

Agenda

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City Executive Board

Date: **Thursday 14 January 2016**

Time: **5.00 pm**

Place: **The Old Library, Town Hall**

For any further information please contact:

Catherine Phythian, Committee and Member Services Officer

Telephone: 01865 252402

Email: executiveboard@oxford.gov.uk

As a matter of courtesy, if you intend to record the meeting please let the Contact Officer know how you wish to do this before the start of the meeting.

City Executive Board

Membership

Chair

Councillor Bob Price	Corporate Strategy and Economic Development
Councillor Ed Turner	Finance, Corporate Asset Management and Public Health
Councillor Susan Brown	Customer Services and Corporate Services
Councillor Alex Hollingsworth	Planning, Transport and Regulatory Service
Councillor Pat Kennedy	Young People, Schools and Skills
Councillor Mark Lygo	Leisure, Sports and Events
Councillor Mike Rowley	Housing
Councillor Christine Simm	Culture and Communities
Councillor Dee Sinclair	Crime, Community Safety and Licensing
Councillor John Tanner	Climate Change and Cleaner, Greener Oxford

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AGENDA

Pages

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

3 PUBLIC QUESTIONS

When the Chair agrees, the public can ask questions about any item for decision at the meeting for up to 15 minutes. Questions must have been given to the Head of Law and Governance by 9.30am 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 COUNCILLOR ADDRESSES ON ANY ITEM FOR DECISION ON THE BOARD'S AGENDA

City Councillors may, when the Chair agrees, address the Board on an item for decision on the agenda (other than on the minutes). The member seeking to make an address must notify the Head of Law and Governance by no later than 9.30am at least one clear working day before the meeting. An address may last for no more than three minutes. If an address is made, 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.

5 COUNCILLOR ADDRESSES ON NEIGHBOURHOOD ISSUES

10 minutes of the meeting is available for any Councillor to raise local issues on behalf of communities directly with the Board. Priority will be given to those who have not already attended within the year and in the order received. Issues can only be raised once unless otherwise agreed by the Board. The Board's responsibility will be to hear the issue and respond at the meeting, if possible, or arrange a written response within 10 working days.

6 SCRUTINY COMMITTEE REPORTS

A Scrutiny Committee report on the Oxpens Delivery Strategy will be submitted to this meeting, following the Scrutiny Committee meeting on 12 January 2016.

7 OXPENS DELIVERY STRATEGY

7 - 18

Lead Members:

Cllr Bob Price, Board Member for Corporate Strategy and Economic

Development
Cllr Ed Turner, Board Member for Finance, Asset Management and
Public Health
Councillor Alex Hollingsworth Board Member for Planning & Regulatory

Report of: Executive Director for Regeneration and Housing

The Executive Director, Regeneration and Housing has submitted a report which provides an update on the Oxpens development scheme and seeks approval for an amendment to the strategy.

Recommendations: That the City Executive Board resolves to:

1. Note the contents of this report;
2. Authorise a collaboration with Nuffield College to create an appropriate joint venture vehicle through which the Oxpens strategy can be delivered, on the basis that Nuffield College would act as an investor in the vehicle and in recognition of Nuffield's position as a key landowner in the development area, as set out in this report;
3. Delegate authority to the Executive Director, Regeneration and Housing, in consultation with the Chief Executive, s151 Officer and Monitoring Officer, to agree the terms of the Council's entry into such a joint venture vehicle;
4. Authorise (if required) the placement of an appropriate VEAT notice in regard to the proposed collaboration with Nuffield College;
5. Agree to the commencement of an appropriate competitive procurement exercise to select a developer joint venture partner to become a Member of the proposed joint venture vehicle
6. Delegate authority to the Executive Director, Regeneration and Housing to agree terms for the acquisition of land at Oxpens, as described in this report, in consultation with the Chief Executive, s151 and Monitoring Officers;
7. Delegate authority to the Chief Executive, in consultation with the Leader, to appoint directors to the joint venture company.

8 ITEMS RAISED BY BOARD MEMBERS

9 MINUTES

19 - 30

Minutes of the meeting held on 17 December 2015.

Recommendation: The City Executive Board NOTES the minutes of the meeting held on 17 December 2015 as a true and accurate record.

10 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 I2A 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

11 OXPENS DELIVERY STRATEGY - CONFIDENTIAL APPENDICES

31 - 42

This is exempt from publication by virtue of Paragraphs 3 and 5, Part 1 of Schedule 12A of the Local Government Act 1972 for the following reasons:

- Commercial affairs of the Council
- Legal Privilege

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: 14 January 2016

Report of: Executive Director Regeneration and Housing

Title of Report: Oxpens Revised Delivery Strategy

Summary and Recommendations

Purpose of report: To provide an update and seek approval for an amendment to the strategy.

Key decision Yes

Executive lead members:

- Cllr Bob Price, Board Member for Corporate Strategy and Economic Development
- Cllr Ed Turner, Board Member for Finance, Asset Management and Public Health
- Councillor Alex Hollingsworth Board Member for Planning & Regulatory

Policy Framework: Corporate Plan - vibrant & sustainable economy; Core Strategy 2010; West End Area Action Plan 2008; Regeneration Framework 2010; Oxpens SPD 2013

Recommendations: That the City Executive Board resolves to:

1. Note the contents of this report;
2. Authorise a collaboration with Nuffield College to create an appropriate joint venture vehicle through which the Oxpens strategy can be delivered, on the basis that Nuffield College would act as an investor in the vehicle and in recognition of Nuffield's position as a key landowner in the development area, as set out in this report;
3. Delegate authority to the Executive Director, Regeneration and Housing, in consultation with the Chief Executive, s151 Officer and Monitoring Officer, to agree the terms of the Council's entry into such a joint venture vehicle;
4. Authorise (if required) the placement of an appropriate VEAT notice in regard to the proposed collaboration with Nuffield College;

5. Agree to the commencement of an appropriate competitive procurement exercise to select a developer joint venture partner to become a Member of the proposed joint venture vehicle
6. Delegate authority to the Executive Director, Regeneration and Housing to agree terms for the acquisition of land at Oxpens, as described in this report, in consultation with the Chief Executive, s151 and Monitoring Officers;
7. Delegate authority to the Chief Executive, in consultation with the Leader, to appoint directors to the joint venture company.

Appendices

- Appendix 1 Risk Register
- Appendix 2 Land Ownership Plan
- Appendix 3 NOT FOR PUBLICATION Commercially Sensitive (Para 3, Sch 12A LGA 1972)
- Appendix 4 NOT FOR PUBLICATION Legal Privilege (Para 5, Sch 12A LGA 1972)

Background

1. In October 2015 CEB approved a report authorising the acquisition of railway lands in order to combine the site with the City Council's adjoining landholdings, promote a mixed-use scheme and seek a private sector partner to undertake a comprehensive scheme of development.
2. Central Government has now confirmed the disposal of railway lands (owned by LCR: London and Continental Railways) at Oxpens to the Council on the basis of an unconditional sale for a fixed price.
3. Nuffield College and the Council have discussed the potential for a joint venture, including capital investment, in the West End. As the two predominant land owners in the area we are in a unique position to collaborate to deliver the vision set out in the West End Area Action Plan and, by jointly master-planning our assets, to ensure the efficient and effective delivery of development and infrastructure and optimisation of land values.
4. The terms set out by Central Government for the transfer of the railway lands have changed since the previous CEB report and now require a higher initial payment, but Central Government's requirement to share in future returns from the development (planning overage) is removed (unless the site is traded without planning permission where there is a requirement for a profit share). Nuffield College is prepared to invest jointly with the Council to acquire the railways lands and move forward the development on Oxpens in partnership, including seeking a private sector investor for the development. This collaboration is supported by Central Government and the Secretary of State for Communities and Local Government as identified in the City Deal.

5. In October 2015, CEB authorised the creation of a wholly owned investment vehicle and the commencement of a competitive exercise to secure a joint venture partner to become a Member of such a vehicle. (CEB 15 October 2015 Recommendation No.3). It is now proposed that the investment vehicle is set up jointly with Nuffield College, and that a competitive exercise is subsequently undertaken to secure a private sector joint venture partner to provide investment and move forward a comprehensive development scheme. The joint venture vehicle would be a limited liability company.

Priority

6. The Oxpens development is a strategic priority in the Oxford City Deal and the Oxfordshire Strategic Economic Plan unlocking major private sector investment and jobs as well as delivering significant wider benefits, including:
 - essential business space and accommodation for new and growing enterprises and services which require links to the universities and service economy
 - city centre regeneration linked to major investment committed at the railway station and Westgate (£500m redevelopment now under construction)
 - transport improvements and flooding infrastructure which are essential to enable the city's economy to grow
 - providing a platform for wider regeneration including employment areas near the station and Osney Mead, and supporting redevelopment around Frideswide Square
 - providing new market and affordable housing (over 300 homes), and visitor accommodation.

Collaboration Agreement

7. Nuffield College and the City Council have recognised an opportunity for a partnership arising from the unique combination of our respective positions as the predominant landowners in the area, our shared values, and our collective ambition to regenerate the area. This collaboration will be formalised both in a collaboration agreement and in the terms of a joint venture agreement to enable delivery of sites across the West End in accordance with the West End Area Action Plan and supplementary planning documents including the Oxpens Masterplan SPD. The joint objectives for the collaboration are as follows:
 - To craft a joint vision for a mixed-use social science and business quarter that connects major individual sites across the city centre west end.
 - To increase the supply of city centre housing for key workers, college graduates and those in need of affordable housing.

- To promote University spin-outs and multidisciplinary approaches to innovation¹, for social and economic benefits
 - To deliver high quality developments in accordance with the West End Area Action Plan.
 - To optimise the value of our landholdings, subject to any legislative or legal requirements.
 - To identify joint investment opportunities and spin-out projects.
8. The partnership is for investment as opposed to procuring goods or services and therefore does not require the Council to undertake a competitive selection process compliant with EU procurement regulations. The proposed partnership with Nuffield College is considered by the Council to be consistent with the Council's procurement requirements as Nuffield College is in the unique position as the predominant landowner in the area with the exclusive ability to work with the Council to create a mixed-use social science and business quarter that connects major individual sites across the city centre west end. This includes the facility to masterplan, transfer uses and deliver sites within a comprehensive development programme, including acquiring or exchanging interests in sites. There will be a competition on the open market for the developer investor partner in due course.

Collaboration Projects

9. It is intended that the following initial projects will be undertaken. Other projects can be added by mutual agreement subject to future CEB reports as necessary.
- Production of an integrated masterplan for the Nuffield Island Site- Jam Factory - Oxpens- Westgate areas, building on the established planning framework and individual masterplans already in place
 - To invest in the Oxpens site and seek potential further opportunities in the West End area for joint working and further investment (subject to CEB & Council approvals).
 - To seek to apply social science expertise into the Oxford 'Smart Cities' programme.

Timing & Way Forward

10. The Council proposes to acquire the railway lands jointly with Nuffield College and to plan and promote mixed-use development of the site in combination with the Council's adjoining land holdings. Nuffield College has confirmed (subject to contractual detail and procedural matters) that it is prepared to enter into a 50–50 JV partnership with the Council and will invest half the cost of the acquisition of the LCR land.
11. Following acquisition of the LCR land, a competitive process will be undertaken for a private sector partner. The development will then

¹ Multidisciplinary approaches to innovation involve a wide range of different types of professionals coming together to solve problems and improve processes.

proceed with planning permission sought, strategic infrastructure being installed, and onward sale of plots for development of housing and commercial properties.

12. It should be noted that the Government's changes to planning policy regarding brownfield sites, permitted development and affordable housing, may mean changes that impact on the site across the period of the development. To mitigate the potential impact the Council will, as a partner in the investment vehicle, have certain matters reserved for reference back to (elected) Members, in particular, affordable housing policy. The baseline scheme for development will be in accordance with the Oxpens Masterplan SPD and deliver a sustainable mixed-use scheme including affordable housing in accordance with policy. It is recognised that over the lifetime of the development the scheme may need to flex and compromises between the partners may be required if circumstances change. The partnership will contain deadlock and dispute resolution processes as a last resort, similar to those in the Barton LLP agreement.
13. The private sector partner would take an interest in the investment vehicle, alongside the Council and Nuffield and hence dilute the initial 50:50 partnership. The final terms will be subject to negotiation and would be remitted back to CEB for approval, but are expected to incorporate the following principles:
 - The private sector partner will expect to become a 50% partner (and is unlikely to accept less) in exchange for providing funding, with the Council and Nuffield each holding 25%. However, agreement between all the parties will be required, or reference to resolution process as referred to above.
 - The Council's adjoining land will be sold to the investment vehicle for development at an agreed price subject to an independent valuation and a minimum price payable.
 - The private sector partner may partially refund the Council's initial cost of acquiring the railway lands (if required) - with the balance of the land value together with any development uplift being returned to the Council and Nuffield as development takes place.
 - There will be a profit share agreement between the parties.
 - The partners may have the opportunity to acquire elements of the completed development - for example the Council may have an interest in the affordable housing.
 - The intention is to have a new private sector partner in place within six months of the acquisition of the railway lands.

The detailed financial terms and business plan negotiated with the private sector partner will be subject to CEB and Nuffield College approval.

14. The Council has taken independent advice from leading property advisers JLL who has also carried out initial market testing with major

private sector developers. This has demonstrated that there is significant interest in the wider Oxpens site from developers of excellent standing, who have proven track records in bringing forward large, complex regeneration sites, combining housing and commercial elements.

Delivery and Development Programme

15. It is anticipated that infrastructure development could start on site in 2017 with the support of Local Growth Fund (LGF) monies already secured.

Legal and Procurement Issues

16. **Powers:** The City Council is entering into the project for the purposes of regeneration and economic growth exercising the General Power of Competence in Section 1 of the Localism Act 2011, and all other relevant powers
17. **Procurement:** Pinsent Masons solicitors have provided procurement advice to the Council. See [NOT FOR PUBLICATION] Appendix 4
18. Pinsent Mason advises that a joint venture structure must meet the Public Contracts Regulations (“PCR”) requirements if one of the partners is appointed to provide works or services. The proposed joint venture with Nuffield is, however, an investor partnership. In accordance with the Regulations, therefore, provided that Nuffield College is not appointed to provide works or services for the development, it is the view of the Council that their appointment to the JV falls outside of the PCR. To ensure maximum public transparency, however, consideration will be given as to whether the publication of a VEAT notice in regard to Nuffield’s appointment will assist the process.
19. **State Aid:** Provided that the Council enters into the vehicle on terms on which a private sector participant would accept then the Council can lawfully participate in the vehicle without State Aid arising. It will be necessary to keep a watching brief over this as terms are finalised.
20. **Competition:** Nuffield College, the proposed initial partner, is in an exclusive position to support delivery the West End Area Action Plan (which includes sites at Oxpens, Jam Factory, Island site and Worcester street car park) following a recent transfer of Christ Church assets to Nuffield. This opportunity arises from the unique combination of our positions as predominant landowners in the area, our shared values, and our collective knowledge base. There is no other investor that can offer this combination of attributes. As such, it is considered that any competition the Council could undertake at this point would add no value to the process. The Board is therefore asked to waive such of the Council’s contract rules as may apply by agreeing the appointment of Nuffield College as an investment partner in the proposed JV without a formal competitive selection process.

21. The selection of a private sector investor developer partner will require a form of competition.
22. The form of the vehicle will be a limited company, in accordance with the provisions of the Localism Act 2011.
23. The joint venture vehicle will not be a Public Body, or a 'Contracting Authority' as defined under public law, and would not discharge any of the statutory functions of the Council.
24. The joint venture aims to bring about social, economic and physical regeneration and is commercial, operates in normal market conditions, aims to make a profit and bear the risk of its activity - no losses can be met from the public purse.
25. Following sale of all landholdings and completion of development, the Joint Venture will dissolve unless agreed otherwise.
26. The Council's Legal Team has been consulted on this project and the Draft Heads of Terms for the Oxpens Delivery Partnership have been prepared on the basis of advice provided by Pinsent Mason lawyers and JLL property advisors.
27. Internal Governance. An Internal Board will be established to oversee the project comprising Directors, s151 Officer, Legal Officer, Planning, Housing and Property officers.

Financial Issues & Due Diligence

28. The Council has sufficient financial resources to meet its share of the cost of acquiring the LCR land. Budgetary provision has already been made for a variable investment with a maximum exposure of £8.4m. (Full Council 7 December 2015)
29. Timeframes for receipts: Returns will be linked to a payment mechanism as yet to be agreed and reported back to CEB.
30. Further details are provided in [NOT FOR PUBLICATION] Appendix 3.
31. Legal, Property and Technical Fees: These were covered in the CEB report dated 15 October 2015 and approved as part of the project budget in by Council on 7 December 2015. The estimated fee expenditure is £370k.

Environmental Impact

32. The land is on the Council's Prioritised list under Part 2A of the Environmental Protection Act 1990 and an intrusive investigation will be required as a condition of planning for any proposed change of use.

Remediation will be required to make the land suitable for residential use. The Council has already received desktop assessments on the potential ground conditions and has made allowances for ground works in its financial assessments.

33. The project provides the opportunity to remediate or remove the historic landfill on the site and to improve the flood capacity of the Oxpens area.

Equalities Impact

34. The Initial Assessment is that the contents of this report do not lead to any unjustifiable differential impact on relevant groups. The project will provide an important means to deliver new private and affordable housing and commercial spaces in support of economic development and the creation of new jobs.

Name and contact details of author:-

Name Fiona Piercy

Service Area: Regeneration & Housing

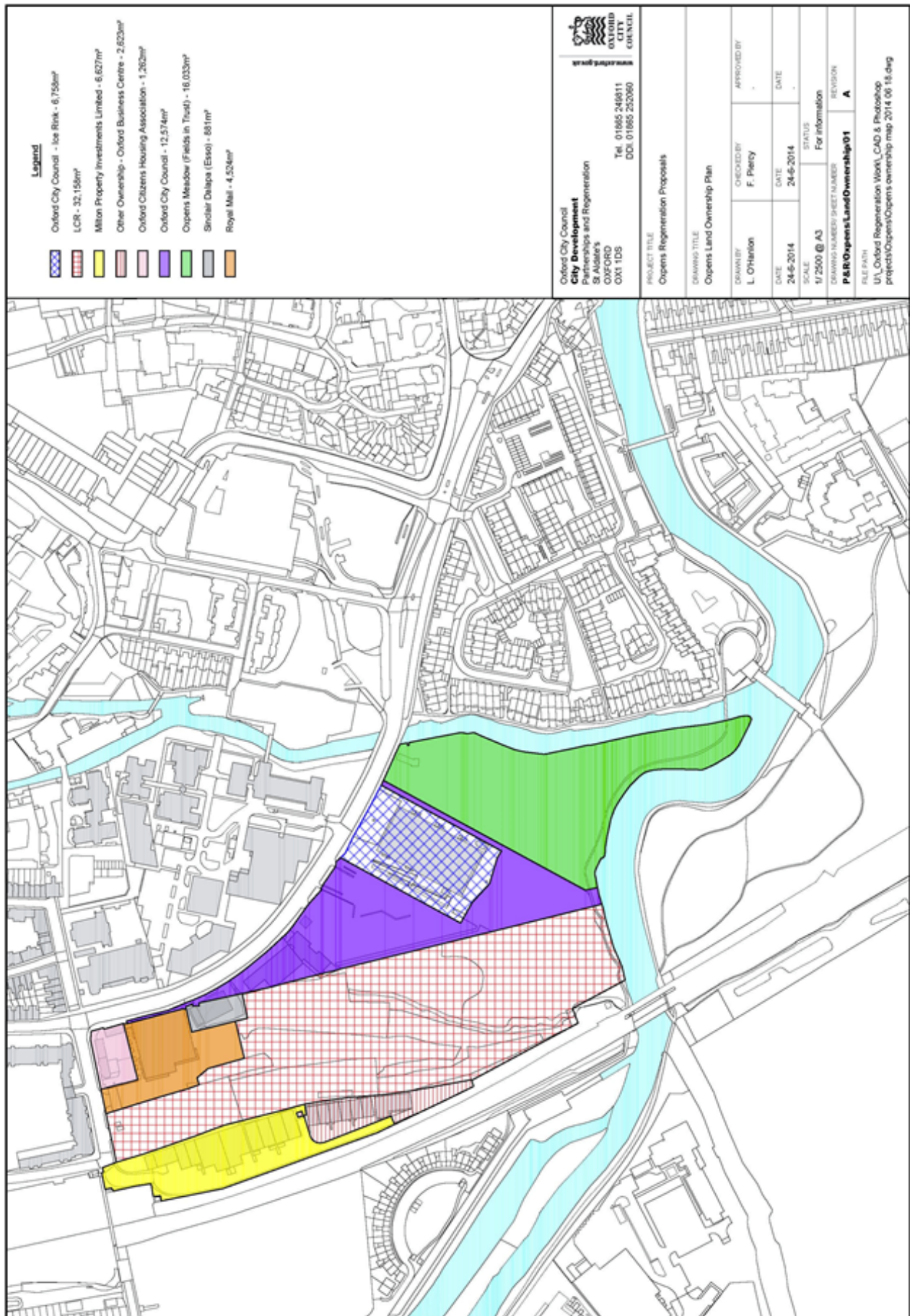
Tel: 01865 252185 e-mail: fpiercy@oxford.gov.uk

Background Papers: None

Appendix 1 – Risk Register Oxpens Delivery Strategy

Risk ID	Risk						Corporate Objective	Gross Risk		Current Risk		Residual Risk		Owner	Date Risk Reviewed	Proximity of Risk (Projects/Contracts Only)
Category -000- Service Area Code	Risk Title	Opportunity/Threat	Risk Description	Risk Cause	Consequence	Date raised	1 to 6	I	P	I	P	I	P			
CEB-001-R&H	Investor Agreement	Threat	Failure to secure investor partner	Differing objectives, unattractive terms	Delays in delivery	Oct 15		4	4	4	3	4	3	R&H (DE)		6 mths
CEB-002 – R & H	LGF Funding	Threat	Funding Terms not met	Lack of Investor agreement	Delays in delivery whilst new partner sought.	Jan 15		4	4	4	3	5	3	R&H (DE)		6 mths
CEB-003-R&H	Site conditions	Threat	Cost increases arising from unduly high abnormals	Abnormals above that anticipated	Longer development period, reduced returns	Jan 15		5	5	4	4	4	3	R&H (DE)		
CEB-004-R&H	Market Changes	Threat	Downturn impacts on returns	Property Market & economic cycles	Return on investment reduces	Jan 15		3	3	3	3	3	3	R&H (DE)		3-5yrs
CEB-005-R&H	Market Changes	Opportunity	Upturn impacts on returns	Property Market & economic cycles	Return on investment increases	Jan 15		3	3	3	3	3	3	R&H (DE)		3-5yrs
CEB-006-R&H	Land assembly	Threat	Unable to agree terms with adjacent landowners	Unrealistic expectations	Delays & exercise of CPO powers incurs additional cost	Jan 15		4	4	4	3	4	3	R&H (DE)		1mth-3 years

Risk ID	Risk Title	Action Owner	Accept, Contingency, Transfer, Reduce or Avoid	Details of Action	Key Milestone	Milestone Delivery Date	%Action Complete	Date Reviewed
001	Investor agreement	R&H (FP)	Accept & aim to reduce	Negotiate and agree, early testing, alternative approach	Soft market testing Agree draft heads of terms	Dec 15	10%	
002	LGF Funding	R&H FP	Accept & aim to reduce	Complete investor agreement.	Engrossed documents	Nov/Dec 16	0%	
003	Site Conditions	R&H	Accept & aim to reduce	Site investigations. Desktop research.	Complete desktop studies. Complete	September 2014	100%	
003	Site Conditions	LLP	Accept & aim to reduce	Site investigations. detailed	Complete intrusive investigations	Spring 2016	0%	
004	Market downturn	R&H (FP)	Accept	Defined level of investment capped relative to baseline land value.	JLL RLV appraisal	Dec 2015	100%	
004	Market downturn	Finance (NK)	Accept	MRP to be made should value of land drop below investment value	Annual Monitoring	Oct 2015	0%	
006	Land Assembly	R&H (FP)	Accept & aim to reduce	In principle agreement on railway land.	Finalise acquisition.	Jan 2015	80%	
006	Land Assembly	R&H (FP)	Accept & aim to reduce	Complete negotiations with relevant landowners.	Finalise position.	Summer 2016	50%	



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MINUTES OF THE CITY EXECUTIVE BOARD

Thursday 17 December 2015



COUNCILLORS PRESENT: Councillors Price (Leader), Turner (Deputy Leader), Brown, Hollingsworth, Kennedy, Lygo, Rowley, Simm, Sinclair and Tanner

OTHER MEMBERS PRESENT: Councillor Jean Fooks and Councillor Van Coulter

OFFICERS PRESENT:

Peter Sloman (Chief Executive), David Edwards (Executive Director City Regeneration and Housing), Tim Sadler (Executive Director Community Services), Caroline Green (Assistant Chief Executive), Nigel Kennedy (Head of Financial Services), Ian Brooke (Head of Community Services), Ian Wright (Service Manager Environmental Health), Diane Phillips (Corporate Asset Manager), Piers Scrimshaw-Wright, Paul Fleming (Chief Technology & Information Manager), Andrew Brown (Scrutiny Officer), Lindsay Cane (Legal Services Manager) and Catherine Phythian (Committee Services Officer)

118. APOLOGIES FOR ABSENCE

There were no apologies for absence.

119. DECLARATIONS OF INTEREST

There were no declarations of interest.

120. PUBLIC QUESTIONS

The City Executive Board noted the following public questions and the written responses (as published) on:

Agenda item 7: Community Centre Strategy

- Ms Judith Harley
- Mr Art Well

Agenda item 17: Budget 2016/17 - Consultation

- Mr Gibson

121. SCRUTINY COMMITTEE REPORTS

The Chair of the Scrutiny Committee submitted the following reports for consideration by the Board. The Scrutiny Officer and Cllr Van Coulter, Chair of the Guest Houses Review Group presented the reports. Their comments are included under the main minute items for those reports.

122. SCRUTINY COMMITTEE REPORT - COMMUNITY CENTRE STRATEGY 2016-2020

This report was considered as part of the discussion of agenda item 7: Community Centre Strategy 2015-2020 (minute 128).

123. SCRUTINY COMMITTEE REPORT - RESETTLING SYRIAN REFUGEES IN OXFORD

This report was considered as part of the discussion of agenda item 8: Resettling Syrian Refugees in Oxford (minute 133).

124. SCRUTINY COMMITTEE REPORT - ASSET MANAGEMENT PLAN 2016-2020

This report was considered as part of the discussion of agenda item 12: Asset Management Plan 2016-2020 (minute 129).

125. SCRUTINY COMMITTEE REPORT - REPORT OF THE GUEST HOUSES REVIEW GROUP

The Scrutiny Officer submitted a report which detailed the findings of the scrutiny inquiry into preventing and disrupting the exploitation of vulnerable people in guest houses in the city.

Cllr Van Coulter, Chair of the Guest Houses Review Group presented the report and recommendations. He said that in conducting this scrutiny review, councillors wanted to understand whether there was more that could reasonably be done to deter, disrupt and prevent opportunities for exploitation of children and adults in guest houses. In drafting the recommendations the Review Group had been mindful that this was an area in which Parliament might be asked to apply national standards. He said that the report had received favourable coverage in the media and that the Council had received requests for further information from a number of other local authorities.

Cllr Price, Corporate Strategy and Economic Development, responded on behalf of the Board. He said that as this was such an important issue the Board wanted to take the time to review the recommendations in detail before responding formally. In the meantime he said that the Board was fully supportive of the overall report and the two main recommendations:

- to maintain an accurate list of guest houses operating in the Oxford area that is updated at least annually developed into an accurate list)
- the introduction of a voluntary code of good practice for owners of guest houses in the Oxford area to sign up to

The City Executive Board thanked the Scrutiny Committee for the report which provided a valuable exposition of a serious problem.

The City Executive Board resolved to:

1. provide a written response to the recommendations.

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

Cllr Fooks addressed the Board with regard to:

- Agenda item 7: Community Centre Strategy
- Agenda item 11: Corporate Enforcement Policy

Her comments are included in the minute for those items.

127. COUNCILLOR ADDRESSES ON NEIGHBOURHOOD ISSUES

Cllr Linda Smith addressed the Committee with regard to the Oxford City Council's Tree Management Policy and the problem of nuisance trees in Blackbird Leys. She asked the Board to reconsider what could be done to deal with the problem.

Cllr Lygo, Board Member Leisure, Sports and Events said that he was aware of the concerns raised by Cllr Smith, which had been endorsed by other ward members, and that he intended to bring a revised Tree Management Policy to the Board.

The City Executive Board resolved to:

1. **Consider** a revised Tree Management Policy at the meeting in February 2016.

128. BUDGET 2016/17 - CONSULTATION

The Head of Financial Services submitted a report which presented the Medium Term Financial Strategy 2016-20 and 2016-17 Budget for approval prior to consultation.

Cllr Turner, Board Member Finance, Corporate Asset Management and Public Health presented the report and highlighted the following points:

- The budget had been prepared in the context of the Autumn Statement announcement of a further 24% cut in local government spending

- the Government was passing the Business Rate risk to local authorities and this was treated as a substantial risk item in later years of the draft budget
- the expiry of the staff pay settlement was another risk area
- there were no cuts to front line services
- the capital programme had been trimmed back but the Council remained committed to all the projects on the reserve list
- The Housing Revenue Account was the highest risk area as a result of government policy changes and as a result the Council was looking at other alternative options to deliver its commitment to council housing
- the City Council's element of the council tax increase was capped at 1.99%

The Head of Financial Services said that this had been a particularly challenging year and that there were still a number of uncertainties in the draft budget.

The Chief Executive reminded the Board of the scale of recent changes underpinning the Budget. It was a significant achievement to maintain service levels and the capital programme against a significant reduction in income in recent years. He commended the work of the Council staff in delivering efficiency savings.

The Board thanked the Head of Financial Services and his staff for their hard work in preparing the 2016-17 Budget for consultation.

The City Executive Board resolved to:

1. **Approve** the 2016-17 General Fund and Housing Revenue Account budgets for consultation and the General Fund and Housing Revenue Account Medium Term Financial Plan as set out in Appendices 1-10 noting:
 - a) the Council's General Fund Budget Requirement of £19.823 million for 2016/17 and an increase in the Band D Council Tax of 1.99% or £5.55 per annum representing a Band D Council Tax of £284.52 per annum;
 - b) the continuance of the Council's Council Tax Support scheme (formerly Council Tax Benefit) as referred to in para 34;
 - c) the Housing Revenue Account budget for 2016/17 of £43.460 million and a reduction of 1% (£1.06/wk) in social dwelling rents from April 2016 giving a revised weekly average social rent of £104.79 as set out in Appendix 4;
 - d) the General Fund and Housing Revenue Account Capital Programme as shown in Appendix 6.
- 2) **Agree** the fees and charges shown in Appendix 8 and the change to concessions as referred to in para 37i(viii);
- 3) **Note** the prioritised list of Capital Schemes that are held in reserve, pending the receipt of further resources, as shown in Appendix 7;
- 4) **Delegate** to the Section 151 Officer in consultation with the Board Member for Finance and Assets the decision to determine whether it is financially advantageous for the Council to enter into a Business Rates Distribution Agreement as referred to in paragraphs 25-26; and

- 5) **Note** the intention of officers to seek an exemption from the requirement to decrease dwelling rents by 1% as referred to in paragraph 44 and the potential changes to the HRA budget.

129. COMMUNITY CENTRE STRATEGY 2016-2020

The Head of Community Services submitted a report which presented the draft Community Centres Strategy for discussion and amendment prior to a period of public consultation.

Cllr Simm, Board Member Culture and Communities, presented the report, highlighting the two main action areas of the draft Community Centres Strategy: improving facilities and sustainable management. She referred the Board to the published responses to the recommendations from the Scrutiny Committee. She said that the following recommendations were rejected or accepted in part because:

- Recommendation 5 – in part : the Council would seek an alternative way to deliver a community hub in the event that proposed approach was compromised
- Recommendation 6 - No: the draft Strategy did recognise the work of volunteers and voluntary organisations
- Recommendation 7- in part :all groups were represented in the planned consultation sessions but the Board should notify officers if they were aware of other groups that should be included.

The Head of Community Services confirmed that the strategy would be subject to 8 weeks of public consultation starting in January 2016 and that the document would be available in hard copy and on-line. He was pleased to report that the first event in the new Rose Hill Community Centre would take place before Christmas.

In response to a question from Cllr Fooks about funds previously allocated for maintenance at Cutteslowe Community Centre but which did not appear in the Action Plan, the Board noted that the details of funding for community centre maintenance would be available at the end of the financial year.

The City Executive Board resolved to:

1. **Approve** the draft Community Centres Strategy for public consultation.

130. ASSET MANAGEMENT PLAN 2016-2020

The Director of Regeneration and Housing submitted a report which presented the Asset Management Plan 2015-2020 for approval prior to public consultation.

Cllr Turner, Board Member Finance, Corporate Asset Management and Public Health presented the report. He referred the Board to the list of changes from previous versions of the plan as set out at paragraph 7 of the report and commented on the clearer links to the corporate priorities.

In response to the Scrutiny Committee recommendations he said that all four were broadly accepted subject to some textual amendments as set out in the published response. In closing he thanked the Senior Asset Manager and the Corporate Asset Manager and other officers for their work. In discussion the Board noted that this was the first Asset Management Plan for a number of years which recommended investing in additional property assets.

The City Executive Board resolved to:

1. **Approve** the Asset Management Plan 2016-2020 for consultation as amended in the responses to the recommendations from the Scrutiny Committee.

131. CORPORATE PROCUREMENT STRATEGY 2016 - 2019

The Head of Financial Services submitted a report seeking approval from the City Executive Board to adopt the Council's new Corporate Procurement Strategy 2016 to 2019.

Cllr Brown, Board Member Customer Services and Corporate Services, presented the report. She said that an important element of the strategy would be to invest in the local economy. With reference to the Motion submitted to Council on 7 December 2015 concerning Procurement and Tax she explained that the Council was required by the Cabinet Office to follow pre-qualification rules for all EU contracts and there was no scope for variation. However, officers would continue to explore what could be done to meet the spirit of the Council Motion wherever possible.

The Board noted:

- the introduction of an ethical and sustainable procurement statement
- the savings target of 1-3% for a range of contracts

The City Executive Board resolved to:

1. **Approve** the adoption of the Corporate Procurement Strategy for 2016 to 2019.

Cllr Turner left the meeting at the end of this item.

132. DATA PROTECTION POLICY REFRESH

The Head of Business Improvement submitted a report which presented an updated Data Protection Policy for approval.

Cllr Brown, Board Member Customer Services and Corporate Services, presented the report. The Chief Technology and Information Manager informed the Board that this was a straightforward refresh of the existing policy and that there were no new provisions. He said that he was pleased to note a more general awareness amongst all staff of the importance of data protection and

less reliance on the data protection policy specialists. He confirmed that the new ICT service providers were fully compliant on data protection.

The City Executive Board resolved to:

1. **Approve** the Data Protection Policy.

133. CORPORATE ENFORCEMENT POLICY 2015

The Director for Housing and Regeneration submitted a report which detailed proposals for an Enforcement Policy covering all the regulatory functions of the Council.

Cllr Hollingsworth, Board Member Planning, Transport and Regulatory Service, presented the report. He explained that the Enforcement Policy complied with the Legislative and Regulatory Reform Act 2006 and referred the Board to the details contained in the Action Plan. He confirmed that the Action Plan milestones would be reviewed and monitored by the Board Member and officers.

The Environmental Health Service Manager explained that this was a corporate not service specific policy. He said that the Council's enforcement approach would take corporate and local priorities into account. In response to questions on the Action Plan he assured the Board that safeguarding training was an on-going activity and that it was the annual review of training plans that was scheduled for completion by June 2016.

The City Executive Board resolved to:

1. **Approve** the proposed Corporate Enforcement Policy and its appendices.

134. RESETTLING SYRIAN REFUGEES IN OXFORD

The Assistant Chief Executive submitted a report which detailed progress in accommodating Syrian Refugees in Oxford through the Government's Syrian Vulnerable Person Resettlement Scheme and requested approval of proposals to accommodate Syrian Refugees in Oxford.

Cllr Price, Board Member Corporate Strategy and Economic Development, presented the report. He said that he was pleased to inform the Board that the first two refugee families had arrived in Oxford and were being supported by the City Council and partner organisations. He said that he was able to accept all of the Scrutiny Committee recommendations as they reinforced the City Council's preferred approach to work closely with partners and the County Council to co-ordinate and strengthen local arrangements for accommodating and supporting Syrian and other refugees.

The Assistant Chief Executive informed the Board that that the neighbouring district councils had expressed an interest in joining the City Council arrangements for resettling refugees. She said that she would bring further updates to the Board and to Council in 2016.

The Board noted the excellent work of Asylum Welcome and other voluntary organisations in accommodating and supporting refugees and asylum seekers. The Board thanked the Assistant Chief Executive and the Policy and Partnership Team Leader for their ongoing work in supporting the refugee programme in the City.

The City Executive Board resolved to:

1. **Approve** the participation in the Syrian Vulnerable Person Resettlement Scheme for the purpose of settling refugee families in Oxford on the terms set out in the body of the report.
2. **Delegate** authority to the Assistant Chief Executive, to make any necessary arrangements for effective participation within the above Scheme.

135. THE OLD SCHOOL, GLOUCESTER GREEN

The Director of Regeneration & Housing submitted a report requesting approval for the principle of acquiring the long leasehold interest in The Old School, Gloucester Green.

Cllr Price presented the report and recommended its approval to the Board. He thanked the Major Projects and Development Surveyor for his work on the project.

The City Executive Board resolved to:

1. **Approve** the acquisition of the long leasehold interest in The Old School, Gloucester Green providing the Council's investment portfolio with additional income of £58,000 per annum, and make a recommendation to Council to increase the budget within the Council's capital programme by the requisite amount in 2015/16.

136. INTEGRATED PERFORMANCE REPORT QUARTER 2 2015/16

The Head of Financial Services and Head of Business Improvement submitted a report which detailed the Council's projected outturn for finance and performance and the risks faced as at the end of Quarter 2, 30 September 2015.

The Head of Financial Services presented the report and highlighted the following points:

- The General Fund estimated outturn was estimated to be a £0.136M overspend
- The Housing Revenue Account was on target to spend to the latest budget
- The shortfall on the apprenticeships target was in part due to the fact that 6 apprentices have now been appointed to full time roles and 2 apprentices did not complete their probation
- The main area of risk remained the Housing Revenue Account Business Plan

He explained that the Capital programme outturn position showed a net underspend against budget as a result of the City Executive Board decision in September 2015 to defer some capital projects. He referred the Board to the supplementary agenda which set out an additional recommendation to lift the temporary moratorium on capital schemes.

In response to questions about the amber risks the Chief Executive informed the Board that:

- Resilience of the ICT function - the detailed project plan for the transfer of the service from the County Council to the new contractor was monitored closely in order to manage the risk
- Partnership Funding reductions – will have a huge impact on the work the City Council does to tackle homelessness and has the potential to be very expensive for the City Council. The City Council will need to look at options for providing support through the grant allocation budget
- Recruitment and Retention – officers have already taken some action to address this and are considering taking a more generic approach to recruitment for some posts in areas with multiple or frequent vacancies

The City Executive Board resolved to:

1. **Note** the projected outturn position and the performance and associated risk information contained in the report;
2. **Agree** that, following the preparation of the Consultation Budget for 2016-17, officers should recommence the capital schemes in 2015/16, listed in Table 1, that were deferred at CEB in September.

Table 1	2015/16
	£
General Fund	
E3511 Renovation Grants	25,000
B0048 Leisure - Cemeteries	10,000
E3554 Additional SALIX Plus funding	78,000
A4833 Horspath Athletics Ground	170,000
B0086 Extension to Seacourt Park & Ride	115,000
Cycling and Public Realm	50,000
Total General Fund	448,000
Housing Revenue Account	
N6387 Controlled Entry	10,000
N7033 Energy Efficiency Initiatives	163,000
N7037 Solar Panels	215,000
N7040 Blackbird Leys Regeneration	15,000
Total HRA	403,000
Total	851,000

Cllr Fooks left the meeting at the end of this item.

137. TREASURY MANAGEMENT HALF YEARLY PERFORMANCE REPORT

The Head of Financial Services submitted a report which presented the performance of the treasury management function for the 6 months to 30 September 2015.

The Head of Financial Services presented the report to the Board. In consideration of the report the Board noted the following points:

- That the average rate of return on investments was 1.23%, which was 0.23% above the performance target of 1%
- Forecast investment income is down by £0.136 million, due to interest rates being lower than predicted
- The merits of increasing investment in property should be looked at in the round

The City Executive Board resolved to:

1. **Note** the performance of the treasury management function for the six months to 30 September 2015.

138. CORPORATE PLAN 2016-20 - CONSULTATION

The Assistant Chief Executive submitted a report which presented the draft Corporate Plan 2016 – 2020 for public consultation.

Cllr Price, Board Member Corporate Strategy and Economic Development presented the report. He said that officers had been working on the style and content of the Corporate Plan with the aim of making it a shorter, sharper and forward looking document.

The Assistant Chief Executive said that the year on year target information would be available in the post-consultation version of the Corporate Plan. She would also be reviewing the design and style of the final document.

The City Executive Board resolved to:

1. **Approve** the draft Corporate Plan 2016 – 2020 for public consultation.

139. ITEMS RAISED BY BOARD MEMBERS

No items were raised by Board Members.

140. MINUTES

The Board resolved to APPROVE the minutes of the meeting held on 12 November 2015 as a true and accurate record.

Matters Exempt from Publication

The City Executive Board resolved to exclude the press and public from the meeting during consideration of the item 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.

141. CONFIDENTIAL APPENDIX: THE OLD SCHOOL, GLOUCESTER GREEN

The Board received and noted the contents of the not for publication appendix to the report on The Old School, Gloucester Green (agenda item 13; minute 134).

The meeting started at 5.00 pm and ended at 6.30 pm

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