Ground SOCG PM25.
- SHMM42: Proposed insertion of text in paragraph C.175 of policy Banbury 11 to refer to cricket pitch provision in association with development of land south of Salt Way following discussion at the Hearings.
- SHMM62: Proposed insertion of text into paragraph C.190 (Kidlington) to cross refer to paragraph B.89b of the plan.
- SHMM67, SHMM68, SHMM69, SHMM70, SHMM71, SHMM72, and SHMM73: Proposed changes to the Monitoring and Delivery Section following discussion at the Hearings and the Statement of Common Ground SOCG PM 19B.

3.22.12 On review, these changes are not considered to be necessary to incorporate in the plan for adoption as they have not been considered necessary for inclusion by the Inspector for soundness, are not essential for clarity and understanding of the Plan, and to avoid any risk that if they were to be included, some could be considered to materially affect the policies in the Plan.

3.23 Adoption of the Local Plan

3.23.1 In considering the recommendations contained in the Inspector’s Report, and the next steps in progressing the Cherwell Local Plan, there are three options available to the Council under the Planning and Compulsory Purchase Act 2004 Section 23, as modified by the Localism Act 2011 section 112 (3):

- adopt the plan in accordance with the Inspector’s main modifications,
- adopt the plan in accordance with Inspector’s main modifications and additional modifications, if the additional modifications (taken together) do not materially affect the policies that would be set out in the document if it was adopted with the main modifications but no other modifications
- reject the Inspector’s modifications and not adopt the Plan.

3.23.2 This report recommends that the Council adopts the Plan as set out in Appendix 3, which incorporates the Inspector's main modifications together with additional modifications as indicated in Appendix 2 to this report, in accordance with procedures set out in Regulation 26 of the Town and Country Planning (Local Planning)(England) Regulations 2012. In accordance with the regulations, the Adopted Plan will need to be accompanied by an adoption statement, which must be sent to the Secretary of State.

Sustainability Appraisal

3.23.3 Although no further Sustainability Appraisal work is required for Local Plan Part 1, Cherwell District Council needs to meet Regulation 26 of the Town and Country Planning (Local Planning) (England) Regulations (2012) requirement to make 'the sustainability appraisal report' available alongside the Adopted Local Plan.

3.23.4 A SA/SEA Adoption Statement has been prepared which explains what comprises the final SA Report, that is:

- The December 2013 SA Report (prepared to accompany the Submission version of the Cherwell Local Plan)
- The October 2014 SA Addendum (prepared to accompany the Proposed Main Modifications proposed to the Local Plan)

3.23.5 The SEA Regulations (The Environmental Assessment of Plans and Programmes Regulations 2004 - SI No. 1633) also require a number of steps to be taken upon adoption of a local plan. These are also addressed in the SA/SEA Adoption Statement which describes how each of the requirements in SEA Regulation 16(4)(a)-(f) have been met during the SA/SEA process for the Cherwell Local Plan and sets out the SA/SEA monitoring framework proposed for monitoring the implementation of the Local Plan. The SA/SEA Adoption Statement is attached as Appendix 4 to this report.

Saved Policies

3.23.6 Once adopted, the Plan comes into effect immediately, and has the effect of revoking saved policies as set out in Appendix 7 of the Plan. Please note that following further consideration minor amendments have been made to Appendix 7 of the Submitted Plan in respect of 1996 Saved Policies with reference to saved policies EMP3, S8 and TR20. These were previously shown as being "retained" policies in error, as they will be replaced by policies SLE1, Banbury 1 and SLE4/Bicester 8 respectively.

3.23.7 The saved policies shown as retained in Appendix 7 of the Plan will be reviewed as part of Local Plan Part 2, together with other issues referred to in the Inspector's report as being for consideration as part of that plan. Members will be aware that work has already commenced on Local Plan Part 2. Work is also progressing on preparation of the Community Infrastructure Levy (CIL), which will help to ensure that adequate infrastructure can be provided to accompany the growth planned for the district.

3.24 Adopted Policies Map

3.24.1 Once the Plan is adopted, the Council will need to produce an Adopted Policies Map in accordance with Regulation 9 of the Local Plan Regulations 2012. The map will illustrate graphically the application of policies in the adopted development plan, which will comprise the adopted Cherwell Local Plan 2011-2031 Part 1, those saved policies of the adopted Cherwell Local Plan 1996 not replaced by the Cherwell Local Plan Part 1 (as indicated in Appendix 7 of that Plan) and the saved policies of the Oxfordshire Minerals and Waste Local Plan 1996.

3.25 Consultation

3.25.1 Extensive consultation has been undertaken throughout the preparation of the Plan, as recognised by the Inspector in paragraph 29 of his report. Representations received at each stage have been reported to the Council and taken into consideration in progressing the Plan. There has been close co-operation and co-ordination with Oxfordshire County Council in particular with regard to transport and infrastructure needs generated by the Plan's proposals.

3.25.2 The Inspector's report has been made publicly available in accordance with the Local Plan Regulations but there is now no further opportunity for further consultation or comment on either the Report or the Plan. The Inspector's report was published on 12 June 2015 and will remain available at the deposit locations for at least six weeks following the adoption of the Plan.

3.26 Legal Challenge

3.26.1 There is provision under Section 113 of the Planning and Compulsory Purchase Act for a legal challenge to be made within 6 weeks of the date of adoption of the Local Plan. As a Bank Holiday falls within 6 weeks of the adoption date, the period for legal challenge will end on Wednesday 2 September 2015.

4.0 Conclusion and Reasons for Recommendations

4.1 The Inspector's report on the examination into the Cherwell Local Plan Part 1 is a positive report for the Council and is to be welcomed. He has endorsed most of the Council's proposed modifications to the Plan either without change or with minor amendments. The main issues where the Inspector did not agree with the Council's proposals were the identification of green buffers at Banbury and Bicester, and the amount of land allocated for employment use at strategic allocation site Banbury 15, Land north east of the M40.

4.2 The issues where the Inspector did not agree with the Council proposals are not considered to be of such overriding concern as to halt the Council from proceeding to adoption. With particular reference to the deletion of Policy ESD15, Policy ESD13 can be used to protect local landscape character, and the Council can continue to use retained saved policy C15 in the Cherwell Local Plan 1996 to prevent the coalescence of settlements pending completion of Local Plan part 2. In terms of employment development, the amount of employment land provided, even with the reduced size of strategic employment allocation Banbury 15, is considered

sufficient to provide the number of jobs needed to deliver the Plan's strategy and objectives over the life of the Plan (2011-2031).

- 4.3 The Council has the option of accepting the Inspector's main modifications only and adopting the Plan, as these are the only modifications the Inspector considers are necessary to make the Plan sound. However, this report is recommending a number of additional modifications which will correct, update and provide greater clarity to the Plan without contradicting the Inspector's main modifications
- 4.4 The meeting is therefore recommended to accept the Inspector's recommendations regarding the main modifications required to make the Plan sound, approve the incorporation of additional modifications as set out in Appendix 2, and adopt the Plan as contained in Appendix 3 in accordance with the Local Plan Regulations 2012. It is considered that the additional modifications taken together do not materially affect the policies that would be contained in the document if it were to be adopted with the main modifications recommended by the Inspector and no other modifications.
- 4.5 If the Council agrees to adopt the Plan this report is also seeking delegated authority for the publication of an updated Adopted Policies Map, as required by Regulation 9 of the Local Plan Regulations. In effect this will mean transposing the allocations and constraints indicated on the Policies Maps in Local Plan part 1, and adding any site specific allocations from the saved policies of the adopted Cherwell Local Plan 1996 not replaced by the adoption of Local Plan part 1, together with the site specific allocations of the saved policies of the adopted Oxfordshire Minerals and Waste Local Plan 1996.

5.0 Consultation

- 5.1 No public consultation has been undertaken as consultation is not required at this stage in the Local Plan process.

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: To adopt the Local Plan with the Inspector's Main Modifications only

This option was rejected as this would fail to address minor matters of clarification, updating and corrections, which together do not materially affect the policies but without which the Plan would be of lesser quality.

Option 2: Reject the Inspector's Main Modifications and not adopt the Plan.

This option was rejected as the Inspector has endorsed the majority of the Main Modifications proposed by the Council and those not endorsed are not considered significant enough to not proceed to adoption. In addition, having an up to date adopted plan is an important national policy requirement. Further time delay in not having an up to date adopted plan in place providing the strategic planning policy

framework for the district would be of major concern, presenting challenges to development management within the Council's administrative area.

7.0 Implications

Financial and Resource Implications

- 7.1 There are no financial and resource implications arising directly from this report. The cost of preparation of the Local Plan is met from existing resources.

Comments checked by:

Paul Sutton, Head of Finance and Procurement, Extension 7936,
Paul.Sutton@cherwellandsouthnorthants.gov.uk

Legal Implications

- 7.2 The Council is required to have an up to date Local Plan. This report and associated documents will enable the adoption of Cherwell Local Plan 2011-2031 Part 1, meeting this requirement.

Comments checked by:

Kevin Lane, Head of Law and Governance, Extension 7967,
Kevin.lane@cherwellandsouthnorthants.gov.uk

Risk

- 7.3 As indicated under Section 3 above, there is the risk of a legal challenge being made to the adoption of the Local Plan. However officers are not aware of any likely legal challenge at the time of writing this report.

Comments checked by:

Claire Taylor, Corporate Performance Manager, extension 1563,
Claire.taylor@cherwellandsouthnorthants.gov.uk

8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

- Accessible, Value for Money Council
- District of Opportunity
- Safe and Healthy
- Cleaner Greener

Lead Councillor

Councillor Michael Gibbard, Lead Member for Planning

Document Information

Appendix No	Title
1	Inspector's Report (including his schedule of Main Modifications)
2	Schedule of Additional Modifications
3	Local Plan for adoption incorporating all modifications
4	SA/SEA Adoption Statement
5	Programme of Issues for the December Examination Hearings
6	Cherwell District Council Opening statement- December Hearings
Reference	
www.cherwell.gov.uk/LocalPlanExamination	
Background Papers	
None	
Report Author	Adrian Colwell – Head of Strategic Planning and the Economy
Contact Information	03000030110 Adrian.colwell@cherwellandsouthnorthants.gov.uk

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Cherwell District Council

Council

20 July 2015

2014/15 Treasury Management Annual Report
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Report of Director of Resources and 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 2014/15 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 2014/15 and the actual performance against Prudential Indicators for 2014/15.
- 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 2014/15 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 2014/15, 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 2014/15 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 2014/15

3.3 Investment rates available in the market have continued at historically low levels. The average level of funds available for investment purposes was £48.970m. 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 2015 was as follows :-

Fund	Amount at 31 March 2015 (0,000)	Interest Budget (0,000)	Actual Interest (0,000)	Variance (0,000)	Average Rate of Return %
In House	£49,853	£320	£400	£80	0.65%
Total	£49,853	£320	£400	£80	0.65%

* Excludes Glitnir Bank outstanding investment

** Rate of Return is shown on annualised basis.

3.5 The council has been committed to reducing its reliance on investment income and in preparing the revenue budget for 2014/15 only £48k worth of investment income was utilised

3.6 As can be seen from the table above the actual interest received totalled £400k. Within the £400k, there was interest received in respect of Eco Town funds totalling £42k and this has been transferred to the Eco Town Funds, leaving a balance of £358k.

3.7 The 2014/15 budget required £48k investment income. Therefore the additional interest received of £352k has been treated as windfall income and has been transferred to reserves.

The financial year 2014/15 continued the challenging investment environment of previous years, namely low investment returns and continuing heightened levels of counterparty risk.

3.8 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. The carrying value of the investment in GBP including accrued interest at 31 March 2015 was £1.468m. The carrying value at 31 March 2014 was £1.536m. The reduction in value of £68K is represented by a combination of interest earned and a loss due to the foreign exchange rate conversion from ISK to GBP.

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 2014/15 and the actual performance against Prudential Indicators for 2014/15.

5.0 Consultation

The Treasury Management outturn was provisionally reported to the Executive on 1 June 2015

6.0 Alternative Options and Reasons for Rejection

- 6.1 This report illustrates the Council's Treasury performance for 2014/15 against budget and includes the Annual Treasury Report 2014/15
- 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: Denise Taylor, Corporate Accountant
01295 221982

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

Risk management

- 7.3 There are no risk implications arising directly from any outcome of this report. All projects maintain their own risk registers and these are monitored corporately.

Comments checked by: Louise Tustian, Senior Performance & Improvement Officer
01295 221786 louise.tustian2@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

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

Annex No	Title
Appendix 1	2014-15 Treasury Management Annual Report Appendix 1
Background Papers	
None	
Report Author	Paul Sutton, Head of Finance & Procurement
Contact Information	0300 0030106 paul.sutton@cherwellandsouthnorthants.gov.uk

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Annual Treasury Management Report 2014/15

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 2014/15. 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 2014/15 the minimum reporting requirements were that full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 24/2/2014)
- a mid year treasury update report (Accounts, Audit & Risk Committee 03/12/14)
- 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 2014/15, 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:

Prudential and treasury indicators	2013/14 Actual £000	2014/15 Actual £000
Capital expenditure	7,451	18,185
Capital Financing Requirement:	(7,451)	(18,185)
Net borrowing	0	0
External debt	0	0
Investments		
• Longer than 1 year	0	0
• Under 1 year	56,453	49,853
• Total	56,453	49,853

Other prudential and treasury indicators calculated at the time of preparing our Treasury Strategy for 2014/15 are to be found in Annex 1 of this report. .

The financial year 2014/15 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 2014/15

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:

	2013/14 Actual £000s	2014/15 Actual £000s
Capital Expenditure	7,451	18,185
Total Capital expenditure	7,451	18,185
Resourced by		
Capital receipts	(6,585)	(17,762)
Government Grants & Other Contributions	(539)	(389)
Use of Reserves	(327)	(34)
Direct Revenue Financing		-
Total resources used	7,451	18,185

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 2015

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 2014/15 the Council's treasury position was as follows:

	2013/14 Actual £000	2014/15 Actual £000
Investments		
Longer than 1 year	0	-
Under 1 year	56,453	49,853
Total	56,453	49,853

4. The Strategy for 2014/15

The Treasury Management Strategy Statement (TMSS) for 2014/15, which includes the Annual Investment Strategy, was approved by the Council on 24/2/2014. 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

The original market expectation at the beginning of 2014/15 was for the first increase in Bank Rate to occur in quarter 1 2015 as the unemployment rate had fallen much faster than expected through the Bank of England's initial forward guidance target of 7%. In May, however, the Bank revised its forward guidance. A combination of very weak pay rises and inflation above the rate of pay rises meant that consumer disposable income was still being eroded and in August the Bank halved its forecast for pay inflation in 2014 from 2.5% to 1.25%. Expectations for the first increase in Bank Rate therefore started to recede as growth was still heavily dependent on buoyant consumer demand. During the second half of 2014 financial markets were caught out by a halving of the oil price and the collapse of the peg between the Swiss franc and the euro. Fears also increased considerably that the ECB was going to do too little too late to ward off the threat of deflation and recession in the Eurozone. In mid-October, financial markets had a major panic for about a week. By the end of 2014, it was clear that inflation in the UK was going to head towards zero in 2015 and possibly even turn negative. In turn, this made it clear

that the MPC would have great difficulty in starting to raise Bank Rate in 2015 while inflation was around zero and so market expectations for the first increase receded back to around quarter 3 of 2016.

Gilt yields were on a falling trend for much of the last eight months of 2014/15 but were then pulled in different directions by increasing fears after the anti-austerity parties won power in Greece in January; developments since then have increased fears that Greece could be heading for an exit from the euro. While the direct effects of this would be manageable by the EU and ECB, it is very hard to quantify quite what the potential knock on effects would be on other countries in the Eurozone once the so called impossibility of a country leaving the EZ had been disproved. Another downward pressure on gilt yields was the announcement in January that the ECB would start a major programme of quantitative easing, purchasing EZ government and other debt in March. On the other hand, strong growth in the US caused an increase in confidence that the US was well on the way to making a full recovery from the financial crash and would be the first country to start increasing its central rate, probably by the end of 2015. The UK would be closely following it due to strong growth over both 2013 and 2014 and good prospects for a continuation into 2015 and beyond. However, there was also an increase in concerns around political risk from the general election due in May 2015.

The Funding for Lending Scheme, announced in July 2012, resulted in a flood of cheap credit being made available to banks which then resulted in money market investment rates falling drastically in the second half of that year and continuing throughout 2014/15.

The UK coalition Government maintained its tight fiscal policy stance but recent strong economic growth and falling gilt yields led to a reduction in the forecasts for total borrowing in the March budget.

<i>EU</i>	<i>European Union</i>
<i>ECB</i>	<i>European Central Bank</i>
<i>EZ</i>	<i>Eurozone</i>
<i>MPC</i>	<i>Monetary Policy Committee</i>

5. Interest Rate Forecast

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

Capita Asset Services Interest Rate View															
	Now	Dec-13	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
Capita Asset Services Bank Rate View	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%
3 Month LIBID	0.39%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.60%	0.70%	0.90%	1.00%
6 Month LIBID	0.47%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.70%	0.80%	1.00%	1.20%	1.40%
12 Month LIBID	0.75%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.90%	1.00%	1.20%	1.40%	1.60%	1.80%	2.00%
5yr PWLB Rate	2.38%	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.80%	2.90%	3.00%	3.20%	3.30%	3.50%	3.60%	3.70%
10yr PWLB Rate	3.52%	3.70%	3.70%	3.70%	3.80%	3.80%	3.90%	4.00%	4.10%	4.20%	4.30%	4.40%	4.50%	4.60%	4.60%
25yr PWLB Rate	4.29%	4.40%	4.40%	4.40%	4.50%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.10%	5.10%	5.20%
50yr PWLB Rate	4.33%	4.40%	4.40%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.20%	5.20%	5.30%

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 3 of 2016 (previously quarter 4 of 2015), 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 2014/15

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 24/02/2014. 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 2014/15. The performance of the managers against the benchmark return was:

Fund Manager	Balance 01/04/2014 £'000	Balance 31/03/15 £'000	Return in 2014/15 £'000
In House	56,453	49,853	.65%
Investec	0	0.00	0
Total	£56,453	£49,853	

** Excludes Glitnir Bank outstanding investment ** Rate of Return is shown on annualised basis*

The actual return on investments for 2014/15 was £400k compared with a budget of £48k a positive variance of £352k. However approximately £42k 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.

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. The carrying value of the investment in GBP including accrued interest at 31 March 2015 was £1.468m. The carrying value at 31 March 2014 was £1.536m. The reduction in value of £68K is represented by a combination of interest earned and a loss due to the foreign exchange rate conversion from ISK to GBP.

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

	31/03/15 Actual Portfolio £m
External Borrowing:	
- Total External Borrowing	0
Other Long Term Liabilities:	
- Finance Leases	0
Total Gross External Debt	0
Investments:	
Managed in-house	
- Short-term monies (Deposits/ monies on call / MMFs)	49,853
- Long-term investments	
Managed externally	
- By Fund Managers	0
- Pooled Funds (please list)	0
Total Investments	49,853

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 2014/15, 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.

	2014/15 Actual £000s	2015/16 Estimated £000s	2016/17 Estimated £000s	2017/18 Estimated £000s
Capital Expenditure	18,185	27,377	1,625	90
Financed by:				
Capital receipts	(17,762)	(19,746)	(580)	(2,258)
Capital grants	(389)	(457)	(375)	(375)
Reserves funded through Revenue	(34)	0	(400)	0
External Funding	0	0	0	0
Net financing need for the year	0	6,914	670	(2,543)

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.

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

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	2013/14	2014/15	2015-16	2016/17	2017/18
	Actual	Actual	Estimate	Estimate	Estimate
Capital Financing Requirement					
Total CFR	-3,152	-5,862	27,377	27,377	27,377
Movement in CFR	0	2,710	27,377	0	0
Movement in CFR represented by					
Net financing need for the year (above)	0	2,710	27,377	0	0
Less MRP/VRP and other financing movements	0	0	0	0	0
Movement in CFR	0	2,710	27,377	0	0

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.

Actual External Debt as at 31/03/2015	£m
Borrowing	0
Other Long-term Liabilities	0
Total	0

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 th 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 2014-15 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 31/03/14 £m or %	2014-15 Approved £m or %	2014-15 Revised £m or %	2015-16 Estimate £m or %	2016-17 Estimate £m or %	2017-18 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.

Maturity structure of fixed rate borrowing	Existing level (or Benchmark level) at 31/03/14 %	Lower Limit for 2014/15 %	Upper Limit for 2015/16 %
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.

	2014-15 Approved £m	2014-15 Revised £m	2015-16 Estimate £m	2016-17 Estimate £m	2017-18 Estimate £m
Upper Limit for total principal sums invested over 364 days	15.0	15.0	15.0	15.0	15.0

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Cherwell District Council

Council

20 July 2015

Overview and Scrutiny Annual Report 2014/15

Report of Head of Law and Governance

This report is public

Purpose of report

This report presents the Overview and Scrutiny Annual Report for 2014/15.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the contents of the Overview and Scrutiny Annual Report 2014/15.

2.0 Introduction

- 2.1 The Overview and Scrutiny Annual Report 2014/15 is attached at Appendix 1.
- 2.2 The Annual Report contains information relating to the work of the Overview and Scrutiny Committee during 2014/15.

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 2014/15 was approved by the Overview and Scrutiny Committee on 2 June 2015.

4.0 Conclusion and Reasons for Recommendations

- 4.1 Council is invited to note the content of the Overview and Scrutiny Annual Report 2014/15.

5.0 Consultation

Consultee Name:
Overview and Scrutiny
Committee

Consultee Response:
Approved

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:

Paul Sutton, Head of Finance and Procurement – 0330 003 0106

Paul.sutton@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:

Kevin Lane, Head of Law and Governance – 0330 003 0107

Kevin.lane@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

Appendix No	Title
Appendix 1	Overview and Scrutiny Annual Report 2014/15
Background Papers	
None	
Report Author	Emma Faulkner – Democratic and Elections Officer
Contact Information	Tel: 01327 322043 Email: emma.faulkner@cherwellandsouthnorthants.gov.uk

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Overview and Scrutiny Annual Report 2014/15

June 2015

Foreword

This annual report for overview and scrutiny at Cherwell District Council outlines the work of the Overview and Scrutiny Committee in 2014/15.

The Committee has continued to build on the work that has been done over the last few years. Whilst a number of new members have joined the Committee, bringing enthusiasm and fresh ideas, the turnover of committee membership and has been kept to a minimum 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.

Following 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 Committee has continued the work done to-date, ensuring relevant topics are reviewed and challenged, and thus providing checks and balances as well as supporting the Executive in decision making.

I 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
2014/15**

Overview & Scrutiny Committee

Membership

Councillor Ann Bonner (Ch)
Councillor Claire Bell
Councillor Diana Edwards
Councillor Lyn Pratt
Councillor Dan Sames
Councillor Bryn Williams

Councillor David Hughes (Vice Ch)
Councillor Maurice Billingham
Councillor Jon O'Neill
Councillor Neil Prestidge
Councillor Lawrie Stratford
Councillor Sean Woodcock

Substitutes

Councillor Andrew Beere
Councillor Rose Stratford

Guests in attendance

Lead members:

Councillor Michael Gibbard – Lead Member for Planning.
Councillor Kieron Mallon – Lead Member for Banbury Developments, Performance and Communications.
Councillor Debbie Pickford – Lead Member for Housing
Councillor George Reynolds – Deputy Leader of the Council.
Councillor Nicholas Turner – Lead Member for Joint Working and IT.
Councillor Barry Wood – Leader of the Council.

Officers:

Adrian Colwell – Head of Strategic Planning and the Economy
Michael Gogut – Consultation and Engagement Officer.
Kevin Larner – Rural Development and Countryside Officer
Marianne North – Housing Needs Manager
Jo Pitman – Head of Transformation
Louise Tustian – Acting Corporate Performance and Insight Manager

External Officers:

David Allen – Lead Officer, Transport Policy (South Northamptonshire Council)
Barbara Shaw - Chief Executive of Banbury CAB

Corporate Priorities - Links to Scrutiny Topics 2014/15

Cherwell, an Accessible, Value for Money Council	Performance Monitoring. Customer Insights Reporting. Annual Customer Satisfaction Report.
--	---

	Business Plan 2015/16. Website - Informal Task & Finish Panel.
A Cleaner, Greener Cherwell.	Recycling – Informal Task & Finish Panel. Workplace Travel Plan 2015 Street Cleansing and Waste Collection Service Plan
Cherwell, a District of Opportunity	Equalities Self-Assessment and Action Plan for 2013/14. Youth Engagement – Informal Task & Finish Panel. Community Transport and Dial-a-Ride. Commissioning of Services to Banbury Citizens Advice Bureau.

Link to Corporate Priorities: Cherwell, 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 June, 2014, with Quarter 1, 2 and 3 reports being considered in September and November 2014, and February 2015 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.

Customer Insights Reporting

During July the Committee reviewed annual Customer Insight Report, noting overall satisfaction rates; satisfaction regarding particular services; complaints; media enquiries, social media, and website interaction.

The Committee had welcomed the report but, in addition, had agreed that future reports should include statistics regarding face-to-face customer interactions; information regarding the reasons for the good, indifferent and bad customer responses; effectiveness of links within web-pages; what issues were covered by the complaint heading 'uncategorised'; a link being included between section 4.2 (Complaints by Service area) and the 'Attitude of staff' figure detailed in section 4.3; proportion of customers interacting via the Council's social media, and the uptake of services as a result. The statistics detailing the number of people watching Council webcasts (per Committee) – both live and after the event were also requested.

The Committee had also considered the use of incentives to help increase the uptake of services or increase public participation and, although it was agreed care would be needed when considering this option, it was something worth taking into consideration as part of the Committee's scoping exercise into youth engagement.

Annual Customer Satisfaction Report

During September the Committee reviewed the results of the Annual Customer Satisfaction survey. Whilst the report showed overall satisfaction with the Council and perceptions of value for money were now at their highest recorded levels, there were still notable differences across the district, and close monitoring would continue going forward. The Committee had welcomed the results but requested that, where possible, the survey results be broken-down by locality and made available to Councillors. It was also suggested that consideration be given in the future to changing some of the descriptions used in order to enable the public to have a better understanding, and it was further suggested that the survey results should be included in a future edition of 'Cherwell Link', and that they be used to help promote the district.

Business Plan 2015/16

In January 2015 the Committee reviewed the Priorities and Pledges included in the 2015/16 Business Plan. Welcoming the report, the Committee had sought clarification on some elements in the Plan, including the delivery of a Community Infrastructure Levy (CIL); Bicester, Banbury Town and Kidlington Master Plans and SPDs for strategic sites to guide investment; 100 self-build housing projects, and whether self-build housing projects attracted s106 funding. It had also been suggested that, with respect to the Draft Pledges 2015/16, the wording be amended to reflect that some projects/undertakings were to be delivered over a period of years.

Website - Informal Task & Finish Panel.

At its meeting in January the Committee established an informal Task & Finish Panel to undertake a review of the Council's website with a remit to understand the process of determining the Who, What, and How of populating and maintaining the Council's website; understand how the general public's needs and views are collated and then assessed; understand how the Council's needs and views are collated and reviewed, and identify possible areas of improvement / change. The Panel is due to report its findings.

Link to Corporate Priorities: A Cleaner Greener District.

Recycling – Informal Task & Finish Panel.

At its meeting in October the Committee established an informal Task & Finish Panel to undertake a review of the Council's recycling performance. The Panel is currently still undertaking its investigations and will report its findings to a future meeting of the Committee.

Workplace Travel Plan 2015

During November the Committee considered the progress in completing the joint Workplace Travel Plan 2015 with South Northamptonshire Council.

The Committee had broadly welcomed the report, but some concern was expressed regarding the number of journeys made by staff between the two Councils offices, and it was suggested that information be provided regarding any increase in the use of conference calling. It was also suggested that consideration be given to providing incentives to those staff that travelled via car-sharing or alternative methods of transport; albeit that efforts should be concentrated on those alternatives that could work rather than those that were essentially non-starters.

Street Cleansing and Waste Collection Service Plan

As part of a thorough review of the Street Cleansing and Waste Collection Service Plan, the Committee held an informal meeting during February, 2015, with all Members of the Council invited to attend. The Committee had acknowledged the excellent work being undertaken by the Cleansing and Waste and Recycling services and, at its formal meeting on 24 February, had recommended that, in undertaking its annual review of Fees and Charges, the Budget Planning Committee consider the fees charged to pensioners and vulnerable persons for the removal of bulky waste. The Committee had also agreed that its Recycling Scrutiny Panel consider a publicity campaign to promote the use of Blue Bins.

Link to Corporate Priorities: Cherwell, a District of Opportunity

Equalities Self-Assessment and Action Plan for 2013-14

At its meeting in June the Committee reviewed the annual Self-Assessment undertaken by the Council against the Achieving Standard under the Equality Framework for Local Government.

Youth Engagement – Informal Task & Finish Panel.

At its meeting in October the Committee established an informal Task & Finish Panel to review the Council's activities with respect to youth engagement. The Panel is currently still undertaking its investigations and will report its findings to a future meeting of the Committee.

Community Transport and Dial-a-Ride

During September and October, the Committee reviewed the voluntary and community transport provision in the district, which included Dial-a-Ride; Volunteer Car Services; Banbury Volunteer Bureau; Royal Voluntary Service, and the Non-Emergency Patient Transport Service. With regard to the Dial-a-Ride Service, the Committee were made aware of potential phased changes to the service arising from Oxfordshire County Council's Supported Transport Programme Review. As a result, it was agreed that the Council should be involved and consulted on the review, and the County Council's Theme Lead Officer was due to attend either the June or July, 2015 meeting of the Committee.

Commissioning of Services to Banbury Citizens Advice Bureau

At its meeting in September the Committee reviewed the delivery of services contracted to Banbury Citizens Advice Bureau (CAB). The Committee supported the proposed extension of the current contract, and recommended accordingly to the Executive. It was also agreed that, in the event that the current contract was extended to March, 2017, action be taken to allow that negotiations under any subsequent tendering process took place early enough to ensure all organisations and bodies involved have sufficient time to adapt to the new arrangements.

Cherwell District Council

Council

20 July 2015

Notification of Urgent Action
Appointment of Outside Body Representative to the
Oxfordshire Health Overview and Scrutiny Committee

Report of Chief Executive

This report is public

Purpose of report

To notify Council of urgent action taken by the Chief Executive to change the appointed Cherwell District Council representative on the Oxfordshire Health Overview and Scrutiny Committee.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the urgent taken by the Chief Executive to appoint Councillor Nigel Randall as Cherwell District Council's representative to the Oxfordshire Health Overview and Scrutiny Committee.

2.0 Introduction

- 2.1 The Chief Executive, in consultation with the Chairman of the Council, used her urgency powers to appoint Councillor Nigel Randall as Cherwell District Council's representative to the Oxfordshire Health Overview and Scrutiny Committee.

3.0 Report Details

- 3.1 At the 19 May 2015 Annual Meeting of Council, Members resolved to appoint Councillor Kieron Mallon as the council's representative on the Oxfordshire Health Overview and Scrutiny Committee.
- 3.2 Upon notifying Oxfordshire County Council about the appointment, the Council was alerted to Part 2 of Article 7A of the Joint Committee's Constitution relating to its membership (relevant parts highlighted):

The Oxfordshire Joint Health Overview & Scrutiny Committee Constitution, Operating Procedures and Protocols

1. The Committee

Oxfordshire County Council, Cherwell District Council, Oxford City Council, South Oxfordshire District Council, The Vale of White Horse District Council and West Oxfordshire District Council (“the Constituent Councils”) have under powers in Section 8(2)(a) of the Health and Social Care Act 2001 and associated Regulations, formed a joint committee between the Councils to discharge the functions of Oxfordshire County Council given to it under that Act. Except as set out in paragraph 5, the Committee will operate within the administrative County of Oxfordshire and will be geographically co-terminus with the boundary of the Oxfordshire Primary Care Trust in so far as it serves the County of Oxfordshire:-

The Committee will conduct all of its proceedings in accordance with the relevant Regulations and government guidance and shall operate in accordance with this Constitution and the procedures set out herein. In any case of doubt where any matter is not covered by this Constitution then the Constitution of Oxfordshire County Council shall apply, modified as appropriate.

2. Membership

The membership of the Committee and the Councils from which members are appointed (“the Appointing Councils”) is set out in Section 1. Members should normally serve for a period of 4 years unless they resign or are replaced by the Appointing Council.

Councillors will not be eligible to serve on the Committee if:-

(1) they become a member of an Executive of one of the Appointing Councils or

(2) they cease to be a member of the authority which appointed them

In the event of either of these occurring, that Councillor’s membership of the Committee will be terminated accordingly.

- 3.3 In November last year, when the new Health & Social Care Act 2012 Regulations of the Local Authority (Public Health, Health & Wellbeing Boards and Health Scrutiny) came out, the Lead Officer for the Joint Committee had sought clarification from the Department of Health on the matter of Executive members from partner authorities sitting on the Joint Committee with regard to the Department’s recent Guidance on Local Authority Health Scrutiny. They had responded as follows:

‘As set out in paragraph 3.1.11 (of the Guidance), executive members of councils operating executive governance arrangements may not be members of local authority health overview and scrutiny committees (HOSCs), their sub-committees or of joint overview and scrutiny committees. Therefore, your decision to exclude executive members of district councils from Oxfordshire joint HOSC is correct.

- 3.4 In light of the above, as a member of the Cherwell District Council Executive, Councillor Mallon is unable to represent the Council on the Oxfordshire Health Overview and Scrutiny Committee.
- 3.5 The appointment of a representative to the Oxfordshire Health Overview and Scrutiny Committee is reserved to Full Council. To avoid a delay in making a new appointment, the Chief Executive, in consultation with the Chairman and Leader, used urgency powers to appoint Councillor Nigel Randall as Cherwell District

Council's representative on the Oxfordshire Health Overview and Scrutiny Committee.

4.0 Conclusion and Reasons for Recommendations

- 4.1 In line with the constitution this report is informing full council of a decision that was taken under urgency powers in relation to the granting of a councillor dispensation.

5.0 Consultation

Chairman of the Council, Councillor Melanie Magee
Leader of the Council, Councillor Barry Wood

6.0 Alternative Options and Reasons for Rejection

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

Option 1: Not to note the report. This is not recommended as the urgent action has been taken and it is a constitutional requirement for it to be reported to Council.

7.0 Implications

Financial and Resource Implications

- 7.1 There are no financial implications arising directly from this report as it is reporting urgent action already taken.

Comments checked by: Paul Sutton, Head of Finance and Procurement, 0300 003 0106, paul.sutton@cherwellandsouthnorthants.gov.uk

Legal Implications

- 7.2 There are no legal implications arising directly from this report as it is reporting urgent action already taken.

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

8.0 Decision Information

Wards Affected

N/A

Links to Corporate Plan and Policy Framework

N/A

Lead Councillor

N/A

Document Information

Appendix No	Title
None	
Background Papers	
None	
Report Author	Natasha Clark, Team Leader – Democratic and Elections
Contact Information	01295 221589 Natasha.clark@cherwellandsouthnorthants.gov.uk

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