

# Public Document Pack



**Committee:** Executive  
**Date:** Monday 6 February 2017  
**Time:** 6.30 pm  
**Venue:** Bodicote House, Bodicote, Banbury, OX15 4AA

## Membership

Councillor Barry Wood (Chairman)  
Councillor Ken Atack  
Councillor John Donaldson  
Councillor Mike Kerford-Byrnes  
Councillor D M Pickford

Councillor G A Reynolds (Vice-Chairman)  
Councillor Colin Clarke  
Councillor Tony Ilott  
Councillor Kieron Mallon  
Councillor Lynn Pratt

## AGENDA

1. **Apologies for Absence**

2. **Declarations of Interest**

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

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

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

4. **Urgent Business**

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

5. **Minutes** (Pages 1 - 8)

To confirm as a correct record the Minutes of the meeting held on 9 January 2017.

**6. Chairman's Announcements**

To receive communications from the Chairman.

**7. Discretionary Rate Relief Policy (Pages 9 - 30) 6.35pm**

Report of Chief Finance Officer

**Purpose of report**

To seek approval of the Discretionary Rate Relief Policy effective from 1 April 2017 and agree for the final determination of the policy guidelines to be delegated to the Chief Finance Officer, in consultation with the Lead Member for Financial Management, due to pending legislative changes in respect of Rural Rate Relief announced in the Autumn Statement 2016 and confirmed by the Local Government Finance Bill.

**Recommendations**

The meeting is recommended:

- 1.1 To note the contents of the report and the recommendation of the Budget Planning Committee at its meeting on 17 January 2017 to approve the Discretionary Rate Relief Policy.
- 1.2 To consider any amendments to the proposed draft Discretionary Rate Relief Policy and to approve the Policy for adoption subject to 1.3 below.
- 1.3 To agree that the final content of the policy guidelines will be subject to confirmation by the Chief Finance Officer in consultation with the Lead Member for Financial Management.

**8. Corporate Fraud Prosecution and Sanction Policy (Pages 31 - 42) 6.40pm**

Report of Chief Finance Officer

**Purpose of report**

To provide members with the updated Joint Sanctions and Prosecution Policy and to seek approval to the reviewed policy.

**Recommendations**

The meeting is recommended:

- 1.1 To approve the updated Joint Corporate Fraud Prosecution and Sanction Policy.

**9. Draft Budget, Corporate Business Plan and Cycle of Growth 2017/18 6.45pm**  
(Pages 43 - 124)

Report of Chief Finance Officer

**Purpose of report**

The Council is required to produce a balanced budget for 2017/18 as the basis for calculating its level of Council Tax. It has to base that budget on its plans for service delivery during the year, recognising any changes in service demand that may arise in future years.

The proposed budget and business plan for 2017/18, including the new cycle of growth strategies, are presented as an integrated report to demonstrate that the Council adopts a strategic approach to managing all of its resources, ensuring that the delivery of the Council's priorities for the district directs the allocation of financial resources.

**Recommendations**

The meeting is recommended:

- 1.1 To consider and approve the draft budget in the context of the Council's service objectives and strategic priorities.
- 1.2 To approve and recommend the balanced budget to Full Council.
- 1.3 To recommend to Full Council a Council tax freeze.
- 1.4 To recommend to full council the proposed 2017/18 capital programme set out in Appendix 5.
- 1.5 To note the impact of the proposed budget on reserves and recommend the reserves 2017/18 to full council, see Appendix 6.
- 1.6 To approve the use of £3.053m of reserves to fund the initial one-off payment to the pension fund, in order to achieve the saving of £382,000.
- 1.7 To note the latest Medium Term Revenue Plan (MTRP) for 2016/17 to 2021/22, at Appendix 3; this will be the basis of the work of the Budget Planning Committee for the following year.
- 1.8 To recommend, subject to any further changes Members may wish to include tonight, the updated draft revenue budget for adoption by Full Council on 20 February 2017.
- 1.9 To delegate authority to the Chief Finance Officer, in consultation with the Lead Member for Financial Management to amend the contributions to or from general fund balances to allow the Council Tax to remain at the level recommended to Full Council following the announcement of the final settlement figures, any changes to relating to Business Rates or as a result of any financial implications arising from recommendation 1.8, above.

1.10 To recommend the 2017/18 business plan and performance pledges to Full Council (detailed in Appendix 7) and to delegate authority to the Director – Strategy and Commissioning, in consultation with the Leader of the Council to make any minor amendments to the plan as required before consideration by Full Council.

1.11 To recommend to Full Council the joint cycle of growth strategies of Operational Excellence, Commercial Development and Innovation, and Commissioning, detailed in Appendix 8, and to delegate authority to the Director of Operational Delivery, in consultation with the Leader of the Council to make any minor amendments to the strategies and corporate values as required.

1.12 To note the 2017/18 Business Plan, Budget and Cycle of Growth Equality Impact Assessments at Appendix 9.

**10. Notification of Urgent Action: Additional funding for Coach House Mews and Lincoln Close- Build! (Pages 125 - 128) 7.00pm**

Report of Commercial Director

**Purpose of report**

To report the urgent action taken by the Commercial Director in consultation with the Leader which related to the approval of a new contract sum of £2,686,299 to include £78,000 for additional fees associated with the London Housing Consortium (LHC) levy to be applied to Coach House Mews, Bicester and Lincoln Close, Banbury.

**Recommendation**

The meeting is recommended:

1.1 To note the urgent action taken by the Commercial Director in consultation with the Leader of the Council, which related to the approval of a new contract sum of £2,686,299 to include £78,000 for additional fees associated with the London Housing Consortium (LHC) levy to be applied to both the Coach House Mews, Bicester and Lincoln Close, Banbury housing developments.

**11. Proposed Changes to the Local Health and Social Care Sector 7.05pm  
(Pages 129 - 196)**

Report of Director of Operational Delivery

**Purpose of report**

To inform the Executive of proposed changes to the health and social care sector, the actions of the Council to date and to consider further Council activity.

**Recommendations**

The meeting is recommended:

- 1.1 To note the proposals for change and the actions taken by the Council to date.
- 1.2 To consider further the specialist advice to the Councils and the emerging Council response to the stage 1 consultation process upon receipt of further information.
- 1.3 To agree to hold an all member briefing at the end of March 2017 regarding the Council's intended response to the stage 1 consultation proposals.

## **12. Exclusion of the Press and Public**

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

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 item has been marked as exempt, it is for the meeting to decide whether or not to consider it 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.

No representations have been received from the public requesting that this item be considered in public.

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 item 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, Paragraph 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.”

## **13. Proposed Changes to the Local Health and Social Care Sector - Exempt Appendix**

\*\* Please note that this appendix will follow once it has been received from external legal advisors \*\*

**(Meeting scheduled to close at 7.15pm)**

## **Information about this Agenda**

### **Apologies for Absence**

Apologies for absence should be notified to [natasha.clark@cherwellandsouthnorthants.gov.uk](mailto:natasha.clark@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.

### **Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012**

This agenda constitutes the 5 day notice required by Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 in terms of the intention to consider an item of business in private.

### **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](mailto:natasha.clark@cherwellandsouthnorthants.gov.uk), 01295 221589

**Sue Smith**  
**Chief Executive**

Published on Friday 27 January 2017

# Agenda Item 5

## Cherwell District Council

### Executive

Minutes of a meeting of the Executive held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 9 January 2017 at 6.30 pm

Present: Councillor Barry Wood (Chairman), Leader of the Council  
Councillor G A Reynolds (Vice-Chairman), Deputy Leader of the Council

Councillor Ken Atack, Lead Member for Financial Management  
Councillor Colin Clarke, Lead Member for Planning  
Councillor John Donaldson, Lead Member for Housing  
Councillor Tony Ilott, Lead Member for Public Protection  
Councillor Mike Kerford-Byrnes, Lead Member for Change Management, Joint Working and ICT (from agenda item 10)  
Councillor Kieron Mallon, Lead Member for Banbury Futures  
Councillor D M Pickford, Lead Member for Clean and Green  
Councillor Lynn Pratt, Lead Member for Estates and the Economy

Also Present: Councillor Sean Woodcock, Leader of the Labour Group (from agenda item 10)

Officers: Sue Smith, Chief Executive  
Karen Curtin, Commercial Director  
Ian Davies, Director of Operational Delivery  
Kevin Lane, Head of Law and Governance / Monitoring Officer  
Paul Sutton, Chief Finance Officer / Section 151 Officer  
Chris Stratford, Head of Regeneration and Housing, for agenda item 9  
Natasha Clark, Interim Democratic and Elections Manager

#### 106 **Declarations of Interest**

There were no declarations of interest.

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

There were no petitions or requests to address the meeting.

#### 108 **Urgent Business**

There were no items of urgent business.

109 **Minutes**

The minutes of the meeting held on 5 December 2016 were agreed as a correct record and signed by the Chairman.

110 **Chairman's Announcements**

There were no Chairman's announcements.

111 **Council Tax Base 2017-2018**

The Chief Finance Officer submitted a report to provide Executive with an estimate of the Council Tax Base for 2017-2018 and seek approval for the final determination of the Council Tax Base to be delegated to the Section 151 Officer in consultation with the Lead Member for Financial Management.

**Resolved**

(1) That having given due consideration to the report of the Chief Finance Officer for the calculation of the Council's Tax Base for 2017-2018, the following be agreed:

(a) That pursuant to the Chief Finance Officer's report and in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by Cherwell District Council as its Council Tax Base for the year 2017-2018 shall be 51,639.5. This shall be subject to final confirmation by the Section 151 Officer in consultation with the Lead Member for Financial Management.

(b) As for the parishes which form part of its area shown in the annex to the Minutes (as set out in the Minute Book), the amount calculated as the Council Tax Base for the year 2017-2018 in respect of special items shall be as indicated in the column titled Tax Base 2017-2018.

(c) As for the Flood Defence Areas which form part of its area, the amount calculated as the Council Tax Base for the year 2017-2018 for the purposes of levies on Oxfordshire County Council by River Authorities, shall be:

Thames Flood Defence Area	49,335.6
Anglian (Great Ouse) Flood Defence Area	1,866.3
Severn Region Flood Defence Area	437.6
	<hr/>
	51,639.5



## Reasons

For the purposes of Section 31B of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the Council is required to calculate the tax base (which will be used for tax setting purposes in February 2017) in respect of:

- (a) the whole of its area and;
- (b) for any parts of its area for the purposes of:
  - (i) Apportioning precepts and levies and;
  - (ii) Calculating the tax base for each area subject to a special item

## Alternative options

Option 1: None. The Council has to set a tax base in order to set its council tax for 2017-2018.

112

## North West Bicester Eco Business Centre Update

The Commercial Director submitted a report to report on the progress to deliver the North West Bicester Eco Business Centre.

## Resolved

- (1) That the progress to date and the fact that the project is due to deliver the Business centre in Q2 2018 within the budget of £4.325m be noted.
- (2) That the operation of the Business Centre by the Council be agreed in principle.
- (3) That it be agreed that in the absence of securing a retail tenant by the end of the calendar year for the vacant unit on the ground floor of Franklins House, it is in principle (subject to budget approval) fitted out to serve as a business incubation space and lettable offices for a period of up to 3-5 years.

## Reasons

The project to deliver the Eco Business Centre in North West Bicester is on track to have a completed centre, open for business in Q2 2018. By adopting the SCAPE procurement framework a fixed costs, design and build contract has been awarded with the fixed cost to be agreed at the end of the Detailed Design Stage (RIBA 4). Initial cost estimates based on the design concept put the cost within the available budget.

In line with the Councils commercial agenda the opportunity to run the centre and thereby maximize the return to the council whilst closely aligning it with the work of Economic Growth is seen as preferable to the original plan of building the centre and then appointing a third party to run it on the councils behalf.

In the absence of securing a retail tenant it is proposed that by changing the use of the vacant units on the ground floor of Franklins House economies of

scale should be achieved to deliver the fit out by combining it with the Eco Business Centre project. The complimentary use of both sites will also allow operational benefits for both the council and users. Planning permission will be needed to change the use and £250k remains from the original Franklins House budget which can be used towards the fit out costs.

### **Alternative options**

None – Update on an existing project

## **113 Solihull Partnership**

The Head of Regeneration and Housing submitted a report to update on the progress being made in respect of completing works and achieving a resolution to issues impacting on the delivery of schemes contained within the Solihull Partnership arrangements approved in January 2016.

### **Resolved**

- (1) That the progress being made towards achieving completion of the maximum number of projects between December 2016 and 31 March 2017 be noted.
- (2) That the management intervention taken be noted and the implementation of an intensive project management approach in respect of those schemes being completed by Solihull Metropolitan Borough Council (SMBC) and the revised programme be supported and it be further noted that costs are intended to be recovered, although the split between utilising elements of the management fee previously allocated to SMBC for the original programme and those additional procurement costs to complete schemes through CDC resources have yet to be finally agreed. These negotiations should be concluded at the Commercial Meeting on 17 January 2017.
- (3) That a “mixed approach” to the delivery of remaining schemes be supported so that those schemes not being completed through SMBC can, if necessary, be procured through CDC’s own resources and delivered within budgets approved.

### **Reasons**

The series of projects allocated to SMBC should have been more intensively managed. Lessons however have been learnt and the actions indicated above in this report are now aimed at delivering the maximum number of schemes and therefore expenditure of approved budget by 31 March 2017.

Officers have jointly agreed with SMBC the most effective approach to maximise delivery and a critical review of projects to complete has been undertaken. This combined with the improved governance, member oversight and increased reporting process should enable effective and transparent monitoring of progress.

Overall, the stated objective of delivering these projects and keeping costs within the approved capital programme is still the primary objective. The final arrangements with SMBC in terms of reviewing the management fee etc. will be concluded at the Commercial meeting on 17 January 2017. A full detailed financial breakdown of how all costs are to be met to complete delivery of schemes will then be available for members' scrutiny.

The final legal position will be concluded after clarification of roles and responsibilities and again this will be subject to Member scrutiny once agreement has been reached.

### **Alternative options**

The information contained within the report aims at realistically achieving the best outcome in terms of scheme delivery through to 31 March 2017.

## **114 Exclusion of the Press and Public**

### **Resolved**

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, Paragraph 3 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.

## **115 Whitelands Farm Sports Ground, Bicester**

The Director of Operational Delivery submitted an exempt report to consider the issue of forward funding for the Whitelands Farm Sports Ground to enable the delivery of the 3G artificial turf pitch and tennis courts to coincide with but separate to the main construction contract for phase 2 of the development.

### **Resolved**

- (1) That the Director of Operational Delivery, in consultation with the Head of Law and Governance, the Chief Finance Officer and the Lead Member for Financial Management, be authorised to negotiate the delivery of the 3G pitch and tennis courts through a second independent building contract with the Whitelands Farm Sports Ground Phase 2 contractor.
- (2) That agreement be given to waive the general requirement to competitively procure works, goods and/or services contained in the Council's Contract Procedure Rules to permit the direct award of the 3G pitch and tennis court works to the Whitelands Farm Sports Ground Phase 2 contractor for the reasons set out in the report (exempt annex to the Minutes as set out in the Minute Book), subject to contract acceptability and demonstrable value for money.

- (3) That agreement be given to forward fund the relevant Section 106 funding to be used for this purpose.

### **Resolved**

The Phase 2 pavilion and car parks works for the Whitelands Farm Sports Ground Project have recently commenced which, along with the forthcoming funds anticipated from the SW Bicester Phase 2 housing development, provide the construction access and funding opportunity to deliver the installation of the 3G pitch and the majority of the tennis courts works. This however will require the Council to forward fund the 3G pitch and tennis court costs potentially ahead of receiving the S106 funding from the SW Bicester Phase 2 housing development as well as negotiating acceptable terms for a separate contract with the Whitelands Farm Sports Ground Phase 2 contractor and waiving the Council's Contract Procedure Rules for the reasons stated in this report to permit a direct award of the 3G pitch and tennis court works to the Phase 2 contractor without subjecting the new requirement to a competitive tender process.

### **Options**

Option 1: Not to proceed with forward funding and to let the 3G pitch and tennis courts as separate and later contracts. This will incur additional site access and inflationary contract costs for later delivery.

Option 2: Proceed only with the 3G pitch and not the tennis courts. This will use only part of the available S106 funding and will incur additional site access and inflationary contract costs for later delivery.

116

### **Contract Award - Temporary Agency Staff**

The Chief Finance Officer and Commercial Director submitted an exempt report to consider the award of a contract to supply temporary agency staff to Cherwell District Council.

### **Resolved**

- (1) That the appointment of Champion Employment Ltd as the primary supplier of temporary agency staff for Cherwell District Council for the period of February 1 2017 to January 31 2019, with an option to extend by up to 24 months, be approved.
- (2) That agreement be given for officers to set up a secondary Preferred Supplier List (PSL) using the same framework and offer non committal contracts to *Badenoch and Clark, Hays Specialist Recruitment Ltd, Michael Page International Recruitment VA PageGroup and Reed Specialist Recruitment Limited.*

### **Reasons**

The agencies used by Cherwell District Council must be able to supply competent, qualified staff across the range of job roles available. The staff need to have the correct level of clearance required for the role they will be asked to do.

The existing supply chain has become fragmented across multiple suppliers, and we are seeking to rationalise with a contract to a primary supplier, with a secondary PSL to ensure as much of our requirements can be met.

**Alternative options**

No reasonable alternatives

The meeting ended at 6.45 pm

Chairman:

Date:

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## Cherwell District Council

### Executive

6 February 2017

#### Discretionary Rate Relief Policy

#### Report of Chief Finance Officer

This report is public

#### Purpose of report

To seek approval of the Discretionary Rate Relief Policy effective from 1 April 2017 and agree for the final determination of the policy guidelines to be delegated to the Chief Finance Officer, in consultation with the Lead Member for Financial Management, due to pending legislative changes in respect of Rural Rate Relief announced in the Autumn Statement 2016 and confirmed by the Local Government Finance Bill.

#### 1.0 Recommendations

The meeting is recommended:

- 1.1 To note the contents of the report and the recommendation of the Budget Planning Committee at its meeting on 17 January 2017 to approve the Discretionary Rate Relief Policy.
- 1.2 To consider any amendments to the proposed draft Discretionary Rate Relief Policy and to approve the Policy for adoption subject to 1.3 below.
- 1.3 To agree that the final content of the policy guidelines will be subject to confirmation by the Chief Finance Officer in consultation with the Lead Member for Financial Management.

#### 2.0 Introduction

- 2.1 National Non-Domestic Rates (NNDR) or business rates are payable by owners and occupiers of commercial properties in accordance with the Local Government Finance Act 1988. Until April 2013 business rates were collected by the Council and passed to Central Government who redistributed them nationally. However with the localisation of business rates, income from business rates now impacts more directly on the Council's financial position.

- 2.2 The Discretionary Rate Relief Policy is required to be amended to reflect the changing priorities of the Council and assess the impact of the Localism Act 2011 which introduced the power to implement a local discount scheme together with the fundamental changes to business rates that came into effect from 1 April 2013.
- 2.3 It is also necessary to review it at this time due to revised rateable values resulting from the Business Rates Revaluation with new values for all properties coming into effect from 1 April 2017.
- 2.4 The Business Rates Retention Scheme (effective from 1 April 2013) means that the amount of mandatory relief awarded to charitable organisations (80% of their business rates liability) together with the impact of decisions on discretionary rate relief for other organisations and businesses now impacts more directly on the Council's budget and medium term financial position.
- 2.5 In addition to these changes the Localism Act 2011 amended Section 47 of the Local Government Finance Act 1988 to allow billing authorities to reduce the business rates of any local ratepayer under a local discount scheme

### **3.0 Report Details**

#### **3.1 Current position**

The proposed Discretionary Rate Relief Policy (attached as Appendix A) outlines the areas of local discretion and the Council's approach to the various discretionary awards. This has been prepared having regard to the impact:

- of granting discretionary relief on the Council's wider financial position and Council taxpayers;
- on the organisations and businesses that currently receive or may apply for relief in the future;
- for residents and council taxpayers of the Cherwell district;

3.2 The legislation governing the granting of discretionary rate relief is found in Section 47 of the Local Government Finance Act 1988 and subsequent amending legislation. The qualifying conditions are one or more of the following:

- the ratepayer is a charity or trustees for a charity and the hereditament ('liable property') is wholly or mainly used for charitable purposes (whether of that charity or of that and other charities);
- the hereditament is not an excepted hereditament, and all or part of it is occupied for the purposes of one or more institutions or other organisations none of which is established or conducted for profit and each of whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science literature or the fine arts;
- the hereditament is not an excepted hereditament, it is wholly or mainly used for the purposes of recreation, and all or part of it is occupied for the



purposes of a club, society or other organisation not established or conducted for profit.

- 3.3 In addition to this, the Localism Act 2011 amended Section 47 of the Local Government Finance Act 1988 to allow billing authorities to reduce the business rates of any local ratepayer under a local discount scheme.
- 3.4 The legislation also allows the Council to exercise its discretion to grant relief from rates in respect of those ratepayers suffering hardship as well as those occupying only parts of a property for a short period of time only.
- 3.5 Due to the on-going financial impact of granting discretionary rate relief it is recommended that a formal policy, incorporating guidelines for the assessment of applications, is introduced and that the policy at Appendix A is considered and recommended for adoption from 1 April 2017.
- 3.6 At the time of writing Government has announced, as part of the Autumn Statement 2016, that Rural Rate Relief will be increased to 100% from April 2017. Once we have further details, the proposed policy will be amended to reflect this.

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

- 4.1 Members are asked to note the detail of this report.
- 4.2 Members are asked to approve the final determination of the policy guidelines to be delegated to the Chief Finance Officer, in consultation with the Lead Member for Financial Management due to pending legislative changes in respect of Rural Rate Relief which were announced in Autumn Statement 2016 and confirmed by the Local Government Bill.
- 4.3 Members are asked to approve the Discretionary Rate Relief Policy set out at Appendix A.

#### **5.0 Consultation**

At its meeting on 17 January 2017 the Budget Planning Committee considered the draft Policy and recommended it to Executive for adoption.

#### **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: Members could choose not to agree the proposed policy, but it would mean that we wouldn't be able to continue to support local businesses, charities and voluntary organisations and would also reduce our financial flexibility in the future.

## **7.0 Implications**

### **Financial and Resource Implications**

- 7.1 When Discretionary Rate Relief applications are considered the financial impact on the Collection Fund and the impact on the Council's Business Rates income is a key factor in the final decision. It is estimated we will award £162,000 discretionary rate relief in 2017-2018 (with CDC meeting £64,800 of this) and by reviewing the Discretionary Rate Relief Policy and requiring reapplication on a two yearly basis we will give ourselves more financial flexibility in the future.

Comments checked by:

George Hill, Interim Corporate Finance Manager 01295 751731

[george.hill@cherwellandsouthnorthants.gov.uk](mailto:george.hill@cherwellandsouthnorthants.gov.uk)

### **Legal Implications**

- 7.2 Section 47 of the Local Government Finance Act 1988 and subsequent amending legislation provides the criteria for awarding discretionary rate relief. Section 69 of the Localism Act 2011 amended Section 47 of the Local Government Finance Act 1988 to allow billing authorities to reduce the business rates of any ratepayer (not just those who can be currently granted discretionary relief) via a local discount scheme. Where relevant, any relief granted must be State Aid compliant as set out in paragraph 3.8 of the draft policy appended.

Comments checked by:

Kevin Lane, Head of Law and Governance, 0300 0030107

[kevin.lane@cherwellandsouthnorthants.gov.uk](mailto:kevin.lane@cherwellandsouthnorthants.gov.uk)

### **Risk Management**

- 7.3 The report highlights the need to monitor business rates income against budget to understand the implications of any significant variances. Risk 'S02 – Financial Resilience' is monitored on a regular basis as part of the Council's Corporate Risk Register and will also be monitored through the operational risk register. Any increase in risk will be reviewed and acted upon.

Comments checked by:

Edward Bailey, Corporate Performance Manager 01295 221605

[edward.bailey@cherwellandsouthnorthants.gov.uk](mailto:edward.bailey@cherwellandsouthnorthants.gov.uk)

### **Equality and Diversity**

- 7.4 There are no equality and diversity implications arising out of this report.

Comments checked by:

Edward Bailey, Corporate Performance Manager 01295 221605

[edward.bailey@cherwellandsouthnorthants.gov.uk](mailto:edward.bailey@cherwellandsouthnorthants.gov.uk)

## 8.0 Decision Information

### Key Decision

**Financial Threshold Met:** No

**Community Impact Threshold Met:** No

### Wards Affected

All

### Links to Corporate Plan and Policy Framework

This links to the Council's priority of Sound Budgets and a Customer Focused Council.

### Lead Councillor

Councillor Ken Atack, Lead Member for Financial Management

## Document Information

Appendix No	Title
A	Discretionary Rate Relief Policy
None	
Report Author	Geni Hotchkiss, Business Support Unit Manager
Contact Information	01327 322170 <a href="mailto:geni.hotchkiss@cherwellandsouthnorthants.gov.uk">geni.hotchkiss@cherwellandsouthnorthants.gov.uk</a>

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## Discretionary Rate Relief Policy

DRAFT

## **1. Introduction and scope**

- 1.1 Cherwell District Council recognises the importance of supporting local businesses, charities and voluntary organisations to promote the provision of local facilities, support economic growth and investment and improve prosperity.
- 1.2 Councils have the power to award relief from the payment of Non-Domestic Rates ('business rates') to organisations and businesses that meet certain criteria. Public funds are not, however, unlimited and a proportion of any relief granted is met by the council taxpayers of the district. We therefore need to be satisfied that money invested this way will be repaid in economic and/or community benefit.
- 1.3 The power for granting discretionary rate relief is provided for by Section 47 of the Local Government Finance Act 1988. This has been amended by subsequent legislation which gives wider powers to grant discretionary relief to any ratepayer where the authority feels the granting of such relief would be of benefit to the local community.
- 1.4 This policy is designed to provide guidance to Council Officers and ratepayers on the application of Discretionary Rate Relief. The policy covers the following types of discretionary relief:
  - Charitable rate relief
  - Community Amateur Sports Clubs (CASCs)
  - Rate relief for not-for-profit organisations
  - Discretionary rural settlement relief
  - Hardship Relief
  - Temporary relief for partly occupied properties
  - Local discounts and incentives
- 1.5 This policy document outlines the various areas of local discretion and the Council's approach to the various reliefs. This approach has regard to the impact:
  - of granting discretionary relief on the Council's wider financial position and council taxpayers;
  - on the organisations and businesses that currently receive or may apply for relief in the future;
  - on the residents of the Cherwell district if relief is awarded and the economic benefits to the district;

## **2. The Discretionary Rate Relief Scheme**

2.1 Discretionary Rate Relief (DRR) is granted in accordance with Section 43 of the Local Government Finance Act 1988 and Sections 47 and 49 of the Local Government Finance Act 1988 as amended by the Localism Act 2011.

Section 69 of the Localism Act amended Section 47 of the Local Government Finance Act 1988 to allow billing authorities to fund their own local discounts. The Council is able to grant business rates discounts and incentives as it sees fit within the limits of primary legislation and European rules on state aid. These powers can be used to encourage new business and investment as well as support local shops or services to the community.

2.2 The legislation requires the Council to maintain a Discretionary Rate Relief (DRR) scheme to award rate relief of up to 100% to certain organisations which operate within specified criteria. This includes:

- charitable bodies already in receipt of Mandatory Relief of 80%. The Council has the discretion to 'top-up' this relief to 100% of the business rates due;
- registered Community Amateur Sports Clubs (CASCs) already in receipt of Mandatory Relief of 80%. The Council has the discretion to 'top-up' this relief to 100% of business rates due;
- non-profit making organisations – the Council has the discretion to grant relief of up to 100% of the business rates due;
- property that is in a qualifying rural settlement and is a qualifying food shop, general store, post office, sole public house or sole petrol station already in receipt of Mandatory Relief of 50%. The Council has further discretion to 'top-up' this relief to 100% of the business rates due.
- Discretionary Rate Relief for 'other rural businesses'
- Relief on the grounds of hardship
- Relief for part-occupied premises
- Local discounts and incentives

2.3 In making decisions about applications the Council may:

- grant relief up to a maximum 100% of the business rates due;

## Appendix A

- grant relief for a sum less than 100% of the business rates due; or
  - refuse any application for full or additional relief
- 2.4 Whilst awards for Mandatory Relief can be backdated for previous financial years, legislation permits Discretionary Relief only to be awarded back to the start of the previous financial year where the application is submitted prior to the end of September in a relevant year.
- 2.5 It is the Council's policy that Discretionary Relief will only be awarded from the date of the application or, in the case of hardship where the hardship occurred at that point in time. Only in the most exceptional circumstances will consideration be given to awarding relief for a prior period. The ratepayer must provide valid reasons for not having submitted their application at an earlier date.
- 2.6 In the majority of cases Discretionary Relief will be granted for a period of two financial years only. Successful applicants will be sent a letter confirming the award of Discretionary Relief. This letter will also explain that the relief has been granted for two financial years only.

### **3. The Application Process**

- 3.1 Applications for relief must be made on the Council's application form. Applicants are encouraged to apply online at [www.cherwell.gov.uk](http://www.cherwell.gov.uk) Businesses and other organisations needing support or advice on making their application can contact the Council's Business Support Unit on [businesssupportunit@cherwellandsouthnorthants.gov.uk](mailto:businesssupportunit@cherwellandsouthnorthants.gov.uk)
- 3.2 Applications should be submitted with the relevant supporting information which includes:
- details of the applicant's main purposes and objectives (where applicable) as set out in a written constitution, a memorandum of association or membership rules;
  - a full set of audited accounts relating to the two years prior to the date of application. Where audited accounts are not available, projections should be provided instead.
  - details of how the organisation meets the relevant criteria detailed in these guidelines.



## Appendix A

- 3.3 Any applications which are made without the supporting information will be subject to a decision being made solely on the information that is available at the time of the decision.
- 3.4 As a guide, to be eligible for Discretionary Relief a charity/organisation must not have enough unrestricted funds/reserves available to continue to operate for more than 12 months unless a business plan exists detailing how these additional funds are to be used to benefit the local community.
- 3.5 In exceptional cases, Discretionary Relief will be granted to organisations which have enough financial resources in unrestricted funds/reserves to continue to operate for more than 12 months. This may include charities and community organisations which require a large amount of available resources to sustain the service they deliver to the community. In such cases the applicant must be able to prove it offers a service which the district's residents depend on and which they would be unlikely to find elsewhere in the district.
- 3.6 The Council will aim to make a decision within a maximum of 4 weeks of the application and supporting information being received. Decisions on the award of discretionary rate relief will be taken by the Chief Finance Officer in consultation with the Head of Strategic Planning and the Economy, where applicable. Ratepayers are required to continue to pay business rates whilst their application is being considered. Failure to make payment will result in the Council pursuing collection through the usual enforcement procedures which could result in Court action.
- 3.7 There is no statutory right of appeal against a decision other than by way of judicial review. An unsuccessful applicant may make a request for the authority to review a decision, but only where:
1. Additional information relevant to the application that was not made available at the time the decision was made becomes available.
  2. There are good grounds to believe the application or supporting information was not interpreted correctly at the time the decision was made.

A request for review must be within 28 days of notification of the decision and must set out the reasons for the request and any supporting information.

Cases will be reviewed by the Director for Strategy and Commissioning.

- 3.8 All amounts of relief awarded are subject to the state aid limits as defined by European legislation. Relief will not exceed €200,000 in any 3 year financial period.

## Appendix A

3.9 The cost of awarding Discretionary Relief is apportioned as follows:

50% will be funded by Central Government

40% will be funded by Cherwell District Council

10% will be funded by Oxfordshire County Council

In view of the additional cost in awarding discretionary relief the Council has determined a Discretionary Rate Relief Policy is introduced to ensure that any award of Discretionary Rate Relief is focused to maximise the benefits to the residents and Council taxpayers of Cherwell District Council.

3.10 Any decision regarding rate relief will be communicated to the applicant in writing. Where the decision is a refusal of the award, reasons for the refusal will be provided in the letter.

3.11 A review of the guidelines will be undertaken every five years in line with the Valuation Office Agency's revaluation cycle, or if Business Rates legislation is amended, or as necessary to ensure it complies with current legislation and Cherwell District Council's priorities.

3.12 The ratepayer must inform the Council immediately of any change in their circumstances which may affect eligibility for relief.

## 4. Charitable Rate Relief

4.1 Mandatory Rate Relief of 80% is granted to charities where:

- The ratepayer is a charity or the trustees of a charity; and
- the property is wholly or mainly used for charitable purposes (including charity shops where the goods sold are mainly donated and the proceeds are used for the purposes of the charity)

4.2 Registration under the Charities Act 1993 is conclusive evidence of charitable status. Bodies which are excepted from registration or are exempt charities are also eligible for Mandatory Relief.

4.3 In cases where a charity is in receipt of Mandatory Relief of 80% the Council has discretion to grant up to 20% additional Discretionary Relief. This is also known as DRR 'top-up'. The Council will consider applications for Discretionary Relief from charities based on their own merits on a case by case basis. The principal consideration in awarding the relief is that it is in the best interests of the residents and council taxpayers of the Cherwell district to

## Appendix A

do so and it produces a local benefit as the Council must contribute to the cost of each award.

4.4 Each case will be assessed on its own merits, but generally top-up Discretionary Relief will only be awarded to the following charities or excepted organisations:

- Scouts, guides, cadets and other clubs and organisations for young people;
- Organisations providing support in the form of advice, employment training and counselling;
- Community schemes including those providing support for those over retirement age, community transport and volunteer organisations;
- Charitable supporting clubs;
- Armed Forces veterans associations;
- Locally based leisure and cultural organisations;

4.5 The following general exclusions will apply:

- 'Top-up' relief will only be granted to local charities (defined as those set up with the sole purpose of assisting residents of the Cherwell district and whose main office is situated in the district);
- unless a special case for financial hardship can be proved, 'top-up' relief to national charities (including charity shops) will not be granted;
- Academy, free, grant maintained, faith and trust schools are classified as charities and therefore receive 80% mandatory relief. 'Top up' relief for schools and education establishments which receive central or local government support should not be granted unless a special case for hardship can be shown.
- 'Top up' relief for Housing Associations will not be granted.

## **5. Registered Community Amateur Sports Clubs (CASCs)**

- 5.1 Registered Community Amateur Sports Clubs (CASCs) are entitled to 80% Mandatory Relief. The Council will consider applications for Discretionary Rate Relief 'top-up' from CASCs based on their own merits on an application by application basis.
- 5.2 The Council will consider applications that can demonstrate:
- the contribution the organisation makes to the Cherwell district;
  - the club is open to the whole community and its membership fees are not excessive;
  - it is a non-profit making organisation;
  - evidence that every effort is made by the organisation to encourage open membership from groups such as young people, disabled persons, women and those over retirement age;
  - schemes of education and training are provided, particularly for young people, disabled persons, women and those over retirement age;
  - evidence that every effort is made by the organisation to encourage open membership from groups such as young people and disabled persons;
  - how the CASC supports and links into the Council's priorities.
- 5.3 The Council will also take into consideration if the building is accessible to disabled people or if reasonable attempts are being made to make it accessible.
- 5.4 Applications will only be considered where the club has an open access policy. If a club only accepts members who have reached a certain standard, rather than seeking to promote the attainment of excellence by developing sporting aptitude, it does not fulfil the requirements.
- 5.5 Although clubs should be open to all without discrimination, single sex clubs may be permitted where such restrictions are a genuine result of a physical restraint (such as changing room facilities) or the requirements of the sport. In such cases the applicant will be required to provide proof of these factors.
- 5.6 It should be noted that sports clubs which run a bar are unlikely to be awarded Discretionary Relief if their main purpose is the sale of food and drink. If the sale of food or drink by the organisation aids the overall operation and development of the organisation meaning it achieves its objectives this is

permissible as long as the principal objectives of the organisation meet the eligibility criteria detailed at 5.2. If the bar makes a profit this profit must be reinvested to help the organisation meet its principal objectives. Financial information will be required to evidence any profit and its use.

## **6. Rate relief for not-for-profit organisations**

6.1 Not-for profit organisations which are not classed as registered charities or CASCs can apply for Discretionary Rate Relief of up to 100%. Such organisations include those which are philanthropic, religious, concerned with education or social welfare, science, literature, the fine arts, recreation or are otherwise beneficial to the community.

6.2 The Council will consider applications from organisations which can demonstrate:

- its activities support at least one of the Council's priorities;
- it promotes its service for the benefit of Cherwell District Council's residents;
- membership of the organisation is open to all members of the community regardless of ability;
- the facilities of the organisation are be made available, where practicable, to other bodies and groups;
- operates in such a way that it does not discriminate against any section of the community;
- it is not conducted or established for the primary purpose of profit.

### **6.3 Membership and entry fees**

If the organisation applying for discretionary rate relief requires membership or an entry fee the Council will consider whether:

- Membership is open to everyone regardless of race, ethnic origin, sex, marital or parental status, sexual orientation, creed, disability, age, religious affiliation or political belief;
- The subscription or fee is set at a level which is not prohibitively high and considered to be affordable by most sections of the community;

## Appendix A

- Fee reductions are offered for certain groups for example the under 18s and over 60s;
  - Membership is encouraged from the unemployed, young people not in employment, education or training, those of retirement age and people with disabilities.
- 6.4 Where the applicant organisation requires membership, at least 50% of members should reside within the Cherwell district. Proof of this will be required.
- 6.5 The organisation must provide a copy of their constitution and copies of the latest two years of audited annual accounts where available.

### **7. Discretionary Rural Rate Relief**

- 7.1 Mandatory Rural Rate Relief of 50% is awarded to properties within a defined rural settlement which have a population of less than 3,000; this is the Council's rural settlement list which is published by the Council at the end of December each year.

Further, the rateable value of the property must be:

- For a qualifying sole food shop, general store or post office the rateable value must not exceed £8,500.
  - For a qualifying petrol filling station or pub the rateable value must not exceed £12,500.
- 7.2 Businesses that qualify for Mandatory Rural Rate Relief can also request the Council considers increasing the amount of relief up to 100%.
- 7.3 Applications for Discretionary Relief can also be made by any business in a designated rural settlement that doesn't qualify for Mandatory Rural Rate Relief. The rateable value of the property must not be more than £16,500. For example where there are two general stores in a rural settlement, neither would be entitled to Mandatory Rural Rate relief, but both could apply for Discretionary Rural Rate Relief depending on the rateable value threshold.
- 7.4 Discretionary Rural Rate Relief for 'other rural businesses' will be considered where:
- the rateable value of the property is not more than £16,500;
  - the property is used for purposes which are of benefit to the local community;

- the award of the relief is in the interests of Cherwell district residents and its Council taxpayers.
- 7.5 As a general guide, a ratepayer must have not have enough resources available in unrestricted funds or reserves (i.e. those not being held for a specific purpose) to continue to operate for more than 12 months unless it can show how these additional reserves are to be used to benefit the local community.
- 7.6 The following will also be taken into consideration when assessing an application for Discretionary Rural Rate Relief:
- the number of staff employed by the business who are resident in the community in which the business is located; and
  - whether there are any other suppliers of the goods or services which are easily accessible to residents in the rural settlement.
- 7.7 Every application must be accompanied by the latest trading accounts or equivalent/relevant documentation and evidence as to the proportion of expenditure attributable to rates. In determining the application the Council will give consideration to the financial viability of the business concerned, thereby having regard to the interests of the council taxpayers in general. This will be balanced by the detrimental effect on the rural community should the business have to cease trading either as a direct or indirect result of not awarding relief.
- 7.8 The amount awarded will be up to 50% of the total business rates payable for those businesses already receiving Mandatory Rural Rate Relief. For 'other rural businesses' the amount awarded will be up to 100% of the total business rates payable.

## **8. Hardship Relief**

- 8.1 The Council has discretion under Section 49 of the Local Government Finance Act 1988 to grant relief of up to 100% where hardship is experienced. Hardship Relief can only be considered if it would be reasonable to do so in the interests of council taxpayers in general.
- 8.2 Hardship Relief will be awarded where the business is suffering from unexpected hardship which is outside of normal risks associated with the business. Reduction or remission of business rates on the grounds of hardship will only be awarded in exceptional circumstances.

## Appendix A

8.3 Hardship Relief is granted at the discretion of the Council which can reduce or remit the amount of business rates due, provided it is satisfied that:

- the ratepayer would sustain hardship if it did not do so; and
- it is reasonable for the Council to do so having regard to the interests of its council taxpayers

8.4 The following factors will be considered in assessing the application:

- the test of hardship needs not be confined strictly to financial hardship. All relevant factors affecting the ability of the business to meet its rates liability will be considered.
- the interests of council taxpayers in the area may be wider than direct financial interests. Examples of this include where employment prospects in the area would be worsened by a company going out of business or the amenities of the area being reduced.
- the ratepayer must provide evidence of hardship, for example a severe loss or marked decline in trade compared to similar periods in previous years.
- the business must be able to show evidence of its viability for the foreseeable future which is considered to be three years for these purposes.

8.5 A business will not be considered for Hardship Relief in the following circumstances:

- where the business is profitable;
- where the business has experienced a minor loss in trade;
- where the drawings/remunerations of directors, partnerships or sole traders are above a 'reasonable' amount;
- where the business is new and Hardship Relief is being requested to fund the initial progression of the business;
- where the property is empty;
- where similar goods or services are already being provided in the same locality or within a reasonable distance.



8.6 Prior to any award being made the business is expected to take action to mitigate or alleviate their hardship by:

- contacting the Council's Economic Growth Team;
- considering other options such as renegotiating with its creditors;
- having in place a business plan to address the hardship

8.7 Applications for Hardship Relief shall be regarded as a last resort and will only be considered after consideration of any other forms of rate relief for which the applicant may be eligible.

8.8 The period and amount of any award will be determined on a case by case basis, but may be up to 100% of the business rates liability.

8.9 Hardship Relief will only be granted for short periods of time and usually up to a maximum of 6 months.

## **9. Properties partly occupied for a temporary period**

9.1 There may be occasions where a property is only partly occupied for a short period of time. This may be due to a business moving in or relocating to a new property. In certain circumstances, the Council may use its discretion to award part occupied relief which is also known as Section 44a relief (Section 44A of the Local Government Finance Act 1988).

9.2 In these circumstances the Council may request that the Valuation Officer apportions the rateable value of the property between the occupied and unoccupied elements.

9.3 Section 44a relief may be awarded in the following circumstances:

- where the occupied and unoccupied parts of the property can easily be separately assessed.
- where there are short term practical or financial difficulties in either occupying or vacating the premises.

9.4 The part occupation must be for a temporary period only.

9.5 Rate relief will not be awarded where the partial occupation is due to the normal day to day operation of the business for example where a warehouse and despatched a large order and no longer needs to store stock.

## Appendix A

- 9.6 For the purposes of this policy a period of up to 6 months will be considered to be temporary. Periods of time exceeding 6 months will be treated as a permanent change and will not be eligible for partly occupied relief.
- 9.7 Relief will not be awarded where it appears to the Council that part of the property is being kept empty for the sole purpose of claiming rate relief.
- 9.8 Prior to an award being made, a visit to the premises will be made by a Council Officer to establish the exact area of the property that is empty. The application must be supported by a plan of the property which clearly marks the boundary of the empty and occupied parts. This plan will be given to the Valuation Officer to apportion the rateable value.
- 9.9 Further visits may be made to the property throughout the duration of the relief to establish that the property is still partly empty.
- 9.10 Further applications for part empty relief may be considered where there is a change to the area of the property that is unoccupied.
- 9.11 Part occupied relief will end if one of the following applies:
- the financial year comes to an end;
  - the end of the award;
  - where part or all of the unoccupied parts become occupied;
  - where the whole of the property becomes unoccupied;
  - where the liability for the property changes.

## **10. Local discounts and incentives**

- 10.1 The Council is able to grant business rates discounts entirely as it sees fit within the limits of the primary legislation and European Rules on state aid. These powers will generally be used as appropriate to support local shops and other key businesses, but also to complement the strategic priorities and key objectives of the Council including increasing employment at strategic employment sites, investing in town centres and encouraging new business and investment to the district.
- 10.2 Using the general exception from the State Aid rule where the aid is below the 'de minimis' level, the Council will limit awards to a maximum of €200,000 to any one business over any three year period.

- 10.3 Applications will be considered in accordance with section 10.1 and where applicants seeking rate relief in respect of Localism Act powers the application should include information about how the business complements the strategic priorities and key objectives of the Council.

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## Cherwell District Council

### Executive

6 February 2017

## Corporate Fraud Prosecution and Sanction Policy

### Report of Chief Finance Officer

This report is public

#### Purpose of report

To provide members with the updated Joint Sanctions and Prosecution Policy and to seek approval to the reviewed policy.

#### 1.0 Recommendations

The meeting is recommended:

- 1.1 To approve the updated Joint Corporate Fraud Prosecution and Sanction Policy.

#### 2.0 Introduction

- 2.1 There is a Joint Sanctions and Prosecution Policy in place for both Cherwell District Council (CDC) and South Northamptonshire Council (SNC). . The policy ensures that both councils have guidelines in place to assist the decision making process when considering what further action is appropriate following an investigation.
- 2.2 The policy is also incorporated within the CDC and SNC Corporate Enforcement Policy and has been prepared with consideration of the regulators code, the principles of good regulation and on core principles found in the Crown Prosecution Service (CPS).

#### 3.0 Report Details

##### Background

- 3.1 The Joint Corporate Fraud Team (CFT) was created in 2015. There are two posts, a Senior Corporate Fraud Investigator (SCFI) and a Corporate Fraud Investigator (CFI). The Senior Corporate Fraud Investigator has been in post since 1 February 2015 and the Corporate Investigations has been in post since March 2015.

3.2 The Corporate Fraud Business plan underpins the work of the team and is updated each year. The current plan for 2016-17 was agreed by Audit Accounts and Risk Committee on the 29 June 2016 and focuses on:

- Creating and promoting a robust anti-fraud culture across the councils
- Encouraging reporting of fraud
- Developing the new team while taking on new areas of work
- Develop IT systems to support the work of the team
- Strengthen the fraud and error management processes and governance
- Work with partners and other bodies to tackle and prevent fraud
- Investigate allegations of fraud in a timely manner
- To deal with offenders under the Prosecution and Sanctions policy.

3.3 The business plan is currently being reviewed. The updated plan for 2017-2018 along with an end of year report for 2016-2017 will be presented to a future meeting of this committee. The business plan and fraud work is underpinned by a number of policies including the Joint Sanctions and Prosecution policy.

#### **Corporate Fraud Sanctions and Prosecutions Policy.**

3.4 The Joint Sanctions and Prosecutions Policy ensures that both councils have guidelines in place to assist the decision making process when considering what further action is appropriate.

3.5 The Policy has been reviewed and updated. A copy is shown at Appendix A of this report with the main amendments highlighted. The changes have been considered by the Council's Legal Team and endorsed by members of Accounts Audit and Risk Committee.

3.6 The main changes are as follows –

- A panel style meeting has been agreed to discuss the suitability of a case for prosecution prior to the case files being prepared. This saves time as it means the team are not preparing cases to a high prosecution standard before a prosecution decision is made by Legal.
- CDC has been applying £70 penalties to Council Tax accounts when appropriate for some time. The updated policy allows this to be introduced for SNC.
- The £70 penalties could be applied to any accounts where the customer has failed to report a change within reasonable time limits without good reason. Council Tax officers are able to apply these fines, the corporate fraud team could also apply them for NFI SPD cases which don't meet prosecution criteria.
- There is also a £50 penalty which can be applied by the Benefits Entitlements team where a customer has failed to report a change in circumstances without reasonable excuse. The penalty can be applied to cases that haven't been looked at by fraud, the entitlements team will decide on whether the penalty should apply based on their set criteria.

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

- 4.1 The Executive is asked to consider and approve the updated Joint Sanctions and Prosecution Policy with the changes as outlined earlier in this report

## **5.0 Implications**

### **Financial and Resource Implications**

- 5.1 There are no financial implications directly arising from this report

Comments checked by:

Paul Sutton, Chief Finance Officer, 0300 0030106  
paul.sutton@cherwellandsouthnorthants.gov.uk

### **Legal Implications**

- 5.2 There are no legal implications directly arising from this report.

Comments checked by:

Kevin Lane, Head of Law and Governance, 0300 0030107  
kevin.lane@cherwellandsouthnorthants.gov.uk

## **5.0 Consultation**

Accounts, Audit and Risk  
Committee

Considered and endorsed at their meeting of 6  
December 2016

## **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 approve the policy. This is not recommended as the the Joint Sanctions and Prosecutions Policy ensures that both councils have guidelines in place to assist the decision making process when considering what further action is appropriate.

## **7.0 Decision Information**

### **Key Decision**

**Financial Threshold Met: No**

**Community Impact Threshold Met: No**

## Wards Affected

All

## Links to Corporate Plan and Policy Framework

This links to the Council's priority of an accessible value for money council.

## Lead Councillor

Councillor Ken Atack, Portfolio Holder for Financial Management

## Document Information

Appendix No	Title
A	Corporate Fraud Prosecution and Sanctions policy
Background Papers	
None	
Report Author	Belinda Green (Joint Revenues and Benefits Manager)
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CHERWELL DISTRICT COUNCIL AND  
SOUTH NORTHAMPTONSHIRE COUNCIL

Appendix A

# Corporate Fraud Prosecution and Sanction Policy

## 1. Introduction

- 1.0 The purpose of this policy is to ensure that Cherwell District Council (CDC) and South Northamptonshire Council (SNC) have in place guidelines to assist the decision making process when prosecution or sanction action may be appropriate following an investigation by the Corporate Fraud Team (CFT), The sanctions available are Prosecution, Administrative Penalty and Formal Caution. For all these actions the standard of evidence has to be the same.
- 1.01 This policy is not prescriptive. Each case is unique and must be considered on its own facts and merits. However, there are general principles that apply to the way in which CDC and SNC will approach every case.
- 1.02 This policy is incorporated within the CDC and SNC Corporate Enforcement Policy and has been prepared with consideration of the Regulators Code, the Principles of Good Regulation and on core principles found in the Crown Prosecution Service (CPS) 'The Code for Crown Prosecutors' Specifically:
- the Decision to Prosecute or Sanction;
  - the Evidential Test; and
  - the Public Interest.

<https://www.cps.gov.uk/publications/codeforcrownprosecutors/codetest.html>

## 2.0 The Decision to Prosecute

- 2.01 The decision to instigate prosecution proceedings in the name of CDC and SNC lies with the Corporate Fraud Team (CFT) in liaison with the Law and Governance Team,
- 2.02 This will be discussed in a regular preliminary sanction panel meeting held with CFT, in order to agree appropriate disposal for cases that pass the CPS criteria for prosecution. This should take place prior to prosecution papers being prepared in full.
- 2.03 The reviewing Officer must be fair, impartial, and objective *and* comply with the Equality Act 2010. They must not be involved in the investigation or affected by improper or undue pressure from any source.

## **CHERWELL DISTRICT COUNCIL AND SOUTH NORTHAMPTONSHIRE COUNCIL**

### **3.0 The Evidential Test**

- 3.1 This is the first stage in the decision to prosecute or apply a sanction. The Evidential Test will be undertaken by a prosecuting lawyer within, or appointed by, CDC and SNC's Law and Governance Team, based on the evidence provided by a Corporate Fraud Investigation Officer (CFIO), in a preliminary sanction/prosecution file.
- 3.02 The Evidential Test is to be considered in all cases regardless of the method of sanction chosen. The Code of Crown Prosecutors, revised in January 2013, lays out how this test must be applied. Prosecutors must be satisfied that there is sufficient evidence to provide a realistic prospect of conviction against each defendant on each offence. They must also consider what the defence case may be, how it is likely to affect the prospects of conviction. A case which does not pass the evidential stage must not proceed, no matter how serious or sensitive it may be
- 3.03 A realistic prospect of conviction is an objective test. It means that a jury or bench of magistrates or judge hearing a case alone, properly directed in accordance with the law, is more likely than not to convict the defendant of the offence alleged. This is a separate test from the one that the criminal courts themselves must apply. A court should only convict if satisfied that it is sure of a defendant's guilt.
- 3.04 When deciding whether there is enough evidence to prosecute, the prosecutor must consider whether the evidence can be used and is reliable. There will be many cases in which the evidence does not give any cause for concern. There will also be cases in which the evidence may not be as strong as it first appears. Prosecutors must ask themselves the following questions:

### **4.0 Can the evidence be used in court?**

- 4.01 Is it likely that the evidence will be excluded by the court? There are certain legal rules which might mean that evidence which seems relevant cannot be given at a trial. For example, is it likely that the evidence will be excluded because of the way in which it was gathered? If so, is there enough other evidence for a realistic prospect of conviction?
- 4.02 Is there evidence which might support or detract from the reliability of a confession? Is the reliability affected by factors such as the defendant's age, intelligence or level of understanding?
- 4.03 What explanation has the defendant given? Is a court likely to find it credible in the light of the evidence as a whole? Does it support an innocent explanation?
- 4.04 If the identity of the defendant is likely to be questioned, is the evidence about this strong enough?

## **CHERWELL DISTRICT COUNCIL AND SOUTH NORTHAMPTONSHIRE COUNCIL**

- 4.05 Is the witness's background likely to weaken the prosecution case? For example, does the witness have any motive that may affect his or her attitude to the case, or a relevant previous conviction?
- 4.06 Are there concerns over the accuracy or credibility of a witness? Are these concerns based on evidence or simply information with nothing to support it? Is there further evidence which the investigating officers should be asked to seek out which may support or detract from the account of the witness?
- 4.07 Prosecutors should not ignore evidence because they are not sure that it can be used or is reliable. But they should look closely at it when deciding if there is a realistic prospect of conviction.

### **5.0 The Public Interest Test**

- 5.01 The Public Interest Test is the second part of the test outlined in the Code of Crown Prosecutors guidelines, revised in January 2013. This will be considered in all cases regardless of the method of sanction chosen. The Code of Crown Prosecutors lays out the public interest factors which can increase the need to prosecute or may suggest an alternative course of action. The factors will vary from case to case. Not all the factors will apply to each case and there is no obligation to restrict consideration to the factors listed. In making a decision to prosecute all available information must be carefully considered. The Councils' officers will refer to the latest CPS guidance and best practice when considering the public interest test.
- 5.02 The preliminary sanction/ prosecution file produced by the CFIO for the prosecutor will identify the factors for and against prosecution as specified in the Code for Crown Prosecutors. A preliminary report setting out the case for potential prosecution. The CFIO has an explicit duty to provide the prosecutor with an accurate and honest assessment of the circumstances of the defendant and the case.
- 5.03 The public interest must be considered in each case where there is enough evidence to provide a realistic prospect of conviction. Although there may be public interest factors against prosecution in a particular case, often the prosecution should go ahead and those factors should be put to the court for consideration when sentence is being passed. A prosecution will usually take place unless there are public interest factors tending against prosecution which clearly outweigh those tending in favour, or it appears more appropriate in all the circumstances of the case to divert the person from prosecution.
- 5.04 The prosecutor must balance factors for and against prosecution carefully and fairly. Public interest factors that can affect the decision to prosecute usually depend on the seriousness of the offence or the circumstances of the suspect. Some factors may increase the need to prosecute but others may suggest that another course of action would be appropriate.
- 5.05 The common public interest factors, both for and against prosecution, are not exhaustive. The factors that apply will depend on the facts in each case,

## **CHERWELL DISTRICT COUNCIL AND SOUTH NORTHAMPTONSHIRE COUNCIL**

But the more serious the offence, the more likely it is that a prosecution will be needed in the public interest.

- 5.06 Deciding on the public interest is not simply a matter of adding up the number of factors on each side. The prosecutor must decide how important each factor is in the circumstances of each case and go on to make an overall assessment.

### **6.0 The Decision**

- 6.01 If the case fails either the Evidential Test or the Public Interest Test then it will not proceed to prosecution, this would rule out consideration of any other form of sanction.

- 6.02 However, the case may still be categorised as 'on the balance of probabilities' being fraudulent and recorded as such by CFT. Furthermore, civil, recovery or disciplinary action may still be instigated.

- 6.03 If the case passes the Evidential and Public Interest tests the following options are available:-

- I. No Further Action be taken;
- II. Disciplinary Action – for internal cases;
- III. Civil Action – to recover money, interest or costs or property;
- IV. Sanction - Issue a Council Caution
- V. Sanction - Issue a penalty where legislation exists permitting CDC and SNC to sanction; or
- VI. Prosecute

- 6.04 In certain cases, the prosecutor may consider multiple actions. For example, in internal cases, disciplinary action, civil action and prosecution may be authorised.

### **7.0 Prosecution Process**

- 7.01 Upon review of the preliminary sanction/ prosecution report, if it is considered that the evidence and public interest tests are satisfied and that prosecution is the appropriate form of sanction, the CFIO will compile a prosecution file. In addition to the prosecution file the CFIO will complete an investigation report.

- 7.02 In this report the CFIO will set out;

- the circumstances of the case;
- the evidence obtained;
- which offences may have been committed;
- how the evidence proves the elements of the offence; and
- set out why it is in the public interest to prosecute (NB the CFIO has an explicit duty to provide the CEO with an accurate and honest assessment of the circumstances of the defendant and the case).

## **CHERWELL DISTRICT COUNCIL AND SOUTH NORTHAMPTONSHIRE COUNCIL**

- 7.03 The CFIO will pass the prosecution file and investigation report to the prosecuting lawyer.
- 7.04 The prosecutor will review the full file and undertake the Evidential Test.
- 7.05 If the case fails the Evidential Test the case is returned to the CFIO and no further criminal action will be taken.
- 7.06 However, the case may be still be categorised as 'on the balance of probabilities' being fraudulent and recorded as such by CFT. Furthermore, civil, recovery or disciplinary action may still be instigated.
- 7.07 If the case passes the Evidential Test the prosecutor will undertake the Public Interest Test.
- 7.08 If the case fails the Public Interest Test the case is returned to the CFIO and no further criminal action will be taken.
- 7.9 However, the case may be still be categorised as 'on the balance of probabilities' being fraudulent and recorded as such by CFT. Furthermore, civil, recovery or disciplinary action may still be instigated.
- 7.10 If the case passes the Public Interest Test and a prosecution is still considered the most appropriate course of action, a prosecution will be instituted.
- 7.11 During the course of a prosecution the prosecutor is required to ensure that the evidential test and public interest remain satisfied. The prosecution will be stopped if information comes to light which the prosecutor considers the evidence is no longer sufficient to provide for a realistic prospect of conviction, or that prosecution is no longer in the public interest.

### **8.0 Potential Offences**

- 8.01 A person involved in perpetrating fraud may commit an offence which could relate to any of the following Acts (this is not an exhaustive list):
- Fraud Act 2006;
  - Local Council Tax Reduction Scheme (Fraud and Enforcement) Regulations 2013;
  - Prevention of Social Housing Fraud Act 2013;
  - Proceeds of Crime Act 2002;
  - Theft Act 1968 & 1978;
  - Forgery & Counterfeiting Act 1987;
  - Criminal Justice Act 1967;
  - Data Protection Act 1998;
  - Computer Misuse Act 1990.

### **9.0 Alternatives to Prosecution: Sanctions and Penalties**

- 9.01 An administrative penalty or caution may be offered as an alternative to prosecution where:

### CHERWELL DISTRICT COUNCIL AND SOUTH NORTHAMPTONSHIRE COUNCIL

- Grounds exist for instituting proceedings
- Prosecution is possible but is not the preferred option
- The case is not so serious that prosecution should be considered
- In the case of the offer of an administrative penalty, the amount of the penalty would not cause severe financial hardship or place the family at risk
- In the case of the offer of a Caution, the offence has been admitted during an Interview under Caution, conducted in accordance with the provision of the Police and Criminal Evidence Act 1984. When the CFT have completed an investigation they will consider whether to instigate criminal proceedings or offer an alternative sanction. Each case will be considered on its own merits.

9.02 **Simple Caution:** For a simple caution to be considered the suspected offender must fully admit each alleged offence. The CFIO will then complete a report summarising the case together with the supporting evidence and a recommendation for a simple caution to be a means of disposal to an independent reviewing officer. The independent reviewing officer must satisfy themselves that the case meets the prosecution standard in consideration of the evidential and public interest tests.

9.03 **Financial Penalty:** Under section 14C Local Government Finance Act 2012, allows the authority to impose a £70 penalty to any person who;

- fails to notify the council within 21 days that an exemption on a dwelling should have ended
- fails to notify the council within 21 days that a discount (including single person discount) should have ended
- fails to notify the council of a change of address or fails to notify the council of a change in the liable party
- fails to provide information requested to identify liability
- fails to provide information requested after a liability order has been obtained

The offender will be notified of the offence but not necessarily interviewed. This sanction carries more of a deterrent against re-offending than a simple caution by ensuring that the person is financially penalised for the offence and also offers the Council some recompense for the costs of the investigations. The offender may be liable for a charge of £70 which could increase to £280 if there is a continual failure to provide the correct information

9.04 **Council Tax Reduction Scheme Sanctions:** The Council Tax Reduction Schemes (Detection of Fraud and Enforcement)(England) Regulation 2013 make provision for powers to require information, creates offences and provides powers to impose penalties in connection with Council Tax Reduction schemes. A penalty of £70 may be imposed by the Council if someone negligently makes an incorrect statement in connection with an application for a reduction under the scheme, or where a person fails to notify a change of circumstances promptly and at least within one calendar month.

There are provisions under this scheme to offer sanctions similar to those under the Social Security Administration Act 1992. Corporate Fraud Investigators will consider prosecution in

## **CHERWELL DISTRICT COUNCIL AND SOUTH NORTHAMPTONSHIRE COUNCIL**

appropriate cases or as an alternative will offer a caution or financial penalty of 50% of the excess award. This will be calculated on a daily basis from the date of the award until the date the Council could reasonably be aware of the excess award, subject to a minimum of £100 and maximum of £1,000.

9.05 Whenever, a sanction is issued where there is evidence of fraud the case should be recorded by the CFT as fraud.

### **10 Exceptions**

10.01 It is the Council's policy to consider the exclusion of people with mitigating circumstances from the imposition of penalties. Each case will be considered on its own merits by the Corporate Fraud Team. Examples of mitigating circumstances may include:

- a significant degree of physical or mental infirmity, such as a terminal illness, severe clinical depression, hearing/sight/speech problems, learning difficulties or frailty due to old age.
- Making a voluntary disclosure of the alleged offence before the Council had any suspicions regarding the validity of their entitlement to a Council Tax discount or exemption, Local Council Tax Support Reduction Scheme entitlement.
- That a matter may be dealt with more effectively without redress to a penalty, for example due to age or immaturity, although youth in itself is not a good enough reason not to instigate proceedings. In such a case, consideration should be given to issuing an advice letter in order to complete closure of the case.

### **11.0 Appeals**

11.01 A customer has the right of appeal to the Valuation Tribunal for England against the decision by the Council to apply a penalty. An appeal must be made in writing directly to the Valuation Tribunal. [www.gov.uk/government/organisations/valuation-office](http://www.gov.uk/government/organisations/valuation-office)

### **12. Publicity**

12.01 Deterrence is a key component in tackling fraud, corruption and error.

12.02 When the authority obtains a guilty outcome from prosecution action they have taken they will seek maximum publicity of the case. Thus sending a clear message that CDC and SNC will robustly protect taxpayers' money and valuable resources.

12.03 The Council will celebrate the successes of the CFT in protecting the public purse.

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## Cherwell District Council

### Executive

6 February 2017

<p><b>Draft Budget, Corporate Business Plan and Cycle of Growth 2017/18</b></p>
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### Report of Chief Finance Officer

This report is public

#### Purpose of report

The Council is required to produce a balanced budget for 2017/18 as the basis for calculating its level of Council Tax. It has to base that budget on its plans for service delivery during the year, recognising any changes in service demand that may arise in future years.

The proposed budget and business plan for 2017/18, including the new cycle of growth strategies, are presented as an integrated report to demonstrate that the Council adopts a strategic approach to managing all of its resources, ensuring that the delivery of the Council's priorities for the district directs the allocation of financial resources.

#### 1.0 Recommendations

The meeting is recommended:

- 1.1 To consider and approve the draft budget in the context of the Council's service objectives and strategic priorities.
- 1.2 To approve and recommend the balanced budget to Full Council.
- 1.3 To recommend to Full Council a Council tax freeze.
- 1.4 To recommend to full council the proposed 2017/18 capital programme set out in **Appendix 5**.
- 1.5 To note the impact of the proposed budget on reserves and recommend the reserves 2017/18 to full council, see **Appendix 6**.
- 1.6 To approve the use of £3.053m of reserves to fund the initial one-off payment to the pension fund, in order to achieve the saving of £382,000.
- 1.7 To note the latest Medium Term Revenue Plan (MTRP) for 2016/17 to 2021/22, at **Appendix 3**; this will be the basis of the work of the Budget Planning Committee for the following year.

- 1.8 To recommend, subject to any further changes Members may wish to include tonight, the updated draft revenue budget for adoption by Full Council on 20 February 2017.
- 1.9 To delegate authority to the Chief Finance Officer, in consultation with the Lead Member for Financial Management to amend the contributions to or from general fund balances to allow the Council Tax to remain at the level recommended to Full Council following the announcement of the final settlement figures, any changes to relating to Business Rates or as a result of any financial implications arising from recommendation 1.8, above.
- 1.10 To recommend the 2017/18 business plan and performance pledges to Full Council (detailed in **Appendix 7**) and to delegate authority to the Director – Strategy and Commissioning, in consultation with the Leader of the Council to make any minor amendments to the plan as required before consideration by Full Council.
- 1.11 To recommend to Full Council the joint cycle of growth strategies of Operational Excellence, Commercial Development and Innovation, and Commissioning, detailed in **Appendix 8**, and to delegate authority to the Director of Operational Delivery, in consultation with the Leader of the Council to make any minor amendments to the strategies and corporate values as required.
- 1.12 To note the 2017/18 Business Plan, Budget and Cycle of Growth Equality Impact Assessments at **Appendix 9**.

## **2.0 Introduction**

- 2.1 This report sets out the draft revenue budget for 2017/18 and other corporate strategies for the Council which will form the basis of the council tax setting report which is due to be considered by Full Council on the 20 February 2017. The report covers the information and work undertaken by Budget Planning Committee and the budget, capital programme and reserves recommended by that Committee at its meeting held on 17 January 2017.
- 2.2 The report also looks at the impact of the local government finance settlement which was announced on 15 December 2016. It sets out the steps which have been undertaken to produce a balanced budget and the capital programme.
- 2.3 Throughout the autumn and winter officers have been preparing the budget in line with the guidelines considered by the Executive at its meeting of the 3 October 2016. A copy of the guidelines is included at **Appendix 1** for ease of reference. This has set out the framework within which the budget has been developed.
- 2.4 The budget has been subject to consideration by the Budget Planning Committee which has also been involved in assessing the proposed capital programme and contributions to and use of reserves.

## **3.0 Report Details**

### **Draft Revenue Budget**

- 3.1 The initial Medium Term Revenue Plan (MTRP) for 2017/18 showed a funding gap of £0.64m. The budget presented in this report follows significant work by officers and the Budget Planning Committee in order to arrive at a balanced budget position. Table 1 (next page) shows the draft General Fund Revenue Budget for consideration by the Executive.

<b>Table 1: Revenue Budget 2017-18</b>	<b>Budget 2016/17 £'000</b>	<b>Proposed Budget 2017/18 £'000</b>	<b>Movement £'000</b>	<b>Movement %</b>
<b>Chief Executive</b>	<b>173</b>	<b>187</b>	<b>14</b>	<b>8%</b>
<b>Commercial Development</b>				
Bicester Regeneration Project	1,163	1,190	27	2%
Regeneration & Housing	1,642	2,263	621	38%
Human Resources	524	555	31	6%
Information Services	1,497	1,637	140	9%
Business Transformation	278	300	22	8%
<b>Sub Total</b>	<b>5,104</b>	<b>5,945</b>	<b>841</b>	<b>16%</b>
<b>Finance and Procurement</b>	<b>1,148</b>	<b>1,398</b>	<b>250</b>	<b>22%</b>
<b>Strategy &amp; Commissioning</b>				
Strategic Planning Economy	1,124	1,201	77	7%
Development Management	296	585	289	98%
Communications & Corp Perf	295	318	23	8%
Business Support Unit	87	90	3	3%
Performance	197	180	(17)	-9%
Law and Governance	1,040	1,093	53	5%
<b>Sub Total</b>	<b>3,038</b>	<b>3,467</b>	<b>429</b>	<b>14%</b>
<b>Community and Environment</b>				
Community Services	5,162	5,176	14	0%
Environmental Services	4,913	5,454	541	11%
<b>Sub Total</b>	<b>10,075</b>	<b>10,630</b>	<b>555</b>	<b>6%</b>
<b>NET COST OF SERVICES</b>	<b>19,538</b>	<b>21,627</b>	<b>2,089</b>	<b>11%</b>
Transfers to/from Reserves NHB	2,030	2,373	343	17%
Transfers to/from reserves	(1,924)	(4,850)	(2,926)	-152%
Transfers to General Fund Balance	688	492	(196)	-28%
Interest on Investments (including Graven Hill)	(150)	(1,954)	(1,804)	-1203%
Pension Fund - Historic Costs	1,847	4,985	3,138	170%
Depreciation adjustment	(4,002)	(4,002)	0	0%
<b>NET BUDGET REQUIREMENT</b>	<b>18,027</b>	<b>18,671</b>	<b>644</b>	<b>4%</b>
<b>CDC: FUNDING</b>				
<b>Formula Grant Equivalent</b>				
Business Rates Baseline	(3,495)	(3,564)	(69)	-2%
Revenue Support Grant	(1,851)	(1,105)	746	40%
<b>Sub Total</b>	<b>(5,346)</b>	<b>(4,669)</b>	<b>677</b>	<b>-13%</b>
<b>Grants Awarded</b>				
Transfer to Parish Councils for CTRS	349	349	0	0%
New Homes Bonus	(3,851)	(4,468)	(617)	-16%
<b>Sub Total</b>	<b>(3,502)</b>	<b>(4,119)</b>	<b>(617)</b>	<b>18%</b>
<b>Business Rates Growth</b>				
Retained Business Rates	(2,114)	(2,231)	(117)	-6%
Pooling Gain	(1,869)	(1,562)	307	16%
Renewable Energy	(244)	(213)	31	13%
S31 Inflation Cap	(108)	0	108	100%
NNDR Collection Fund Deficit	1,555	648	(907)	58%
<b>Sub Total</b>	<b>(2,780)</b>	<b>(3,358)</b>	<b>(578)</b>	<b>-21%</b>
<b>Council Tax Income</b>				
Baseline	(6,219)	(6,219)	0	0%
Taxbase increase	0	(158)	(158)	0%
Council Tax Increase by £5	0	0	0	0%
Collection Fund	(180)	(148)	32	-18%
<b>Sub Total</b>	<b>(6,399)</b>	<b>(6,525)</b>	<b>(126)</b>	<b>-2%</b>
<b>TOTAL INCOME</b>	<b>(18,027)</b>	<b>(18,671)</b>	<b>(644)</b>	<b>-4%</b>
<b>(SURPLUS) / DEFICIT</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Tax Base</b>	<b>44,466</b>	<b>51,639.5</b>	<b>2,133</b>	<b>-4%</b>
<b>Band D Council Tax</b>	<b>£123.50</b>	<b>£123.50</b>	<b>£0.00</b>	<b>0%</b>

- 3.2 In order to balance the budget and secure the £0.64m deficit from the initial MTRP, further reductions in costs and increases in income were taken into account. The main drivers for this are summarised in Table 2 below and these adjustments have resulted in a balanced budget.

**Table 2: Adjustments to proposed budget 2017/18**

<b>Movement Summary</b>	<b>£'000</b>
Employee Costs	770
Implementation of Business Cases	70
Contracts & tendering	120
Reduced Planning Income	250
Increased cost of services (including items funded from reserves);	
- Pension Fund contribution	3,053
- Other	817
<b>Change To Net Cost of Services</b>	<b>5,080</b>
New Homes bonus	343
Use of Reserves	-2,779
Transfer to General Fund	-196
Interest	-1,804
<b>Budget Requirement</b>	<b>644</b>

<b>Funded By:</b>	<b>£'000</b>
Reduction in Formula Grant	677
Increase in New Homes Bonus	-617
Increase in Business Rates	-578
Increase in Council Tax	-126
<b>Net Funding Increase</b>	<b>-644</b>

- 3.3 The above actions have succeeded in balancing the budget. **Appendix 2** details a 'high level walk' from the 2016/17 net budget to the proposed 2017/18 net budget highlighting cost pressures and reductions.

#### **Proposed Council Tax 2017/18**

- 3.4 The level of council tax being proposed is £123.50 p.a. at Band D.
- 3.5 If the Executive were minded to change the Council Tax increase they should be aware that a 1% increase would equate to an increase in income of £63,775.

## Local Government Finance Settlement

- 3.6 On the 15 December 2016, the Secretary of State for Communities and Local Government, the Rt Hon Sajid Javid MP made a statement on the provisional local government finance settlement for 2017/18. The final settlement is likely to be announced towards the end of January 2017.
- 3.7 The Council's efficiency plan was accepted by the Government and the figures for Grant, Business Rates and New Homes Bonus are in line with the four year settlement originally proposed in December 2015.
- 3.8 The settlement proposes RSG, Business Rates Baseline Funding and New Homes Bonus (NHB) for the next three years, until the revised Business Rates Scheme can be introduced, when local authorities may retain more of the business rates collected.

**Table 3: Grant Figures for the four year settlement, with estimated figures for 2020/21 and 2021/22**

Formula Grant	Four Year Settlement				100% Business Rates Retention	
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Business Rates Baseline	3,495	3,564	3,669	3,786	0	0
Business Rates Retention	0	0	0	0	3,900	4,017
Revenue Support Grant	1,851	1,105	637	114	0	0
<b>Total</b>	<b>5,346</b>	<b>4,669</b>	<b>4,306</b>	<b>3,900</b>	<b>3,900</b>	<b>4,017</b>
<b>Percentage Change</b>		<b>-13%</b>	<b>-8%</b>	<b>-9%</b>	<b>0%</b>	<b>3%</b>

- 3.9 The settlement maintained the four year settlement that had been promised and also set out the outcomes from the New Homes Bonus consultation, which had been outstanding since March.

The main changes to New Homes Bonus (NHB) are set out below:

- The Government is implementing its preferred option: to reduce legacy payments from 6 years to 5 years in 2017/18 and then to 4 years in 2018/19.
- A “deadweight” factor will also be introduced, so that no NHB payments will be made to a local authority whose housing growth is less than 0.4%. The baseline for Cherwell in 2017/18 is 236 band D equivalent properties, a loss in NHB payments of £290k, or £1.16m over 4 years. The consultation included a baseline of 0.25%, the increase to 0.4% requires a further 88 band dD properties to be built in 2017/18 before NHB is paid.
- The Government will review the 0.4% baseline annually to ensure that the cost of NHB to the Treasury is affordable.
- Furthermore, from 2018/19 the Government could withhold payments from authorities not supporting housing growth (appeals, local plan); there will be a further consultation on these elements.

**Table 4: New Homes Bonus**

New Homes Bonus	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000
Without baseline	4,755	4,629	5,827	6,226	5,990
Baseline at 0.25%	4,576	4,265	5,229	5,438	5,188
Baseline at 0.4%	4,468	4,046	4,870	4,965	4,706
<b>Reduced NHB @ 0.25%</b>	<b>179</b>	<b>364</b>	<b>598</b>	<b>788</b>	<b>803</b>
<b>Further reduction to 0.4%</b>	<b>108</b>	<b>219</b>	<b>359</b>	<b>473</b>	<b>482</b>
<b>Total reduction</b>	<b>287</b>	<b>583</b>	<b>957</b>	<b>1,261</b>	<b>1,284</b>

**Treasury Management Strategy 2017/18**

- 3.10 There is a significant increase in interest on balances as a result of the Council's decision to set up, and invest in the Graven Hill Company. Interest payable by Graven Hill to the Council in 2017/18 is estimated at £1.249m. In addition a commitment fee of £0.661m is also payable, giving total income of £1.91m from the project in 2017/18.
- 3.11 The Council's investment income budget for 2017/18 has been compiled on the basis of close tracking of actual and likely interest rates and with the help of external advice. The emphasis has been on investments with the least risk for the Council's money and this, along with the continued low interest rates on offer and the agreed use of capital receipts has led to continuing low levels of investment income built into the budget. In budgetary terms this is prudent and places the Council at less risk of exposure in-year. A revised Treasury Management Strategy will be recommended to Full Council in February 2017 by the Accounts, Audit and Risk Committee.

**Business Rates Pooling and Growth**

- 3.12 Three years ago, the decision was taken to form a pool with Oxfordshire County Council and West Oxfordshire District Council. The calculations are still being made and will only be finalised when the 2017/18 NNDR1 return is made to the Government by the 31 January 2017.
- 3.13 However there will be a significant benefit to Cherwell as a result of the pooling arrangements. The budget anticipates £3.35m growth in business rates for the Council, a significant proportion, as a result of pooling. This estimate is deliberately prudent given the turbulence and uncertainty still associated with the scheme.

**Capital Programme 2017/18**

- 3.14 The Budget Planning Committee reviewed all the capital bids at the meetings held on 29 November 2016 and 17 January 2017. The new capital schemes for 2017/18 supported by Budget Planning Committee total £1.704 million are set out at **Appendix 4**. There are also £2.066 million of capital schemes for 2017/18 that were approved in previous years. It should also be noted that there are seven ongoing capital projects, and the capital programme shown in **Appendix 5**, includes an additional year in 2021/22 for these schemes, totalling £1.78 million.

**Table 5: Capital Financing**

Table 5: Capital Programme and Finance:	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>In Year Spend - Capital Programme</b>	<b>72,149</b>	<b>3,770</b>	<b>1,880</b>	<b>1,650</b>	<b>1,730</b>	<b>1,780</b>	<b>82,959</b>
<b>Financed By:</b>							
External Grant Funding - DFG	-375	-375	-375	-375	-375	-375	-2,250
External Grant Funding - Bicester Sports Village	-260	0	0	0	0	0	-260
Borrowing - Build Programme	-11,531	0	0	0	0	0	-11,531
Borrowing - Graven Hill	-44,428	0	0	0	0	0	-44,428
In Year - use of Capital Receipts	-15,555	-3,395	-1,505	-1,275	-1,355	-1,405	-24,490
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Capital Receipts	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Receipts balance brought forward	-3,161	0	-4,507	-4,082	-3,887	-7,107	-3,161
VAT Shelter and Right to Buy	-580	-580	-580	-580	-580	-580	-3,480
Other In Year Capital Receipts	0	-19,136	-500	-500	-3,995	-500	-24,631
In Year - use of Capital Receipts	15,555	3,395	1,505	1,275	1,355	1,405	24,490
Internal borrowing	-11,814	11,814	0	0	0	0	0
<b>Capital Receipts balance carried forward</b>	<b>0</b>	<b>-4,507</b>	<b>-4,082</b>	<b>-3,887</b>	<b>-7,107</b>	<b>-6,782</b>	<b>-6,782</b>

**Reserves 2017/18**

3.15 The Budget Planning Committee reviews reserves as part of the budget monitoring process, the impact, on reserves, of the proposed budget are shown at **Appendix 6**. The proposed use of existing earmarked reserves and contributions to reserves are highlighted in the appendix.

**Pension Fund – Lump Sum Contributions**

3.16 The triennial review of the Council's pension fund has been completed. There are three elements of pension contributions that the Council has to make:

1. A percentage which is added to employee costs, which is to fund the future cost of pensions for current employees. This percentage has increased from 13.9% to 14.9%.
2. A lump sum to fund historic pension costs for former employees. A schedule of payments for the next three years is shown in table 6 below.
3. An annual payment, currently £275,000 per year to fund the additional cost of employees who have been allowed to retire early, usually through ill-health.

3.17 Following discussion with the pension fund actuary, there is an opportunity for the Council to use reserves to make a one-off payment to fund 2 above. The one-off payment would be £4.71m and this would achieve a saving of £282,000 or 7.5% over the three annual payments.



**Table 6: Pension Fund Contributions**

Year	Original Proposed Schedule	Alternative One-off Option	Saving
	£'000	£'000	£'000
2017/18	1,657	4,710	3,053
2018/19	1,697	0	-1,697
2019/10	1,738	0	-1,738
<b>Total</b>	<b>5,092</b>	<b>4,710</b>	<b>-382</b>

- 3.18 If the Council were to continue with the proposed schedule, the level of return on the cash would be in the region of £25k to £30k. The net impact of the early payment is, therefore, around £350k.
- 3.19 The additional £3.053m could be funded up-front from reserves, and the amount repaid into reserves over the following two years.

### **The Future – Medium Term Financial Strategy 2018/19 to 2022/13**

- 3.20 The coming years will present further challenges which in the main will relate to the continued changes to government grants, business rates, local government reform and welfare reform. The Council has a strong track record and commitment to delivering efficiencies and this will continue in order to manage the challenges facing the authority in the future.
- 3.21 The forward planning together with the joint working with South Northamptonshire Council (and any other partners that we collaborate with), combined with our commitment to identifying alternative sources of income and commercial practice to provide financial independence strengthens our position to meet the forecast challenges of future years. The Council will update its MTRP forecast to be included in the 2017/18 budget book and this is shown at **Appendix 3**

### **Five Year Business Strategy, 2017/18 Business Plan, Performance Pledges and Cycle of Growth**

- 3.22 Appendix 7 sets out the corporate business plan, including the performance pledges for 2017/18 arising from the Council's five year strategy. These inform the development of the annual budget and direct operational business plans for all services. This plan was considered and supported by the Overview and Scrutiny Committee on 10 January 2017.
- 3.23 The five year Business Strategy, the Medium-term Financial Strategy, the Annual Business Plan, individual service business plans and ultimately the appraisal targets of all individual employees demonstrate that the council has a clear and robust "golden thread" between resource availability and delivery of the council's agreed strategic priorities. This is, in times of austerity, fundamental and will help us to provide effective leadership to all of our residents and businesses. It will also demonstrate that we are adopting a more mature and commercially aware approach to running our council.

- 3.24 The four strategic priorities of the five year strategic business strategy remain:
- District of Opportunity
  - Safe, Green, Clean
  - A Thriving Community
  - Sound Budgets and Customer Focused Council
- 3.25 After the budget, strategic priorities and the annual business plan have been considered by Executive, they will then be recommended to Full Council on 20 February, ahead of publication as formal documents to ensure they are available from March 2017.
- 3.26 The business plan forms the basis of the Council's performance management framework and progress will be reported quarterly.
- 3.27 Operational service plans set out detailed performance measures and targets for the forthcoming year. These will be finalised after Council has adopted the budget and business plan.

### **Cycle of Growth**

- 3.28 With a strong focus on the strategic priority of growth, we have now developed a suite of three new joint corporate strategies for Cherwell District Council and South Northamptonshire Council to sit alongside the respective strategic business plans.

Those three corporate strategies are:

- Operational excellence strategy
- Commissioning strategy
- Commercial development and innovation strategy

They are attached as **Appendix 8**.

- 3.29 As part of the operational excellence strategy we have developed a set of joint corporate values to add to the organisation culture. They are values that we expect to be demonstrated by the people who work for us and from our new partners and suppliers. The proposed joint corporate values, using the acronym "PRIDE" have been subject to consultation with JMT, the Manager's Forum and Unison.
- 3.30 Individually and collectively the three new corporate strategies represent the councils' cycle of growth, and will lead us towards financial independence, growth and sustainability. They will operate in tandem with one another to ensure the outcomes required in the strategic business plans and medium term revenue plans are achieved.
- 3.31 Operational excellence will be enhanced by our attitude to commercial awareness. Commercial success will be underpinned by the delivery of operational excellence. And they will be bound together by our approach to commissioning services.
- 3.32 Ultimately, the financial growth achieved through the successful delivery of these three strategies will enable further investment to improve the quality of life of our residents and economic growth of both areas.

## **Impact assessment**

- 3.33 An impact assessment of the 2017/18 budget, business plan and cycle of growth strategies has been carried out and is attached at **Appendix 9**.

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

- 4.1 The above narrative alongside the appendices represents the draft budget for 2017/18, business plan and cycle of growth strategies, including a set of new corporate values for approval by the Executive. If agreed, they will be recommended to Full Council on the 20 February and be considered alongside the setting of the 2017/18 Council Tax.

## **5.0 Consultation**

### **5.1 Public Consultation**

- 5.2 The development of the Council's corporate business plan and budget is shaped by undertaking public consultation including using the Citizen's Panel and an annual customer satisfaction survey.

- 5.3 In addition, the draft budget has been available on the Council's consultation portal for comment.

### **5.5 Other Consultation**

As part of our commitment to a whole Council approach to the setting of the budget and our priorities for the year ahead, the Council's Overview and Scrutiny Committee has been invited to help shape the proposed business plan and Pledges for 2017/18.

During its meeting on 18 January 2017, Scrutiny Committee offered a number of suggested changes to the draft business plan for 2017/18 which have subsequently been considered and incorporated.

The Budget Planning Committee has considered the budget through its meetings during July 2016 to February 2017.

The corporate values, forming part of the operational excellence strategy have been the subject of consultation with the Managers' Forum and Unison.

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

- 6.1 This report presents a final analysis of the Council's draft revenue and capital budget and business plan for 2017/18. They will be presented together to Full Council on the 20 February to support the setting of the Council Tax.

- 6.2.1 It is a legal requirement to set a balanced budget and the recommendations as set out and directed by the corporate business plan represent what is believed to be the best way of achieving this.

- 6.2.2 Members could decide not to agree the recommendations or to present alternative budget proposals but that would run counter to the detailed budget setting process that has taken place as part of the formulation of this budget.

## **7.0 Implications**

### **Financial and Resource Implications**

- 7.1 The financial effects of the revenue budget are identified in the report. The new capital schemes are detailed in **Appendix 4**. Any decisions made in relation to on-going expenditure or income in the budget for 2017/18 will have repercussions in future years when current forecasts indicate the financial environment is likely to become increasingly difficult. The Council has a statutory duty to set a balanced budget and could be subject to the intervention of the Secretary of State if it failed to do so.

Comments checked by:

George Hill, Corporate Finance Manager, 01295 221731

[george.hill@cherwellandsouthnorthants.gov.uk](mailto:george.hill@cherwellandsouthnorthants.gov.uk)

### **Legal Implications**

- 7.2. The Council is legally required to set a balanced budget which the recommendations will achieve if recommended by Executive and approved by Full Council. Due consideration of external responses to consultation is also required and I am informed has taken place as part of the budget process.

Comments checked by:

Kevin Lane, Head of Law and Governance, 0300 0030107

[kevin.lane@cherwellandsouthnorthants.gov.uk](mailto:kevin.lane@cherwellandsouthnorthants.gov.uk)

### **Risk Management**

- 7.3 The position to date highlights the relevance of maintaining a minimum level of reserves and budget contingency to absorb the financial impact of changes during the year. Any increase in risk will be escalated through the corporate risk register.

Comments checked by:

Ed Bailey, Corporate Performance Manager, 01295 221605

[edward.bailey@cherwellandsouthnorthants.gov.uk](mailto:edward.bailey@cherwellandsouthnorthants.gov.uk)

### **Equality and Diversity**

- 7.4 Impact assessments will be carried out in advance of setting the 2017/18 budget.

Comments checked by:

Caroline French, Business Transformation Project Officer, 01295 221586

[caroline.french@cherwellandsouthnorthants.gov.uk](mailto:caroline.french@cherwellandsouthnorthants.gov.uk)

## 8.0 Decision Information

### Key Decision

**Financial Threshold Met:** Yes

**Community Impact Threshold Met:** Yes

### Wards Affected

Not applicable

### Links to Corporate Plan and Policy Framework

Enhancing the Council Performance

### Lead Councillors

Councillor Barry Wood, Leader of the Council &  
Councillor Ken Atack – Lead Member for Financial Management

### Document Information

Appendix No	Title
Appendix 1	Budget Guidelines 2017/18
Appendix 2	Revenue Budget Summary and “high level walk” 2016/17 to 2017/18
Appendix 3	MTRP 2016/17 to 2021/22
Appendix 4	New Capital Bids 2017/18
Appendix 5	Capital Programme 2017/18
Appendix 6	Proposed Reserves 2017/18
Appendix 7	Business Plan and Pledges 2017/18
Appendix 8	Cycle of Growth Strategies: i. Operational Excellence ii. Commercial Development and Innovation iii. Commissioning.
Appendix 9	Business Plan, Budget and Cycle of Growth Equality Impact Assessments
<b>Background Papers</b>	
None	
<b>Report Author</b>	Paul Sutton, Chief Finance Officer, Scott Barnes, Director – Strategy and Commissioning and , Joanne Pitman, Head of Transformation
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## **GUIDELINES FOR THE PREPARATION OF THE 2016/17 BUDGET**

### **Principles**

- Protect Frontline Services
- Focus attention on corporate and service priorities and improving performance
- Maximise joint working potential and commercialisation income
- Maximise procurement opportunities and contract negotiations

These budget guidelines have been developed within a consistent corporate framework to ensure:

- implementation of agreed savings and efficiency proposals
- resources are allocated to Council priorities
- inappropriate competition between services for resource allocations is minimised
- a transparent method for charging a fair cost between internal Council services.

The guidelines are designed to positively encourage managers and elected members to do the following:

- bring forward ideas and options to make more effective use of existing resources, clearly identifying how the ideas may develop over a 3-year period, including any requirements for pump priming money.
- link the budget setting process to Service Plans and the requirement for the identification of options, which will produce efficiency savings.
- focus attention on corporate and service priorities and improving performance.

### **Budget Deliverables**

1. Prepare and submit draft revenue estimates for 2017/18 and the next 4 years (5 year forecast) which fully reflect the service priority and consultation event findings and match the current duration of the MTRP.
2. Prepare and submit a draft 5 year capital programme. All schemes to carry a full project appraisal including strategic objective, priority, value for money assessment, and details of any revenue impacts. In particular the phasing of expenditure over the life of the project, so as to minimize slippage. All capital project appraisals will be validated by the Budget Planning Committee. All schemes previously approved to start in 2017/18 and onwards will be carried through for consideration.
3. The 2016/17 projected outturn at September 2016, adjusted to take account of the full year effect of savings identified in setting the 2017/18 budget, and one off items will be assumed to be the “**base budget**”.

## Budget Timetable

The revenue and capital budget is agreed by full Council before 11 March each year. The 2017/18 budget will be considered at Council in February 2017.

## Revenue Budget Guidelines

### Income

In building income budgets it is essential that a realistic assessment of income achievement is undertaken. Budget holders should use their knowledge of past trends and current market conditions in assessing income levels for the future and the scope for increases in fees and charges.

It is important to look at not only financial information but also non-financial information such as activity data on customer usage and trends to help build realistic income estimates.

Variations to the existing approved budget for income must be clearly identified and explained.

Variations in fees and charges need to be considered taking into account the Council's priorities and objective to ensure that proposals are consistent with these priorities and objectives.

### Growth

- It is the aspiration that the net impact of all growth items should be **ZERO**.
- Growth arising from changes in legislation / regulation or service planning will **ONLY** be allowed if it is fully funded by transferring resources within the same service or from within the same Directorate. Any such transfer either within the same service or the same Directorate can only come from demonstrably lower priority services. A growth proforma should be completed detailing full requirements.

**Financial assumptions** - should be used in estimating changes in expenditure and income over the medium term.

- Provide for general inflation in 2017/18 on all expenditure (excl payroll) and fees and charges as per forecasts in our MTRP model and will be used in the budget module as below:

Year	CPI %	Budget %
2017/18	1.0%	1.5%
2018/19	2.0%	2.5%
2019/20	2.4%	2.9%
2020/21	2.4%	2.9%
2021/22	2.4%	2.9%

Current CPI at July 2016 is 0.6%



- Payroll – payroll inflation is included at the following levels:

Year	%
2017/18	2.0%
2018/19	2.0%
2019/20	2.0%
2020/21	2.0%
2021/22	2.0%

- Interest rates should be forecasted as below:

Year	Bank of England forecast	Arlingcl ose forecast
2017/18	0.25%	0.25%
2018/19	0.10%	0.25%
2019/20	0.10%	0.25%
2020/21	0.25%	0.50%
2021/22	0.50%	0.75%

***All financial indices above are subject to further review in the budget process and may be subject to change.***

### **Budget Process: Base Budget Review and Savings**

The budget for 2017/18 will be based on the same methodology as for 2016/17. Directorates will not be asked to take their base budget and prepare a range of savings options of up to 20%, this year the process will be based on a Base Budget Review (BBR).

The BBR will still use historical data, but will not have the presumption that the service **NEEDS** the same resources and budgets.

The following factors will be used to produce a 3-year Directorate budget:

- Trend Analysis – variance review of the last three years expenditure / income to identify any that should be captured in the budget.
- In Year Monitoring – what does the current budget monitoring identify in terms of variances that should be captured in the budget;
- Challenge – Finance staff will work with budget holders using the the above tools to provide support and challenge to ensure budgets are based upon need.

### **Efficiencies from Joint Working**

In the last 10 years the Council has successfully generated efficiency savings from across the organisation to limit the impact on front line services and set a year on year balanced budget.

Government cuts and service pressures are expected to continue well into the medium term and in millions not thousands. This cannot be sustained through a continuation of driving traditional efficiency savings. The Council must adopt new ways of delivering more collaborative and commercial services if it to

continue to be sustainable in the medium term and delivering high quality services.

The Council has signed up to a Confederation Model, which gives the maximum flexibility and the best organisational structures for delivering services as a group of Councils. We can trade within rules that mean we can contract with companies without procurement costs (Teckal) and decide together which companies to put into these arrangements.

We plan to do this incrementally but we must ensure that there are sufficient solutions and savings being generated to balance the budget in the short and medium term. Matching these elements will be crucial to future financial sustainability.

### **Commercialisation**

The Confederation Approach will drive a more commercial perspective to existing services where appropriate but there must also be a drive to new and innovative ways of generating income. The Transformation Workstreams are already in place and a number of workstream savings have been included in the budget for 2016/17.

With interest rates at historically low levels, with possible cuts to come, the Council needs to explore options for better use of cash held. Options currently being considered include a commercial local housing company. Such commercial opportunities will produce a return significantly higher than market interest rates.

### **Capital programme Guidelines**

- Capital resources are reducing over the life of the MTRP. The development of 5-year rolling capital programme and resources should be drawn up within the context of the following objectives:
  1. The generation of additional reserves and balances, with appropriate contingencies.
  2. Opportunities to invest to save.
  3. Maintaining Council assets and the Council's infrastructure to agreed standards.
- A capital project appraisal is required for each bid and this will be validated by the Budget Planning Committee who will make recommendations for schemes to be included in the 2017/18 capital programme. All schemes previously approved to start in 2017/18 and onwards will be carried through for consideration.

### **Procurement**

When setting both the 2017/18 budget and future years, regard should be given to the Corporate Procurement Strategy and the Council's Contract Procedure rules. In particular, budgets and projections should be based on Corporate and agreed framework contracts. Further advice and guidance can be obtained from the Council's Procurement Team.

### **Risk**

The budget process is fundamental to the Council's financial management regime and Members need to be assured that all pertinent issues are properly considered when making key decisions on the Council's future finances.

In drawing up revenue budget proposals, risk assessments should be undertaken to test the robustness of proposals and to identify key factors which may impact on the proposals put forward. Where appropriate action plans should be put in place to manage/mitigate the risks identified – this may include a risk provision within the budget which can be calculated by your service accountant.

With a £11m Revenue Budget covering all the Council's services and activities, the potential for an issue to be missed or not considered properly will always be there. The budget process is designed to minimise this risk and throughout the process there are frequent meetings with Joint Management Team and Cabinet to progress and any changes and developments.

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Revenue Budget 2017-18	Budget 2016/17 £'000	Proposed Budget 2017/18 £'000	Movement Movement £'000	Movement %
<b>Chief Executive</b>	<b>173</b>	<b>187</b>	<b>14</b>	<b>8%</b>
<b>Commercial Development</b>				
Bicester Regeneration Project	1,163	1,190	27	2%
Regeneration & Housing	1,642	2,263	621	38%
Human Resources	524	555	31	6%
Information Services	1,497	1,637	140	9%
Business Transformation	278	300	22	8%
<b>Sub Total</b>	<b>5,104</b>	<b>5,945</b>	<b>841</b>	<b>16%</b>
<b>Finance and Procurement</b>	<b>1,148</b>	<b>1,398</b>	<b>250</b>	<b>22%</b>
<b>Strategy &amp; Commissioning</b>				
Strategic Planning Economy	1,124	1,201	77	7%
Development Management	296	585	289	98%
Communications & Corp Perf	295	318	23	8%
Business Support Unit	87	90	3	3%
Performance	197	180	(17)	-9%
Law and Governance	1,040	1,093	53	5%
<b>Sub Total</b>	<b>3,038</b>	<b>3,467</b>	<b>429</b>	<b>14%</b>
<b>Community and Environment</b>				
Community Services	5,162	5,176	14	0%
Environmental Services	4,913	5,454	541	11%
<b>Sub Total</b>	<b>10,075</b>	<b>10,630</b>	<b>555</b>	<b>6%</b>
<b>NET COST OF SERVICES</b>	<b>19,538</b>	<b>21,627</b>	<b>2,089</b>	<b>11%</b>
Transfers to/from Reserves NHB	2,030	2,373	343	17%
Transfers to/from reserves	(1,924)	(4,850)	(2,926)	-152%
Transfers to General Fund Balance	688	492	(196)	-28%
Interest on Investments (including Graven Hill)	(150)	(1,954)	(1,804)	-1203%
Pension Fund - Historic Costs	1,847	4,985	3,138	170%
Depreciation adjustment	(4,002)	(4,002)	0	0%
<b>NET BUDGET REQUIREMENT</b>	<b>18,027</b>	<b>18,671</b>	<b>644</b>	<b>4%</b>
<b>CDC: FUNDING</b>				
<b>Formula Grant Equivalent</b>				
Business Rates Baseline	(3,495)	(3,564)	(69)	-2%
Revenue Support Grant	(1,851)	(1,105)	746	40%
<b>Sub Total</b>	<b>(5,346)</b>	<b>(4,669)</b>	<b>677</b>	<b>-13%</b>
<b>Grants Awarded</b>				
Transfer to Parish Councils for CTRS	349	349	0	0%
New Homes Bonus	(3,851)	(4,468)	(617)	-16%
<b>Sub Total</b>	<b>(3,502)</b>	<b>(4,119)</b>	<b>(617)</b>	<b>18%</b>
<b>Business Rates Growth</b>				
Retained Business Rates	(2,114)	(2,231)	(117)	-6%
Pooling Gain	(1,869)	(1,562)	307	16%
Renewable Energy	(244)	(213)	31	13%
S31 Inflation Cap	(108)	0	108	100%
NNDR Collection Fund Deficit	1,555	648	(907)	58%
<b>Sub Total</b>	<b>(2,780)</b>	<b>(3,358)</b>	<b>(578)</b>	<b>-21%</b>
<b>Council Tax Income</b>				
Baseline	(6,219)	(6,219)	0	0%
Taxbase increase	0	(158)	(158)	0%
Council Tax Increase by £5	0	0	0	0%
Collection Fund	(180)	(148)	32	-18%
<b>Sub Total</b>	<b>(6,399)</b>	<b>(6,525)</b>	<b>(126)</b>	<b>-2%</b>
<b>TOTAL INCOME</b>	<b>(18,027)</b>	<b>(18,671)</b>	<b>(644)</b>	<b>-4%</b>
<b>(SURPLUS) / DEFICIT</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Tax Base</b>	49,506	51,639.5	2,133	-4%
<b>Band D Council Tax</b>	£123.50	£123.50	£0.00	0%
<b>CDC: Analysis of Budget Movements</b>				<b>Movement £000</b>
<b>Payroll:</b>				
- Pay Award				220
- Increments				175
- Employers Pension Contributions - increase from 13.7% to 14.9%				250
- Apprenticeship Levy				40
				<b>685</b>
<b>Contract Inflation</b>				<b>120</b>
<b>Business Cases:</b>				
- Property & Investment Services Team restructure				149
- ICT restructure				120

- Revenues & Benefits	-134
- Other	-65
	<b>70</b>
<b>Commercial Development:</b>	
- Castle quay income has been revised and adjusted to reflect current and projected occupancy levels	350
- Homelessness increase in cases	56
	<b>406</b>
<b>Operations &amp; Delivery:</b>	
- Environmental Services, Included in MTRP - growth in properties	125
	295
- Environmental Services, Increased sickness cover & Bank Holiday working & training	
	<b>420</b>
<b>Strategy &amp; Commissioning:</b>	
- Reduced Planning Income	250
	<b>250</b>
<b>System Replacement, Upgrade, Enhancement:</b>	
- Revenues & Benefits, Finance, HR, Commercial, Customer Services	54
<b>Minor increases in a number of services:</b>	
- All service areas	84
<b>Pension Fund Contribution - Historic Cost</b>	<b>3,138</b>
<b>One-off Costs Funded from Reserves:</b>	
- Revenues & benefits, cost of joint service & teckel company	200
- Tenancy Support Officer & Housing Needs Survey	46
- Planning - fixed contract staff	94
- Bid writer	11
- Local Plan Costs	370
- Regeneration - Eco Town, garden Town	1,076
- Additional Pension Contribution	3,053
- Use of Earmarked reserves 2017/18	-4,850
	<b>0</b>
<b>Other Funding:</b>	
- Net Transfer to Reserves	-2,779
- Interest on Balances	-1,804
	<b>-4,583</b>
<b>Increase in Net Budget Requirement</b>	<b>644</b>
<b>Total Income</b>	
- Formula Grant equivalent	677
- New Homes Bonus	-617
- Business Rates Growth	-578
	<b>-518</b>
<b>Council Tax:</b>	
- Taxbase Increase	-158
- Increase in Council Tax	0
- Collection Fund Surplus	32
	<b>-126</b>
<b>Increase in Total Income</b>	<b>-644</b>

**CHERWELL DISTRICT COUNCIL**  
**MEDIUM TERM REVENUE PLAN ASSUMPTIONS - 2016/17 - 2021/22**

	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021/22 £000
<b>EXPENDITURE</b>						
Approved base budget	18,260	19,538	21,627	20,386	21,201	21,875
<b>Unavoidable pressures</b>						
Contract Inflation	0	64	68	70	72	74
Demand led increases	0	56	56	56	56	56
Pay inflation	0	250	255	260	265	270
Pay increments	0	175	177	179	181	183
Pension Costs - Current	0	226	0	0	100	100
Apprenticeship Levy	0	40	0	0	0	0
Waste & Recycling	125	0	0	250	0	0
<b>Total budget pressures</b>	<b>125</b>	<b>811</b>	<b>556</b>	<b>815</b>	<b>674</b>	<b>683</b>
<b>Additional Income &amp; One-off Items</b>						
Leisure Contract Savings	(276)	0	0	0	0	0
Bicester Projects (Funded from Reserve)	1,110	857	(1,076)	0	0	0
Local Plan (Funded from Reserve)	370	0	(370)	0	0	0
Planning Salaries (Funded from Reserves)	98	94	(94)	0	0	0
Revenues & Benefits (Funded from Reserves)	0	200	(200)	0	0	0
Other items (Funded from Reserves)	0	57	(57)	0	0	0
<b>Total Budget Changes</b>	<b>1,302</b>	<b>1,208</b>	<b>(1,797)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Joint Business Case Changes</b>						
Customer Services	(31)	(10)	0	0	0	0
Public Protection	(118)	(11)	0	0	0	0
ICT - 3-way to 2-way (available Dec)		120	0	0	0	0
Legal - 3-way to 2-way (available Dec)		0	0	0	0	0
Revenues & Benefits		(134)	0	0	0	0
Community & Leisure Services		(44)	0	0	0	0
Property & Investment		149	0	0	0	0
Housing & Planning (available Dec)			0	0	0	0
<b>Total Joint Business Case Savings</b>	<b>(149)</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET COST OF SERVICES</b>	<b>19,538</b>	<b>21,627</b>	<b>20,386</b>	<b>21,201</b>	<b>21,875</b>	<b>22,558</b>
Transfers to/from reserves (NHB)	2,030	2,373	2,090	2,480	2,510	2,350
Transfers to/from reserves (Pension)	0	0	1,527	1,526	0	0
Transfers to/from reserves	(1,924)	(4,850)	0	0	0	0
Transfers to General Fund Balance	688	492	0	0	0	0
Interest on Investments	(150)	(1,954)	(2,000)	(2,000)	(2,000)	(2,000)
Pension Costs - Historic	1,847	4,985	275	275	2,000	2,000
Depreciation Adjustment	(4,002)	(4,002)	(4,002)	(4,002)	(4,002)	(4,002)
<b>NET BUDGET REQUIREMENT</b>	<b>18,027</b>	<b>18,671</b>	<b>18,276</b>	<b>19,480</b>	<b>20,383</b>	<b>20,906</b>
<b>FUNDING</b>						
Business Rates Baseline	(3,495)	(3,564)	(3,669)	(3,786)	(3,900)	(4,017)
Revenue Support Grant	(1,851)	(1,105)	(637)	(114)	0	0
<b>Formula grant equivalent</b>	<b>(5,346)</b>	<b>(4,669)</b>	<b>(4,306)</b>	<b>(3,900)</b>	<b>(3,900)</b>	<b>(4,017)</b>
Transfer to Parish Councils - CTRS	349	349	349	349	349	349
New Homes Bonus	(3,851)	(4,468)	(4,046)	(4,871)	(4,965)	(4,706)
	(3,502)	(4,119)	(3,697)	(4,522)	(4,616)	(4,357)
<b>Business Rates:</b>						
Retained Business Rates	(2,114)	(2,231)	(2,021)	(1,815)	(1,730)	(1,735)
Pooling Gain	(1,869)	(1,562)	(1,415)	(1,141)	(1,181)	(1,215)
Renewable Energy	(244)	(213)	(299)	(314)	(330)	(346)
S.31 Inflation Cap	(108)	0	0	0	0	0
NNDR Collection Fund Deficit	1,555	648	548	0	0	0
	(2,780)	(3,358)	(3,187)	(3,270)	(3,241)	(3,296)
	<b>(11,628)</b>	<b>(12,146)</b>	<b>(11,190)</b>	<b>(11,692)</b>	<b>(11,757)</b>	<b>(11,670)</b>
<b>Council Tax income</b>						
Baseline	(6,219)	(6,219)	(6,377)	(6,488)	(6,601)	(6,716)
Taxbase increase	0	(158)	(111)	(113)	(115)	(117)
Council Tax Increase	0	0	0	0	0	0
Collection Fund	(180)	(148)	(150)	(150)	(150)	(150)
<b>TOTAL INCOME</b>	<b>(18,027)</b>	<b>(18,671)</b>	<b>(17,828)</b>	<b>(18,443)</b>	<b>(18,623)</b>	<b>(18,653)</b>
<b>FUNDING GAP</b>	<b>0</b>	<b>(0)</b>	<b>448</b>	<b>1,037</b>	<b>1,760</b>	<b>2,253</b>

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Ref	Project	Portfolio Holder	Service Head	Service Manager	Total Project Cost £'000	Spend Profile						Annual Revenue Cost				
						2017/18				2018/19 £'000	2019/20 £'000	2020/21 £'000	Savings £'000	Cost £'000	Capital Cost £'000	Total £'000
						Q.1 £'000	Q.2 £'000	Q.3 £'000	Q.4 £'000							
1	Bicester Leisure Centre - Access Road Improvements	Cllr George Reynolds	Ian Davies	Sharon Bolton	33		33						0	0	2	2
2	Cooper School Performance hall - Roof, Floor & Seating	Cllr George Reynolds	Ian Davies	Sharon Bolton	136		136						0	0	7	7
3	North Oxfordshire Academy - Astro Turf Pitch Replacement	Cllr George Reynolds	Ian Davies	Sharon Bolton	340		340						0	0	17	17
4	North Oxfordshire Academy - Replacement Floodlights	Cllr George Reynolds	Ian Davies	Sharon Bolton	95		95						0	0	5	5
5	North Oxfordshire Academy - Sports Pavilion Improvements	Cllr George Reynolds	Ian Davies	Sharon Bolton	20	20							0	0	1	1
6	Replacement Booking System	Cllr George Reynolds	Ian Davies	Sharon Bolton	60	60							0	12	3	15
7	Car Parks Improvement Project	-	Ian Davies	-	650	650							0	0	33	33
	<b>Community Services</b>				<b>1,334</b>	<b>730</b>	<b>604</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>68</b>	<b>80</b>
8	Banbury Health Centre - Refurbishment of Ventilation, Heating & Cooling Systems	Cllr Lynn Pratt	Chris Stratford	Louisa Butters	270	65	65	70	70				0	0	14	14
9	Thorpe Way Industrial estate - Roof & Roof Lights	Cllr Lynn Pratt	Chris Stratford	Louisa Butters	100		50	50					0	0	5	5
	<b>Regeneration &amp; Housing</b>				<b>370</b>	<b>65</b>	<b>115</b>	<b>120</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>19</b>
	<b>Total</b>				<b>1,704</b>	<b>795</b>	<b>719</b>	<b>120</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>87</b>	<b>99</b>

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Cherwell District Council																		
Proposed Capital Programme - 2017/18																		
Project Description	Year Approved	Project Owner	2016/17					2017/18				2018/19	2019/20	2020/21	2021/22	Total		
			Slippage B/Fwd	New Projects	Total Approved	Adjustments	Total	Existing Capital Projects	New Bids	Adjustments	Total							
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000						£'000	£'000
South West Bicester Sports Village	2011/12	Phil Rolls	955	0	955	-955	0									0		
Bicester Sports Village	2015/16	Phil Rolls	790	45	835	-835	0									0		
Whitelands Farm Sports Village	-	Sharon Bolton				1,790	1,790									1,790		
Biomass Heating for Bicester Leisure Centre	2012/13	Sharon Bolton	84	0	84		84									84		
Community Centre Refurbishments	2013/14	Phil Rolls	84	0	84		84									84		
Solar Photovoltaics at Sports Centre	2013/14	Sharon Bolton	80	0	80		80									80		
Football Development Plan in Banbury	2013/14	Phil Rolls	20	0	20		20									20		
Car Park Refurbishments	2013/14	Natasha Barnes	5	0	5		5									5		
Implementing Vehicle Parks Proposals	2013/14	Natasha Barnes	17	0	17		17									17		
Cooper Sports Hall Roof	2014/15	Sharon Bolton	100	0	100		100									100		
Customer Self-Service Portal and CRM Solution	2014/15	Natasha Barnes	80	0	80		80									80		
North Oxfordshire Academy Astroturf	2014/15	Sharon Bolton	150	0	150		150									150		
Stratfield Brake Repair Works	2014/15	Sharon Bolton	22	0	22		22									22		
The Hill Youth & Community Centre	2015/16	Nicola Riley	400	450	850		850									850		
WGLC Dry Side Refurbishment	2016/17	Sharon Bolton	100	1,200	1,300		1,300									1,300		
Bicester Leisure Centre Extension	2016/17	Sharon Bolton	0	150	150		150									150		
Spiceball Leisure Centre Bridge Re-surfacing	2016/17	Sharon Bolton	0	30	30		30									30		
Bicester Leisure Centre - Access Road Improvements	2017/18	Sharon Bolton					0									33		
Cooper School Performance Hall - Roof, Floor & Seating	2017/18	Sharon Bolton					0			136						136		
North Oxfordshire Academy - Astro Turf Pitch Replacement	2017/18	Sharon Bolton					0			340						340		
North Oxfordshire Academy - Replacement Floodlights	2017/18	Sharon Bolton					0			95						95		
North Oxfordshire Academy - Sports Pavilion Improvements	2017/18	Sharon Bolton					0			20						20		
Replacement Booking System	2017/18	Sharon Bolton					0			60						60		
Car Parks Improvement Project	2017/18	Ian Davies					0			650						650		
<b>Community Services</b>			<b>2,887</b>	<b>1,875</b>	<b>4,762</b>	<b>0</b>	<b>4,762</b>	<b>0</b>	<b>1,334</b>	<b>0</b>	<b>1,334</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,096</b>		
Glass Bank Recycling Scheme	2012/13	Ed Potter	8	0	8		8									8		
Energy Efficiency Projects	2014/15	Ed Potter	24	0	24		24									24		
Recycling Bank Scheme	2014/15	Ed Potter	5	0	5		5									5		
Public Conveniences	2015/16	Ed Potter	25	0	25		25									25		
Off Road Parking Facilities	2015/16	Ed Potter	18	0	18		18									18		
Wheeled Bin Replacement Scheme	2016/17	Ed Potter	0	240	240		240									240		
Urban Centre Electricity Installations	2016/17	Ed Potter	0	30	30		30									30		
Vehicle Replacement Programme	Annual	Ed Potter	15	933	948		948	959		0		0	959	740	620	700	750	4,717
<b>Environmental Services</b>			<b>95</b>	<b>1,203</b>	<b>1,298</b>	<b>0</b>	<b>1,298</b>	<b>959</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>959</b>	<b>740</b>	<b>620</b>	<b>700</b>	<b>750</b>	<b>5,067</b>	
Extended Contract for Website Hosting	2012/13	Tim Spiers	36	0	36	-36	0									0		
Visualfiles Upgrade	2013/14	Tim Spiers	32	0	32		32									32		
Corporate Bookings System	2014/15	Tim Spiers	8	0	8		8									8		
Land & Property Harmonisation	2014/15	Tim Spiers	77	0	77		77	77								154		
Microsoft Licensing Agreement	2015/16	Tim Spiers	39	0	39		39						110			149		
VMware Virtual Centre Disaster Recovery Manager	2015/16	Tim Spiers	35	0	35		35									35		
Sharepoint - Joint Bid with SNC (split 50:50)	2015/16	Tim Spiers	0	0	0		0									0		
Website Redevelopment	2016/17	Tim Spiers	0	66	66	36	102									102		
5 Year Rolling HW / SW Replacement Prog	Annual	Tim Spiers	0	50	50		50	50					50			300		
Business Systems Harmonisation Programme	Annual	Tim Spiers	0	40	40		40	40					40	40	40	240		
<b>Transformation</b>			<b>227</b>	<b>156</b>	<b>383</b>	<b>0</b>	<b>383</b>	<b>167</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>167</b>	<b>200</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>1,020</b>	
HR / Payroll System replacement	2015/16	Paul Sutton	38	0	38		38									38		
Revenues and Benefits ICT Implementation	2016/17	Paul Sutton				125	125									125		
<b>Finance &amp; Procurement</b>			<b>38</b>	<b>0</b>	<b>38</b>	<b>125</b>	<b>163</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>163</b>		
Improvements to Amenities to Orchard Way Shops - Solihull	2011/12	John Slack	25	0	25		25									25		
Bicester Cattle Market Car Park Phase 2	2011/12	Linda Barlow	90	0	90		90									90		
Old Bodicote House	2011/12	Linda Barlow	73	0	73		73									73		
Bicester Town Centre Redevelopment	2011/12	Karen Curtin	99	0	99		99									99		
Kidlington High Street Pedestrianisation	2011/12	Karen Curtin	2	0	2		2									2		
Build Programme	2012/13	Chris Stratford	11,531	0	11,531		11,531									11,531		
23&24 Thorpe Place Roof Lights	2013/14	Linda Barlow	4	0	4		4									4		
Condition Survey Works - Solihull	2013/14	Linda Barlow	176	0	176		176									176		
Bradley Arcade Roof Repairs - Solihull	2014/15	Linda Barlow	98	0	98		98									98		
Upgrade to Uninterrupted Power Supply & Back up - Solihull	2014/15	Linda Barlow	337	0	337		337									337		
Empty Homes - Work-in-default (Recoverable)	2014/15	Tim Mills	100	0	100		100									100		
East West Railways	2015/16	Scott Barnes	290	290	580		580	290				290	290	290	290	2,030		
Woodgreen - Condition Survey Works	2015/16	Linda Barlow	30	0	30		30									30		
Banbury Museum - Emergency Lighting Replacement	2015/16	Linda Barlow	70	0	70		70									70		
Orchard Way Shopping Arcade - front service area - Solihull	2015/16	John Slack	300	0	300		300									300		
Units 21 & 23 Thorpe Place - Replacement of Roof Lights	2015/16	Linda Barlow	45	0	45		45									45		
Bodicote House - Access Control System	2015/16	Linda Barlow	27	0	27		27									27		
Thorpe Lane Depot - CCTV Replacement - Solihull	2015/16	Linda Barlow	40	0	40		40									40		
Bodicote House - CCTV Upgrade - Solihull	2015/16	Linda Barlow	15	0	15		15									15		
Banbury Bus Station - Refurbishment - Solihull	2016/17	Linda Barlow	0	90	90		90									90		

Cherwell District Council																
Proposed Capital Programme - 2017/18																
Project Description	Year Approved	Project Owner	2016/17					2017/18				2018/19	2019/20	2020/21	2021/22	Total
			Slippage B/Fwd	New Projects	Total Approved	Adjustments	Total	Existing Capital Projects	New Bids	Adjustments	Total					
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000					
Banbury Museum - Refurbishment Programme - Solihull	2016/17	Linda Barlow	0	250	250		250									250
Community Buildings - Remedial Works - Solihull	2016/17	Linda Barlow	0	150	150		150									150
Car Parks Resurfacing - Solihull	2016/17	Linda Barlow	0	100	100		100									100
Ferriston Shopping Parade - Resurface Car park - Solihull	2016/17	Linda Barlow	0	40	40		40									40
Spiceball Riverbank Reinstatement	2016/17	Linda Barlow	0	50	50		50									50
Bolton Road Car Park	2016/17	Jane Norman	0	0	0	700	700									700
Disabled Facilities Grants	Annual	Tim Mills	81	750	831		831	375			375	375	375	375		2,706
Discretionary Grants for Domestic Properties	Annual	Tim Mills	229	275	504		504	275			275	275	275	275		1,879
Banbury Health Centre - Refurbishment of Ventilation, Heating & Cooling Systems	2017/18	Louisa Butters					0		270		270					270
Thorpe Way Industrial estate - Roof & Roof Lights	2017/18	Louisa Butters					0		100		100					100
<b>Regeneration &amp; Housing</b>			<b>13,662</b>	<b>1,995</b>	<b>15,657</b>	<b>700</b>	<b>16,357</b>	<b>940</b>	<b>370</b>	<b>0</b>	<b>1,310</b>	<b>940</b>	<b>940</b>	<b>940</b>	<b>940</b>	<b>21,427</b>
Bicester Community Building	-	Karen Curtin	758	0	758		758				0					758
Graven Hill		Karen Curtin	23,328	21,100	44,428		44,428				0					44,428
NW Bicester Eco Business Centre	2016/17	Karen Curtin	0	4,000	4,000		4,000				0					4,000
<b>Bicester Regeneration Projects</b>			<b>24,086</b>	<b>25,100</b>	<b>49,186</b>	<b>0</b>	<b>49,186</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49,186</b>
<b>Total</b>			<b>40,995</b>	<b>30,329</b>	<b>71,324</b>	<b>825</b>	<b>72,149</b>	<b>2,066</b>	<b>1,704</b>	<b>0</b>	<b>3,770</b>	<b>1,880</b>	<b>1,650</b>	<b>1,730</b>	<b>1,780</b>	<b>82,959</b>

**Cherwell District Council  
Reserves - 2017/18 Budget**

Reserve	Service Owner	Statutory Accounts Balance 31- Mar-16	Transfer In	Transfer Out	Year End Review of Reserves	Estimated Balance 31-Mar-2017 Post Review	Draft Budget Use of Reserves 2017/18	Draft Budget Cont'ns to Reserves 2017/18	Estimated Balance 31- Mar-18
		£000	£000	£000	£000	£000	£000	£000	£000
<b>General Fund:</b>									
Building Control	Andy Kidd	(100)				(100)			(100)
Capacity Funding	Karen Curtin	(88)	(217)	148		(157)	157		0
Car Park Studies	Ian Davies	(185)		50	135	0			0
Corporate IT	Tim Spiers	(143)				(143)			(143)
Corporate Transformation	Paul Sutton	(866)				(866)			(866)
Country Park Reserve	Kevin Larnar	(100)				(100)			(100)
Elections	James Doble	(109)				(109)			(109)
Environmental Warranties	Paul Sutton	(1,000)				(1,000)			(1,000)
General Fund Items	Paul Sutton	(270)				(270)			(270)
Graven Hill Equalisation Reserve	Paul Sutton	(3,396)			2,336	(1,060)			(1,060)
Hanwell Fields Open Space	Andy Preston / Lewis Bankes-Hughes	(79)				(79)			(79)
Housing Reserve	Marianne North	(220)	100			(120)	46		(74)
Work in Default reserve	Tim Mills		(100)			(100)			(100)
Joint External Bid-writer	Karen Curtin	(30)		11		(19)	11		(8)
Licensing	Nicolas Sutcliffe	(146)				(146)			(146)
Local Plan Charges	Adrian Colwell	(512)	(400)	370		(542)	370		(172)
NHB - Affordable Housing	Chris Stratford	(415)	(381)			(796)		(278)	(1,074)
NHB - Economic Development	Adrian Colwell	(1,428)	(1,650)			(3,078)		(2,095)	(5,173)
NHB - Superfast Broadband	Adrian Colwell	(727)				(727)			(727)
Planning Control	Andy Preston	(750)		142		(608)	94		(514)
Corporate Projects	Paul Sutton	(674)				(674)			(674)
Retained Business Rates	Mandy Anderson	(2,205)				(2,205)			(2,205)
Sainsbury's Primary Authority	Jackie Fitzsimons	(55)		20		(35)			(35)
Self Insurance	Paul Sutton	(160)				(160)			(160)
VAT Deminimus	Paul Sutton	(500)				(500)			(500)
Welfare Reform	Belinda Green	(99)				(99)			(99)
Wheeled Bin Replacements	Ed Potter	(111)				(111)			(111)
<b>NEW Queens 90th Birthday Grants (From general Fund)</b>	Kevin Larnar	0	(40)			(40)			(40)
<b>NEW Devolution Viability Work (From General Fund)</b>	James Doble	0	(50)			(50)			(50)
<b>NEW Joint Revenues &amp; Benefits (From General Fund)</b>	Belinda Green	0	(200)			(200)	200		0
<b>NEW Healthy New Towns (From General Fund)</b>	Ian Davies	0	(20)			(20)	7		(13)
<b>NEW Horton General Towns (From General Fund)</b>	Ian Davies	0	(50)			(50)			(50)
<b>NEW Museum development (From General Fund)</b>	Ian Davies	0	(30)			(30)			(30)
<b>NEW Joint Regeneration &amp; Housing Service (From General Fund)</b>	Chris Stratford	0	(90)			(90)			(90)
<b>Pension Contributions</b>	Paul Sutton	0		3,053	(3,053)	0			0
<b>General Fund Earmarked Reserves</b>		<b>(14,368)</b>	<b>(3,128)</b>	<b>3,794</b>	<b>(582)</b>	<b>(14,284)</b>	<b>885</b>	<b>(2,373)</b>	<b>(15,772)</b>

**Cherwell District Council  
Reserves - 2017/18 Budget**

Reserve	Service Owner	Statutory Accounts	Transfer In	Transfer Out	Year End Review of Reserves	Estimated Balance	Draft Budget Use of Reserves 2017/18	Draft Budget Cont'ns to Reserves 2017/18	Estimated
		Balance 31-Mar-16				31-Mar-2017 Review			Balance 31-Mar-18
		£000	£000	£000	£000	£000	£000	£000	£000

<b>Earmarked Reserves from Grants &amp; Contributions</b>									
Active Women Grant	Sharon Bolton	(22)				(22)			(22)
Area Based Grant	Ed Bailey (Performance)	(83)				(83)			(83)
Bicester Fields Main Park	Andy Preston / Lewis Bankes-Hughes	(97)				(97)			(97)
Brighter Futures - Skills Reward Grant	Nicola Riley	(95)				(95)			(95)
Bicester Garden Town	Karen Curtin	(1,521)		638		(883)	629		(254)
Bicester Youth Bus	Mike Grant	(65)				(65)			(65)
Broadfield Road Yarnton Sports	Andy Preston / Lewis Bankes-Hughes	(4)				(4)			(4)
Corporate Training	Paula Goodwin	(48)				(48)			(48)
Courtyard Youth Arts	Nicola Riley	(39)				(39)			(39)
Credit Union Development Officer	Belinda Green/Marianne North	(23)				(23)			(23)
Dovecote Milcombe	Andy Preston / Lewis Bankes-Hughes	(56)				(56)			(56)
Eco Town Revenue	Karen Curtin	(592)	(15)	324		(283)	283		0
Emergency Planning	Jackie Fitzsimons	(40)				(40)			(40)
Green Deal Pioneer Places	Karen Curtin	(69)				(69)			(69)
Home Improvement Agency	Tim Mills	(234)				(234)			(234)
Homelessness Prevention	Marianne North	(70)				(70)			(70)
Housing and Planning Initiatives	Andy Preston / Adrian Colwell / Chris Stratford	(322)		13		(309)			(309)
Laburnham Cres Ambrosden	Andy Preston / Lewis Bankes-Hughes	(38)				(38)			(38)
New Burdens Grant	Paul Sutton	(248)				(248)			(248)
PCT Contributions to Health Bus	Nicola Riley	(40)				(40)			(40)
Performance Reward Grant ABG	Mike Grant	(21)				(21)			(21)
Police & Crime Commissioner - Community Safety Grant	Mike Grant	(64)				(64)			(64)
Thames Vally Police	Mike Grant	(61)				(61)			(61)
Sportivate Grant	Sharon Bolton	(33)				(33)			(33)
<b>Reserves from Grants &amp; Contributions</b>		<b>(3,885)</b>	<b>(15)</b>	<b>975</b>	<b>0</b>	<b>(2,925)</b>	<b>912</b>	<b>0</b>	<b>(2,013)</b>
<b>Total Earmarked Reserves</b>		<b>(18,253)</b>	<b>(3,143)</b>	<b>4,769</b>	<b>(582)</b>	<b>(17,209)</b>	<b>1,797</b>	<b>(2,373)</b>	<b>(17,785)</b>
<b>General Fund</b>		<b>(3,517)</b>	<b>(688)</b>	<b>480</b>	<b>717</b>	<b>(3,008)</b>	<b>0</b>	<b>(492)</b>	<b>(3,500)</b>
<b>Total Reserves</b>		<b>(21,770)</b>	<b>(3,831)</b>	<b>5,249</b>	<b>135</b>	<b>(20,217)</b>	<b>1,797</b>	<b>(2,865)</b>	<b>(21,285)</b>

# Business Plan 2017-18



Cherwell:  
a district of  
opportunity

Cherwell:  
safe, green,  
clean

Cherwell:  
a thriving  
community

Cherwell:  
sound budgets  
and customer  
focused council

# Foreword

Welcome to Cherwell District Council’s business plan for 2017–18. This plan is about our priorities for the district in the coming year. The council is here to serve the people of the district and therefore our plan aims to support those who live, work and visit this district which has a lot to offer. Our plan is based on an understanding of the challenges and opportunities facing our district and consultation with local businesses and residents to determine local requirements.

We will make sure the council operates efficiently, and work towards long term solutions to deal with the cuts we face. We have already been proactive working with our partner, South Northamptonshire Council, developing shared working and looking at new ways of delivering services for our communities. Financial savings have been made over the past years and we will continue to be as innovative as possible to ensure the council manages its day to day business even more effectively and transparently.

We recognise that a strong local economy is essential for a strong local community. We will continue to promote economic growth by helping local companies to expand, securing high quality and high value jobs, with increased opportunities for all, and supporting more affordable homes for local people. The above is supported by the Cherwell Local Plan 2011-2031 which ensures that growth is targeted and investment made whilst still respecting the character and beauty of our rural areas.

This business plan, based around four key themes, also outlines our performance pledges for the year and we remain committed to working effectively with our partners to ensure high quality services are delivered in times of financial constraint.

We want Cherwell to be a district where people want to live and work and we think we are moving in the right direction.

If you would like any more information about the priorities of this council please get in touch using the details on the back of this document.



**Councillor Barry Wood**



Leader of Cherwell District Council



**Sue Smith**



Joint Chief Executive, Cherwell District and South Northamptonshire Councils





# An overview of Cherwell

Named after the River Cherwell which flows through it, the district is located between London and Birmingham, at the most northern point of the South East region, where it meets the West Midlands and East Midlands. Cherwell borders Oxford City, South Oxfordshire, Vale of White Horse, West Oxfordshire, Aylesbury Vale, South Northamptonshire and Stratford on Avon districts. The M40 passes through Cherwell and there are good rail connections to both London and Birmingham.

One of the council’s main strategic challenges is to ensure that the district grows in a sustainable way; one that delivers a prosperous economy and thriving communities. The adopted Local Plan sets the framework for the growth of the district. The Local Plan will lead to over 22,800 new houses in the district at a range of development sites around Bicester, Banbury and Upper Heyford, together with the new employment sites to ensure that our towns grow in a sustainable way. Delivering the adopted Local Plan will play a key role in this, as will implementing the Masterplans for Banbury, Bicester and Kidlington to secure new housing, retail, development and leisure opportunities. The council is working with its partners to ensure that this growth is delivered while protecting and enhancing the character of our urban centres, villages and landscapes.

The district is growing with over half of the population living in the principal centres of Banbury, Bicester and Kidlington. The remainder live in more than 70 smaller settlements. Cherwell’s population has increased significantly over the past 20 years and this trend is set to continue with the population predicted to reach 155,650 by 2021.

Therefore a key challenge for the district will be responding to population changes. The population of Cherwell is continuing to age, with the number of residents aged 60 and above predicted to increase

by over 7,000 between 2011 and 2021. By 2021, nearly a quarter of Cherwell’s population will be aged 60 or over. This rate of increase will provide challenges and the council will have to continue to anticipate the future services required by our older population, building on our strong track record of ensuring the needs of older residents are met. The council is focused on ensuring that our services are accessible to all people living in the district.

Another of the council’s key challenges will be to ensure that communities across the district continue to thrive. As part of this commitment, the council will be working with partners to increase the affordable housing options across the district, whilst continuing to work with partners to support financial inclusion, help local people into employment and work with local businesses to help them grow.



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# Cherwell - Outlook for the next five years

Our vision for our district is to create and sustain the best conditions for businesses to grow, people to live and communities to thrive. Our business plan reflects what we will do to achieve this vision. However, there are international, national and local factors that will set the context for how we plan and deliver services over the next five years. Whilst some of these factors are outside of our control, we must be aware of them and be able to respond to them in our business planning and service delivery.

## Brexit and the EU

UK 'Brexit', or departure of the UK from the EU, triggered by Article 50 of the Treaty of Rome in March 2017 means the future relationship between the UK and the EU will remain unclear until the negotiations are completed in 2019. The Great Reform Bill will adopt EU treaties into UK law to provide policy continuity in the medium term and policy reform over the long term. This could change patterns of investment by Government and commerce which may start to filter in from 2020.

Whilst Brexit has introduced a note of uncertainty, it is clear that for most UK economic sectors investment is continuing and consumer spending remains high in contrast to that experienced in the rest of the EU.

## The National Economy

The government is expected to continue its policy of austerity and not reach a budget surplus until at least 2020/21. Interest rates are expected to remain low for the foreseeable future as increased global oil prices and lower sterling exchange rates drive up the cost of imports and introduce a measure of inflation back into the UK economy.

However a fall in sterling is reducing the global cost of UK manufactured goods and services. Together with the Brexit emphasis on reaching new trade agreements, this could provide a significant stimulus to our economy as new markets focused on non-EU trade growth are sought, meaning that economic growth could outstrip that of the EU or even OECD. The election of President Trump in the USA brings proposals to change some features of international trade away from multilateral trade agreements to unilateral trade deals. The UK is, at the same time, pursuing the same approach post Brexit.

## Local growth, housing and the economy

In the UK the 2016 Autumn Statement proposed increasing investment to improve our own national infrastructure and the establishment of the National Industrial Strategy during 2017 can be anticipated to positively impact key sectors across our district including High Performance Engineering and Motorsport, Manufacturing, Food and Drink and Logistics. Preparations for the national rollout of the next generation of Digital infrastructure of 5G will also take shape in this period, in addition to the current roll-out of Superfast Broadband to secure improved digital connections to the more remote parts of our district.

The National Infrastructure Commission (NIC) has proposed a Cambridge to Oxford infrastructure corridor through an Expressway and East-West rail link. Our district, which sits within the corridor, is preparing to capitalise on this by ensuring that connections to the proposed transport links around Bicester and Banbury, to support planned growth, are made or improved.

House prices are anticipated to continue the trends of the past few years with annual increases in the South East. A Housing White Paper is anticipated in 2017 proposing housing reforms as well as the latest set of changes to the planning system. It is expected to support increasing the volume of affordable housing and introduce housing innovations for more self-build and starter homes.

We recognise the need to balance the demands for housing growth with the pressures and increase in demand for services that growth brings. Our strategy will continue to be set by the adopted Local Plan Part 1. It will be complemented by the completion of the Local Plan Part 2 to set new town centre boundaries and the completion of a Partial Review of the Part 1 plan to locate a proportion of the unmet housing need from Oxford into the district. This will also secure a number of opportunities for the communities living in the southern part of the Cherwell District including affordable housing, new transport, community and leisure facilities and new employment.

Introduction of a Community Infrastructure Levy (CIL) and revised Section 106 conditions as part of a suite of up to date policies for developer contributions will

ensure the impact of growth is offset and high quality of life for residents is maintained.

Our capital programme to regenerate the two market towns of Banbury and Bicester and investment of significant resources across the rest of the district for the people who live and work here will continue. The approved major housing development sites at Banbury, Bicester and Upper Heyford are progressing. This will be supported by economic development and jobs growth across the district with consents already in place for new major employment sites in these locations. These employment sites are being promoted nationally to attract companies to locate to them.

More funding is available for apprenticeships through a levy to be introduced from 2017 and the district has extensive apprenticeship provision in the private sector to build upon. Wages for the lowest paid in the district will rise as the 'national living wage' sees the statutory minimum wage levels increased.

### **The state of public sector finance**

Local authorities' income is traditionally reliant on a large injection coming from central government in the form of a revenue support grant, together with business rates and council tax collected within district and new homes bonus to drive housing growth. The revenue support grant is reducing in size during 2017-2018 and will be withdrawn altogether by 2019. There is also uncertainty around the future shape of new homes bonus and when 100% business rates retention will be applied. Our council must find a way of recovering this funding gap if it is to continue to deliver the current scale of frontline services.

Our district is currently well placed financially, compared with many other local authorities, but if we do not take action now then our situation will deteriorate in 2019, impacting frontline services. This business plan makes reference to how the council must and will find operating efficiencies and alternative revenue streams by utilising its local knowledge and the skills and resources of its staff to remain financially sustainable and protect and enhance frontline services.

### **The future of local government**

The debate on further devolution of powers to local government will continue, with reform of public services and how they are delivered in a financially sustainable way key to that agenda. The issues with NHS service delivery and specifically adult social care funding are currently driving this debate, with pressure on public sector finances to continue to deliver frontline health and social care services and further pressure on the county to provide education and infrastructure services. There is increasing importance now being attached to wellbeing across the public sector manifested in local plans for health and social care sustainability and transformation where increasing emphasis is placed on ill health prevention, early intervention and healthy lifestyle choices. Integrated working across our housing, leisure, community, planning and environmental health services will become even more important.

### **Summary**

In summary, whilst internationally there is some uncertainty due to Brexit and at national level there is concern with the state of the economy and its impact on local authorities across the country, at a local level our financial position remains strong and our district investment and growth outlook remain positive.

Our business planning will continue to be based on providing the best conditions for businesses to grow, people to live and communities to thrive. Even with uncertainty around the future shape of local government, our council will continue to strive to find and support a solution that maximises the best interests of the people and businesses in our district to support growth, have a good quality of life and develop our communities.

# Our strategic approach to business planning: Performance, accountability and transparency

## Five Year Business Strategy - Priorities for the five year strategy

The table below presents the council’s strategic priorities for its five year business strategy. This strategy sits alongside the council’s Medium-term Financial Strategy and is underpinned by an annual

business plan, budget and performance management framework that sets out the milestones, performance measures and budget that will drive the council’s delivery of services and major projects.

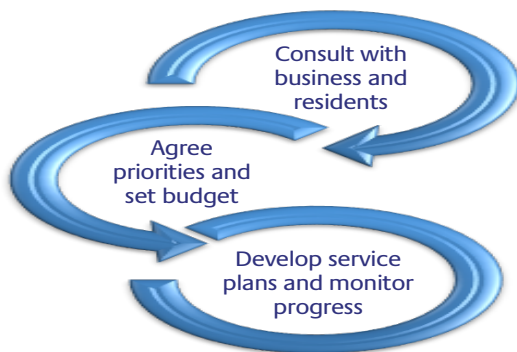
Cherwell: a district of opportunity	Cherwell: safe, green, clean	Cherwell: a thriving community	Cherwell: sound budgets and customer focused council
Manage growth of the district.	Provide high quality recycling and waste services, helping residents recycle.	Deliver affordable housing and work with private sector landlords to help improve affordable housing options.	Reduce the cost of our services through efficiencies.
Deliver the growth plans for Bicester.	Provide high quality street cleansing service and tackle environmental crime (littering, fly tipping, graffiti) where it arises.	Work with partners to support financial inclusion.	Communicate effectively with local residents and businesses and increase access to services on line.
Complete and implement the Masterplan for Banbury.	Work with partners to help ensure the district remains a low crime area.	Provide high quality housing options advice and support to prevent homelessness.	Deliver the five year financial strategy.
		Work to provide and support health and wellbeing across the district.	
Promote inward investment and support business growth within the district.	Reduce our carbon footprint and protect the natural environment.	Provide high quality and accessible leisure opportunities.	Deliver the key outcomes of the Commercial Strategy to reduce the funding gap in the Medium Term Revenue Plan.
		Provide support to the voluntary and community sector.	
Develop and implement a “One Council” offer of support to local businesses including regulatory services.		Protect our built heritage.	Ensure effective governance and performance management arrangements are in place.
Consider steps to support the visitor economy and the well-being of town centres as part of our approach to economic growth in the district.		Work to ensure rural areas are connected to local services.	

# How we will manage the performance of our plan

## Implementing our Strategy

Our annual business plan outlines the key actions we will take to meet the outcomes we have set. Performance measures will enable us to demonstrate that we align our resources to the delivery of the business plan in the most effective way possible. This is also a transparent way for us to show progress to the council, its employees, everyone in our district and those who read this document.

Our business planning cycle is underpinned by budget reviews aimed at identifying opportunities for increased efficiency and performance. This process is led by locally elected members. Consultation with residents and businesses also contributes to the development of the plan including our annual customer satisfaction survey.



## Improvement and Innovation

The council has robust plans to deliver improvement and increased efficiency given the challenging national economic circumstances currently being faced.

With a strong focus upon the strategic priority of growth we have developed a suite of three new joint corporate strategies to sit alongside the respective strategic business plans of Cherwell District Council and its partner, South Northamptonshire Council.

The new corporate strategies, collectively known as our “**Cycle of growth**”, add weight to the business plans by articulating and providing transparency to how we intend to deliver our plans for the future.

They are focused upon delivering **Operational Excellence** in services, a renewed approach to how we **Commission** services based on need and by bringing about **Commercial Development** through innovation.

Our Operational Excellence Strategy introduces a set of joint corporate values based upon the principle of wanting to create a forward thinking, enabling culture, and seeing that reflected in the PRIDE and energy

amongst our dynamic workforce. They are values that we expect to be demonstrated by everyone working for the council and also from our partners and suppliers.

Our Commissioning Strategy will assess the needs of our residents and businesses and use this to specify and employ effective services that provide the best outcomes whilst ensuring value for money.

In order to continue to deliver more improved and quality frontline services, our Commercial Strategy sets out the activities we aim to undertake in order to replace the funding that is set to be withdrawn.

Ultimately, through the financial independence and growth achieved through the successful delivery of these strategies we will enable further investment to improve the quality of life of our residents, promote economic growth of the district and build thriving communities, bringing real meaning to the description “cycle of growth”. They will operate side by side to ensure the outcomes required in the strategic business plans and medium-term financial plans are achieved.

## Managing and Reporting our Performance

The overarching five year Business Strategy, Medium-term Financial Plan, annual business plan, service plans and the appraisal targets of individual employees all demonstrate that the council has a clear and robust “golden thread” between resource availability and delivery of the council’s agreed priorities. This approach helps us to provide effective community leadership and will demonstrate that we are utilising public resources in the most effective way possible.

Performance management represents an essential part of our assurance and accountability process. It ensures that we are focused on the delivery of our strategic and operational objectives and demonstrates our achievements to local residents whilst also being transparent about the issues or challenges that we are facing.

We report our performance on a quarterly basis and it is reviewed by the Executive. Where performance issues and challenges are identified the joint management team and lead elected members work together to deliver improvement.

Both the revenue budget for 2017–18 and our performance results can be found on our website

[www.cherwell.gov.uk](http://www.cherwell.gov.uk)

## Cherwell: a district of opportunity

Supporting economic development, employment, conservation, regeneration and development of the district

### Manage growth of the district

- Consult on the Proposed Submission Local Plan Part 2 and partial review of Local Plan Part 1 and submit to the Secretary of State
- Monitor the delivery of the five year land supply and work with Development Management on appropriate responses as this supply changes
- Engage with all neighbouring councils and other public bodies on planning matters affecting Cherwell from other Districts and public bodies under the duty to co-operate
- Support parish teams preparing neighbourhood plans for their community

### Deliver the growth plans for Bicester

- Northwest Bicester: continue to facilitate the planning applications for the site
- Northwest Bicester: Delivery of the Eco - Bicester business centre
- Adoption of the Masterplan document to assist revitalisation of town centre
- Market Bicester's employment and investment opportunities
- Deliver, in partnership, the Healthy New Town programme for Bicester

### Complete and implement the Masterplan for Banbury

- Review strategic development plan for Bolton Road site. Consult with local businesses and develop preferred option for redevelopment.
- Take steps to develop a Masterplan of Canalside in Banbury Town Centre for redevelopment
- Secure start on Castle Quay 2
- Maximise the council's income from Castle Quay
- Support The Mill & Museum Trust as the primary town centre arts and cultural provision in their development activity
- Proceed with the preparation of a Business Improvement District (BID) for Banbury

### Promote inward investment and support business growth within the district

- Support business growth, skills & employment in local companies and the visitor economy
- Continue to use the Cherwell Investment Partnership (CHIP) as a hub for inward investment
- Ensure that available land and premises for business are promoted locally and nationally
- Work with OXLEP and SEMLEP to ensure the work of each Local Enterprise Partnership (LEP) supports the development of the economy of Cherwell district
- Support skills development to keep unemployment at a low level

### Develop and implement a 'One Council' offer of support to local businesses including regulatory services

- Review and simplify the planning pre-application process
- Improve customer satisfaction with regulatory services
- Continue working with agents / developers to ensure excellent working relationships

### Consider steps to support the visitor economy and the well-being of town centres as part of our approach to economic growth in the district

- Implement an Action Plan with key attractions and town centres to promote the district to visitors

## Cherwell: safe, green, clean

Working to ensure the district has high standards of environmental cleanliness, great recycling and waste management, tackling crime and supporting energy efficiency

### Provide high quality recycling & waste services, helping residents recycle

- Increase recycling and reduce residual waste per household
- Maintain high customer satisfaction with recycling and waste service

### Provide high quality street cleansing services and tackle environmental crime

- Maintain high customer satisfaction with street cleansing
- Maintain a programme of high profile neighbourhood blitzes and pursue a hard enforcement and conviction line to environmental crime
- Provide a fast response time in dealing with fly tip incidents

### Work with partners to help ensure the district remains a low crime area

- Continue to work with Thames Valley Police to maintain an effective CCTV operational system for our urban areas
- Continue working with local police & licence holders to ensure town centres remain safe

### Reduce our carbon footprint and protect the natural environment

- Deliver the council's Biodiversity Action Plan
- Reduction of two per cent in council's carbon emissions
- Establish multi-agency Air Quality Management Action Plans as required

**Cherwell: a thriving community**

Providing affordable housing, leisure and sports facilities and activities, working with partners to improve access to health services, providing arts, cultural and community services

**Deliver affordable housing & work with private sector landlords**

- The council to deliver at least 190 units of affordable housing
- Monitor the number of affordable housing units in the district that are delivered via negotiations on new development proposals
- Promote an off-site construction factory in Bicester
- Secure additional nomination rights into the private sector through landlords home improvement grants

**Work with partners to support financial inclusion**

- Conclude negotiation for a new debt, money and housing advice service through a third party contract
- Maintain performance on payment of Housing Benefit

**Provide high quality housing options advice & support to prevent homelessness**

- Reduce the number of households living in temporary accommodation
- Through Housing Advice team reduce the number of repeat homelessness cases presented to the council
- Use the Housing Advice Service to prevent people from becoming homeless
- Improve energy efficiency through CHEEP grants (The CHEEP grant is an energy efficiency grant available to private sector landlords)

**Work to provide and support health and wellbeing across the district**

- Support the Community Partnership Network with financial, clinical & technological changes in the health and social care sector
- With partners help improve lives of most vulnerable from Brighter Futures initiative
- Work with partners to maintain the widest level of health care provision at the Horton General Hospital
- Promote good health and wellbeing to residents and workers through the provision of active lifestyle opportunities plus advice on community engagement and healthy eating

**Provide high quality & accessible leisure opportunities**

- Undertake feasibility studies of extended and new indoor leisure facilities in Banbury and Bicester to meet additional demand from local growth
- Complete works for Whitelands Farm Sports Ground, SW Bicester to enable the outdoor sports pitches to operate from September 2017
- Commence, with the aid of external funding, the redevelopment of The Hill in Banbury
- Establish sports pitch and facilities strategies for the district

**Provide support to the voluntary & community sector**

- Support the development of neighbourhood community associations in areas of new large scale housing development
- Undertake new commissioning arrangements for promoting volunteering and the placement of volunteers.
- Support the Local Strategic Partnership in addressing the key issues in the district

**Protect our built heritage**

- Continue the programme of Conservation Area Reviews
- Provide design guidance on major developments
- Process planning applications and defend the council's position at appeals, in accordance with planning policies and guidance

**Work to ensure rural areas are connected to local services**

- Work with BT/BDUK & Oxfordshire County Council to extend Superfast Broadband district-wide



## Cherwell: sound budgets and customer focused council

Ensuring the council is run as efficiently as possible, consulting with local people, helping vulnerable people to access our services, and the provision of council tax and housing benefits.

### Reduce the cost of our services through efficiencies

- Identify and deliver on-going efficiencies and savings to reduce the cost of running our services
- Implement the shared corporate IT strategy including a new council website
- Increase in Council Tax base
- Increase in NNDR (business rates) base

### Communicate effectively with local residents & businesses and increase access to services online

- Continue to increase use of social media to communicate with residents & local businesses
- Continue to develop our business focused communications
- Increase the number of services that can be accessed and paid for on line

### Deliver the five year financial strategy

- Deliver annual balanced budget setting out five year financial plan (Medium-term Revenue Plan)

### Deliver the key outcomes of the commercial strategy to reduce the funding gap in the MTRP

- Grow existing income for services we currently trade
- Deliver a jointly owned company (with SNC) for Revenues and Benefits services
- Undertake feasibility studies for the delivery of new commercial services and projects
- Implement the actions set out in the new Asset Management Strategy

### Ensure there are effective governance and performance management arrangements in place for all council-owned companies and/or alternative service delivery vehicles

- Formation of sound business and financial plans
- Delivery of specific key performance indicators (KPI) from agreed service level agreements (SLA)
- Compliance with company law and relevant legislation
- Introduce quality management models in all services

# Performance Pledges 2017–18

Every year from the key objectives and actions detailed across our strategic priorities several are highlighted as performance pledges. They are key activities that reflect local priorities and these pledges demonstrate our commitment to the delivery of important local services and new projects to help make Cherwell a great place to live.

## For 2017–18 our pledges are:

### Cherwell: a district of opportunity



- Deliver, in partnership, the **Healthy New Town** programme for Bicester.
- Deliver the Banbury Business Improvement District to **support local businesses**.
- Develop and implement a **‘One Council’ offer** to support local businesses including regulatory services.





### Cherwell: safe, green, clean

- Undertake **neighbourhood blitzes** with community involvement and pursue a hard enforcement line on environmental crime.
- Work with the local police and licence holders to ensure our town centres remain **clean, safe and vibrant** at all times.
- Provide a **fast response time** in dealing with fly tip incidents.





### Cherwell: a thriving community

- With our partners help to **improve the lives** of the most vulnerable from the Brighter Futures initiative.
- Deliver at least 190 units of **affordable housing**.
- **Complete the phase 2 pavilion** and car park works for Whitelands Farm Sports Ground.






### Cherwell: sound budgets and customer focused council

- **Reduce the cost** of providing our services through partnerships, joint working and other service delivery models.
- Ease of communication – with **more services available online**.
- Continue to increase use of social media to **communicate with residents and local businesses**. Continue to develop our business focused communications.






## Appendix – How we will show our performance

The following tables show the measures and actions we will use to report and manage the performance of the business plan. Progress is monitored on a regular basis by both members and officers with any issues being highlighted and acted upon.

<b>Cherwell: a district of opportunity</b>	
<b>Our objective is:</b>	<b>We will show our performance through:</b>
Manage growth of the district	Meeting key dates for the proposed submission of Local Plan Part 2
	Delivery against five year land supply targets
	Engaging with all neighbouring councils under the duty to co-operate
	Preparation of neighbourhood plans to timetables set in regulations
Deliver the growth plans for Bicester	Continuing to facilitate the planning applications for Northwest Bicester
	Delivery of the Eco-Bicester business centre
	Adoption of the Masterplan document to assist revitalisation of Bicester town centre
	Marketing Bicester's employment and investment opportunities
	Delivering, in partnership, the Healthy New Town programme for Bicester
Complete and implement the Masterplan for Banbury	Reviewing the strategic development plan for the Bolton Road site
	Adopting Masterplan for Canalside in 2017-18
	Securing start on Castle Quay 2
	Attending FM meeting, improving financial reporting and reviewing investment with Aberdeen Investment Properties
	Supporting The Mill & Museum Trust as the primary town centre arts and cultural provision in their development activity
	Completing 2nd stage assessment of the Business Improvement District (BID) for Banbury by October 2017
Promote inward investment and support business growth within the district.	Number of businesses who have received advice
	An increase in NNDR base
	Increased take up of LEP services - reported in Annual Business Survey
	Unemployment rate and take up of Job Clubs/Job Fairs by companies
Develop and implement a 'One Council' offer of support to local businesses including regulatory services.	A review of the planning pre-application process by June 2017
	Carrying out a survey and establishing baseline satisfaction with services
	Developing an action plan for improvement
	Attendance numbers and feedback /satisfaction from Agents' forums
Consider steps to support the visitor economy and the well-being of town centres as part of our approach to economic growth in the district.	Updates on the Action Plan to Executive in 2016/17 and report on implementation

## Cherwell: safe, green, clean

Our objective is:	We will show our performance through:
Provide high quality recycling & waste services, helping residents recycle	Achieving a 56% recycling rate
	Residual household waste per household
	Amount of waste sent to energy recovery
	Maintaining high customer satisfaction with recycling and waste service (80%)
Provide high quality street cleansing services and tackle environmental crime	Maintaining high customer satisfaction with street cleansing (80%)
	Number of neighbourhood blitzes
	Number of enforcement actions
	Success of fly-tip enforcement
	Investigating incidents within 24 hrs from report
	Cleaning up within 48 hrs from investigation
Work with partners to help ensure the district remains a low crime area	Maintaining CCTV in all urban areas
	Reducing the number of anti-social behaviour incidents
	Carrying out operations and initiatives in accordance with the joint CDC /TVP night-safe plan
	Reducing incidents of drunkenness, begging and rough sleeping by carrying out proportionate interventions in the Banbury Public Spaces Protection Order (PSPO) area
	Embedding the new CDC Taxi Policy including implementing safeguarding awareness training for licensed taxi drivers
	Responding to incidents / complaints regarding licensed premises
	Undertaking routine food/health and safety inspections as per programme.
	To investigate and respond to complaints/accidents as required
Reduce our carbon footprint and protect the natural environment	Implementing agreed action plans including the promotion of cycling and walking
	Reviewing progress of the actions in the Air Quality Action Plans with partner agencies responsible for their implementation

## Cherwell: a thriving community

Our objective is:	We will show our performance through:
Deliver affordable housing & work with private sector landlords	Delivering homes throughout the year that are designated for affordable housing
	Number of other affordable housing units
	Creating at least an additional 10 units of accommodation for nomination by the council
Work with partners to support financial inclusion	Average time taken to process new Housing Benefit claims
	Average time taken to process change in circumstances
	Average time taken to process new claims and changes for Housing Benefit
	Customer satisfaction with benefits process
Provide high quality housing options advice & support to prevent homelessness	Maintaining a target of no more than 41 properties allocated for temporary accommodation
	Tracking repeat homeless presentations and developing an action plan and initiatives following the new Homelessness Prevention Act coming into law.
	Allocating 10 CHEEP Energy Efficiency Grants in 2017–18
Work to provide and support health and wellbeing across the district.	Promoting the Workplace Wellbeing Charter to obtain commitment from five local businesses to work towards accreditation.
	Undertaking a feasibility study for introducing the Eat Out Eat Well Award for food businesses in Cherwell

## Cherwell: a thriving community

Our objective is:	We will show our performance through:
Provide high quality & accessible leisure opportunities	New facility models in Banbury and Bicester (to be considered in Summer 2017)
	Whitelands Farm Sports Ground outdoor sports pitches being operational from September 2017
	Commencing construction on the redevelopment of The Hill in Banbury during the second half of 2017–18
	Agreeing sports pitch and facilities strategies for the district in the first half of 2017–18
Provide support to the voluntary & community sector	Providing support for two new neighbourhood community associations
	Putting in place a partner organisation with new commissioning arrangements for promoting volunteering and the placement of volunteers in first half of 2017–18
Protect our built heritage	Completing five Conservation Area Reviews
	Responding to consultations from Development Management with design guidance on major developments within the prescribed timescale
	Processing major planning applications within 13 weeks
	Processing minor planning applications within eight weeks
	Processing other planning applications within eight weeks
The percentage of planning appeals allowed	
Work to ensure rural areas are connected to local services	Reporting every six months on progress of extending Superfast Broadband district-wide to show where has been connected and the forward programme

## Cherwell: sound budgets and customer focused council

Our objective is:	We will show our performance through:
Reduce the cost of our services through efficiencies	Completion of efficiency reviews and £ savings delivered
	Implementing the shared Corporate IT Strategy including a new council website
	Percentage of Council Tax collected
	Percentage of Business Rates collected
Communicate effectively with local residents & businesses and increase access to services online	Social media ratings: Number of Facebook likes
	Social media ratings: Number of Twitter followers
	Making five more services available online
	Reducing face to face contact time
Deliver the five year financial strategy	Budget variance on capital within 2 per cent (Annually reported)
	Budget variance on revenue within 2 per cent (Annually reported)
Deliver the key outcomes of the commercial strategy to reduce the funding gap in the MTRP	Growing existing income for services we currently trade
	Delivering a jointly owned company (with SNC) for Revenues and Benefits services
	Undertaking feasibility studies for the delivery of new commercial services and projects
	Implementing the actions set out in the new Asset Management Strategy

## Cherwell: sound budgets and customer focused council

Our objective is:	We will show our performance through:
Ensure there are effective governance and performance management arrangements in place for all council owned companies and/or alternative service delivery vehicles	Delivering specific Key Performance Indicators from agreed Service Level Agreements with council-owned companies
	Including full legal implications confirming relevant statutory powers and compliance with legal requirements in all reports to members on establishment of companies/entities
	Incorporating each approved company entity in accordance with project plan timescale
	Introducing quality management models in all services

## Getting in touch

Throughout the year the council provides opportunities for local people to have their say. Whether this be through customer satisfaction surveys, budget consultation, consultation on new projects and services, talking to local business organisations or feedback via our link-points or website, we are keen to listen to what you like and what needs to be improved.

However, if you would like to provide feedback about any other matter you can do so using the contact details on this page.

**Email:** [consultation@cherwell-dc.gov.uk](mailto:consultation@cherwell-dc.gov.uk)

**To find and email your ward councillor:**  
<http://modgov.cherwell.gov.uk/mgFindCouncillor.aspx>

**Call the Performance and Insight Team:**  
01295 221605

**Customer Services:** 01295 227001

**Write:**

The Performance and Insight Team  
Bodicote House  
Bodicote  
Banbury  
Oxfordshire, OX15 4AA

For general enquiries visit [www.cherwell.gov.uk](http://www.cherwell.gov.uk)  
or contact the customer service team  
01295 227001.

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# Operational Excellence Strategy

2017 – 2020

Leadership  
Process  
Excellence  
Culture  
Agile  
Growth  
Improvement  
Pride & Energy  
Standards  
Strategy  
Improvement  
Values

# Contents

Our operational excellence goal	3
Our operational excellence strategy	3
Our values	4
Our culture	5
Our five point business operating model	5
Our excellence model	6
Our excellence standards	6
Key components of an operational excellence plan	7
Implementation	9

# Our operational excellence goal

To create a blueprint for the **delivery of leading edge public services to customers** and prepare services to transition into the confederation model, including opening up new markets/territories.

## Our operational excellence strategy

Our strategy for business success is:

- To create and implement a **culture** driven by customer experience, operational excellence, continuous learning and added value.
- To ensure **continuous improvement** sits at the heart of all operational services.
- To remove all barriers that get in the way of providing a **whole council approach to service delivery**.
- To focus on a dual strategy of delivering core operational services that **meet local community and business demand** and transferring our sector expertise into our new **commercial operating model**.
- To continually **develop and grow our core services**, working effectively with our communities/customers, partners, suppliers, stakeholders and our people by integrating “**excellence in operation**” and customer feedback into everything we do.
- To create a **culture of pride and energy** amongst our workforce.
- To build an **agile** workforce and adopt a **matrix management** operating principle.
- To **recruit** and **retain** a workforce that blends **the best of private and public sector expertise** and to **develop** them to excel in all that they do, such that they can leave us, but choose not to.

# Our values

Our values set out what it is like to work for the councils and how we attain excellence in the delivery of our services. They describe how we conduct ourselves every day. We are proud of them.



We **continuously develop** our knowledge to apply the highest level of **professional standards**, conduct and outcomes.

We are **polite** and **respectful** at all times to each other and to everyone we come into contact with.

We are **reliable**.

We are **flexible** and **agile**.

We work beyond usual boundaries.

We demonstrate **accountability** for our actions.

We take **pride** in our personal image.

We deliver **seamless services**.

We use **creativity, innovation** and new ideas to achieve our goals.

**Managed risk taking** is expected.

Risks are **well managed**, well reported and always owned.

We are willing to fail from time to time, in **pursuit of excellence**.

We do not confuse risk taking with being reckless.

We all lead by example; with **integrity, trust** and **respect**.

We are **honest**.

We are **ethical**.

We **keep our promises**.

When we have got something wrong, we take **responsibility**. We put it right. We are upfront and we learn from it.

We hold difficult conversations **respectfully**.

We take pleasure in working to **provide innovative solutions** for our customers when things become difficult.

We work tirelessly to **exceed expectations**.

We show **care and consideration** for all of our customers.

We will never **deliver a service** that we wouldn't accept for ourselves.

We actively **seek feedback** from our customers and act on it where there is something to learn.

We work as '**One Council**'.

We communicate in a **clear** and **customer friendly** way.

We believe excellence is inspired by positive leadership and **continuous improvement**.

We **lead developments** in our sector.

We **learn from each other** and from other sectors.

We conduct **quality assurance** checks against all our outputs.

We are **rigorous** in reviewing our processes to remove waste and duplication.

We all take **personal responsibility** for putting things right when they are wrong.

We don't make the same mistake twice.

We challenge and confront anything that does not represent our **standard of excellence**.

# Our culture

At the heart of our culture is a commitment to operational excellence in all our services. This is achieved through the highest levels of measurable performance, customer satisfaction and continuous improvement.

We believe that with the right support and encouragement every one of our employees has the

potential to excel in their working lives by pushing boundaries and seeking out the art of the possible in whatever they do.

We have a shared belief that excellence can be found in every corner of the two organisations and that it is our people who take pride in making that happen.

## Our five point business operating model

**Customer experience; excellence in delivery; seamless services.**

Operational excellence	Our people	Business insight	Collaboration and partnership	Growth and sustainability
Customer experience	Work together	Customer feedback	Communities	Economic growth of our areas
Customer satisfaction; creating a lasting impact and positive memory	Can do attitude	Complaints	Businesses	Financial independence
Service Level Agreements / Contract management	Commercially minded	Performance metrics	Suppliers	Procurement
Performance indicators	Commercially skilled	Legislation	Local authorities	Commercial Development and Innovation strategy
Quality services and products	Innovative	Environment	Public service agencies	New markets and clients
Continuous learning and innovation	Take personal responsibility	Benchmarking (private and public sector)	Customers	Income generation
Forward looking	Adopt a seamless approach to service delivery	Continuous learning from other sectors	Government	Profitability
Waste avoidance	Use proven best practice	Market assessment for competitive advantage and opportunity	Auditors	Environmental and social responsibility
Process improvement	Demonstrate courage	Identification of customer demand	Private sector	Long term success
Channel shift	Agile	Commissioning services and suppliers	Stakeholders	Service development to set a blue print for 21st century public services
Commercial operating principles	Learn continuously		Volunteers	
	Develop and excel through a career of choice		Due diligence of prospective partners, suppliers and business relationships	
			Leading our communities	

# Our corporate excellence model

In 2017/18 a corporate excellence model will be introduced to ensure operational excellence and leading edge public services are attained.

Our adopted model is EFQM (European Foundation for Quality Management)

It will build upon the standards of excellence that already exist in some of our operational services. All services will set out their excellence objectives in their business plans.

In recognition of the wide range of diverse services we provide there will be two entry points for excellence in all our services:

- The corporate standard, or

- Specialist standards most appropriate to the nature of the service

Every service will be associated with one or the other as a minimum.

## Specialist standards/accreditations

A number of services are already beacons for excellence and have been awarded industry standard accreditation for their performance or quality management regimes.

In other services the industry specific standard is recognised as holding a commercial or reputational value that will support our commercial development and innovation strategy but have not yet been fully achieved. These will both continue to be the recognised standard of excellence for those services.



## Our excellence standards

### What is operational excellence?

If you put a group of people in a room and ask them what excellence is, you'll receive many different answers but they should have something in common:

Excellence is about achieving and sustaining outstanding levels of performance and continuous improvement. By nurturing a culture of excellence we will create a path to organisational growth and success.

Essentially operational excellence is all about culture. Like any strategy it only works if it becomes embedded in the fabric of the organisation and receives total management support and leadership. Operational excellence is not just a system but a new way of working.

# Key components of an operational excellence plan

Operational excellence is defined by the values and culture of our two councils and will be measured through both qualitative and quantitative criteria including:

- leadership
- customer insight
- continuous improvement
- performance management
- performance indicators
- process improvement
- identification and adoption of best practice
- people development
- further and accelerated preparation for trading our services on a business to business basis
- more rigorous use of the improvement loop
- transfer of all first point of customer contact functions to our Customer Services team
- channel shift

The on-going drive for high performance and continuous improvement will lead to operational excellence, customer satisfaction and ultimately the growth and sustainability of both councils. Our operational plan for excellence includes a combination of the five point business model and:

## More rigorous use of the improvement loop

Services will focus on better use of customer intelligence drawn from the complaints system, customer insight sources and customer satisfaction/ other customer surveys to embed more strongly customer driven improvements in service planning and service improvement.

## Service level agreements

Service Level Agreements (SLAs) will be introduced to ensure that the same emphasis of customer satisfaction and opportunity for feedback is given to our internal customers as is to our external customers. They will be used to ensure that the highest levels of performance are measured and attained in the following internal support services:

- Human Resources and Organisational Development services
- Legal services
- Finance and procurement
- ICT services
- Property and asset management services
- Customer services
- Communications and marketing service
- Performance and insight service
- Democracy

## Commissioning and contract management

Due diligence of all potential suppliers of goods and services will continue to be conducted prior to entering into contracts with third party suppliers, ensuring that they reflect our core values and excellence standards.

High levels of performance are expected from all third party suppliers commissioned on behalf of the councils. Contracts for services will reflect this by setting out qualitative and quantitative performance standards and appropriate penalty clauses.

Commissioners of services will hold routine performance management meetings with suppliers to ensure effective contract management throughout the term of the commission and ensure those high levels of standards and outcomes are achieved. Risk within contract management and delivery will be carefully managed.

## Best practice / research and development

A more structured approach to the identification and use of best practice and research and development will be developed by the performance and insight service to ensure that we learn from others, including the private sector.

## Transfer of all first point of contact functions to Customer Services

A more structured programme of transfers of first point of customer contact functions will be supported by skilled business analysts to deliver this on an 'all services' front to identify economies in processes, what functions should transfer and at what point in the service delivery process. This will be on an 'all services' basis.

## Channel shift

We will identify and move maximum service information and transactions on-line as part of the push for demand led, cost effective service delivery. This will have a strong link to the redesign of the corporate websites to ensure maximum move of information and end to end on-line transactions. It will also extend to the expanded first point of contact functions within Customer Services which will use the wider on-line information and transaction capability as its main customer response.

## Agile and efficient working - process improvement

We will reassess and review the smart use of technology by services and agile working to maximise efficiency and stop wasteful and/or no added value processes. A benefits realisation plan will be developed for each of these activities to secure identified efficiencies.

## Delivery of the medium term revenue plan

A programme of benefits realisation reviews of all shared services is underway to ensure all planned efficiencies, improvements and key objectives of the medium term revenue plan are realised. This process will be extended to capture all planned service

change in the original business cases and will continue to be a key driver of our improvement journey.

## Preparing services to trade on a business to business basis

The three current Services for Business work streams are focussed upon developing the organisational culture to support new and existing businesses in the districts, removing unnecessary 'red tape', and developing a whole council approach to selling services to businesses. This will increase business rates take-up whilst supporting economic growth and prosperity.

Some progress has been made in this area but the pace needs to be accelerated to be better focussed and extended by incorporating the learning from the successful Organisational Awareness days and commercial skills programme for income generation purposes.

Specific new objectives with a renewed emphasis on developing a 'One Council' relationship with our community based business partners will focus upon:

- Developing a menu of business support functions and standards – largely regulatory but presented as a comprehensive offering to all businesses to build a positive relationship.
- Developing a menu of discretionary 'charged for' council services which can be promoted by all services with a business interface for income generation purposes. The pricing strategy will be directed by the commercial skills programme.
- Determining the most appropriate and effective methods of business interface to sell individual and collective council services. This again will be informed by the commercial skills programme.
- Producing a corporate directory of local businesses as a resource for all council services
- Setting up a business intelligence hub to provide the most cost efficient internal information sharing resource on local businesses which have just opened, others which may be struggling and need support, those who want to expand or have other business needs, and to establish the most cost efficient support to the BSU to maximise NNDR income.
- Developing a brand and 'USP' for a 'One Council' business relationship. Again, this will be influenced by the commercial skills programme.



# Implementation

An operational excellence plan draws together the key elements of high performance and continuous improvement (as summarised in the five point operating model), and as typically associated with an excellence framework. Operational excellence will lead us naturally to commercial success and growth.

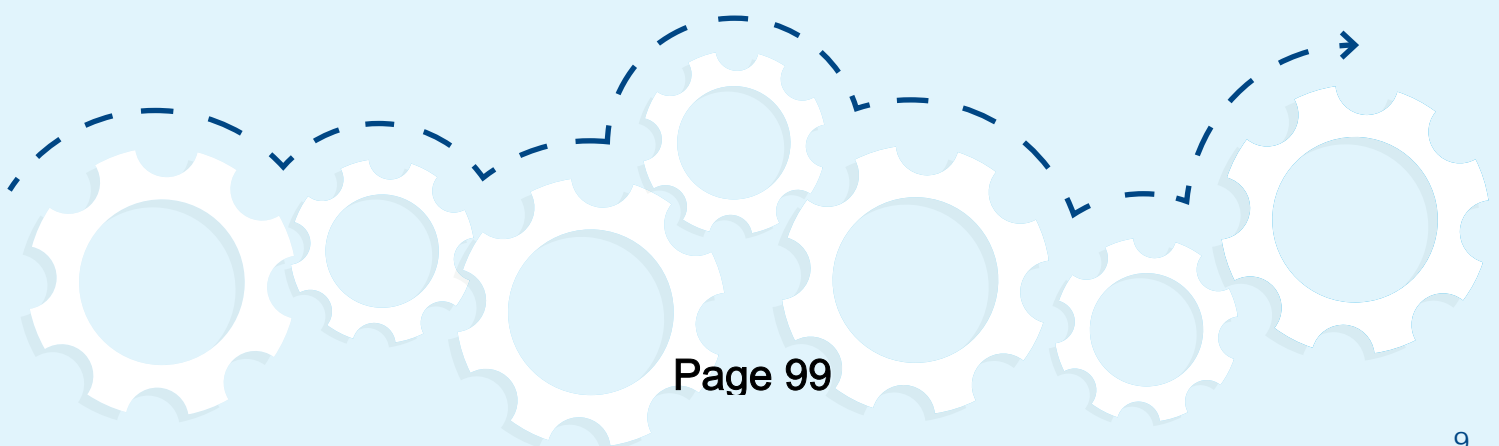
The plan is both wide ranging and comprehensive. As such, implementation will be approached in two phases.

## Phase 1

- Implementation of the EFQM excellence model and corporate values in all services
- Maintaining delivery of core services and developing operational excellence
- Implementation of the commissioning strategy
- SLAs for internal services
- Redefining procurement and contract management of third party suppliers
- Commercial up-skilling and development of our people
- Transition of services to the confederation model

## Phase 2

- Implementation of the commercial development and innovation strategy
- Commercialisation and trading with public services, SMEs and private sector
- Continuation of transition of services to the confederation model



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# Commercial Development and Innovation Strategy

2017 – 2020

Innovation  
Excellence  
Selling  
Business  
Development  
USP  
Sustainable  
Profit  
Assets  
Income  
Clients  
Productivity  
Commercial  
Improvement  
Growth



South  
Northamptonshire

Page 101

*Cherwell*

DISTRICT COUNCIL  
NORTH OXFORDSHIRE

# Introduction

This strategy sets out Cherwell District and South Northamptonshire Councils’ approach to commercial development and innovation. As one of the key drivers of organisational transformation our commitment to becoming more commercial links directly to our medium term revenue plan which, in common with all local authorities, identifies gaps in funding.

The national policy landscape and medium term economic picture are in a state of flux with a new Cabinet and the longer term implications of Brexit not yet clear. However, the financial outlook for local authorities remains challenging and this is unlikely to change. Both councils are facing significant funding deficits in their medium term revenue plans.

Given national policy change and the likelihood of on-going financial constraints, delivery of the councils’ strategic priorities around sustainable economic growth, housing, community development and supporting vulnerable people remain at the heart of our commercial and innovation strategy.

The councils have already set out an ambitious transformation programme with two main objectives;

delivery of efficient customer focused services and the generation of income through innovative and commercial opportunities. There is already an established programme of joint working, business transformation, and organisational development to underpin these and a new operational excellence and quality management strategy has also been developed to ensure arrangements are in place for continuous improvement, productivity and customer service. The councils’ commissioning framework ensures there are clear strategic objectives in place, a business plan to deliver them and an on-going process of review to ensure services are delivering what customers need in the most appropriate way.



# Our vision and business model

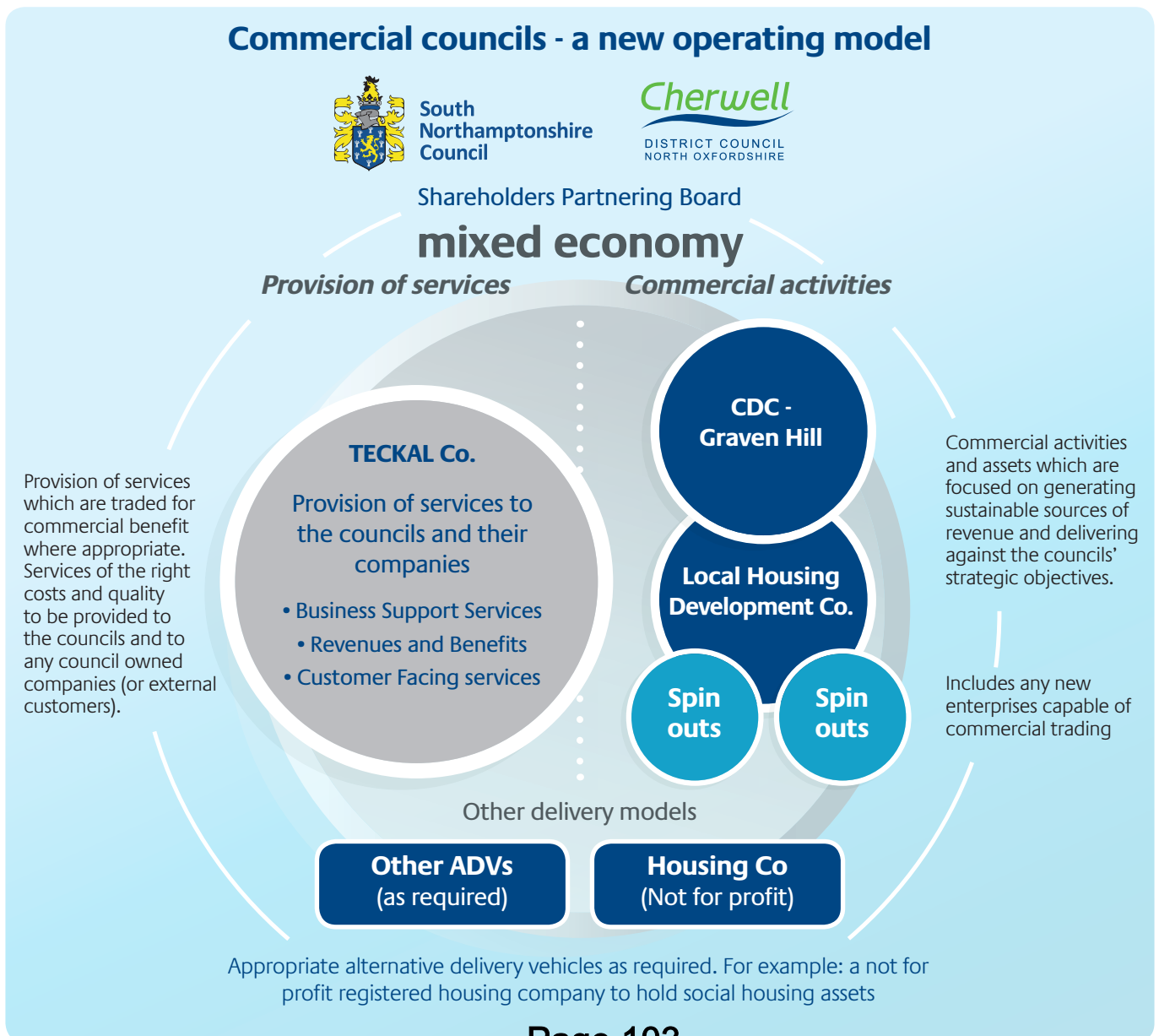
Our vision for a partnership of commercial councils is linked strongly to our commitment to deliver the best outcomes for our local areas; great places to live, thriving communities and an environment where businesses choose to locate, grow and flourish.

Our approach to commercial development is straightforward. Over the next five years we will have secured our long term financial future by:

- Investing in new assets and opportunities that enhance the quality of the districts.
- Providing valued new services to local businesses and residents.
- Generating sustainable income from trading.

To do this we will need to continue to reduce our overheads, and to increase efficiency and productivity across all our services.

Where it is appropriate to do so, the councils will establish new service delivery models, such as council owned companies, which will enable us to trade, develop new assets and to offer new services. The diagram below sets out the councils' operating model; a mixed economy approach where services may be delivered in house, by arm's length companies, in partnership, or by third parties.



# Commercial development principles

Our commercial development objectives are aimed at ensuring the councils have a sustainable financial future so frontline and community services are protected and underpin our commercial activities. They can be described as...

- ▶ **Innovation**
- ▶ **Commercial Focus**
- ▶ **Social Impact**

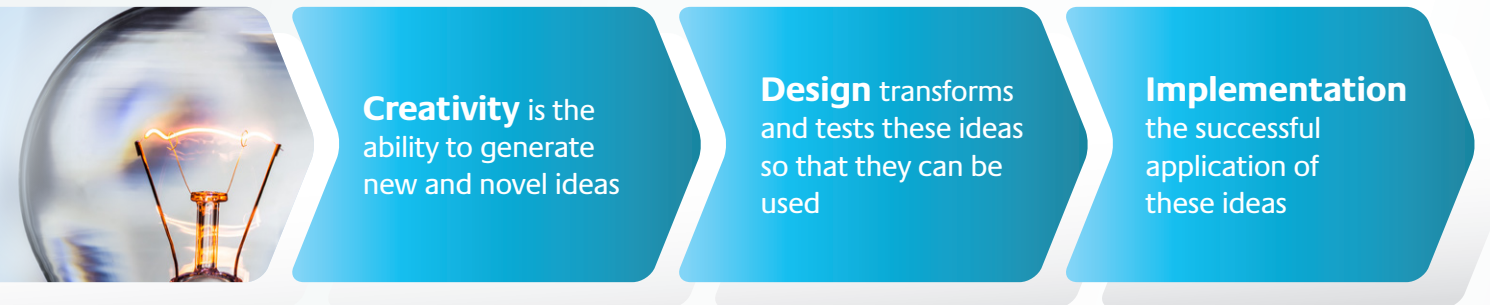
## Innovative councils

Innovation, the creation and implementation of new ideas that enhance performance or productivity or generate new income streams is essential if we are to realise our vision. Ideas alone do not bring about change. Therefore we must establish clear processes and support to take ideas, develop and deliver them.

Innovations can be changes to services, business processes, technologies, organisational arrangements or democratic approaches. The purpose of innovation is to deliver added value to the customer, and this may be through the development of new ideas, products and services or through tangible improvement to existing practices.

### What is special about innovation?

Innovation is more than having a good idea, although that's where it starts. Innovation is about implementation and delivery and accepting that developing and delivering new ideas requires the organisation to support and encourage innovation and tolerate the risks associated with it.



We will do this by:

- Establishing a commercial development programme to help staff develop the skills and provide capacity to both create and innovate.
- Empowering mentors across the councils to support and challenge innovation helping to implement innovative ideas.
- Establishing an innovation intranet, for staff to make suggestions, review ideas and collaborate to support organisation improvement and efficiency, new ways of working and commercial projects.

Ideas can come from anyone, anywhere. They may be brand new or new to the councils and in use elsewhere, borrowed or adapted best practice from other councils or organisations, or the commercial sector and they may be suggested by customers, members or partners.



## Our commercial principles

To shape our commercial objectives we have set out a series of principles which will ensure we focus on commercial projects that are likely to generate value for the councils and the districts.

### We aim to differentiate from others to create competitive advantage:

- This means we are truly innovative on a national basis.
- We do not try to compete as a commodity supplier, on a low cost or reduced quality basis.

### To survive in a commercial world we aim to maximise profitability and growth in market share:

- To do this we use our expertise and predisposition to create unique solutions; we take the high margin and franchise or license solutions to others (e.g. other councils or established companies) to maximise total value. We make opportunities as big as we can.
- We do not hold onto opportunities or pursue projects that no longer meet our required rate of return.

### We are commercially focused:

- This means we understand the environment of our customers and partners to identify opportunities and
- We don't do things just because we want to do them or because others do them.

### We are the pacesetter amongst all councils:

- We will understand what other councils are doing and do it better or do things differently.
- We control our own destiny and
- We do not let others take our value or define our agenda.

### To be sustainable we must operate with integrity:

- This means our stakeholders are our shareholders; this is the foundation of our economic model and
- We avoid giving profits to third parties.

### Social Impact

As local authorities we have a duty to the districts we govern and our commercial activity will respect and support this through the following values:

<b>Framework</b>	Creating a positive social impact within the districts. Always being ethical and honest.
<b>Environmental</b>	Minimising the environmental impact of all undertakings. Promoting and supporting environmentally sustainable opportunities.
<b>Economic</b>	Ensuring all commercial opportunities we develop are appropriate and that they contribute to the growth of the local economy.
<b>Sustainable</b>	Creating long term value contributing to the districts' economic growth.

# Commercial development objectives

During 2017-2020 this strategy will support the development of new ideas, services, products and opportunities to generate income for the councils that will be invested to ensure frontline and discretionary services can continue to be delivered. Commercial development and income generation underpins the councils’ vision for long term financial sustainability which will ensure the strategic priorities for the districts can be delivered.

The commercial development and innovation strategy sets out which commercial activity will be undertaken. The objectives are to:

1. Address the currently identified gap in the medium term financial strategies.
2. Instil and grow a customer focused and commercial culture throughout the councils.
3. Enable the sustainability of the councils through financial independence.
4. Support staff to innovate, create and deliver new opportunities and drive continuous improvement and Operational Excellence.

The approach to generating income will be based on four themes:



## 1 Growing existing income

Identifying existing service based income streams that have potential for growth. Realising that growth where it is profitable and appropriate to do so. Developing and changing existing service delivery to create value and generate income.



## 2 Trading our services

Developing our services so they can be offered on a business to business basis or our own arm’s lengths organisations on a commercial basis; this includes increasing efficiency and productivity.



## 3 Offering new services

Developing new services to satisfy current customer needs or to realise the potential of existing assets.



## 4 Investing in assets, major initiatives

Developing any new or innovative idea with significant potential including asset acquisition.





# What does success look like?

This strategy sets out a vision for commercial development over the medium term. Our objective is not to trade every service but to develop a series of services, projects and new assets that develop revenue streams for the councils which will enable financial sustainability.

## Over the next three to five years the strategy will deliver:

- A jointly owned company to deliver a revenues and benefits service.
- A jointly owned enterprise to develop opportunities for rental, commercial sales and self-build housing across the districts.
- Our new asset management strategy with a commercially focused asset and facilities service.
- A new procurement strategy that drives efficiencies and delivers opportunities for innovation and new commercial partnerships.
- A new approach to support services which ensures cost effective, customer focused, solution orientated quality advice.
- A series of high quality business support services which support and promote economic growth across the districts.
- Growth of the jointly owned council company to include additional services and a commercial offer to potential customers.

Success will ultimately be measured through the generation of income and an increasing customer base and each project will have its own performance measures. However, we recognise that not all projects will be successful or appropriate and have established a set of guiding principles under which commercial activity will operate; initiatives will be tested against these (set out in the commercial development principles section).

# Implementation

## How will we deliver this?

For 2017/18 all services will set out their commercial objectives in their business plans. Not all services will be expected to trade or to be provided through an alternative service delivery vehicle but all will be expected to set out a route map to either generate income, deliver new commercial projects, facilitate commercial development or increase their efficiency / productivity.

In addition to individual service objectives, a rolling commercial development action plan will be produced and deliver projects aligned with each of the four objectives set out above. The Councils' Joint Commissioning Committee and Member Commercial Panel will oversee commercial projects and ideas as they are developed.

## Innovation, skills and capacity

A toolkit to support commercial development and innovation will be produced and, as part of the people and organisational development strategy, a commercial skills and innovation programme will be launched to support a new entrepreneurial culture, the implementation of innovative ideas and to increase capacity to deliver major projects.

- Commercial opportunities will be scoped with a short feasibility study. If potential is identified a business case will be developed.
- Twice yearly innovation seasons will run where staff are supported to develop and implement innovative ideas for income generation.
- The commercial skills programme will also run twice yearly.

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# Commissioning Strategy

2017 – 2020

Pricing  
Inclusion  
Agile  
Procurement  
Outcomes  
Growth  
Demand led  
Value for money  
Data  
Customer  
Contracts  
Stakeholder  
Performance  
Improvement  
Sustainable  
Excellence



South  
Northamptonshire

Page 109

*Cherwell*

DISTRICT COUNCIL  
NORTH OXFORDSHIRE

# Introduction

Like all councils, Cherwell District Council and South Northamptonshire Council face unprecedented financial challenges as a result of reducing budgets from central government and because of the increasing demand for services as populations change and grow. We need to constantly strive to identify and implement more effective and efficient ways to deliver better outcomes for residents and the users of our services whilst also seeking to maximise opportunities to support the local economy.

To support this objective, the councils need to increase their capability to operate as commissioning organisations that regularly challenge and review the need for services, based on priority and need.

# Commissioning strategy

Commissioning is the art of delivering the best possible outcomes through the best possible use of resources whilst at the same time generating excellent value for money. Our aim is to be 'innovative, agile commissioning organisations that secure better outcomes, by commissioning the right services from the right place, at the right time and at the right price'. Our Commissioning Strategy will ensure we:

- Understand and put the needs of our customers (service users, residents, businesses and community groups) at the heart of our decision-making and align this with the councils' corporate strategic economic, social, and environmental priorities.
- Align and integrate corporate planning and budgets in support of these needs.
- Develop bespoke specifications and commission appropriate service models, so the best possible outcomes for these priorities can be secured.
- Make full use of a mixed economy of provision that delivers value for money and efficiency improvements through excellence in contract procurement, effective service planning and robust monitoring and management.
- Monitor, measure, analyse and review our performance to continuously test the most effective way to deliver the best outcomes.

## Needs of our customers

Our customers are our service users, residents, businesses, community groups and any other group that contributes to our local economy such as tourists and commuters. Our approach to delivering economic growth through good commissioning is to provide clear insight into customer need, leading to the development of services and markets from which we can generate additional revenues. This insight will tell us:

- what our customers want
- when they want it



- how they want it delivered, and
- the value they attach to particular services.

It will also include analysis of other strategic data such as market provision that will help design our service delivery accordingly. Insight will also be gained from existing internal knowledge, and we have developed a strategic information group that will identify, collect, analyse and use available data.

## Aligning needs with the strategic priorities

The councils' corporate plans includes meeting the strategic priorities of Cherwell District Council:

- A district of opportunity
- Safe, green, clean
- A thriving community
- Sound budgets and customer focused council

and South Northamptonshire Council:

- Serve the residents and business
- Protect the district
- Grow the district

The priorities reflect the needs of our customers; therefore, our business planning must be focussed on achieving these priorities as there is a mutually dependent relationship between this and attaining financial sustainability that includes meeting the demand for housing and the associated income growth.

By setting SMART objectives and targets that will meet customer need, we can develop the services to support specific activities (i.e. commissioning and delivery plans), and have robust performance measures that reflect our progress towards these targets, ensuring any additional income generation is maximised. This will require the breakdown of traditional service area silos, combining the activities of multiple service areas with the delivery of specific outcomes.

## A mixed economy

Once we have considered the needs of customers, mapped out our strategic priorities and objectives and developed our service plans, the next stage is to deliver them.

The mixed economy refers to how we can best deliver our service models to gain maximum advantage from achieving outcomes and generating income. This could be from existing in-house teams, council owned not-for-profit organisations, the voluntary sector, the private sector or from companies like Graven Hill that are able to generate income through competing fully in the private sector.

We will also continue to contract, collaborate and partner with private businesses, the voluntary sector and with social enterprises where it is most effective to do so, by commissioning work in a way that supports our social, economic and environmental aims, and by employing strategies such as specifying the use of local suppliers or apprentices as a condition of contract.

## Next steps

Our focus will be to commission work which will produce key outcomes rather than using the more traditional approach to procurement and the provision of services. By identifying the needs of our customers, we can set our strategic priorities, develop our service plans and deliver the best service possible. In order to deliver the commissioning framework we need to create an environment that encourages insight and that develops capability to commission.

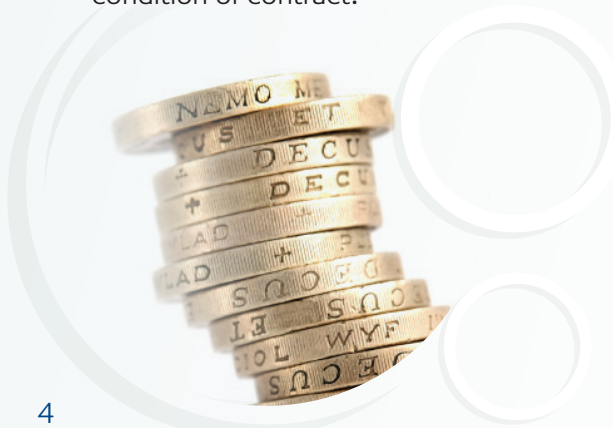
## Insight

The purpose of the Insight Team will be to research, collate and organise strategic evidence based management information in such a way that it can be used purposefully and effectively to inform commissioning strategy. It will set the direction for developing service specifications and for commissioning delivery to meet specified outcomes. The Insight Team will need to:

- Own the corporate data strategy, and the corporate data and systems used for storing and analysing data on behalf of the authorities.
- Understand and identify appropriate data sources to draw intelligence from, including internal sources.
- Gather intelligence and create programmes for intelligence gathering such as consultation and engagement with users of our services.
- Analyse the data and present data to commissioning managers in an appropriate and effective way.

The type of data being collected will vary greatly and whilst not exhaustive will typically include:

- Service user feedback (surveys, complaints, social media, customer services) from residents, businesses, visitors and commuters.
- Political, economic, social, technological, environmental and legal intelligence including legislative changes and statistical data.
- Business market intelligence, including competitor activity.



- Service performance data.
- Stakeholder and demographic mapping.

The team will analyse data presenting it an appropriate way to commissioning managers, which may include all or some of:

- Trend presentation.
- Category management presentation.
- Outcome presentation.

## Commissioning resource

The purpose of commissioning resource is to use insight to develop optimal outcomes for service delivery and develop specifications for services that will achieve those outcomes. The commissioning resource will be responsible for the commissioning of these services from the mixed economy and from the ongoing supplier relationship via the contract management arrangements necessary to fulfil delivery in achieving outcomes.

The commissioning resource will:

- Work closely with the Insight Team to ensure effective intelligence is captured and presented appropriately.
- Use intelligence to deliver outcomes that will meet our corporate and financial objectives in the best way possible. This may take the form of plugging gaps in service delivery or working to improve the standard of currently adequate service delivery.
- Develop specification for services that will meet those outcomes, which will include looking across the organisation and not just focussing on single service areas, but prioritising the use of resources under category management. The development of specifications will be determined by working collaboratively with service users and other stakeholders to design appropriate pathways to desired outcomes.
- Decide on the best use of the mixed economy to deliver these outcomes and oversee procurement of services.
- Develop a supplier relationship and / or a contract management role to ensure optimal delivery of services (internal or external).

Commissioning resource should be aligned with strategic priorities and objectives. For example, this can broadly be translated into the delivery of outcomes in areas such as growth, people, and communities. A typical commissioning programme would be based on a four yearly cycle and all commissioned services would be subject to periodic review.

The cycle of the commissioning programme will focus on contract end dates, service development opportunities and funding opportunities and will work with insight gained from, for example, customer feedback on our performance. Ensuring a focussed contract management response that will enable an efficient reaction to any changes in service needed, identified via the gathering of specific insight, will mean that the commissioning cycle will remain agile.



## Commission for outcomes

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**EQUALITY IMPACT ASSESSMENT**

**2017/2018 Business Plan and Budget Equality Impact Assessment**

## Equality Impact Assessments

### CONTENTS

Part 1	Stage 1: initial screening details	3
	Stage 1: initial screening assessment	4
	Stage 1: narrative	5
Part 2	Stage 2: in depth (full) assessment	6/7

## Equality Impact Assessment (Part 1)

### Part 1: INITIAL SCREENING DETAILS ASSESSING POLICIES

Please tick/delete as appropriate: Is this EIA for a:

Strategy	<input checked="" type="checkbox"/>	Existing	<input checked="" type="checkbox"/>	(2014/15 updated for 2015/16)
Policy	<input type="checkbox"/>	New/Existing	<input type="checkbox"/>	
Service Development	<input type="checkbox"/>	New/Existing	<input type="checkbox"/>	

#### Name of Strategy, Policy or Service Development:

2016/2017 Corporate Business Plan and Budget

#### AIMS, OBJECTIVES AND PURPOSE OF THE POLICY OR ACTIVITY:

The Corporate Business Plan and Budget contains detailed measures and targets which underpin the delivery of Cherwell District Council's corporate strategic priorities throughout 2017/2018

PLEASE LIST THE MAIN STAKEHOLDERS/BENEFICIARIES IN TERMS OF THE RECIPIENTS OF THE ACTIVITY OR THE TARGET GROUP AT WHOM THE POLICY IS AIMED:

- **All Cherwell Residents**

If the activity is provided by another department, organisation, partnership or agency on behalf of the authority, please give the names of these organisations/agencies:

N/A

---

<b>Lead officer</b>	Caroline French
<b>Contact</b>	01295 221586 <a href="mailto:caroline.french@cherwellandsouthnorthatnsgov.uk">caroline.french@cherwellandsouthnorthatnsgov.uk</a>
<b>Service area</b>	Performance and Insight Team
<b>Directorate</b>	<b>Strategy and Commissioning</b>
<b>Assessment date</b>	26 <sup>th</sup> January 2017
<b>Assessment review date</b>	January 2018

## Equality Impact Assessment (Part 1)

### STAGE 1 – INITIAL SCREENING ASSESSMENT

Q	Screening Questions	Y/N
1.	Does the policy or activity knowingly prevent us in anyway from meeting our statutory equality duties under the 2010 Equality Act?	<b>N</b>
2	Is there any evidence that any part of the proposed policy or activity could discriminate unlawfully, directly or indirectly, against particular equality groups?	<b>N</b>
3	Is there any evidence that information about the policy or activity is not accessible to any equality groups?	<b>N</b>
4	Has the Council received any complaints about the policy or activity under review, in respect of equality issues?	<b>N</b>
5	Have there been any recommendations in this area arising from, for example, internal/external audits or scrutiny reports?	<b>N</b>
6	Will the proposed policy or activity have negative consequences for people we employ, partner or contract with?	<b>Y Potential</b>
7	This Strategy, Policy or Service Development has an impact on other council services i.e. Customer Services and those services have not yet been consulted.	<b>N</b>
8	Will there be a negative impact on any equality groups? If so please provide brief details below.	<b>Y Potential</b>
	Equality Impact:	Any initiatives that may have impact upon equality groups will undergo the specific EIA process.
	Disability	
	Gender Reassignment	
	Pregnancy and Maternity	
	Race	
	Religion or Belief	
	Sex	
	Sexual Orientation	
	Age	
	Marriage and Civil Partnership	
9	Is the proposed policy or activity likely to have a negative affect on our relations with certain equality groups or local community?	<b>N</b>
10	There has been no consultation with equality groups about this policy or activity? Answer yes if you agree with this statement. If there has been consultation, please list the equality groups you have consulted with:	<b>N</b>
11	Has this assessment missed opportunities to promote equality of opportunity and positive attitudes?	<b>N</b>

**Proceed to In Depth (Full) Assessment (complete Stage 2) if the answer is YES to more than one of the above questions.**

**For any YES answers include an improvement action in your Equality Improvement Plan.**

## Equality Impact Assessment (Part 1)

Please detail below your evidence which has determined whether you have answered either Yes or No to the initial screening questions.

Screening Questions	Narrative
<b>Does the policy or activity knowingly prevent us in anyway from meeting our statutory equality duties under the 2010 Equality Act?</b>	No, all of the targets and measures within the Business Plan are compliant with the Equality Act 2010.
<b>Is there any evidence that any part of the proposed policy or activity could discriminate unlawfully, directly or indirectly, against particular equality groups?</b>	No, all measures, targets and strategic priorities are compliant with the Equality Act 2010.
<b>Is there any evidence that information about the policy or activity is not accessible to any equality groups?</b>	No, the Business Plan will be published on Cherwell District Council's website.
<b>Has the Council received any complaints about the policy or activity under review, in respect of equality issues?</b>	No
<b>Have there been any recommendations in this area arising from, for example, internal/external audits or scrutiny reports?</b>	No
<b>Will the proposed policy or activity have negative consequences for people we employ, partner or contract with?</b>	The Business Plan is based on a financial strategy that delivers income generation through alternative delivery models. This requires exploration by Cherwell District Council into partnerships and other delivery models that will deliver services more effectively and meet a wider range of specific outcomes. Specific impact to employees, partners or contractors cannot be identified at this time but may become apparent throughout the year as service/project business cases are developed. All service reconfigurations and/or potential redundancies will be undertaken in line with the council's human resources policy and with staff consultation.
<b>This Strategy, Policy or Service Development has an impact on other council services i.e. Customer Services and those services have not yet been consulted.</b>	No

<p><b>Will there be a negative impact on any equality groups?</b></p>	<p>Due to a reduction of funding from central government the Financial Strategy aims to make efficiency savings as part of its overall objectives during the course of 2017/2018. Any initiatives that may have impact upon equality groups will undergo the specific EIA process.</p>
<p><b>Is the proposed policy or activity likely to have a negative affect on our relations with certain equality groups or local community? If so please explain.</b></p>	<p>No, the EIA has not identified any specific objective or target within the business plan likely to have a negative effect on community relations.</p>
<p><b>There has been no consultation with equality groups about this policy or activity? Answer yes if you agree with this statement. If there has been consultation, please list the equality groups you have consulted with:</b></p>	<p>No specific consultation has taken place against the actual Business Plan for 2017/2018 however Cherwell District Council's priorities are driven by the annual Customer Satisfaction Survey and Budget Consultation. Both reports are available to view on the Council's website.</p>
<p><b>Has this assessment missed opportunities to promote equality of opportunity and positive attitudes?</b></p>	<p>No</p>

## Equality Impact Assessment

### PART 2: STAGE 2 – IN DEPTH (FULL) ASSESSMENT

	<b>EQUALITY DUTIES</b>	<b>OUTCOME</b>
<b>1</b>	<b>What evidence is there from stakeholders that different equality groups might have different needs, concerns and priorities in relation to issues addressed by the policy or activity (this includes the results of consultation with an involvement of different equality groups)?</b>	The Business Plan underpins the creation of the Corporate Priorities. Cherwell District Council set their priorities by evidence gathered following the annual Customer Satisfaction Survey.
<b>2</b>	<b>How does the proposed policy or activity contribute towards meeting our strategic objective to encourage continual improvement in public services so that they meet the changing needs of diverse communities and provide fair access for all?</b>	The detailed measures and targets within the Business Plan which are determined by results of the annual Customer Satisfaction Survey underpin Cherwell District Council's strategic priorities.
<b>3</b>	<b>How does the policy or activity contribute to our duty to promote positively equality of opportunity?</b>	<p>There are a variety of objectives within the Business Plan which have a positive impact:</p> <ul style="list-style-type: none"> <li>• Work with partners to support financial inclusion</li> <li>• Deliver affordable housing and work with private sector landlords to help improve affordable housing options.</li> <li>• Accessible leisure opportunities</li> <li>• Provide high quality housing options advice and support to prevent homelessness</li> <li>• Provide support to the voluntary and community sector.</li> <li>• Ensure all rural areas are connected to local services.</li> </ul>
<b>4</b>	<b>Will it help eliminate unlawful discrimination or harassment in any way or encourage or hinder community relations?</b>	The Business Plan outlines how Cherwell District Council will achieve its Corporate Priorities on an annual basis. The community feeds into this process via the annual Customer Satisfaction Survey.



5	<b>What evidence is there to suggest that the policy or activity could affect some equality groups differently – this is not just about numbers but the seriousness and degree of the adverse impact.</b>	Currently there is no evidence that suggests there will be a different impact.
6	<b>If there is an adverse impact, what amendments can be made to the policy or practice to mitigate or remove this negative impact?</b>	Currently there is no evidence that suggests there will be a different impact.
7	<b>If your activity is provided by a partner, private or voluntary sector organisation on a contract basis please list any arrangements have you made or plan to make to help ensure that these comply with equality.</b>	N/A
8	<b>How will it help ensure that information about this policy or activity is accessible to equality groups.</b>	The Business Plan for 2017/2018 will be available on Cherwell District Council's website.
9	<b>If this strategy, policy or service development impacts upon other services please list which services and what arrangements have been made.</b>	N/A
10	<b>Have you compared your policy or activity with similar local authorities, if so with what results?</b>	The Business Plan is relevant to the local area so the content of this has not been compared to similar local authorities. The performance against the Business Plan is monitored.
11	<b>Please list any consultation with equality groups in support of the above equality duties.</b>	The Customer Satisfaction Survey is available to all residents. No specific consultation has occurred with particular equality groups.
12	<b>Please list the equality groups you have consulted with.</b>	The Customer Satisfaction Survey is available to all residents. No specific consultation has occurred with particular equality groups.
13	<b>Please list in your Improvement Plan any changes to your policy or activity that you have made, or you plan to make as a result of consultation with different equality groups.</b>	Currently there is no evidence that suggests there will be any impacts. Specific EIAs and improvement plans will be conducted if necessary throughout the year.
16	<b>Who has agreed these recommendations?</b>	To be agreed by the Cherwell DC Executive Committee.

17	<b>How is it intended to monitor and report on the impact of this assessment?</b>	All actions are monitored on a quarterly basis through the democratic process.
18	<b>Please list any performance targets relating to equality that your policy or activity includes.</b>	Performance targets will be identified via specific EIAs.
19	<b>Please list any changes to your policy or activity that you have made or plan to make as a result of monitoring.</b>	None have been made.
20	<b>Please list any staff training issues on equality arising from this assessment (and include this in your improvement plan).</b>	N/A – however equalities e-learning is available to all staff as a refresher and is mandatory for all new employees to the Council as part of the council's training and development policy. Cherwell District Council Members will also receive a Fair and Aware briefing Session during 2017/2018.
21	<b>How do you plan to publicise the results of this assessment? Include this in the Improvement Plan.</b>	EIA to be published on Cherwell District Council's website.

Notes:

1. The in-depth (full) assessment must consider all available data and research. This could include the results of employee or stakeholder surveys, the results of consultation, audits, service reviews, employment monitoring data, population data, research findings, and data collected through monitoring the implementation of the policy or activity and evaluations of projects/programmes, data about the performance of local services.

2. The assessment above must also state how the policy was assessed and the details of the methods of involvement of appropriate people, for example, staff networks, external stakeholders and equality groups.

**Completed by:** Caroline French  
**Role:** Business Transformation Project Officer  
**Date completed:** 26<sup>th</sup> January 2017

### Declaration

I am satisfied that an In Depth (Full) Assessment has been undertaken.  
I understand that this EIA is required by the Council and take responsibility for its completion and quality.

**Countersigned by:** Scott Barnes, Director – Strategy & Commissioning  
**Date:** 26 January 2017



## Cherwell District Council

### Executive

6 February 2017

<p><b>Notification of Urgent Action: Additional funding for Coach House Mews and Lincoln Close- Build!</b></p>
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### Report of Commercial Director

This report is public

#### Purpose of report

To report the urgent action taken by the Commercial Director in consultation with the Leader which related to the approval of a new contract sum of £2,686,299 to include £78,000 for additional fees associated with the London Housing Consortium (LHC) levy to be applied to Coach House Mews, Bicester and Lincoln Close, Banbury.

#### 1.0 Recommendation

The meeting is recommended:

- 1.1 To note the urgent action taken by the Commercial Director in consultation with the Leader of the Council, which related to the approval of a new contract sum of £2,686,299 to include £78,000 for additional fees associated with the London Housing Consortium (LHC) levy to be applied to both the Coach House Mews, Bicester and Lincoln Close, Banbury housing developments.

#### 2.0 Introduction

- 2.1 Executive considered and approved a second phase of development for both Coach House Mews and Lincoln Close on the 18th July 2016 to be awarded to the phase one contractor, KeepMoat. The total sum approved for this second phase was £2,609,000 but this did not include the levy required by LHC as it was assumed that this would be absorbed by the contractor.
- 2.2 However, following further negotiations with KeepMoat it was clear that only some of the additional levy costs would be absorbed by the contractor. This meant that a final contract sum of £2,686m would be confirmed as the final cost. As this sum was different to that approved by Executive (original sum £2,608m) the legal department confirmed that the Head of Law and Governance was unable to sign and seal the KeepMoat contracts. The Commercial Director in consultation with the

Leader therefore approved under urgent action powers, the revised contract sum, taking account of the additional costs associated with the levy of £2,686m.

### 3.0 Background Information

#### 3.1 KeepMoat Contract: Coach House Mews (Bicester) and Lincoln Close (Banbury).

This contractor was appointed to complete phase one of both schemes to shell stage to sell to self-builders to complete following first fitting stage. However the challenges presented by the flats at Coach House Mews required a revised approach due to Health and Safety concern outlined in the Executive report of the 18th July 2016. The contractor was therefore asked to provide a quotation for a second phase which would ensure completion of properties on both sites to self-finish stage.

3.2 The procurement of the second phase of the contract was managed under the LHC framework in order to reduce the delays between phase one and two as the contractor was already on site. The LHC framework charges a levy of 5% of the contract sum which is usually incorporated within the total figure. This was subject to negotiation with KeepMoat and included additional costs associated with new drainage requirements to Lincoln Close, this could not have been foreseen at the time. The total levy therefore due to LHC for phase two was gross £130,469; however, with the contractor contribution from KeepMoat the amount required to be included in the phase two contract and therefore a cost burden to CDC was £77,918, please see the table below.

Project	Original Offer	Adjusted Total	Difference
Coach House Mews	£1,591,706.00	£1,639,791.00	£48,085.00
Lincoln House	£1,016,675.00	£1,046,508.00	£29,833.00
<b>Total</b>	<b>£2,608,381.00</b>	<b>£2,686,299.00</b>	<b>£77,918.00</b>

3.3. The original report to Executive did not include this additional levy cost as indicated above in 3.2 it was assumed as is normal practice, that this levy had been applied to the original gross contract sum of £2,608m. When applying the net £77,918 cost this clearly takes the approved contract sum above the original Executive authority.

3.4 The legal officers indicated that in order for the contract documentation to be signed and sealed to enable urgent contract payments to be made to the contractor KeepMoat it would be necessary for the director of Commercial Services in consultation with the Leader of the Council to approve the new gross contract figure of £2,686m.

3.5 The increase in the total contract sum was confirmed to the Chief Financial Officer who indicated his support to the revised gross contract sum as it remained within tolerance and that the overall Build! budget projections would not be exceeded. Accordingly, the Commercial Director approved the new contract sum with the Leader of the Council's support on the 10<sup>th</sup> January 2017.

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

- 4.1 This report confirms the urgent action taken by the Commercial Director in consultation with the Leader of the Council to approve the new contract sum for the schemes identified within this report totalling £2,686m.

## **5.0 Consultation**

- 5.1 In accordance with the urgent action powers, the Commercial Director consulted with the Leader of the Council, legal officers and the Chief Finance Officer.

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

- 6.1 None as this is an information report for Executive to note.

## **7.0 Implications**

### **Financial and Resource Implications**

- 7.1 The additional funding of £77,918 remains within the overall budget tolerance of the approved Build! programme. This amount of additional cost has been mitigated by a cost mitigation negotiation with KeepMoat.

Comments checked by:

Paul Sutton, Chief Finance Officer, 0300 0030106  
[Paul.sutton@cherwellandsouthnorthants.gov.uk](mailto:Paul.sutton@cherwellandsouthnorthants.gov.uk)

### **Legal Implications**

- 7.2 There are no direct legal implications. The urgent action was taken in accordance with the constitution which also requires that an information report is taken to the next appropriate meeting of the Executive.

Comments checked by:

Kevin Lane, Head of Law and Governance – 0300 0030107  
[kevin.lane@cherwellandsouthnorthants.gov.uk](mailto:kevin.lane@cherwellandsouthnorthants.gov.uk)

## **8.0 Decision Information**

### **Key Decision**

**Financial Threshold Met:** **No**

**Community Impact Threshold Met: No**

### **Wards Affected**

Wards where the new properties are located.

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

The development of these sites are in accordance with the previous corporate and policy objectives as approved by Executive and forming part of the Build! initiative.

### **Lead Councillor**

Councillor John Donaldson, Lead Member for Housing

### **Document Information**

<b>Appendix No</b>	<b>Title</b>
None	
<b>Background Papers</b>	
None	
<b>Report Author</b>	Chris Stratford, Head of Housing & Regeneration
<b>Contact Information</b>	Chris Stratford 01295227980 <a href="mailto:Chris.stratford@cherwell-DC.gov.uk">Chris.stratford@cherwell-DC.gov.uk</a>

## Cherwell District Council

### Executive

6 February 2017

<p><b>Proposed Changes to the Local Health and Social Care Sector</b></p>
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### Report of the Director of Operational Delivery

This report is public  
Appendix 4 to this report is exempt from publication by virtue of paragraph 5 of Schedule 12A to the Local Government Act 1972

#### Purpose of report

To inform the Executive of proposed changes to the health and social care sector, the actions of the Council to date and to consider further Council activity.

#### 1.0 Recommendations

The meeting is recommended:

- 1.1 To note the proposals for change and the actions taken by the Council to date.
- 1.2 To consider further the specialist advice to the Councils and the emerging Council response to the stage 1 consultation process upon receipt of further information.
- 1.3 To agree to hold an all member briefing at the end of March 2017 regarding the Council's intended response to the stage 1 consultation proposals.

#### 2.0 Introduction

- 2.1 The Council has for some time been engaged in changes to the health and care sector locally through its active involvement and support for the Community Partnership Network (CPN). It has also received periodic updates at Council meetings.
- 2.2 The Community Partnership Network has, in 2016, been engaged in dialogue with the Oxford University Hospitals Foundation Trust (OUHFT) over proposed changes to the services provided at the Horton General Hospital (HGH) as well as other local changes. Later in 2016, these potential changes formed part of the Oxfordshire Transformation Programme for health and social care which forms part of the Government's call for Sustainability and Transformation Plans (STP) across the

country. Oxfordshire is part of the Buckinghamshire, Oxfordshire and Berkshire West STP.

- 2.3 This report outlines the activities undertaken by the Council to date, the nature of the proposed changes as reflected in the formal consultation process now underway and the approach which is proposed for the Council to respond to the consultation process.

### **3.0 Report Details**

#### **Community Partnership Network Activities**

- 3.1 Since the 2008 challenge to some of the HGH services was concluded in 2011, with the implementation of the Secretary of State's directive that the HGH should retain consultant led obstetrics and paediatric services, the CPN, under this Council's chairmanship and support, has been very active. Its primary focus has been to monitor the continued application of consultant led services and considered these in the wider context of other HGH changes and wider health and social care service change in North Oxfordshire.
- 3.2 In 2016, the OUHFT explored with the CPN a number of scenarios for service change at the HGH and its hospitals in Oxford which at that time were forming the secondary health component of the Oxfordshire Transformation Programme. The three emerging service models at that time are summarised at Appendix 1. Needless to say, there was considerable concern expressed at some of the proposed downgrading of current services by moving most acute services to Oxford despite the strong intent to accommodate an enhanced range of diagnostic, outpatient and elective surgery cases at the HGH. The concerns stem from the fact that many of the proposals run counter to the position taken by the Independent Reconfiguration Panel and the Secretary of State in 2008, where the same distance/travel/patient safety concerns existed.

#### **Oxfordshire Transformation Programme Consultation**

- 3.3 On 16 January the Oxfordshire Clinical Commissioning Group (OCCG) commenced a formal two stage consultation process on the following proposed changes;

##### Phase 1 consultation – 16 January to 9 April 2017

Acute hospital services (acute hospitals provide a wide range of specialist care and treatment including surgery, medical care, emergency care and tests):

- changing the way we use our hospital beds and increasing care closer to home in Oxfordshire, thereby reducing the number of costly hospital bed provision and length of hospital stays;
- increasing planned care at the HGH (planned care includes tests and treatment planned in advance and not urgent or emergency care) such as increased diagnostic tests, outpatient appointments, planned day surgery and pre-surgery assessments;



- making permanent acute stroke services in Oxfordshire where most acute stroke episodes will be treated in Oxford but supported by an extended early supported discharge service at home and potentially with rehabilitation at the HGH;
- changing critical care (critical care helps people with life-threatening or very serious injuries and illnesses) at the HGH where the sickest (Level 3) critical care patients from North Oxfordshire would be treated at the Oxford Intensive Care Units (ICUs). The HGH should continue to have a Critical Care Unit. *Patients living in South Northamptonshire and South Warwickshire might be treated at the critical care units in hospitals in Warwick, Northampton or Milton Keynes if closer;*
- making permanent the recent changes to maternity services at the HGH including obstetrics, the Special Care Baby Unit (SCBU) and emergency gynaecology inpatient services where obstetric services will be provided at the John Radcliffe Hospital in Oxford, with the Special Care Baby Unit and emergency gynaecology inpatient services. A Midwife Led Unit will be maintained at the HGH *(with women from north of Oxfordshire also having the choice to travel to Northampton, Warwick or Milton Keynes).*

#### Phase 2 consultation – Later in 2017

Acute hospital services:

- Accident and emergency units in Oxfordshire;
- Children's services;
- Community hospitals including Midwife Led Units (MLUs).

3.4 The full consultation document is attached at Appendix 2. This outlines the challenges facing the sector where continuing without change is not sustainable, a vision for how services should be improved, a vision for primary care, and further detail about what is proposed in the stage 1 consultation.

3.5 The first consultation event was held in Banbury on 26 January 2017 where it is estimated some 500 people attended St Mary's Church with significant concern expressed by all about the proposals. Most of this centred on critical care health concerns about the distance, means of travel and travel time from Banbury to Oxford. Victoria Prentis MP is currently conducting a public survey of the travel and parking time with the emerging combined average time of these being between 1.5 and 2 hours.

#### **Buckinghamshire, Oxfordshire and Berkshire West Sustainability and Transformation Plan (BOB STP)**

3.6 During this same period, the Governments STP programme was underway. A public summary of the content of this is attached at Appendix 3. Again, this BOB STP outlines similar challenges to that of the Oxfordshire Transformation Programme, which are:

- significant increases in population due to new housing growth;
- pockets of deprivation where communities are not as healthy as they could be;
- an increase in demand for services, especially for frail older people who often have more than one health and care need;
- difficulty in recruiting and retaining staff due to the high cost of living, which leads to inconsistent levels of care and unsustainable services;
- ageing NHS buildings which are not fit for modern use;
- variable access to some specialised services and other treatments;
- people having to travel out of our area for specialised mental health care.

3.7 The detail of the STP goes on to support the changes to the HGH as reflected in the Oxfordshire Transformation Programme consultation proposals. It should also be recognised that the BOB STP is more about how efficiencies and service improvements can be delivered at scale beyond Oxfordshire, and for many aspects is about different methods of working to achieve this.

3.8 Because the consultation about service change is anticipated to be at a separate Oxfordshire, Buckinghamshire and Berkshire West level, it appears unlikely that the STP itself will be the subject to consultation. It is also clear that there appears to have been little dialogue with the STP leaders in neighbouring areas, which is of concern when so many issues in North Oxfordshire involve cross boundary service matters.

### **Council Actions to Date**

3.9 As many of these matters are clinical in nature, the Council has engaged health sector specialists to advise on the clinical aspects of the proposals, to support the Council's response to the consultation process and other associated activities.

3.10 During the period of pre-consultation engagement, the Council had been informed of not only of the likely content of the consultation process but also the proposal to split the process into two phases. The Council, and indeed the CPN, did not support the two stage consultation process for the following reasons:

- There is a risk that the first consultation will prejudice the outcome of the second consultation and, as far as services in North Oxfordshire are concerned, obscures the basic question around which community interest turns - "what will the future HGH offer in terms of health services".
- The starting point is that the HGH has historically provided a local acute service which has provided three core services - a 24-hour emergency service for adult medical emergencies, somewhere to have a baby, and somewhere to take a sick child. The first of these core functions is threatened if the first consultation proposes the removal of other acute services.

- There are clear linkages between obstetric, paediatric and anaesthetic services. The withdrawal of obstetrics has caused the removal of the SCBU and with it specialised nursing skills, as well as demand for the expertise of paediatricians and anaesthetists.
- If the result of the stage 1 consultation were to be permanent removal of level 3 critical care, stroke, obstetric and SCBU services, it is apparent that not only is the ability of the Horton to treat unselected adult medical emergencies compromised, even though the Emergency Department would still be in place, but the paediatric service would be weakened leaving both services potentially vulnerable to being removed as a result of the second stage of consultation.
- There are four tests for public consultation in the NHS, namely strong patient and public engagement, consistency with the need for patient choice, a clear evidence base, and support from commissioners. There seems to be very little in the way of wider health system engagement outside Oxfordshire or regard for patient choice. This would be especially the case if the stratification of consultation means that there is no clarity as to what will be the ultimate outcome and fails, in the case of the HGH, to set out for North Oxfordshire residents and those of surrounding areas what the shape and extent of the future local acute secondary care services they can expect to receive locally. This would in turn compromise the public's ability to respond coherently to the proposals being put before them.
- A single consultation approach would be consistent with the whole hospital approach adopted by the OUHFT when engaging earlier in 2016 to develop its emerging options. It would be in tune with the need to consult early upon the Oxfordshire-wide ambulatory care proposal, in order to care for people in the setting appropriate to their needs and minimising delayed hospital discharges, which is supported.

3.11 Representations of objection to the two stage consultation approach have been made by the Council Leader to the Chief Executive of the OCCG which is leading the Oxfordshire Transformation Programme consultation and the STP, the Chief Executive of the OUHFT plus the Chair of the Oxfordshire Joint Health and Overview Committee, which endorsed the two stage consultation process.

3.12 In addition, the Council agreed to make representations regarding the parking difficulties at the John Radcliffe Hospital. The response received from the OUHFT via the OCCG is as follows;

*“The impact of current pressures on our parking facilities is well recognised and acknowledged. These pressures are experienced by patients, visitors and staff, who either need or choose to access our hospital sites by car. In taking what action we can to alleviate these pressures, we are restricted by our existing parking capacity. Our recent attention has been focused on implementing more effective parking management, whilst a number of initiatives and incentives are also being pursued in order to realise better overall travel provision for everyone.*

*One particular issue impacting on patients' ability to park is the use of designated public parking spaces by members of our staff. We certainly do not condone such*

*practice, and appropriate action is being taken in both monitoring access to our public car parks and in applying sanctions. Concurrently, we have revised the eligibility criteria associated with the provision of staff car parking permits and recently required all of our employees who wish to bring their car on site to submit re-applications. Combined with more comprehensive permit enforcement, this has further reduced the overall volume of cars entering and exiting our hospitals, and is deterring people from parking illegally, i.e. in no parking zones or where they are causing an obstruction.*

*Arrangements are being made to implement Automatic Number Plate Recognition (ANPR) equipment at all of our sites. This is expected to further improve traffic management by denying access to all parking areas to members of staff who are not registered to bring their vehicle to work.*

*Our principal aim remains to reduce the overall number of cars coming on to our sites and provide assistance to our patients, staff and public in using alternative means of transport. To this end, we are working with our Council colleagues and local bus companies to ensure the advantages associated with using the City's park and ride facilities are improved, and popular bus routes are kept open, or ideally expanded (you will be aware that over the last year a number of bus routes in Oxfordshire were either withdrawn or reduced). Together with our two University partners, we are in discussion with the County Council regarding the provision of lockable cycle storage for staff at the main park and ride sites, which has been asked for by many of our employees. We are also providing additional and improved on-site cycle facilities. Last April we were informed that the Thornhill Water Eaton bus services would no longer come to the Churchill site from September onwards. After negotiations with Stagecoach, and with support funding by the Trust and the University of Oxford, we have successfully retained these services, maintained their frequency and also reduced the journey times.*

*We will continue to take measures that ensure the management of our hospital parking facilities is as efficient as possible, and that our patients and public are not disadvantaged in favour of our staff. We will also continue to pursue initiatives that encourage and assist people to use alternative means of transport when travelling to our hospital sites. However, with demand on our services increasing, it is unlikely we will be able to resolve all of our problems without recourse to increasing our current parking capacity, which is now insufficient. Whilst we have the means to do this, we require Council support and permission - historically, this has not been forthcoming. Ideally, we wish to build five multi-storey car parks on our Headington sites. Our intention is to submit a formal application in the near future, which we very much hope will be fully supported by our City Council colleagues."*

- 3.13 Since 2011, the Council has supported the Community Partnership Network through chairing meetings, hosting meetings and arranging relevant agenda items and external speakers to explain changes to the local health and social care sector. Activity has been heightened in 2016 with the advent of proposed change at the HGH, which is of a similar nature to that proposed in 2007.

#### **Proposed Council Activity**

- 3.14 The Council is seeking further advice and is developing its response to the formal consultation process and other action using this advice. The further advice will not

be received until week commencing 30 January 2016 which is after the agenda for the Executive meeting is published. As a consequence, a supplementary confidential appendix to this report will be issued as soon as possible before the Executive meeting. This will include a resumé of the advice received, further action the Council may choose to take, plus an indication of the key components in the Council's intended response to the stage 1 consultation process.

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

- 4.1 There are fundamental changes proposed for the local health and social care sector, some of which are the subject of a formal consultation process running until 9 April 2017. Of very local and heightened concern are the changes proposed for the HGH where several acute services are to be transferred to Oxford hospitals, more care at home and in the community and increased planned care at the HGH.
- 4.2 Such acute service changes are similar in nature to those proposed in 2007, and which were rejected by the Secretary of State. The Council is therefore taking steps to provide a robust response to these recent proposals, as it did in 2008.
- 4.3 As the stage 1 consultation process runs to 9 April 2017 and the nature of a proposed Council response is only just emerging at this early point in the process, it is intended to hold an all Member briefing toward the end of March 2017 to consider further the Council's response before it is submitted.

## **5.0 Consultation**

None

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

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

The option available to the Council is not to respond to the consultation process and let matters take their course. This is not proposed as the HGH is regarded as a critical piece of the District's infrastructure, the distance and journey challenges to the John Radcliffe Hospital in Oxford are too great for many of the District residents and it is clear that a significant majority of local people do not support all the proposed changes.

## **7.0 Implications**

### **Financial and Resource Implications**

- 7.1 The cost of engaging specialist advisers has been met out of reserves and will continue to do so whilst the Council requires this support.

Comments checked by:  
Paul Sutton, Chief Financial Officer, 03000030106,  
paul.sutton@cherwellandsouthnorthants.gov.uk

### **Legal Implications**

- 7.2 External counsel has been commissioned to provide advice to the Council on the consultation approach adopted and its potential for challenge. Exempt appendix 4 which is to follow will contain the written advice received.

Comments checked by:  
Kevin Lane, Head of Law and Governance, 0300 0030107,  
kevin.lane@cherwellandsouthnorthants.gov.uk

### **Risk Implications**

- 7.3 There are clear reputational issues for the Council if it is not seen to be acting in the best interests of its residents on what is a clear matter of some importance to them. Similarly, the HGH is an important piece of the District's infrastructure that impacts in so many ways on local residents and businesses.

Comments checked by:  
Louise Tustian, Senior Performance and Improvement Officer; 01295 221786;  
Louise.tustian2@cherwellandsouthnorthants.gov.uk

## **8.0 Decision Information**

### **Key Decision**

**Financial Threshold Met: No**

**Community Impact Threshold Met: Yes**

### **Wards Affected**

All wards

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

Cherwell: A Thriving Community – Working with partners to improve access to health services and to support the work of the Community Partnership Network with financial, clinical and technological changes in the health and social care sector.

### **Lead Councillor**

Councillor Barry Wood, Leader of the Council  
Councillor Andrew McHugh, the Council's Community Partnership Network and Oxfordshire Joint Health Overview and Scrutiny Committee representative

## Document Information

<b>Appendix No</b>	<b>Title</b>
1	OUHFT Emerging Options for the HGH
2	Oxfordshire Transformation Programme The Big health and care Consultation
3	The Buckinghamshire, Oxfordshire and Berkshire West Sustainability and Transformation Plan Public Summary
4 EXEMPT	Proposed Council Activity – to follow
<b>Background Papers</b>	
None	
<b>Report Author</b>	Ian Davies, Director of Operational Delivery
<b>Contact Information</b>	03000030101, <a href="mailto:ian.davies@cherwellandsouthnorthants.gov.uk">ian.davies@cherwellandsouthnorthants.gov.uk</a>

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## Appendix 1 – Emerging Clinical Options for the Horton GH

### Recap – site options (1/4)

PRELIMINARY

OPTION	OPTION 1	OPTION 2	OPTION 3
'Front door'	ED	GP urgent care with MIU (open out of hours) <sup>1,3</sup>	ED and integrated care centre (24/7) <sup>2,3</sup>
Stroke	Acute stroke and rehab	Rehab and early supported discharge	Rehab and early supported discharge
Surgery	ELDC	✓	✓ (+)
	ELIP	✗ (no NHS provided surgery except gynae and ortho (Ramsey))	✓ (status quo + short stay IP)
	NEIP	✓ (trauma (NOF) and gynae)	✓ (+)
Medicine	ELDC	✓	✓ (+)
	ELIP <sup>4</sup>	✓	✓ (status quo + short stay IP)
	NEIP	Inpatient ward + ambulatory care	Frail assessment unit (8-10) + better networked support
Diagnostics	See menu of options on next slide		
Outpatients	✓	7 day access ✓ (+ 'one stop' clinics)	7 day access ✓ (+ 'one stop' clinics)
Critical care adult	Level 3	✗	HDU on site + e-ICU (24/7)
Rehabilitation	Rehab/intermediary care beds	✗	See menu of options on next slide
Maternity	Births	Obstetric and midwifery	Standalone MLU
	Neonates	SCBU	✗
Paediatrics	NEIP	Paediatric inpatients	Paediatric observation, assessment and clinical decision unit (24/7) <sup>5</sup>
	ELDC	✓	✓ (+)
Research	✗	✓ (more clinical trial facilities)	✓ (more clinical trial facilities)

1 Current GP urgent care centre located on Horton site is open 24/7

2 Integrated urgent care centre with ED function + out-of-hours + minor injury unit + walk-in centre

3 Includes a clinical co-ordination and liaison operational function and a physical base for ambulatory functions

4 Examples of activity include red blood cell disorders, intermediate skin disorders, single plasma exchange, leucopheresis or red cell exchange, diagnostic colonoscopy with length of stay 2 days or more

5 Includes a Child Health Hub

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The **BIG**  
**health**  
and **care**  
consultation

# The Big Consultation

**Best care, best outcomes and best value for everyone in Oxfordshire**





# Oxfordshire's health and care services

## The Big Consultation

### Phase 1

## We need to know your views

### A message from Dr Joe McManners, Clinical Chair, Oxfordshire Clinical Commissioning Group.



“ In June 2016, NHS organisations across Oxfordshire launched 'The Big Health and Care Conversation'. This was an opportunity for NHS leaders, doctors, nurses and other staff to discuss with the public, the voluntary sector and patient representatives the opportunities to improve healthcare for patients, the challenges the NHS is facing, and what we are doing about this. We know that treatments including medication and surgery are always improving and the evidence about how to get the best outcomes for patients can mean changing the way we do things. We want to make sure quality of care is at the heart of what we do and this means being prepared to do things differently for the benefit of all.

We also know that lifestyle choices can affect our health. The most important are smoking, an unhealthy diet and lack of exercise, all contributing to diseases such as cancer, heart disease and diabetes. Treating these long term conditions affects people's lives as well as the NHS budget. The more we can do to prevent ill health the better for us all.

The need to help people develop healthier lifestyles to prevent some of these illnesses is becoming urgent. We are facing increased pressures on GP and hospital services. Some of our buildings and equipment are old, expensive to maintain safely and do not provide good quality care for patients. It is a struggle to recruit and keep the NHS staff we need to ensure our services are safe and high quality. We also know that the current budgets for NHS services will not cover the demand for them without changes over the next few years. All of this affects how we can provide patient care and increases the pressures on our finances.

In October 2014, NHS England published its Five Year Forward View which sets out how organisations and services need to change across England to meet these challenges.  
([www.england.nhs.uk/ourwork/futurenhs/](http://www.england.nhs.uk/ourwork/futurenhs/))

In Oxfordshire, we set up our Transformation Programme involving people from NHS organisations and Oxfordshire County Council as well as Healthwatch Oxfordshire, to develop our thinking. The Oxfordshire Transformation Programme has considered how we want to develop and improve health services in Oxfordshire, including some immediate changes we propose to make.



Our work has also been fed into an over-arching five year plan (called a Sustainability and Transformation Plan or STP) across Buckinghamshire, Oxfordshire and Berkshire West (referred to as the BOB STP) which sets out how we plan to bring about the changes we all need to make.

The Transformation Programme is overseen by the leadership of the local NHS, but more importantly the thinking has been developed by those doctors, nurses and other NHS staff who see patients every day and who best know their needs. We have also had valuable input from patients and the public, which has helped to shape our thinking.

During the Big Health and Care Conversation, the listening exercise we carried out in 2016, many people took the time to tell us what they thought and we have used your feedback while we were developing the proposals set out in this document. It is clear that the NHS is greatly valued and that people also understand the pressures we are facing. We had many examples of people's own experiences and many ideas and suggestions for improving care. Thank you to everyone who took the time to share their views, attend events and respond to the survey.

We have now reached a point where we want to ask the public and our partners questions and seek feedback on some more specific proposals for change. In this document you will find proposals for changes to the following services:

- Changing the way we use our hospital beds and increasing care closer to home
- Planned care services at the Horton General Hospital
- Acute stroke services
- Critical care
- Maternity.

These changes are being considered now because the quality of care for patients will be affected if we delay making decisions. Furthermore, some of these services do not meet national clinical best practice recommendations.

A further set of proposed changes will be presented in a **Phase 2** consultation but more work is needed to develop these options before a second consultation can be launched.

We look forward to hearing more from you during this consultation. ”

A handwritten signature in black ink, appearing to be 'A. Allen', written in a cursive style.



## What do we want your views on?

This document sets out options to change some of our services. The lead commissioners for these services, Oxfordshire Clinical Commissioning Group, would like to ask you what you think. This includes anyone with an interest in the NHS – whether you are a patient, a carer or a member of the public in Oxfordshire and surrounding areas.

A number of the proposals set out in this document will be of more interest to people living in the north of the county and neighbouring areas. Some of the proposals have a wider impact and so we are keen to encourage people from across Oxfordshire and surrounding areas to give their views. We also welcome the views of our voluntary sector partners, groups representing particular communities, other public bodies and staff in health and care organisations.

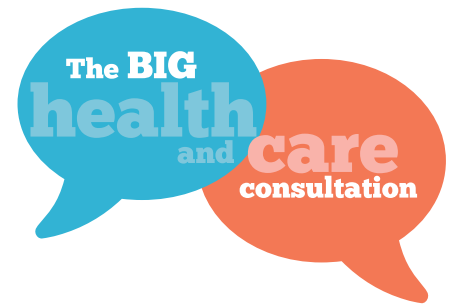
The document builds on 'The Big Health and Care Conversation' launched by NHS organisations in June 2016 during which we discussed the future challenges for Healthcare in Oxfordshire and asked for your ideas, opinions and feedback. A summary of 'The Big Health and Care Conversation' and what people told us can be found on page 10 of this document and the full reports are available on our website at: [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk)

If you are interested in how these proposals and service options have been developed and short-listed for consultation, the evidence used and financial details, you will find more information in the 'Pre-Consultation Business Case' which is also available on the consultation website: [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk)

Further work and engagement with our GP practices to develop options has been undertaken over the past few months. It has become clear that our proposals for A&E, children's services and community-based care (including community hospitals and primary care) will benefit from continued development with a wide range of stakeholders before we launch a public consultation on any proposed service changes. Over the coming months more engagement with local groups across the county will be carried out, as well as further option development work with the public and patients.

**We will, therefore, be consulting on proposed changes to services in two phases.**





## Phase 1 consultation

We would like your views on proposed changes to the following:

Acute hospital services (acute hospitals provide a wide range of specialist care and treatment including surgery, medical care, emergency care and tests):

- changing the way we use our hospital beds and increasing care closer to home in Oxfordshire
- planned care at the Horton General Hospital (planned care includes tests and treatment planned in advance and not urgent or emergency care)
- acute stroke services in Oxfordshire
- critical care (critical care helps people with life-threatening or very serious injuries and illnesses) at the Horton General Hospital
- maternity services at the Horton General Hospital including obstetrics and the Special Care Baby Unit (SCBU).

## Phase 2 consultation

During the next phase of consultation we are expecting to invite your views on proposed changes to the following services in Oxfordshire:

Acute hospital services:

- A&Es in Oxfordshire
- Children's services

Community hospitals including MLUs

During this second phase we will also be looking in more detail at plans to develop primary care, which will underpin all our other changes (primary care services include GPs, nurses, healthcare assistants, community nurses and other clinicians).

**This document focuses on Phase 1 only.** It includes proposals for formal public consultation on:

- changes to acute hospital bed numbers in Oxfordshire as part of a plan to provide more care out of hospital
- more planned care at the Horton General Hospital in Banbury (planned care is a term for Healthcare which has been planned in advance and which is not urgent or an emergency, such as diagnostic tests, outpatient appointments and surgery).
- stroke services in Oxfordshire
- critical care at Horton General Hospital (critical care helps people with life-threatening or very serious injuries and illnesses)
- maternity and obstetric care including obstetrics, the Special Care Baby Unit (SCBU) and emergency gynaecology inpatient services at the Horton General Hospital.

These proposals set out in *Phase 1* would involve investment in some areas and would not be at the cost of other proposals we will be discussing in the consultation for *Phase 2*.

**We would like your feedback. You can give this by completing the questionnaire, coming to a meeting or writing to us. On page 43 of this document are more details about how to do this. More information about these proposals and how to give feedback is available on our consultation website at: [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk)**



## Our NHS and social care services in Oxfordshire – a snapshot

**Oxford University Hospitals NHS Foundation Trust (OUHFT)** is responsible for acute hospital care. It runs the John Radcliffe Hospital, Churchill Hospital and the Nuffield Orthopaedic Hospital in Oxford and the Horton General Hospital in Banbury.

**Oxford Health NHS Foundation Trust (OHFT)** runs community and mental health services. It has facilities across Oxfordshire and runs our community hospitals.

**South Central Ambulance Service NHS Foundation Trust (SCAS)** runs our ambulance service.

**Southern Health NHS Foundation Trust** provides services for people with learning disabilities.

**Our primary care services** are run by local GPs.

**Oxfordshire Clinical Commissioning Group (OCCG)** buys most health services on behalf of the local population and ensures they are properly run.

**Oxfordshire County Council** is responsible for social care services, working with a range of providers.

## Who is consulting?

The local NHS and its partners have worked together to develop the proposals outlined in this document. No decisions have been made and will not be taken until the public consultation has run its course and final proposals are put to Oxfordshire Clinical Commissioning Group's (OCCG) Board. OCCG is statutorily responsible for running this process and taking a decision once the consultation process is complete.

## Why consult?

At OCCG we believe that communicating and engaging with local people is important in helping us to achieve our vision: 'by working together we will have a healthier population, with fewer inequalities, and health services that are high quality, cost effective and sustainable'.

As a commissioner of NHS health services, we also have a legal duty to involve and consult with patients, the public and local organisations when developing and considering proposals for substantial changes to these services.

However, before we can make any changes, we have to pass four tests set out by NHS England (the body responsible for setting the priorities and direction of the NHS):

1. Strong public and patient engagement.
2. Consistency with current and future need for patient choice.
3. A clear clinical evidence base.
4. Support for proposals from clinical commissioners.

**In our 'Pre-Consultation Business Case' we demonstrate how we have met these tests:**  
[www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk)



We have also followed best practice by:

- considering the impact of changes on patients in terms of travel and access
- discussing our plans with the Oxfordshire Joint Health Overview and Scrutiny Committee and with the Health and Wellbeing Board
- carrying out an equalities impact assessment to check that our proposals do not unfairly disadvantage any groups or communities
- taking independent advice and assurance on the engagement and consultation process we are following.

The outcome of public consultation is an important factor in health service decision making and OCCG will take all views fully into account when making a decision on each of the proposed service changes. It is, however, one of a number of important factors that must be considered to help ensure the provision of safe, high quality care within available resources. Other factors include safety, clinical quality and evidence, financial and practical considerations. If you would like more information about the legal requirements for consultation, please visit our website at [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk)

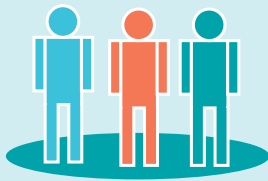


## Challenges facing Oxfordshire health and care services and the need for change

Oxfordshire has a population of approximately 672,000. The population has grown by more than 10% in the last 15 years and it is expected to continue growing, due to people living longer, housing developments and more people moving into the county.

Oxfordshire is a relatively well-off county but there are pockets of deprivation in some areas of Oxford City, Banbury and Abingdon. Deprivation is linked to poorer health and higher care needs. People living in the most well-off areas will live nine years longer on average than people in the poorest areas of Oxfordshire.

### In Oxfordshire:



**60%** of adults and **25%** of Year 6 children are overweight.



Between 2014/15 and 2015/16, there was a **3.7%** increase in the number of people (aged 17 and over) diagnosed with diabetes. It is projected that **32%** more people will have diabetes by 2030.



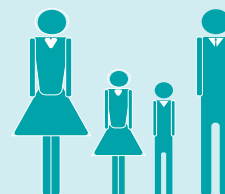
Forecasts show that the 85-plus population may increase by around **48%** in the period 2014 to 2026. This growth is forecast to be higher in the more rural parts of the county than in Oxford City.



In 2015/16, an extra 6,848 people attended A&E compared to the previous year; an increase of **5%** or an extra 18.7 patients per day. In the four years between April 2012 to March 2016, the number of people who attended A&E increased by 16,771 patients; a rise of **13.1%** or 46 additional patients per day.



**50-60%** of stroke patients have been unable to access the Early Supported Discharge Service to help their recovery.



Just **31%** of patients said they received good care managing their long term condition.

### At the same time as the pressure on services is growing, advances in medical care mean that:

- more patients can be treated closer to home or in their own home, with the right support
- for some of the sickest patients, diagnosis and treatment is best carried out in a highly specialist regional centre where intensive care can be provided around the clock.

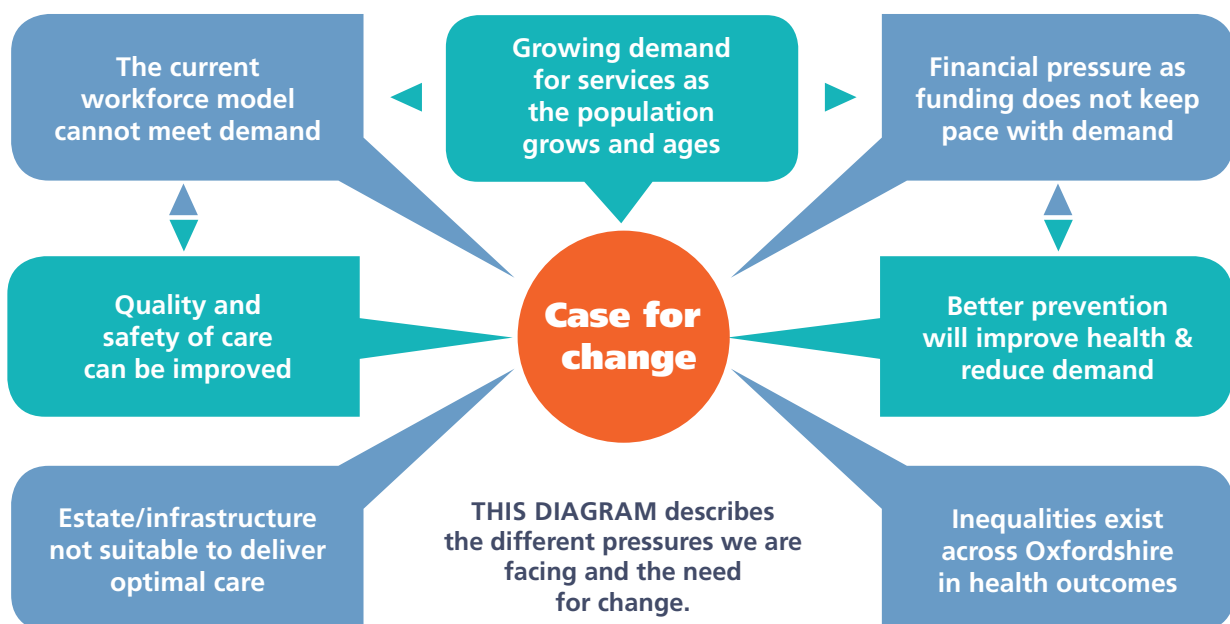
The annual spend for health and social care services across Oxfordshire is about £1.2 billion, and is anticipated to rise to £1.3 billion by 2020/21. Despite this rise, if Healthcare continues to be delivered as it is today and we change nothing, it is anticipated that by 2020/21 there will be a gap in funding of £134 million. We want to concentrate on making sure our funding supports services which are high quality so patients get the best possible care.

One of the greatest challenges for Oxfordshire’s health and care system is our ability to attract, recruit and keep skilled and motivated staff in the numbers we need. This is not a challenge unique to Oxfordshire and is shared by most other areas of the country.

**The challenges we face include:**

- staff shortages in general practice of up to 30% (due to an ageing workforce and difficulties in recruiting younger GPs to replace those who are retiring)
- the challenge of being close to London and the high cost of living in Oxfordshire, both of which can mean other areas are more desirable to work in
- competition with other businesses, given Oxfordshire’s high level of employment
- a high turnover rate of support workers who look after people in their own homes and in care homes, with a very large number of vacancies at any one time
- a national shortage of a wide range of staff including people working in emergency care, intensive and critical care, stroke care, radiography, obstetrics and paediatrics.

As a result, many of our health services rely on using expensive agency and temporary staff to keep services going. This increases pressure on finances that are already stretched. The overall quality of health services provided in Oxfordshire is good. However, there are some aspects of care that must be improved. We need to do more to make sure that all patients receive care which meets national standards (for example waiting times for treatment). Some of our buildings and equipment are old and not fit for providing modern care. Some of them are also expensive to run and need to be replaced or improved.



## Our vision

Across the NHS in Oxfordshire we have an agreed vision for how we want to improve our services:

- The best quality care provided to patients as close to their homes as possible.
- Health professionals, working with patients and carers, with access to diagnostic tests and expert advice quickly so that the right decision about treatment and care is made.
- As modern Healthcare develops, ensuring our local hospitals keep pace, providing high quality services to meet the changing needs of our patients.
- Preventing people being unnecessarily admitted to acute hospitals or using A&E services because we can't offer a better or more local alternative.
- The best bed is your own bed – people recover better at home with the right support.

"...given current pressures on the NHS, we must strive wherever possible to 'shift the curve' from high-cost, reactive and bed-based care to care that is preventive, proactive and based closer to people's homes, focusing as much on wellness as on responding to illness."

The Kings Fund: *Making our Health & Care Systems fit for an ageing population*

In addition to the care and treatment provided when we become ill, there is more we can all do to keep healthy. This includes making healthy lifestyle choices, managing long term conditions and looking after ourselves when we become unwell with minor conditions. Preventing people from becoming unwell and supporting them to adopt healthier lifestyles is a key part of our Transformation Programme. This will be further addressed in the *Phase 2* consultation.

**If you want to read more about our vision for health services in Oxfordshire, our Transformation Programme Pre-Consultation Business Case is on our website:**

[www.oxonhealthcaretransformation.nhs.uk/what-is-the-vision](http://www.oxonhealthcaretransformation.nhs.uk/what-is-the-vision)





## Our listening exercise – The Big Health and Care Conversation

Over the past few years OCCG and partner organisations such as Oxford University Hospitals NHS Foundation Trust (OUHFT) and Oxford Health NHS Foundation Trust (OHFT) have worked together to make sure patients and the public have been involved in shaping proposals to develop and improve local Healthcare and been given the opportunity to have their say. Our 'Big Health and Care Conversation' built on this previous work. During this time (which began in June 2016) we organised a range of activities to give people the chance to find out more about our developing ideas, and share their views. We had feedback from a wide range of people. The OUHFT has had its own conversations with local people about services at the Horton General Hospital in Banbury. If you want to know more, please look at our engagement reports on our website [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk) or contact us for a hard copy (contact details are on page 43 of this report).

### Highlights of our listening exercise

- Three large stakeholder events involving doctors, nurses and other staff, patient representatives, local government colleagues, voluntary groups and other partner organisations.
- 12 Big Conversation public road shows and displays throughout Oxfordshire.
- A survey which was available in hard copy and online.
- Staff engagement groups.
- Discussions with a wide range of stakeholder groups, including Healthwatch Oxfordshire, Joint Health Overview and Scrutiny Committee, Patient Participation Groups, Patient and Public Locality Groups, Community Partnership network (Banbury), Health and Wellbeing Board, Carers Oxfordshire, Age UK Oxfordshire, college students and many more!
- Meetings with MPs, councillors and other stakeholders.
- Public/patient focus groups (including engagement with young people).

We promoted The Big Conversation to a wide range of organisations including voluntary groups, local councils and schools. Around 500 people attended events of one type or another.

257 people responded to our survey. We used a social media campaign through Twitter and Facebook and reached well over 77,000 people. The local media including BBC South Today reported on what we were doing and helped us to promote our activities and extend our reach.

Our community outreach team spoke to faith / church groups, Black and Minority Ethnic (BME) groups, Gypsy and Traveller communities, children's centres, refugee and asylum groups and health and wellbeing centres.

Local government partners and voluntary organisations such as Autism Oxford, Carers Oxfordshire, Parent Voice, MIND, Restore and Age UK circulated the information to their service users, members and carers.

You can find a full account in the engagement reports on our website:

[www.oxonhealthcaretransformation.nhs.uk/what-is-the-vision/consultation-documents](http://www.oxonhealthcaretransformation.nhs.uk/what-is-the-vision/consultation-documents)



## What you said and how your views have helped to inform the options we are consulting on

You can find more information about how your feedback was used to help inform the options we are consulting on in the Pre-Consultation Business Case. In addition, we published two detailed reports on our public engagement and the feedback we received. These documents are available on our website: [www.oxonhealthcaretransformation.nhs.uk/what-is-the-vision/consultation-documents](http://www.oxonhealthcaretransformation.nhs.uk/what-is-the-vision/consultation-documents)

### A number of common themes emerged from the engagement:

#### Patient safety, patient experience and patient outcomes

Patient safety was recognised by most people as most important. Some people emphasised that a positive patient experience and good health outcomes for the patient were also important and need to be highlighted in any proposals. These concerns are reflected in the proposed changes, for example in our proposals on page 27 to change the way we provide services for acute stroke patients.

#### More funding

There was overall acceptance that change is necessary. People said that one of the main reasons for this is due to lack of sufficient money to meet rising demands. However, many people felt there should be enough investment to enable changes to be carried out successfully. People suggested ways in which the NHS could save money by improving efficiency across all services. These concerns are reflected in the proposed changes, for example our proposals on page 17 to help people spend less time in hospital.

#### More local services

Patients across the county emphasised the need for more local services and believed that many appointments at Oxford-based hospitals could and should be elsewhere. Our proposals are based on providing more care locally. People were concerned about the future of community hospitals – *Phase 2* of our consultation will look at the proposed vision for our community hospitals.

#### Horton General Hospital

People emphasised the need to locate services at the Horton General Hospital to keep care close to home, although there were some concerns about the quality of some of the services and facilities. Concern was expressed about any proposals to close or downgrade A&E, because of the needs of the growing local population and the effect on the ambulance service. People were worried about the safety of women in labour and babies if changes are made to the maternity service.

Our proposals are based on ensuring that the Horton General Hospital has a long term future as a modern, safe hospital. These concerns are reflected in the proposed changes set out on page 23 to develop more local services in the Horton General Hospital. A&E proposals are not part of the *Phase 1* consultation. They will, however, be consulted on in the *Phase 2* consultation.



### Transport and accessibility

Problems with transport were highlighted by patients from all areas outside Oxford City. In particular people reported that cuts to public transport have made getting to health services more difficult for residents who live in more rural locations or who are frail and elderly. The changes proposed for maternity, critical care and stroke would mean some patients needing to travel further (still within recommended travel times) but our proposals to develop more care at the Horton General Hospital and to provide more care in the community would mean that fewer people overall would be expected to travel into Oxford for care.

### Leading a healthy lifestyle

A strong message from the public was for much more prevention and education for all ages on how to lead a healthy lifestyle. This will be considered in the *Phase 2* consultation.

### Access to GPs

There were many comments about the time it takes to get a GP appointment in some surgeries. This document acknowledges this concern and sets out a vision for how primary care might develop. This will be considered in more detail in the *Phase 2* consultation.

### Staff and recruitment

Many people recognised the difficulties in recruiting and keeping NHS staff in certain areas of health services in an expensive area like Oxfordshire. Feedback on these concerns is reflected in the proposed changes. Our proposals for maternity and critical care take account of this challenge and look at ways to use our staff more effectively.

### Joining up health and social care services

Many people questioned why health and social care services were not properly joined up and highlighted the need for this to happen to support change. Ensuring that health and social care work better together is key to some aspects of our proposals – for example how we aim to improve planned care. This will be more fully considered in the *Phase 2* consultation.

### Use of technology

Better and greater use of technology and innovation was highlighted, with criticisms that the health service is out-of-date compared with other sectors. Although we do not go into detail in this document, making sure our IT systems talk to each other and making better use of technology is essential if we are going to make necessary changes. This will feature more prominently in the *Phase 2* consultation.

### Other common themes

People gave their feedback and comments about other services not covered in this consultation, including mental health, A&E and children's services. These will be considered in the next phase as options are developed for the *Phase 2* consultation.



## Our vision for primary care

Primary care services are provided by staff including GPs, nurses, healthcare assistants, community nurses and other clinicians. (Primary care also includes pharmacists, dentists and optometrists, who all play an important role. Our vision focuses on staff working in general practice). As well as diagnosing and treating illness, primary care staff play a key role in helping people to stay healthy and preventing disease.

These services are the backbone of the NHS and a national strategy (General Practice Forward View 2016 [www.england.nhs.uk/gp/gpfv/](http://www.england.nhs.uk/gp/gpfv/)) sets out how primary care needs to change for the future.

The proposed new service model for primary care in Oxfordshire will be outlined in detail in a Primary Care Framework, which will be supported by the GP Forward View plans for investment. It plans to transform primary care from a predominantly reactive health system, which responds to people when they become ill, to one which significantly builds on and increases proactive support for people to improve their health and remain well. This proposed change will be essential for the sustainability of primary care and the wider health service. Primary care will play a key role in supporting the changes we would like to make. Some of the developments here will be described in more detail in the next consultation in **Phase 2**.

Some information is shared below as it is helpful to understand the context.

### Key facts

In Oxfordshire there are 600 GPs and 300 other clinical staff working in 72 GP practices that provide services for 720,000 registered patients (some patients registered with an Oxfordshire GP live outside the county, and so this number differs from the population size of Oxfordshire).

Between 70% and 80% of all Healthcare activities take place in primary care.

Oxfordshire GP practices are grouped into six localities (City, North, Northeast, Southeast, Southwest, and West).

Across Oxfordshire a significant proportion of the GP workforce is nearing retirement and there is a challenge to recruit GPs. Rising demand for care and support is causing an increasing strain, resulting in problems in recruitment and retention and pressure on the current workforce:

- In a survey carried out in Oxfordshire in 2015, 30% of practices reported an unfilled GP post
- 16% of practices reported taking over six months to recruit to a GP vacancy
- 30% of GPs are planning to retire within five years
- The out of hours service is reporting difficulties in finding GPs to fill its rotas
- It is difficult to recruit advanced nurse practitioners and expensive to train nurses for these roles.



## Challenges

Primary care services in Oxfordshire come out well in national surveys, but they face the same challenges as other parts of the health and care system:

- GPs are caring for more elderly patients and for more people with a long term condition such as diabetes or dementia.
- As GPs retire, recruiting their replacements is becoming more challenging.
- In some areas, patients and the public are expressing concern about how long it takes to get an appointment with a GP.

Far more diagnosis and treatment can be provided in primary care, but it is not possible for each practice to do everything. This means practices need to work together to provide care.

## What we would like to see

Our vision is to have GP practices and primary care services which:

- focus on prevention as well as treatment – helping people to lead healthy lifestyles and helping people with long term conditions to manage their own care
- identify those patients most in need of support (for example, frail elderly people or people with long term mental health conditions) and make sure they are cared for. GP practices need to work more closely with each other to extend the range of services they can offer and share specialist primary care staff such as dieticians, occupational therapists and specialist nurses.
- work closer with other parts of the health and care system, the voluntary sector and community groups so that care is more joined up
- ensure a shift of resources (money and workforce) in to the community.

## We want to ensure:

- high quality and accessible primary care services for local populations
- continued investment in improving general practice buildings – we have already improved a number of practice buildings
- practices working together across neighbourhoods to provide comprehensive services
- practices working together at locality level to offer a wider range of tests (such as scans) and treatments
- primary care clinical staff providing support with colleagues across localities and across Oxfordshire for urgent care and hospital-based services
- that all patients have access to a same day urgent appointment if it's needed
- that all patients who ask for a routine appointment are able to book one within seven days if it's needed.

These proposed developments will help us to bring more care closer to home and support our other proposals to improve care.

### Strengthening staffing

As well as sharing specialist staff across more than one practice, we need to:

- put more effort into recruiting more GPs
- train some GPs in specialist areas
- employ new kinds of clinical staff. For example, Associate Physicians who train at post graduate level, can see and treat patients, take medical histories, perform examinations, diagnose illnesses, analyse test results and develop plans to help patients to manage their illness.

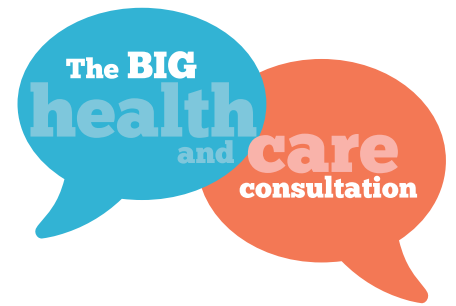
### Improving technology

We have already done much to improve technology in primary care but there is much more we can do:

- Technology can help patients with long term conditions to manage their illness, for example by monitoring how well they are doing.
- With better technology, GPs will be able to link up from the surgery to a hospital consultant meaning that some patients will not need to go to hospital.
- Better electronic sharing of health records between health and care staff will mean that anyone involved with the care of a patient will have the information they need.

We are working on the detail of our proposals for primary care and will be inviting you to share your views in the *Phase 2* consultation.





## Summary of our proposals

The challenges we face in Oxfordshire and our vision for healthcare for local people have led us to propose substantial changes to the way we provide services. These are summarised in the table below:

Proposal	Impact
Changing the way we use our hospital beds and increasing care closer to home	More care out of inpatient hospital beds and improved co-ordination leading to reduced requirement for inpatient beds.
Planned care at the Horton General Hospital	More diagnostic, outpatient and elective surgery services being provided at the Horton General Hospital.
Acute stroke services in Oxfordshire	All patients diagnosed with an acute stroke would be taken immediately by ambulance to the Hyper Acute Stroke Unit (HASU) in Oxford. The Early Supported Discharge Service for patients recovering from a stroke would be extended.
Critical care at the Horton General Hospital	The sickest (Level 3) critical care patients from North Oxfordshire would be treated at the Oxford Intensive Care Units (ICUs). The Horton General Hospital should continue to have a Critical Care Unit. <i>Patients living in South Northamptonshire and South Warwickshire might be treated at the critical care units in hospitals in Warwick, Northampton or Milton Keynes if closer.</i>
Maternity and obstetric services at the Horton General Hospital	Obstetric services will be provided at the John Radcliffe Hospital in Oxford, with the Special Care Baby Unit and emergency gynaecology inpatient services. A Midwife Led Unit will be maintained at the Horton General Hospital. <i>(with women north of Oxfordshire also having the choice to travel to Northampton, Warwick or Milton Keynes).</i>

The following sections of this document describe these proposals in more detail, along with the rationale, and the benefits for patients.

## Changing the way we use our hospital beds and increasing care closer to home

In this section we look at the work we have piloted on using our hospital beds in a different way and the benefits in doing this for patients.

“10 days in a hospital bed is equivalent to 10 years lost muscle strength for people over 80 years old.” *British Geriatric Society*

“Older people can lose mobility very quickly if they do not keep active. Monitor’s (the former regulator for NHS Foundation Trusts) recent review highlighted a study which showed that, for healthy older adults, 10 days of bed rest led to a 14% reduction in leg and hip muscle strength and a 12% reduction in aerobic capacity: the equivalent of 10 years of life. Other studies have found a faster reduction in muscle strength of as much as 5% per day.

Older people’s ability to perform everyday activities can reduce while in hospital. One study found that 12% of patients aged 70 and over saw a decline in their ability to undertake key daily activities (bathing, dressing, eating, moving around and toileting) between admission and discharge from hospital, and the extent of decline increased with age.

Older people are more likely to acquire hospital infections. Between 2008 and 2012, the Methicillin-resistant Staphylococcus aureus (MRSA) infection rate for men aged 85 years and over was 574 times greater than the rate for those aged under 45 years (301.4 compared with 0.5 per million population).

A similar pattern was observed for women.”

*National Audit Office, 2015 – Discharging older patients from hospital*





## What you said

One of our key aims over the next few years is to reduce the time patients spend in hospital for care in an emergency and increase care for people in the community or at home.

Subject to consultation, we plan to provide more diagnostics and outpatient care in community settings, away from hospitals and closer to where people live – this is what people told us they want to see during our Big Health and Care engagement listening exercise. We also plan to reduce the need for patients to be admitted to hospital in an emergency by making sure the right tests and immediate treatments are collectively available through outpatient services.

We know that many elderly people find themselves taken into an acute hospital in an emergency and then have to wait to be discharged for care at home or closer to home. An acute hospital bed is often not the best place for frail elderly people. The longer they stay in hospital, the harder it is for them to recover and the risk of infection and loss of mobility increases.

## What we did

We have piloted initiatives to tackle these issues. In the summer of 2015 there were 150 people in hospital beds in Oxfordshire, including community hospital beds, who could have been better cared for elsewhere. The reasons for the delays were complicated and not just a case of lack of support for people in the community or at home. They also included:

- too many people admitted to hospital in the first place when they could have been assessed and treated then supported at home or in the community
- organisations not always working together to find the right support for patients out of hospital.

OUHFT, OHFT, Oxfordshire Clinical Commissioning Group and the County Council came together to find solutions. We have piloted some new approaches that have resulted in fewer hospital beds being needed. Staff came up with innovative ideas to tackle the problem in the short and long term. Not all of these changes happened at once and some were put in place as we learned what worked best for patients.

- A 'liaison hub' was set up which brought together experienced nurses and other staff from care organisations. Its role is to make sure that when patients are ready to leave hospital, the right care is available for them at the right time.
- Patients were moved from hospital to nursing home beds with additional therapy support and cared for by teams which included GPs, doctors and nurses and therapy and social care staff. This continued until patients were ready to either remain in a nursing home or return to their home with or without care.
- A recruitment drive was launched for care workers to support people in their own homes.

These changes mean that patients can be cared for in a range of places which are better for them than being in busy acute hospital wards.

## Reducing hospital admissions

Admission to hospital increases the risk of infection and can worsen the health of older people, making it more difficult for them to return to independent living. Clinical staff have also been looking at ways to reduce the number of people who are admitted to hospital in the first place and to better join up primary, community and acute hospital care.

'Ambulatory assessment units' have already been set up in the John Radcliffe Hospital and the Horton General Hospital. These assess and treat patients with complex needs around-the-clock. As a result, patients do not need to spend time in A&E or be admitted to an acute hospital bed for overnight stays. The Emergency Multidisciplinary Units (EMUs) at Abingdon and Witney Community Hospitals assess and treat patients on a same-day basis so they do not have to be admitted to a hospital bed, which is better for patients.



Proposals are also being developed to make permanent an 'acute hospital at home' (AHAH) service, which is currently running on a pilot basis in Oxford. This supports people at home so they do not need to go into hospital. It can also support people who have left hospital, but still need some acute hospital-type care. Patients most likely to benefit are those with conditions such as pneumonia, cellulitis, serious bladder infections and acute heart failure. Senior nurses run the pilot service, supported by consultants who specialise in care for older people plus therapists, pharmacists and others. Patients can be referred to it by GPs, the ambulance service, district nurses and others.

In addition, the proposals outlined below for acute stroke services would also free up hospital beds because the Early Supported Discharge Service would mean patients spend less time in an acute hospital following a stroke.

As a result, the number of hospital beds we need has reduced and we have closed 146 acute hospital beds on a temporary basis. Initially 76 beds were temporarily closed in the winter of 2015/16, then in September 2016 a further 70 beds were temporarily closed. These beds were in Oxford (101 beds) and Banbury (45 beds) from areas including post-acute and surgical emergency units, general medicine, elective surgery, orthopaedics, and other wards at the John Radcliffe Hospital. This has freed staff to work in these new ways. In February 2017 we will be transferring the infectious diseases service from the Churchill to the John Radcliffe Hospital and during the course of 2017/18 will be carrying out building works in the acute medical wards and in neurosciences at the John Radcliffe which, along with the other changes described here, should allow us to close a further 48 beds. It also means that we will be able to improve facilities for those patients who need to spend time in a hospital bed.



### Impact and benefits of the approach we have been piloting

Following the establishment of the Liaison Hub, there was an evaluation period from December 2015 to August 2016, during which time 483 patients were transferred from a hospital bed to a nursing home, with support.

In June 2016, the lowest number of patients (68) delayed in OUHFT beds in the previous five years was recorded. The number of patients delayed in community hospital beds did not show a rise.

A survey was undertaken of patients (and their relatives) discharged through the Liaison Hub.

Of those who responded:

- 77.5% strongly agreed or agreed that they were involved in the decision to be moved to a nursing home, and that they had sufficient information about their transfer and the support they would receive once in the nursing home
- 77.5% agreed that the nursing home was a better environment for them while they awaited further care.
- 92.5% of respondents agreed they had been treated with dignity and respect in the move to the nursing home.

The proposed changes to acute beds are expected to result in savings of £4.9m, the vast majority of which would be reinvested in the new services described here.

For more detail about how patient experience and feedback has been used and how patients would benefit from these proposed changes, please see the Pre-Consultation Business Case which can be found on our website at [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk)





## Our preferred option and why

We would like to keep these beds closed permanently, as they are no longer needed. By closing these beds we would be able to use our resources differently to help ensure that patients are cared for in an environment right for them, often closer to their home in community settings.

## Intended benefits



The intended benefits for patients are that:

- fewer people would be admitted to hospital in the first place
- if people are admitted, they would spend less time in hospital and receive care in a timely manner and closer to home.



# The Horton General Hospital

## Background

In this section we set out a vision for the future of the Horton General Hospital in Banbury which is part of Oxford University Hospitals NHS Foundation Trust (OUHFT) and some specific proposals to develop more services there. A long list of options was reviewed by local clinicians taking into account patient experience and feedback, the quality of care, affordability and the workforce available to deliver these services. These proposals are the result of that review. For more information, please see the Pre-Consultation business case on the website [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk)

The Horton General Hospital in Banbury has been delivering hospital care since 1872. Over the years it has adapted to meet the changing Healthcare needs of a growing population and it still provides a vital base for a range of general hospital services to the people of North Oxfordshire and the neighbouring counties. The catchment area for the hospital is around 164,000 people. This is likely to grow to 200,000 by 2026. The hospitals in Oxford, Warwick, Milton Keynes, Coventry and Northampton also provide services for this population.

**Our vision is that the Horton General Hospital will stay open and develop to become a hospital fit for the 21st century. OUHFT is planning to invest significantly in the hospital so it can continue to develop and change as healthcare evolves and meet the needs of local people.**

OUHFT has worked with clinical staff to consider the challenges and options for change and set out its role in the future. The views of patients, the public and interested groups have been considered as part of this. OUHFT captured these views by surveying 900 public members of the Trust who live in North Oxfordshire and the surrounding area.

Some proposals for the Horton General Hospital are set out in this **Phase 1** consultation document (critical care, acute stroke, obstetrics, gynaecology, diagnostics and planned care). Further proposals, which include options for A&E, children's services and the use of our community hospitals, will be part of our **Phase 2** consultation and presented after they have been further developed.





## Planned care at the Horton General Hospital

Over the past year, clinicians have been looking at ways to provide more planned hospital care closer to home and whether the Horton General Hospital can play a role in this.

*Planned care is a term for healthcare such as tests, outpatient appointments, surgery and medical treatment which has been planned in advance and which is not urgent or an emergency. Planned care is carried out in hospitals, in community hospitals and primary care.*

Many diagnostic tests and surgical and medical treatments for patients from North Oxfordshire are currently offered in Oxford, which means people have to travel there. Patients find that transport and car parking can be difficult in Oxford. Sometimes waiting times are longer than they should be as appointments for planned care can be cancelled to make way for an emergency.

Our clinical staff reviewed planned care services for patients from North Oxfordshire and where they are currently based. They recommend that the following services could be provided closer to home for these patients (and this is what patients say they want):

- Diagnostics such as Magnetic Resonance Imaging (MRI), Computerised Tomography (CT) scans and ultrasound.
- Outpatients including 'one stop shop' clinics.
- Planned day surgery and medical care.
- Assessments which are carried out before patients have planned surgery.

### Clinical staff looked at whether these services should be provided in three locations:

Oxford (John Radcliffe Hospital, Churchill Hospital, Nuffield Orthopaedic Centre), Banbury (Horton General Hospital), and a third site in the west or south of the county). They also looked at providing services in two locations (Oxford and Banbury).

### They reviewed these options taking account of:

- access and patient choice
- quality and safety
- staffing
- finances
- patient experience and feedback.

Facilities in the south of Oxfordshire will be considered during *Phase 2* of the consultation.



## What you said

Patient feedback about the Horton General Hospital included an emphasis on the need to keep services local and the problems associated with transport for those needing to travel to Oxford.

For more detail about how patient experience and feedback has helped to inform these proposals and how patient would benefit, please see the pre-Consultation Business Case which can be found on our website at [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk)

## What we did – our preferred option and why

The preferred option is to significantly develop the services at the Horton General Hospital. This option fits in with the vision of significant developments at the Horton General Hospital, so most North Oxfordshire patients would have their care locally in buildings using equipment fit for the 21st century. This would include more outpatient and diagnostic appointments for patients and the expansion of some services such as dialysis for kidney patients, and chemotherapy for cancer patients.

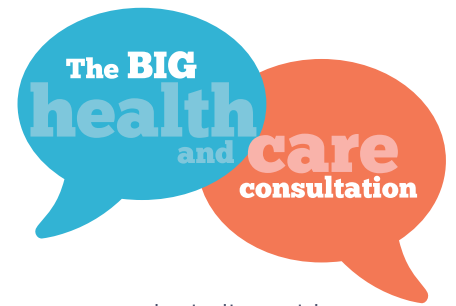
## Intended benefits

Subject to a detailed appraisal, the proposed changes would mean patients from North Oxfordshire and surrounding areas could benefit from:

- more services being provided at the Horton General Hospital. This would mean that fewer patients would need to travel to Oxford
- a new diagnostic unit at the Horton General Hospital, with MRI and CT scanners and ultrasound equipment to allow more people to be assessed and treated locally
- more outpatient appointments and a new modern outpatient unit at the Horton General Hospital that would include facilities for 'one stop shop' appointments. This means that every year thousands of patients would not have to attend hospital on multiple occasions. Up to 60,000 more outpatient appointments could be available at the Horton General Hospital through these changes
- the Horton General Hospital providing more chemotherapy, renal dialysis and day case surgery
- a new assessment unit for patients to be assessed locally before their operation, avoiding the need to travel to Oxford.

Up to 60,000 more appointments at the Horton General Hospital means at least 60,000 fewer journeys to Oxford





## Acute stroke services in Oxfordshire

In this section we look at proposals to improve services for people who have an acute stroke in line with national clinical best practice and advice. (An acute stroke is a stroke that occurs or develops abruptly. The key feature of an acute stroke is that it starts suddenly and without warning and needs immediate treatment. Some people develop stroke-like symptoms over a period of time which need investigation).

National guidance (National Institute of Health and Care Excellence or NICE) based on clinical evidence says that patients who have suffered an acute stroke should be admitted to a specialist unit within four hours of their stroke. Following an acute stroke, immediate access to advanced tests and treatments leads to better results for patients. These include CT scanning and MRI scanning, thrombolysis (clot-dissolving drugs) and thrombectomy (physical removal of clots from the brain).

Research (The Reconfiguration of Clinical Services, Kings Fund, Nov 2014) also shows that patients do better when they are treated in large centres by a highly trained specialist team caring for larger numbers of patients. This means that staff are able to carry out enough complex procedures to maintain and improve their skills and consistently provide safe, quality care. In Oxfordshire, the John Radcliffe Hospital in Oxford has a Hyper Acute Stroke Unit (HASU). There are also HASUs in Northampton and Coventry. The Horton General Hospital does not have a HASU.

The Abingdon Community Hospital, Witney Community Hospital and the Horton General Hospital currently provide inpatient rehabilitation which includes speech and language therapy, occupational therapy and physiotherapy. Patients in Oxford and Bicester also benefit from an 'Early Supported Discharge Service', which helps patients to return to their own homes sooner so they can regain independence as quickly as possible.

At the moment most patients in Oxfordshire, including the north of the county, who have suffered an acute stroke (88%) are immediately taken to the John Radcliffe in Oxford – around 700 a year. Around 100 patients each year (12%), however, are still admitted to the Horton General Hospital, which does not have comparable diagnostics and specialist care.

Doctors and nurses in the working groups for the review of acute stroke services and the Thames Valley Clinical Senate looked at the current way in which these services are provided and options for change to improve health outcomes for patients in North Oxfordshire. They agreed that all acute stroke patients should be assessed in a HASU. They also agreed that the Early Supported Discharge Service should be available to all patients in Oxfordshire, including the north, and looked at how rehabilitation should be provided.

## What you said

One of the themes that emerged from patient and public feedback was recognition of the importance of patient safety and the outcomes experienced by patients. Feedback about the Horton General Hospital included an emphasis on the need to keep services local, but also some concerns about the quality of services. The proposals for acute stroke services were developed with this feedback in mind.

For more detail about how patient experience and feedback helped to inform this option and how patients would benefit from proposed changes, please see the pre-Consultation Business Case which can be found on our website at [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk)

## What we did – our preferred option and why

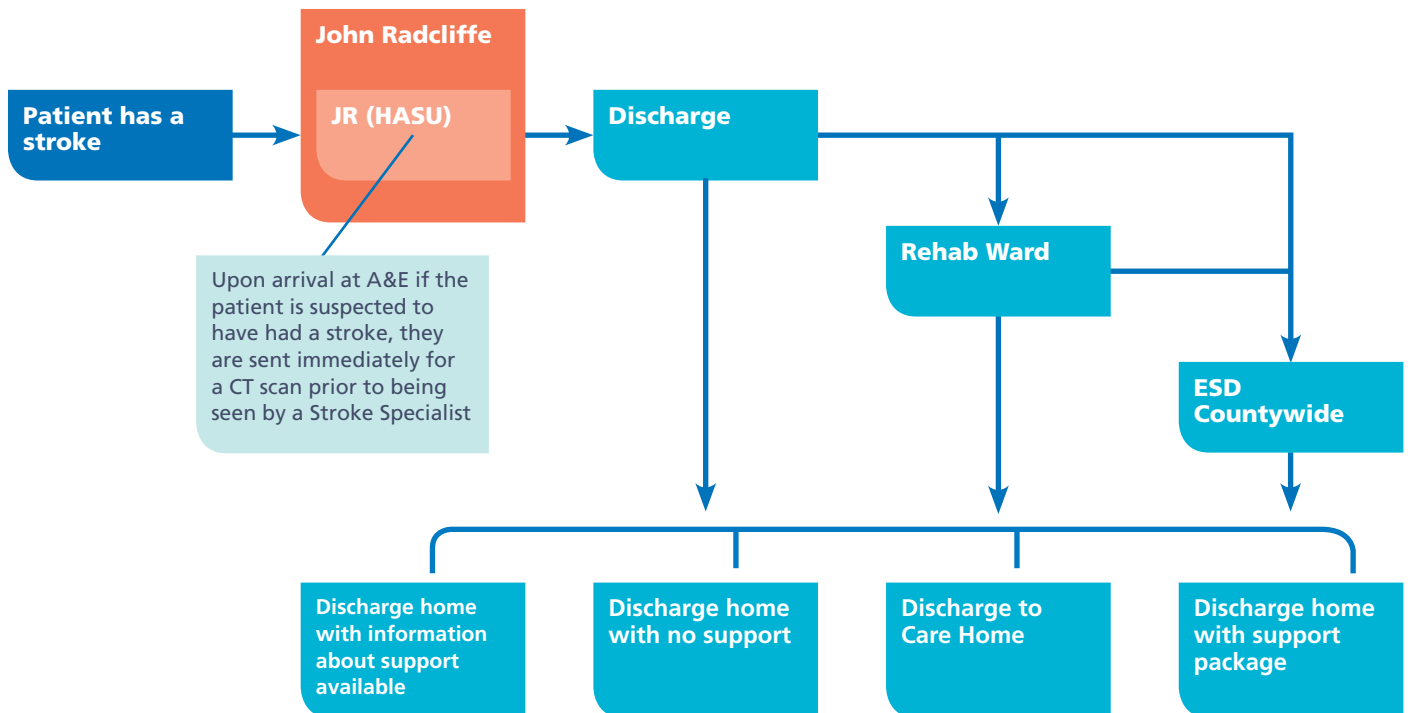
The following option was developed with patient feedback in mind:

- All patients diagnosed with an acute stroke would be taken immediately by ambulance to the nearest HASU at the John Radcliffe Hospital in Oxford. Our travel analysis which can be found on our website: [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk) showed that nearly all patients are within 40 minutes of ambulance travel time. Those in North Oxfordshire who are closer to Northampton or Coventry Hospitals would be taken directly there.
- On average, patients could expect to be treated in a HASU for approximately 72 hours. The Early Supported Discharge Service would be extended across the county, including North Oxfordshire, so that all patients could benefit from care at home when they are ready to leave hospital – around 200 patients year would benefit from this.
- Patients who are ready to leave the HASU but not well enough to go home could be cared for and receive rehabilitation in a hospital bed away from the specialist HASU. The role of the Horton General Hospital and community hospitals in providing this care is being looked at as part of the review of community hospitals and will come under **Phase 2** of the consultation.
- Short term rehabilitation following a stroke, would continue to be provided at the Horton General Hospital.



## Intended benefits

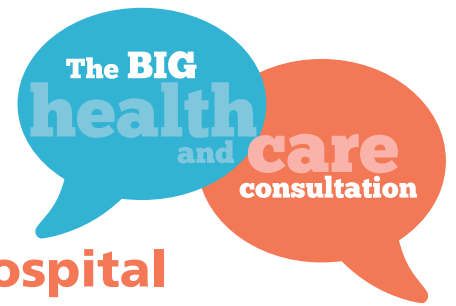
- 100 North Oxfordshire patients each year diagnosed with an acute stroke would receive care at a HASU in line with national best practice and other patients across the county.
- Around 200 patients per year would benefit from the Early Supported Discharge Service being extended across the county, to help them to return home more quickly. Short term rehabilitation would continue at the Horton General Hospital.



This diagram illustrates the way in which people would be treated after an acute stroke.







## Critical care at the Horton General Hospital

In this section, we look at services for people needing critical care in North Oxfordshire (critical care helps people with life-threatening or very serious illness or injury).

Patients in hospital need different levels of care from doctors and nurses depending on how ill they are. The sickest patients require critical or intensive care, which is provided in highly specialised Intensive Care Units (ICUs). There are different levels of care, which are graded from 0 to 3, depending on the level of the support needed by the patient:

**Level 0:** patients whose needs can be met through normal ward care in an acute hospital

**Level 1:** patients at risk of their condition deteriorating, or those recently relocated from higher levels of care, whose needs can be met on an acute ward with additional advice and support from the critical care team

**Level 2:** patients requiring more detailed observation or intervention including support for a single failing organ system or post-operative care and those 'stepping down' from higher levels of care

**Level 3:** patients requiring advanced respiratory support alone, or basic respiratory support together with support of at least two failed organ systems. This level includes all complex patients requiring support for multi-organ failure.

The sickest patients from across Oxfordshire needing critical care are taken directly to the ICUs in the John Radcliffe and Churchill Hospitals in Oxford. The Horton General Hospital has a six bedded Critical Care Unit (CCU), which has traditionally served a number of purposes including providing Level 3 critical care in two of its six beds.

Over the past five years at the Horton General Hospital, the numbers of patients needing Level 3 care has fallen. This is because patients needing emergency surgery, emergency cardiac care or who have suffered a major trauma are taken directly to the John Radcliffe for specialist treatment. The number of patients needing intubation and ventilation (artificial help with breathing) has fallen by nearly a third in the past five years. In 2015/16, 488 patients were admitted to the Horton General Hospital CCU. Only 41 of these patients (or less than 10%) needed Level 3 critical care.

This presence of only a small number of the sickest patients means that doctors and nurses do not get many opportunities to keep up their skills, an issue which has been raised by the Care Quality Commission (the independent regulator of health and social care services). This also means that it is difficult to recruit enough nurses and the CCU does not meet national guidelines for staffing numbers (Guidelines for the Provision of Intensive Care Services (GPICS) published by the Intensive Care Society in 2015). All these combine to reduce the CCU's ability to provide high quality care to the sickest patients and to achieve the best outcomes for patients.



## What you said

One of the themes that emerged from the feedback received was recognition of the importance of patient safety and the outcomes experienced by patients. Feedback about the Horton General Hospital included an emphasis on the need to keep services local, but also some concerns about the quality of services.

For more detail about how patient experience and feedback helped to form this option and how patients would benefit from proposed changes. Please see the Pre-Consultation Business Case which can be found on our website at [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk)

## What we did – our preferred option and why

The view of doctors and nurses is that the Horton General Hospital should continue to have a CCU, caring for patients at risk of deterioration, and Level 2 critical care patients, as this is the safest option.

If all critical care patients were cared for in Oxford, over 500 more North Oxfordshire patients would need to go to Oxford. The majority of these could be cared for at the Horton General Hospital in an appropriately resourced Level 2 critical care facility. The current facilities in the ICUs in Oxford do not have the capacity to look after these extra patients

Instead, we propose that only the Level 3 critical care patients from North Oxfordshire are treated at the Oxford ICUs and that the Horton General Hospital continues to treat Level 2 patients. This would mean up to an additional 40 Level 3 patients a year would be treated in Oxford rather than in Banbury. Patients living in South Northamptonshire and South Warwickshire might be treated at the critical care units in hospitals in Warwick, Northampton or Milton Keynes if closer.

## Intended benefits

- Where appropriate, North Oxfordshire patients needing up to Level 2 critical care would be treated at the Horton General Hospital, Banbury, limiting the numbers of patients who have to travel for care.
- A small number of the sickest patients needing critical care Level 3 would receive treatment at a highly specialised Intensive Care Unit in Oxford. *Patients living in South Northamptonshire and South Warwickshire might be treated at the critical care units in hospitals in Warwick, Northampton or Milton Keynes if closer.*

**Up to 40 Patients each  
year would need to be  
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than Banbury**

*Patients living in South  
Northamptonshire and South  
Warwickshire might be treated at  
the critical care units in hospitals in  
Warwick, Northampton or Milton  
Keynes if closer.*



## Maternity and obstetric services in North Oxfordshire

In this section we consider our maternity and obstetric services in North Oxfordshire and what services should be provided for women and their families. We concentrate on the maternity service at the Horton General Hospital because of the challenges we are currently facing. We will be asking for feedback on proposals for Midwife Led Units (MLUs) and maternity services across Oxfordshire in **Phase 2** of our consultation later in the year.

The vision is to 'provide high quality, sustainable, safe maternity services that achieves healthy outcomes for women and babies'.

The aim is to ensure the care during pregnancy enables a woman to make informed decisions based on her needs, having discussed matters fully with the health care professionals involved in her care. This aim will meet the recommendation in 'Better Births' ( National Maternity Review, 2016) to provide personalised care to every woman in Oxfordshire by offering choice and continuity of care throughout the pregnancy, birth and postnatal period.



### Our aim is to:

- support more women to access a low-risk environment of their choice with midwifery support.
- provide on going assessment for women throughout pregnancy so that potential problems can be addressed
- improve access to specialist maternity services for women who have more complex pregnancies. This includes women who are expecting twins, who have diabetes or who are very obese as well as support for women who have mental health issues and who may need specialist care throughout the pregnancy and afterwards
- ensure woman have a full choice of birth options
- ensure every woman can access the right part of the maternity service and to be cared for by the right professional.

Every year around 8,500 women give birth in Oxfordshire. Most women have a low risk pregnancy and are cared for by the midwifery teams during the antenatal, labour and postnatal period; this is entirely appropriate and safe. Some women will require care from the consultant led team throughout their pregnancy and labour. To enable women to have the right care a number of options are available so women and their partners can choose the most appropriate setting to give birth.

**Women in Oxfordshire and surrounding areas have the choice to give birth in:**

- an obstetric unit at the John Radcliffe Hospital in Oxford which is resourced to care for women who have a complex pregnancy or choose to give birth in this facility. The obstetric unit at the Horton General Hospital has temporarily changed to an MLU due to difficulties with doctor cover. The John Radcliffe Hospital has a neonatal intensive care unit for new born babies requiring intensive or specialist care
- the Spires Midwife Led Unit (MLU) in Oxford which is an alongside unit at the John Radcliffe Hospital. A third of women in North Oxfordshire choose to give birth in Oxford either in the obstetric unit or the Spires MLU
- a free standing Midwife Led Unit located in Chipping Norton (The Cotswold Maternity Unit), Wantage, Wallingford and Banbury
- at home with the support of community midwives
- an obstetric unit outside Oxfordshire. These include units in Northampton, Warwick, Milton Keynes the Royal Berkshire Hospital in Reading, the Great Western Hospital in Swindon and Stoke Mandeville Hospital in Aylesbury.

Women are seen regularly and continually assessed during their pregnancy to monitor the health and wellbeing of both mother and baby. Advice is given about appropriate options of care including place of birth.

There is very good evidence that women who give birth in an MLU experience less clinical intervention than women who give birth in an obstetric unit. However, we understand some women and their partners may be concerned about being transferred during labour to an obstetric unit. Transfers in labour from an MLU to an obstetric unit are not unusual and will be taken into account during the discussion between the midwife and the woman, considering the clinical risk factors at the time. Reviewing clinical research evidence, this approach is shown to not affect how well mothers or their babies do. The Birthplace Study, conducted by the National Perinatal Epidemiology Unit (NPEU) at the University of Oxford in 2011, showed that there is very little difference in outcomes for women with a low-risk pregnancy. Sadly around four births in every 1,000 result in a stillbirth irrespective of where the woman gives birth.





## The challenges

“There is a need to be mindful that choice has to be delivered in a realistic manner, balancing wants and needs with what is clinically safe and affordable and what resources can be made available without destabilising other services.”

*Royal College of Obstetrics and Gynaecologists (RCOG) – High Quality Women’s healthcare: A proposal for change*

We currently face significant challenges in the way we provide maternity services in the north of Oxfordshire and therefore we must consider the future provision of services at the Horton General Hospital. In **Phase 2** we will be seeking views about making the interim MLU permanent in Banbury. In 2015/16 there were 1,466 births at the Horton General Hospital.

The Royal College of Obstetricians and Gynaecologists advises NHS hospitals about the safe level of care for obstetric units. They recommend that units which see fewer than 2,500 births should be subject to additional risk and staffing assessments to ensure patient safety. Obstetric doctors develop and maintain their skills throughout their careers. In units with low numbers of births it is difficult for them to care for enough women to keep their skills up to date which is a matter of patient safety and it is a risk. Population predictions show that even with the maximum possible growth in population and births over the next 20 years, this will not be sufficient to meet the 2,500 threshold.

In 2013 the Horton General Hospital lost its ability to provide obstetric training for doctors not yet qualified as consultants because of low numbers of births. This means that the Horton General Hospital can only continue to run an obstetric service with enough qualified consultants or non-training middle grade doctors. Nationally there is a shortage of obstetric consultants and middle grade doctors. It is particularly hard to recruit staff to work at the Horton General Hospital because of the low number of births in the unit. OUHFT has continued to try hard to recruit more obstetric staff but until now has not been successful.

In August 2016 OUHFT made the decision to temporarily suspend the obstetric led service at the Horton General Hospital because of difficulties in recruiting doctors and therefore not being able to provide a safe maternity service. The unit temporarily became an MLU from October 2016.

### The decision involved the following temporary changes:

- A temporary stand-alone Midwife Led Unit opened at the Horton General Hospital and obstetric care for pregnant mothers stopped being provided on site. Women from North Oxfordshire and the Brackley area who need to deliver in an obstetric unit can choose to give birth at the John Radcliffe in Oxford or in Northampton, Warwick or Milton Keynes hospitals (with women requiring specialist care continuing to receive it in Oxford as before).
- Women can choose to give birth at one of the MLUs: at the Horton General Hospital, the Spires, Cotswold Maternity Unit in Chipping Norton (CMU), Wantage or Wallingford.
- The Special Care Baby Unit was transferred to the John Radcliffe Hospital because this kind of care is only provided alongside obstetric units.

This change had an impact on the small number of women from North Oxfordshire, who need inpatient care for a gynaecological problem. These women require around the clock specialist medical care which was previously provided by the obstetric and gynaecology doctors also covering the maternity service. During the temporary service change, these patients are being admitted to the gynaecological unit at the John Radcliffe Hospital in Oxford. However, the day-case service, emergency gynaecology service and the early pregnancy service remains at the Horton General Hospital.

## What you said

We know that people in North Oxfordshire and surrounding areas value the services at the Horton General Hospital but during our engagement they also told us that patient safety was important to them. Clinicians are concerned that even if they could recruit enough obstetric staff, the situation would not be sustainable and is likely to lead to another emergency closure. We want to make sure that we commission only safe services for patients.

Feedback from patients, public and clinicians has been gathered in a number of ways in the months leading up to the consultation and has been summarised in a number of documents. Recognising the particular concerns and strong views expressed about potential changes to maternity services in North Oxfordshire, below is a summary of the feedback received and how it has been used in helping to inform the preferred option set out in this document.

For more information on this, please see the Pre-Consultation Business Case and the reports on public engagement from June to August 2016 and September to November 2016, which can be found at our website at [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk)



You said	We did
<p>Concerns about the maternity service at the Horton General Hospital if it was to move to Oxford, and also of the ability of the Oxford based services to then cope with the additional patients.</p>	<p>National evidence demonstrates that Midwife Led Units (MLUs) are regarded as safe settings for low risk women to give birth and that they have been shown to be as safe as obstetric units for women and their babies (Birthplace Study, 2014). The proposed changes would ensure that all women in Oxfordshire receive an 'Early Maternal Medical Risk Assessment' that would help them make an informed choice about the best and safest birth choices for them.</p> <p>Work with maternity focus groups showed that we don't provide enough information about MLUs and the benefits of choosing to birth at one. The way in which services would be designed would ensure women have access to all the information they need to make informed choices. This could be supported by digital technology (like apps for example) so women could access the information in a way that best suits them.</p>
<p>Support groups for families on managing childhood illnesses appropriately could help with prevention.</p>	<p>The proposed changes would have prevention as a priority throughout and post pregnancy. We would build in support for postnatal women so they feel able to confidently look after themselves and their baby. The important role of Health Visitors and GPs would be factored into the new service.</p>
<p>The need to keep the Horton General Hospital and its services such as maternity, particularly with an expanding local population.</p>	<p>The proposed changes take into consideration the predicted increases in births due to planned housing developments. Analysis shows that even with these increases, the Horton General Hospital would see fewer than 2,500 births and be subject to the additional risk and staffing assessments required for small obstetric units to ensure patient safety. Irrespective of the numbers of births, OUHFT would not have enough doctors to staff the unit. This makes it unsafe for current and future demand and an unviable option for the future.</p>
<p>The need to listen and engage more with parents and families.</p>	<p>Three focus groups were held in October 2016 where we were able to listen and engage with women who had recently given birth in Oxfordshire. We heard some wonderful stories about women's experiences of the care they had received and we also had some good discussions about what could be done differently. We heard how important breastfeeding support is to women and how important postnatal care is. On the back of this feedback we have committed to expanding our offer of postnatal support and we understand that specialist breastfeeding support is crucial to this.</p> <p>We recognise that we do not routinely listen and engage with parents and families who use maternity services and we will be considering how we can improve this.</p>



## What we did – considering possible solutions

Given this background, clinical staff have reviewed a number of possible solutions to tackle the challenges.

Possible solution	Appraisal
A round-the-clock rota of non-consultant obstetric doctors (still in training).	Training approval for medical trainees in obstetrics has been withdrawn from the Horton General Hospital site. Health Education England, which is responsible for training, has made it clear that there are no circumstances under which this will be restored because the unit does not care for enough women in labour and because there are not enough trainees to fill posts. Currently, 24% of trainee posts are vacant. This is not a viable option.
A round-the-clock rota of middle grade obstetric doctors not in training.	OUHFT has tried to recruit non-trainee middle grade doctors, but has not been successful. The OUHFT introduced a rota of eight Clinical Research Fellows in 2012. By early 2016 this had become unsustainable and an alternative was developed of nine doctors working across the John Radcliffe Hospital site and the Horton General Hospital to make the posts more attractive. At the time of the temporary closure only two of the nine posts required for a round-the-clock rota had been successfully filled. At the beginning of January 2017 only three doctors were in post. This is not a viable option
A round-the-clock rota of trained consultants at both the Horton General Hospital and the John Radcliffe Hospital.	An additional 22 consultants are required to safely manage obstetric units at both the John Radcliffe Hospital and the Horton General Hospital. There is a national shortage of obstetric consultants so this is not a viable option.
The Horton General Hospital to provide an elective caesarean section service for all appropriate pregnant women across Oxfordshire. Women from North Oxfordshire with a low risk pregnancy to give birth at the CMU at Chipping Norton.	This was an option proposed by a member of the public. It is the opinion of clinical staff that this is not safe for many reasons including the absence of vital support services and medical staff. It would, furthermore, compromise the ability to care for the highest risk pregnancies in North Oxfordshire and the rest of the county. This is not a viable option.

In addition to the issues relating to obstetric care, there is a need to review our balance of investment to improve Oxfordshire's maternity services. Technology is under-used and there is a need to make more use of community based diagnostics and electronic patient care records.



## What we did: our preferred option for obstetrics and why

As a result of this appraisal, clinical staff at the OUHFT, the clinicians on the working group and the Thames Valley Clinical Senate agreed that none of the above solutions could ensure a safe, high quality obstetric unit at the Horton General Hospital and propose the model detailed below.

The proposal is that although most antenatal obstetric care can still be provided at the Horton General Hospital, all women with a higher risk pregnancy would give birth at the John Radcliffe in Oxford (with women north of Oxfordshire also having the choice to travel to Northampton, Warwick or Milton Keynes).

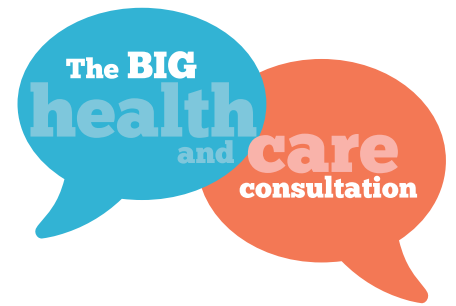
## What is the impact and intended benefits of this proposed model of care?

Women would continue to have the option to give birth in an obstetric unit at the John Radcliffe Hospital in Oxford, in the Spires MLU at the John Radcliffe Hospital, in one of the stand-alone MLUs at the Horton General Hospital, Chipping Norton, Wantage and Wallingford or at home, although this will be subject to further discussion in *Phase 2*. This would ensure that women continue to have choice in where they give birth. We anticipate that this option would result in between 200 to 500 women a year choosing to use the MLUs at the Horton General Hospital. The proposed facilities at the Horton General Hospital have the capacity to care for up to 500 women in labour each year.

The MLUs in North Oxfordshire would be able to cope with any increase in demand. There would be an increased number of antenatal, postnatal and breastfeeding clinics at the Horton General Hospital. These services are already available at Chipping Norton and other MLUs.

All women in North Oxfordshire and surrounding areas who need obstetric care in childbirth would have to travel further either to Oxford or to an other obstetric unit in Northampton, Warwick or Milton Keynes. This would also apply to any mothers and babies needing to transfer during labour or after birth. **A single obstetric led labour ward at the John Radcliffe would ensure that there are always enough staff available and importantly that there are enough births to maintain medical skills and run a safe service now and for the future.**

Some women would transfer from the MLUs in North Oxfordshire to the obstetric unit in Oxford at the start of labour or during labour because the woman changes her mind or because there is a clinical need. The Birthplace Study, conducted by the National Perinatal Epidemiology Unit (NPEU) at the University of Oxford found that the transfer rate, for mothers who were in their second or subsequent pregnancy, to an obstetric unit was 12% for home births, 9.4% for a stand-alone MLU and 12.5% for an MLU alongside an obstetric unit.



Additional consequences of this change are that the Special Care Baby Unit would move permanently to the John Radcliffe Hospital and a small number of women needing emergency gynaecology inpatient services would need to travel to Oxford.

## The options for Midwife Led Units in North Oxfordshire

The obstetric unit at the John Radcliffe Hospital would be supported by two options for providing MLUs, which are described as illustrative examples below. Both ensure that women would continue to have a choice of the type of unit where they can give birth. We are not consulting on this proposal relating to MLUs now and OCCG will include firm proposals for all the Oxfordshire MLUs in *Phase 2* of the Consultation.

### Example model 1 (two Midwife Led Units in North Oxfordshire):

The first example model would propose that there would be two Midwife Led Units in North Oxfordshire, one in Chipping Norton and one in Banbury. This would mean women in Chipping Norton would still be able to choose their local hospital to give birth under the care of midwives and similarly women in the Banbury area could choose the same at the Horton General Hospital. Women from both areas wanting to give birth under the care of an obstetrician, or in a Midwife Led Unit co-located with an obstetric unit would need to travel to Oxford or to a nearer unit in Northampton, Warwick or Milton Keynes. This example would:

- replace the obstetric unit with a MLU at the Horton General Hospital on a permanent basis, (this would include investment in buildings and facilities)
- centralise all emergency gynaecology inpatient services at the John Radcliffe in Oxford on a permanent basis
- move the Special Care Baby Unit from the Horton General Hospital to the John Radcliffe on a permanent basis
- develop more antenatal clinics and classes for women at the Horton General Hospital so that they can be assessed locally
- develop more postnatal provision at the Horton General Hospital
- keep the Cotswold MLU in Chipping Norton as another option for women.



## Example model 2 (one Midwife Led Unit in North Oxfordshire):

The second example would propose one MLU for pregnant women in North Oxfordshire and that this would be at the Horton General Hospital in Banbury. This would mean closing the Cotswold MLU at Chipping Norton and women would need to travel to another MLU to give birth. However, the majority of care, including antenatal, postnatal and breastfeeding clinics would continue to be provided by local midwife teams in Chipping Norton Hospital.

If the Cotswold MLU were to close, the current accommodation costs could be reinvested in maternity care elsewhere in Oxfordshire to improve the quality of the service. Facilities would still be needed for antenatal and postnatal services at the Chipping Norton Hospital, including breastfeeding clinics, but some accommodation costs would still be saved.

Some women in North and West Oxfordshire who currently use the Cotswold MLU would have to travel further to a MLU elsewhere. The average increase in travel time would be 15 to 17 minutes.

### This example would mean we would:

- replace the obstetric unit at the Horton General Hospital with a Midwife Led Unit on a permanent basis (this would include investment in buildings and facilities)
- centralise all emergency gynaecology inpatient services at the John Radcliffe Hospital in Oxford on a permanent basis
- move the Special Care Baby Unit from the Horton General Hospital to the John Radcliffe Hospital in Oxford on a permanent basis
- develop more antenatal clinics and classes for women at the Horton General Hospital so that they can be assessed locally
- develop more postnatal provision at the Horton General Hospital
- continue to provide postnatal, ante-natal and breastfeeding clinics in Chipping Norton Hospital
- close the Midwife Led Unit in Chipping Norton Hospital.



## Conclusion

In this consultation document we have set out the way in which we plan on developing health and care services in Oxfordshire and our proposals to change some of these services. Our aim is that patients receive the best quality care in the right place at the right time.

We have also given an overview of other areas where our doctors, nurses and managers are still developing ideas for possible change (*Phase 2* of our consultation). When they become firm proposals there will be further public consultation.

**Now is your opportunity to find out more, have your say and tell us what you think.**

## The consultation

Our formal public consultation will run from 16 January 2017 until 9 April 2017 across Oxfordshire and surrounding areas. Once the public consultation has finished OCCG will consider all feedback. OCCG will commission independent support to thoroughly and comprehensively analyse all responses to the consultation and publish a report detailing this. OCCG has also asked an external organisation to assess the impact of the proposed changes. Once all this feedback has been considered alongside patient-safety factors and clinical best practice, OCCG will need to consider what changes it wants to make and how specific clinical services are arranged or how the health and social care system might support specific groups in the community. The decision-making business case will then be considered by the OCCG Governing Body for a final decision. As well as taking into consideration the outcome of the public consultation, the OCCG Governing Body will need to consider other factors, including safety, clinical quality and evidence, financial and practical considerations.

## How can you have your say?

During the consultation there will be lots of opportunities to find out more and share your views. This will include opportunities to talk to the doctors and nurses who have developed these proposals. Further information on all of these proposals and details of events and opportunities to get involved can be found on our website: [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk). You will also find there more information about the work of the Transformation Board, the pre-consultation Business Case and other supporting documents.



## We will be:

- publicising the consultation as widely as we can including through advertising, the media and social media – if you can help with this by sharing information with your local community or organisation then please let us know and we can provide you with consultation documents and surveys
- contacting people who have already said they are interested in getting involved in healthcare issues, including members of OCCG's Talking Health and OUHFT and OHFT membership
- running public roadshows and events across the county and in neighbouring areas, such as South Northamptonshire and South Warwickshire
- asking you what you think through surveys and focus groups and inviting feedback
- holding discussions with patient and voluntary groups – if you are a member of a group which might be interested then please let us know
- using our website to encourage feedback: [www.oxonhealthcaretransformation.nhs.uk](http://www.oxonhealthcaretransformation.nhs.uk)

We welcome all responses to this consultation. We need to receive them by midnight on 9 April 2017. You can respond by completing the questionnaire available on our website and send it back to us Freepost

**If you would like this document in a different language or an audio, braille, large text or an Easy Read format, please call 01865 334638 or email [cscsu.talkinghealth@nhs.net](mailto:cscsu.talkinghealth@nhs.net)**

### **Communications and Engagement Team,**

Oxfordshire Clinical Commissioning Group

### **Freepost RRRKBZBTASXU**

Jubilee House

5510 John Smith Drive

Oxford

OX4 2LH

Talking Health is our online public involvement service. Register and complete the online survey at: <https://consult.oxfordshireccg.nhs.uk>

**Email us:** [cscsu.talkinghealth@nhs.net](mailto:cscsu.talkinghealth@nhs.net)

**Phone us on 01865 334638**

### **Write to us:**

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## Appendix

### Glossary of terms used in this document:

**Acute hospitals:** large hospitals which provide a wide range of specialist care and treatment for patients. This includes consultation with specialist clinicians (consultants, nurses, dieticians, physiotherapists and a wide range of other professionals); emergency treatment following accidents; routine, complex and life-saving surgery; specialist tests, therapies and procedures. Acute hospitals vary in the range of services available. Some include an A&E. Others provide planned care which can include specialist care.

**Acute Hospital at Home:** a care team, made up of consultants, specialist nurses and other allied health professionals, which provides an alternative to hospital for frail older people.

**Ambulatory Assessment Unit:** is a service in a hospital which provides urgent assessment and treatment of adults who are unwell but may not necessarily need to be admitted to hospital.

**Community hospitals:** smaller local hospitals which offer local care and often include rehabilitation services after a stroke or surgery, some outpatient appointments, x-ray facilities, physiotherapy and hearing tests.

**Critical care:** care given within specialist units in the hospital (Critical Care Unit) by specially trained staff and designed to closely monitor and treat patients with very serious or life threatening conditions. This care can be given in an emergency, such as after a road accident, or in a planned way, for example after major heart surgery.

**Critical Care Unit (CCU):** see Critical care

**Early Supported Discharge Service:** the Early Supported Discharge Service team provides an early, intensive rehabilitation service for stroke patients which helps them leave hospital more quickly and return to their own homes with support from community teams so they can regain their independence as soon as possible.

**Emergency Multidisciplinary Unit (EMU):** usually found at a community hospital and will rapidly assess any patient who has been seen by, for example, a GP, community nurse or ambulance paramedic who feels that further assessment is needed. EMUs do not assess patients with suspected heart attacks, strokes, head injuries or those who may need surgery.

**Five Year Forward View:** the NHS Five Year Forward View, published in October 2014 by NHS England, sets out a strategy for the future of healthcare nationally and locally.

**Health and Wellbeing Board:** key leaders from the health and social care services work together to improve the health and wellbeing of local people and reduce health inequalities.

**Healthwatch Oxfordshire:** the local section of a national consumer watchdog for patients which aims to improve health and social care.

**Hyper Acute Stroke Unit (HASU):** this provides initial investigation, specialist treatment and care immediately following a stroke. Patients are treated in the HASU until medically stable and fit for transfer to their local stroke rehabilitation unit for on-going inpatient care or until fit for discharge home.



**Middle grade doctors:** qualified doctors who are not consultants. Some may choose to train to be consultants; others will choose to remain as middle grade doctors.

**Midwife Led Unit:** birthing centres or midwifery units run by midwives without the medical facilities of a hospital. They can be next to a main hospital maternity unit ('alongside') or completely separate from hospital (stand alone).

**Obstetric care:** obstetrics is a medical specialty focusing on pregnancy, childbirth and post childbirth care. Women who need the care of an obstetrician or need an epidural (which can only be delivered by an anaesthetist under the care of an obstetrician) would need to give birth in an obstetric unit.

**Oxfordshire Clinical Commissioning Group:** was established on 1 April 2013, as part of the reorganisation of NHS commissioning following the passage of the Health and Social Care Act 2012. We are responsible for buying health services on behalf of everyone living in Oxfordshire.

**Oxfordshire Joint Health Overview and Scrutiny Committee (HOSC):** looks at the work of local health services including the Clinical Commissioning Group and hospital trusts. The Committee acts as a 'critical friend' by suggesting ways that health related services might be improved. The HOSC also looks at the way the health service interacts with social care services, the voluntary sector, independent providers and other council services to jointly provide better health services to Oxfordshire residents and improve their wellbeing.

On behalf of Oxfordshire County Council, the HOSC has responsibility to "review and scrutinise any matter relating to the planning, provision and operation of the health services in its area" and to make referrals to the Secretary of State about proposals where it considers proposals for service change, or consultations, have been inadequate.

**Patient Participation Group:** patient representatives from a local GP practice who advise and inform the practice on what matters most to patients and help identify solutions to problems as a 'critical friend'.

**Planned care:** healthcare such as tests, outpatient appointments and surgery which has been planned in advance and which is not urgent or an emergency. Planned care is carried out in hospitals, in community settings such as community hospitals and in primary care.

**Pre-consultation business case:** sets out the reasons why healthcare services have to be transformed – the 'case for change' – how the transformation could look, how it could affect patients and how much it could cost.

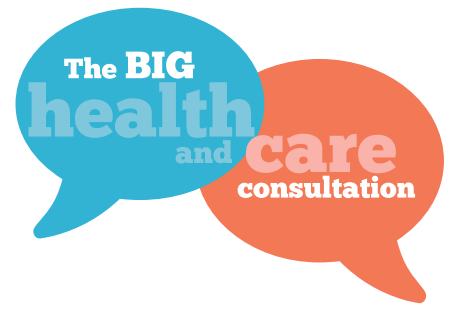
**Primary care:** most people's first point of contact with health services, e.g. GPs dentists, pharmacists or optometrists.

**Stroke:** strokes vary in their severity. Some people can suffer from a mini or mild stroke which means they may be at risk of a more severe stroke in the future. People suffering from an acute or severe stroke need specialist hospital care and treatment very quickly in order to maximise their chances of survival and recovery.

**Talking Health:** Oxfordshire Clinical Commissioning Group's online service where patients and the public can get involved with and influence local health services and decisions  
[www.oxfordshireccg.nhs.uk/get-involved/talking-health/](http://www.oxfordshireccg.nhs.uk/get-involved/talking-health/)

**Transformation Programme:** was launched in early 2016 to drive forward the changes in the health and social care system in Oxfordshire in response to rising demand for services. The Transformation Board which oversees the programme is made up of health and social care leaders.







### Join Talking Health:



Talking Health is our online public involvement service. You can register by post or online. You can tell us exactly what you are interested in and how you want to be involved.

<https://consult.oxfordshireccg.nhs.uk>

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The Buckinghamshire, Oxfordshire and Berkshire West  
Sustainability and Transformation Plan



2016



What is the Buckinghamshire, Oxfordshire and Berkshire West Sustainability and Transformation Plan?

Page 3



Why do we need a Sustainability and Transformation Plan?

Page 4



How have our plans been developed?

Page 5



What are we going to do?

Page 6



What does this mean for local people?

Page 190 Page 7



How can I get involved and find out more?

Page 8

The Buckinghamshire, Oxfordshire and Berkshire West Sustainability and Transformation Plan (STP) is one of 44 local plans being developed across England, which will set out how affordable, good quality health and social care will be provided in the future.

The vision for the NHS is clearly set out in a national document called the Five Year Forward View ([www.england.nhs.uk/ourwork/futurenhs](http://www.england.nhs.uk/ourwork/futurenhs)) and our STP will show how we will deliver this locally.

The Five Year Forward View vision will be achieved by everyone who has a stake in health and care adapting what they do, how they think, and how they act – at both local and national levels.

As part of this, there is a growing consensus that one of the most powerful ways to achieve change is through local health and care services working together - across entire communities and pathways of care - to find ways to close the gaps between where we are now, and where we need to be in the future.

However, this is no easy task and the Buckinghamshire, Oxfordshire and Berkshire West STP is still at the very early stages of development. We have a draft plan which we submitted to NHS England at the end of October 2016 as required, and we anticipate making significant improvements to that plan over the next couple of months.

This is a summary of the main issues we will address in our STP, which covers a population of 1.8 million and has a budget of £2.5 billion. The seven NHS clinical commissioning groups who buy and pay for NHS services, the six NHS trusts who provide health and some care services, and the 14 local authorities who buy social care services, have worked, and will continue to work together to improve people's health, provide better health and care services and improve efficiency.



There are a number of challenges facing the NHS that require us to change and modernise the way in which we provide local health and care services to ensure local communities are the healthiest they can be.

There have been some big improvements in health and social care in Buckinghamshire, Oxfordshire and Berkshire West in the last ten years. People with cancer and heart conditions are experiencing better care and living longer, and people are more satisfied with their health and care services. For example, we have some of the best quality and highly regarded general practice services in the country. However, our population is growing rapidly, people's needs are changing, new treatments and technologies are being developed, the quality of care is sometimes variable, and we can do more to prevent illness. Our ambition is to be the best in everything that we do.

### **Over the next five years, we face the following particular challenges across our area:**

- Significant increases in population due to new housing growth
- Pockets of deprivation where communities are not as healthy as they could be
- An increase in demand for services, especially for frail older people who often have more than one health and care need
- Difficulty in recruiting and retaining staff due to the high cost of living, which leads to inconsistent levels of care and unsustainable services
- Ageing NHS buildings which are not fit for modern use
- Variable access to some specialised services and other treatments
- People having to travel out of our area for specialised mental health care.

More money has been provided for the NHS, but we still estimate a gap of around £480 million in the next four years if we do nothing to help people stay healthy and modernise our services. We need to find new and better ways to meet the health and care needs of local people and do things more efficiently. This does not mean doing less for people or reducing the quality of care, but we have to provide services differently in the right place at the right time at the right cost.



We can only make improvements if we all work together. This means patients, their carers, our staff, hospitals, local councils, the NHS, universities, and a range of other organisations working in the public, private and voluntary sectors, all joining together to agree a plan to improve local health and care services in Buckinghamshire, Oxfordshire and Berkshire West.

Our plan has been developed using your feedback from local engagement activities, such as 'Your Community, Your Care' in Buckinghamshire, the 'Big Conversation' in Oxfordshire and 'Call to Action' events in Berkshire West. This engagement will continue and take place in local communities and be led by local organisations.

We have also used feedback and insights from our clinicians and staff. The Oxford Academic Health Sciences Network, which is a local partnership of NHS organisations, universities and life science companies responsible for improving health and prosperity across the region, plays an important role in helping us to work together to improve and modernise treatment and care, as well as helping our region become a better place to live and work.



Our ambition is to make sure that everyone in Buckinghamshire, Oxfordshire and Berkshire West has access to high quality health and care, regardless of where they live or which service they use.

Care should flow seamlessly from one service to the next so people don't have to tell their story twice to the various people caring for them, and health professionals should be working on a shared plan for each patient's care. Health and care services should also be available when people need it. We want these services to be available closer to home – a stay in hospital should be less frequent because health and care professionals are offering care and treatment at home, or in local clinics.

We have a number of priority areas where we know that by working together we can make a greater difference for patients in terms of improving their health and ensuring they have access to high quality, cost effective care. These priorities are:

- Improving the wellbeing of local people by helping them to stay healthy, manage their own care and identify health problems earlier
- Organising urgent and emergency care so that people are directed to the right services for treatment, such as the local pharmacy or a hospital accident and emergency department for more serious and life threatening illnesses
- Improving hospital services, for example making sure that maternity services can cope with the expected rise in births
- Enhancing the range of specialised services, such as cancer, and supporting Oxford University Hospitals NHS Foundation Trust as a centre of excellence to provide more expert services in the region
- Developing mental health services, including low and medium secure services, more specialised services for children and teenagers, and improving care for military veterans and services for mums and babies
- Integrating health and care services by bringing together health and social care staff in neighbourhoods to organise treatment and care for patients
- Working with general practice to make sure it is central to delivering and developing new ways of providing services in local areas
- Ensuring that the amount of money spent on management and administration is kept to a minimum so that more money can be invested in health and care services for local communities
- Developing our workforce, improving recruitment and increasing staff retention by developing new roles for proposed service models
- Using new technology so patients and their carers can access their medical record online and are supported to take greater responsibility for their health.



As we implement these plans over the next five years we aim to deliver the following benefits to our population:

- People will be able to get an appointment with their doctor at a convenient time
- Specialist and family doctors, community nurses, occupational therapists, physiotherapists, social workers, psychiatric nurses, psychiatrists and pharmacists will offer treatment and care in teams who work together in local neighbourhoods around the needs of patients
- Fewer people who need specialised mental health services will have to be cared for a long way from their home, families and friends
- Patients will only have to share their medical history, allergies and medication details once, regardless of whether they are in a hospital accident and emergency department or a GP surgery, and they will be able to access their medical record online
- For patients with diabetes, heart or breathing problems, technology will be able to monitor things, such as blood pressure, remotely, alerting the doctor to any problems
- As taxpayers, people can be assured that care is provided in an efficient and cost effective way.



Our STP is currently a draft plan under development and we will have an updated version to share by February 2017. Local public engagement events will continue and will be promoted via each partner organisation's website and other communication channels.

Please share your views at these events and if you have any questions or comments, please email:

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