

# Public Document Pack



**Cherwell**

DISTRICT COUNCIL  
NORTH OXFORDSHIRE

**Committee:** Budget Planning Committee

**Date:** Tuesday 10 March 2026

**Time:** 6.30 pm

**Venue:** 39 Castle Quay, Banbury, OX16 5FD

## Membership

**Councillor Edward Fraser  
Reeves (Chair)**

Councillor Tom Beckett

Councillor Mark Cherry

Councillor Frank Ideh

Councillor Robert Parkinson

Councillor Les Sibley

**Councillor Dom Vaitkus (Vice-Chair)**

Councillor Gordon Blakeway

Councillor Andrew Crichton

Councillor Zoe McLernon

Councillor Rob Pattenden

Councillor Barry Wood

## AGENDA

### 1. Apologies for Absence and Notification of Substitute Members

### 2. Declarations of Interest

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

### 3. Minutes (Pages 5 - 8)

To confirm as a correct record the minutes of the meeting held on 20 January 2026.

### 4. Chair's Announcements

To receive communications from the Chair.

### 5. Requests to Address the Meeting

The Chair to report on any requests to address the meeting.

**6. Urgent Business**

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

**7. December Monthly Performance Report 2025-2026** (Pages 9 - 40)

Report of Assistant Director of Finance (S151 Officer)

**Purpose of report**

To report to the committee the council's financial position at the end of the financial year 2025-2026.

**Recommendation**

The Budget Planning Committee resolves:

1.1 To note the contents of this report.

**8. Non-Domestic Rate Discretionary Relief Policy and response to motion from Council Supporting our high street** (Pages 41 - 60)

Report of Assistant Director for Finance & Section 151 Officer

**Purpose of report**

To inform Budget Planning Committee of the reviewed policy for Non-Domestic Rate Discretionary Rate Relief policy and the response to the motion from Council on supporting our high street.

**Recommendations**

The Budget Planning Committee resolves:

1.1 To note the contents of the reviewed policy for Non-Domestic Rate Discretionary Rate Relief.

1.2 To note the response to Council's motion.

**9. Review of Committee Work Plan** (Pages 61 - 62)

To review the Committee Work Plan.

**10. Exclusion of Press and Public**

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

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

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

Should Members decide not to make a decision in public, they are recommended to resolve as follows:

“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 grounds that, if the public and press were present, it would be likely that exempt information falling under the provisions of Schedule 12A, Part I, 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.”

#### 11. **Car Park Revenue** (Pages 63 - 72)

Exempt report of Assistant Director Property

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

### **Information about this Meeting**

#### **Apologies for Absence**

Apologies for absence should be notified to [democracy@cherwell-dc.gov.uk](mailto:democracy@cherwell-dc.gov.uk) or 01295 221534 prior to the start of the meeting.

#### **Declarations of Interest**

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

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

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

#### **Evacuation Procedure**

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#### **Access to Meetings**

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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.

### **Webcasting and Broadcasting Notice**

The meeting will be recorded by the council for live and/or subsequent broadcast on the council's website. The whole of the meeting will be recorded, except when confidential or exempt items are being considered. The webcast will be retained on the website for 6 months.

If you make a representation to the meeting, you will be deemed by the council to have consented to being recorded. By entering the Council Chamber, you are consenting to being recorded and to the possible use of those images for and sound recordings for webcasting and/or training purposes.

The council is obliged, by law, to allow members of the public to take photographs, film, audio-record, and report on proceedings. The council will only seek to prevent this should it be undertaken in a disruptive or otherwise inappropriate manner.

### **Queries Regarding this Agenda**

Please contact Matt Swinford, Democratic and Elections Team [democracy@cherwell-dc.gov.uk](mailto:democracy@cherwell-dc.gov.uk), 01295 221534

**Shiraz Sheikh**  
**Monitoring Officer**

Published on Monday 2 March 2026

## **Cherwell District Council**

### **Budget Planning Committee**

Minutes of a meeting of the Budget Planning Committee held at 39 Castle Quay, Banbury, OX16 5FD, on 20 January 2026 at 6.30 pm

#### Present:

Councillor Edward Fraser Reeves (Chair)  
Councillor Dom Vaitkus (Vice-Chair)  
Councillor Tom Beckett  
Councillor Mark Cherry  
Councillor Andrew Crichton  
Councillor Frank Ideh  
Councillor Robert Parkinson  
Councillor Rob Pattenden  
Councillor Les Sibley  
Councillor Barry Wood

#### Substitute Members:

Councillor David Rogers (In place of Councillor Zoe McLernon)

#### Apologies for absence:

Councillor Gordon Blakeway  
Councillor Zoe McLernon

#### Also Present:

Councillor Lesley McLean, Deputy Leader and Portfolio Holder for Finance, Regeneration and Property

#### Officers:

Michael Furness, Assistant Director Finance & S151 Officer  
Joanne Kaye, Head of Finance and Deputy S151 Officer  
Matt Swinford, Democratic and Elections Officer

## 29 **Declarations of Interest**

There were no declarations of interest.

## 30 **Minutes**

The Minutes of the meeting of the Committee held on 9 December 2025 were agreed as a correct record and signed by the Chair.

31 **Chair's Announcements**

There were no Chair's announcements.

32 **Requests to Address the Meeting**

There were no requests to address the meeting.

33 **Urgent Business**

There were no items of urgent business.

34 **Capital and Investment Strategy 2026-27**

The Assistant Director of Finance (S151 Officer) submitted a report for the Committee to consider the draft Capital Strategy and Investment strategy for 2026-27 and recommend to the Executive.

In introducing the report, the Portfolio Holder for Finance, Property and Regeneration advised the Committee that the Capital Strategy and Investment Strategy must be approved by Full Council annually and must satisfy the requirements of government legislation and CIPFA guidance.

The Portfolio Holder for Finance, Property and Regeneration gave an overview of the key changes in the 2026-27 Strategy, explaining that the annual Minimum revenue provision statement had been expanded in line with new statutory guidance and the operation boundary had been reviewed and reduced from £200m to £199m.

In response to a question from the Committee on the reported spend of £3m to purchase temporary accommodation, the Assistant Director of Finance explained that the local authorities were seeing a trend in increased need for temporary accommodation and the proposal would help reduce potential pressures in future years. This indicated there was a clear business case for the purchase of property to be used for temporary accommodation.

The Assistant Director of Finance (S151 Officer) responded to a question from the Committee regarding the revised CIPFA Prudential Code for Capital Finance which stated that the Council cannot borrow for commercial purposes. This meant that the Council may only borrow funds for purposes that clearly demonstrated that it was linked with the priorities of the Council.

**Resolved**

- (1) That the Committee recommends the draft Capital and Investment Strategy for 2026/27 to the Executive.

### 35 **Review of Reserves**

The Assistant Director of Finance (S151 Officer) submitted a report to update the Committee on the review of reserves that had taken place in preparation of the budget for 2026/27 and the Medium-Term Financial Strategy (MTFS) 2025/26 – 2030/31.

In introducing the report, the Portfolio Holder for Finance, Property and Regeneration advised the Committee that an annual review of the council's reserves was undertaken as part of the budget setting process to ensure the council maintained a prudent level of reserves over the medium term. Following assessment by the Chief Finance Officer, the Council's General Fund Reserve was proposed to be increased from £7.852m to £8.011m for 2026/27.

In response to a question from the Committee regarding funds that may need to be used for possible planning appeals in the future, the Portfolio Holder for Finance, Property and Regeneration confirmed that the Executive were mindful of possible financial challenges from future planning appeals and were in conversation with officers involved regarding mitigation.

#### **Resolved**

- (1) That the outcome of the review of reserves and the forecast over the Medium-Term Financial Strategy period be noted.
- (2) That Executive be advised that the Committee supports the draft reserve allocations.

### 36 **November Monthly Performance Report 2025-2026**

The Assistant Director of Finance (S151 Officer) submitted a report which updated the committee of the council's financial position at the end of the financial year 2025/2026 as at November 2025.

In introducing the report, the Portfolio Holder for Finance, Regeneration and Property advised the Committee that the year-end forecast position for 2025/26 was projected to be an overspend of £0.609m. This was an increase of £0.209m compared to the year-end forecast at Period 7.

The Portfolio Holder for Finance, Regeneration and Property explained that the largest variances were within Neighbourhood Services which included Environmental Services, Wellbeing and Housing.

In response to a question from the Committee in relation to the increase of the forecast overspend and if the budget was optimistic when set, the Assistant Director of Finance explained that ideally there would not be an overspend however, in reality, the situation arises and therefore mitigation measures were being explored.

**Resolved**

(1) That the report be noted.

37 **Exclusion of Press and Public**

There being no questions on the exempt appendix, it was not necessary to exclude the press and public.

38 **November Monthly Performance Report 2025-2026 - Exempt Appendix**

There being no specific questions on the exempt appendix, it had been noted as part of agenda item 9 (Minute 36).

39 **Readmittance of the Public and Press**

This item was not required as the press and public had not been excluded from the meeting.

40 **Review of Committee Work Plan**

In considering the Committee Work Plan, no queries were raised or additional items put forward.

**Resolved**

(1) That the work programme be noted.

The meeting ended at 7.18 pm

Chair:

Date:

<b>This report is public</b>	
<b>December Monthly Performance Report 2025-2026</b>	
<b>Committee</b>	Budget Planning Committee
<b>Date of Committee</b>	10 March 2026
<b>Portfolio Holder presenting the report</b>	Portfolio Holder for Finance, Property and Regeneration, Councillor Lesley McLean
<b>Date Portfolio Holder agreed report</b>	12 February 2026
<b>Report of</b>	Assistant Director of Finance (S151 Officer), Michael Furness

## Purpose of report

To report to the committee the council's financial position at the end of the financial year 2025-2026.

## 1. Recommendations

The Budget Planning Committee resolves:

- 1.1 To note the contents of this report.

## 2. Executive Summary

2.1 At its [3 February 2026 Meeting](#) Executive considered and resolved (Minute 100):

- To consider and note the contents of the council's finance report as at Quarter 3.
- To note the approval of £0.010m from Policy Contingency for the Climate Change Action Plan for 2025/26, approved within S151 delegations.
- To approve the reprofiling of projects in the capital programme as per Appendix 1.
- To note the budgets approved under S151 delegations within in the capital programme held within Table 7 of the report.

2.2 CDC monitors its financial position on a monthly basis. This report provides the forecast outturn position for the year end based on the position as at 31 December 2025.

2.3 This report sets out the forecast year-end position for 2025/26, projecting a balanced position to the financial year end. This is a decrease of £0.609m compared to the year-end forecast at Period 8.

2.4 The capital forecast year-end position will be reported on a Quarterly basis with the final report being 31 March 2026.

## Implications & Impact Assessments

<b>Implications</b>	<b>Commentary</b>
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<b>Finance</b>	Financial and Resource implications are detailed within sections 4.1 and 4.2 of this report. The reserves policy requires Executive to agree transfers to and from earmarked reserves and general balances during the financial year. Joanne Kaye, Assistant Director of Finance, 12 February 2026			
<b>Legal</b>	There are no legal implications arising at this stage. However the report emphasises the importance of budget management and the need to maintain budgetary control. The Council has a fiduciary duty to council taxpayers, which means it must consider the prudent use of resources, including control of expenditure, financial prudence in the short and long term and the need to act in good faith in relation to compliance with statutory duties and exercising statutory powers. The Council has a statutory obligation to maintain a balanced budget and the monitoring process enables Executive to remain aware of issues and understand the actions being taken to maintain a balanced budget. The report sets out as at November 2025 finance position for the Council as part of its fiduciary duty to implement budgetary controls and monitoring. Denzil Turbervill, Head of Legal Services, 12 February 2024			
<b>Risk Management</b>	There are no risk implications arising directly from this report. Financial resilience risk is managed, and reported quarterly, through the Leadership Risk register. Celia Prado-Teeling, Performance & Insight Team Leader, 28 January 2026			
<b>Impact Assessments</b>	Positive	Neutral	Negative	Commentary
<b>Equality Impact</b>		X		There are no equalities implications arising directly from this report. Celia Prado-Teeling, Performance & Insight Team Leader, 28 January 2026
<b>A</b> Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
<b>B</b> Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
<b>Climate &amp; Environmental Impact</b>		X		N/A

<b>ICT &amp; Digital Impact</b>		X		N/A
<b>Data Impact</b>		X		N/A
<b>Procurement &amp; subsidy</b>		X		N/A
<b>Council Priorities</b>	N/A			
<b>Human Resources</b>	N/A			
<b>Property</b>	N/A			
<b>Consultation &amp; Engagement</b>	This report sets out the financial forecast for the financial year ended 31 March 2026, therefore no formal consultation or engagement is required.			

## Supporting Information

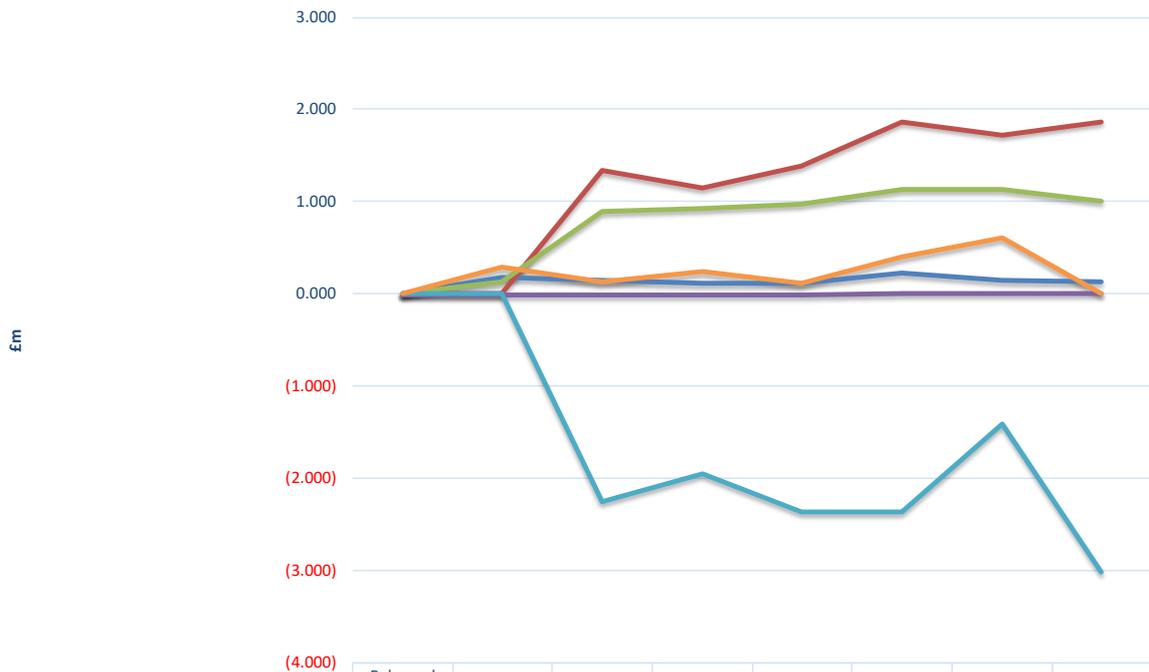
### 3. Background

- 3.1 The council actively and regularly monitors its financial position to ensure it can deliver its corporate priorities and respond effectively to emerging issues.
- 3.2 This monitoring takes place monthly for finance, so the council can identify potential issues at the earliest opportunity and put measures in place to mitigate them.

### 4. Details

- 4.1.1 The Finance section presents the forecast year-end revenue position for the 2025/26 financial year and in a summary, dashboard as detailed below:

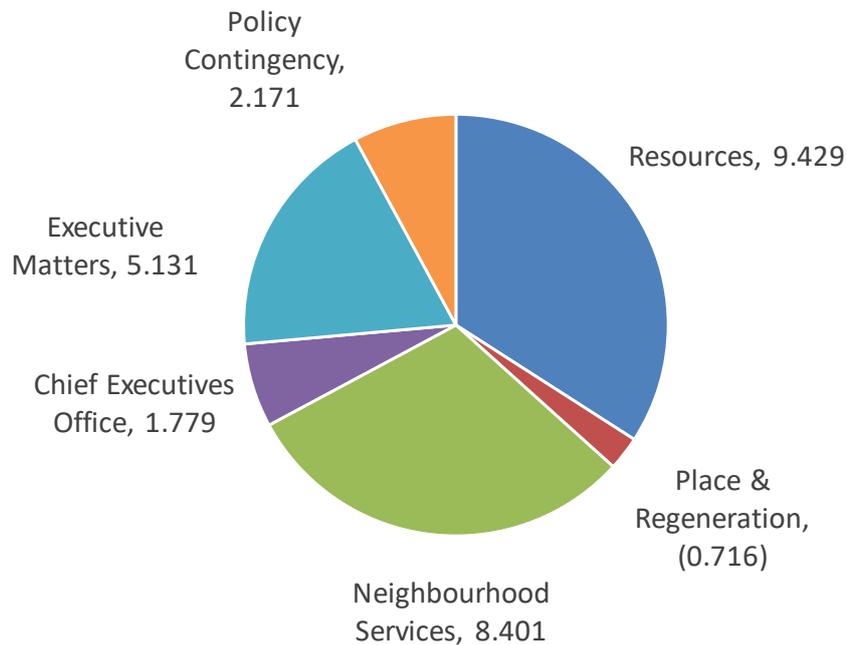
### Monthly Forecast Variance By Directorate

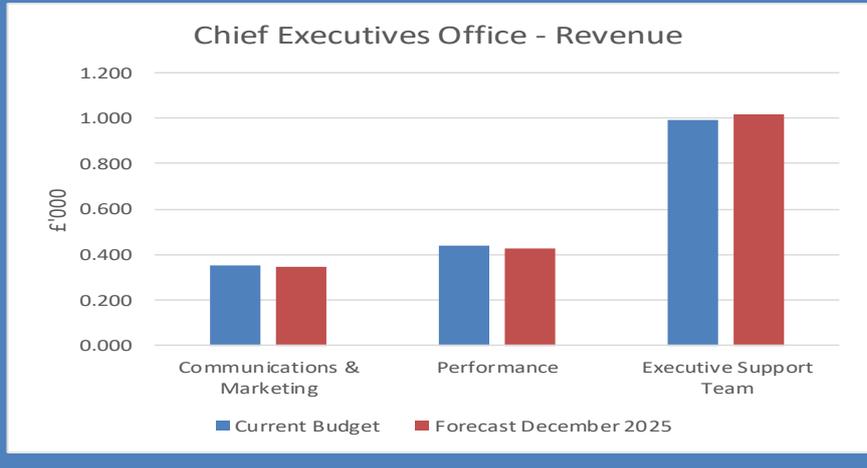
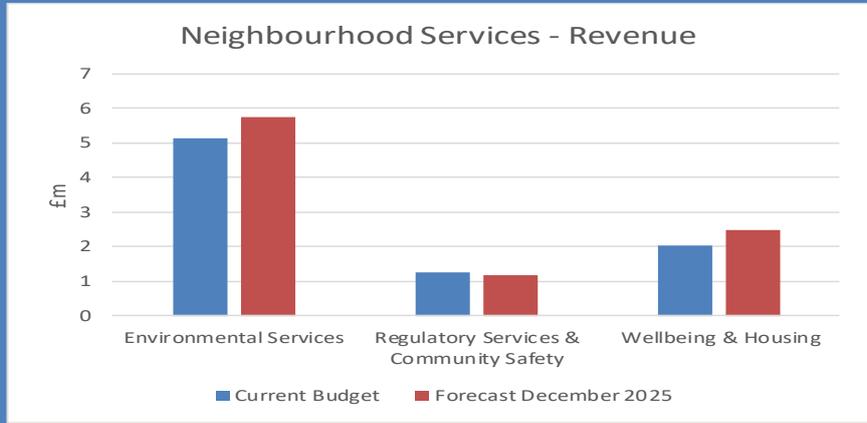
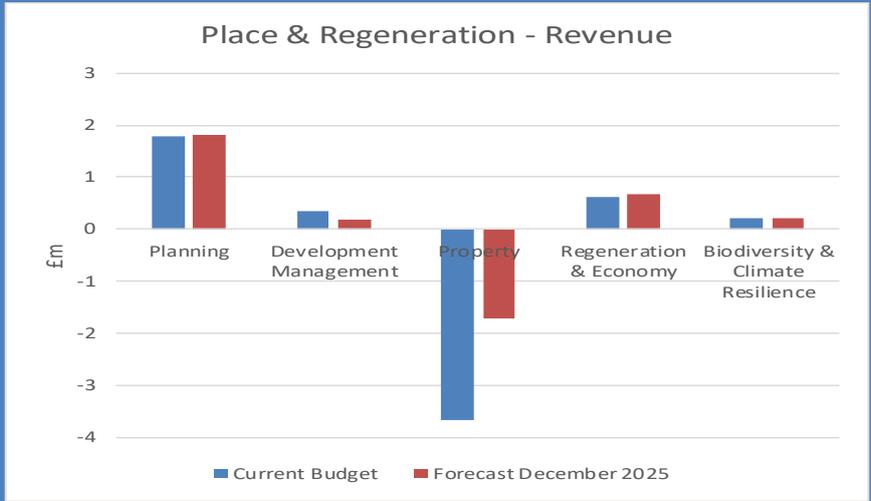
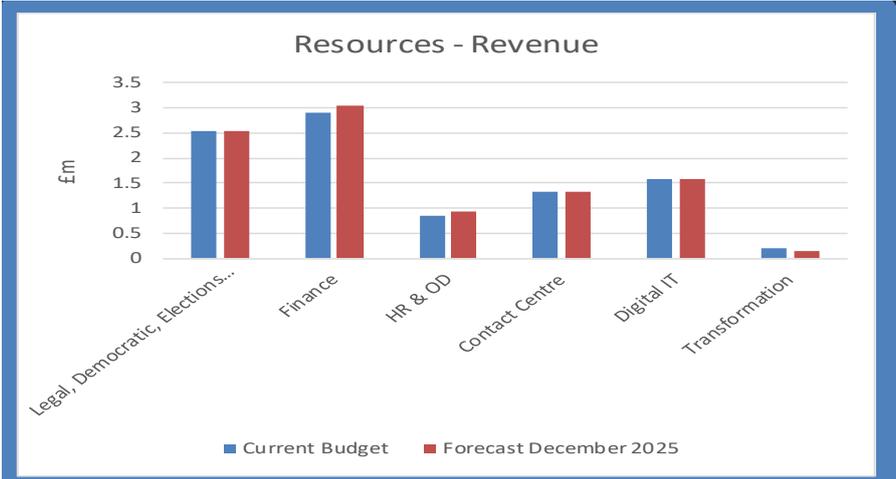


	Balanced Budget	May 25	June 25	Aug 25	Sept 25	Oct 25	Nov 25	Dec 25
Resources	0.000	0.171	0.154	0.108	0.122	0.224	0.153	0.138
Place & Regeneration	0.000	0.000	1.343	1.154	1.382	1.865	1.728	1.865
Neighbourhood Services	0.000	0.125	0.894	0.924	0.973	1.132	1.134	1.010
Chief Executives Office	0.000	0.000	0.000	0.000	0.000	0.011	0.005	0.011
Policy Contingency & Executive Matters	0.000	0.000	(2.259)	(1.950)	(2.369)	(2.369)	(1.411)	(3.024)
Overall Council Position	0.000	0.30	0.132	0.236	0.108	0.400	0.609	0.000

### Current Budget By Service Area

Total Net Budget £26.195m





**Directorate Analysis**

Service	Resources £m	Place & Regeneration £m	Neighbourhood Services £m	Chief Executive Office £m	Executive Matters £m	Policy Contingency £m	Total £m
<b>Budget approved by Council</b>	<b>9.429</b>	<b>-0.716</b>	<b>9.801</b>	<b>1.779</b>	<b>4.306</b>	<b>2.428</b>	<b>27.027</b>
<i>Budget Adjustments approved:</i>							<b>0.000</b>
Move of the EPR Budget to Env Servs			-1.400		1.400		<b>0.000</b>
Remove CLT to Services					-0.575		<b>-0.575</b>
Budget to support The Hill Works						-0.040	<b>-0.040</b>
DocuSign Legal System						-0.010	<b>-0.010</b>
Devolution						-0.010	<b>-0.010</b>
Glass Recycling						-0.107	<b>-0.107</b>
Arts Feasibility						-0.050	<b>-0.050</b>
Carbon Budgeting						-0.005	<b>-0.005</b>
Research & Stakeholder Engagement for Mental Health provision for Young People						-0.003	<b>-0.003</b>
To cover redundancy costs within Biodiversity		0.032				-0.032	<b>0.000</b>
<b>Current Budget</b>	<b>9.429</b>	<b>-0.716</b>	<b>8.401</b>	<b>1.779</b>	<b>5.131</b>	<b>2.171</b>	<b>26.227</b>
Wellbeing & Housing - Top slice of grants, IT license costs and temporary accommodation costs			0.446				<b>0.446</b>
Environmental - gate fees, agency			0.931				<b>0.931</b>
Property - shortfall in projected income		1.843				-1.100	<b>0.743</b>
Property - Car Park Overspend		0.132					<b>0.132</b>
Release from Policy Contingency						-0.574	<b>-0.574</b>
Environmental Services - Additional EPR funding			-0.309				<b>-0.309</b>
Treasury					-0.850		<b>-0.850</b>
Dividend					-0.500		<b>-0.500</b>
Transformation - over recovery of land charges income and vacancies	-0.072						<b>-0.072</b>
Contact Centre - minor underspend	-0.014						<b>-0.014</b>
Planning - Various		0.008					<b>0.008</b>
Development Management - Over Recovery of Income		-0.170					<b>-0.170</b>
Regulatory Services underspend - staffing changes & less Contribution to CCTV than anticipated			-0.058				<b>-0.058</b>
Regeneration & Economy - primarily due to staffing costs where a full-time post is only partially funded (50%) through the service budget.		0.052					<b>0.052</b>
IT - Minor overspends across the service	0.015						<b>0.015</b>
HR & OD - Overtime policy changes non-deliver	0.041						<b>0.041</b>
HR & OD - Legal employment advice, Recruitment Costs & Minor Overspends	0.046						<b>0.046</b>
Chief Executives - Minor Overspends across the Directorate				0.011			<b>0.011</b>
Finance - increased expenditure on temporary accommodation & supported accommodation claims	0.191						<b>0.191</b>
Finance - Additional New Burdens Grant Income	-0.069						<b>-0.069</b>
<b>Current (Under)/Overspends</b>	<b>0.138</b>	<b>1.865</b>	<b>1.010</b>	<b>0.011</b>	<b>-1.350</b>	<b>-1.674</b>	<b>0.000</b>



4.1.2 The council's overall forecast year-end position for 2025/26 is on budget. The forecast currently shows an overspend across Directorates with potential mitigations that are currently being investigated.

The projected outturn for the services is summarised below in Table 1 and further details providing explanations for variances can be found in Appendix 2.

4.1.3 The table shows the December 2025 year-end forecast compared to the current budget across various services.

At December 2025, the directorates are forecasting a £3.024m overspend (16.0%) against a £18.893m budget—an improvement of £0.609m from November's £3.020m overspend.

The largest pressures sit in Property (£1.975m), Environmental Services (£0.622m) and Wellbeing & Housing (£0.446m), with smaller overspends across Finance, HR & OD, and others; these are partly offset by underspends in across the Directorates. Crucially, corporate underspends in Executive Matters (£1.350m) and Policy Contingency (£1.674m) fully offset the directorate overspends, leaving the overall position balanced which is an improvement from November's £0.609m overspend.

**Table 1: Forecast Year End Position**

Service	Current Budget	December 2025 Forecast to Year End	December Variance (Under) / Over	% Variance to current budget	November Variance (Under) / Over	Change since Previous (better) / worse
	£m	£m	£m	%	£m	£m
Legal, Democratic, Elections & Procurement	2.528	2.528	0.000	0.0%	0.000	0.000
Finance	2.911	3.033	0.122	4.2%	0.128	(0.006)
HR & OD	0.852	0.939	0.087	10.2%	0.084	0.003
Contact Centre	1.340	1.326	(0.014)	1.0%	(0.008)	(0.006)
Digital IT	1.575	1.590	0.015	1.0%	0.015	0.000
Transformation	0.223	0.151	(0.072)	-32.3%	(0.066)	(0.006)
<b>Resources</b>	<b>9.429</b>	<b>9.567</b>	<b>0.138</b>	<b>1.46%</b>	<b>0.153</b>	<b>(0.015)</b>
Planning	1.796	1.804	0.008	0.4%	0.021	(0.013)
Development Management	0.344	0.174	(0.170)	-49.4%	(0.198)	0.028
Property	(3.681)	(1.706)	1.975	-53.7%	1.843	0.132
Regeneration & Economy	0.609	0.661	0.052	8.5%	0.052	0.000
Biodiversity & Climate Resilience	0.216	0.216	0.000	0.0%	0.010	(0.010)
<b>Place &amp; Regeneration</b>	<b>(0.716)</b>	<b>1.149</b>	<b>1.865</b>	<b>-260.5%</b>	<b>1.728</b>	<b>0.137</b>
Environmental Services	5.133	5.755	0.622	12.1%	0.617	0.005
Regulatory Services & Community Safety	1.232	1.174	(0.058)	-4.7%	(0.058)	0.000
Wellbeing & Housing	2.036	2.482	0.446	21.9%	0.575	(0.129)
<b>Neighbourhood Services</b>	<b>8.401</b>	<b>9.411</b>	<b>1.010</b>	<b>12.0%</b>	<b>1.134</b>	<b>(0.124)</b>
Communications & Marketing	0.350	0.344	(0.006)	-1.7%	(0.004)	(0.002)
Performance	0.437	0.429	(0.008)	-1.8%	0.003	(0.011)
Executive Support Team	0.992	1.017	0.025	2.5%	0.006	0.019
<b>Chief Executives Office</b>	<b>1.779</b>	<b>1.790</b>	<b>0.011</b>	<b>0.6%</b>	<b>0.005</b>	<b>0.006</b>
<b>Subtotal for Directorates</b>	<b>18.893</b>	<b>21.917</b>	<b>3.024</b>	<b>16.0%</b>	<b>3.020</b>	<b>0.004</b>
Executive Matters	5.131	3.781	(1.350)	-26.3%	(1.311)	(0.039)
Policy Contingency	2.171	0.497	(1.674)	-77.1%	(1.100)	(0.574)
<b>Total</b>	<b>26.195</b>	<b>26.195</b>	<b>0.000</b>	<b>0.0%</b>	<b>0.609</b>	<b>(0.609)</b>
<b>FUNDING</b>	<b>(26.195)</b>	<b>(26.195)</b>	<b>0.000</b>	<b>0.0%</b>	<b>0.000</b>	<b>0.000</b>
<b>Forecast (Surplus)/Deficit</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>		<b>0.609</b>	<b>(0.609)</b>

**Note:** A positive variance is an overspend or a reduction in forecast income and a (negative) is an underspend or extra income received. Green represents an underspend and red represents a overspend for the current month's forecast.

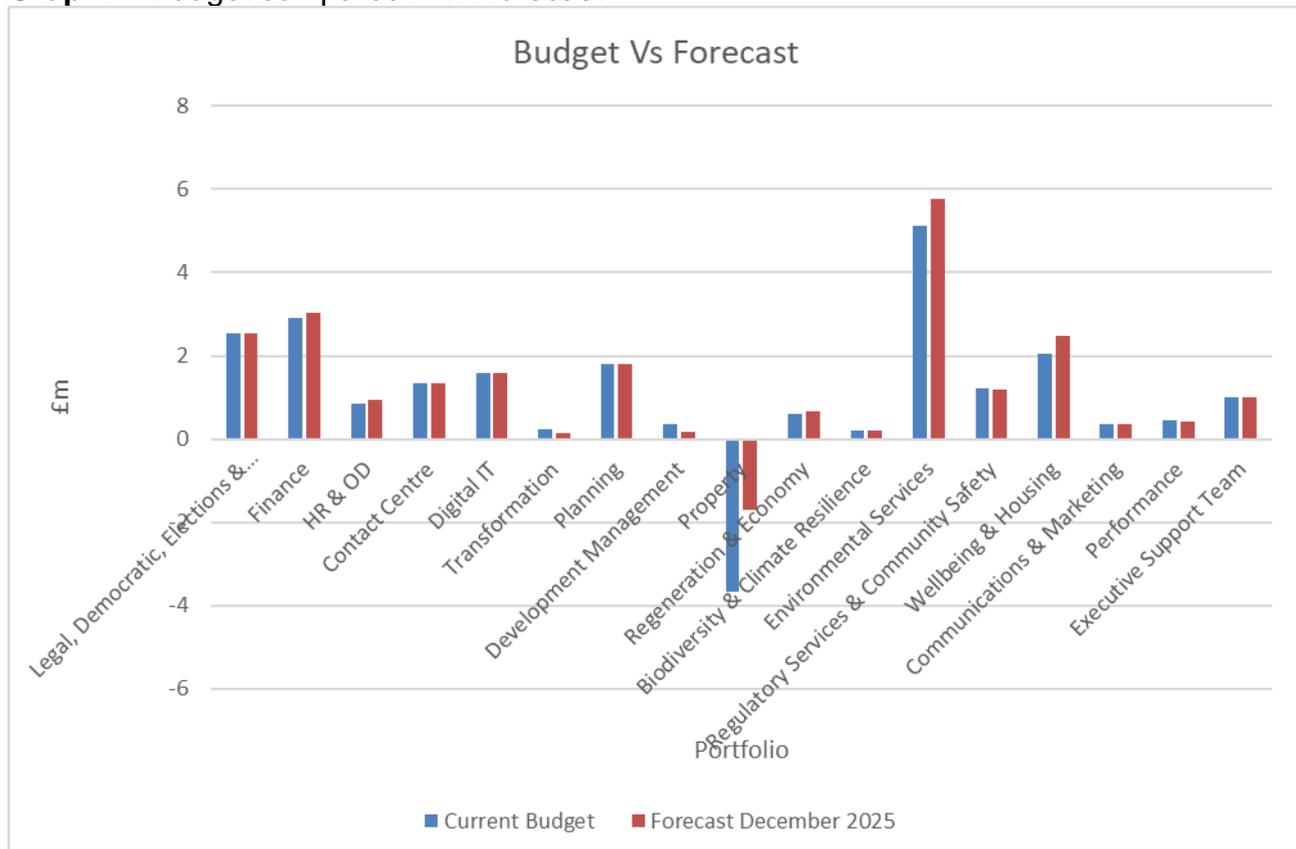
4.1.4 Table 2 below analyses the variances to distinguish between base budget variances and variances resulting from the non-delivery of previously approved savings. The non-delivery of savings has a knock-on impact on the Medium-Term Financial Strategy as failure to deliver on an ongoing basis adds to future pressures.

**Table 2: Analysis of Variance – December 2025**

Breakdown of current month forecast	December 2025 Forecast to Year End £m	Base Budget Over/ (Under) £m	Savings Non-Delivery £m
Resources	9.567	9.491	0.076
Place & Regeneration	1.149	1.091	0.058
Neighbourhood Services	9.411	9.030	0.381
Chief Executives Office	1.790	1.780	0.010
<b>Subtotal Directorates</b>	<b>21.917</b>	<b>21.392</b>	<b>0.525</b>
Executive Matters	3.781	3.781	0.000
Policy Contingency	0.497	0.497	0.000
<b>Total</b>	<b>26.195</b>	<b>25.670</b>	<b>0.525</b>
<b>FUNDING</b>	<b>(26.195)</b>	<b>(26.195)</b>	<b>0.000</b>
<b>(Surplus)/Deficit</b>	<b>0.000</b>	<b>(0.525)</b>	<b>0.525</b>

4.1.5 The graph below shows the Budget compared with the forecast to the end of the financial year.

**Graph 1: Budget compared with Forecast**



4.1.6 Table 3 below summarises the major forecast variances for the reporting period. Further details can be found in Appendix 2.

**Table 3: Top Major Variances:**

Service	Current Budget	Variance	% Variance
Property	(3.681)	1.975	-53.7%
Environmental	5.133	0.622	12.1%
Wellbeing & Housing	2.036	0.446	21.9%
<b>Total</b>	<b>3.488</b>	<b>3.043</b>	

4.1.7 Allocations to and from reserves are made according to the Reserves Policy. Table 4 below summarises the movements, there are no reserve requests as of 31 December 2025.

**Table 4: Reserves:**

Reserves	Balance 1 April 2025 £m	Original Budgeted use/ (contribution) £m	Changes agreed since budget setting £m	Changes proposed December 2025 £m	Balance 31 March 2026 £m
General Balance	(8.021)	0.000	0.000	0.000	(8.021)
Earmarked	(31.264)	(2.444)	(1.637)	0.000	(35.345)
Non-Ringfenced Grant timing Difference	(0.033)	0.000	0.033	0.000	0.000
Ringfenced Grant	(1.918)	0.523	0.129	0.000	(1.266)
<b>Subtotal Revenue</b>	<b>(41.236)</b>	<b>(1.921)</b>	<b>(1.475)</b>	<b>0.000</b>	<b>(44.632)</b>
Capital	(5.321)	0.720	0.000	0.000	(4.601)
<b>Total</b>	<b>(46.557)</b>	<b>(1.201)</b>	<b>(1.475)</b>	<b>0.000</b>	<b>(49.233)</b>

\*According to the Reserves Policy Executive are not required to approve contributions to Capital Reserves.

## 4.2 Capital

4.2.1 Table 5 below summarises the forecast spend against the full capital programme (i.e. spend across all years of the capital programme).

**Table 5: Capital Project Forecast Outturn**

Directorate	Project Total Budget £m	Total Forecast Project Spend £m	Variance to Budget £m
Place & Regeneration	22.308	22.451	0.143
Resources	0.163	0.161	(0.002)
Neighbourhood Services	26.347	25.961	(0.386)
<b>Total</b>	<b>48.818</b>	<b>48.573</b>	<b>(0.245)</b>

For further detail on individual schemes please see Appendix 1.

**Note:** A positive variance is an overspend or a reduction in forecast income and a (negative) is an underspend or extra income received.

Green represents an underspend and red represents a overspend for the outturn position.

**Table 6:** How the Capital Programme is financed

Financing	Prior Years' Spend £m	Profiled Spend 2025/26 £m	Profiled Spend Future Years £m	Projected Total £m
Borrowing	10.010	2.396	7.256	19.662
Capital Grants	4.681	4.305	11.508	20.494
Capital Receipts	5.213	-	1.800	7.013
S106 Receipts	0.213	0.840	0.351	1.404
<b>Grand Total</b>	<b>20.117</b>	<b>7.541</b>	<b>20.915</b>	<b>48.573</b>

**Table 7:** Capital budgets approved under S151 delegations between October 2025 and December 2025:

S151 Officer Approved Grant Funded Budgets - Q3	2025/26 £m	2026/27 £m
Disabled Facilities Grants	0.186	
Burnehyll - Bicester Country Park	0.025	
UKSPF Rural Fund	0.147	
S106 - Banbury Cricket Club Pavilion Project	0.011	
S106 - Yarnton Village Hall Project		0.023
S106 - Bloxham Bowls Club Roofing Contribution	0.014	
S106 – Fritwell Playing Fields Equipment Contribution	0.067	
<b>Grand Total</b>	<b>0.450</b>	<b>0.023</b>

## 5. Alternative Options and Reasons for Rejection

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

Option 1: This report summarises the council’s forecast revenue financial position up to the end of March 2026, therefore there are no alternative options to consider.

## 6 Conclusion and Reasons for Recommendations

6.1 It is recommended that the contents of the report are noted.

### Decision Information

<b>Key Decision</b>	N/A
<b>Subject to Call in</b>	N/A
<b>If not, why not subject to call in</b>	N/A
<b>Ward(s) Affected</b>	All

## Document Information

<b>Appendices</b>	
<b>Appendix 1</b>	Capital December 2025
<b>Appendix 2</b>	Detailed Narrative on Forecast December 2025
<b>Appendix 3</b>	Virements December 2025
<b>Appendix 4</b>	Funding December 2025
<b>Background Papers</b>	N/A
<b>Reference Papers</b>	N/A
<b>Report Author</b>	Leanne Lock, Strategic Business Partner – Business Partnering & Controls
<b>Report Author contact details</b>	<a href="mailto:Leanne.lock@cherwell-dc.gov.uk">Leanne.lock@cherwell-dc.gov.uk</a> 01295 227098
<b>Executive Director Approval (unless Executive Director or Statutory Officer report)</b>	Report of Statutory Office, S151 Officer

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## CHERWELL TOTAL CAPITAL PROJECT EXPENDITURE

CODE	Strategic Priority	Service	DESCRIPTION	Previous year(s) spend	Forecast Spend					Project Total forecast	Project Total Budget	Project Total Variance	Primary funding source	Narrative			
					25/26 Actuals	25/26 Purchase orders	25/26 Budget	25/26 Forecast	26/27 Forecast						27/28 Forecast	28/29 Forecast	29/30 Forecast
40144	Economic Prosperity	Property	Castle Quay	2,814	0	0	0	16					2,830	2,815	15	Borrowing	Costs are associated with maintaining the structure and fabric of the Castle Quay shopping centre for the safety of the staff and customers.
40224	Quality Housing and Place Making	Property	Fairway Flats Refurbishment	44	(7)	7	321	120	60				224	365	(141)	Borrowing	The delay in getting the contract agreed and signed has resulted in this underspend. Contractor now assigned and we will have to reprofile once we have a programme from the contractor for this work. Works due to commence on 19th Jan and complete in 12 weeks so we are looking at contract value say £190k divided by probably 4 Valuations. We also have consultants to pay. Tenders received are lower than budgeted. Work is scheduled to start in Jan 2026. £60k re-profiled to 26/27
40254	Running the Business	Property	Thorpe Lane Depot - Renewal of Electrical Incoming Main	104	1	0	164	164					268	268	(0)	Borrowing	Land transferred happened, expecting the project to complete later this year
40255	Environmental Stewardship	Property	Installation of Photovoltaic at CDC Property	8	1	0	0		71				79	79	0	Borrowing	Reprofiled to 26/27 due to resource capacity
40263	Running the Business	Property	Kidlington Leisure New Electrical Main	180	0	2	20	0	20				200	200	0	Borrowing	Request to re-profile budget to 26/27
40278	Running the Business	Property	Development of New Land Bicester Depot	165	41	284	300	300					465	465	(0)	Borrowing	Planning application submitted, funding retained to prepare business case. The remainder transferred to pipeline
40279	Environmental Stewardship	Property	Spiceball Sports Centre - Solar PV Car Ports	7	5	7	170	100	70				177	177	0	Borrowing	Request to reprofile £70k to 26/27. Economic benefit with having PSDS4 and this project together. Use a single contractor to deliver both works should reduce overheads and reduce the impact on the premises
40281	Environmental Stewardship	Property	North Oxfordshire Academy - Solar Panels	0	0	2	18	18					18	18	0	Borrowing	Request to reprofile budget from future years to current year. Economic benefit with having PSDS4 and this project together. Use a single contractor to deliver both works should reduce overheads and reduce the impact on the premises
40282	Environmental Stewardship	Property	Community Centre Solar Panels	0	78	0	70	78	28				106	106	0	Borrowing	Request to reprofile £8k to 25/26 to match against the actuals. Two community centres to be completed this year.

CODE	Strategic Priority	Service	DESCRIPTION	Previous year(s) spend	Forecast Spend							Project Total forecast	Project Total Budget	Project Total Variance	Primary funding source	Narrative	
					25/26 Actuals	25/26 Purchase orders	25/26 Budget	25/26 Forecast	26/27 Forecast	27/28 Forecast	28/29 Forecast						29/30 Forecast
40283	Environmental Stewardship	Property	Thorpe Lane - Solar Panels	0	0	0	0		34				34	34	0	Borrowing	Reprofiled to 26/27. Depends on electrical main project 40254 above.
40284	Environmental Stewardship	Property	Thorpe Lane - Heater Replacement (Gas to Electric)	4	0	0	0		24				28	28	0	Borrowing	Reprofiled to 26/27. Depends on electrical main project 40254 above.
40316	Running the Business	Property	CDC Office Relocation to Castle Quay	5,213	(91)	57	0	74					5,287	5,146	141	Capital Receipts	Additional costs incurred to meet additional service needs following move. Review underway to determine what costs can be accommodated in other budgets or assessed as revenue.
40341	Environmental Stewardship	Property	Public Sector Decarbonisation Scheme (PSDS) 4	0	0	110	970	721	708	232			1,661	1,661	0	Grant	We are looking at options to advance purchase equipment for the works but will need all parties to work with us to achieve this spend and be able to claim the grant, we will need waivers in place for direct purchase of equipment, and are relying on consultants equipment specifications, currently being developed, and contractors, yet to be appointed, engagement, with this situation. Project activity continues to meet the grant funding agreement spending profile and associated conditions. Re-profiled £249k to 26/27.
40342	Economic Prosperity	Property	Unit 5 & 6 Castle Quay	0	0	0	100	100					100	100	0	Borrowing	Budget approved at July Executive. Expected to complete this year.
40343	Economic Prosperity	Property	Banbury Library	0	0	0	75	40	1,560				1,600	1,600	0	Capital Receipts	Project approved by executive on 01/07/2025. £35k re-profiled to 26/27.
40348	Economic Prosperity	Property	Castle Quay Roof works	0				30	1,620				1,650	1,650	0	Borrowing	Newly approved on 15/12/2025 £30k forecast to be spend in 25/26 and £1.6m profiled to 26/27
<b>Property</b>				<b>8,540</b>	<b>28</b>	<b>471</b>	<b>2,208</b>	<b>1,761</b>	<b>4,195</b>	<b>232</b>	<b>0</b>	<b>0</b>	<b>14,728</b>	<b>14,712</b>	<b>16</b>		
40286	Economic Prosperity	Regeneration & Growth	Transforming Market Square Bicester	144	157	89	816	297	1,325	3,365			5,131	5,131	0	Grant	The Executive approved the concept design in September 2025.
40287	Economic Prosperity	Regeneration & Growth	UK Shared Prosperity Fund (UK SPF) Year Two Investment Plan Programme	231	53	0	76	76					307	306	1	Grant	On track to spend in 2025/26

CODE	Strategic Priority	Service	DESCRIPTION	Previous year(s) spend	25/26 Actuals	25/26 Purchase orders	25/26 Budget	Forecast Spend					Project Total forecast	Project Total Budget	Project Total Variance	Primary funding source	Narrative
								25/26 Forecast	26/27 Forecast	27/28 Forecast	28/29 Forecast	29/30 Forecast					
40288	Economic Prosperity	Regeneration & Growth	UKSPF Rural Fund	551	0	0	158	158					709	709	0	Grant	On track to spend in 2025/26
<b>Regeneration &amp; Growth</b>				<b>925</b>	<b>210</b>	<b>89</b>	<b>1,050</b>	<b>531</b>	<b>1,325</b>	<b>3,365</b>	<b>0</b>	<b>0</b>	<b>6,147</b>	<b>6,146</b>	<b>1</b>		
<b>Place and Regeneration</b>				<b>9,465</b>	<b>238</b>	<b>560</b>	<b>3,258</b>	<b>2,292</b>	<b>5,520</b>	<b>3,597</b>	<b>0</b>	<b>0</b>	<b>20,874</b>	<b>20,858</b>	<b>16</b>		
40334	Running the Business	ICT	Robotic Process Automation Pilot	105	(64)	133	28	11	17				133	133	0	Borrowing	17k re-profiled to 2026/27 On track to complete in 2026/27 Q1
40337	Running the Business	ICT	ESRI Software Upgrade	0	19	0	30	28					28	30	(3)	Borrowing	On track to complete in 2025/26 9k (28-19) invoice in March 2026
<b>ICT</b>				<b>105</b>	<b>(45)</b>	<b>133</b>	<b>58</b>	<b>39</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>161</b>	<b>163</b>	<b>(2)</b>		
<b>Resources</b>				<b>105</b>	<b>(45)</b>	<b>133</b>	<b>58</b>	<b>39</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>161</b>	<b>163</b>	<b>(2)</b>		
40028	Environmental Stewardship	Environment	Vehicle Replacement Programme	Rolling Programme	242	1,069	1,465	1,120	1,411	1,066	1,066	1,066	5,730	5,730	0	Borrowing	On track to spend remaining £1.1m in 2025/26, £345k re-profiled to 2026/27
40222	Community Leadership	Environment	Burnehyll- Bicester Country Park		125	0	55	25	76	45			271	271	(0)	Borrowing	Project is moving slower than originally anticipated, £30k reprofiled to 2026/27, expecting to spend £46k + £30k in 2026/27. £25k additional Grant funding in 25/26
40331	Environmental Stewardship	Environment	Additional Commercial Waste Containers		29	0	25	25					54	54	0	Borrowing	On track to spend in 2025/26
<b>Environmental</b>				<b>154</b>	<b>242</b>	<b>1,069</b>	<b>1,545</b>	<b>1,170</b>	<b>1,487</b>	<b>1,111</b>	<b>1,066</b>	<b>1,066</b>	<b>6,055</b>	<b>6,055</b>	<b>(0)</b>		
40083	Quality Housing and Place Making	Housing	Disabled Facilities Grants	Rolling Programme	1,059	8	1,905	1,500	1,944	1,539	1,539	1,539	8,061	8,061	0	Grant	Full spend of 25/26 grant allocation anticipated. Some project will continue through April 2026.
40251	Community Leadership	Wellbeing	Longford Park Art		0	0	0		45				45	45	0	Borrowing	Reprofile to 26/27 - will not be able to start until development consortium transfers ownership to the council

CODE	Strategic Priority	Service	DESCRIPTION	Previous year(s) spend	25/26 Actuals	25/26 Purchase orders	25/26 Budget	Forecast Spend					Project Total forecast	Project Total Budget	Project Total Variance	Primary funding source	Narrative
								25/26 Forecast	26/27 Forecast	27/28 Forecast	28/29 Forecast	29/30 Forecast					
40262	Quality Housing and Place Making	Housing	Town Centre House Refurbishment	7006	0	0	0	(31)					6,975	7,355	(380)	Borrowing and Grant	Project complete - Credit in 25/26 relates to minor over-accrual of costs in 24/25 relating to retention and final account estimates.
40303	Community Leadership	Wellbeing	S106 - Hanwell Fields Community Centre Projects	16	24	27	344	60	284				360	360	0	S106	Evaluation of tender responses for the installation of a Mezzanine at Hanwell Fields Community Centre.
40304	Community Leadership	Wellbeing	S106 - Hook Norton Sport And Social Club Project	0	17	45	80	80					80	80	0	S106	MUGA is completed. Awaiting cricket project proposal, which will be subject to planning permission.
40305	Community Leadership	Wellbeing	S106 - Horley Cricket Club Pavilion Project	0	0	0	110	110					110	110	0	S106	Expected to be completed in 2025/26
40312	Community Leadership	Wellbeing	S106 - Whitelands Farm Sports Ground (Pedestrian crossing and various works)	127	0	0	33	33					160	160	0	S106	On track to complete in 2025/26
40313	Community Leadership	Wellbeing	S106 - Woodgreen Leisure Centre Improvements	23	125	8	139	139					161	161	0	S106	On track to complete in 2025/26
40319	Quality Housing and Place Making	Housing	Local Authority Housing Fund R2	1634	0	0	0						1,634	1,641	(7)	Grant	Recommend 7k be vired to Town Centre House - 40262

CODE	Strategic Priority	Service	DESCRIPTION	Previous year(s) spend	25/26 Actuals	25/26 Purchase orders	25/26 Budget	Forecast Spend					Project Total forecast	Project Total Budget	Project Total Variance	Primary funding source	Narrative
								25/26 Forecast	26/27 Forecast	27/28 Forecast	28/29 Forecast	29/30 Forecast					
40324	Community Leadership	Wellbeing	Development of Activity Play Zones	4	135	7	158	142	16				162	162	(0)	S106	Completed – retention payment is scheduled for September/October 2026.
40325	Community Leadership	Wellbeing	Graven Hill Community and Infrastructure Projects	0	0	0	80	20	60				80	80	0	S106	On track to spend on ground condition analysis by 31/03/2026. Design fees by 05/2026 to be completed.
40328	Community Leadership	Wellbeing	S106 - Windmill Community & Sports Centre Tennis Courts	35	0	6	16	16					51	51	0	S106	Completed
40329	Community Leadership	Wellbeing	Spiceball Leisure Centre Structural Beams	13	147	13	160	160					173	173	0	Borrowing	Completed
40336	Community Leadership	Wellbeing	S106 Kingsmere Public Art	0	0	0	0		28				28	28	0	S106	Reprofile to 2026/27 while a location is identified for the art.
40338	Quality Housing and Place Making	Housing	LAHF R3	0	1,400	0	1,400	1,400					1,400	1,400	0	Grant	Grant has been transferred to SOHA to complete delivery of the project.
40339	Community Leadership	Wellbeing	S106 - Windmill Centre Kitchen Refurb	0	0	0	11	11					11	11	0	S106	Completed
40340	Community Leadership	Wellbeing	S106 - Steeple Aston Playground	0	0	0	34	34					34	34	0	S106	On track to complete in 2025/26
40344	Community Leadership	Wellbeing	S106- Banbury Cricket Club Project	0	3	9	11	11					11	11	0	S106	On track to complete in 2025/26
40345	Community Leadership	Wellbeing	S106 - Yarnton Village Hall Project	0					23				23	23	0	S106	S106 fund approved. Project delivery is expected in April/May 2026.
40346	Community Leadership	Wellbeing	S106 - Bloxham Bowls Club Roofing Contribution	0	0	0	14	14					14	14	0	S106	S106 spend approved. Project due to completion by 31/03/2026.
40347	Community Leadership	Wellbeing	S106 – Fritwell Playing Fields Equipment Contribution	0	0	0	67	34	33				67	67	0	S106	S106 spend approved. Project due to completion by 31/05/2026.
<b>Wellbeing &amp; Housing</b>				<b>8,859</b>	<b>2,911</b>	<b>122</b>	<b>4,562</b>	<b>3,733</b>	<b>2,433</b>	<b>1,539</b>	<b>1,539</b>	<b>1,539</b>	<b>19,641</b>	<b>20,027</b>	<b>(386)</b>		

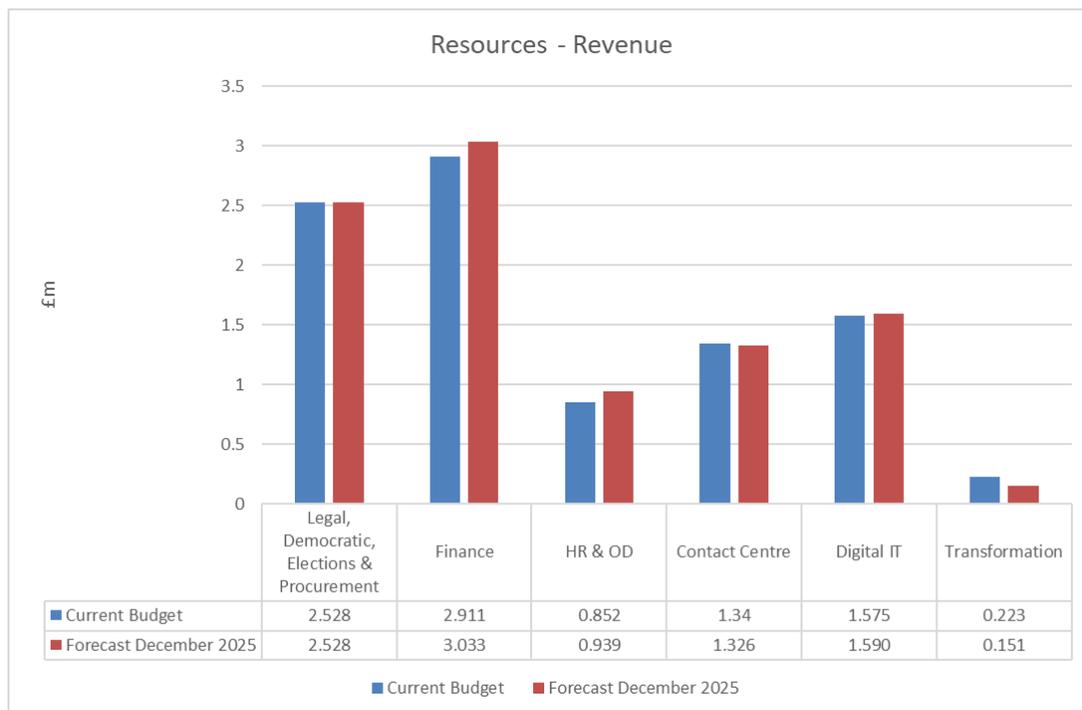
CODE	Strategic Priority	Service	DESCRIPTION	Previous year(s) spend	25/26 Actuals	25/26 Purchase orders	25/26 Budget	Forecast Spend					Project Total forecast	Project Total Budget	Project Total Variance	Primary funding source	Narrative
								25/26 Forecast	26/27 Forecast	27/28 Forecast	28/29 Forecast	29/30 Forecast					
40245	Running the Business	Regulatory	Enable Agile Working	0	0	0	15	15					15	15	0	Borrowing	The app that will support this agile working has now been released but we are still delayed due to issues around use of the app with single sign on (SSO). The issues linked to SSO are expected to be resolved in Q4 of 25/26.
40333	Community Leadership	Regulatory	CCTV Thames Valley Project	0	0	0	250	250					250	250	0	Borrowing	Upgrade the public open space CCTV network and cameras to meet the necessary threshold to be included in the OPCC Thames Valley CCTV project. This expenditure is dependent upon the TVCCTV partnership progressing which has been delayed. It is expected that the partnership agreement will be signed in Q4 of 25/26 and the subsequent capital spend will happen before the end of 25/26.
<b>Regulatory Services</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>265</b>	<b>265</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>265</b>	<b>265</b>	<b>0</b>		
<b>Neighbourhood Services</b>				<b>9,012</b>	<b>3,153</b>	<b>1,191</b>	<b>6,371</b>	<b>5,167</b>	<b>3,920</b>	<b>2,650</b>	<b>2,605</b>	<b>2,605</b>	<b>25,961</b>	<b>26,347</b>	<b>(386)</b>		
<b>Capital Total</b>				<b>18,583</b>	<b>3,346</b>	<b>1,884</b>	<b>9,687</b>	<b>7,498</b>	<b>9,457</b>	<b>6,247</b>	<b>2,605</b>	<b>2,605</b>	<b>46,996</b>	<b>47,368</b>	<b>(372)</b>		

## Appendix 2 – Detailed Narrative on Forecast December 2025

### Resources

#### Revenue:

Resources are forecasting £0.138m overspend against a budget of £9.429m (1.46%). The majority of the directorate’s overspend relates to a share of the overtime policy implications, whilst being offset by other minor underspends. Whilst there is limited ability to reduce the actual overspend due to the reason for it occurring, the directorate monitors all spend to minimise any unnecessary costs and spend and embodies the councils aim for striving to excellence in financial management.



<p>Legal, Democratic, Elections &amp; Procurement</p> <p>Variation £0.000m</p> <p>Variations To November’s Forecast £0.000m</p>	<p>Overview of Forecast: We are currently showing no overspend however there is a real risk that overspend occurs. We have increased the income forecast, based on current projection, but this is very much dependent on developers/ planners agreeing s106 agreements. Continued recruitment issues also mean that we continue use locum staff in high-risk areas such planning and litigation. Recruitment still an issue across law and governance and we are looking at readvertisements.</p>
<p>Finance</p>	

<p>Variation £0.122m Overspend</p> <p>Variation to November's Forecast (£0.006m)</p>	<p>The forecast year end position is an overspend of £0.122m. Following the submission of the Mid-year estimate for Housing Benefit Grant to the DWP and including a review of the caseload, despite a reduction in the overall grant payments to be made, we are forecasting a overspend due to increased expenditure on Temporary accommodation and Supported accommodation claims which are not fully grant funded by the Government, but the council has an obligation to pay. Additional New Burdens grant funding has also been received of (£0.069m).</p> <p>Minor changes across budget areas this month.</p>
<p>HR &amp; OD</p> <p>Variation £0.087m Overspend</p> <p>Variation to November's Forecast £0.003m</p>	<p>The main cause of the forecasted overspend is the corporate decision not to proceed with changes to the current overtime policy, resulting in the non-delivery of £41k savings. Other overspends have emerged during the year, that were not anticipated at the time of budget setting for 2025/26. These overspends include legal costs for employment advice, graduate recruitment costs, training software licence costs and consultants fees relating to the structure project.</p>
<p>Contact Centre</p> <p>Variation (£0.014m) Underspend</p> <p>Variation to November's Forecast (£0.006m)</p>	<p>Customer Services is showing an underspend due to vacant hours on the establishment. Land Charges is showing a small underspend due to additional income. However, will need to monitor closely as there is a risk that post budget impact on the housing market could reduce income during remainder of financial year</p> <p>Final approval and implementation of flexible working request to reduce hours, these hours are currently vacant and therefore are resulting in an in-year saving.</p>
<p>Digital IT</p> <p>Variation £0.015m Overspend</p>	<p>Minor overspends across the service.</p>

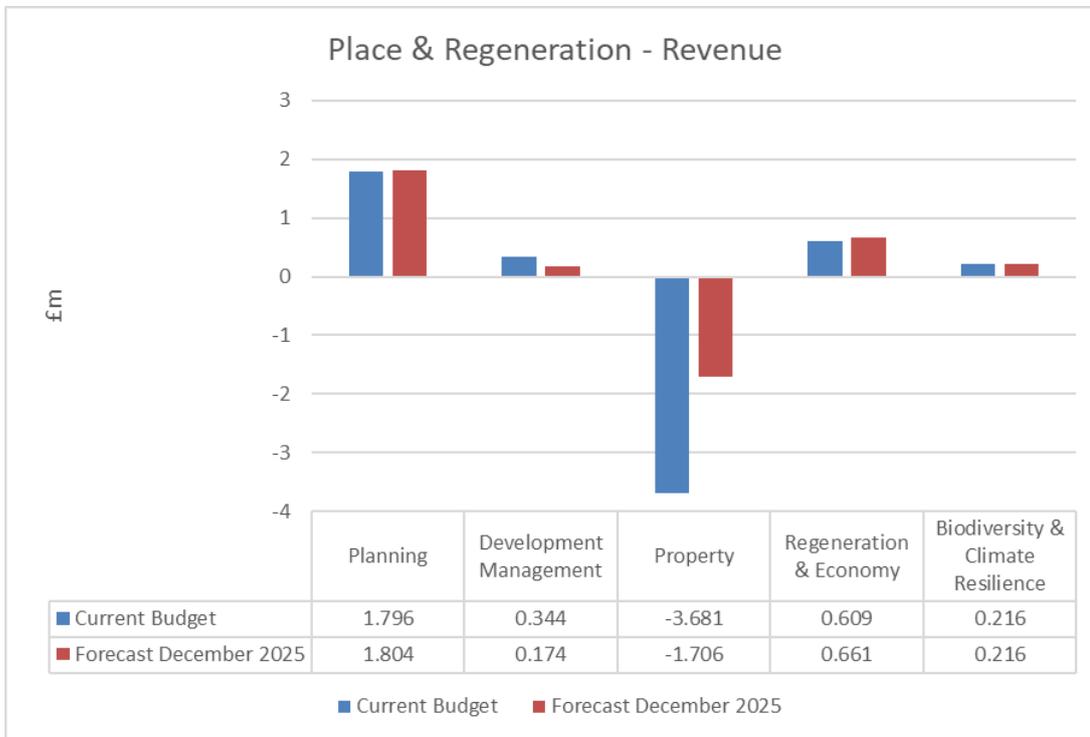
Variation to November's Forecast £0.000m	Vacant post not filled until part way through the year.
Transformation  Variation (£0.072m) Underspend  Variation to November's Forecast (£0.006m)	Underspend is due to current Business Process Analyst Vacancy. Planning to recruit for this in Q4 of 2025/26, assuming greater clarity and stability of pipeline of work for the Transformation PMO.  Business Process Analyst Vacancy remains vacant.

**Place & Regeneration**

**Revenue:**

Place & Regeneration are forecasting £1.865m overspend against a budget of (0.716m) (-260.5%).

The overspend position is driven by external market forces which the services are working collectively to mitigate the impact of and improve long term forecasting. Planning and Development Management services are experiencing high workload pressures to accelerate stalled development and strategic planning support which they are seeking external funding support for.



Planning & Development Management	
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<p>Planning Variation £0.008m Overspend</p> <p>Development Management Variation Underspend (£0.170m)</p> <p>Variation to November's Forecast</p> <p>Planning (£0.013m)</p> <p>Development Management £0.028m</p>	<p>Building Control is presently forecast to be within budget (£0.034m) assisted by additional income receipts. Planning Policy, Conservation &amp; Design is presently forecast to be overbudget by some £0.038m due to staff resource costs associated with the submission of the Local Plan and its Examination. A reserve is available for the Local Plan Examination that can be called upon if required in due course.</p> <p>Development Management is presently forecasting an underspend of (£0.170m). Income is expected to exceed budget by the end of the year. In addition to national fee increases at the start of the financial year, a number of strategic applications have been received with higher fees. Resource needs to meet additional demands are being kept under review.</p> <p>The main changes since last month comprise some additional Development Management costs associated with planning appeals and legal advice and some reduction in forecasted Planning Policy staffing costs.</p> <p>Continued close monitoring of Development Management income and agency costs.</p>
<p>Property</p> <p>Variation £1.975m Overspend</p> <p>Variation to November's Forecast £0.132m</p>	<p>A detailed review of the in year position, including a number of rent reviews has identified a reduction in the 25/26 forecast, primarily due to lower than expected rental income from delayed lettings, reduced renewal rates and tenant failures. Offsetting this, we anticipate higher turnover rents, improved insurance recovery, and increased income from car parking and Lock29.</p> <p>An additional Potential pressure of £132k is expected in Parking Services and is largely because of an expenditure rather than an income pressure. Car park management costs were lower last year as the car parks were not managed externally for the full year. A review/check is underway so that the detail can be confirmed in P10 reporting.</p>
<p>Regeneration &amp; Economy</p> <p>Variation £0.052m Overspend</p>	<p>Regeneration &amp; Growth is currently reporting an overspend of £0.052m, primarily due to staffing costs where a full-time post is only partially funded (50%) through the service budget. A review of the team's structure and budget allocation is underway, following approval of the new structure in November, which will mitigate the overspend.</p>

Variation to November's Forecast £0.000m	
Biodiversity & Climate Resilience	
Variation £0.000m Overspend	Biodiversity & Climate Resilience is reporting on budget for 2025/26.
Variation to November's Forecast (£0.010m)	The movement of (£0.010m) since Novembers reporting is a result of using the underspend from vacant posts to offset various additional consultancy costs.

## Neighbourhood Services

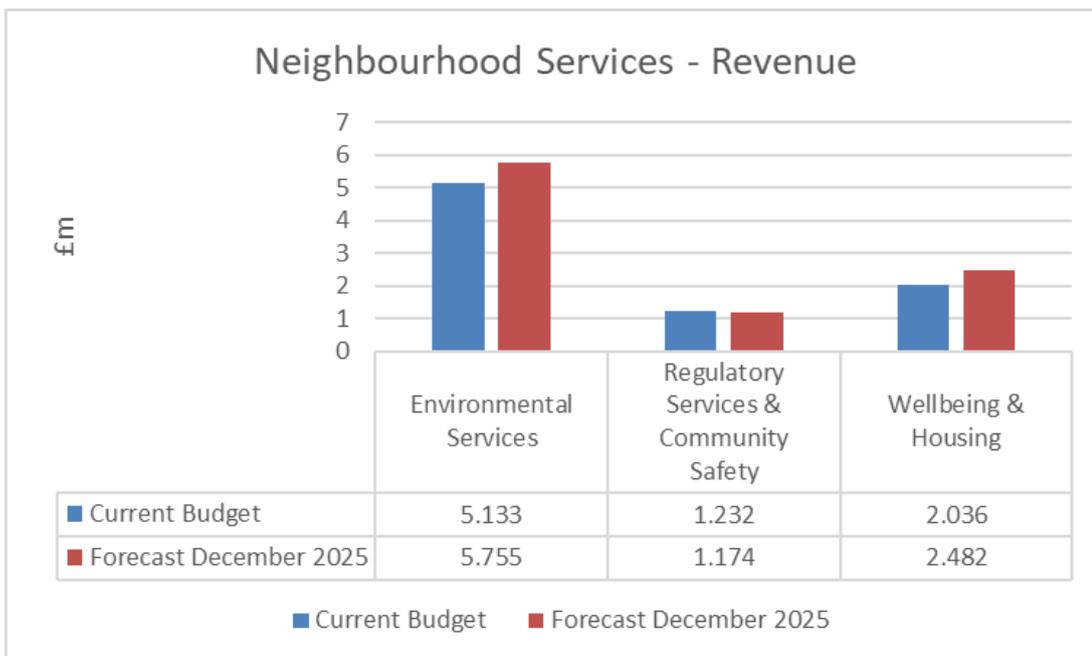
### Revenue:

Neighbourhood Services are forecasting £1.010m overspend against a budget of £8.401m (12.0%).

The forecast overspend should remain stable as whole year costs have been reflected.

The drivers for the overspend are long term sickness in our waste crew, additional temporary accommodation costs, and the delayed delivery of implementing an Agency arrangement in our Leisure Centres.

Mitigations are being sought where possible and close working across the services to identify programmes that can be slowed or delayed to ease the budget pressures are being sought. Unexpected grant income in Housing and flexing of provision in Wellbeing has resulted in the improved forecast for year end.



Environmental Services	Page 31
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<p>Variation £0.622m Overspend</p> <p>Variation to November's Forecast £0.005m</p>	<p>The forecasted pressure of £0.622m within Environmental Services is largely due to staffing pressures £0.604m within Waste and Recycling primarily because of the need for agency staff usage. An under recovery of anticipated income for vehicle repairs of £0.118m. A reduction of £0.018m in anticipated income for street markets and annual fairs. The rise in gate fees has also impacted the service.</p> <p>There have been small movements across many services in the last month resulting in a slightly increased overspend. Mitigations are being actively sought. Mitigations to date include non-recruitment to vacant posts across the service, a reduction in Arboricultural works carried out, additional work carried out on behalf of local partners and a reduction in training carried out. Mitigations will continue to be identified throughout the year.</p>
<p>Regulatory Services &amp; Community Safety</p> <p>Variation (£0.058m) Underspend</p> <p>Variation to November's Forecast £0.000m</p>	<p>Regulatory Services and Community Safety are forecasting an underspend of £0.058m.</p> <p>We have additional savings from staffing costs due to maternity leave.</p>
<p>Wellbeing &amp; Housing</p> <p>Variation £0.446m Overspend</p> <p>Variation to November's Forecast (£0.129m)</p>	<p>The forecast is based on whole year expenses being needed as budgeted and accounts for increased IT license costs, legal fees and the increase in temporary accommodation demand due to rising homelessness.</p> <p>An increase in Homelessness Prevention Grant has contributed to a reduced forecast overspend and some mitigations to offset operational demands have been successful. Over the course of the year, it may be possible to underspend on some provisions within the budget and reduce the forecasted overspend. Allowing for the increased budget provision for</p>

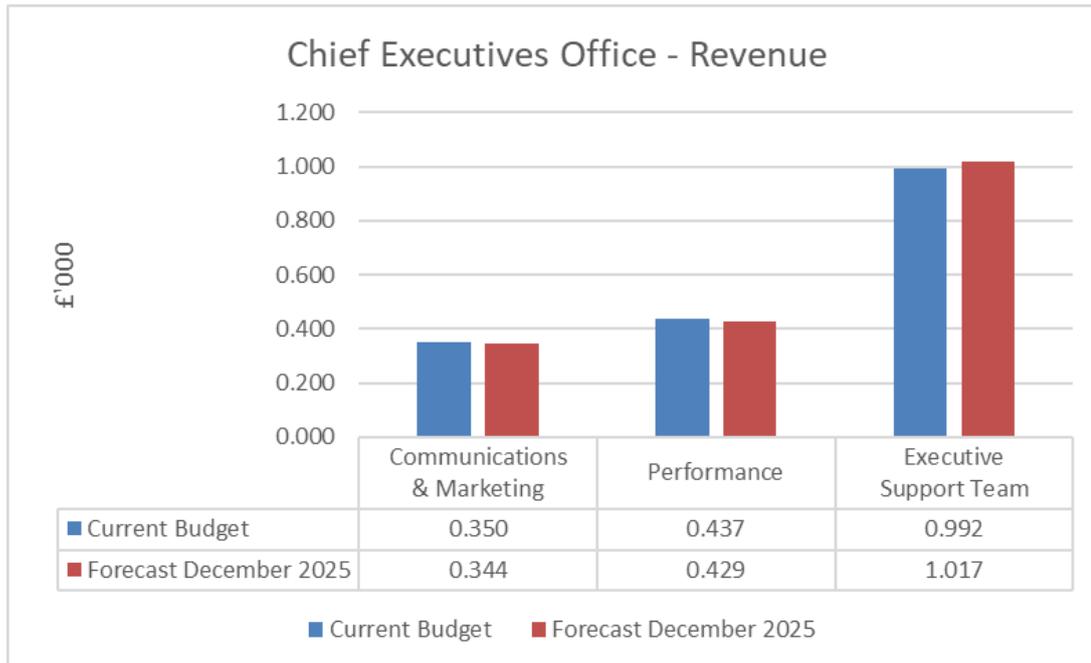
temporary accommodation the scale of the eventual overspend will depend on the demand for temporary accommodation.

## Chief Executives Office

### Revenue:

Chief Executives Office are forecasting £0.011m overspend against a budget of £1.779m (0.6%).

Overall, the Service is 0.6% over budget for the 25/26 financial year which is largely due to unplanned recruitment costs.



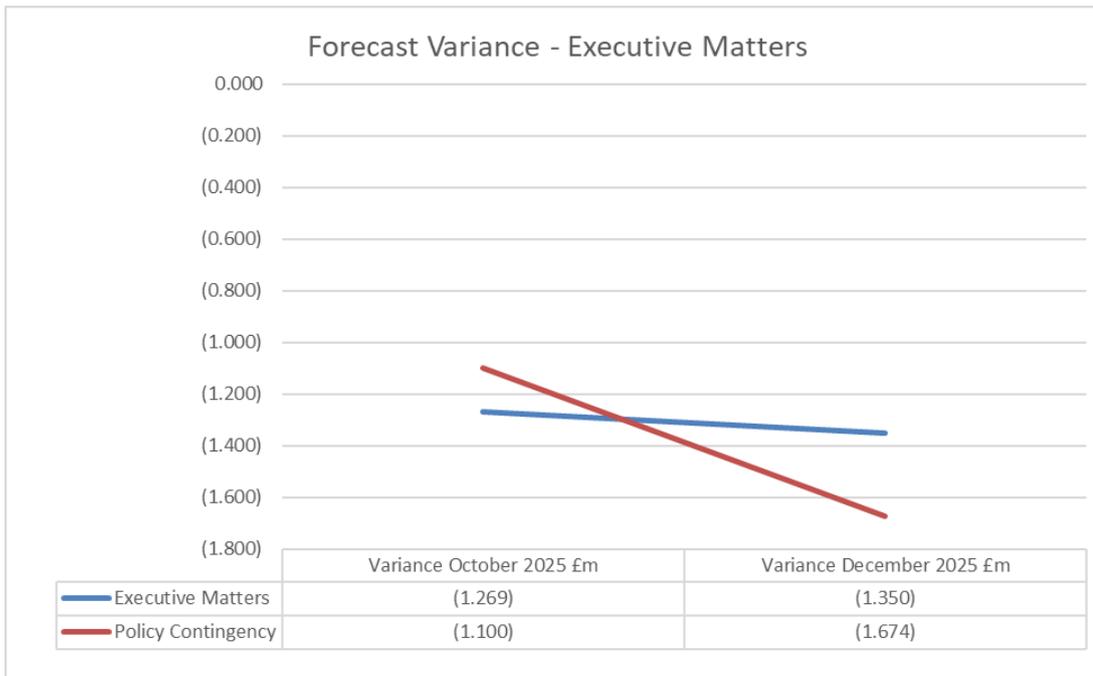
<p><b>Communications &amp; Marketing</b></p> <p>Variation (£0.006m) Underspend</p> <p>Variation to November's Forecast (£0.002m)</p>	<p>The forecast is currently (£0.006m) behind budget mainly due to lower costs on external print and design that had been budgeted for at the start of the year.</p>
<p><b>Performance</b></p> <p>Variation (£0.008m) Underspend</p> <p>Variation to November's Forecast (£0.011m)</p>	<p>The forecast is currently that on an underspend of (£0.008m) which mitigates the forecasted overspend in other areas of the Service.</p>

<p>Executive Support Team</p> <p>Variation £0.025m Overspend</p> <p>Variation to November's Forecast £0.019m</p>	<p>Overall, the Service is 2.5% over budget for the 25/26 financial year which is largely due to some unplanned recruitment costs.</p> <p>Every opportunity is being taken where possible to make savings that will mitigate the expected overspend.</p>
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**Executive Matters**

Revenue:

Executive Matters are forecasting a (£1.350m) underspend against a budget of £5.131m (-26.3%).



<p>Executive Matters</p> <p>Variation (£1.350m) Underspend</p> <p>Variation to November's Forecast (£0.039m)</p>	<p>Executive Matters are forecasting an underspend of (£1.350m) funding that is due to be received, (£0.500m) dividend expected from Graven Hill and an over recovery of net interest of (£0.850m).</p>
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Revenue:

Policy Contingency are forecasting a (£1.674m) underspend against a budget of £2.171m (-77.1%).

<p>Policy Contingency</p> <p>Variation (£1.674m) Underspend</p> <p>Variation to November's Forecast (£0.574m)</p>	<p>The Policy Contingency forecast underspend has been released (and shown as an underspend) in order to offset overspends within the directorates.</p>
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## Appendix 3 - Virement Summary

### Virement Movement

This table shows the movement in Net Budget from November 2025 to December 2025.

<b>Virements - Movement in Net Budget</b>	<b>£m</b>
Directorate Net Budget - December 2025	<b>18.893</b>
Directorate Net Budget - November 2025	18.226
<b>Movement</b>	<b>(0.667)</b>
<b>Breakdown of Movements</b>	<b>£m</b>
Move Budget for Corporate Leasership Team within Service from Exec Matters	£0.576
Policy Contingency Budget to support The Hill works	£0.040
Policy Contingency for Docusign system within Legal	£0.010
Policy Contingency - Devolution	£0.010
Policy Contingency - Redundancy costs within Biodiversity & Climate Change	£0.031
<b>Total</b>	<b>0.667</b>

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## Appendix 4 - Funding for 2025/26

### Specific Funding received since budget was set:

Dept.	Grant Name	Funding
		£
DLUHC	Homelessness Prevention Grant	(£0.246)
DLUHC	Rough Sleepers Accommodation Programme	(£0.035)
DLUHC	Redmond Review Implementation	(£0.024)
DLUHC	Local Audit Backstop New Burdens	(£0.046)
DLUHC	New Burdens Funding for Accommodation-based Domestic Abuse	(£0.037)
DLUHC	ATLAS	(£0.085)
DLUHC	New Burdens Funding for Renters Rights	(£0.049)
DLUHC	Awaab's Law New Burdens	(£0.002)
DEFRA	Biodiversity Net Gain Grant	(£0.027)
DEFRA	Food Waste Collection Grant	(£0.005)
DWP	Welfare Reform New Burdens Funding	(£0.035)
DWP	LA IT changes Scottish Government Grant	(£0.005)
DWP	LA IT Changes SHBE	(£0.001)
DWP	IT Suppliers	(£0.001)
DWP	Housing Benefit Award Accuracy Initiative	(£0.017)
Home Office	Afghan Relocations and Assistance Policy	(£2.103)
Home Office	Syrian Resettlement Programme	(£0.011)
DSIT	Innovate	(£0.025)
		<b>(£2.754)</b>

### Grants included as part of Budget setting:

Directorate	Grant Name	£m
<b>Communities</b>	Afghan Relocations and Assistance Policy	(0.244)
	Asylum Accommodation Dispersal	(0.029)
	Homeless Prevention Grant	(0.763)
	Syrian Resettlement Scheme	(0.183)
	Homes for Ukraine	(0.417)
	UK Shared Prosperity Fund	(0.335)
	<b>Communities Total</b>	<b>(1.972)</b>
<b>Resources</b>	NNDR Cost of Collection Allowance	(0.231)
	Rent Allowances	(25.004)
	<b>Resources Total</b>	<b>(25.235)</b>
<b>Services Sub-total</b>		<b>(27.207)</b>

<b>Corporate</b>	Extended Producer Responsibility	(1.400)
	Funding Floor	(3.400)
	National Insurance Contribution Compensation	(0.258)
	<b>Corporate Total</b>	<b>(5.058)</b>
<b>Cost of Services total</b>		<b>(32.265)</b>
<b>Funding</b>	Business Rates Retained Scheme	(7.490)
	New Homes Bonus	(0.935)
	Revenue Support Grant	(0.368)
	<b>Funding Total</b>	<b>(8.793)</b>
<b>Government Grants Total</b>		<b>(41.058)</b>

<b>This report is public</b>	
<b>Non-Domestic Rate Discretionary Relief Policy and Response to Motion, “Supporting our High Streets”</b>	
<b>Committee</b>	Budget Planning Committee
<b>Date of Committee</b>	10 March 2026
<b>Portfolio Holder presenting the report</b>	Portfolio Holder for Finance, Property and Regeneration, Councillor Lesley McLean
<b>Date Portfolio Holder agreed report</b>	16 February 2026
<b>Report of</b>	Assistant Director Finance (Section 151 Officer), Michael Furness

## Purpose of report

To inform Budget Planning Committee of the reviewed policy for Non-Domestic Rate Discretionary Rate Relief policy and the response to the motion from Council on supporting our high street. This was submitted to the 3 March Executive for decision and is submitted to Budget Planning Committee for information.

## 1. Recommendations

The Budget Planning Committee resolves:

- 1.1 To note the contents of the reviewed policy for Non-Domestic Rate Discretionary Rate Relief.
- 1.2 To note the response to Councils motion.

## 2. Executive Summary

- 2.1 The Non-Domestic Rate Discretionary Rate Relief policy was last reviewed in 2024. It is good practice to review policies to ensure they remain relevant and in line with supporting the delivery of the Council’s policies.
- 2.2 Sections 43, 44a, 47 – 49 of The Local Government Finance Act 1988 deal with the Council’s discretionary powers to reduce the amount of Non-Domestic Rates payable.
- 2.3 The provision allows the discretion to help Non-Domestic Ratepayers where either the existing legislation does not provide a relief or in circumstances where The

Council has decided that the level of relief awarded is insufficient given the circumstances.

- 2.4 There is a financial implication to awarding reductions under Sections 43, 44a, and 47 – 49. The reliefs detailed in the policy are partly funded from our own funds.
- 2.5 The way the reliefs are funded are 50% by Central Government, 40% Cherwell District Council and 10% Oxfordshire County Council.
- 2.6 This policy covers the general criteria and exclusions along with the application process for the following reliefs: charitable rate relief top-up, Registered Community Amateur Sports Clubs, not for profit organisations, discretionary rural settlement relief, hardship relief, and Section 44a (partly occupied property) relief.
- 2.7 This policy provides direct support to the high street by enabling targeted discretionary rate relief for eligible small and locally based businesses operating within our town and village centres and finding themselves in hardship. This contributes to sustaining footfall, protecting local employment, and supporting the wider economic health of our high streets. The policy therefore forms an important part of the Council's approach to strengthening local commercial centres, while ensuring all awards remain lawful, transparent, and compliant with Subsidy Control requirements, meaning whilst not excluded, larger businesses and those spread over a wider geographical area are less likely to qualify.
- 2.7 The reliefs detailed in this policy are discretionary, and Non-Domestic Rate payers do not have a statutory right to an award.
- 2.8 Cherwell District Council recognises the vital role that strong and vibrant high streets play in supporting economic growth, employment, community wellbeing and placemaking across the district, including Banbury, Bicester and Kidlington.
- 2.9 The Council supports the intent of the motion and acknowledges the ongoing challenges faced by high streets, including changes in consumer behaviour, rising costs, and the legacy of wider economic disruption. Cherwell District Council has already taken, and continues to take, a range of targeted and place-based actions to support town centres and high streets, working closely with partners and stakeholders.
- 2.10 Current Cherwell District Council activity includes
  - Economic Development and Regeneration, Cherwell District Council is actively supporting high streets through regeneration, investment and strategic development, including:
  - Banbury Regeneration Programme, including town-centre public-realm improvements and investment in key sites to increase footfall, improve connectivity and enhance the visitor experience.
  - Bicester regeneration and growth initiatives, supporting the town centre alongside the delivery of major employment and housing development, including work linked to the wider garden-town principles.

- Delivery of public-realm enhancements, streetscape improvements and environmental upgrades where these contribute to town-centre vitality and economic resilience.
- Support for mixed-use town-centre development, encouraging a balance of retail, leisure, residential and community uses to support sustainable day- and evening-time economies.
- The 2026/27 Budget includes additional funding for the Regeneration and Growth team to further support for businesses and economic development in Cherwell.
- Business Support and Business Rates, the Council provides direct support to high-street businesses through, administration of business rates reliefs, including mandatory relief, discretionary relief, retail multipliers, where applicable, and government-funded support schemes that are detailed in the updated Discretionary Rate Relief policy for 2026-27.

- 2.11 At Autumn Budget 2024, the government announced its intention to introduce two lower multipliers for Retail, Hospitality and Leisure (RHL) properties with rateable values (RVs) below £500,000, ensuring lower levels of business rates than if the standard multiplier had been retained. These will commence from April 2026 and will give long-term certainty and support to the high street, in contrast to the previous annual Retail Hospitality and Leisure relief, which created a yearly cliff-edge. However, as part of the revaluation of rateable values from April 2026, a lot of the RHL values have increased meaning that even with the lower multiplier, business rates bills are likely to increase for a large proportion of RHL businesses nationally.
- 2.12 The government has set out its intention for these two new lower rates to be funded sustainably. To this end, the government also intends to introduce a higher multiplier for all properties with RVs of £500,000 and above.
- 2.13 In addition to this the government has announced a £150 million fund to support high streets most affected by decline. The investment will help revitalise local centres by improving neglected shopfronts, reopening empty units and supporting independent businesses. This forms the first phase of the new High Streets Strategy and builds on existing initiatives, including strengthened council powers over certain premises types, support for community pubs, and regeneration activity through the Pride in Place programme.
- 2.14 While the Council is committed to supporting high streets, all activity must be delivered within the context of the MTFs and wider budget pressures. The need to secure external funding where possible, clear evidence of value for money and measurable outcomes.
- 2.15 Any proposals arising from this motion would therefore require careful consideration within existing strategies, resources and governance arrangements.

## Implications & Impact Assessments

Implications	Commentary
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<b>Finance</b>	The financial implications are set out in the report. Discretionary rate relief is funded by Central Government 50%, Cherwell District Council 40%, and Oxfordshire County Council 10%. Lynsey Parkinson, Strategic Business Partner, 4 February 2026			
<b>Legal</b>	Finance have reviewed the policy having consideration for the following legislation: Section 43 Local Government Finance Act 1988 Section 44a Local Government Finance Act 1988 Sections 47 – 49 Local Government Finance Act 1998. Any discretionary award will need to be made in line with the provisions of the Local Government Finance Act 1988 and the councils own policy. Denzil Tubervill – Head of Legal Services, 4 February 2026			
<b>Risk Management</b>	There are no risk management issues arising directly from this report. Any arising risk will be managed through the service operational risk and escalated to the Leadership Risk Register as and when necessary. Celia Pardo-Teeling – Performance Team Leader 3 February 2026			
<b>Impact Assessments</b>	Positive	Neutral	Negative	Commentary
<b>Equality Impact</b>				This policy review has been completed in line with the guidelines and commitments established in our Equalities and Diversity Framework. The implementation of this policy will have a positive impact on people within the protected characteristics. Celia Pardo-Teeling – Performance Team Leader 3 February 2026.
<b>A</b> Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
<b>B</b> Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?	X			
<b>Climate &amp; Environmental Impact</b>				N/A

<b>ICT &amp; Digital Impact</b>				N/A
<b>Data Impact</b>				N/A
<b>Procurement &amp; subsidy</b>				N/A
<b>Council Priorities</b>	Support and facilitate a vibrant economy			
<b>Human Resources</b>	N/A			
<b>Property</b>	N/A			
<b>Consultation &amp; Engagement</b>	N/A			

## Supporting Information

### 3. Background

- 3.1 Sections 43, 44a and 47 - 49 of the Local Government Finance Act 1988 provide the Council with discretionary powers to reduce the amount of Non-Domestic Rates payable.
- 3.2 There are financial implications to awarding any relief other than those currently funded through Section 31 Local Government Finance Act 2003. Relief awarded under S43, S44a and S47 – 49 is funded by central government 50%, Cherwell District Council 40% and Oxfordshire County Council 10%.

### 4. Details

#### Discretionary Business Rates Relief Policy

- 4.1 The policy to be approved covers the following reliefs:
- 4.2 Charities are awarded 80% mandatory relief if they meet certain criteria. Charities can apply for a further 20% discretionary rate relief thus nullifying their rates liability. In general, top-up will only be considered for scouts/guides/cadets and other organisations for young people, organisations providing support in the form of advice, employment training and counselling, community schemes for those over retirement age including community transport and volunteer organisations, armed forces veterans' association, locally based leisure, and cultural organisation.
- 4.3 In general, charities will be excluded if their primary office is situated outside of the district. National charities will also be excluded unless they can prove they are suffering financial hardship.

- 4.4 Schools, including academies, free schools, grant maintained, faith and trust schools, along with education establishments, will be excluded if they receive central or local government support unless a special case for hardship can be shown.
- 4.5 Top-up of 20% will not be awarded to Housing Associations.
- 4.6 Community Amateur Sports Club qualify for 80% mandatory relief and can be considered for 20% top up. However, it is unlikely they will qualify if their main income is from the sale of food or drink.
- 4.7 Rate relief for not-for-profit organisations can be awarded up to 100% of the liability. The main objectives for these organisations must be related to relief of poverty, philanthropy or religion, education, social welfare, science, literature, fine arts, recreations or otherwise beneficial to the community. Organisations must be able to demonstrate how they meet the local needs and how they benefit local people, are open to all sections of the community as well as providing a valuable service to the community. The organisation must not discriminate against any section of the community and is not conducted or established for the primary purpose of making a profit.
- 4.8 Discretionary rural settlement can be granted up to 100%. The property must fall in a rural settlement (less than 3,000 residents), has a rateable value that doesn't exceed £16,500, the property is occupied by a business that benefits the local community, it is reasonable to grant a relief considering the interests of the Council Tax payer, and that applicants are demonstrate that the business is important to the maintenance of village life.
- 4.9 Discretionary rate relief, if approved, will be granted until the end of the following financial year.
- 4.10 Hardship relief can be considered where a ratepayer is enduring temporary financial difficulties. Consideration will be giving to the residents of Cherwell to ensure it is reasonable for the Council to grant the relief.
- 4.11 Section 44a – partly occupied property relief can be considered where part of a property is unoccupied for a temporary period. A backdated period cannot be considered, and a ratepayer must supply scaled drawings to advise which parts of the property are unoccupied and the period the part occupied period relates too. The period of relief will not exceed either 3 or 6 months depending on the type of property a claim has been made in respect of however all awards will terminate at the end of the financial year.
- 4.12 An organisation will be required to complete an application form and provide two years of audited accounts. In certain circumstances, a backdate of discretionary rate relief could be considered where delays for a relief are outside of an organisation's control.
- 4.13 The outcome of all applications will be notified to ratepayers. Unsuccessful applicants will be able to request a reconsideration of the decision.
- 4.13 A new Supporting Small Business(SSBR) relief will be introduced from 1 April 2026 to provide assistance to those businesses facing a significant increase in their rate

liability due to the ending of 40% Retail Leisure and Hospitality. The scheme will also provide relief for those businesses experiencing an increase in the rates bill due to the loss of Small Business Rate Relief and Rural Rate Relief following the national revaluation. This will be automatically applied to eligible ratepayers at the point of calculating the business rates charge, no application is required.

- 4.14 The government announced on 27 January 2026 eligible pubs and live music venues will benefit from a 15% business rates relief on top of the support announced at Budget 2025. Their bills will then be frozen in real terms for a further 2 years. The Ministry of Housing, Communities and Local Government (MHCLG) will shortly publish full guidance for local authorities. The government's policy intention is that pubs and live music venues should be eligible for the relief. The relief should apply to occupied properties only.
- 4.14 Any reliefs detailed in this policy which are not fully funded by the Government are funded by fifty percent to Central Government, forty percent by Cherwell District Council, and ten percent to Oxfordshire County Council.

### **Response to Motion**

- 4.15 The motion proposed at Full Council on 15 December 2025 by Councillor Dr Chukwudi Okeke was as follows:

*“Local hospitality businesses across North Oxfordshire — from family-run restaurants, pubs and cafés to small independent venues — face substantial and growing financial pressures due to rising operating costs, higher taxes and a stagnating economy. There is now a growing political consensus about the need to provide meaningful help to small independent retailers and hospitality businesses on our high streets. This Council notes that District councils also have certain discretionary powers to support vulnerable local businesses where urgent relief is justified.*

*This Council resolves to:*

- 1. Request that the Executive reviews any policies that are already in effect surrounding discretionary business rates relief, involving local independent business groups, together with the Overview & Scrutiny and/or Budget Planning committees (as appropriate) about any changes.*
- 2. Ensure that any such changes focus on local independent businesses facing genuine financial hardship, rather than national chains and/or large retailers.*
- 3. Further ensure that its discretionary policies surrounding business rates relief are better advertised to ensure that local businesses can benefit from Council support, where it is financially viable.*
- 4. Ask the Leader to urgently write to the Secretary of State for Business and Trade, copied to North Oxfordshire MPs, urging him to review the national business rates system as regards its impacts on local hospitality and high street businesses as a matter of urgency.*
- 5. Report back to members on progress surrounding the above steps without delay.”*

- 4.16 In response to the motion:

1. The Discretionary Business Rates Relief Policy (DBRRP) has been reviewed with an amended version proposed within this report with a view to operating within the approved budget of the council.

The policy has also been updated to ensure that it is flexible enough to adopt any national reliefs introduced to support businesses.

In addition to this policy, the council carries out considerable amounts of economic development work within its Growth and Regeneration team as set out in paragraph 2.9. Furthermore, the council's planning policy sets out the conditions by which further economic growth in the district can be achieved, subject to appropriate planning applications being received and being approved.

The most impactful way for the council to help to protect the high streets of Cherwell is to ensure the right conditions for economic growth are in place leading to more jobs in Cherwell and hence greater levels of disposable income to be spent in Cherwell.

2. The proposed DBRRP does include a particular focus on hardship and benefits to the local area – in particular around charitable organisations. Hardship will be taken into consideration but only where there are temporary conditions in place causing hardship. The council should not step in to support a failing business.

Furthermore, the council has a duty to consider whether subsidy control would apply in awarding reliefs. As such it is highly unlikely that national chains would benefit from the discretionary relief policy.

3. Once approved the policy will be updated on the council's internet site and shared via our corporate communication channels as well as ensuring the Development and Growth team promotes the policy with local businesses.
4. Following the announcement of the new business rates regime by the Chancellor in November 2025, the Government has subsequently introduced a further package of measures to support businesses facing significant bill increases as a result of the 2026 revaluation. This includes a £4.3 billion business rates support package, comprising an enhanced transitional relief scheme, expanded supporting small business relief, and sector-specific interventions, alongside permanently lower multipliers for eligible retail, hospitality and leisure properties from April 2026.

The Leader will be writing to the Secretary of State to outline concerns, emphasising that while the increase in Business Rates income is welcomed, the system remains highly sensitive to wider economic pressures. The correspondence will urge the Government to keep the Business Rates regime under review should local businesses begin to experience financial or operational challenges, ensuring it remains sustainable, supportive of economic growth, and responsive to changing conditions.

5. This report updates members on progress in implementing this motion.

## **5. Alternative Options and Reasons for Rejection**

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

Option 1: To not approve the discretionary rate relief policy. 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.

The local authority must have a system in place to allow a person to make the request.

## 6 Conclusion and Reasons for Recommendations

6.1 This report is submitted to Budget Planning Committee for information.

### Decision Information

<b>Key Decision</b>	N/A
<b>Subject to Call in</b>	N/A
<b>If not, why not subject to call in</b>	N/A
<b>Ward(s) Affected.</b>	All

### Document Information

<b>Appendices</b>	
<b>Appendix 1</b>	Discretionary Rate Relief Policy
<b>Background Papers</b>	n/a
<b>Reference Papers</b>	n/a
<b>Report Author</b>	Jacey Scott Head of Revenues and Benefits
<b>Report Author contact details</b>	<a href="mailto:jacey.scott@cherwell-dc.gov.uk">jacey.scott@cherwell-dc.gov.uk</a> 01295 221548
<b>Executive Director Approval (unless Executive Director or Statutory Officer report)</b>	Report of Statutory Office, S151 Officer

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## **Discretionary Rate Relief Policy**

### **1. Introduction and scope**

This policy sets out the approach to the award, administration, and review of Discretionary Rate Relief under both centrally funded and locally funded schemes. It ensures that decisions are lawful, transparent, consistent, and aligned with the Council's strategic priorities and financial responsibilities.

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.

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.

This policy document outlines the areas of local discretion and Cherwell District Council's (The Council) approach to the various awards. This approach has regard to the impact:

- On the Council's wider financial position and how that affects Council tax payers
- On the organisations and businesses that currently receive or may apply for relief in the future
- On Cherwell's residents if relief is awarded and the regeneration benefits to the district.

The principal consideration when making an award is that any relief granted is in the best interests of the residents and taxpayers of Cherwell and produces a local benefit.

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 – 20% top-up
- Community Amateur Sports Clubs (CASCs)
- Rate relief for not-for-profit organisations.
- Discretionary rural settlement relief
- Hardship Relief

- Temporary relief for partly occupied properties

Details of all other relief not detailed in this policy can be found on our website.

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

Discretionary Rate Relief is granted in accordance with:

- Section 43 of the Local Government Finance Act (LGFA) 1988; and
- Section 47- 49 of the Local Government Finance Act (LGFA) 1988 as amended by the Localism Act 2011

Clause 69 of the Localism Act amended section 47 of the Local Government Finance Act (LGFA) 1988 to allow local billing authorities to fund their own local discounts entirely as it sees fit within the limits of the primary legislation and European rules on state aid. These powers can be used to encourage new business and investment, regeneration projects, as well as to support local shops or community services.

The Non-Domestic Rates Bill 2023 removed the backdating of discretionary rate relief; however, it is unlikely that any backdate will be considered unless the delay was outside of the businesses control. An example would be the delay to a new assessment being rated.

This criteria covers:

- Charitable bodies already in receipt of Mandatory Relief at 80% – the Council has further discretion to ‘top up’ this Relief to 100% of the Rates due.
- Registered community amateur sports clubs (CASCs) already in receipt of Mandatory Relief at 80% – the Council has further discretion to ‘top up’ this Relief to 100% of the Rates due.
- Non-profit making organisations – the Council has discretion to grant Discretionary Rate Relief of between 0-100% of the Rates due.
- Discretionary Rural Rate relief - The Council may also grant up to 100% Discretionary Relief to any rural business with a rateable value that does not exceed £16,500

In making decisions about applications for Discretionary Rate Relief the Council may:

- Grant Relief up to a maximum of 100% of the Rates due
- Grant Relief for a sum less than 100% of the Rates due; or
- Refuse any application for Discretionary Rate Relief

## **3. Charitable bodies (charities)**

A Mandatory Rate Relief of 80% is granted to charities in the following circumstances:

Where the:

- Ratepayer of a property 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 purpose of the charity)

Registration under the Charities Act 1993 is conclusive evidence of charitable status. Bodies which, under the 1993 Act, are exempted from registration or are exempt charities are also eligible for Mandatory Relief. Providing the above criteria are met, 80% Mandatory Rate Relief is granted.

In cases where a charity is in receipt of Mandatory Rate Relief of 80% the Council has further discretion to 'top up' this Relief to 100% of the Rates due.

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

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.

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 primary 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.

#### **4. Registered Community Amateur Sports Clubs (CASC)**

A Mandatory Rate Relief of 80% is granted to registered CASCs. To qualify as a CASC, the club must fulfil all the following criteria. It must be:

- Open to the whole community
- Run as an amateur club
- A non-profit making organisation; and

- Aiming to provide facilities for, and encourage people to take part in, eligible sport

In cases where a CASC is in receipt of Mandatory Rate Relief of 80%, the Council has discretion to grant up to 20% additional Rate Relief as a Discretionary top up.

The Council will consider applications for a Discretionary Rate Relief top up from CASCs based on their own merits on a case-by-case basis. The principal consideration is that any Relief is granted in the best interests of the residents and taxpayers of Cherwell and produces a local benefit as the Council must bear a percentage of the cost of any Relief granted. However, in determining the application the following matters will be taken into consideration:

- How the CASC supports and links into the Council's corporate vision and priorities.
- A CASC should have an open access policy. If a club effectively discriminates by only accepting members who have reached a particular standard, rather than seeking to promote the attainment of excellence by enhancing access and the development of sporting aptitude, then it does not fulfil the requirements.
- Although clubs should be open to all without discrimination, single sex clubs may be permitted where such restrictions are not discriminatory in intent but a genuine result of physical restraints (such as changing room facilities) or the requirements of the sport. In such cases, the organisation will be required to provide proof of such limiting factors.
- Membership and fee structure

It should be noted that sports clubs and other organisations which run a bar are unlikely to be awarded Relief if their main income is from the sale of food or drink. However, if the sale of food or drink by the organisation aids the overall operation and development of the organisation in achieving its objectives, this would be permissible if the principal objectives of the organisation meet the eligibility criteria detailed above. If the bar makes a profit, this profit must be reinvested to support the organisation in achieving its principal objectives. Financial information will be required to evidence any profit and its use.

## **5. Rate Relief for Not-for-profit organisations.**

The Council has the power to grant Discretionary Rate Relief of up to 100% to other non-profit making organisations. The main objectives of the organisation must be related to:

- Relief of poverty
- Philanthropy or religion
- Education
- Social Welfare
- Science
- Literature
- Fine arts
- Recreation

Or be otherwise beneficial to the community.

An organisation must be able to demonstrate how it:

- meets local needs and benefits local people; and
- provides a valuable service to the community; and

- is open to all sections of the community
- operates in such a way that it does not discriminate against any section of the community; and:
- is not conducted or established for the primary purpose of accruing profit.

The Council will consider applications for Discretionary Rate Relief from non-profit making organisations based on their own merits, on a case-by-case basis. However, the principal consideration is that the Relief is granted in the best interests of the residents and taxpayers of Cherwell and produces a local benefit as the Council must contribute to the cost of each award

### **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
- Fee reductions are offered for certain groups such as, for example, under eighteens or pensioners
- Membership is encouraged from groups who face social barriers, such as, for example, young people not in employment, education, or training; people above working age; or people with disabilities
- Facilities are made available to people other than members

### **6. Discretionary Rural Settlement Relief**

The Council may also grant up to 100% Discretionary Relief to any rural business if all the following criteria are met:

- The property is in a qualifying Rural Settlement.
- The Rateable Value of the property does not exceed £16,500 (£14,000 prior to 1 April 2010) at the beginning of the rating year concerned.
- The property is occupied by a business that benefits the local community.
- It is reasonable for the Council to grant relief having regard to the interests of persons liable to pay the Council Tax set by it.
- Discretionary Relief is not limited to any particular type of business. Applicants will be expected to demonstrate that their business is important to the maintenance of village life.

### **7. Period of Relief Discretionary Rate Relief**

Discretionary Rate Relief will usually be granted until the end of the following financial year. Successful applicants will be sent a letter confirming that their application for Discretionary Rate Relief has been granted. This letter will specify the date the relief will end.

The granting of Relief will be reviewed annually and those in receipt of Discretionary Rate Relief will be asked to supply or confirm relevant information for the purpose of the review.

If a Ratepayer in receipt of Discretionary Rate Relief ceases to meet the eligibility criteria outlined in this Policy, they will cease to receive Discretionary Rate Relief. The Council will give such Ratepayers a full financial year's written notice prior to the withdrawal of Discretionary Rate Relief.

The ratepayer may request reconsideration against this decision. Time limited reliefs will only be granted for a relevant period.

## **8. Applications Discretionary Rate Relief**

Applications for Discretionary Rate Relief must be made on the Council's application form and supported by, and include:

- The main purposes and objectives of the Business, as set out in, for example, a written constitution, a memorandum and/or articles of association, or a set of membership rules
- A full set of audited accounts relating to the two years preceding the date of application. Where audited accounts are not available, projected figures should be provided certified as being a 'true and fair view' by the company secretary or company accountants may be used.
- Details of how the Business meets the criteria outlined in the guidelines below:

As a guide, to be eligible for Discretionary Rate Relief, a charity/organisation must not normally have enough financial resources available in unrestricted funds to continue to operate for more than 12 months, nor should it have sufficient financial resources in unrestricted reserves to continue to operate for more than 12 months, unless a business plan exists detailing how these additional reserves are to be used to benefit the local community.

In such cases, the applicant must be able to prove that it offers a service which the district's residents depend on, and which they would be unlikely to find elsewhere in the district.

Application forms will be available on our website at:

<https://www.cherwell.gov.uk/info/191/business-rates/363/business-rates-reductions-and-relief/5>

All completed application forms should be returned to the Revenue Services Team at Cherwell District Council. By email: [business.rates@cherwell-dc.gov.uk](mailto:business.rates@cherwell-dc.gov.uk)

## **9. Applications for other Reliefs**

### **Hardship Relief**

The Council has the power to reduce or remit the Business Rates charged in certain circumstances where the Ratepayer is enduring temporary financial difficulties. This is known as Hardship Relief. The Council may grant Hardship Relief if it is satisfied that:

- The Ratepayer would sustain financial hardship if the Council did not do so: and
- It is reasonable for the Council to grant Relief, regarding the interests of its residents and Council Tax payers

Hardship Relief is a temporary measure which should not be used to artificially sustain a failing business. Hardship Relief may be awarded where the ratepayer is facing temporary financial difficulties and where the community would be significantly disadvantaged if the business were to close.

Successful applicants will be notified in writing of the outcome of their application for Hardship Relief and if approved, will be notified of the amount of relief awarded and the period in which the award relates.

Application forms for Hardship Relief must be accompanied by a full set of audited accounts relating to the two years preceding the date of application. Where audited accounts are not available for the current financial year, projected figures certified as being a 'true and fair view' by the company secretary or company accountants may be used. It is recommended that applicants submit audited accounts dating back further than two years if such information is available.

### **Temporary Relief for Partly Occupied Properties - Section 44a Relief**

The Council has discretion under section 44a of the Local Government Finance Act to award Rate Relief where part of a property is unoccupied for a temporary period. The definition of 'temporary period' is not prescribed with the law and therefore Cherwell District Council has the discretion to decide the period of Relief should be awarded. The amount of Rate Relief that is awarded is determined by statute and is calculated by reference to the Rateable Value attributed to the unoccupied area by the Valuation Office Agency, part of Her Majesty's Revenue and Customs (HMRC).

The situation must be happening at the present time, so retrospective claims cannot be considered.

Applications will only be considered in respect of unoccupied parts of a property that can be clearly defined and are reasonably segregated from the occupied part of the property.

No award shall be made where it appears to the Council that the reason that part of the property is unoccupied is wholly or mainly for the purposes of applying for Rate Relief.

Rate Relief under this section will not be awarded in respect of partly occupied property where the partial occupation of the property may arise due to the ordinary day to day nature of the business (for example the operation of a warehouse).

The period of Relief will not exceed either 3 or 6 months depending on the type of property the claim has been made for, in line with the current legislation for part occupied properties.

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.

Further visits may be made to the property throughout the duration of the relief to establish that the property is still partly empty.

Further applications for part empty relief may be considered where there is a change to the area of the property that is unoccupied.

Part occupied relief will end if one of the following applies:

- the financial year ends.
- the end of the award.
- where part or all the unoccupied parts become occupied.
- where the whole of the property becomes unoccupied.
- where the liability for the property changes.

A Ratepayer making an application under section 44a should do so in writing and should include:

- A plan of the property showing the dimensions of the occupied and unoccupied area of suitable quality to enable the Valuation Office Agency to apportion the Rateable value of the property between the occupied and unoccupied areas. Applications will not be considered until such time as the plan is provided.
- The period to which the application relates.
- Contact details to inspect the site where necessary.
- A plan of the property (rating assessment) which clearly shows the occupied and unoccupied areas and the size of those areas.
- A statement clarifying the likely timescales to fully occupy or vacate the property and the reason part of it is unoccupied.
- A signed declaration setting out any amount of State Aid received within the preceding three years.

## **10. Approval**

The initial assessment to award or refuse Relief will be made by a Revenues Services Manager.

Any award of a discretionary rate relief detailed in this policy in which the Revenues Services Manager is seeking approval, a report will be passed to Assistant Director for Finance for recommendation.

Applicants will be notified in writing of any decision within 28 days. A revised Business Rates bill will be sent where appropriate.

Unsuccessful applicants will be notified that they can request a reconsideration of the decision.

These reconsiderations will be reviewed by the Revenues Manager and signed off by the Assistant Director for Finance.

## **11. Other uses of discretionary powers under Section 47 LGFA 1988**

From time to time, additional measures are proposed by the Government to provide assistance to businesses. These can be either national schemes or locally defined schemes. They are provided under section 47 of the LGFA 1988.

Where the Government puts in place a scheme whereby the Council will be fully compensated for the loss of rates yield arising from an award of discretionary rate relief, awards of relief must be made in accordance with the guidance issued for the scheme.

For 2026-27 the following scheme is in place

### **Supporting Small Business Relief**

In November 2025, the Government announced that businesses in receipt of Supporting Small Business Relief for 2025-26 will have the relief extended for a further 12 months.

A new Supporting Small Business relief will be introduced from 1<sup>st</sup> April 2026 to provide assistance to those businesses facing a significant increase in their rate liability due to the ending of 40% Retail Leisure and Hospitality. The scheme will also provide relief for those businesses experiencing an increase in the rates bill due to the loss of Small Business Rate Relief and Rural Rate Relief following the national revaluation. The guidance can be found

<https://www.gov.uk/government/publications/business-rates-relief-2026-supporting-small-business-relief-local-authority-guidance/business-rates-relief-2026-supporting-small-business-relief-local-authority-guidance>

The government announced 27th January 2026 that in 2026-27, eligible pubs and live music venues will benefit from a 15% business rates relief on top of the support announced at Budget 2025. Their bills will then be frozen in real terms for a further 2 years. The government's policy intention is that pubs and live music venues should be eligible for the relief. The relief should apply to occupied properties only.

Any new scheme introduced by the Government in future will be administered under this discretion. Any other awards using section 47 powers will be up to the maximum period of time stipulated by Central government or any locally defined scheme.

## **12. Subsidy Control**

Rate relief shall not be awarded in any circumstances where it appears that an award will result in the rate payer exceeding subsidy control level.

If required by the Council, each application from a business, or an organisation engaged in business activities, must be accompanied by a statement signed by the appropriate person representing the ratepayer setting out the amount of subsidy control, including but not limited to discretionary rate relief, which the ratepayer has received within the past three years.

## **13. Policy Review**

The Council reserves the right to review and revise this Policy at any time.

## **14. Funding of Reliefs**

With the introduction of the Business Rates Retention Scheme from 1st April 2013, local authorities now share in the gains and losses associated with changes in Business Rates income. The Government hopes that localising Business Rates in this way will incentivise Local Authorities to adopt strategies to promote businesses and generate additional Business Rates income. The introduction of Business Rates Retention has a major impact on the funding arrangements for all Reliefs available which are now financed as follows:

Fifty percent by Central Government

Forty percent by Cherwell District Council

Ten percent by Oxfordshire County Council

This excludes certain reliefs that Local Authorities may be required to award which may be funded separately by Central Government.

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<b>Budget Planning Committee</b>	
<b>Work Programme 2026/2027</b>	
<b>Date</b>	<b>Agenda Items</b>
<b>30 June 2026</b>	Finance Monitoring Report – 2025/26 Outturn
	CTRS Scheme
	BRR Consultation
	Work Programme Update
<b>15 September 2026</b>	Finance Monitoring Report - Q1 June 2026
	Budget Process 2026/2027
	Work Programme Update
<b>8 December 2026</b>	26/27 Budget Proposals - Revenue & Capital (inclu Fees & Charges)
	Fees & Charges Report
	Finance Monitoring Report - Pd 7 (October 2026)
	Work Programme Update
<b>19 January 2027</b>	Draft 2026/27 Capital and Investment Strategy
	Draft 2026/27 Reserves Strategy and Medium Term Reserves Plan
	Budget Management Period 8 (November)
	Work Programme Update
<b>9 March 2027</b>	Finance Monitoring Report - Q3 (December 2026)
	Work Programme Update

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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