

# Minutes

OF A MEETING OF THE

## Cabinet

HELD ON MONDAY 12 FEBRUARY 2018 AT 9.00 AM

MEETING ROOM 1, 135 EASTERN AVENUE, MILTON PARK, MILTON,  
OX14 4SB

### Present:

Cabinet members: Councillors John Cotton (Chairman), Jane Murphy (Vice-Chairman), Felix Bloomfield, Elizabeth Gillespie, Tony Harbour, Lynn Lloyd, and Robert Simister

Officers: Gerry Brough, Steve Culliford, Adrian Duffield, Matthew Gaskin, Liz Hayden, Simon Hewings, Suzanne Malcolm, Adrianna Partridge, Margaret Reed, Mark Stone and Christopher Wheeler

### Apologies:

Councillor David Nimmo-Smith tendered apologies.

### Also present:

Richard Spraggett (Capita Accountancy)

### 62 Apologies for absence

Councillor David Nimmo-Smith had submitted an apology for absence.

### 63 Minutes

**RESOLVED:** to approve the minutes of the Cabinet meeting held on 7 December 2017 as a correct record and agree that the Chairman signs them as such.

### 64 Declaration of disclosable pecuniary interest

None

### 65 Urgent business and chairman's announcements

None



## **66 Public participation**

None

## **67 Didcot Garden Town, heat mapping and energy master-planning**

Cabinet considered the head of corporate services' report on the results of the Didcot Garden Town heat mapping and master-planning project. This sought approval to spend £90,000, jointly with Vale of White Horse District Council, on a feasibility study for a district heat network of pipes in north Didcot to use waste heat from Didcot Power Station. Cabinet noted that £60,000 of the cost would be sought from the government; the remaining £30,000 was being sought from existing resources in the Didcot Garden Town and Energy budgets, split 50:50 with the Vale.

Cabinet considered three options:

1. Present the feasibility study findings to key stakeholders and rely on other parties to initiate and develop the heat network, with the council promoting and offering advice
2. Present the study findings to key stakeholders and the council takes the lead, in partnership with others, in pursuing more detailed feasibility work on the technical and commercial viability of the project
3. To not participate in the development of a heat network

The report recommended that the council led the work on a heat network for north Didcot (option 2) but relied on other parties to lead on similar projects at Harwell Campus and Culham Science Centre (option 1). The projects could reduce emissions of greenhouse gases and other pollutants, improve air quality, and improve the affordability of fuel supply, thereby reducing fuel poverty. It could also contribute to the council's aspirations for regeneration, inward investment, local jobs and growth.

Cabinet agreed to the report recommendations with the council taking the lead on carrying out more detailed feasibility work on the technical and commercial viability of a heat network for north Didcot.

**RESOLVED:** to

- (a) approve an application to Government for £60,000 match funding for a detailed feasibility study into the technical and commercial viability of a north Didcot district heat network using waste heat from Didcot Power Station;
- (b) approve the allocation of £15,000 from existing resources in the Didcot Garden Town and Energy budgets, to fund this council's share of this work; and
- (c) subject to the above government grant funding being approved and received, to agree that the Cabinet member for development and regeneration can approve the implementation of the proposed project and authorise the head of development and regeneration to finalise terms of, and enter into, a drawdown contract for the appointment of AECOM to deliver the feasibility study under the Places for People Placemaking Hub framework approved at the Cabinet meeting on 5 October 2017, as permitted under the framework.

## 68 Housing and growth deal for Oxfordshire

Cabinet considered the report of the head of partnership and insight. This recommended that the council signed up to the Housing and Growth Deal for Oxfordshire and approved the submission of a delivery plan to the Ministry of Housing, Communities and Local Government.

The growth deal offered by the ministry was to all six principal councils in Oxfordshire, requiring them to work together to plan for and support the delivery of up to 100,000 new homes up to 2031. These homes would be planned for through a joint statutory spatial plan and spread across the county. In return, the government would provide £150 million infrastructure funding across a five-year period, £60 million for affordable housing, and a further £5 million capacity funding. The ministry had also offered planning freedoms and flexibilities for a limited period. These included a reduced housing land supply requirement of three years rather than five years, and a housing delivery test based on objectively-assessed housing need figures rather than the strategic market housing assessment figures.

Cabinet considered the council's options:

1. agree the deal as offered
2. agree the deal subject to conditions
3. reject the deal

The leader reported that following negotiations with the ministry and the other Oxfordshire councils, the deal as offered would bring benefits for South Oxfordshire and he believed the council could sign the deal. Cabinet concurred, believing that the infrastructure funding and the planning flexibilities were welcomed, although it was recognised that further work was required on the detail. The scope of the joint statutory spatial plan was a matter for the councils to determine. Cabinet considered that the joint statutory spatial plan should not allocate housing sites, this was a matter for each district council's local plan. Cabinet believed that the apportionment of affordable housing funds between the other Oxfordshire councils would need to be on a fair and equitable basis, and the assessment of the council's housing delivery performance should be against planning permissions, not homes built.

**RECOMMENDED** to Council to:

- (a) agree to the Oxfordshire Housing and Growth Deal (the Deal) (attached as Appendix 1 to the report of the Head of Partnership and Insight to Cabinet on 12 February 2018);
- (b) agree the Delivery Plan (attached as Appendix 2 to the report of the Head of Partnership and Insight to Cabinet on 12 February 2018) as the basis for the Deal; noting that elements will be updated as detailed work programmes develop;
- (c) delegate authority to the Chief Executive, in consultation with the Leader and the Growth Board, to make minor changes to the Delivery Plan that may be required to secure agreement with Government;
- (d) delegate authority to the Chief Executive, in consultation with Leader and the Growth Board, to agree the Year 1 affordable housing delivery programme, phasing and processes specified in the Delivery Plan;

- (e) appoint Oxfordshire County Council as the accountable body in respect of the Oxfordshire Housing and Growth Deal;
- (f) delegate authority to the Chief Executive, in consultation with the Leader and the Growth Board, to review the terms of reference of the Growth Board and agree any amendments and any appropriate inter-authority agreements required to support the Delivery of the Housing and Growth Deal;
- (g) delegate authority to the Chief Executive, in consultation with the Leader to take any other decisions arising from agreement to the Oxfordshire Housing and Growth Deal, until the revised terms of reference of the Growth Board are in place; and
- (h) agree to participate in the preparation of a Joint Statutory Spatial Plan (JSSP) for Oxfordshire in accordance with the timescales set out in the Delivery Plan and in accordance with Section 28 of the Planning and Compulsory Purchase Act 2004, the milestones for progressing the JSSP being contingent on Government delivering the Planning Freedoms and Flexibilities as described in the Delivery Plan.

## **69 Treasury management mid-year monitoring 2017/18**

Cabinet considered the head of finance's mid-year monitoring report on the council's treasury management function. This covered the period from 1 April to 30 September 2017.

Cabinet noted that the investment income received was above the budget target. The Joint Audit and Governance Committee had also considered the report and was satisfied that the treasury management activities had been carried out in accordance with the treasury management strategy and policy. Cabinet concurred.

**RECOMMENDED:** to Council to approve the head of finance's 2017/18 treasury management mid-year monitoring report to Cabinet on 12 February 2018.

## **70 Treasury management and investment strategy 2018/19**

Cabinet considered the report of the head of finance and an addendum, which recommended adoption of the treasury management and investment strategy 2018/19. The council was required to adopt a strategy each year, setting out how the treasury service would operate and how it would support the council's capital investment decisions. It also set limitations on treasury management activity governed by the prudential indicators. The report and the addendum set out the proposed changes to the strategy.

The Joint Audit and Governance Committee had considered the report and recommended that the head of finance should consult the co-chair of Joint Audit and Governance Committee before investing in any Non-UCITS Retail Scheme. Cabinet supported the proposed strategy and the amendments as well as the recommendation of the Joint Audit and Governance Committee.

**RECOMMENDED:** to Council to

- (a) approve the treasury management strategy 2018/19 set out in appendix A to the head of finance's report to Cabinet on 12 February 2018 and the addendum to the report;
- (b) approve the prudential indicators and treasury limits for the period 2018/19 to 2020/21 as set out in table 2, appendix A to the head of finance's report to Cabinet on 12 February 2018; and
- (c) approve the annual investment strategy set out in appendix A (paragraphs 18 to 58), subject to the head of finance consulting the co-chair of Joint Audit and Governance Committee before investing in any Non-UCITS Retail Scheme, and the lending criteria detailed in table 5 to the head of finance's report to Cabinet on 12 February 2018.

## **71 Medium term financial strategy 2018/19 to 2022/23**

Cabinet considered the head of finance's report, which proposed the medium term financial strategy for the period 2018/19 to 2022/23 and asked Cabinet to recommend its adoption to Council. The strategy set out the financial objectives of the council and the principles to be followed in managing the council's finances to achieve its objectives. It helped inform the treasury management strategy that governed how the council could invest its balances. In addition to objectives and principles, a narrative on significant current issues was included in each section. The significant current issues had been updated. No changes to the principles or objectives of the strategy were proposed, however, Cabinet noted that a thorough review of its strategy would be required shortly to ensure effective long-term management of the council's finances.

Cabinet supported the strategy.

**RECOMMENDED:** to Council to approve the Medium Term Financial Strategy for 2018/19 to 2022/23 as attached to the head of finance's report to Cabinet on 12 February 2018.

## **72 Revenue budget 2018/19 and capital programme to 2022/23**

Cabinet considered the head of finance's report. This brought together all relevant information to allow Cabinet to recommend to Council a revenue budget for 2018/19 and a capital programme for 2018/19 to 2022/23. The Medium Term Financial Plan was included, which provided details of the forward budget model for the next five years. The report also recommended the prudential indicators to be set by the Council in accordance with 'the Prudential Code', introduced as part of the Local Government Act 2003.

The Scrutiny Committee had reviewed the budget report and had supported it. Cabinet considered that the budget showed prudence and careful financial planning, while keeping council tax low.

**RECOMMENDED:** to Council to

- (a) set the revenue budget for 2018/19 as set out in appendix A.1 to the head of finance's report to Cabinet on 12 February 2018;
- (b) approve the capital programme for 2018/19 to 2022/23 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;
- (c) set the council's prudential limits as listed in appendix E to the head of finance's report,
- (d) approve the medium term financial plan to 2022/23 as set out in appendix F.1 to the head of finance's report;
- (e) allocate £1,000,000 to fund the Communities Capital and Revenue Grant Scheme;

**RESOLVED:** to

- (f) maintain car park fees and charges at current levels; and
- (g) agree that the Cabinet member for finance may make minor adjustments to this report and the prudential indicators, in conjunction with the head of finance, should they prove necessary following the publication of the final local government settlement and prior to its submission to Council on 15 February 2018.

The meeting closed at 10.05 am

Chairman

Date