

Minutes

OF A MEETING OF THE

Council



Listening Learning Leading

HELD ON THURSDAY 14 FEBRUARY 2019 AT 6.00 PM

THE FOUNTAIN CONFERENCE CENTRE, HOWBERY PARK, CROWMARSH
GIFFORD

Present:

Lorraine Hillier (Chairman)

Anna Badcock, Charles Bailey, Joan Bland, Felix Bloomfield, Kevin Bulmer, Nigel Champken-Woods, Steve Connel, Sue Cooper, Pat Dawe, Anthony Dearlove, David Dodds, Stefan Gawrysiak, Paul Harrison, Mocky Khan, Lynn Lloyd, Jane Murphy, Toby Newman, Caroline Newton, David Nimmo-Smith, Ian Snowdon, Alan Thompson, David Turner, John Walsh and Ian White

Apologies:

John Cotton, Elizabeth Gillespie, Will Hall, Tony Harbour, Elaine Hornsby, Imran Lokhon, Jeannette Matelot and Bill Service tendered apologies.

Officers:

Steven Corrigan, Simon Hewings, William Jacobs, Margaret Reed. Richard Spraggett and Mark Stone

54 Minutes

RESOLVED: to approve the minutes of the meeting held on 20 December 2018 as a correct record and agree that the Chairman sign them as such.

55 Declarations of disclosable pecuniary interest

None.

56 Urgent business and chairman's announcements

On behalf of Council the Chairman wished Councillor Harbour well following his recent hospital treatment.

57 Public participation

No members of the public had registered to address Council.

58 Petitions

None.

59 Treasury management mid-year monitoring report 2018/19

Council considered Cabinet's recommendations, made at its meeting on 31 January 2019, on the treasury management activities for the first six months of 2018/19.

The Joint Audit and Governance Committee had considered the report at its meeting on 28 January 2019 and had not recommended any adjustments to the strategy as a result of the first six months' activities. That committee and Cabinet had concluded that the treasury management activities had operated within the agreed parameters set out in the approved treasury management strategy.

The Cabinet member advised that following a request from the Joint Audit and Governance Committee there is an amendment to the table at paragraph 10 on page 21 of the report. An updated table was circulated at the meeting which showed that forecast investment interest for the year is likely to come in under budget primarily as a result of interest rates rises being slower than predicted.

RESOLVED: to approve the head of finance's treasury management mid-year monitoring report 2018/19 to Cabinet on 31 January 2019 subject to the amended table attached to these minutes.

60 Treasury management and investment strategy 2019/20

Council considered Cabinet's recommendations, made at its meeting on 31 January 2019, on the council's treasury management strategy for 2019/20.

The Joint Audit and Governance Committee considered the report at its meeting on 28 January 2019 and had not recommended any adjustments to the strategy. Cabinet agreed to recommend Council approve the strategy.

RESOLVED: to

1. approve the treasury management strategy 2019/20, as set out in appendix A to the head of finance's report to Cabinet on 31 January 2019;
2. approve the prudential indicators and treasury limits for the period 2019/20 to 2021/22, as set out in appendix A to the head of finance's report to Cabinet on 31 January 2019; and
3. approve the annual investment strategy 2019/20, as set out in appendix A (paragraphs 40 to 81), to the head of finance's report to Cabinet on 31 January 2019, and the lending criteria detailed in table 5.

61 Capital strategy 2019/20 to 2028/29

Council considered Cabinet's recommendations, made at its meeting on 31 January 2019, on the council's capital strategy 2019/20 to 2028/29.

Council noted that the adoption of a capital strategy ahead of the 2019/20 financial year is a requirement of the updated CIPFA prudential code and that Council will be required to review the strategy on an annual basis. The strategy will provide the overall policy framework for capital expenditure and investment although there are a number of key building blocks that underpin the strategy that are still being developed, including:

- An asset management strategy and maintenance plan
- Medium term service planning, and
- Consistent management of projects and programmes

Council welcomed the strategy as a key document for the council going forward.

RESOLVED: to approve the capital strategy 2019/20 to 2028/29 which is contained in appendix one of the report of the head of finance to Cabinet on 31 January 2019.

62 Revenue Budget 2019/20 and Capital Programme to 2023/24

The Chairman referred to regulations that require councils to record the names of those councillors voting in favour, against or abstaining from any vote on the budget, including amendments, and the council tax. In accordance with the regulations she would call for a named vote on each of these matters at this meeting.

The Chairman reminded councillors that they were not entitled to vote on any issue affecting the level or administration of the council tax or other decisions which might affect the making of any such calculation such as the budget, if they were over two months in arrears with their council tax payments. Where such circumstances applied, councillors were under a statutory obligation to disclose the restriction placed on them and refrain from voting at the relevant meeting. No councillor made any such declaration.

Council noted the report of the chief finance officer on the robustness of the budget estimates and the adequacy of the reserves.

Councillor Dodds, Cabinet member for finance, presented the Cabinet's proposals for the revenue budget 2019/20 and capital programme to 2023/24. On behalf of the council he thanked officers for their part in continuing to control costs and in preparing the draft budget.

Councillor Dodds moved and Councillor Murphy seconded a motion to approve Cabinet's recommendations as follows: to

1. set the revenue budget for 2019/20 as set out in appendix A.1 to the head of finance's report to Cabinet on 31 January 2019;

2. approve the capital programme for 2019/20 to 2023/24 as set out in appendix D.1 to the head of finance's report, together with the capital growth bids set out in appendix D.2 of the report;
3. set the council's prudential limits as listed in appendix E to the head of finance's report;
4. approve the medium term financial plan to 2023/24 as set out in appendix F to the head of finance's report;
5. allocate £500,000 to fund the Communities Capital and Revenue Grant Scheme;
6. ask officers to review the Medium Term Financial Strategy following the 2019 spending review and Ministry of Housing, Communities and Local Government announcements of changes to the council's future funding streams.

In moving the recommendation Councillor Dodds drew attention to the funding issues facing the council – rising expenditure with lower central government funding and lower investment returns. As a result only essential growth items are included in the budget and the communities capital and revenue grant scheme is reduced to £500,000.

A number of councillors spoke against the budget proposals. A failure to increase council tax in previous years had placed pressure on the council's reserves to support the revenue budget and there were no plans to address the gradual decline in these reserves. Others did not support the reduction in the budget for grants which local communities rely on to fund community projects.

However, the majority of councillors supported the budget proposals. The inclusion of funds to support the development of a more commercial approach for the council would bring in additional revenue. The reduction in the grants budget, whilst regrettable, was necessary and should not detract from the financial support provided to many organisations over recent years. In light of the uncertainty over New Homes Bonus and in anticipation of the government's review of local government funding it was necessary to set a prudent budget recognising the current pressures on funding.

In accordance with regulations requiring councils to record the names of those councillors voting in favour, against or abstaining from any vote on the budget the Chairman called for a recorded vote which was carried with the voting being as follows:

FOR	AGAINST	ABSTAIN
Anna Badcock	Sue Cooper	
Charles Bailey	Stefan Gawrysiak	
Joan Bland	Mocky Khan	
Felix Bloomfield	David Turner	
Kevin Bulmer		
Nigel Champken-Woods		
Steve Connel		
Pat Dawe		

FOR	AGAINST	ABSTAIN
Anthony Dearlove		
David Dodds		
Paul Harrison		
Lorraine Hillier		
Lynn Lloyd		
Jane Murphy		
Toby Newman		
Caroline Newton		
David Nimmo-Smith		
Ian Snowdon		
Alan Thompson		
John Walsh		
Ian White		
21	4	0

RESOLVED: to

1. set the revenue budget for 2019/20 as set out in appendix A.1 to the head of finance's report to Cabinet on 31 January 2019;
2. approve the capital programme for 2019/20 to 2023/24 as set out in appendix D.1 to the head of finance's report, together with the capital growth bids set out in appendix D.2 of the report;
3. set the council's prudential limits as listed in appendix E to the head of finance's report;
4. approve the medium term financial plan to 2023/24 as set out in appendix F to the head of finance's report;
5. allocate £500,000 to fund the Communities Capital and Revenue Grant Scheme; and
6. ask officers to review the Medium Term Financial Strategy following the 2019 spending review and Ministry of Housing, Communities and Local Government announcements of changes to the council's future funding streams.

63 Council Tax 2019/20

Council considered the report of the head of finance on the setting of the Council Tax for the 2019/20 financial year.

In accordance with regulations requiring councils to record the names of those councillors voting in favour, against or abstaining from any vote on the council tax the Chairman called for a recorded vote which was carried with the voting being as follows:

FOR	AGAINST	ABSTAIN
Anna Badcock		Sue Cooper
Charles Bailey		Stefan Gawrysiak
Joan Bland		Mocky Khan
Felix Bloomfield		David Turner
Kevin Bulmer		
Nigel Champken-Woods		
Steve Connel		
Pat Dawe		
Anthony Dearlove		
David Dodds		
Paul Harrison		
Lorraine Hillier		
Lynn Lloyd		
Jane Murphy		
Toby Newman		
Caroline Newton		
David Nimmo-Smith		
Ian Snowdon		
Alan Thompson		
John Walsh		
Ian White		
21	0	4

RESOLVED:

1. To note that at its meeting on 20 December 2018 the council calculated the council tax base 2019/20:
 - (a) for the whole council area as 56,793.3 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the “Act”)]; and
 - (b) for dwellings in those parts of its area to which a parish precept relates as in column 1 of appendix 1.
2. That the council tax requirement for the council’s own purposes for 2019/20 (excluding parish precepts) is £6,885,620

3. That the following amounts be calculated for the year 2019/20 in accordance with Sections 31 to 36 of the Act:
- (a) £81,226,555 being the aggregate of the amounts which the council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by parish councils.
 - (b) £69,196,498 being the aggregate of the amounts which the council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £12,030,057 being the amount by which the aggregate at (3)(a) above exceeds the aggregate at (3)(b) above, calculated by the council, in accordance with Section 31A(4) of the Act as its council tax requirement for the year. (Item R in the formula in Section 31B of the Act).
 - (d) £211.82 being the amount at (3)(c) above (Item R), all divided by Item T (1(a) above), calculated by the council, in accordance with Section 31B of the Act, as the basic amount of its council tax for the year (including parish precepts).
 - (e) £5,144,437 being the aggregate amount of all special items referred to in Section 34(1) of the Act, as set out in column 2 of appendix 1.
 - (f) £121.24 being the amount at (3)(d) above less the result given by dividing the amount at (3)(e) above by Item T (1(a) above), calculated by the council, in accordance with Section 34(2) of the Act, as the basic amount of its council tax for the year for dwellings in those parts of its area to which no parish precept relates.

4. That for the year 2019/20 Oxfordshire County Council has stated the following amounts in precepts issued to the council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Band A	£979.22
Band B	£1,142.42
Band C	£1,305.63
Band D	£1,468.83
Band E	£1,795.24
Band F	£2,121.64
Band G	£2,448.05
Band H	£2,937.66

5. To note that for the year 2019/20 the Police and Crime Commissioner for Thames Valley has stated the following amounts in precepts issued to the council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Band A	£137.52
Band B	£160.44
Band C	£183.36
Band D	£206.28
Band E	£252.12
Band F	£297.96
Band G	£343.80
Band H	£412.56

6. That the council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in appendix 3 as the amounts of council tax for 2019/20 for each part of its area and for each of the categories of dwellings shown in appendix 3.
7. To determine that the council's basic amount of council tax for 2019/20 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

64 Pay Policy Statement 2019/20

Council considered the report of the head of corporate services on the adoption of a pay policy statement to meet the requirements of the Localism Act.

RESOLVED: to approve the pay policy statement for 2019/20 attached to the report of the head of corporate services to Council on 14 February 2019.

65 Questions on notice

Question from Councillor Sue Cooper to Councillor Jane Murphy, Leader of the council:

“What has South Oxfordshire District Council done in terms of analysing the potential impact of Brexit on those who live or work in the district, particularly EU nationals or those who work for organisations which depend on EU member status which will be impacted by Brexit”?

Answer

Councillor Murphy responded as follows:

South Oxfordshire District Council is engaging with national and regional organisations, other local authorities and the business community to analyse the impact of exiting the EU. Officers have attended cross-government workshops detailing central government preparations and key issues for local government by senior civil servants. Engagement at the sub regional level has been through officer networks and the Local Resilience Forum.

The Home Office are leading on the settled and pre-settled status scheme and have devised an application process for EU residents to complete. Information is available online (gov.uk) Oxfordshire County Council have had contact about the role they can play to support local EU residents when the application system goes live. In January 2019 HM Government removed the £65 fee for EU citizens who wish to stay in the UK after Brexit.

Some organisations rely on EU member status to enable European co-operation and access to funding streams to play a significant part in Oxfordshire's innovation economy. However, the largest EU funding stream for science and innovation, Horizon 2020 is, by design 'open to the world' and has agreements in place for detailed co-operation with a range of non-EU countries.

Supplementary question

In response to a supplementary question, Councillor Murphy responded that she could not provide any assurance regarding the impact of Brexit on individuals but repeated that officers were engaged in an analysis of the impact of exiting the EU.

66 Motions on notice

No motions were submitted by councillors under Council procedure rule 38.

67 Report of the leader of the council

Councillor Jane Murphy, Leader of the council, provided an update on a number of matters. The text of her address is available on the council's [website](#).

The meeting closed at 7.05pm

Chairman

Date

Treasury activity

10. The mid-year performance of the two councils is summarised in the tables below¹.

	South	Treasury investments £000	Non-treasury loan £000	Sub Total £000	Property investment £000	Overall total £000
1	Average investment balance	149,265	15,000	164,265	5,075	169,340
2	Budgeted investment income	1,160	311	1,471	194	1,665
3	Actual investment income	818	312	1,130	196	1,326
4	surplus/(deficit) (3) - (2)	(342)	1	(341)	2	(339)
5	Annualised rate of return	1.10%	4.16%	1.38%	7.72%	1.57%

	Vale	Treasury investments £000	Property investment £000	Overall total £000
1	Average investment balance	73,370	8,442	81,812
2	Budgeted investment income	225	225	450
3	Actual investment income	400	323	723
4	surplus/(deficit) (3) - (2)	175	98	273
5	Annualised rate of return	1.09%	5.33%	1.77%

For property, the balance shown is the fair value of investment properties as at 31 March 2018.