

Minutes OF A MEETING OF THE



Listening Learning Leading

Cabinet

HELD ON THURSDAY 4 FEBRUARY 2016 AT 6.00 PM

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

Present:

John Cotton (Chairman), Anna Badcock, Will Hall, Tony Harbour, Lynn Lloyd, Jane Murphy and Robert Simister

Apologies:

Elizabeth Gillespie tendered apologies.

Officers:

David Buckle, Steve Culliford, Paula Fox, Simon Hewings, William Jacobs, Margaret Reed, Anna Robinson, and Heike Wetzstein

45 Declaration of disclosable pecuniary interest

None

46 Minutes of the previous meeting

RESOLVED: to approve the minutes of the Cabinet meeting held on 3 December 2015 as a correct record and agree that the Chairman signs them as such.

47 Public participation

None

48 Community infrastructure levy

Cabinet considered the head of planning's report on the South Oxfordshire Community Infrastructure Levy Charging Schedule and associated documents.

In February 2015 Cabinet approved the Draft Charging Schedule together with supporting evidence for consultation and subsequent submission to the Planning Inspectorate for independent examination. A public hearing was held in July 2015. In December 2015, the Examiner recommended adoption of the Community Infrastructure Levy, subject to:

- amending the Charging Schedule to specifically exclude student halls of residence from the Community Infrastructure Levy residential charge

- amending the proposed rate for offices (including research and development) from £35 per square metre to £0
- amending the definition of ‘small centre retail development’ to ‘other retail development’

The Charging Schedule before Cabinet had been amended to incorporate the Inspector’s recommendations. Cabinet was asked to recommend to Council to adopt the Community Infrastructure Levy Charging Schedule and associated documents, including the Regulation 123 Infrastructure List and the Instalment Policy. If adopted, the Community Infrastructure Levy would come into effect on 1 April 2016.

Cabinet believed that adopting the Community Infrastructure Levy Charging Schedule was essential to bring in infrastructure funding to support development in the district and therefore supported its adoption. The charging schedule was a good starting point but Cabinet considered that a further review should be undertaken later in the year.

RECOMMENDED to Council to:

- (a) adopt the modified South Oxfordshire Community Infrastructure Levy Charging Schedule with an effective implementation date of 1 April 2016;
- (b) not introduce a policy for Discretionary Relief in Exceptional Circumstances; and
- (c) approve the following Community Infrastructure Levy associated documents:
 - Community Infrastructure Levy Regulation 123 Infrastructure List
 - Community Infrastructure Levy Instalment Policy

49 Treasury management mid-year monitoring 2015/16

Cabinet considered the head of finance’s mid-year monitoring report on the council’s treasury management function. This covered the first six months of 2015/16 financial year (up to 30 September 2015) and updated on the current economic conditions with a view to the remainder of the year.

The Joint Audit and Governance Committee had considered the report at its meeting on 25 January 2016 and had not recommended any adjustments to the strategy as a result of the first six months’ activities. Likewise, Cabinet concluded that the treasury management activities had operated within the agreed parameters set out in the approved treasury management strategy. There would be no need for the council to borrow funds during this financial year.

RECOMMENDED to Council to approve the treasury management mid-year monitoring report 2015/16.

50 Treasury management strategy 2016/17 to 2018/19

Cabinet considered the head of finance’s report on the council’s treasury management strategy for the period 2016/17 to 2018/19. The strategy set out how the council’s treasury service operated, how it would support capital investment decisions, and also set limits on treasury management activity governed by the prudential indicators. The report included three elements required by legislation:

- the prudential indicators required by the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code for Capital Finance in Local Authorities

- the annual investment strategy that sets out the council's criteria for selecting counterparties and limiting exposure to the risk of loss on its investments. This strategy was in accordance with the government department of Communities and Local Government's investment guidance, and formed part of the treasury management strategy
- a statutory duty to approve a minimum revenue provision policy for 2016/17

It was a requirement of the CIPFA Treasury Management Code 2011 that this report was approved by the Council annually.

Cabinet noted that the Joint Audit and Governance Committee had recommended the adoption of the strategy. Cabinet concurred.

RECOMMENDED to Council to:

- (a) approve the treasury management strategy 2016/17 set out in appendix A to the head of finance's report to Cabinet on 4 February 2016;
- (b) approve the prudential indicators and limits for 2016/17 to 2018/19 as set out in table 2, appendix A to the head of finance's report; and
- (c) approve the annual investment strategy 2016/17 set out in appendix A (paragraphs 23 to 57) and the lending criteria detailed in table 5 to the head of finance's report.

51 Medium term financial strategy

Cabinet considered the head of finance's report that recommended approval of a medium term financial strategy for the period 2016/17 to 2020/21.

Cabinet recognised the importance of continuing to have a medium term financial strategy. This would help the council achieve its strategic objective to manage its business effectively and support the corporate priorities to keep its share of council tax as low as possible, whilst continuing to deliver high quality services. Financial planning within a medium term strategy helped achieve this in a structured way while directing resources to priority areas.

Cabinet supported the adoption of the strategy appended to the report, noting that there had been no change to the objectives or principles from last year.

RECOMMENDED to Council to approve the Medium Term Financial Strategy for 2016/17 to 2020/21 as appended to the head of finance's report to Cabinet on 4 February 2016.

52 Revenue budget 2016/17 and capital programme to 2020/21

Cabinet considered the head of finance's report on the revenue budget 2016/17 and the capital programme to 2020/21. The report brought together the relevant information for Cabinet to recommend a budget and capital programme to Council on 18 February 2016. Tabled at the meeting was appendix E setting out the prudential indicators for recommendation to Council. All councillors had been invited to a budget briefing earlier in the week.

The Cabinet member for finance recommended Cabinet to forward the budget on to Council for approval. The revenue budget reflected the medium term financial strategy

and the impact of the corporate services contract. This council was also managing its financial matters sensibly, while maintaining services and continuing its capital programme. There would be no increase in this council's element of the council tax in 2016/17. Cabinet concurred with the Cabinet member for finance and suggested that consideration should be given to publicising this council's financial guardianship.

Cabinet also thanked the officers for their part in continuing to control costs and in preparing the draft budget.

RESOLVED: to agree that the cabinet member for finance, in conjunction with the head of finance, may make minor adjustments to the budget report and the prudential indicators should they prove necessary prior to its submission to Council on 18 February 2016.

RECOMMENDED to Council to:

- (a) set the revenue budget for 2016/17 as set out in appendix A.1 to the head of finance's report to Cabinet on 4 February 2016;
- (b) agree that the capital schemes listed in paragraph 39 of the head of finance's report remain in the capital programme;
- (c) approve the capital programme for 2016/17 to 2020/21 as set out in appendix D.1, together with the capital growth bids set out in appendix D.2 of the head of finance's report;
- (d) set the council's prudential limits as listed in appendix E to the head of finance's report;
- (e) approve the medium term financial plan to 2020/21 as set out in appendix F to the head of finance's report;
- (f) allocate £1,000,000 to fund the Communities Capital Grant Scheme; and
- (g) authorise the head of finance, in consultation with the cabinet member for finance, to issue an efficiency statement to government in order to secure a four year settlement, if this is considered to be beneficial to the council.

The meeting closed at 6.19 pm

Chairman

Date