

**MEMORANDUM OF UNDERSTANDING**  
**between**  
**Ministry of Housing, Communities & Local Government**  
**and**  
**Cherwell District Council**

## 1. Background

1.1. The preparatory funding for a large-scale development will be used to fund activity in places to support policy development for large housing settlements.

1.2. This funding will be used to help progress plans for such developments, even if locations are not ultimately taken forward as New Towns. It can be used for technical studies, financial modelling, and as capacity funding.

## 2. Purpose of the MOU

2.1. This Memorandum of Understanding ('MOU') sets out the terms, principles and practices that will apply to the working relationship between the Ministry of Housing, Communities & Local Government ('MHCLG') and Cherwell District Council ('the Council') (collectively 'the Parties') regarding the administration and delivery of the funding.

2.2. This MOU is not legally binding, and no legal obligations or legal rights shall arise between the Parties from the provisions of the MOU. The Parties enter into the MOU intending to honour all their obligations.

## 3. Purpose of funding

3.1. MHCLG will allocate funding of £500,000 to the Cherwell District Council as part of the funding to support activities such as technical studies and financial modelling.

3.2. The goals of the funding are to:

- I. Support non-statutory feasibility work to test the strategic case for Heyford Park as a large-scale development, including sequencing, milestones, staffing and cost profiling for large housing settlements.

3.3. The project/s delivered will work to:

- I. Progress transport feasibility work,
- II. Progress parallel workstreams for other key technical studies to test infrastructure capacity to build an evidence base,
- III. Develop a gateway package and recommending a delivery and governance approach.

## 4. Financial arrangements

4.1. The Secretary of State for Housing, Communities and Local Government has determined under Section 31 of the Local Government Act 2003 that a grant of £500,000 should be paid to Cherwell District Council. (Grant Determination Reference: RDELXXX).

4.2. The maximum amount of grant payable for the funding period between date of agreeing this MOU and 31 March 2026 is £500,000. MHCLG expects the Council to make reasonable endeavours to spend the grant in a timely manner.

4.3. The grant covers revenue expenditure relating to the delivery of projects that aim to meet the objectives of the funding.

4.4. The funding will be paid in a single lump sum and consists of:

- i. £500,000 revenue to be used to support the programme objectives.

4.5. Cherwell District Council should endeavour to keep a record of expenditure.

4.6. Upon completion of this MOU, MHCLG will send Cherwell District Council a Grant Determination letter which sets out the financial terms and conditions under Section 31 grants.

## 5. Duration

5.1. This MOU applies until 31 March 2027. This covers both the funding period financial year 2025-26 and the evaluation period (financial year 2026-27).

5.2. This MOU will come into effect upon signature by the Parties. It may be extended by the written agreement of the Parties.

## 6. Monitoring and evaluation

6.1. MHCLG will provide grant funding subject to Cherwell District Council hereby agreeing to full transparency open book working on all matters relating to the projects delivered, including project activities undertaken, project expenditure, mid- and end-of-year reporting and evaluation forms.

6.2. Cherwell District Council agrees to keep a record of project expenditure.

6.3. Cherwell District Council agrees to collaborate with MHCLG over monitoring and evaluation requirements, which will involve reporting at the midway point and the end of the delivery period on project progress, milestones and any problems they may be facing and what support can be offered.

6.4. Cherwell District Council also agrees to complete an end of grant evaluation form in March 2027 which will include overall project expenditure and overall progress. MHCLG reserves the right to quality assure data.

6.6. MHCLG may publish relevant data and use it to inform public statements.

6.7. MHCLG will ensure that any information published will be processed in accordance with the requirements of the data protection legislation.

## 7. Wider evaluation

7.1. Participating local authorities may be asked by MHCLG to participate in a wider programme evaluation to help MHCLG better understand whether the programme was able to achieve its stated aims. This will be for the purpose of understanding the impact of the Fund and the identification of any best practice or learning to inform future policy making.

## 8. Assurance and risk management

8.1. Cherwell District Council is expected to have the necessary governance and assurance arrangements in place and that all legal and other statutory obligations and consents will be adhered to, which may include, but not solely, state aid/subsidy control, equalities duties, procurement, health and safety and fraud.

8.2. Ownership of risk will be transferred to Cherwell District Council. Councils will be responsible for mitigation of any risks that arise throughout the delivery of the Fund.

8.3. Cherwell District Council will complete their own Fraud Risk Assessment to ensure the safe administration of grants and that appropriate measures are put in place to mitigate against the risk of both fraud and payment error. We have provided a template, but the Council may use their own version.

8.4. Cherwell District Council will inform MHCLG should there be any changes to their project delivery.

8.5. Cherwell District Council will undertake corrective action if the quality of work does not meet expected standards.

## 9. Marketing and branding

9.1. Cherwell District Council agrees that UK Government should be acknowledged in all marketing and promotional material as the funding source.

## 10. Procurement

10.1. Cherwell District Council will be responsible for ensuring that any third-party partnership arrangements or procurement activities related to delivery of the Fund comply with Procurement Law and any relevant Council procurement procedures.

10.3. "Procurement Law" includes but is not restricted to, The Procurement Act 2023, The Concession Contracts Regulations 2016, Defence Security Public Contracts Regulations 2011 and The Utilities and Contracts Regulations 2016, together with their amendments, updates and replacements from time to time.

## 11. Due Diligence

11.1. Cherwell District Council will be responsible for undertaking due diligence checks on all third-party organisations, including community groups, suppliers and subcontractors, receiving funding and/or involved in delivery of the Fund. Evidence may be required of due diligence on community groups chosen to work with.

## 12. Resolution of Disputes

12.1. Any dispute that may arise as to the interpretation or application of this MOU will be settled by consultation between the Parties.

## 13. Legal Enforcement

13.1. This MOU is not legally enforceable. It describes the understanding between both Parties for the use of the funding.

## 14. Amendment of this Memorandum of Understanding

14.1. The arrangements under this MOU will be kept under review by MHCLG and Cherwell District Council and can be amended upon securing written agreement between both parties.



Signed on behalf of Cherwell District Council:

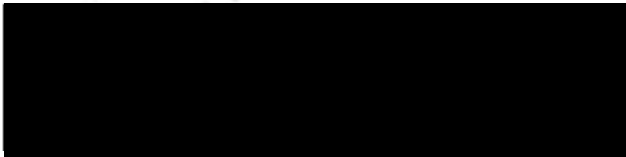
Name: Michael Furness

Dated: 13/03/26

Designation: Assistant Director of Finance (S151 Officer)

Duly authorised to sign for Cherwell District Council (by Chief Executive/Section 151 Officer)

Signed on behalf of MHCLG by:



Name: Cathy Francis

Designation: Director

Dated: 12/3/26