

# Agenda



Contact Officer: Steve Culliford

Tel: 01235 540307

E-mail: [steve.culliford@southoxon.gov.uk](mailto:steve.culliford@southoxon.gov.uk)

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Website: <http://www.southoxon.gov.uk>

## A MEETING OF THE

# Cabinet

**WILL BE HELD ON THURSDAY 9 OCTOBER 2014 AT 6.00 PM**

**COUNCIL CHAMBER, COUNCIL OFFICES, CROWMARSH GIFFORD**

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### Members of the Cabinet

<b>Member</b>	<b>Portfolio</b>
Ms Anna Badcock	Cabinet Member for health and housing
Mr David Dodds	Cabinet Member for finance, waste and parks
Ms Lynn Lloyd	Cabinet member for IT and technical services
Mrs Judith Nimmo-Smith	Cabinet Member for economic development and property
Reverend Angie Paterson	Cabinet Member for planning (incl. building control)
Mr Bill Service	Cabinet Member for community safety, leisure and grants

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## ***ITEMS TO BE CONSIDERED WITH THE PUBLIC PRESENT***

Reports considered with the public present are available on the council's website.

### **1 Election of chairman**

To elect a chairman for this meeting.

### **2 Apologies**

### **3 Declaration of disclosable pecuniary interest**

### **4 Minutes of the previous meeting - 8 May 2014**

To adopt as a correct record the minutes of the Cabinet meeting held on 8 May 2014 and agree that the chairman signs them (previously published).

### **5 Public participation**

#### **RECOMMENDATION TO COUNCIL**

### **6 Treasury management outturn 2013/14 (Pages 3 - 22)**

To consider the strategic director's report.

Purpose: to ensure the adequate monitoring and reporting of the treasury management activities.

#### **CABINET DECISION**

### **7 Future delivery of corporate services (Pages 23 - 32)**

To consider the strategic director's report.

Purpose: to consider the potential additional benefits and savings available by extending procurement arrangements to encompass other corporate services and other district council partners.

### **8 Culham Science Centre supplementary planning document (Pages 33 - 52)**

To consider the head of planning's report.

Purpose: to inform Cabinet of the outcome of the consultation on the draft Culham Science Centre Supplementary Planning Document and propose changes to it.

MARGARET REED  
Head of Legal and Democratic Services



# **Report to: Cabinet Council**

## **Audit and Corporate Governance Committee**

Report of: Head of Finance

Author: Bob Watson

Tel: 01235 540426

E-mail: bob.watson@southandvale.gov.uk

Cabinet Member responsible: David Dodds

Tel: 01844 297714

E-mail: david.dodds@southandvale.gov.uk

To: Audit and Corporate Governance Committee on: 29 September 2014

To: Cabinet on: 09 October 2014

To: Council on: 16 October 2014

## **Treasury management outturn 2013/14**

That Audit and Corporate Governance Committee:

1. notes the treasury management outturn report 2013/14,
2. is satisfied that the treasury activities are carried out in accordance with the treasury management strategy and policy, and
3. make any comments and recommendations to cabinet as necessary.

That Cabinet:

Considers any comments from Audit and Corporate Governance Committee and recommends Council to:

1. approve the treasury management outturn report for 2013/14;
2. approve the actual 2013/14 prudential indicators within the report.

## Purpose of report

1. The report fulfils the legislative requirements to ensure the adequate monitoring and reporting of the treasury management activities and that the council's prudential indicators are reported to council at the end of the year. The report provides details of the treasury activities for the financial year 2013/14.
2. This complies with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA's) Code of Practice on Treasury Management (revised) 2009.

## Strategic objectives

3. Effective treasury management is required in order to meet our strategic objective of managing our business effectively. Managing the finances of the authority in accordance with the treasury management strategy will help to ensure resources are available to deliver our services and meet the council's other strategic objectives.

## Background

4. The council's treasury activities are strictly regulated by legislation. The CIPFA Prudential Code and CIPFA Treasury Management Code of Practice require a report to be provided to council at the end of the financial year. The report covers the treasury activity for 2013/14.
5. The 2013/14 treasury management strategy was approved by council on 21 February 2013. This report provides details on the treasury activity and performance for 2013/14 against prudential indicators and benchmarks set for the year. Full council is required to approve this report.
6. An update on the economic conditions and interest rate forecasts is contained in appendix 'A'.

## Icelandic bank default – Kaupthing Singer & Friedlander

7. The Council invested £2.5 million in July 2007 with the failed Icelandic bank Kaupthing Singer and Friedlander Ltd (KSF). The Council has received £2,144,488 to date in respect of the claim for £2.6 million (£2.5 million investment plus interest).
8. As a wholesale depositor, the Council is treated as an unsecured creditor in the administration process and ranks equally with all other unsecured creditors. The administrators intend to make further payments at regular intervals. The latest creditors' report now indicates that the estimated total amount to be recovered should be in the range of 84p to 86.5p in the pound. In total terms this would mean receiving between £2,209,901 and £2,275,671.

## Treasury activities in 2013/14

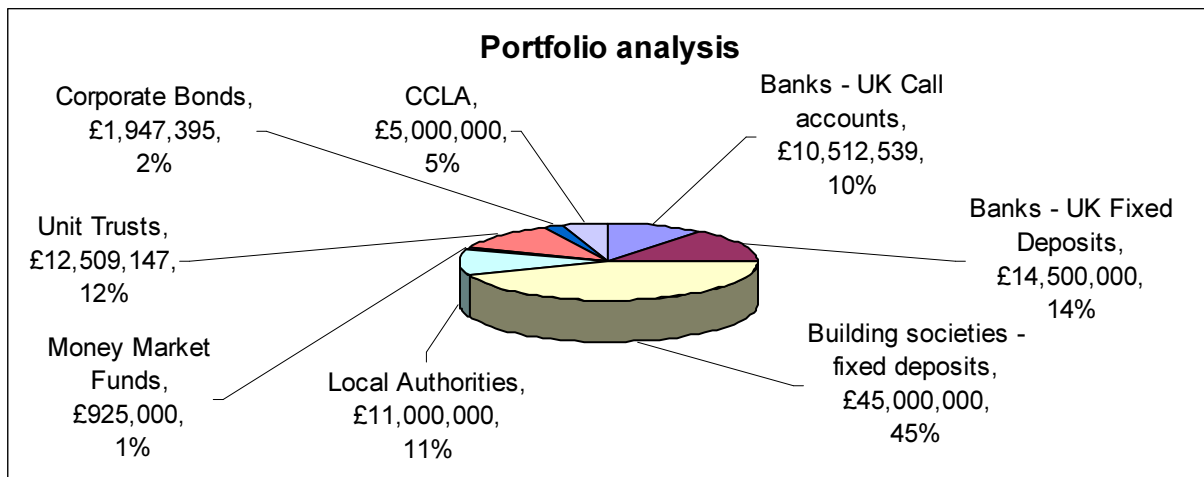
### Council investments as at 31 March 2014

9. The Council continues to invest with regard for security, liquidity and yield, in that order. The Council's investments, analysed by age as at the end of 2013/14, is shown in table 1 below.

<b>Table 1: maturity structure of investments as at 31 March 2014:</b>		
	<b>Total £000</b>	<b>% holding</b>
<b>Cash deposits:</b>		
Call account	10,513	10%
Notice account	-	0%
Up to 1 month	-	0%
2 month	4,000	4%
3 month	6,500	6%
4 month	9,000	9%
5-6 Month	11,000	11%
7-12 Month	23,000	23%
1 -2 Year	5,000	5%
2-7 Year	12,000	12%
Kaupthing Singer & Friedlander	222	0%
<b>Total cash deposits</b>	<b>81,235</b>	<b>80%</b>
<b>CCLA pooled property fund</b>	5,000	5%
<b>Equities</b>	12,509	12%
<b>Corporate bonds</b>	1,947	1%
<b>Money market funds</b>	925	1%
<b>Overall total</b>	<b>101,617</b>	<b>100%</b>

*Note: £101.617 million does not represent uncommitted resource the council has at its disposal. This amount includes council tax receipts held prior to forwarding to Oxfordshire County Council and Thames Valley Police, business rate receipts prior to payment to the government and committed capital and revenue balances. Details of the council's uncommitted balances are provided in the annual budget and council tax setting report.*

10. A significant proportion of the portfolio is held in the form of fixed interest rate cash deposits. These provide some certainty over the investment return. The chart below shows in percentage terms how the portfolio is spread across the investment types:



**Investment income**

11. The total interest earned on investments during 2013/14 was £2.2 million, compared to the original estimate of £1.9 million, as shown in table 2 below:

<b>Table 2: Investment interest earned by investment type</b>			
<b>Investment type</b>	<b>Interest earned</b>		
	<b>Annual Budget £000</b>	<b>Actual £000</b>	<b>Variation £000</b>
Call accounts	223	213	(10)
Cash deposits < 1yr	770	958	188
Cash deposits > 1yr	80	172	92
MMF	15	26	11
Corporate Bonds	259	184	(75)
Equities	300	410	110
Transferred debt	0	1	1
CCLA	300	269	(31)
	1,947	2,233	286

12. The variation in investment earnings of £286,000 above the original estimate for 2013/14 is due to a number of reasons:

- Interest received on unit trusts was £110,000 higher than forecast due to the overall increase in the value during the year.
- Interest earned on corporate bonds was £75,000 lower due to maturities that were not reinvested in corporate bonds
- Interest earned on cash deposits was £280,000 higher than forecast due to longer dated investments combined with higher interest rates achieved.
- Interest earned on CCLA was £31,000 lower due to fluctuations in the price of units held.

13. The actual average interest rate of return achieved for the year was 1.73 per cent.

**Movement in the value of investments**

14. Table 3 below shows the movement in value of the Council’s investments at the end of the year.

<b>Table 3: Investment portfolio values and movements.</b>	<b>2012/13 £m's</b>	<b>2013/14 £m's</b>	<b>Movement in Investments</b>
<b>Cost Values (£m's)</b>			
Bank & Building Society deposits	87.56	81.94	(5.62)
CCLA	5.00	5.00	0.00
Equities	13.43	12.51	(0.92)
Corporate Bonds	4.16	1.95	(2.21)
	110.15	101.40	(8.76)

The value of investment deposits fluctuates throughout the year due to cash flow and spending patterns.

**Performance measurement**

15. A list of investments as at 31 March 2014 is shown in appendix B. All investments were with approved counterparties. The average level of investments held was £122 million and the average return on these investments is shown below in table 4. This shows in summary the performance of the council’s investments against the benchmarks set out in the Treasury Management Strategy. These benchmarks are used to assess and monitor the council’s investment performance for each type of investment.

<b>Table 4: Investment returns achieved against benchmark</b>				
	Benchmark Return	Actual Return	Growth (Below)/above Benchmark	Benchmarks
Bank & Building Society deposits - internally managed	0.39%	1.39%	1.00%	3 Month LIBID
Equities	5.18%	4.95%	(0.23%)	FTSE All Shares Index
Property related investments*	12.20%	14.20%	2.00%	IPD balanced property unit trust index
Corporate Bonds	0.50%	5.68%	5.18%	BoE base rate

\*source CCLA Local Authorities Property Fund Report March 2014

Note: the benchmark return for unit trusts reflects the movement in capital value. All other benchmarks reflect earnings of investment income. The total actual return for the whole investment portfolio was 1.73 per cent.

16. Bank and building society deposits decreased by £5.62 million during the year from £87.56 million as at 1 April 2013 to £81.94 million by 31 March 2014.
17. Returns on internally managed cash deposits are benchmarked against the three month LIBID rate, which was an average of 0.39 per cent for 2013/14. The performance for the year of 1.39 per cent exceeded the benchmark by 1.00 per cent.
18. It remained difficult to place investments because of continued financial uncertainty. Some good rates were achieved which contributed to the increase in investment income during the year. The government’s Funding for Lending

Scheme (FLS) was introduced in August 2012. As a result interest rates at which banks and building societies accepted deposits from local authorities dropped sharply. After this, investments were primarily held in call accounts which offered a better return than the market rates for deposits.

19. Local authority market rates for cash deposits have historically been around the same level as the three month LIBID rate. However, actual rates achieved are dictated by changeable factors, such as cash flow and the market demand for funds. For the purposes of providing comparative performance indicators, the market average rates of interest are shown in table 5.

<b>Table 5: Cumulative performance against benchmark &amp; industry average</b>		<b>Cumulative % returns</b>
<b>Actual</b>		<b>1.39</b>
Benchmark - 3 Month LIBID		0.39
Variance - (Under)/Over benchmark		1.00
Industry average*		0.26
Variance - (Under)/Over Ind Average		1.13

\*Source: Capita Asset Services - weighted average of 5 fund managers results covering 22 funds.

### Equities

20. The council's holdings with the Legal & General (L&G) UK 100 Index Trust were purchased in 2000/01 at an initial cost of £10 million. This is an authorised unit trust incorporated in the United Kingdom and regulated by the FSA. The trust's objective is to track the capital performance of the UK equity market as represented by the FTSE 100 index.
21. The unit trusts are accounted for in the Council's financial statements at fair value<sup>1</sup>. The market value in April 2013 of £13.43 million rose significantly between April and May 2013, at which point the value exceeded the trigger point of £14m, when a disposal of £2m was made. Table 6 below shows the movement in capital value:

<sup>1</sup> Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's-length transaction. In some cases this will be the amount paid for purchasing the investment. This may not always be the case, where there have been substantial transaction costs (as in an investment fund), or where interest payable does not reflect market rates or obligations (as in corporate bonds).



<b>Table 6: Unit Trusts - Movement in capital</b>		
	£	£
Market Value as at 31.3.14		12,509,146
Less:		
Dividends received in year	226,086	
Accrued dividends	183,568	
		(409,654)
Add:		
Disposal in year		2,000,000
Amended market value as at 31.3.14		14,099,492
Market value as at 1.4.13		13,434,098
Increase in Market Value in year		665,394

22. The value quoted in the statement of accounts includes adjustments for accrued interest. In order to assess the true unit trust performance an adjustment must be made to amend the market value<sup>2</sup>. Table 7 below shows the unit trust performance without the accounting adjustments required for the statement of accounts:
23. Unit trusts fluctuated quite a lot throughout the year, as volatility in the markets has driven investors to move to safer havens such as gilts.

<b>Table 7: Unit Trust performance 1.4.13 - 31.3.14</b>	
Increase in FTSE all share was	5.18%
Increase in Market Value	4.95%
Under-performance	(0.22%)
	£
Market Value 1.4.13	13,434,098
Plus 5.18% FTSE increase	695,886
Benchmark Market Value at 31.3.14	14,129,984
Market Value (amended at 31.3.14)	14,099,492
<b>Under performance 1.4.13 to 31.3.14</b>	<b>(30,492)</b>

20. Dividends received of £0.5 million were reinvested to acquire additional fund units. The unit trusts are benchmarked against the FTSE All Shares Index, which represents 98-99 per cent of the UK market capitalisation. The index shows the performance of all eligible companies listed on the London Stock Exchange main market and today covers 630 constituents with a combined value of nearly £1.8 trillion. It is recognised as the main benchmark for unit trusts.

<sup>2</sup> Market value: this is the price that would be paid on a specific date.

## Corporate Bonds

21. The Council's corporate bonds are also accounted for in the financial statements at fair value. The opening carrying value<sup>3</sup> for 1 April 2013 was £4.1 million. The closing carrying value at 31 March 2014 was £1.9 million. The Halifax 11.5% bond matured during the year. The carrying values and market values for the corporate bonds are shown in table 8 below:

Bonds	Original cost £000's	Nominal Value £000's	Carrying Value as at 1.4.13 £000's	Carrying Value as at 1.4.14 £000's	Market value at 1.4.14
Santander 11.50%	422	270	323	311	321
RBS 9.625%	1,973	1,500	1,631	1,589	1,626
Halifax 11.5%	2,942	2,000	2,114	0	0
	5,337	3,770	4,068	1,900	1,947

22. The weighted average return on the Council's corporate bonds for 2013/14 was 5.90 per cent, this significantly exceeded the benchmark return.
23. The corporate bonds mature on dates between 2015 and 2017. Annual interest earned will remain the same for the whole period a bond is held. Table 9 below shows the redemption yield of the bonds if held until the redemption date.

Bank	Interest rate %	Original cost £000	Nominal value £000	Interest to date	Interest due	Redemption value £000	Redemption date	Redemption yield
Santander	11.50%	422	270	322	105	697	04/01/2017	5.59%
RBS	9.63%	1,973	1,500	1,632	280	3,412	22/06/2015	6.20%

## Money market funds (MMFs)

24. Money market funds are commercially run pooled investments. They work rather like unit trusts, but whereas the latter are based upon shares in companies, MMFs rely on loans to companies. As their pooled funds have a high total value, better rates of return can be obtained. Legislation allows authorities to access only those MMFs with the highest possible credit rating (AAA).
25. Access and liquidity, together with high security, have meant these funds have been used throughout the year. The Council currently invests in three MMFs and the amount held in each at the 31 March 2014 is shown below:

<sup>3</sup> Carrying value: the accounting treatment of investments will depend on the financial asset category within which they are deemed to be. For some categories the amount carried in the balance sheet will be either written up or down over the term of the investment. This is done to reflect things such as transaction costs or deferred interest payments and is required to spread the effect equally over the life of the investment. The adjusted value is the carrying value.

<b>Table 10: Money market funds</b>	
	<b>31/03/2014</b>
	<b>£000</b>
Deutsche Bank	265
Blackrock	490
Goldman Sachs	170
	<b>925</b>

**Other investments**

**PENSION FUND CONTRIBUTIONS**

- 26. The Council made two contributions of £5 million to the Oxfordshire County Council pension fund, one in April 2005, the other in April 2008. The Council made these payments to reduce the ongoing contributions to the fund. Based on historical performance statistics, the return earned by the pension fund has been better than that achieved by the Council. The pension fund is able to invest far larger amounts than we do and therefore can attract higher rates of return.
- 27. The value of the pension fund assets and liabilities is based on a series of actuarial assumptions. From 1 January 2013, the expected return and interest cost will be replaced with a single net interest cost, which will effectively set the expected rate of return equal to the pensions discount rate provided in the International Accounting Standard (IAS19). Based on the actuarial valuation as at the 31 March 2013, the long term rate of return per annum expected on the funds assets was 4.4 per cent (4.3 per cent as at 31 March 2013).

**LAND AND PROPERTY**

- 28. The Council holds a portfolio of investment property which includes land, industrial estates, depots, garages and shops that are used on a commercial basis. These assets had a net book value of £15.9 million at 31 March 2014 (£15.9 million at 31 March 2013) and generated income (net of any direct service costs) of £1.1 million in 2013/14 (£1.0million in 2012/13).
- 29. The Economy, Leisure and Property (ELP) team manages investment property, ensuring that rent is collected and rent reviews are implemented. The performance of the investment property is assessed annually by ELP to determine if assets should be retained or disposed of and agree any actions to improve or enhance the value of the investment property holdings.

**Treasury management limits on activity**

- 30. The council is required by the Prudential Code to report on the limits set each year in the Treasury Management Strategy. The purpose of these limits is to ensure that the activity of the treasury function remains within certain parameters, thereby mitigating risk and reducing the impact of an adverse movement in interest rates. However, if these limits are set to be too restrictive they will impair the opportunities to reduce costs/improve performance. During the year none of these limits were exceeded. These limits are shown in appendix C.

**LIQUIDITY AND YIELD**

31. The benchmarks for liquidity are set to ensure that sufficient funds can be accessed at short notice. These are targets and not limits. The weighted average life (WAL) in days sets a benchmark for how long investments should be made and the maximum benchmark is a target set to ensure that investments are not made for too long. For example the amount to be maintained for liquidity was £10m and the actual of £11m was above the benchmark. The actual for the WAL of 333.5 days was within the range set (within which we set a benchmark of 182 days). The reason that the actual was above the benchmark is that during the year the council lent out some longer term investments to another local authority to spread the investment portfolio and access better returns.
32. The year end position against the original benchmarks approved in February 2013 is shown below:

<b>Table 11: Risk-liquidity against benchmark</b>		
	<b>2013/14 Benchmark £m</b>	<b>2013/14 Actual £m</b>
Bank overdraft	0.5	0
Short term deposits - minimum available within 1 week	10	11
	<b>2013/14 Benchmark £m</b>	<b>2013/14 Actual £m</b>
Weighted average life (days)	182.5	333.5

**Debt activity during 2013/14**

33. During 2013/14 there has been no need for the Council to borrow. The Council will continue to take a prudent approach to its debt strategy. The prudential indicators and limits set out in appendix C provide the scope and flexibility for the Council to borrow in the short-term up to the maximum limits, if such a need arose within the cash flow management activities of the authority, for the achievement of its service objectives.

**Financial implications**

34. The investments made in 2013/14 ensured that the council earned interest of £2.2 million. Although there was talk of a rise in interest rates a year ago, the reduction in inflationary pressures has meant that interest rates have remained at their historic low. The current outlook for growth in the UK economy means that there may start to be an increase in rates towards the end of 2014/15, but any increases (if they occur) are likely to be gradual and in small steps. ,
35. From 2014, income is anticipated to remain stable with no real increase until market rates maintain a sustained rise. This will be reflected in the council's 2015/16 budget and its medium term financial plan.

**Legal implications**

35. There are no significant legal implications as a result of the recommendations in this report. Compliance with the CIPFA Code of Practice for Treasury

Management in the Public Services, the DCLG Local Government Investment Guidance provides assurance that the council's investments are, and will continue to be, within its legal powers.

## **Conclusion**

36. As at 31 March 2014, the Council's financial investments had a cost value of approximately £102 million. As a result of proactive management of investments held, and despite the low interest rates, during 2013/14 investments generated £2.233 million in investment income, which was £286,000 above the £1.947 million original budgeted estimate.
37. The financial year 2013/14 continued to provide a challenge to treasury management. Concerns for counterparty risk continue to present the council with a difficult environment to invest in. The main implications of these factors were:
  - low investment returns and difficulty to forecast;
  - increased counterparty risk – reduced choice of counterparties
  - interest rate exposure risk – due to investments held in short-term maturity periods.
38. Despite the continued uncertainty the overall investment performance was above the industry average for 2013/14. Investments were made in the year that provided a good return whilst maintaining security and liquidity.

## **Background papers**

- Chartered Institute of Public Finance and Accounting (CIPFA) code of practice for treasury management in the public sector.
- CIPFA treasury management in the public services code of practice and cross sectoral guidance notes
- Treasury Management Strategy 2013/14 – Council 21 February 2013.

## **Appendices**

- A – Economic update and interest rates
- B – List of investments as at 31 March 2014
- C – Prudential indicators
- D – Glossary of terms

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## **Economic Update and interest rates as at July 2014**

### **Economic update and interest rates as at July 2014**

- A1. The UK returned to strong growth during 2013/14 and indications are this will continue through 2014/15.
- A2. Inflation has fallen sharply and expectations are that inflation will continue to be subdued. However, real incomes are still having an affect on households as wages have not risen with inflation. The squeeze on households' income will remain a critical factor in the economy over the next few years. The slow recovery has meant that social security payments remain high and tax income is low.
- A3. Deflation is now a threat in the Eurozone. The ECB took some action in June 2014 to loosen monetary policy in order to promote growth.
- A4. The government's Funding for Lending Scheme (FLS) has been introduced to improve access to mortgages at lower rates. This has reduced lenders need to borrow and money market rates have fallen considerably as a result. There will be a need to increase interest rates and reverse the government bond purchases at some stage, but it is unlikely that the latter will happen in the next 12 to 24 months.
- A5. Investor demand in UK gilts as a 'safe haven' continues to keep yield increases down. Long term rates will eventually rise, mainly due to the fact that high volumes of gilts have been issued already in the UK and also in other major western countries.
- A6. Following comments from the MPC and Mark Carney, along with the prospect of good economic recovery in 2014, interest rates are forecast to rise from 2015.
- A7. Concerns over investment counterparty risk remain because of the volatile economic conditions. However the council's current treasury management policy manages this risk down to a low level.

### **Interest rates**

- A8. The Bank of England Inflation report upgraded its growth predictions to 3.4% in 2014 and 2.9% in 2015.
- A9. Bank rate remained unchanged at 0.5% throughout 2013/14. The earlier forecast of a rate rise in Q4 of 2016 has been revised to Q1 in 2015. This follows comments from the MPC and the fact economic recovery is likely to be robust.
- A10. Investment rates have remained flat with a range between 0.5 per cent to around 1.0 per cent for up to a year's maturity. This has dropped significantly as banks and building societies were offered further cheap cash supply via the FLS. The short term rates from one month to six months offer very little differential with six month rates ranging between 0.37 per cent and 0.55 per cent.

A11. Capita Asset Services' forecast of the expected movement in medium term interest rates: Agenda Item 6

	NOW	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15
BANK RATE	0.50	0.50	0.50	0.75	0.75	1.00	1.00
3 month LIBID	0.50	0.50	0.60	0.80	0.80	1.10	1.10
6 month LIBID	0.58	0.60	0.80	0.90	1.00	1.15	1.20
12 month LIBID	0.80	0.80	1.00	1.00	1.20	1.30	1.40
5 yr PWLB	2.70	2.70	2.80	2.90	3.00	3.00	3.10
10 yr PWLB	3.50	3.70	3.70	3.80	3.90	4.00	4.00
25 yr PWLB	4.10	4.40	4.40	4.50	4.60	4.70	4.70
50 yr PWLB	4.10	4.40	4.40	4.50	4.60	4.70	4.70
	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17
BANK RATE	1.25	1.25	1.50	1.75	2.00	2.00	2.00
3 month LIBID	1.30	1.40	1.60	1.90	2.10	2.25	2.25
6 month LIBID	1.40	1.50	1.80	2.00	2.20	2.30	2.30
12 month LIBID	1.70	1.80	2.10	2.20	2.30	2.40	2.40
5 yr PWLB	3.20	3.30	3.30	3.40	3.50	3.60	3.60
10 yr PWLB	4.10	4.20	4.20	4.30	4.40	4.40	4.40
25 yr PWLB	4.80	4.80	4.90	4.90	4.90	5.00	5.00
50 yr PWLB	4.80	4.80	4.90	4.90	4.90	5.00	5.00



Counterparty	Deposit type	Maturity Date	Principal	Rate
Kingston upon Hull City Council	Fixed	Jun-15	1,000,000	1.90%
Barclays Bank plc	Fixed	Dec-14	2,000,000	3.75%
HSBC	Fixed	Feb-17	2,000,000	1.90%
West Bromwich Building Society	Fixed	May-14	2,000,000	1.05%
Skipton Building Society	Fixed	May-14	2,000,000	0.86%
West Bromwich Building Society	Fixed	Jun-14	3,000,000	0.95%
Bank of Scotland	Fixed	Jul-14	5,000,000	1.01%
West Bromwich Building Society	Fixed	Jul-14	1,000,000	0.93%
National Counties Building Society	Fixed	Jun-14	1,500,000	1.00%
Kingston upon Hull City Council	Fixed	Aug-20	3,500,000	2.70%
Kingston upon Hull City Council	Fixed	Aug-20	1,500,000	2.70%
National Counties Building Society	Fixed	Jun-14	2,000,000	1.00%
West Bromwich Building Society	Fixed	Sep-14	3,000,000	1.05%
National Counties Building Society	Fixed	Jul-14	2,000,000	1.00%
Blaenau Gwent County Borough Council	Fixed	Apr-16	3,000,000	1.38%
West Bromwich Building Society	Fixed	Oct-14	2,000,000	1.00%
Manchester Building Society	Fixed	Jul-14	1,000,000	0.90%
National Counties Building Society	Fixed	Aug-14	2,000,000	0.95%
Progressive Building Society	Fixed	Aug-14	1,000,000	0.85%
Progressive Building Society	Fixed	Aug-14	1,000,000	0.85%
Progressive Building Society	Fixed	Sep-14	2,000,000	0.92%
Close Brothers	Fixed	Nov-14	2,500,000	1.15%
Furness Building Society	Fixed	Sep-14	2,000,000	0.85%
Newcastle Building Society	Fixed	Oct-14	2,000,000	0.85%
Furness Building Society	Fixed	Sep-14	2,000,000	0.88%
Progressive Building Society	Fixed	Oct-14	1,000,000	0.85%
Close Brothers	Fixed	Dec-14	3,000,000	1.00%
Skipton Building Society	Fixed	Dec-14	2,000,000	0.88%
National Counties Building Society	Fixed	Nov-14	2,500,000	1.00%
Manchester Building Society	Fixed	Oct-14	2,000,000	0.90%
Kingston upon Hull City Council	Fixed	Jan-21	2,000,000	2.50%
Manchester Building Society	Fixed	Oct-14	2,000,000	0.90%
Newcastle Building Society	Fixed	Jan-15	2,000,000	0.90%
Newcastle Building Society	Fixed	Jan-15	2,000,000	0.90%
Santander	Call		10,030,219	0.90%
Royal Bank of Scotland	Call		2,320	0.85%
Royal Bank of Scotland	Call		480,000	0.80%
Goldman Sachs	MMF		170,000	Variable
Deutsche Bank	MMF		265,000	Variable
Blackrock	MMF		490,000	Variable
L&G Equities	Unit trust		12,509,147	Variable
Royal Bank of Scotland	Corporate bond		1,626,000	9.63%
Santander	Corporate bond		321,395	11.50%
CCLA - property fund	Property fund		5,000,000	4.65%
<b>GRAND TOTAL</b>			<b>101,394,080</b>	

<b>Prudential indicators as at 31 March 2014</b>		
	<b>2013/14 Original estimate £m</b>	<b>31.03.2014 Position £m</b>
<b>Authorised limit for external debt</b>		
Borrowing	5	0
Other long term liabilities	5	0
	<b>10</b>	<b>0</b>
<b>Operational boundary for external debt</b>		
Borrowing	2	0
Other long term liabilities	3	0
	<b>5</b>	<b>0</b>
<b>Investments</b>		
<b>Interest rate exposures</b>		
Limits on fixed interest rates	100	100
Limits on variable interest rates	30	30
<b>Maximum principal sums invested &gt; 364 days</b>		
Upper limit for principal sums invested > 364 days	70	17
Limit to be placed on investments to maturity		
1 - 2 years	70	5
2 - 5 years	50	10
5 years +	50	2
<b>Investment portfolio spread</b>		
Supranational bonds	15	0
Gilts	15	0
Equities*	10	13
Corporate bonds	10	4
Money market funds	20	4
Pooled bond fund	5	0
Property - direct investments	30	16
Property related pooled funds	10	5
External fund manager	20	0
Cash and certificates of deposit	85%	80%
Debt management account deposit facility	100%	0%

\*Limit at time of purchase - Equities include accumulated dividends

GLOSSARY OF TERMS

<b>Basis Point (BP)</b>	1/100th of 1%, i.e. 0.01%
<b>Base Rate</b>	Minimum lending rate of a bank or financial institution in the UK.
<b>Benchmark</b>	A measure against which the investment policy or performance of a fund manager can be compared.
<b>Bill of Exchange</b>	A non-interest-bearing written order used primarily in international trade that binds one party to pay a fixed sum of money to another party at a predetermined future date.
<b>Callable Deposit</b>	A deposit placed with a bank or building society at a set rate for a set amount of time. However, the borrower has the right to repay the funds on pre agreed dates, before maturity. This decision is based on how market rates have moved since the deal was agreed. If rates have fallen the likelihood of the deposit being repaid rises, as cheaper money can be found by the borrower.
<b>[Cash] Fund Management</b>	Fund management is the management of an investment portfolio of cash on behalf of a private client or an institution, the receipts and distribution of dividends and interest, and all other administrative work in connection with the portfolio.
<b>Certificate of Deposit (CD)</b>	Evidence of a deposit with a specified bank or building society repayable on a fixed date. They are negotiable instruments and have a secondary market; therefore the holder of a CD is able to sell it to a third party before the maturity of the CD.
<b>Commercial Paper</b>	Short-term obligations with maturities ranging from 2 to 270 days issued by banks, corporations and other borrowers. Such instruments are unsecured and usually discounted, although some may be interest bearing.
<b>Corporate Bond</b>	Strictly speaking, corporate bonds are those issued by companies. However, the term is used to cover all bonds other than those issued by governments in their own currencies and includes issues by companies, supranational organisations and government agencies.
<b>Counterparty</b>	Another (or the other) party to an agreement or other market contract (e.g. lender/borrower/writer of a swap/etc.)
<b>Credit Default Swap (CDS)</b>	A swap designed to transfer the credit exposure of fixed income products between parties. The buyer of a credit swap receives credit protection, whereas the seller of the swap guarantees the credit worthiness of the product. By doing this, the risk of default is transferred from the holder of the fixed income security to the seller of the swap.

<b>Capital Financing Requirement (CFR)</b>	The amount the council has to borrow to fund its capital commitments.
<b>CIPFA</b>	Chartered Institute of Public Finance and Accountancy.
<b>CLG</b>	[Department for] Communities and Local Government.
<b>Derivative</b>	A contract whose value is based on the performance of an underlying financial asset, index or other investment, e.g. an option is a derivative because its value changes in relation to the performance of an underlying stock.
<b>Debt Management Account Deposit Facility (DMADF)</b>	Deposit Account offered by the Debt Management Office, guaranteed by the UK government
<b>European Central Bank (ECB)</b>	European Central Bank – sets the central interest rates in the EMU area. The ECB determines the targets itself for its interest rate setting policy; this is the keep inflation within a band of 0 to 2%. It does not accept that monetary policy is to be used to manage fluctuations in unemployment and growth caused by the business cycle.
<b>European and Monetary Union (EMU)</b>	The Economic and Monetary Union (EMU) is an umbrella term for the group of policies aimed at converging the economies of all member states of the European Union.
<b>Equity</b>	A share in a company with limited liability. It generally enables the holder to share in the profitability of the company through dividend payments and capital appreciation. Equity values can decrease as well as increase.
<b>Forward Deal</b>	The act of agreeing today to deposit funds with an institution for an agreed time limit, on an agreed future date, at an agreed rate.
<b>Forward Deposits</b>	Same as forward dealing (above).
<b>Fiscal Policy</b>	The government policy on taxation and welfare payments.
<b>GDP</b>	Gross Domestic Product.
<b>[UK] Gilt</b>	Registered UK government securities giving the investor an absolute commitment from the government to honour the debt that those securities represent.
<b>LIBID</b>	London inter-bank bid rate
<b>LIBOR</b>	London inter-bank offered rate.

<b>Money Market Fund</b>	A well rated, highly diversified pooled investment vehicle whose assets mainly comprise of short-term instruments. It is very similar to a unit trust, however in a MMF.
<b>Monetary Policy Committee (MPC)</b>	Government body that sets the bank rate (commonly referred to as being base rate). Their primary target is to keep inflation within plus or minus 1% of a central target of 2.5% in two years time from the date of the monthly meeting of the committee. Their secondary target is to support the government in maintaining high and stable levels of growth and employment.
<b>Other Bond Funds</b>	Pooled funds investing in a wide range of bonds.
<b>PWLB</b>	Public Works Loan Board.
<b>QE</b>	Quantitative Easing.
<b>Retail Price Index</b>	Measurement of the monthly change in the average level of prices at the retail level weighted by the average expenditure pattern of the average person.
<b>Sovereign Issues (excl UK Gilts)</b>	Bonds issued or guaranteed by nation states, but excluding UK government bonds.
<b>Supranational Bonds</b>	Bonds issued by supranational bodies, e.g. European Investment Bank. The bonds – also known as Multilateral Development Bank bonds – are generally AAA rated and behave similarly to gilts, but pay a higher yield (“spread”) given their relative illiquidity when compared with gilts.
<b>Treasury Bill</b>	Treasury bills are short-term debt instruments issued by the UK or other governments. They provide a return to the investor by virtue of being issued at a discount to their final redemption value.

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# Joint Cabinet report



Report of Strategic Director

Author: Steve Bishop

Telephone: 01235 540332

Textphone: 18001 01235 540332

E-mail: [steve.bishop@southandvale.gov.uk](mailto:steve.bishop@southandvale.gov.uk)

Wards affected: All (indirectly)

Cabinet member responsible (South): Anna  
Badcock

Tel: 01491 614707

E-mail: [annabadcock1@gmail.com](mailto:annabadcock1@gmail.com)

To: CABINET

DATE: 9 October 2014

Cabinet member responsible (Vale): Matthew  
Barber

Tel: 07816 481452

E-mail: [matthew.barber@whitehorsedc.gov.uk](mailto:matthew.barber@whitehorsedc.gov.uk)

To: CABINET

DATE: 3 October 2014

## Future delivery of corporate services

### Recommendations

The Cabinets are recommended to:

- (a) Confirm the re-tendering of financial services rather than seek to bring the services back inhouse, with the possible exception of the provision of the financial management system which should be linked to the provision of accountancy services
- (b) Confirm the following services should have detailed specifications written: accountancy, internal audit, CCTV operations, democratic services, land charges, legal, licensing, car park administration, the Poppin operations, data capture, human resources, street naming and numbering, IT applications support, IT helpdesk, IT infrastructure support, IT security, facilities management, procurement and engineering.
- (c) Ask the consultant to undertake market engagement activities ahead of the formal procurement process to inform our procurement strategy.

## Purpose of Report

1. The financial services contract expires in July 2016 and officers are about to start preparing for that major procurement exercise. The existing contract has brought the councils many benefits and financial savings. This report considers the potential additional benefits and savings available by extending that procurement to encompass other corporate services and other district council partners.
2. This report seeks Cabinet approval for the range of services to be taken forward, for a joint procurement approach with multiple council partners and for market engagement activity.

## Corporate Objectives

3. This report addresses the corporate priority both councils have of managing our business effectively and of providing value for money services that meet the needs of our residents and service users.
4. 'Value for money' is measured by comparing quality with cost/price. The councils continually strive to improve the value for money offered to residents and service users by assessing alternative ways to deliver services which may achieve higher quality and/or lower cost. The re-tendering of the financial services contract, and its potential expansion to encompass other corporate services, provides the greatest potential opportunity for the councils to significantly improve value for money in the foreseeable future.

## Background

5. The local government financial landscape is changing as the government seeks to substantially reduce public sector spending. Government grant formula has changed from a needs basis to an incentive basis. The recent windfalls in New Homes Bonus are likely to be curtailed after next year's general election which would cause medium term financial pressures to South and Vale councils, as well as many other councils. To stay 'ahead of the curve' the Strategic Management Board is looking to use every opportunity to make further efficiency savings without cutting frontline services.
6. South and Vale have a successful track record of sharing services and undertaking joint procurements which now provide some of our best ever service delivery performance and save the councils over £4m annually.
7. For the past year members of the Strategic Management Board have been assessing the market's appetite for delivering the councils' corporate services. Officers have also been exploring opportunities to involve other district councils.
8. Since January, when officers briefed cabinet members on progress, three other district councils have expressed an interest in procuring corporate services jointly with us. The market research confirms the potential to secure substantial improvements in value for money if a broader range of services are offered alongside revenues and benefits.



9. In order to prepare the councils' procurement strategy and to negotiate possible agreements with the other councils, the cabinets are asked to approve the recommendations above.
10. This is an intermediate report. In December cabinets will be asked to take the important decisions to finalise the list of services to market test, and, to select the most appropriate procurement strategy. Both decisions will be informed by the market engagement activity and writing of detailed service specifications set out in this report.

## Options

11. In reaching this point, the Strategic Management Board has considered the following three options.
12. **Option 1 (outsource nothing):** An option is to insource financial services and for the councils to deliver all corporate services themselves. Most of the £600k annual savings and the resilience benefits generated from outsourcing those services eighteen (South)/eight (Vale) years ago would be reversed. The councils would take back the significant operational risks. For these reasons the Strategic Management Board has not pursued this option
13. **Option 2 (outsource the same):** The 'status quo' option would be for South and Vale to simply re-tender the financial services already outsourced. These services comprise:
  - Council tax and non-domestic rates collection
  - Benefits administration
  - Accounts receivable and payable
  - Payroll
  - Integrated financial management information system
  - Cashier services
  - Customer contact services (front of house and switchboard)
14. This option represents low risk. Re-tendering would provide an opportunity for further service investment, efficiencies and financial savings. However market research has confirmed that these benefits would be on a modest scale given the significant investment and efficiencies already achieved by the current contractor, Capita. Without additional council volumes there would be no scope for greater economies of scale. If this option is pursued, cabinet members are asked to insource the provision of the financial management system as its separation from the accountancy service has caused problems. The cost of procuring a new system (approximately £0.5m across the two councils, plus annual support) would need to be budgeted for.

15. **Option 3 (outsource more):** The Strategic Management Board considers that there is potential benefit in outsourcing an additional range of services to those covered in option one. These are listed below:

- car park administration
- engineering/drainage
- democratic services
- facilities management
- IT security
- legal
- canteen operation
- IT helpdesk
- land charges
- human resources
- data capture
- licensing
- IT applications support
- street naming
- accountancy
- IT infrastructure support
- CCTV operation
- internal audit
- procurement

16. By pursuing this option all services, both already outsourced financial services plus the additional inhouse services above, would be potentially available to the market. The optimum scope of services will depend upon a number of factors such as market appetite, synergies, potential for scale efficiencies and the ability to deploy new technologies to achieve improvements in quality/efficiency of services. We propose that an evidence base be obtained through consultation with potential suppliers ('market engagement'). Tenders would then be invited around a preferred package and procurement route informed by an analysis of their views. The opportunity for additional benefits through the joint procurement will also be estimated and will help to inform the commercial arrangements under which the opportunity is advertised. The results of the tender evaluation and value for money conclusions would be presented to the cabinets in early 2016 to decide which services (if any) to outsource and which contractor to award a contract to.

17. This option could be pursued effectively by South and Vale with or without additional council partners. The market has indicated that efficiencies and economies of scale would be substantially greater with three or more councils. There are greater risks associated with this option but also greater potential rewards. The Strategic Management Board recommends this option and will mitigate the risks through robust project management.

18. In addition to the joint procurement of a new contractor, options 2 and 3 offer the potential for creating a single joint clientside supporting the three, four or five councils. This would provide resilience and efficiency benefits compared with each council trying to maintain its own (limited) client team.

### **Pros and Cons of option 3 – market testing corporate services**

19. The proposal to market test, and potentially outsource, a service currently delivered inhouse by council employees, puts council jobs at risk and unsettles staff. The Strategic Management Board recognises this and recommends ongoing staff engagement to minimise any negative impact. The first stage has been to encourage affected service teams to assist their heads of service to contribute to

the identification of pros and cons of market testing their particular service, which has influenced this report. The detailed potential disadvantages and concerns identified in that exercise will be actively managed and monitored through the project risk register.

20. The major generic pros and cons affecting most of the services are summarised below:

<b>Advantages ('Pros') of market testing the inhouse services</b>	<b>Disadvantages ('Cons') of market testing the inhouse services</b>
Potentially better value for money	Potentially worse value for money
Lower operating costs if delivered from lower cost areas	Loss of control over business processes
Improved resilience from larger teams	Slow or expensive to innovate or change
Access to service specialist	Loss of local knowledge and key skills

## Other councils

21. Another way to leverage step change improvements, service investment and even greater economies of scale savings is for additional councils to join South and Vale in this procurement. The Strategic Management Board is working with three other district councils in southern England to explore the possibility of a joint procurement. To date these discussions have been at director and chief executive level but shortly there will be a meeting of leaders to discuss a joint approach.
22. The other three councils already outsource a broader range of corporate services. Their contracts, which are also with Capita, expire between June and September 2017, the year after South-Vale. Any new contract would provide for staggered start dates.

## Financial Implications

23. Under option 1 there would be significant upfront costs to insourcing financial services such as acquiring revenues and benefits software. It is likely that the annual cost would also be higher, as was the case when each council last provided the services inhouse.
24. When financial services were last re-tendered eight years ago together with the creation of a joint client team, South achieved annual savings of over £400k and Vale saved £240k per annum. The one-off cost of the procurement in consultancy fees was approximately £125k. This excludes the cost of officer time which was a 'sunk' cost.
25. The cost of consultancy this time will vary according to the breadth of services and number of councils involved. The technical consultant has been appointed on a flexible contract allowing South and Vale to flex the cost according to available

budget. The existing budget of £100k will be utilised this financial year under any of the above options. Additional budget will be required for external legal expertise. These costs will be shared with other participating council partners. In addition, the councils have successfully won £125k of the government's Transformation Challenge Award bid this year. Given these uncertainties the total cost of procurement will vary between £25k and £63k, plus legal costs.

26. This one-off cost should be compared with the potential annual savings arising from the procurement. Under option 2 above, if South and Vale simply re-tender financial services, without the involvement of other councils, it is likely that the market will provide modest additional savings compared to current contract prices. Any contractor will inherit high-performing services which benefit from the previous investments and efficiencies introduced by Capita. These modest savings would be enhanced by the economies of scale available from other councils' service volumes. (This saving could be outweighed by the cost of procuring a new financial management system if councillors choose to synchronise the responsibilities of financial staff (inhouse under this option) with financial software.)
27. The market suggests that option 3 presents a unique opportunity for multiple services across multiple councils, although this will be tested through further structured market engagement. The potential scale and volume of services would attract great market interest and investment proposals from tenderers which could lead to a step-change in both service investment and efficiency savings. For the purpose of the TCA bid officers have suggested a savings target of £4.5m over the ten year contract life, which is very modest. The flexibility offered by option 3 means that the councils are not committing to outsourcing any services until tenders are received and any increased value is tested. Therefore, in the unlikely event that additional savings are not available, the councils could choose to simply award a financial services contract.
28. As mentioned above, staff engagement is a key aspect to option 3. Teams would be encouraged (though not pressured) to consider introducing further 'lean' improvements to their services, re-structuring, streamlining, rationalisation and budget cuts in the run-up to market testing in order to be as cost-efficient as possible and delivering to the same levels of quality and volume by the time the market's value for money proposals are compared with inhouse service value for money. In practice this is likely to drive further efficiencies even if ultimately councillors decide to retain a service inhouse rather than outsource it. So the process itself as well as the specific outcomes of option 3 should deliver value for money improvements.

## Legal Implications

29. The council must comply with EU procurement regulations to secure competitive tenders and to minimise the risk of challenge. The appointed consultant, our procurement officers, inhouse legal and external legal officers will advise on a compliant and successful procurement exercise. The procurement strategy, which will set out our approach, will be submitted to the cabinets in December for approval.

30. Partnering with other councils besides South-Vale introduces added complexity and risks, which are likely to require new legal agreements between all councils and strong governance arrangements.
31. Should the council choose to outsource any inhouse services there will be further complexities and liabilities such as arising from the transfer of staff to the preferred contractor. Any resulting issues and risks will be identified through the process, reported to councillors and mitigated/managed through the development of the new outsourcing contract.

## **Risks**

32. Whether councillors decide to pursue option 1, 2 or 3, this will be a major procurement and project with significant risks arising. The consultant and strategic director will be responsible for managing and mitigating the risks in accordance with well-established risk management and project management toolkits. The following risks have already been identified and will be added to throughout the project:

- Political/reputational – that the project attracts negative publicity (mitigate by regular updates to politicians via the strategic management board and project board)
- Professional – that by outsourcing certain professional skills, the partners lose that expertise in-house (mitigate by each partner carefully assessing the outsourcing of each service and ensuring contractual provision of such services)
- Financial – that the project savings targets are not achieved and the tenders are higher cost (mitigate by carefully drafting the specification and draft contract, choice of procurement route to provide flexibility, establishing accurate cost base on which to benchmark tender costs, identifying volumes, thorough consideration of risk allocation - ultimately the councils can choose not to accept any tender that does not offer better value for money)
- Legal – challenge possibly due to breach of procurement regulations (mitigate by inclusion of procurement and legal expertise on project team to ensure compliance)
- Partnership – that the partnership breaks down and we fail to agree single specifications (mitigate by upfront acknowledgement of equal partner status and collective acceptance of compromise, chief executives and leaders on the project board to escalate and resolve disagreements, partnership spirit embraced by all)

- Staffing – the uncertainties around job security and long term prospects may cause some staff to look elsewhere and resign rather than be TUPE-transferred to an outsourcing company. This could disrupt service delivery causing extra management pressures (mitigate by staff representation on the project team, frequent communication, staff involvement at three influential stages)

### Other implications

33. This procurement is a major project giving rise to many implications over the next two years which cannot be adequately covered here. It will be managed in accordance with the council's project management process, including strong governance in the form of a project board comprising the leaders and chief executives of participating councils, as well as a multi-disciplinary project team under the direction of a strategic director.

34. The strategic director will ensure any major implications are escalated to the project board and/or cabinets for resolution as required. The project timescales are set out below.

### Project timescales

35. The main project milestones are summarised below:

Jan – June 2014 :	market research and identification of potential council partners
July :	staff briefing
July – Aug:	pros and cons appraisal of market-testing inhouse services
October :	cabinets to endorse approach (this report)
Oct – Dec :	services write detailed specifications
	Consultant engages market
	Consultant and procurement officers formulate procurement options
December :	cabinets to finalise services to be market tested and approve procurement strategy
Jan – Nov 2015 :	procurement exercise
	inhouse services prepare for market testing and comparison
Nov – Dec 2015 :	tender evaluation and comparison with inhouse services
Jan – Mar 2016 :	cabinets to award contract and decide which, if any, inhouse services to outsource in the contract

Mar – July 2016 :	prepare transition to new contract at South-Vale including any staff transfers
August 2016 :	South and Vale new contract commences
Early 2017 :	prepare transition to new contract at other councils including any staff transfers
Mid 2017 :	Other councils new contract commences

## **Conclusion**

36. The re-tendering of the financial services contract is the single largest opportunity in the next five years to achieve a major step-change in council value for money. By market-testing a broader range of corporate services alongside the re-tendering of financial services, in partnership with other councils, we expect to secure substantial efficiency savings, improve resilience and secure ongoing service quality.
37. What we are setting out to achieve as described in this report is ambitious and pushes the boundaries of outsourcing, both in terms of the range of services covered and the number of partners involved. But the potential rewards are substantial, both financial and reputational. Both councils have always been at the forefront of innovation in service delivery and have seen how effective outsourcing can deliver financial and service quality benefits. This is the opportunity to move to the next level.
38. If the cabinets agree the list of services as set out in the recommendations to have detailed specifications written, the next and crucial stage of the project is market engagement. We will discover what appetite and expertise exists to deliver the individual services identified. This will allow the cabinets to take informed final decisions when they meet in December as to what services they wish to include in the market testing exercise, as well as the procurement strategy to adopt.

## **Background Papers**

None

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# Cabinet Report



Listening Learning Leading

Report of Head of Planning

Author: Peter Canavan

Telephone: 01491 823717

Textphone:

E-mail: [peter.canavan@southandvale.gov.uk](mailto:peter.canavan@southandvale.gov.uk)

Cabinet member responsible: Angie Paterson

To: CABINET

DATE: 9 OCTOBER 2014

## Culham Science Centre supplementary planning document

### Recommendations

Cabinet is asked

- a) to endorse the proposed changes to the Culham Science Centre Supplementary Planning Document as set out in appendix A, and
- b) to adopt the Supplementary Planning Document for Culham Science Centre

### Purpose of Report

1. To inform cabinet of the outcome of the consultation on the draft Culham Science Centre Supplementary Planning Document (SPD) and, having regard for that consultation, to propose changes to the SPD in accordance with those set out in appendix A
2. To recommend that, subject to the suggested changes, the document be adopted by cabinet as a Supplementary Planning Document to be used in the determination of planning applications

### Corporate Objectives

3. Building the local economy: The SPD will play a vital role in supporting a growth in high value jobs at Culham Science Centre. This is closely linked to the objectives and aspirations of Science Vale Oxford and the City Deal.

## Background

### The purpose of the SPD

4. This Supplementary Planning Documents (SPD) is to support policy CSEM3 of the Core Strategy, and 'saved' policies RUR 3 and RUR 5 of the Local Plan 2011.
5. Policy CSEM3 shows the Council's support for the delivery of an additional 1000 jobs at Culham Science Centre. The Council's support is for continued high quality and high value employment at the Science Centre. This recognises the special circumstance of the Green Belt location of this identified site and its contribution to the wider ambitions for growth in Science Vale within the LEP's Strategic Economic Plan and the Oxfordshire City Deal. CSEM3 commits the Council to work in partnership with the UKAEA to produce a masterplan to show how this will be achieved.
6. SPD are part of the overall development plan for an area; they are not policy documents in themselves but are to add detail to adopted policies, especially about how the policy will be delivered.

### Preparation of this SPD

7. South Oxfordshire District Council has been a long time in negotiation with the UK Atomic Energy Authority (UKAEA) over the creation of additional guidance for development at Culham Science Centre. The SPD is a document that outlines the current conditions at Culham Science Centre and identifies where development might be acceptable in the future. The SPD is a framework for planning decisions, and it sets a baseline assessment of landscape, transport, ecological and contamination impact against which proposals can be measured.
8. This SPD was committed to in the Core Strategy adopted in 2012. The Science Centre was identified as a site in the Green Belt where development is acceptable in principle, but additional work was required to understand its impact. The SPD is the result of that further work.
9. The creation of the SPD also provided the opportunity for additional community involvement beyond that undertaken through the formation of the Core Strategy. We took the time to consider the opinions and comments of local people and other relevant stakeholders and have suggested some changes to the document as a result of these. The consultation report on the Culham Science Centre SPD is attached at appendix B.
10. In order to produce the SPD several studies were undertaken to evaluate the current situation of the Science Centre. A landscape study and a traffic survey were commissioned to understand the current impact of the scale of the Science Centre on its surroundings and the amount of traffic that travels to and from it. Recent ecological and contamination surveys that supported planning applications were also used to inform the SPD.
11. The landscape study concluded that the Science Centre, as a whole, does create significant local visual containment restricting views north from the A415 road. The study identified the north-eastern, eastern and southern outlying areas of the site as key areas to keep open as these form the landscape setting of the site. The western part of the site, however, is well screened by a mature line of trees. There are also views of the Science Centre (especially the large J1 building) from the wider landscape

including from the North Wessex Downs Area of Outstanding Natural Beauty. The SPD incorporates these issues; it aims to reduce the wider impact of development by ultimately redeveloping the J1 building and replacing it with something with as little impact as possible. Elsewhere development will be managed in a way so that it would have no more impact on the openness of the Green Belt than has already occurred. There is also commitment to conserve, and enhance where possible, the setting of the listed park and garden of Nuneham Courtenay.

12. The framework transport assessment, undertaken in September 2013, recorded the number of traffic movements at peak periods and also assessed the sustainable travel plan at the Science Centre. This information will be used to measure the transport impact of the growth in employment as planning applications are considered. The transport work to support the Core Strategy included an analysis of increase in employment at Culham Science Centre, and the associated transport movements, and this concluded that there would be no significant strategic improvements required. Localised improvements and contributions will be sought in connection with applications as appropriate and this is described in the SPD.
13. The Core Strategy and the SPD make clear that any development at the Science Centre, including that at the gateway, will need to comply with the national tests for the value and purpose of the Green Belt. Notwithstanding this the Science Centre has been identified in the Local Plan 2006-2011 and the Core Strategy as a Major Development Site in the Green Belt and this identification includes the gateway area at the front of the site. This identification is supported by the Core Strategy Inspector (para. 116 – 117). Although the policies in the Local Plan and Core Strategy are not entirely consistent with each other, and a clear and coherent vision for the area is absent, the gateway area is included within the site on the Core Strategy policies map and we do not therefore propose to remove it from the SPD.
14. This SPD would provide additional detail and guidance in support of the provisions of Policy CSEM3 of the Core Strategy. A Sustainability Appraisal (SA) was also completed alongside the SPD. The SA assessed environmental issues, economic implications and social impacts of creating and SPD to help guide development at Culham Science Centre.

### **The South Oxfordshire District Council consultation**

15. We undertook a consultation to understand the opinions of local people and other relevant stakeholders. The consultation ran for eight weeks from 19 May to 14 July 2014; it received a total of 31 comments from 22 parties: 7 individuals, 1 group of residents, 2 Parish Councils and 12 statutory organisations.
16. General support was given to employment growth at the Science Centre and there were some other queries about the purpose of the SPD; a full record of comments and officer responses can be seen at appendix B. There were two main concerns from a number of respondents, including Clifton Hampden and Burcot Parish Council, Sutton Courtenay Parish Council and the residents directly opposite the Science Centre, in a group of houses known as Fullamoor. These concerns were:
  - (a) Increased traffic; and,
  - (b) potential development in the gateway area.

## Responses to the issues raised and proposed changes to the SPD

17. As mentioned above, transport issues are key to the Core Strategy and these were discussed as part of its examination. The Inspector noted in his report (paras 107 – 109) that Oxfordshire County Council's strategy for the "self-limiting" of traffic on and around the junctions already over capacity, such as that at Clifton Hampden, was sound and might encourage people to 'shift transport modes' away from the car and instead to the train for example.
18. The Inspector also concluded (para 109) that there was no firm evidence that any strategic transport infrastructure was required to facilitate the delivery of policy CSEM3 and that it is sufficient to seek contributions in conjunction with relevant planning applications.
19. The landscape study suggests that there could be some scope for development in the gateway area. The guiding principles in the SPD are to retain and reinforce tree planting wherever possible including at the gateway, in combination with an appropriate and improved entrance. Any development, however, would need to be clearly justified in terms of its massing, scale and design. These factors can be assessed at the time of application. Any applications that were to be made for development at the gateway would be assessed using the landscape assessment as supporting evidence.
20. In response to the local concerns about potential development in the gateway area we propose the following changes:
  - (a) Anything that can be confused for a development proposal should be removed from the SPD; in particular the indicative diagram of development – figure MF8 – should be deleted.
  - (b) Additional references will be made to the fact that aspirations for development at the gateway area will need to comply with policies for development in the Green Belt.
  - (c) To reinforce the fact that factors such design, access and amenity will be considered for any application "all the policies of the development plan" will be cited in the early text of the SPD.
21. Some confusion about the role of different plans was evident from the responses to the consultation. It is proposed that we include an additional paragraph in the SPD to illustrate the dynamic nature of planning and that work will continue with relevant partners to assess transport and identified relevant mitigation measures. This paragraph will reference the Local Economic Partnership and the Strategic Economic plan to link to the specific road proposals in that plan. It is also proposed that we include an additional reference to policies of the wider development plan early on in the SPD.
22. The potential for development outside the front of the current entrance to the Science Centre drew particular objection from Clifton Hampden and Burcot Parish Council and the local residents at Fullamoor. Their concerns were for adverse impacts to landscape, the Green Belt and to the rural nature of the area. Calls have been made to remove this area from the SPD and to include a presumption against its development.

## **The adoption of the SPD**

23. The adoption of planning documents is governed by the Planning and Compulsory purchase Act (2004) and its associated regulations. In order to adopt the document as an SPD, this will need to be agreed at Cabinet and we will need to publish a statement of adoption. This statement will include a brief description of how we consulted and whom, the table of the main issues and responses to them and the date of adoption.

## **Options**

24. The creation of an SPD is committed to in the Core Strategy and the document presented fulfils that commitment. The draft SPD, together with the suggested amendments, represent planning officers' recommendation for an adopted planning document. This has been negotiated with UKAEA and included consultation with the community and other relevant stakeholders over a long period. No options other than adopting the SPD are considered in this report.

## **Financial Implications**

25. There are no financial implications arising from this report.

## **Legal Implications**

26. The adoption of supplementary planning documents is governed by the Planning and Compulsory Purchase Act (2004) and its associated regulations (2012) paragraph 14. In order to adopt the document as an SPD, this will need to be agreed at cabinet and we will need to publish a statement of adoption. This statement will include a brief description of how we consulted and whom, the table of the main issues and responses to them and the date of adoption, as outlined in paragraph 35 of the regulations. Paragraph 35 also provides for a challenge period of three months after the adoption of the SPD.

## **Risks**

27. The SPD creates a framework for planning decisions at the Culham Science Centre; this can form the basis for future development at the Centre to support aspirations for Science Vale Oxford and the City Deal. The importance of the Science Centre to South Oxfordshire's economy is recognised through the SPD as is its sensitive location in the Green Belt. Without the SPD these two particularly important issues would not get fully recognised.

## **Other implications**

28. None. The SPD is supported by a Sustainability Appraisal where implications to the environment, society and the economy were assessed. This and the draft document were consulted upon and this included the local community, and a number of relevant stakeholders including the Environment Agency, Natural England and English Heritage.

## **Conclusion**

29. The concerns from the local community can be addressed with the proposed changes to the SPD. There are no justified planning reasons to increase transport

requirements, or to restrict development potential in the gateway area, to a greater extent than is already included in the SPD and proposed amendments.

30. It is important to acknowledge that, although the SPD is to support a policy of the adopted Core Strategy, time is moving on. The Core Strategy is due to be reviewed and eventually replaced by the Local Plan 2031. As part of the emerging plan making process we will again collect and assess a range of data including transport and landscape for the whole district. Should this data show that mitigation is now required in and around Clifton Hampden this will be reflected in the Local Plan 2031.
31. It is recommended that Cabinet agree to the adoption of the Supplementary Planning Document, subject to the proposed changes outlined in appendix B, so it can be used in the determination of planning applications at Culham Science Centre.

## **Background Papers**

Appendix A – Culham Science Centre schedule of significant changes  
Appendix B – Consultation report

Due to their size the appendices to the SPD, and the Sustainability Appraisal, are not attached to this report. These may be found on the council's website under planning policy or a copy may be obtained directly from Peter Canavan in planning policy.

## Appendix A: Schedule of significant changes

### Schedule of significant changes

**New para. 1.7** - This masterplan has been created as a framework to inform planning decisions. All the policies and guidance, as appropriate, from national government (including the National Planning Policy Framework) and from South Oxfordshire District Council's development plan (that now includes this masterplan) will be used to assess applications on a case by case basis. Of particular importance will be those policies intended to manage design, access and amenity.

**New para. 1.8** - This document is a supplementary planning document (SPD) to support a policy in the adopted Core Strategy. Its purpose is to provide guidance and to set the framework for the consideration of future development at the Science Centre. South Oxfordshire District Council support continued high quality and high value employment at the Science Centre, the special circumstance for the Green Belt location of this identified site is linked to its vital role in the wider ambitions of Science Vale and the Oxford City Deal. The wider development plan for South Oxfordshire (currently the Local Plan 2011 and the Core Strategy adopted 2012, due to be superseded by the Local Plan 2031) provides the framework for the consideration of strategic issues and the cumulative impact of development at the CSC. As such, work will continue in partnership with South Oxfordshire District Council, the UKAEA, Oxfordshire County Council and, as appropriate, other public and private bodies including the Oxfordshire Local Economic Partnership (LEP) to seek strategic solutions to transport and other issues. This document should not be read in isolation but in conjunction with the South Oxfordshire District Council Local Plan 2011 and Core Strategy (or the document(s) that supersede them), the Oxfordshire County Council Local Transport Plan & the Oxfordshire Minerals and Waste Plan (most relevant iterations) and the Oxfordshire LEP Strategic Economic Plan.

**Amend para 2.21** - CSC is situated in a reasonably sustainable location, adjacent to the A415 which has an hourly bus service, the Culham railway station linking the site with Didcot and Oxford and an off-road shared use pedestrian / cycle route from CSC towards Clifton Hampden to the east, and part of the way to Abingdon to the west There is scope to improve the cycle network and frequency of bus service.

**Addition to paragraph 2.28** - ...Culham No.1 Site to the west. [insert] To the north is the Grade I Registered Park and Garden of Nuneham Courtenay.

“**Archaeology**” section to be renamed to “**Archaeology and Heritage interest**”

**Replace para 2.32** – The site is located in an area of archaeological potential relating to the later prehistoric and Anglo Saxon periods. The central core of the site has been heavily developed which would have removed any surviving archaeological features. Archaeological features related to these periods may still survive within the undeveloped areas of the site and therefore any development within these areas may require an archaeological investigation. This will be considered during any detailed application.

## Appendix A: Schedule of significant changes

### Additional paragraph after 2.32:

It is important to also recognise the importance of work carried out at Culham Science Centre through the latter half of the twentieth century that carries on today. Before development proposals that involve the demolition of J1 JET building are submitted an assessment of the heritage significance of it should be made. Appropriate records of the building, the work carried out and technologies used should be made and retained. This information could be exhibited at any potential new visitor centre developed on the site.

### Amend section -

#### RADIOACTIVE WASTE

2.36 Any Intermediate level radioactive waste arising from the site is in the long term to be disposed at a proposed national facility. In the meantime, this waste will be stored off-site at an appropriate depository. .

2.37 The permanent disposal of low level radioactive waste arising from JET decommissioning work will also be disposed of at an appropriate off-site facility.

2.38 The disposal of very low level radioactive waste at CSC could conflict with the UKAEA's development/redevelopment plan. Consequently, such waste will only be stored on site in exceptional circumstances.

**Amend para 3.2** (second bullet) – The site's location within Science Vale **Oxford**, situated close to Oxford University, Harwell Oxford and Milton Park make this an ideal site for future R&D and fusion research.

**Amend para 3.10** - The development plan comprises the South Oxfordshire Core Strategy 2027 (adopted December 2012), 'saved' policies in the South Oxfordshire Local Plan 2011 (January 2006) ("the Local Plan") and 'saved' policies in the Oxfordshire Minerals and Waste Local plan (1996). In accordance with the recently published Local Development Scheme of the South Oxfordshire District Council, there are also two emerging policy documents, the Local Plan 2031 (a review of the Core Strategy) and the Science Vale Area Action Plan which are planned to be adopted in 2016. Oxfordshire County Council's Minerals and Waste Development Scheme states that the Oxfordshire Minerals and Waste Local Plan: Core Strategy is planned to be adopted in December 2015, to replace the Oxfordshire Minerals and Waste Local Plan (1996).

**Amend para. 4.1** - ~~[Delete] Figure 8 shows an illustrative layout to give an impression of the potential layout of new buildings in the different development envelopes.~~

**Amend para. 4.2 (bullet 7)** - potentially improve on-site facilities [insert] and access for employees and visitors

**Amend figure MF7 Legend** - Potential New Gateway Area

**Delete figure MF8**



## Appendix A: Schedule of significant changes

**Addition to para. 4.16** - Generally, new buildings in that area will not exceed the height of the tallest buildings, [insert] after the demolition of the J1 building. Any new buildings will be designed to avoid adverse impacts upon the North Wessex Down AONB as far as is practicable.

**Amend para 4.23** - ...potential for complementary facilities (for example a visitor centre, conference and visitor accommodation and/or ancillary leisure facilities) whilst also...

**New para. 4.24** - Any development at the potential new gateway area, as shown in figure MF7, would need to comply with national guidance on the value and purpose of the Green Belt, and the appropriate policies of the South Oxfordshire District Council development plan. Particular importance will be placed on the quality of design and the scale of proposed buildings in the setting of the gateway. Examples of considerations for proposals will be the built and natural character of the area, building scale and the avoidance of over looking.<sup>1</sup>

**Amend para 5.2** - ...including public transport [insert] (e.g. trains and buses)

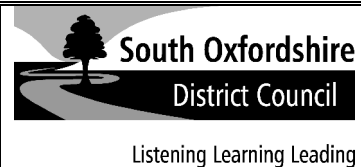
**Amend para. 5.5** - ...OCC as the Highway Authority, [insert] and South Oxfordshire District Council will explore the potential to include the requests of other transport bodies as appropriate (e.g. network rail and bus operators). These will...

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<sup>1</sup> Subject to the agreement of the text change

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# Culham Science Centre SPD Consultation Report



## INTRODUCTION

1. Community Involvement plays a key role in the development of new policies and documents for South Oxfordshire District Council. We are committed to ensuring that the community is involved in the preparation of the Culham Science Centre Supplementary Planning Document (SPD).
2. The Culham Science Centre Supplementary Planning Document (SPD) provides planning policy guidance for the future master planning of the Culham Science Centre. This consultation report provides an account of the different methods of engagement used to assist in the development of the draft SPD and accompanying Sustainability Appraisal. The report also goes on to identify a summary of the main issues raised from the consultation. This is accompanied by the main changes that we have made to the draft SPD to take account of the findings from the consultation in accordance with the regulations<sup>1</sup>.
3. The consultation report and consultation process is in accordance with consultation standards set out in our planning policy consultation standards<sup>2</sup>.
4. For the purpose of the Cabinet meeting appendices 3, 4 and 5 have been removed because of their length. These will be published at the adoption of the SPD and are available to view on request, please contact planning policy.

## BACKGROUND

5. The Culham Science Centre SPD has been developed over a number of years. The district council has worked closely with the United Kingdom Atomic Energy Authority (UKAEA) to produce the document. Oxfordshire County Council have also been involved throughout as the recognised local Highway Authority.
6. The redevelopment of the Culham Science Centre is supported by policy within the South Oxfordshire District Council Core Strategy. This was adopted in December 2012. Policy CSEM3 Culham Science Centre – states that ‘The redevelopment and intensification of Culham Science Centre for research and science based

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<sup>1</sup> Reg 12. Town and Country Planning, England – The Town and Planning (England)(Local Planning) – April 2012 amended 2013.

<sup>2</sup> Statement of Community Involvement – South Oxfordshire District Council, July 2006

## Appendix B: Consultation report

businesses will be supported.’ This is all with the aim of increasing the amount of new jobs provided on the site (approximately 1000).

7. The site hosts and supports programmes such as the Joint European Torus (JET) and UK Fusion Programme.
8. The agreed objectives of the SPD are as follows:
  - a. To provide an overview of the existing situation at Culham Science Centre
  - b. To Help to ensure that the Culham Science Centre continues to play a key role in the development of fusion energy in the long term, after the closure of JET and maximises the advantages of having hosted JET and the Culham Science Centre.
  - c. To provide a range of accommodation to suit the full spectrum of the R&D sector from major public research facilities to small start up businesses at the Culham Science Centre.
  - d. To set out an approach for the future development of Culham Science Centre that will give the UKAEA and future occupiers certainty as to the planning framework within which development proposals will be considered; and
  - e. To streamline the processing of planning applications for new development at Culham Science Centre.

## PREVIOUS CONSULTATION ON THIS SUBJECT

9. As stated previously, redevelopment of the Culham Science Centre is a strategic employment policy within the South Oxfordshire Core Strategy. This was consulted upon at various different stages as part of the production of the core strategy, with a particular focus on consultations held in 2010 and 2011. A number of representations were received on the policy from interested parties.

## CURRENT CONSULTATION TIMEFRAME AND ENGAGEMENT METHODS

10. We took the unusual step of consulting for an extremely extended consultation. Instead of the four week minimum consultation length, we ran an eight week consultation period. This took place from the 19 May 2014 until 14 July 2014. A copy of the formal press notification is available to view in Appendix 1. The press notification was used to officially signify the start of the consultation period. The consultation did not run over any significant holiday periods. The step of extending the consultation was taken due to a request from the local ward member. We were able to have an extended consultation period, as production schedules allowed.
11. There was pre-engagement activity led by the district council that took place with the affected parishes and Culham Science Park. This was to provide an early

## Appendix B: Consultation report

opportunity to capture views from those parishes and look at ways of maximising the consultation process.

12. The table in Appendix 2 identifies the various consultation activities used for this event. We worked with the local parishes of Culham and Clifton Hampden and Burcot to identify the best ways to maximise the consultation in a cost-effective way. The shaded boxes denote regulatory minimum requirements as set out by the regulations<sup>3</sup>. The non-shaded boxes are those methods over and above the minimum requirements, often identified with the support of the parishes. Our planning consultation guidance document has also been used to guide this process<sup>4</sup>. A copy of the distribution list used for the notification process is available to view in Appendix 3 (please contact planning policy if you wish you view this).

## CONSULTATION RESPONSES

13. A consultation exhibition was held to assist with the process of gathering consultation feedback. It provide an opportunity to view more detailed consultation material, while providing an opportunity for questions to be asked. The exhibition was held at the Culham Science Centre within the main reception area on Monday 2 June 2014 from 6.00pm to 8.30 pm. A copy of the display boards used for the event is available to view in Appendix 4 (please contact planning policy if you wish you view this) along with the consultation poster. The event was promoted through notifications to employee on the site, local parish newsletters and press information. The exhibition was staffed by representatives from South Oxfordshire District Council and Culham Science Centre. A total of 28 people attended the exhibition. A number of informal transport queries were raised as part of discussions at the event, focusing largely on transport impacts. Several formal response forms were also submitted. These have been taken forward as part of the standard response processing for this consultation.
14. The formal response rate to the consultation was not high and was not expected to be, due to the content and location of what was being proposed.

### Response breakdown

Letter responses:	11
Email responses:	18
Web responses:	2
Total responses:	31

15. The following summary highlights the main issues identified as part of the consultation process. We have created a more detailed schedule of comments and

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<sup>3</sup> Reg 12. Town and Country Planning, England – The Town and Planning (England)(Local Planning) – April 2012 amended 2013

<sup>4</sup> Statement of Community Involvement – South Oxfordshire District Council, July 2006

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associated changes, which is available to view in Appendix 5 (please contact planning policy if you wish you view this).

### Statutory comments

16. Scottish and South Energy provided general information on the provision of electricity infrastructure and identified that ongoing dialogue would be required moving forward. The Highways Agency provided comments of a similar nature but from a Strategic Road Network perspective.
17. English Heritage supported the intention of the draft masterplan to essentially retain the existing character of the airfield and later research centre. They also commented that an assessment of historical significance should be conducted before demolition is undertaken. They recommend the development of a heritage strategy. They finally recommend that some recording process (photographic or film) should be undertaken of the historically significant Joint European Tours 1 building.
18. Network Rail provided comments relating to developer contributions, level crossings and the formal planning application stage. This is due to the close proximity of the masterplan boundary to the railway line and Culham Railway Station.
19. Sutton Courtenay Parish Council objected to the proposals, raising concerns with the potential increased traffic on local bridges and requiring that infrastructure improvements be brought forward first. Clifton Hampden and Burcot Parish Council were broadly in support of the document, with the proviso that the proposed growth was in keeping with the local area and did not overwhelm local residents and businesses. Similar to responses received from members of the public, they were not in favour of development on the apron area of the site. They also requested further information on the transport plan associated with the proposals.
20. Oxford City Council broadly supported the aim of the masterplan, but provided more detailed comments on the employment land allocations and job numbers. They requested clarification on whether the proposed 1,000 job creation is a net increase or not. They provided comments on transport and sustainable travel matters. The City Council would like to see reference of the role of the science centre on the strategic local transport network and a clearer commitment to sustainable travel within the SPD. They finally believe that the Masterplan would benefit from further detail to clearly differentiate key areas for new development compared to those to undergo refurbishment.
21. Natural England provided comments requiring additions to the Landscape and Visual Impact Assessment (LVIA). They state that the LVIA should be concluded so that an informed position can be taken on the design, mitigation and enhancement options. Natural England also recommends that the council consider biodiversity enhancement within the SPD.

## Appendix B: Consultation report

22. Oxfordshire County Council provided broad support in principle of the redevelopment of the site as growth in that area fits with the ambitions for growth within Science Vale and delivery of the Local Enterprise Partnership's Strategic Economic Plan. The County Council also provided some more detailed comments and factual corrections to be taken into account as part of the draft SPD. An example of this being the need for the SPD to be flexible in light of the housing distribution options being looked at as part of South Oxfordshire's emerging Local Plan.

### Key stakeholders

23. North Wessex Downs AONB while supporting the demolition of J1 requested clarification to the text around this matter. They also provided some further detail on setting, which should be cross referenced within the SPD.

### General public

24. General support was expressed from some members of the public on the proposals supporting economic development within the area. However greater clarification was urged from respondents including local residents associations on the prominence of proposed future building layouts, greater detail on transport infrastructure improvements and further investigation of ecology and archaeology matters on the site. The relationship of proposed housing to meet employment increases and the amount of development in general in the area was also identified as a gap within the SPD and that at least some reference should be given on this subject. There were comments from the general public looking at the matter of visual impact and the continued need for screening and the need to avoid development of the apron area.

## CONCLUSIONS AND RECOMMENDED CHANGES TO THE SPD

25. Based on the consultation responses we have received and further discussions with key stakeholders. We have recommended the changes as set out in **Appendix A of the Cabinet report**.





## Appendix B: Consultation report

### APPENDIX 2 CONSULTATION ACTIVITIES

26. The consultation activities have been identified for this stage of the supplementary plan production. These approaches take into account recommendations from our consultation guidance document<sup>5</sup> and local plan regulations<sup>6</sup>. The activities are divided to reflect a pre-engagement phase and then the formal consultation phase. Statutory consultation methods are shaded in grey. We have asked the parish clerks of the relevant parishes to provide us with information on any approaches that they would like us to take into consideration.

Consultation method	Aim	Date
<b>Pre-engagement phase</b>		
Pre-engagement meeting with relevant parishes and other stakeholders	To provide parishes with an opportunity to influence the shape of the draft supplementary planning document before it goes out to formal consultation through first of all being able to discuss issues at a face-to-face meeting. Meeting to be held with all relevant parish councils, Culham Science Centre representatives and South Oxfordshire District Council	30.04.14
Pre-meeting response period	To provide an opportunity for relevant parties to feedback in a controlled manner before formal consultation.	30.04.14-07.05.14
<b>Formal consultation phase</b>		
Press notice released to Herald Series	Formal way of triggering the statutory consultation period. Also provides method of widening the notification process within the local community. Herald Series was selected as this has the best local readership rate.	Submitted 09.05.14 Released 14.05.14
Information sent out to targeted consultees	To assist with maximising the consultation coverage, while at the	13-14.05.14

<sup>5</sup> Statement of Community Involvement, South Oxfordshire District Council, July 2006

<sup>6</sup> The Town and Country Planning (Local Planning)(England) Regulations 2012 amended 2013 – 18(1) and 18(2)

Review of Local Plan – Reg 18 Consultation Plan, Feb 2014

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Consultation method	Aim	Date
taken from our consultation database	same time meeting the regulatory requirements for consultation.	
Information held on the district council's website	To provide a quick and easy method of displaying the consultation data.	14.05.14
Hard copy of documents held at district council and parish council offices	To provide an opportunity for local communities to access hard copy versions of the draft SPD.	13-14.05.14
Information presented within the Objective consultation system	To provide a quick and easy method of capturing consultation comments on the draft SPD.	14.05.14
Information held on relevant parish council websites	To provide quick and easy method of displaying the consultation data, while assisting with the promotion of the consultation.	14.05.14
Articles submitted to local parish newsletters (The Bridge)	To provide alternative method of accessing the consultation information within the local community. Information of local parish newsletters was provided by the local parish councils	First of month
Consultation posters displayed on local noticeboards	To assist with the promotion of the consultation within the local community	13-14.05.14
Key contacts included	Any additional key contacts suggested by parish council included within the distribution list to help widen notification process.	13-14.05.14
Key contacts included	Any additional key contacts suggested by Culham Science Centre to be included within the distribution list to help widen notification process.	13-14.05.14
Public exhibition	Provides an opportunity for representative from the local community to discuss proposals with officers. Venue agreed at Culham Science Centre	02.06.2014



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