

Cherwell District Council

Budget Planning Committee

Minutes of a meeting of the Budget Planning Committee held at Bodicote House, Bodicote, Banbury, Oxon OX15 4AA, on 6 December 2022 at 6.30 pm

Present:

Councillor Patrick Clarke (Chairman)
Councillor Douglas Webb (Vice-Chairman)
Councillor Hugo Brown
Councillor Phil Chapman (and also Portfolio Holder for Healthy Communities)
Councillor John Donaldson
Councillor Donna Ford
Councillor David Hingley
Councillor Angus Patrick
Councillor Chris Pruden
Councillor Fraser Webster
Councillor Sean Woodcock

Substitute Members:

Councillor Andrew Crichton (In place of Councillor Matt Hodgson)

Apologies for absence:

Councillor Matt Hodgson

Also Present:

Councillor Nicholas Mawer - Portfolio Holder for Housing
Councillor Adam Nell - Portfolio Holder for Finance
Councillor Sandy Dallimore - Chairman of Overview and Scrutiny Committee

Also Present Virtually:

Councillor Barry Wood - Leader of the Council and Portfolio Holder for Policy and Strategy
Councillor Ian Corkin - Deputy Leader and Portfolio Holder for Regeneration and Economy
Councillor Colin Clarke - Portfolio Holder for Planning
Councillor Richard Mould - Portfolio Holder for Corporate Services
Councillor Eddie Reeves - Portfolio Holder for Safe Communities
Councillor Dan Sames - Portfolio Holder for Cleaner and Greener Communities

Officers:

Stephen Hinds, Corporate Director Resources
Michael Furness, Assistant Director Finance & S151 Officer
David Peckford, Assistant Director Planning & Development
Ed Potter, Assistant Director Environmental Services
Nicola Riley, Assistant Director Wellbeing & Housing
Shiraz Sheikh, Assistant Director Law, Governance & Democratic Services/Monitoring Officer
Joanne Kaye, Strategic Finance Business Partner
Natasha Clark, Governance and Elections Manager
Matt Swinford, Democratic and Elections Officer

Officers Attending Virtually:

Yvonne Rees, Chief Executive
Ian Boll, Corporate Director Communities
Claire Cox, Assistant Director Human Resources
Robert Jolley, Assistant Director Growth & Economy
Andrew Low, Assistant Director Property Interim
Shona Ware, Assistant Director Customer Focus
Richard Webb, Assistant Director Regulatory Services & Community Safety
Mark Duff, ICT & Digital Lead Consultant

17 **Declarations of Interest**

There were no declarations of interest.

18 **Minutes**

The Minutes of the meeting held on 25 October 2022 were agreed as a correct record and signed by the Chairman.

19 **Chairman's Announcements**

There were no Chairman's announcements.

20 **Urgent Business**

There were no items of urgent business.

21 **Budget Proposals 2023/24 - 2027/28**

The Assistant Director of Finance submitted a report which set out the capital bids and revenue savings proposals and budget pressures for Cherwell District Council (CDC) for the period 2023/24 to 2027/28. This was an opportunity for the Budget Planning Committee to consider the proposals and provide feedback to Executive to consider in finalising its budget proposals which would be presented to the 27 February 2023 Full Council meeting.

The Leader of the Council advised the Committee that the budget proposals were subject to a number of assumptions regarding the level of funding made to the council by Central Government. The Autumn statement had implied that there would not be any significant short-term reductions to local government funding, but provisional Local Government Finance Settlement for 2023/24, which sets out the specific funding levels for councils, was expected to be published in late December.

The Assistant Director of Finance presented an update on the council's Medium Term Financial Strategy (MTFS) and advised that inflation, funding assumptions, reserves movements, the impacts of Covid-19 and the delay in the business rates reset until 2025/26 had been included when updating the MTFS position.

The Assistant Director of Finance presentation also provided an update on the overall capital position advising that of the £18m capital bid total, £14m was funded from external contributions.

In response to Members' questions, the Assistant Director of Finance advised that it was expected that most of the grant schemes used to fund capital bids would be received as there had not been any announcement or indication from the Government that these would end.

Executive Portfolio Holders, Corporate Directors and Assistant Directors gave an overview of the pressures, proposed saving and capital bids by service area within each directorate and answered questions from the Committee.

In response to a question regarding Housing Assets pressures, the Assistant Director Wellbeing and Housing Services advised that it was not anticipated that Town Centre House would be shown in next year's budget pressures as the work required on the building was expected to be finished by the end of 2023.

Following further questions from Members', the Assistant Director Wellbeing and Housing Services advised that the proposed rent increase for affordable rent and shared ownership properties was in accordance with government guidance for social housing and consultation was currently underway on the rent increase cap. The Assistant Director Wellbeing and Housing undertook to provide details on the potential numbers of residents affected by rent capping.

In relation to the leisure facilities utility costs budget pressure, in response to questions from the Committee seeking clarity on how the figure was reached, the Assistant Director Wellbeing and Housing Services explained that the figure was based on the current energy usage figures over the last 15 months

and by taking into account the rate of the cost of energy. The Assistant Director Wellbeing and Housing Service also explained that no figures were listed in the budget for the energy created by the councils solar investments as the energy produced was being used in the facilities.

In a response to a query regarding the Sports Development saving to adopt a full cost recovery model for the council run holiday activities programme, the Portfolio Holder for Healthy Communities advised that it was intended that enough income would be generated to cover costs. Support would be provided to residents on an assessment of need basis.

In response to Members' questions regarding the car parking budget pressure, adjusting the car parks income budget from 2023/24, the Portfolio Holder for Safer Communities and the Assistant Director of Environmental Services explained that previous years budgets had assumed a recovery of lost income as a result of the covid pandemic. The pandemic and the change of retail offering in the two main towns in the district had had an impact on the usage of council owned car parks. The Assistant Director of Environmental Services advised that this was a national problem. The council's Parking Strategy was due for review and would consider long term options in relation to council owned car parks.

Following questions from Members' regarding council income from Pioneer Square car park in Bicester, the Portfolio Holder for Cleaner and Greener Communities advised that the car park was not owned by the council. The Assistant Director of Finance undertook to advise the Committee of the arrangement regarding the car park.

In response to questions regarding the payment machines in the council owned car parks, the Assistant Director of Environmental Services advised that the current contract with APCOA was coming to an end. Officers were looking at other arrangements and part of the Car Parking Strategy would be to ensure that it was easier for people to pay in car parks.

In response to Members' questions regarding Electric Vehicle (EV) charges being a potential revenue stream, the Assistant Director of Environmental Services advised that EV charging points have been installed in five council owned car parks as part of a countywide project. There had been no cost to the council for the infrastructure. EZ-Charge, which had funded the installation currently received profits from these charging points however after 10 years the infrastructure becomes the ownership of the council. CDC had signed up to the Oxfordshire EV Strategy and 7.5% of council owned car park spaces would have EV chargers, however it would not be a great income stream until the usage of electric vehicles increased.

In relation to Members' questions regarding the capital bid for the transformation of Market Square in Bicester (as part of the Reimagining Bicester Outline Plan), the Portfolio Holder for Regeneration and Economy explained that the grant being used was a grant it was possible to repurpose. Work was commencing on the plan for the transformation of Market Square

and the Portfolio Holder Regeneration and Economy assured the Committee that concerns regarding maintenance would be reported to officers.

In response to Members' questions regarding the budget pressure relating to investment properties reduced income, the Assistant Director of Property explained that this previous assumption included the recovery of service charges on a property which cannot be reclaimed.

In response to questions from the Members' regarding the proposal to increase the empty homes Council Tax premium, the Portfolio Holder for Finance explained that receiving information from third parties reduced enforcement costs.

Following additional questions from the Committee regarding Housing budget savings, the Assistant Director Wellbeing and Housing Services explained that there would be some costs for bringing the rent collecting in house however the figure shown was the net cost. In relation to Committee comments regarding the 5% proposed increase of House in Multiple Occupation (HMO) licences compared to the 7% rent increase for tenants and shared owners, the Assistant Director Wellbeing and Housing Services was to strike the balance between having a thorough licensing regime and business thriving.

In relation to the savings proposal to cut the grant to Banbury Museum, Members commented that it was a positive that the situation would be kept under review as the museum was important in Banbury. The Portfolio Holder for Finance advised the Committee that the Museum had been putting in place measures to become financially independent from the funding that they received from Cherwell District Council.

The Assistant Director of Finance advised the Committee of the key dates and next steps regarding the budget which would culminate in Council considering the budget at their 27 February 2023 meeting as recommended by Executive at their 6 February 2023 meeting.

The Chairman thank Portfolio Holders and Directors for attending the meeting and confirmed that the Committee had no specific comments to refer to Executive.

Resolved

- (1) That, having given due consideration, Executive be advised that the Budget Planning Committee have no feedback, comments or recommendations in relation to capital bids, revenue savings proposals and budget pressures for inclusion as part of the 2023/24 budget proposal.

The Assistant Director of Finance gave a verbal update on the Budget Planning Committee Work Plan.

The Assistant Director of Finance advised that the Committee would consider the draft 2023/2024 capital and investment strategy and the 2023/2024 reserve strategy and reserves plan at their next meeting on 17 January 2023.

Resolved

(1) The verbal Committee Work Plan update be noted.

The meeting ended at 8.31 pm

Chairman:

Date: