

Agenda

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City Executive Board

Date: **Wednesday 11 June 2014**

Time: **1.30 pm**

Place: **Judge's Room - Town Hall**

For any further information please contact:

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City Executive Board

Membership

Chair

Councillor Bob Price	Corporate Strategy, Economic Development and Planning
Councillor Ed Turner	Finance, Asset Management and Public Health
Councillor Dee Sinclair	Crime and Community Response
Councillor Christine Simm	Culture and Communities
Councillor Susan Brown	Customer Services and Social Inclusion
Councillor Pat Kennedy	Educational Attainment and Youth Ambition
Councillor Mark Lygo	Sports, Events and Parks
Councillor Mike Rowley	Leisure Contract and Community Partnership Grants
Councillor Scott Seamons	Housing and Estate Regeneration
Councillor John Tanner	Cleaner, Greener Oxford, Climate Change and Transport

The quorum for this meeting is 3, substitutes are not allowed.

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AGENDA

PART ONE PUBLIC BUSINESS

Pages

1 APOLOGIES FOR ABSENCE

The quorum for this meeting is 3. Substitutes are not permitted.

2 DECLARATIONS OF INTEREST

Board Members are asked to declare any disclosable pecuniary interests they may have in any of the following agenda items. Guidance is contained at the end of these agenda pages.

3 PUBLIC QUESTIONS

When the chair agrees, questions from the public for up to 15 minutes – these must be about the items for decision at the meeting (excluding the minutes) and must have been given to the Head of Law and Governance by 9.30am on a day so that there is one clear working day before the meeting (email executiveboard@oxford.gov.uk or telephone the person named as staff contact). No supplementary questions or questioning will be permitted. Questions by the public will be taken as read and, when the Chair agrees, be responded to at the meeting.

4 LOW CARBON HUB LOAN FACILITY

7 - 16

The Head of Finance has submitted a report to consider the approval of a loan facility to the Low Carbon Hub (IPS) to facilitate the implementation of a number of renewable energy schemes.

Officer Recommendations: That the City Executive Board AGREES

1. That a fixed term loan facility for the Low Carbon Hub (IPS) be set up capped at £2.3 million on the basis that whenever monies are drawn down from the facility to fund individual renewable energy community projects. The sum drawn down will be repaid with 5% interest following a community share issue for that project, with the potential to revolve the facility to provide funding for other renewable projects in the pipeline.
2. That the potential to revolve the loan facility to provide funding for other renewable projects in the pipeline is built into the agreement subject to the successful repayment of the initial and subsequent loans.

3. That the Board delegates the authority to enter into an appropriate Loan Agreement with the Low Carbon Hub (IPS) to the Section 151 Officer and Monitoring Officer in consultation with the Chief Executive Officer.

5 COUNCILLOR ADDRESSES ON ANY ITEM FOR DECISION ON THE BOARD'S AGENDA

When the Chair agrees, addresses by members of Council – these must be about the items for decision at the meeting (excluding the minutes) and must have been given to the Head of Law and Governance by 9.30am on a day so that there is one clear working day before the meeting (email executiveboard@oxford.gov.uk or telephone the person named as staff contact). An address may last for no more than 3 minutes. The Board Member who has political responsibility for the item for decision may respond, or the Board will have regard to the points raised in reaching its decision.

6 FUTURE ITEMS

This item is included on the agenda to give members the opportunity to raise issues on the Forward Plan or update the Board about future agenda items.

7 MINUTES

Minutes of the meeting held on 23 May

Recommendation: The City Executive Board NOTES the minutes of the meeting held on 23 May 2014 as a true and accurate record.

8 MATTERS EXEMPT FROM PUBLICATION

If the Board wishes to exclude the press and the public from the meeting during consideration of any of the items on the exempt from publication part of the agenda, it will be necessary for the Board to pass a resolution in accordance with the provisions of Paragraph 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 on the grounds that their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Schedule 12A of the Local Government Act 1972.

The Board may maintain the exemption if and so long as, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

PART TWO
MATTERS EXEMPT FROM PUBLICATION

9 APPENDIX A_ LOW CARBON

25 - 26

This paper contains one not for publication appendix to the report at agenda item 5

It contains information concerning the projects to be funded by loan facility

The public interest in maintaining the exemption from publication is in order not to compromise commercially sensitive information under paragraph 3 of Part 1, Schedule 12A of the Local Government Act 1972.

DECLARING INTERESTS

General duty

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed "Declarations of Interest" or as soon as it becomes apparent to you.

What is a disclosable pecuniary interest?

Disclosable pecuniary interests relate to your* employment; sponsorship (ie payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licences for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

Declaring an interest

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest.

If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

Members' Code of Conduct and public perception

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member "must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself" and that "you must not place yourself in situations where your honesty and integrity may be questioned". What this means is that the matter of interests must be viewed within the context of the Code as a whole and regard should continue to be paid to the perception of the public.

*Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those of the member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

To: City Executive Board

Date: 11th June 2014

Report of: Head of Finance

Title of Report: Loan facility to Low Carbon Hub

Summary and Recommendations

Purpose of report: To consider the approval of a loan facility to the Low Carbon Hub (IPS) to facilitate the implementation of a number of renewable energy schemes.

Key decision Yes

Executive lead member: Councillor Ed Turner

Policy Framework: The Council's Corporate Plan

Recommendation(s):

1. That the Board agrees that a fixed term loan facility for the Low Carbon Hub (IPS) be set up capped at £2.3 million on the basis that whenever monies are drawn down from the facility to fund individual renewable energy community projects. The sum drawn down will be repaid with 5% interest following a community share issue for that project, with the potential to revolve the facility to provide funding for other renewable projects in the pipeline.
2. That the potential to revolve the loan facility to provide funding for other renewable projects in the pipeline is built into the agreement subject to the successful repayment of the initial and subsequent loans.
3. That the Board delegates the authority to enter into an appropriate Loan Agreement with the Low Carbon Hub (IPS) to the Section 151 Officer and Monitoring Officer in consultation with the Chief Executive Officer.

Appendices to the report:

Appendix A : Projects to be funded by loan facility

INTRODUCTION

- 1 The Low Carbon Hub (Industrial Provident Society) (" the Hub IPS"), is a not for profit social enterprise that works to lower carbon emissions across Oxfordshire by helping businesses, the public sector and communities to develop renewable energy projects and reduce energy demand. The organisation was set up in

December 2011 and is registered with the Financial Services Authority (FSA) . The IPS has no staff or costs other than maintenance contracts for each generation installation.

- 2 The manpower for implementation and management of the IPS business is supplied under contract from the Low Carbon Hub Community Interest Company ("the CIC"). The CIC is a legal entity registered and regulated at companies house, having a status and structure similar to a company but where the organisation wishes to further social objectives and use their profits for the public good but do not require or who are not eligible for charity status.
- 3 Both the Low Carbon Hub (IPS) and the Low Carbon Hub (CIC) are forms of co-operative and the Councils Executive Director (Community Services) is Oxford City Council's nominee to the Hub Board.
- 4 The Hub partners with local business and the public sector to develop manage and finance renewable energy schemes under a 'Community Benefit Model'. Funding is raised by the Hub and the renewable scheme managed on behalf of a host organisation in return for which the host gets discounted green electricity and CO2 savings.
- 5 The renewable energy scheme is financed by individual Investors in the scheme who receive a return (subject to tax advantages) plus their original investment back and the Hub receives an income from the Governments Feed-in Tariff to invest in further community energy projects.
- 6 Since its inception the Hub (IPS) have undertaken a number of schemes including recently:
 - **Oxford Bus Company** – Installation of 140kW solar pv panels on the bus company roof in Cowley providing the company with low cost electricity, the 10 individual investors a fair rate of return who over a 20 year period receive their capital back plus an average annual interest rate of circa 5% plus tax relief equivalent to 30 % of their investment, and the low Carbon Hub an income stream.
 - **Osney Lock Hydro** – The Hub supported the launch and the marketing of a community owned Hydro scheme in Oxfordshire. The scheme harnesses the power of the Thames to generate 159,000 kWh of renewable electricity. The share offer aimed to raise £250k share equity in a £600k project. The target of £250k was met, 6 days after the launch. As a result the cap was removed and the share offer reached £535.7k of the £600k project.
 - **Westmill Solar Park** – Installation of 5 mw of solar panels located on the Oxfordshire /Wiltshire border spread across 30 acres. It was funded in 2012 by a £6 million share issue from around 1600 shareholders who have a share in how the co-operative is run and benefit from the project revenues.

PROJECTS IN PIPELINE

- 7 The Hub has a pipeline of renewable projects to build, own and operate renewable energy power generation facilities in Oxfordshire (typically solar PV and hydro). The schemes for which the Hub is seeking funding involve the installation of solar panels on the roofs of host organisations, namely schools and local businesses. In return the host will obtain discounted electricity.
- 8 Projects currently ready for installation this Summer are included at Appendix A with a summary provided below :

Projects to be funded by Loan Facility		
	CAPACITY	INSTALLATION COST
	KWp	£000's
Solar panels for schools	1,266	1,725
Solar panels on businesses	375	457
Total value of schemes	1,641	2,182

- 9 It is worth noting that of the 25 school installation only 3 are in the City boundaries and neither of the two businesses are in the city.

Pipeline Projects

- 10 There are a number of projects still under development in the pipeline which will not be ready until 2015 and would form part of a potential second 'revolving' of the loan facility. These are listed below

Projects in Pipeline		
	CAPACITY	INSTALLATION COST
	KWp	£000's
Solar panels for businesses		
Lucy Lighting	250	n/a
Polestar	618	n/a
Barry Callebaut	700	n/a
Chris Hayter	250	n/a
London Oxford Airport	250	n/a
Unipart	377	n/a
Bicester Garden Centre	250	n/a
Norbar Tools	700	n/a
Seacourt Park and Ride	500	n/a
Total businesses	3,895	n/a
Sandford Lock Hydro	440	4,000

Total pipeline schemes	4,335	?

Loan Facility

11 The Hub has two difficulties in securing the pipeline projects :

- It needs to be able to move quickly to build projects
- Part of the construction facility is in respect of loans to businesses who are not enthused by having to wait while the Hub raises money on a project by project basis.
- The majority of this loan facility is to install pv solar panels on school roofs which would be more easily undertaken out of term time and hence there is a window of opportunity to undertake the work.
- The Hub is looking to undertake a share launch in September /October. Apart from capacity issues the Hub does not want to issue the share issue before this because:
 - a. the limit on single investments into community benefit organisations goes up from £20k to £100k as of 1st July this year;
 - b. new legislation comes into force on 1st August this year which requires existing Industrial and Provident Societies to choose a new structure becoming either an IPS for community benefit or an IPS co-operative, this will require a change in company structure:
 - c. changes announced in the budget to the Enterprise Investment Schemes tax relief rules mean that only Community Benefit IP Societies can obtain get the combination of EIS and FITs
 - d. Since the above changes are implemented in Summer it is considered that this is not a good time to undertake a share issue

12 The Hub is therefore seeking to establish a loan facility with the City Council whereby it can start construction of projects immediately following signature of the lease with the host. Once the project has been built it will then be refinanced using equity, in the form of a share issue as highlighted in the Osney Lock Hydro Scheme above. The Hub want the construction facility to revolve for a period of three years so that once repaid by the equity issue it is available to finance other projects.

13 Key principles of the proposal are:

- a. Low Carbon Hub engage host organisation and contract with Government for Feed-In Tariff.
- b. Feed in tariff is pre-registered and for small installations of below 50kWp fixed up until March 2015 and for installation > 50kWp is guaranteed for 6 months until end of September 2014 after which it is index linked for the next 20 years.
- c. Low Carbon Hub engage with supplier to install the solar panels
- d. 'revolving' loan facility of up to an estimated £2.3million is drawn down as required to procure and install the PV panel
- e. Following construction the Hub will seek to re-finance the procurement and installation costs (the loan) through the issue of shares to investors in the

community. The cycle length would be 6-9 months with interest payable on repayment of the funds to the Council

- a. There is an option to revolve the loan facility for up to three years with a break clause for either party at the end of reach 'revolution' for each party to evaluate the success of the scheme.
- b. The Council will receive a 5% annual rate of return on drawn down funds. Equity investors would get 5-7% plus a tax break and their capital back, the building owner gets a discount on the energy it buys from the Hub. There is a community benefit donation from the Hub to the CIC equivalent to an annual equivalent of around 3% of the total construction cost.
- c. £500k of the 'community benefit' to the Hub (CIC) will be directly invested on renewable energy schemes within Oxford City.
- d. There will be no change to the schemes to be funded by the loan facility unless approved by the Council

Financial Implications

- 14 The proposed drawdown of the loan from the Council is in accordance with the contract payments to the supplier for installation of the equipment which is currently estimated to be :

Estimated Cash Flows – 2014							
	June	July	Aug	Sept	Oct	Nov	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Panels	35	353	340	108	0		836
Inverters	10	94	91	29	0		223
Schools				634	0	149	782
Businesses			191	83	0		274
Pre Development				184	0		184
Total	45	446	622	1,038	0	149	2300
Share issue repayment						(2,300)	(2,300)
Estimated interest receivable						(34)	(34)

- 16 The cash flows are estimated and will vary according to the contact payments to the supplier although the whole cycle should the share issue be successful should be no longer 6 months between the first payment to the Hub and repayment of the principle sum to the Council

- 17 The Council currently earns an average of 0.89% on its investments. The proposed loan to Low Carbon Hub will have a return of 5%. The Loan is short term and therefore not classed as capital expenditure and hence does not require a capital budget or capital funding as the loan is simply repaid with the proceeds from the share offer within the financial year. Should the share offer not provide sufficient funds then the situation will need to be reassessed (see paragraph 23

below around risk). The amount of interest accruing to the Council as a result of the transaction amounts to around £34k and is therefore negligible relative to the £500k budgeted annual investment returns of the Council.

- 18 In entering into the proposed loan arrangement, the Council can rely on the general power of competence created by s1 Localism Act 2011. This allows the Council to “do anything that individuals generally may do”, and thus would provide authorisation for the making of a loan of this nature. In addition, making the loan would help to facilitate the Council’s compliance with its IEE OxFutures contractual obligations, in regard to generating the required investment gearing from the IEE grant funds received
- 19 The Hub is contracted by the City Council and County Council to deliver the Intelligent Energy Europe grant funded OxFutures programme. The value of the contract from the City Council is £600k over three years to November 2015. This includes a co-funding element which is met by the grant funding for the Low Carbon Hub to provide programme management services for the Low Carbon Oxford (LCO) partnership. Low Carbon Oxford grant funding is £50k in 2014-15 and no further funding is planned for 2015-16. The Hub also receives additional funding from the County Council for LCO projects and other funding secured from external investors.
- 20 The IEE grant funded OxFutures programme is required to raise a minimum of c. £20m investment in energy projects in Oxfordshire by the end Nov 2015. If the minimum investment target is not met, there is a possibility of claw back of part of the grant by the European Union. The Hub’s pipeline of projects, which will be financed through the loan facility, will contribute to meeting that target.

Legal Implications

- 21 The key provisions of the loan agreement will be those which seek to provide the Council with adequate security to protect its funds. These will include a requirement that all loans be repaid immediately funds are received from scheme investors. If the funds received prove to be insufficient and the Hub is unable to fund the repayment, the Council will need to protect its interests in different ways. These are set out in more detail below, but in summary these would be either through the Council taking ownership of the relevant scheme equipment (eg the PV solar panels) and/or through obtaining rights to the FIT income generated. by the scheme. Consideration will also have to be given to the potential failure of the Low Carbon Hub IPS itself at a point when monies are outstanding. Again this is considered below. These measures will reduce, but cannot entirely eliminate, the risk arising under the loan facility proposal.
- 22 Most of the proposed scheme projects are located outside the city boundary, but should the City Executive Board wish to pursue this matter the general power of competence should enable the Council to provide this loan facility.

Risk Implications

Failure of the equity share scheme to raise sufficient funds

- 23 The Hub are seeking to target High Net Worth investors to take up the share issue although the raising of the £2.3 million funds through this mechanism still

represents the greatest risk to the project. -In this event the agreement will allow for :

- A 3 month 'period of grace' from the agreed date of repayment by the Hub to the Council to give the opportunity for the Hub to raise alternative funds either from the Charity Bank or private financiers who the Hub are currently in discussion with.
- In the event of a default after the '3 month period of grace' the agreement would allow for the following :
 - The creation of a Floating charge over any of the Hub's assets (which would then have to be converted into a fixed charge over defined assets such as the panels)
 - Assignment rights over the assets and the contracts
 - Step in rights to intervene in the business to ensure that the appropriate steps are taken to secure the project as a going concern and thus maximise the value of the security, although it is recognised that this is something of a last resort and is not something that the Council would prefer to do.

Failure of the contractor employed by the Hub

24 The Hub (IPS) has procured a solar panel installation contractor who has also been responsible for the design of the solar panel installations. Whilst the failure of the contractor is to some extent a matter for the Hub (IPS), since the contract is with them, there may be cost implications which may indirectly affect the Council. An independent Financial Check undertaken by the Council has however shown that the financial strength of the contractor is not strong and the credit rating is low, although it is acknowledged that this financial standing may not be untypical for contractor operating in this industry. Mitigations against the failure of the contractor include:

- The contract between the Hub and the contractor would allow for the purchase of the solar panels (equivalent to approximately 50% of the contract price) directly from the solar panel supplier with the panels being subsequently owned by the Low Carbon Hub (Industrial Provident Society)
- Normal contract terms apply with a retention held for the defects liability period of 6 months
- The contractor will provide a 2 year corporate warranty on the installation.
- Original Equipment Manufacturer (OEM) guarantees will be provided for 5yrs for inverters, 10 years for panels and 25 year for panel performance
- No money is paid to the installers for installation of the panels until the system is signed off accredited Microgeneration Certificate organisations, which subsequently grants the eligibility to claim the Feed In Tariff.
- If planned well the installations are simple to fit

Financial Failure of the Low Carbon Hub (IPS)

25 The Hub intends to structure the solar panel installation contracts such that the first payment to the supplier is for the purchase of the solar panel units. Whilst the loan from the Council would be unsecured the Councils agreement with the low Carbon Hub would provide for :

- The creation of a Floating charge over any of the Hub's assets (which would then have to be converted into a fixed charge over defined assets such as the panels)
 - Assignment rights over the assets and the contracts
 - Step in rights to intervene in the business to ensure that the appropriate steps are taken to secure the project as a going concern and thus maximise the value of the security, although it is recognised that this is something of a last resort and is not something that the Council would prefer to do.
- 26 The Councils potential financial loss is also mitigated by the stage payments to the Low Carbon Hub based on the value of work done by the contractor, although it should be noted that there is some increase in administration costs for the Council.

Rising Installation Prices

- 27 The price for the installation has been fixed with the installer and therefore any rise in price and hence any requirement to increase the loan from the Council should not occur.

Conclusion

- 28 The Low Carbon Hub (IPS) have an impressive track record of enabling the implementation of a number of renewable energy schemes, via share issues which make a decent rate of return for the host and the investor whilst reducing carbon emissions and improving the community.
- 29 The £2.3 million loan to the Low Carbon Hub (IPS) would be a short term commercial loan facility with a fixed rate of return of 5% with repayment of the principal plus interest via a share issue in September /October. The amount of accrued interest to the Council will be in the order of £33k. The transaction is not a typical one for the Council in comparison to the normal investment deals that it would make under its Treasury Management Strategy where the amount of interest and return date is certain. Whilst a 5% rate of return is currently favourable compared to interest earned from alternative investments, interest rates are forecast to rise in October 2015 and holding fixed interest 'investments' long term does expose the Council to some degree.
- 30 The main risk to the granting of the loan would be that the share issue does not secure sufficient investment to repay the Council. Despite an impressive track record of raising finances from this vehicle by the Hub on other projects, past experience is not necessarily an indicator of what will happen in the future. The Council or the Hub has limited control of what will happen. Whilst there are some mechanisms to enable the Council to seek repayment of its loan via other routes, for instance selling the debt, these mechanisms are not straightforward. Should members wish to proceed with the loan facility then the Council will agree measures to ensure as far as possible the security of its investment through the Heads of Terms.

- 31 The financial case is not strong since the return in cash terms is minimal, (£33k) for the increased risks taken on, the greatest of which is the failure of the share issue to enable the return of the Councils loan in the specified period. In making a decision Members need to consider this against the benefit to the Community of Oxford and Oxfordshire at large in facilitating the renewable energy community projects.

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List of background papers: None

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CITY EXECUTIVE BOARD

Wednesday 23 April 2014

COUNCILLORS PRESENT: Councillors Price (Leader), Turner (Deputy Leader), Brown, Cook, Curran, Kennedy, Lygo, Rowley, Seamons and Tanner.

173. APOLOGIES FOR ABSENCE

None

174. DECLARATIONS OF INTEREST

No declarations of interest were received

175. PUBLIC QUESTIONS

Full written questions with answers were distributed at the start of the meeting. These are attached to the minutes as appendix one.

176. COUNCILLOR ADDRESSES ON ANY ITEM FOR DECISION ON THE BOARD'S AGENDA

None

177. SCRUTINY COMMITTEE REPORTS

There were no reports from the Scrutiny Committee.

178. FLOOD SUPPORT PACKAGE

The Head of Finance submitted a report (previously circulated, now appended) concerning a range of support schemes for households and businesses affected by flooding in winter 2013/14. Councillor Bob Price presented the report to the Board and invited Nigel Kennedy (Head of Finance) to provide some background and context to it.

Nigel Kennedy informed that Board that 60 letters had been sent to premises that had been directly affected by flooding; and further batch would be sent to those properties that had been indirectly affected. The Council had received 19 applications for help so far, with a further 2 for future resilience measures, and these were being evaluated at present. One group of residents had made a combined application for a sump pump that would help them protect their properties in future. It was not clear yet whether or not the Council could claim back its administration costs from the Government; however it was submitting a "Belwin" claim and hoped to receive approximately £200,000 to cover expenses incurred during the winter flooding event.

In answer to a question from Councillor Tanner, Councillor Price indicated that there was a flooding reserve allocated in the Budget, which could be used if necessary. Members of the Board felt it was important to make sure that people knew about this scheme. It was noted that there was information on the Council's website; that letters had gone out and that Ward members were made aware of it, but it was suggested that community groups and community centres should also be contacted to ensure widest dissemination of the information.

The Board resolved to agree:-

(1) The following support schemes for the payment of:

- Support to businesses including
 - Business rates flooding relief;
 - Business support grants;
 - Repairs and renewals grants

- Support for homeowners, including
 - Council tax discounts and
 - Repairs and renewals grants

And that the schemes are in line with approved Government guidance and follow the principles set out in Appendix A of the report;

(2) That members of the Board delegate the administration of the above schemes to the Executive Director of Organisational Development and Corporate Services.

179. LEASE OF 1930S OFFICE BLOCK OF TOWN HALL FOR SERVICED OFFICE USE

The Regeneration and Major Projects Manager submitted a report (previously circulated, now appended) concerning a proposed lease for the North Wing of the Town Hall. Councillor Turner presented the report to the Board and provided some context to it. He observed that this was good news for the Council in that it will produce an ongoing revenue stream.

The Board noted that there was a confidential appendix to the report.

Resolved to:-

- (1) Approve the proposed lease of the surplus office space within Oxford Town Hall. The outline details of the lease are set out in the not for publication confidential appendix to the report. The detailed provisions of the lease are to be approved by the Regeneration and Major Projects Service Manager;

- (2) Grant authority to the Regeneration and Major Projects Service Manager, in consultation with the Board Member, to vary or extend the areas to be leased as detailed herein, provided the transaction continues to represent best consideration and operational benefit.

180. HEADINGTON NEIGHBOURHOOD AREA - NEIGHBOURHOOD PLAN

The Head of City Development submitted a report (previously circulated, now appended) concerning the proposed designation of the Headington Neighbourhood Area. Councillor Colin Cook presented this report to the Board.

Sarah Harrison (Senior Planning Officer) informed the Board of a late comment from the Centre for Islamic Studies; which had expressed concern that it had not been consulted by the Headington Neighbourhood Forum. Their contact details will be passed to the Forum so that they can be involved in future.

Councillor Cook observed that it was not always possible to consult everyone, and that it was necessary in this case to work within the Ward boundaries.

Councillor Susan Brown had been given assurances that it would be possible for planning gain funding to be spent legitimately outside the designated neighbourhood area – in this case, parts of Wood Farm and Lye Valley. Money raised by the Community Infrastructure Levy (CIL) was fairly mobile, and while 25% of it should be spent within the neighbourhood area, 75% could be used elsewhere.

Councillor Turner felt that this idea was a good one, but added that he would not wish to see areas of the City with neighbourhood plans receive all the attention when it came to consultation.

With the agreement of the Board, Mike Ratcliffe (Chair of the Steering Group) addressed the meeting and confirmed that he would be happy to talk with the Oxford Centre for Islamic Studies. The group aimed to make plans that were coherent for Headington, and although the task ahead was onerous they had plenty of enthusiasm!

Resolved to:-

- (1) Designate the proposed Headington Neighbourhood Area;
- (2) Not designate it as a business area.

181. FUTURE ITEMS

Nothing was raised under this item.

182. MINUTES

Resolved to confirm as a correct record the minutes of the meeting held on 9th April 2014.

183. MATTERS EXEMPT FROM PUBLICATION

Resolved to exclude the press and public from the meeting during consideration of the items in the exempt from publication part of the agenda in accordance with the provisions in Paragraph 21(1)(b) of the Local Authorities (Executive Arrangements) (England) Regulations 2000 on the grounds that their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Schedule 12A of the Local Government Act 1972 and that, in all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

Summary of business transacted by the Board after passing the resolution contained in minute 179

The Board received and noted the contents of not for publication appendix to the reports at item 7 (minute 179 refers).

184. LEASE OF 1930S OFFICE BLOCK OF TOWN HALL FOR SERVICED OFFICE USE

The Board received and noted the contents of a not for publication appendix (previously circulated, now appended) to the report at agenda item 7 (minute 179 refers)

The Board decided not to release the appendix from confidentiality because the information contained within it was, and remains, commercially sensitive.

The meeting started at 5.30 pm and ended at 6.02 pm

APPENDIX 1

Question from Member of the Public City Executive Board – 23 April 2014

Consultation

The plan has not been adequately advertised, in particular it does not appear on the Oxford City Council Consultations page and process, although residents have made informal efforts to publicise it via social media.

Area

The historic centre of Headington is St Andrews church, with the parish boundary reaching to Bayswater Brook forming the north boundary of the Barton Park development, it is regrettable this is in another area.

The area should include all quadrants around the Headington Roundabout (Green Road) which clearly identify themselves with Headington – The line of shops to the SE and St Mary's describe themselves as "Headington"

Generally the area adopts the boundaries of the "Urban Village" used in the Green Spaces Survey 2007 and suffers from the same problem, it is essentially practically ungovernable as much important data required for the evidence base does not conform to its boundaries.

Most important government statistics from census information and others come from either electoral or invariable CAS wards (statistical wards), further granularity is normally not possible as this intrudes on privacy.

This means even simple information such as what was the population growth in the Headington Forum area, or more importantly derived information such as how much green space has been lost, or how many HA of space per 1000 persons is almost incomputable, therefore, the next phase of gathering the evidence base will be based on broad assumptions via unclear data, as will grant and funding applications and the like.

The above confusion may have been a major factor in the loss of the former Barton Cricket Ground and the grant of planning permission to the nearby Barton Park development that will have less unrestricted green space than Tower Hamlets in central London - the relevant information was not easily available.

Clearly it is very hard to match the governmental boundaries with those of the community as either approach will lead to illogical outcomes, but further efforts need to be made to reduce these to any absolute minimum or with computable deltas.

Mark Pitt

Response:

Consultation

The original email from Headington Heritage was sent to a different group email address to the one specified in the consultation material, and unfortunately was not received by the officer dealing with this matter in time to be included in the CEB report. A change in committee dates meant that this committee report had to be written immediately after the close of the consultation period.

The consultation on the area application was publicised on the neighbourhood planning section of the City Council's website, and letters and emails were sent to a large number of local groups in Headington and surrounding areas. Many of those groups in turn helped to publicise the proposals, as did local ward Members. A poster was produced and distributed to over 30 community noticeboards in the area, while the area application documents were placed on display at libraries in Headington, Old Marston and Cowley, together with the central library and at the City Council's customer services centre in St Aldate's.

Area

The central thrust of the comments made by Headington Heritage is that the neighbourhood area should be based on established electoral or ward boundaries in order to ensure that census information and other forms of data are available to support the Headington Neighbourhood Plan. The objector is concerned that the evidence base will otherwise be founded on "broad assumptions via unclear data".

These are relevant issues to consider and are already addressed in paragraphs 5-6 of the committee report. The report notes that the Neighbourhood Forum has put a lot of work into attempting to draw up a suitable boundary. It identifies that the proposed area includes the whole of Headington ward, together with the part of Quarry and Risinghurst ward outside of the parish boundary and the part of the Churchill and Wood Farm ward that is outside the Wood Farm regeneration area. The area also includes a polling district in Barton and Sandhills ward that is within the ring road and the part of Headington Hill and Northway ward that falls within the Headington Hill conservation area.

While it will be more challenging to compile statistical data for the proposed area than it would be for an area that simply follows an existing ward boundary, it is possible to obtain detailed statistical data for Super Output Areas that are smaller than ward level. Indeed the City Council has already published on its website a profile of the characteristics of the area covered by the Headington Neighbourhood Forum according to the 2011 Census. This can be accessed from the following link: <http://www.oxford.gov.uk/Library/Documents/Statistics/AreaProfiles/Headington%20Neighbourhood%20profile.pdf>

The committee report also notes that electoral services were consulted with regard to the proposed electoral boundaries, to ensure the referendum can run smoothly.

With regard to the specific geographical comments made, the Barton Park development is considered to fall within the community of Barton, while the shops to the SE of Green Road roundabout cannot be included because they fall within the Risinghurst and Sandhills Parish Council area. Paragraph 12 of the committee report explains that the Localism Act precludes a neighbourhood forum from being designated if its' neighbourhood area would cover the whole or part of a parish council area. This is because Parish Councils are expected to take the lead on neighbourhood planning within parished areas.

Adrian Roche
Planning Policy Team Leader

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