



County Council

8 December 2015

Agenda

Declarations of Interest

The duty to declare.....

Under the Localism Act 2011 it is a criminal offence to

- (a) fail to register a disclosable pecuniary interest within 28 days of election or co-option (or re-election or re-appointment), or
- (b) provide false or misleading information on registration, or
- (c) participate in discussion or voting in a meeting on a matter in which the member or co-opted member has a disclosable pecuniary interest.

Whose Interests must be included?

The Act provides that the interests which must be notified are those of a member or co-opted member of the authority, or

- those of a spouse or civil partner of the member or co-opted member;
- those of a person with whom the member or co-opted member is living as husband/wife
- those of a person with whom the member or co-opted member is living as if they were civil partners.

(in each case where the member or co-opted member is aware that the other person has the interest).

What if I remember that I have a Disclosable Pecuniary Interest during the Meeting?

The Code requires that, at a meeting, where a member or co-opted member has a disclosable interest (of which they are aware) in any matter being considered, they disclose that interest to the meeting. The Council will continue to include an appropriate item on agendas for all meetings, to facilitate this.

Although not explicitly required by the legislation or by the code, it is recommended that in the interests of transparency and for the benefit of all in attendance at the meeting (including members of the public) the nature as well as the existence of the interest is disclosed.

A member or co-opted member who has disclosed a pecuniary interest at a meeting must not participate (or participate further) in any discussion of the matter; and must not participate in any vote or further vote taken; and must withdraw from the room.

Members are asked to continue to pay regard to the following provisions in the code that *“You must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself”* or *“You must not place yourself in situations where your honesty and integrity may be questioned.....”*

Please seek advice from the Monitoring Officer prior to the meeting should you have any doubt about your approach.

List of Disclosable Pecuniary Interests:

Employment (includes *“any employment, office, trade, profession or vocation carried on for profit or gain”*.), **Sponsorship, Contracts, Land, Licences, Corporate Tenancies, Securities.**

For a full list of Disclosable Pecuniary Interests and further Guidance on this matter please see the Guide to the New Code of Conduct and Register of Interests at Members’ conduct guidelines. <http://intranet.oxfordshire.gov.uk/wps/wcm/connect/occ/Insite/Elected+members/> or contact Glenn Watson on (01865) 815270 or glenn.watson@oxfordshire.gov.uk for a hard copy of the document.

If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named on the front page, but please give as much notice as possible before the meeting.

To: **Members of the County Council**

Notice of a Meeting of the County Council

Tuesday, 8 December 2015 at 10.00 am

County Hall, Oxford OX1 1ND



P.G. Clark
Head of Paid Service

November 2015

Contact Officer: **Deborah Miller**
Tel: (01865) 815384; E-Mail: deborah.miller@oxfordshire.gov.uk

In order to comply with the Data Protection Act 1998, notice is given that Items 3, 7 and 12 will be recorded. The purpose of recording proceedings is to provide an *aide-memoire* to assist the clerk of the meeting in the drafting of minutes.

Members are asked to sign the attendance book which will be available in the corridor outside the Council Chamber. A list of members present at the meeting will be compiled from this book.

A buffet luncheon will be provided

AGENDA

1. Minutes (Pages 1 - 28)

To approve the minutes of the meeting held on 3 November 2015 (**CC1**) and to receive information arising from them.

2. Apologies for Absence

3. Declarations of Interest - see guidance note

Members are reminded that they must declare their interests orally at the meeting and specify (a) the nature of the interest and (b) which items on the agenda are the relevant items. This applies also to items where members have interests by virtue of their membership of a district council in Oxfordshire.

4. Official Communications

5. Appointments

To make any changes to the membership of the Cabinet, scrutiny and other committees on the nomination of political groups.

6. Petitions and Public Address

7. Questions with Notice from Members of the Public

8. Questions with Notice from Members of the Council

9. Report of the Cabinet (Pages 29 - 30)

Report of the Cabinet Meeting held on 10 November 2015 (**CC9**).

10. Constitution Review (Pages 31 - 34)

Report by the Chief Legal Officer and Monitoring Officer (**CC10**).

Under the Constitution, the Monitoring Officer is required to monitor and review the operation of the Constitution to ensure that its aims, principles and requirements are given full effect. This includes making recommendations to Council on any necessary amendments. The Monitoring Officer is authorised to make any changes to the Constitution which are required to:

- Comply with the law
- Give effect to the decisions of Council (or Cabinet, Committees etc.)
- Correct errors and otherwise for accuracy or rectification

Other changes will only be made by Full Council, following a recommendation of the Monitoring Officer.

This report therefore updates Council on amendments to the Constitution that have been made consequential on previous decisions of the Council. This is for information only. It also seeks approval of two minor changes, both of which effectively seek to clarify and update existing provisions within the Council Procedure

Rules and the Protocol for Member-Officer Relations.

Council is RECOMMENDED to:

- (a) ***note that changes have been made to the Constitution to give effect to the Council's previous decisions on:***
 - (i) ***senior management structures (Council Minute Reference 56/15; and***
 - (ii) ***senior officer dismissal procedures (Council Minute Reference 43/15);***
- (b) ***agree the proposed change to the Council Procedure Rules outlined at paragraph 11 of this report; and***
- (c) ***agree the proposed change to the Protocol on Member-Officer Relations outlined at paragraph 14 of this report.***

11. Appointment of Independent Person (Pages 35 - 38)

Report by the Chief Legal Officer and Monitoring Officer (**CC11**).

In law the County Council must appoint one or more Independent Persons whose views are to be sought, and taken into account, by the authority before it makes its decision on an allegation that a councillor has breached the Members' Code of Conduct.

As such, Independent Persons perform a key role in the Council's procedures for investigating any such complaints. Their role also includes forming part of a Panel of persons, established under statutory procedures, to advise or make recommendations to Council on the potential dismissal of a senior officer.

The Council currently has one such Independent Person but it is prudent for more than one to be appointed. This report therefore recommends Council to make a specific appointment to this role.

Council is RECOMMENDED to appoint Dr Sadie Reynolds to the role of Independent Person under Section 28 of the Localism Act 2011.

12. Treasury Management Mid Term Review (Pages 39 - 54)

Report by the Chief Finance Officer (**CC12**).

The report sets out the Treasury Management activity undertaken in the first half of the financial year 2015/16 in compliance with the CIPFA Code of Practice. The report includes Debt and Investment activity, Prudential Indicator monitoring and forecast interest receivable and payable for the financial year.

Council is RECOMMENDED to note the report.

MOTIONS WITH NOTICE FROM MEMBERS OF THE COUNCIL

WOULD MEMBERS PLEASE NOTE THAT ANY AMENDMENTS TO MOTIONS WITH NOTICE MUST BE PRESENTED TO THE PROPER OFFICER IN WRITING BY 9.00 AM ON THE MONDAY BEFORE THE MEETING

13. Motion From Councillor Yvonne Constance

“This Council regrets the withdrawal of bus subsidies from rural areas recognising the impact on the most isolated elderly residents. We note many responses to the bus subsidies consultation stated a willingness to pay for the Old Age Bus Pass. To raise important revenue for this most essential transport.

This Council urges Government to permit Councils to charge an annual flat-rate fee, in the same way as we purchase a Senior Rail Pass on those pensioners who can afford to pay.”

14. Motion From Councillor Richard Webber

“Oxfordshire is one of the wealthiest counties in the UK. Unemployment is amongst the lowest; business growth, incomes and house prices are amongst the highest. Housing demand and future housing growth ensures that Oxfordshire will be a leader in driving the future of the UK economy.

The need for infrastructure to support this growth becomes ever more important. Much of the cost of that infrastructure falls to the County Council, and yet the Council finds itself increasingly cash-strapped with the lack of infrastructure ever more acute.

So if there is so much money flowing in the County’s economy and little of it is in the hands of the Council, in whose hands or pockets is it?

This Council has a great team of officers – experts in social care, in education, in roads and transport, in planning and so on, but it has few expert officers whose specific skills are in commerce.

In order to join and benefit from the thriving economy on its doorstep, Council requests that Cabinet, as part of the budget process, urgently considers investing in a small team of experts to oversee all the commercial activities of the Council. A team:

- (i) to help departments draw up, ensure best value and monitor contracts;
- (ii) to develop a trading arm of the Council;
- (iii) to sell the skills and services it already provides on the open market;
- (iv) and to seek out all opportunities for income generation.”

15. Motion From Councillor Nick Hards

“Council recognises that, with the severe financial pressures which Council faces over the next five years, it is important that we make best use of our property assets. To assist in making timely and appropriate changes to our office accommodation particularly in Oxford, Council calls on the Cabinet Member with responsibility for Property to appoint a Cabinet Advisory Group to:

- (a) review the buildings which the council currently owns or leases in Oxford;
- (b) consider the present and future requirements of our office based staff;
- (c) explore the options for making the most cost effective way of using these buildings which we own or lease; and
- (d) make recommendations to Cabinet as to savings which could be made and income which could be generated from our property.”

16. Motion From Councillor Jean Fooks

“Council notes that:

- corporate tax evasion and avoidance are having a damaging impact on the world’s poorest countries, to such a level that it is costing them far more than they receive in aid;
- this is costing the UK as much as £30bn a year;
- this practice also has a negative effect on small and medium-sized companies who pay more tax proportionately.

Council further notes:

- that the UK Government has taken steps to tackle the issue of tax avoidance and evasion by issuing Procurement Policy Note 03/14, applying to all central government contracts worth more than £5m;
- the availability of independent means of verifying tax compliance, such as the Fair Tax Mark.

In early 2015 new regulations required public bodies, including councils, to ask procurement qualification questions of all companies for tenders over £173,000 for service contracts and £4m for works contracts. However, these questions are not as detailed as the PPN 03/14.

Oxfordshire County Council believes that bidders for Council contracts should be asked to account for their past tax record, using the standards in PPN 03/14, rather than the lower standards in the recent regulations.

Council therefore calls upon Cabinet to amend procurement procedures to require all companies bidding for council contracts to self-certify that they are fully tax-compliant in line with central government practice, using the standards in PPN 03/14, for service contracts over £173,000 and works contracts over £4m.

Cabinet to publicise this policy and to report on its implementation annually for the next three years.”

17. Motion From Councillor David Williams

“This Council is concerned at the proposed cuts in the grant aid to the Police Service that is being proposed by the Rt. Honourable George Osborne MP and the effect this will have on policing in the Thames Valley Authority and its corresponding impact on Oxfordshire County Council services. The County Council backs the legal bid being organised by 8 Police and Crime Commissioners to challenge the proposed reduction which it is estimated will mean cuts of at least £5million per year on the local force until 2020 and will probably mean the withdrawal of many non-statutory specialist services working in cooperation with the County Council such as the Child Sex Abuse Unit.

The County Council requests the Leader of the Council to write to the Home Secretary and the Chancellor of the Exchequer with the Councils views and to provide supportive letters to the Police and Crime Commissioners who have bravely opposed the government on this issue.”

18. Motion From Councillor Sam Coates

“Oxfordshire County Council is concerned that in order to recruit and retain staff with the range of skills and experience required to maintain the quality of service that is expected there is a need to recognise that with the escalating cost of living in Oxfordshire, especially housing, it will be necessary to pay as a minimum wage the London Allowance accepted now as a minimum of £9.40 per hour.

The County Council with its Living Wage policy has established a basic rate per hour, but now is the time to accept that costs have been increasing at such a rate and public sector wage rises held down for so long that a London weighting is required if we are to retain the quality of our workforce. Although affecting only a small number of staff, taking the London Living wage minimum will be recognition that living in the County is on a par with living costs in the capital and will illustrate to Government that public services in Oxfordshire, economic powerhouse that it is, must be funded at wage levels that reflect London salaries.

The Council asks the Cabinet that the small additional costs of this symbolic policy being adopted to be incorporated into the calculations at present being configured for the proposed budget for 2016 -2017.”

19. Motion From Councillor David Williams

“This Council is concerned that full weight is not being given during School Admission procedure and especially during Appeal Panels to the medical evidence presented at the hearing related to the physical and mental condition of the parents of the child who is the subject of the appeal. Clearly the present guidance is focused on the direct wellbeing of the child but domestic circumstances such as a registered disabled parents put under stress or unable to cope by the decision to refuse a place must be taken into account for that too can have an influence on the child’s future happiness.

The Cabinet Member for Children, Education and Families is requested to write on behalf of the Council to the Secretary of State for Education to seek a review of the Code of Practice on School Admissions considered by the Admission Authorities and Independent School Admission Appeal Panels and to make changes to the Code which addresses the Council's concern to ensure more emphasis is placed on parental disability"

Pre-Meeting Briefing

There will be a pre-meeting briefing at County Hall on **Monday 7 December at 10.15 am** for the Chairman, Vice-Chairman, Group Leaders and Deputy Group Leaders

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OXFORDSHIRE COUNTY COUNCIL

MINUTES of the meeting held on Tuesday, 3 November 2015 commencing at 10.00 am and finishing at 4.00 pm.

Present:

Councillor John Sanders – in the Chair

Councillors:

Lynda Atkins	Mark Gray	David Nimmo Smith
Jamila Azad	Patrick Greene	Neil Owen
David Bartholomew	Tim Hallchurch MBE	Zoé Patrick
Mike Beal	Pete Handley	Glynis Phillips
Maurice Billington	Jenny Hannaby	Susanna Pressel
Liz Brighthouse OBE	Nick Hards	Laura Price
Kevin Bulmer	Neville F. Harris	Anne Purse
Nick Carter	Steve Harrod	G.A. Reynolds
Louise Chapman	Mrs Judith Heathcoat	Alison Rooke
Mark Cherry	Hilary Hibbert-Biles	Rodney Rose
John Christie	John Howson	Gillian Sanders
Sam Coates	Ian Hudspeth	Les Sibley
Yvonne Constance OBE	Bob Johnston	Roz Smith
Steve Curran	Richard Langridge	Lawrie Stratford
Surinder Dhesi	Stewart Lilly	John Tanner
Arash Fatemian	Lorraine Lindsay-Gale	Melinda Tilley
Neil Fawcett	Sandy Lovatt	Michael Waine
Jean Fooks	Mark Lygo	Richard Webber
Mrs C. Fulljames	Kieron Mallon	David Williams
Anthony Gearing	Charles Mathew	David Wilmshurst
Janet Godden	James Mills	

The Council considered the matters, reports and recommendations contained or referred to in the agenda for the meeting and decided as set out below. Except insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports, copies of which are attached to the signed Minutes.

65/15 MINUTES

(Agenda Item 1)

The Minutes of the Meeting held on 8 December 2015 were approved and signed.

66/15 OFFICIAL COMMUNICATIONS

(Agenda Item 4)

The Chairman reported as follows:

Council gave approval to an item of urgent business to be taken directly after Agenda Item 9 on the Agenda (Oxfordshire Safeguarding Children's Board Annual Report) and for Maggie Blyth, Chair of the OSCB to introduce the report.

Council further approved to extend the Council Meeting for 1 hour 9if required) until 4.30 pm.

The Chairman reminded all members that the Leader would be holding a meeting for all councillors on the rising of Council for a discussion around Unitary Status. The Meeting would be held in the Member's Board Room.

The Council held a minute's silence in memory of former Councillor Betty Standingford who passed away on Saturday, 24 October 2015. Councillor Standingford was elected as a member of the County Council for New Marston division in 2001, serving until May 2005.

67/15 PETITIONS AND PUBLIC ADDRESS

(Agenda Item 6)

The Council received the following petitions and public address:

Ms Kate Joyce on behalf of Workers' Educational Association (WEA) Oxford spoke in support of Agenda Item 14 (Motion from Councillor David Williams).on the basis that the WEA believed that the Children's Centre's were Social Dynamic Hubs that provided an essential and unique forum for families, often with multiple deprivations, to gain access to social and psychological help. The Centre's further provided a unique situation for social capital, allowing for users to take up positions from volunteering and allowing for study which would have a decisive impact on the next generation.

Mr Trevor License, Resident of Witney asking the Council presented a petition asking the Council to save the Witney Town Service bus route (services 213, 214 & 215), on the basis that the bus service was an important community lifeline for many residents and must be retained. The quality of life for many would be severely restricted if the route was lost. Witney Town Service bus campaign further believed that under the Transport Act 1985, the County Council had a legal duty to regard the transport needs of members of the public who are elderly and disabled and therefore urged the Council to safeguard the future of the essential bus route.

The Chairman of the Council received the Petition and forwarded it to the Director for Environment & Economy to respond.

68/15 QUESTIONS WITH NOTICE FROM MEMBERS OF THE COUNCIL

(Agenda Item 8)

19 Questions with notice were asked. Details of the questions and answers and the supplementary questions and answers (where asked) will be set out in Annex 1 to the Minutes.

In relation to Question 1 (Question from Councillor Mathew to Councillor Stratford) Councillor Stratford undertook to provide Councillor Mathew was a written response confirming whether or not the level of borrowing was £380m.

In relation to Question 19 (Question from Councillor Janet Godden to Councillor Carter) Councillor Carter gave an undertaking to ask Carillion to ensure that all building projects within the locality are reported on at locality meetings and that the reports produced state the original completion date as well as the current completion date.

69/15 REPORT OF THE CABINET

(Agenda Item 9)

The Council received the report of the Cabinet.

70/15 URGENT BUSINESS - OXFORDSHIRE SAFEGUARDING CHILDREN BOARD (OSCB) ANNUAL REPORT FOR 2014/15

Under the provisions set out in Section 100B(4) of the Local Government Act 1972 (as amended) the Chairman of the meeting was of the opinion that the following report (Annual Report of the Oxfordshire Safeguarding Children Board) could be taken after Agenda Item 9 as urgent business because of the need for full council to have an opportunity to discuss the report at the earliest opportunity.

The Council had before it the Annual report of the Oxfordshire Safeguarding Children Board (OSCB), which provided an independent analysis of the safeguarding services provided to the County's children over 2014/15 and outlined the challenges ahead over the next year.

The Chairman sought Council's approval to the Independent Chairman of the Board introducing the report to Council.

RESOLVED: (nem con) that the Independent Chairman of the Oxfordshire Safeguarding Board introduce the Annual Report to the Council.

The Independent Chairman, Maggie Blyth, in introducing the report, reminded members that the report was an independent assessment of the pressure points across the system, identifying what was working well and what needed attention. The report looked at how best to ensure those working on the front line were a key part of learning and development. There had been a particular focus on older children in the child protection system; strengthening systems and practice to ensure they are being supported

appropriately and not disadvantaged in the transition into adulthood. Oxfordshire also maintained a focus on children leaving care. The OSCB has also carried out a lot of work with the wider community to raise awareness of child protection matters.

Councillor Tilley moved and Councillor Hudspeth seconded the recommendations as set out on the face of the Agenda.

In moving and seconding the report, the Leader of the Council and the Cabinet Member for Children, Education & Families paid tribute to the Independent Chairman of the Oxfordshire Safeguarding Children Board for an excellent report.

Following debate, the motion was put to the vote and was carried nem con.

RESOLVED: to:

- (a) note that the child protection partnership is working effectively across Oxfordshire but there are severe pressure points in relation to the increased complexity of cases and activity in the system;
- (b) consider the implications for the partnership in relation to the deficits in appropriate provision for those adults that disclose abuse or exploitation from childhood;
- (c) ensure that they prioritise attendance at the Member safeguarding briefing on 8 December 2015;
- (d) to note that the report is yet to go to the Performance Scrutiny Committee and Health & Well Being Board, whose comments are to be fed back to Council.

71/15 ADULT SERVICES WORKFORCE STRATEGY

(Agenda Item 10)

The Council had before them a report (CC10) which set out the Oxfordshire Adult Social Care Workforce Strategy, developed to address the significant challenges with workforce capacity and capability, arising from growing demand for care and support and the increasing complexity of care and support needs.

On 20 October 2015, the Cabinet considered and approved the Workforce Strategy and that the report be presented to full Council.

Councillor Heathcoat moved and Councillor Hudspeth seconded the recommendations as set out on the face of the Agenda.

Following debate, the motion was put to the vote and was carried nem con.

RESOLVED: to note the report.

72/15 VIREMENTS TO COUNCIL

(Agenda Item 11)

Council had before them a report (CC11) which set out two virements, that under the virement rules needed to be agreed by Council. The virements were in respect of the un-ring-fenced grant received by the Council relating to the closure of the Independent Living Fund and the transfer £2.0m from Public Health reserves to the Capital Programme for the Children's Homes Project.

Councillor Stratford moved and Councillor Hudspeth seconded the recommendations as set out in the report and on the face of the Agenda.

Following debate, the motion was put to the vote and was carried nem con.

RESOLVED: (nem con) to agree:

- (a) the virements in respect of the unring-fenced grant received by the Council relating to the closure of the Independent Living Fund;
- (b) the transfer £2.0m from Public Health reserves to the Capital Programme for the Children's Homes Project.

73/15 OXFORDSHIRE DEVOLUTION - THEMED DEBATE

(Agenda Item 12)

On 4 September, the Leaders of the six Oxfordshire Authorities, along with the Local Enterprise Partnership and the Clinical Commissioning Group submitted an expression of interest to government setting out initial proposals for devolution in Oxfordshire for discussion with government. The proposals requested greater local control over significant funding for transport, skills training and health services.

At its meeting on 20 October Cabinet agreed that a debate should be held at full Council in order to understand all members' views. Council had before them a report (CC12) which gave an overview of the context, the proposals, the current work underway and set out the next stages in the process.

Accordingly, the Council had before them a report on Devolution (CC12).

Councillor Ian Hudspeth moved and Councillor Rose seconded the recommendation as set out on the face of the Agenda.

Following a lengthy debate (a detailed copy of the debate can be found on the website) the Council:

RESOLVED: (nem con) to note the report and to consider the possible implications of devolution in Oxfordshire.

74/15 MOTION FROM COUNCILLOR LIZ BRIGHOUSE

(Agenda Item 13)

Councillor Brighouse moved and Councillor Christie seconded the following motion:

“This Council, being deeply disturbed at the cuts it has already implemented, those it has agreed but not yet implemented and the additional cuts which will be required as it sets next year's budget, calls on the Government not to set a limit on the Council Tax increase as such a restriction stifles local democracy and will severely hamper our ability to meet the needs of Oxfordshire's Citizens. If such a restriction is subsequently set it asks officers in consultation with Group Leaders to set up an informal survey on the attitude of Oxfordshire's residents to a referendum to meet those needs by an increase in the Council Tax.”

Following debate, the motion was put to the vote and was carried unanimously.

RESOLVED: Accordingly.

75/15 MOTION FROM COUNCILLOR DAVID WILLIAMS

(Agenda Item 14)

With the agreement of Council, Councillor Williams moved and Councillor Smith seconded his motion as amended by Councillor Smith below in bold italics and strikethrough:

'Council recognises that early intervention services for young families need to be very local and would like to see additional options that respond more fully to this need. ~~“Having taken into account the comments that have been made during the consultation period thus far, the Council requests that the Cabinet **remove from any future budget proposals options that might involve** reconsider that the closure of any of the Children's Centres. **Council considers** be set aside and not included in the forthcoming budget settlement as an action to assist with further savings. The Council recognises that the closures may be a false economy, the impact on families being such that closure will in all probability resulting in greater financial pressures on the **children's** social-care services and the local NHS. As individuals, mostly women will be forced to give up part time employment, as a result of the planned closures. The Council also recognises that this policy will not only deeply impact on thousands of families and their children but also damage the local economy.~~

During the next six months the Council will **also** assist the Children's Centres in their ongoing ~~quest~~ efforts for greater efficiency where it **they** can. ~~However for the foreseeable future the option of closure will be lifted and existing financial support retained for all the centres in the network. The Cabinet to take account of this full Council budgetary decision whilst formulating the accounts for the next financial year 2016-2017.”~~

Following debate, the motion as amended was put to the vote and was lost by 32 votes to 30, with 1 abstention.

76/15 MOTION FROM COUNCILLOR DAVID WILLIAMS

(Agenda Item 15)

Councillor Williams moved and Councillor Coates seconded the following motion:

“This Council welcomes the return of the Business Rate to local Council control but is concerned that the Chancellor is still pledged to continue to reduce the level of Rates Support Grant in his objective of achieving a free market in raising local taxation for that philosophy takes no account of the needs in various local authorities and will only serve to further widen the gap between affluent and deprived areas of the Country.

The Council is also concerned that the ‘devolution’ of control of the Business Rate will be of limited value if it is set at a national flat rate determined by central government a flat rate that the Council cannot modify or sub divide as it sees fit.

After more details are revealed in the New Year, a special briefing to be established that all Councillors and senior officers should be invited to attend to illustrate what this change in responsibilities will mean in financial income and what flexibility the Chancellor has actually given, if any, to local councils to implement a real devolved Business Rate service.”

Following debate, the motion was put to the vote and was lost by 42 votes to 3, with 16 abstentions

77/15 MOTION FROM COUNCILLOR SAM COATES

(Agenda Item 16)

Councillor Coates moved and Councillor Williams seconded the following motion:

“This Council notes the problems that are emerging with the implementation of the ‘Counter Terrorism and Security Act 2015’ for teachers and social workers, as well as those in the local community, such as landlords and religious leaders.

There is a challenge for specified authorities, including local authorities, schools, the police, health and others, to implement the new legal obligation in the exercise of their functions, in order to have ‘due regard to the need to prevent people from being drawn into terrorism and, especially for schools to promote ‘British values’, in order to ensure the protection of vulnerable adults and young people at risk of radicalisation.

The legislation, like all laws based on ‘suspicion’ could breach free speech and professional confidentiality and with its legal obligations places responsibilities on officers of the Council that may be deemed unfair. There is also the fear that a network of false accusations could arise wasting precious police time and stigmatising specific young people. However, these fears and challenges need to be balanced with ensuring that vulnerable people are safeguarded from exploitation by extremists.

This Council will ask the Director for Children, Education & Families to work collaboratively and sensitively with schools, professional groups, school governors, trade unions, local faith groups and others to ensure that implementation of the new duty is done constructively and in consultation with local communities as appropriate.”

Following debate, the motion was put to the vote and was lost by 30 votes to 28, with 3 abstentions.

78/15 MOTION FROM COUNCILLOR GILL SANDERS
(Agenda Item 17)

Councillor Sanders moved and Councillor Cherry seconded the following motion:

“This Council recognising that many parents do not take up the offer of a funded place for their 2 year olds, asks the Cabinet Member for Children, Education & Families to write to the Secretary of State asking that the criteria for receiving the grant be extended to include parents who do not have the confidence to leave their small children but who would happily take up and benefit from taking up a place if they could stay with their 2 year old.”

Following debate, the motion was put to the vote and was lost by 30 votes to 28 with 3 abstentions.

..... in the Chair

Date of signing

QUESTIONS WITH NOTICE FROM MEMBERS OF THE COUNCIL

Questions are listed in the order in which they were received. The time allowed for this agenda item will not exceed 30 minutes. Should any questioner not have received an answer in that time, a written answer will be provided.

Questions	Answers
<p>1. COUNCILLOR CHARLES MATHEW</p> <p>Carillion told councillors at the Open Day on 21st July that £5.46 million of capital receipts had been achieved in the last year. Would the Cabinet Member for Finance please let us know where these funds have been applied?</p>	<p>COUNCILLOR LAWRIE STRATFORD, CABINET MEMBER FOR FINANCE</p> <p>All capital receipts generated are treated as a corporate flexible resource and are used against schemes within the capital programme that do not have other specific funding sources, such as developer contributions or specific grants. Capital receipts are held in the capital receipts unapplied reserve until they are needed to finance schemes. The balance on the reserve as at 1 April 2015 was £16.078m and this is forecast to be used in the current capital programme by the end of 2016/17. The schemes that require funding from flexible corporate resources include the Fire Review programme (includes provision for a new fire station), the Extra Care Housing programme, the Broadband programme and schemes within the Asset Utilisation Programme.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>Could the Cabinet Member please confirm that the level of borrowings in Oxfordshire County Council are approximately £380m?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>I can't confirm of the top of my head but I will ensure he receives confirmation by virtue of a written reply.</p>
<p>2. COUNCILLOR CHARLES MATHEW</p> <p>Would the Cabinet Member for Business and Customer Services inform the Council what the total fees charged by Carillion were on the recently in completed £2 million contract for new portable buildings at Bartholomew School, Eynsham please?</p>	<p>COUNCILLOR NICK CARTER, CABINET MEMBER FOR BUSINESS & CUSTOMER SERVICES</p> <p>£0.216m from a total cost of £2.112m.</p>

Questions	Answers
<p>3. COUNCILLOR SAM COATES</p> <p>Now that it has been revealed that Oxford City Council has consistently failed to meet even the basic EU standards of air quality of 40 micrograms per cubic meter (ug/m3) of nitrogen dioxide and is now ranked as one of the worst cities in the country for air pollution in the City centre what measures will the County be offering to assist in seeking to improve the situation?</p> <p>As the County is responsible for planning our major roads, public transport contracting and highways policy, all of which are the seen as the critical elements in reducing the local concentration of nitrogen dioxide emissions from vehicles is it now time to suggest to the City that as they have patently failed to achieve any progress over recent years it may be best for the County to take up full responsibility.</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>The County Council is actively involved in measures to improve Air Quality. For example, it has recently submitted a bid for ultra-low city funding, to support major uptake of electric vehicles in Oxford city, and is also supporting the Oxford Bus Company bid for OLEV funding for electric buses in the city. Our ambitions for a Zero emission zone, policy for enhanced cycle access, and other measures set out in the Oxford Transport Strategy are other examples of our further commitment to support reduction in pollution in the city and we continue to work closely with the City Council to reduce air pollution – as the City Council remains the statutory body responsible for Air Quality. Central Government has launched a consultation on Air Quality, covering this and other issues, which we will be responding to in due course.</p>
<p>4. COUNCILLOR SAM COATES</p> <p>The Office of National Statistics suggests that the level of fatal and serious accidents of cyclists over the last ten years has generally been going down with the exception of Oxfordshire where it seems to be rising.</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>The tables below summarise the trend in reported pedal cycle casualties in Great Britain and Oxfordshire.</p> <p>Reported pedal cyclist injuries -Great Britain and Oxfordshire 2005-2014</p>

Questions	Answers							
<p>The 2014 Fire Service record suggest that there have been 4 deaths recorded last year, 75 serious accidents and nearly 300 minor crashes with recorded injuries, an 87% increase in one year .Could you as the responsible portfolio holder explain why these deaths and serious injuries are on the increase and whether they may stem from poor maintenance of the road surface?</p>		2005/09 average	2011	2012	2013	2014	2014 - change from 2005-09 average	2014 - change from 2013
	Great Britain							
	Killed / Seriously injured (KSI)	2528	3192	3340	3252	3514	39%	8%
	Slight injury	13934	16023	15751	16168	17773	28%	10%
		2005/09 average	2011	2012	2013	2014	2014 - change from 2005-09 average	2014 - change from 2013
	Oxfordshire							
	Killed / Seriously injured (KSI)	46	62	72	61	75	63%	23%
	Slight injury	227	224	233	234	287	26%	23%
	<p>As can be seen there have been appreciable increases in the number of reported pedal cyclist injuries over the past ten years both nationally and locally (which at least in part appear to be associated with an increase in cycling). While the increase in KSI totals in 2014 in Oxfordshire was appreciably higher than reported nationally, there is typically a higher level of year to year variability when looking at comparatively small sets of data as is the case here; the increase in the number of slight injuries in Oxfordshire was in fact rather lower than reported nationally when comparing the 2014 total with the 2005-09 average.</p> <p>Provisional statistics for pedal cyclist injuries in Oxfordshire in 2015 (January to August) shows a fall in KSI and slight totals of around 10% as compared to</p>							

Questions	Answers
	<p>the same period in 2014 (national data is not yet available for this period).</p> <p>The significant rise in the totals in Oxfordshire in 2014 is nevertheless clearly of concern and a detailed review of the accident data is being carried out to gain a fuller understanding of the reasons. This work has included examining the following:</p> <ul style="list-style-type: none"> - accident causation factors - the characteristics of the road users involved (including age and gender) - the location of the accidents (both at a detailed level, looking at specific accident problem sites, and also looking at larger geographic areas) <p>To date this work has not identified any obvious changes in 2014 as compared to previous years, but further work is planned, including liaising with other authorities to compare their detailed statistics.</p> <p>Specifically on the question of road maintenance, in only 1% of pedal cyclist accidents in Oxfordshire was a poor or defective road surface identified as a possible causation factor in the police report; this proportion is identical to that reported in the pedal cyclist accident data for Great Britain as a whole. All reports of road accidents (of any severity) received from the police are carefully reviewed, and locations of accidents where a specific road surface defect has been identified are referred for inspection, to complement the normal inspection regime.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>Can I thank Councillor Nimmo Smith for his answer and I welcome the fact there is an investigation into understanding the reasons for the increasing accidents. Can I ask him if he thinks that trying to bring the Benelux development to cycle lanes into new</p>	<p>SUPPLEMENTARY ANSWER</p> <p>We are actually looking at all ways of bringing cycling into the fore. Could I just comment actually on the accident statistics because it is dangerous to just look at raw statistics? Each one of those is an individual with their own individual problems as a result of that and what we want to do is to actually minimise it and eliminate it as much as we can.</p>

Questions	Answers
developments as they come on would help address these figures in the future?	
<p>5. COUNCILLOR SAM COATES</p> <p>Will the Deputy Leader of the Council with his role as head of Human Resources be following the lead of numerous other local councils such as the Scottish Convention of Local Authorities who have stated openly that they will not be taking up the suggested paths in the Trade Union Bill before Parliament of cancelling the union check off system of membership payments and restricting the rights of union officials to represent their members. Would he confirm that this County Council will continue to negotiate with the relevant trade unions respecting that trade union officials need time and facilities to act on behalf of their members and will the Council ignore the negative consequences of this proposed legislation designed as it is to cynically undermine the trade unions ability to represent their members?</p>	<p>COUNCILLOR RODNEY ROSE, DEPUTY LEADER OF THE COUNCIL</p> <p>The Council would comply with any legal change to trade union legislation, including deducting subscriptions from payroll but we do not anticipate that this will affect any other aspects of the relationship between the Council and its trade unions, which we expect to, continue to be positive and productive.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>One of the proposals to the proposed Bill is that you would need an 80% vote in favour of a strike on a 50% turn out. I don't think that a single Councillor in this room was elected with that level of support and that is why the biggest unions in the Country are concerned about the</p>	<p>SUPPLEMENTARY ANSWER</p> <p>No Chairman.</p>

Questions	Answers
legislation does he not share that concern?	
<p>6. COUNCILLOR DAVID WILLIAMS</p> <p>Now that the consultation on the proposed cuts to rural bus services and all subsidised routes has concluded could you give an account of which routes will be cuts or the service reduced? Could you give a clear indication of the cuts to Dial a Ride services and routes that carry passengers from Witney on the A40?</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>We are not yet in a position to state exactly which, if any, subsidised bus services will cease as a consequence of changes to the subsidised bus budget or what the impact will be on Dial-a-Ride.</p> <p>Proposals around reducing the subsidised buses and Dial-a-Ride budget were put to public consultation between 19th June and 15th September 2015. The findings from this consultation and a decision on how best to proceed will be debated by Cabinet on 10th November 2015.</p> <p>The Cabinet papers will include an annex detailing which subsidies (including Witney A40 routes) are likely to be kept or withdrawn, if a decision is made to reduce the budget by £2.3m. It is however possible that cabinet will make a decision to withdraw all subsidies. The papers will be made public on Monday 2nd November.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>Would he agree with me that one of the absolutely critical things is that we must not withdraw any subsidy from buses along the A40, because if we do we are going to be in a situation where the tailback of traffic comes to an absolute utter total stop twice a day.</p>	<p>SUPPLEMENTARY ANSWER</p> <p>My understanding and perhaps Councillor Williams can tell me about it afterwards, is that the A40 route is a commercial route anyway with no subsidy.</p>

Questions	Answers
<p>7. COUNCILLOR DAVID WILLIAMS</p> <p>Pesticide Free Cities is a local authority focused campaign designed to free local government from the use of pesticides (See internet link: Capital Bee) could the portfolio holder list the pesticides being used by contractors on land that we as a County Council manage and indicate a date when these potentially dangerous and seemingly useless chemicals will be phased out to match the Councils commitment to Wildlife generally and bees in particular.</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>Over recent years the council has sought to reduce its use of pesticides which it uses to kill noxious weeds and those in areas which are difficult to access but could cause structural damage to assets such as bridges. Currently contractors working on behalf of the County Council use Roundup Pro Bioactive 450 for these limited applications. This product is regarded as one of the safest on the market.</p> <p>In 2014 a total of 2.9 litres of weed killer was used by the council's contractors including at bridge sites. So far this year 300ml (millilitres) of weed killer has been used. The next round of Japanese knotweed treatments will take place before the end of October and our estimate is that we are unlikely to use more than 500ml of weed killer for this treatment. Therefore we predict a total use of 800ml of weed killer for 2015.</p> <p>This shows that use within the County is very closely contained and in fact minimal. We currently have no plans to phase out use completely, however we continue to monitor the market and look for other suitable alternatives as they are developed"</p>
<p>8. COUNCILLOR JOHN TANNER</p> <p>Does the Cabinet member share my concern that cuts in spending on painting lines in my Isis division are allowing white and yellow road markings to wear away, which is making parking enforcement more difficult, cyclists less protected and road accidents more likely?</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>I certainly share your concern that, as we have to adjust the Council's budgets to match the funding we receive, then there will inevitably be a reduction in the level of maintenance of carriageway markings including those for parking restrictions and cycle lanes within your Division, however I do not believe that this will have any direct impact on road accidents.</p>

Questions	Answers
<p>SUPPLEMENTARY QUESTION</p> <p>Am I to take it from this answer that Councillor Nimmo Smith agrees with me that the lack of money to put lines on the roads in my division is making parking enforcement more difficult and is leaving cyclist less protected?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>I don't agree.</p>
<p>9. COUNCILLOR JOHN TANNER</p> <p>Would the Cabinet member say what savings in both money and carbon-dioxide emissions are expected in my division from the very commendable introduction of Light Emitting Diode street lights?</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>I can confirm that for Isis division the savings resulting from the introduction of Light Emitting Diode street lights in 2015-16 will be as follows: an energy saving of 27099kWh at £3,024.28 and a reduction in carbon dioxide emissions of 11,652 kg.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>Would he accept my congratulations on the excellent work the County Council is doing on reducing carbon and cost across the County.</p>	<p>SUPPLEMENTARY ANSWER</p> <p>Well actually I would accept that on behalf of all the officers of this Council who are doing the work.</p>
<p>10. COUNCILLOR JOHN TANNER</p> <p>Does the Cabinet member agree that the closure of Grandpont children's centre and a loss of funding for Donnington Doorstep, both in my division, would be a huge loss to the local community and would be a false economy because future problems would be more likely?</p>	<p>COUNCILLOR MELINDA TILLEY, CABINET MEMBER FOR CHILDREN, EDUCATION & FAMILIES</p> <p>Some very difficult decisions need to be taken in relation to reducing the budget in the Children Education and Families directorate.</p> <p>As you will be aware a public consultation is underway to gather view and opinions from all stakeholders on the proposed changes to children's services.</p> <p>Prior to the consultation, a series of listening events were held to help shape</p>

Questions	Answers
	<p>the proposals. These events highlighted the concerns about the potential long term impact of closing Children's Centres and Early Intervention Hubs.</p> <p>The consultation closes on the 10th January 2016. As part of the work to analyse the consultation responses the impact of any closures will be carefully considered. We would very much welcome your contribution through the formal consultation process.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>Is it not the case that this decision about Children's Centres is not a difficult one for the councillors, it is a difficult one for the families and that closing any children centres would be a false economy and that there is no reason why young families in particular, who have enough difficulty, should pay for the children in greatest need and that all of this is driven by a hatred of community and public services by the Conservative Party at a national and local level?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>We are still out to consultation and therefore I am unable to pre-empt the consultation outcome.</p>
<p>11. COUNCILLOR DAVID WILLIAMS</p> <p>Could the Portfolio holder confirm that the Oxfordshire County Council is compliant with the "Care and Support for Deafblind Children and Adults Policy Guidance" issued by the Department of Health in December 2014 [https://www.gov.uk/government/publications/de</p>	<p>COUNCILLOR MELINDA TILLEY, CABINET MEMBER FOR CHILDREN, EDUCATION & FAMILIES</p> <p>I can confirm that Oxfordshire County Council keeps a register of children who are deafblind and that this is reviewed annually.</p> <p>The local authority recognises the varied and complex needs of this group of children and has established highly specialist support for children and young people with multi-sensory impairment (MSI) within its Special Educational</p>

Questions	Answers
<p><u>afblind-people-guidance-for-local-authorities</u>) In particular to confirm:</p> <p>Whether the authority keeps a register of deafblind children. What arrangements are in place to ensure all identified deafblind children are assessed by someone who is specifically trained and experienced in deaf blindness? What kind of specifically trained one-to one support is available for deafblind children from the local authority children's services?</p>	<p>Needs Support Services (SENSS), Children, Education and Families directorate. There is a qualified teacher of the deaf who is MSI qualified as well as a trained Intervenor. The Visual Impairment assistant within SENSS is also currently training as an Intervenor.</p> <p>Specialist assessment, advice and support is provided to both mainstream and special schools and MSI qualified staff also run a weekly family support session for parents and carers of babies and pre-school children with multi-sensory impairment. Feedback has been highly complementary both from the paediatricians involved with the children and the parents who attend. The low vision and paediatric audiology clinics are aware of the support available and referrals and early intervention from the specialist team is part of the Local Offer for children, young people and their families in Oxfordshire. Where children and young people are assessed as needing 1:1 support from an Intervenor in an educational setting this is provided. Social Intervenor 1:1 support is provided by the social and health care team for children to access after school activities, such as Brownies. There is a member of the social services Sensory Impairment Team who has the deafblind qualification and in addition all team members working with those who are deafblind have had deafblind training from SENSE or Deafblind UK (national voluntary organisations working with and supporting people of all ages who are deafblind or have associated disabilities). The Sensory Impairment Team provides specially trained 1:1 support workers when required and refer for Communicator Guide support from SENSE, Deaf Direct and any other providers identified as necessary.</p> <p>Oxfordshire is also involved in a range of national initiatives:</p> <ul style="list-style-type: none"> <input type="checkbox"/> The experienced Intervenor within SENSS has contributed to national training programmes for the Intervenor role as well as the on-line training course for MSI. <input type="checkbox"/> The MSI teacher is currently contributing to a working group with the

Questions	Answers
	<p>National Sensory Impairment Partnership chaired by a member of SENSE, looking at how wider outcomes can be captured to measure the impact of support to this group of children.</p> <ul style="list-style-type: none"> □ The specialist manager of the Sensory, Physical and Complex Needs service within SENSS sits on the reference group of the National Sensory Impairment Partnership and works closely with SENSE through this group to ensure that the needs of the very low incident group of children with deafblindness are effectively met.
<p>SUPPLEMENTARY QUESTION</p> <p>Would she agree with me that over the next few years we really must apply as much pressure as we can in the financial system to make sure that this is not set aside as a future development.</p>	<p>SUPPLEMENTARY ANSWER</p> <p>Yes I do agree and yes I will do everything I can.</p>
<p>12. COUNCILLOR JOHN HOWSON</p> <p>Can the Cabinet member confirm that the teething problems experienced with the Hampshire contract have now been resolved and that schools were able to operate the system successfully throughout October including the payroll for all staff and supply teachers?</p>	<p>COUNCILLOR MELINDA TILLEY, CABINET MEMBER FOR CHILDREN, EDUCATION & FAMILIES</p> <p>All schools have been able to use the new IBC system in October and whilst schools have been away over half-term and payroll has just been run, we know that any issues are being dealt with effectively and school staff are growing in confidence using the new system. In September, there were particular problems over access in some schools for some bursars employed externally. These have been resolved and we have also arranged extra briefings for bursars who are employed directly by schools under external contracts.</p> <p>From the start of the September term, there has been an extensive programme to support schools by means of training sessions and on-line shadowing by Hampshire IBC staff. This programme will continue to run through until December 2016 covering topics such as payroll and pay policy, invoicing and</p>

Questions	Answers
	building confidence on the system. There have also been sessions for new Head teachers. To date 97% of schools have taken the opportunity to send at least one member of staff on a training event. During October, all schools have had direct support from Hampshire Finance staff in producing their first financial reports for Governors using the new system.
<p>SUPPLEMENTARY QUESTION</p> <p>I thank Councillor Tilley for her answer and I note that in September there were particular problems over access in some schools for some bursar's employed externally. The fact that there was some problems with the contract is concerning. Could the Cabinet Member confirm to me that all future costs in terms of training to make the system work properly will be borne by Hampshire within the contact and there is no on-going costs to this County?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>Yes Chairman.</p>
<p>13. COUNCILLOR JOHN HOWSON</p> <p>How many secondary schools that are academies are part of the county-wide agreement to accept pupils permanently excluded by other schools?</p>	<p>COUNCILLOR MELINDA TILLEY, CABINET MEMBER FOR CHILDREN, EDUCATION & FAMILIES</p> <p>All schools and academies are part of the Fair Access Protocol. All schools automatically become members if the majority of schools in the county are signed up to the protocol; which in Oxfordshire's case they are.</p> <p>The protocol requires secondary schools to take up to three vulnerable children above their Planned Admission number into each year group if requested. The vulnerable criteria include permanently excluded pupils.</p>

Questions	Answers
<p>SUPPLEMENTARY QUESTION</p> <p>We have seen an increase in the number of exclusions from secondary schools which is a worrying factor. I wonder if the Cabinet Member can assure me that all permanently excluded pupils by secondary schools have been placed in an alternative school within a reasonable framework, because many of them are young boys in the years just immediately preceding their GCSE's and it is critical time for the future of their qualifications ladder which will effectively lead to them not becoming NEETS in the future.</p>	<p>SUPPLEMENTARY ANSWER</p> <p>Thank you for the question. I agree it is a very worrying trend Councillor Howson and I think that the County Council is on to it and as far as I know that all pupils at the moment have been found places.</p>
<p>14. COUNCILLOR JOHN HOWSON</p> <p>How many teachers trained by schools in Oxfordshire during 2014-15 through the School Direct Scheme joined the staff of state-funded schools in Oxfordshire this September following the completion of their programs?</p>	<p>COUNCILLOR MELINDA TILLEY, CABINET MEMBER FOR CHILDREN, EDUCATION & FAMILIES</p> <p>A number of Oxfordshire schools involved in the School Direct Scheme in different guises and combinations last year and details for all of those are not immediately available.</p> <p>I can however say that the Cherwell School was a lead school for the OTSA Salaried School Direct programme and 25 of the 30 people trained by them are now NQTs in state funded schools in Oxfordshire. Of these 19 are in their main placement school.</p> <p>The Cherwell was also the lead school for two non-salaried School Direct programmes. They had 15 places with Reading University of whom 8 are currently NQTs in state schools in Oxfordshire.</p>

Questions	Answers
<p>SUPPLEMENTARY QUESTION</p> <p>Does the Cabinet Member share my concern that in the recently announced bursary for trainee primary school teachers for next year, the amounts have been cut and that there is a danger that may mean that fewer people will want to train as primary school teachers with a knock on effect within our schools in 2017.</p>	<p>SUPPLEMENTARY ANSWER</p> <p>Thank you Chairman, this has been brought up at the Oxfordshire Governors Association meeting and I did promise to write to the Secretary of State expressing our concerns about this.</p>
<p>15. COUNCILLOR SUSSANA PRESSEL</p> <p>Please can someone explain the difference between the so-called new “national living wage” and the existing national minimum wage? How will these fit in with the Oxford Living wage?</p>	<p>COUNCILLOR RODNEY ROSE, DEPUTY LEADER OF THE COUNCIL</p> <p>The National Minimum Wage was set by the Government and has been in operation since 1998. It is illegal for an employer to pay any employee less than the stipulated amount. It is currently £6.70 per hour.</p> <p>The National Minimum Wage does not equate to the Living Wage. This is an optional rate of pay set by a ‘think tank ‘at the Centre for Research for Social Policy at Loughborough University. From 3 November 2014 the Living Wage is £7.85 per hour, £9.15 per hour in London.</p> <p>The Oxford Living Wage is a rate of pay adopted by Oxford City Council since September 2009. It is set at 95% of the London Living Wage in recognition of the high cost of housing within the City. From October 2015 this is £9.12 per hour.</p> <p>In his budget speech on 8 July 2015, the Chancellor announced that a new compulsory National Living Wage of £7.20 per hour will be introduced in April 2016 and that this will increase to £9.00 per hour by 2020. This rate will replace the National Minimum Wage for workers aged 25 and above and will be obligatory for all employers.</p>

Questions	Answers
<p>SUPPLEMENTARY QUESTION</p> <p>There are several problems with this cynical attempt to blur the distinction between the minimum wage and the living wage and one of the problems is that Oxfordshire and London as is stated in the answer do need a higher living wage. How can we keep this valuable distinction?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>One way of doing it would certainly to be in the budget in February put in budget lines that answer the problem completely. I look forward to that budget amendment coming forward.</p>
<p>16. COUNCILLOR SUSSANA PRESSEL</p> <p>If David Cameron persists in refusing to heed the advice of the vast majority of experts on the necessity of a sugar tax, please can we look at following the example of Brighton and Hove Council, which is introducing a voluntary sugar tax? They are calling on food and drinks shops to impose a 10p levy on all sugary soft drinks. This money would pay for public health measures aimed at combatting the growing scourge of obesity, which is already costing the NHS more than £5 billion a year.</p>	<p>COUNCILLOR HILARY HIBBERT-BILES, CABINET MEMBER FOR PUBLIC HEALTH & THE VOLUNTARY SECTOR</p> <p>We feel that national policy is best dealt with and evaluated at national level. This is the tried and tested route for initiatives from seat belt legislation to bans on tobacco advertising and this is the method we should adhere to.</p> <p>We have focused instead on educating people to make their own choices. This is carried out through a range of initiatives which have been completed or are planned for the future which help raise awareness of the impact of sugar in diets and encourage sugar swops.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>The trouble is this answer just parrots what the sugar industry keeps saying which is fairly typical of the government. This approach here to obesity caused by excess sugar doesn't work; it is evident that it doesn't work. Please can we look at evidence of what does work now</p>	<p>SUPPLEMENTARY ANSWER</p> <p>Actually Chairman I don't read the Guardian but in actual fact we do a great deal on sugar. So I will just list some of the things we do:</p> <ul style="list-style-type: none"> • the distribution for change for life sugar leaflets at libraries, play days and other events; • think before you drink – boards that were displayed in libraries over the

Questions	Answers
<p>that some countries have reduced obesity by bringing in a sugar tax and there is a very long article in today's Guardian which will tell you about the evidence. So please can we look at that evidence of what does work.</p>	<p>summer and at the OUHT here for Heath clinic</p> <ul style="list-style-type: none"> • A sugar swop video developed and delivered by children which has worked extremely well because I have seen it and been with the children. • A second sugar swops video is due soon and will be promoted during in January along with the Public Health England Sugar Swop Campaign; • A new sugar swot app • <p>It hasn't come out yet so how you can say it is not working. I have absolutely no idea. Let's think a bit broadly. We also have a sugar game played at play days and other events, social media posts on sugar, talking about the sugar game, highlighting Jamie Oliver's' TV programme, investigating sugar and promoting the sugar swop video. Well at work messages include information about sugar, working with District and City Councils so that when the contracts are negotiating with leisure centre providers vending machines on the premises have sugar free drinks and health option snacks. An example is the leisure centre at Oxford Spires Academy which will only have a sugar free drink machine at the start of the new contract. I think that everybody now is aware of what sugar does with obesity and there are several programmes who are talking about this within their programmes and also I shall be looking at Oxfordshire County Council's – the way we sell sugar drinks.</p>
<p>17. COUNCILLOR ROZ SMITH</p> <p>What is the current estimate for the total of savings on the home to school transport budget in 2015-16 and how does this breakdown between SEN transport and transport to the nearest school under the new policy; are the saving likely to be sufficient to meet those announced for the medium term plan when the current policy for home to school transport was announced?</p>	<p>COUNCILLOR LAWRIE STRATFORD, CABINET MEMBER FOR FINANCE</p> <p>The 2015/16 budgeted saving target for home to school transport is £1.125m, with SEN taking £0.759m and mainstream plus other services streams taking the balance of £0.366m. This split is based on a costed route efficiency programme (REP) being implemented by E&E this year and planned to be delivered over the medium term in line with the agreed savings target in the MTFP. The demographic pressures relating to SEN have not been built into the MTFP and will have a net adverse impact on the overall cost of the service which is recharged to CEF.</p>

Questions	Answers
<p>SUPPLEMENTARY QUESTION</p> <p>Since contracts for two thirds of the financial year have already been let, are we on line to achieve the target budget saving and if not what is the size of the shortfall?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>There is a challenge especially with transport on those with special needs, there are a number of changes going through, including the route efficiency programme and introducing a passport scheme which is primarily intended to increase the safeguarding aspect of the children transported. That is still being rolled out and the full benefits may not be achieved in this financial year. I am happy to give a written reply on the actual numbers that Councillor Smith has asked for but I am encouraged by the activity that is going on in particular on the safeguarding.</p>
<p>18. COUNCILLOR BOB JOHNSTON</p> <p>Can the cabinet member provide the details of how the figure for reinstating the rail link between Witney and Oxford used in the consultation exercise was made up in view of the disparity with the cost per track mile between the Oxfordshire costs and those for the new railway in Scotland even though that project required 45 new bridges and two tunnels compared with only two new bridges and no tunnels in the Witney to Oxford project?</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>The re-instatement of the railway would require more structures than is suggested in the question – the initial alignment design suggests there would need to be at least 5 road bridges (2 in Eynsham, at least 1 near South Leigh and 2 more across minor roads on the approach to Ducklington) as well as a number of farm and other access crossings, four crossings of watercourses including the Rivers Windrush and Evenlode and a crossing of Ducklington Lake.</p> <p>Consulting Engineers URS/AECOM was commissioned in November 2014 to carry out a review of public transport options along the Witney – Oxford corridor. This included a review of the 2001 Witney/Carterton to Oxford Rail Link Pre-Feasibility Study carried out by Mott MacDonald and producing a high level “Order of Magnitude” cost estimate for the re-instatement of the line.</p> <p>The study looked at a number of recent rail schemes which had either been recently constructed or subject to detailed assessment, including the Borders Railway, in order to derive unit costs for the works. These costs specifically explicitly excluded costs of land and mitigation works.</p>

Questions	Answers																								
	<p>The costs derived by URS/AECOM for the Witney to Oxford rail line re-instatement were as follows:</p> <table border="1" data-bbox="909 400 2022 647"> <thead> <tr> <th><i>ITEM</i></th> <th>Unit</th> <th>Rate</th> <th>Cost</th> </tr> </thead> <tbody> <tr> <td>Re-instatement of railway on previous route</td> <td>18.8 km</td> <td>£6.2m/km</td> <td>£116.6m</td> </tr> <tr> <td>Enhancement works to existing railway</td> <td>6.1 km</td> <td>£3.0m/km</td> <td>£18.3m</td> </tr> <tr> <td>New Stations and car parking</td> <td>3 No</td> <td>£3m each</td> <td>£9.0m</td> </tr> <tr> <td>Minor road works etc.</td> <td></td> <td></td> <td>£10m</td> </tr> <tr> <td>TOTAL</td> <td></td> <td></td> <td>£150.9m</td> </tr> </tbody> </table> <p>To this Order of Magnitude cost estimate an allowance of 10% (£15m) was added to allow for land costs and an allowance of 20% (£30m) for mitigation works and other contingencies. In line with Department for Transport advice for preparing cost estimates at an early stage of scheme development an “Optimism Bias” allowance of 45% (£88m) was then added to the assessed total cost bringing the total to the quoted figure of £285m. This is to allow for unknown or unforeseen factors which could increase the cost as the scheme progresses through design and construction.</p> <p>The quoted figure therefore represents a figure that is likely to be towards the higher end of the possible range of costs that the re-instatement could require. It should be noted that the same allowances for land, contingencies and optimism bias were added to the basic cost estimates of all the strategy options put forward in the consultation.</p>	<i>ITEM</i>	Unit	Rate	Cost	Re-instatement of railway on previous route	18.8 km	£6.2m/km	£116.6m	Enhancement works to existing railway	6.1 km	£3.0m/km	£18.3m	New Stations and car parking	3 No	£3m each	£9.0m	Minor road works etc.			£10m	TOTAL			£150.9m
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<p>SUPPLEMENTARY QUESTION</p> <p>Again I would like to thank the Councillor for his very thorough answer with a great deal of detail. My supplementary is very simple given that the</p>	<p>SUPPLEMENTARY ANSWER</p> <p>There are currently consultations going on about motor transport along the A40 and how to deal with it. It will not just be from the financial point of view it will be from the economic benefit that we will be coming forward with options in the</p>																								

Questions	Answers
<p>costs of a tram train are roughly 50-60% of that of a heavy rail reinstatement which is what the figures relate to would he not agree with me that this strengthens the case for having a tram train system between Oxford and Witney?</p>	<p>future. I hope that Councillor Johnston took the opportunities to go to one of the public meetings and has given feedback on the consultation.</p>
<p>19. COUNCILLOR JANET GODDEN</p> <p>The two paragraphs below came from a school in my division after the beginning of this term (followed up by me on 21 September but only an interim acknowledgement received so far). Many other schools have had similar stories to tell; it would be useful if the locality meetings could receive regular reports on work that has fallen behind or where there have been major hitches. Most important, what can be done to improve this kind of poor service?</p> <p>“Seeded areas are more like weed areas; grass grown along fence lines is knee high, not having been strummed when fencing has been removed; fencing stacked up; skips; rolls of material and bricks scattered around the perimeter of the field where the builders’ compound had been; green felt on scramble net is not secured/safe; drains left standing proud etc.</p> <p>Lockers have now arrived for our staff kitchen, thank you (2 years late); however staff cannot put items away in the KS2 classroom as there</p>	<p>COUNCILLOR NICK CARTER, CABINET MEMBER FOR BUSINESS & CUSTOMER SERVICES</p> <p>Members are currently provided with a property update at each locality meeting which includes a section on the current schools build programme and an estimated practical completion date, further details are available on request from Jamie Hiscock whose contact details are also in the Locality Meeting Property Update. Jamie is also happy to take any queries that members may have about specific projects.</p> <p>It is not possible to respond in detail to Cllr Godden however the requirements of the contract are that cleared areas of ground are seeded as this provides the best long term solution to establish the area; however it needs to be maintained by the school until established. No materials are left in an area of the school which is unsecured and segregated from the school staff and pupils; every endeavour is made to ensure all external areas are cleared when buildings are handed over to the school, however occasionally materials are still to be cleared after building work is complete. No site area has been left with loose materials in an area of school occupation when the school is open.</p> <p>Officers would be happy to discuss any detailed issues that Cllr Godden has with the school build programme.</p>

Questions	Answers
are still no drawers for the units under the sink nor are they able to put anything in cupboards as there is nothing to hold the shelves in place.”	
SUPPLEMENTARY QUESTION Thank you. Do you agree that it will be reasonable for the locality meetings to ask for the reports from Carillion to give the original completion date of all projects rather than the current completion date because there can often be a gap of many many months if not years and that that would not be more difficult and expensive to produce than the current glossy brochures that we receive every time.	SUPPLEMENTARY ANSWER I am sure that can be done, Chairman. Although I am not sure quite what it would achieve? Nonetheless if councillors would like that area of information I am sure it can be supplied.

Division(s): N/A

COUNTY COUNCIL – 8 DECEMBER 2015

REPORT OF THE CABINET

Cabinet Member: Deputy Leader

1. Staffing Report Quarter 2 2015/16

(Cabinet, 10 November 2015)

Cabinet noted a report that gave an update on staffing numbers and related activity during the period 1 July 2015 to 30 September 2015. It gave details of the actual staffing numbers at 30 September 2015 in terms of Full Time Equivalents. In addition, the report provided information on the cost of posts being covered by agency staff.

Cabinet Member: Environment

2. Public Consultation Report - Supported Transport (Subsidised Buses and Dial-A-Ride)

(Cabinet, 10 November 2015)

On 26th May 2015, the Cabinet approved the launch of a full public consultation on proposed changes to subsidised bus services and Dial a Ride. Cabinet considered a report that detailed the consultation process that was followed and summarised the main themes which arose throughout the consultation and sought a determination on the proposed options.

Cabinet agreed the removal of £2.3m subsidy. They noted the delivery of further savings subject to Council approval to deliver the full £3.7 m by the withdrawal of all bus subsidies. Should our overall budget position prove to be better than this worst case scenario then off peak services will be prioritised and the methodology updated to: include additional criteria which ensure that rurally isolated and deprived areas are also prioritised; agree to continue to pay for (i.e. protect in the methodology) subsidised bus routes which are used to take entitled students from home to school, where on the whole it is cheaper for us to do so, instead of paying for separate dedicated school transport; ensure a consistent methodology by treating all providers in the same way, whether they are external providers, OCC fleet or community transport providers.

They did not agree to allocate the £500K reserve but instead noted that once the council's future funding position is clearer Cabinet would establish a broader pump priming (along the lines of the Big Society Fund) fund that could include community transport along with other similar initiatives. Cabinet also agreed to explore a new approach to transport.

Cabinet Member: Finance

3. Treasury Management Mid-Term Review (2015/16)

(Cabinet, 10 November 2015)

Cabinet noted a report that set out the Treasury Management activity undertaken in the first half of the financial year 2015/16 in compliance with the CIPFA Code of Practice. The report included Debt and Investment activity, Prudential Indicator monitoring and forecast interest receivable and payable for the financial year.

Cabinet RECOMMENDED Council to note the Council's Mid-Term Treasury Management Review 2015/16 and it is included elsewhere on this agenda.

IAN HUDSPETH

Leader of the Council

November 2015

Division(s): N/A

COUNCIL – 8 DECEMBER 2015

CONSTITUTION REVIEW

Report by the Chief Legal Officer and Monitoring Officer

Introduction

1. Under the Constitution, the Monitoring Officer is required to monitor and review the operation of the Constitution to ensure that its aims, principles and requirements are given full effect. This includes making recommendations to Council on any necessary amendments. The Monitoring Officer is authorised to make any changes to the Constitution which are required to:
 - Comply with the law;
 - Give effect to the decisions of Council (or Cabinet, Committees etc.);
 - Correct errors and otherwise for accuracy or rectification;
2. Other changes will only be made by Full Council, following a recommendation of the Monitoring Officer.
3. This report therefore updates Council on amendments to the Constitution that have been made consequential on previous decisions of the Council. This is for information only. It also seeks approval of two minor changes, both of which effectively seek to clarify and update existing provisions.

Consequential Amendments

4. This report updates the Council on the consequential amendments that resulted from two decisions already taken by Council. In each case, track-change versions of the Constitution, reflecting these changes, have been placed in the Members' Resource Centre. These are:
 - Senior management changes: namely, to reflect the leaving of the Chief Executive and the appointment of a new Head of Paid Service and Monitoring Officer
 - Senior manager dismissal: the procedures required in law to be reflected in the Constitution and consequent on Council's decision in July 2015

Senior management changes

5. The Constitution must reflect the changes made by the Council to its senior management structure. Members will recall that on the leaving of the Chief Executive, it was agreed that, to comply with legal requirements, new persons were appointed to the positions of Head of Paid Service and Monitoring Officer. It was also agreed not to recruit a chief executive at that time but that a senior management review be carried out to determine an appropriate

structure for the Council. The changes made to the Constitution now simply reflect these decisions. As such, references to ‘Chief Executive’ have been removed, to avoid confusion and to increase clarity for the public and members of the *current* structure. This does not prejudge the outcome of the senior management review which, when concluded, will require further amendments to the Constitution to reflect that final outcome. The changes therefore reflect the changes to the roles of Head of Paid Service and Monitoring Officer.

Senior manager dismissal

6. In July this year, Council was informed that the Government had issued Regulations to change the procedures which must be followed if a council wishes to discipline or dismiss its statutory officers – that is, the Head of Paid Service, the Monitoring Officer and the Chief Finance Officer. As a result, Council formally agreed, as the Regulations required, to adopt the new procedures.
7. The new procedures are, in short, that Full Council now takes the final decision on whether to dismiss any of the three statutory posts (Head of Paid Service, Monitoring Officer and Chief Finance Officer) but must now consider the advice, views or recommendations of a panel consisting of at least two independent members before determining the matter.
8. The government has yet to issue guidance on the expected format of *detailed* procedures. The lack of clarity relates to whether the Panel should be a standing committee or should only be convened as and when such a dismissal is contemplated. Either is permissible. As such, it has not been possible yet to reflect such detail in the Constitution and therefore the legal requirement has been met by incorporating the broad statutory procedure into the Council’s Officer Employment Procedure Rules, at Part 8.4 of the Constitution. This means that a panel would need to be convened in the event that such a dismissal is contemplated.
9. As on previous similar occasions, the Oxfordshire Monitoring Officers’ group is liaising to consider the emerging best practice and therefore a further report will be brought to Council in the New Year, hopefully with the benefit of guidance from the government.

Amendments for clarity

Treatment of motions

10. The Council Procedure Rules (Part 3.1 of the Constitution) govern how motions proposed at Full Council shall be handled. Rule 13.5.1 (ii)(a) sets out that in the case of a non-executive function, Full Council will (except at the February or budget-setting meeting) “debate and determine the motion” unless the motion if carried would lead to certain outcomes. One of these is that any such approved motion would “involve additional expenditure”. It is considered that this is too restrictive as in one sense, any motion that asks

envisages action being undertaken as a result will involve some additional expenditure and in theory could preclude many proposed motions.

11. It is therefore proposed that the wording be amended to say “additional **significant** expenditure”. However, to do so immediately begs the question as to what ‘significant’ means. Following consultation with group leaders, it is suggested that a reasonable level for ‘significant’ would be £10,000. This would provide sufficient flexibility for motions below that threshold not to be ‘ruled out’ if challenged on the basis of current wording.
12. Full Council is asked to approve that amendment and the level of £10,000.

Protocol on Member-Officer Relations

13. It is essential to the good governance of the Council, and to public confidence in it, that there is a good and constructive relationship between democratically elected councillors and employees. Both are subject to respect codes of conduct within the Council’s Constitution. However, the key principles of mutual respect and integrity are set out further in the Protocol on Member-Officer Relations (at Part 9.6) of the Constitution.
14. The protocol is not intended to cover every eventuality, but at certain points it needs to be illustrative of the underlying principles. One such is the principle that close personal familiarity between members and officers can damage mutual respect and indeed public confidence, giving rise to suspicions of favouritism. It is suggested that, to illustrate this, paragraph 9 of the Protocol should include an example, namely: “For instance, it is not generally appropriate for officers and councillors to request or accept each other as ‘Friends’ on social media such as Facebook”.
15. While this is not a known issue for the County Council, it is nonetheless helpful to highlight the potential pitfalls of social media, however well-meaning such contacts may otherwise be. The perception of familiarity can itself be damaging.
16. Full Council is asked to approve that amendment.

Legal and procedural implications

17. The legal and procedural implications have been dealt with in the report under the relevant headings.

RECOMMENDATIONS

18. Council is RECOMMENDED to:

- (a) note that changes have been made to the Constitution to give effect to the Council's previous decisions on:**
 - (i) senior management structures (Council Minute Reference 56/15; and**
 - (ii) senior officer dismissal procedures (Council Minute Reference 43/15);**
- (b) agree the proposed change to the Council Procedure Rules outlined at paragraph 11 of this report; and**
- (c) agree the proposed change to the Protocol on Member-Officer Relations outlined at paragraph 14 of this report.**

NICK GRAHAM

Chief Legal Officer and Monitoring Officer

November 2015

Division(s): N/A

COUNCIL – 8 DECEMBER 2015

APPOINTMENT OF INDEPENDENT PERSON

Report by the Chief Legal Officer and Monitoring Officer

Introduction

1. In law the County Council must appoint one or more Independent Persons whose views are to be sought, and taken into account, by the authority before it makes its decision on an allegation that a councillor has breached the Members' Code of Conduct.
2. As such, Independent Persons perform a key role in the Council's procedures for investigating any such complaints. Their role also includes forming part of a Panel of persons, established under statutory procedures, to advise or make recommendations to Council on the potential dismissal of a senior officer.
3. The Council currently has one such Independent Person but it is prudent for more than one to be appointed. This report therefore recommends Council to make an appointment to this role.

Role of independent person

4. An Independent Person appointed by the Council performs several important roles, under law.

Members' Code of Conduct & Councillor Complaints Procedure

5. Independent persons' views must be sought, and taken into account, by the Council before the Council makes any decision on an allegation it has decided to investigate that a councillor or co-opted member has allegedly breached the Members' Code of Conduct.
6. The Independent Person may be consulted by:
 - The Council – normally through its Monitoring Officer – as part of the established complaints procedures for elected and co-opted members
 - The member, or co-opted member, of the authority if that person's behaviour is the subject of an allegation

Senior Officer – Dismissal Procedures

7. Recently, new statutory procedures have been adopted regarding the dismissal of the three key statutory officers, namely the Head of Paid Service, the Monitoring Officer and the Chief Finance Officer. While it is for Full

Council to decide on any such dismissal, it must, before doing so, consult a Panel which should, at the least, contain the Independent Persons appointed by it under Section 28 of the Localism Act 2011, or those appointed by another authority. There is an expectation that such Independent Persons will, if possible, be those appointed by the Council.

8. The role of the Independent Person in this context is, again, advisory as a Panel will be responsible for giving Full Council any advice, views or recommendations as regards a proposed dismissal.

Appointment

9. The person that Full Council is being recommended to appoint is Dr Sadie Reynolds. The law requires that, prior to the appointment of any Independent Person under the Localism Act 2011, any such position must have been advertised publicly; and that the person whose appointment the Council is considering has submitted formal application for it.
10. I can confirm that these requirements have been fulfilled in this instance. In addition, the former Monitoring Officer, Peter Clark, undertook an interview with Dr Reynolds who is fulfilling, with effectiveness, the same role for Cherwell District Council. Mr Clark was satisfied that Dr Reynolds would be an appropriate person to fulfill this role.

Legal and procedural implications

11. For the reasons outlined above, the Council is required to appoint Independent Persons to fulfil key aspects of the Council's governance as regards the complaints procedures for elected and co-opted members; and key aspects of the statutory procedures to be followed for the dismissal of a senior officer.
12. As such, it is very prudent that the Council appoints more than one such person so that the Council has access to more than one independent perspective; and also, of course, to ensure that there is continuity of procedure should one Independent Person not be available.
13. The legal requirements for the recruitment of a further Independent Person have been followed in this instance but it remains with Full Council to determine any such appointment.

Conclusion

14. Full Council is asked to appoint Dr Sadie Reynolds to the role of Independent Person for the Council under Section 28 of the Localism Act 2011, to fulfil the purposes outlined in paragraphs 5-8 above.

RECOMMENDATION

15. **Council is RECOMMENDED to appoint Dr Sadie Reynolds to the role of Independent Person under Section 28 of the Localism Act 2011.**

NICK GRAHAM

Chief Legal Officer and Monitoring Officer

November 2015

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Division(s): N/A

COUNTY COUNCIL – 18 NOVEMBER 2015

TREASURY MANAGEMENT MID-TERM REVIEW 2015/16

Report by Chief Finance Officer

Introduction

1. The Chartered Institute of Public Finance and Accountancy's (CIPFA's) Code of Practice on Treasury Management (Revised) 2011 recommends that members are informed of Treasury Management activities at least twice a year. This report ensures this authority is embracing Best Practice in accordance with CIPFA's recommendations.
2. The following annexes are attached
 - Annex 1 Lending List Changes
 - Annex 2 Debt Financing 2015/16
 - Annex 3 PWLB Debt Maturing
 - Annex 4 Prudential Indicator Monitoring
 - Annex 5 Arlingclose Quarter 2 Benchmarking

Strategy 2015/16

3. The approved Treasury Management Strategy for 2015/16 was based on an average base rate forecast of 0.625%.
4. The Strategy for borrowing continued to provide the option to fund new or replacement borrowing up to the value of 25% of the portfolio through internal borrowing.
5. The Strategy included the continued use of pooled fund vehicles with variable net asset value.

External Context – Provided by Arlingclose

6. As the year began, economic data was largely overshadowed by events in Greece. Markets' attention centred on the never-ending Greek issue, which stumbled from turmoil to crisis, running the serious risk of a disorderly exit from the Euro. The country's politicians and the representatives of the 'Troika' of its creditors - the European Commission (EC), the European Central Bank (ECB) and the International Monetary Fund (IMF) – barely saw eye to eye. Greece failed to make a scheduled repayment to the IMF on 30th June, in itself not a default until the IMF's Managing Director declares it so. Prime Minister Tsipras blindsided Greece's creditors by calling a referendum on 5th July on reform proposals which by then were off the table anyway. The European Central Bank froze liquidity assistance provided to Greek banks and capital controls within the country severely restricted individuals' and corporates' access to cash.

7. On 12th July, following a weekend European Union Summit, it was announced that the terms for a third bailout of Greece had been reached. The deal amounting to €86 billion was agreed under the terms that Greece would see tax increases, pension reforms and privatisations; the very reforms Tsipras had vowed to resist. This U-turn saw a revolt within the ruling Syriza party and on 27th August, Alexis Tsipras resigned from his post as Prime Minister of Greece after just eight months in office by calling a snap election, held on 20th September. This gamble paid off as Tsipras led his party to victory once again, although a coalition with the Independent Greeks was needed for a slim parliamentary majority. That government must now continue with the unenviable task of guiding Greece through the continuing economic crisis – the Greek saga is far from over.
8. The summer also saw attention shift towards China as the Shanghai composite index (representing China's main stock market), which had risen a staggering 50%+ since the beginning of 2015, dropped by 43% in less than three months with a reported \$3.2 trillion loss to investors, on the back of concerns over growth and after regulators clamped down on margin lending activity in an effort to stop investors borrowing to invest and feeding the stock market bubble. Chinese authorities intensified their intervention in the markets by halting trading in many stocks in an attempt to maintain market confidence. They surprised global markets in August as the People's Bank of China changed the way the yuan is fixed each day against the US dollar and allowed an aggressive devaluation of the currency. This sent jitters through Asian, European and US markets impacting currencies, equities, commodities, oil and metals. On 24th August, Chinese stocks suffered their steepest one-day fall on record, driving down other equity markets around the world and soon becoming known as another 'Black Monday'. Chinese stocks have recovered marginally since and are trading around the same level as the start of the year. Concerns remain about slowing growth and potential deflationary effects.
9. **UK Economy:** The economy has remained resilient over the last six months. Although economic growth slowed in Q1 2015 to 0.4%, year/year growth to March 2015 was a relatively healthy 2.7%. Q2 2015 GDP growth bounced back and was confirmed at 0.7%, with year/year growth showing slight signs of slowing, decreasing to 2.4%. GDP has now increased for ten consecutive quarters, breaking a pattern of slow and erratic growth from 2009. The annual rate for consumer price inflation (CPI) briefly turned negative in April, falling to -0.1%, before fluctuating between 0.0% and 0.1% over the next few months. In the August Quarterly Inflation Report, the Bank of England projected that GDP growth will continue around its average rate since 2013. The Bank of England's projections for inflation remained largely unchanged from the May report with them expecting inflation to gradually increase to around 2% over the next 18 months and then remain there in the near future. Further improvement in the labour market saw the ILO unemployment rate for the three months to July fall to 5.5%. In the September report, average earnings excluding bonuses for the three months to July rose 2.9% year/year.
10. The outcome of the UK general election, largely fought over the parties' approach to dealing with the consequences of the structural deficit and the pace of its removal, saw some very big shifts in the political landscape and put the key issue of the UK's relationship with the EU at the heart of future politics.
11. The US economy slowed to 0.6% in Q1 2015 due to bad weather, spending cuts by energy firms and the effects of a strong dollar. However, Q2 GDP showed a large improvement at a twice-revised 3.9% (annualised). This was largely due to a broad recovery in corporate investment alongside a stronger performance from consumer and

government spending and construction and exports. With the Fed's decision on US interest rate dependent upon data, GDP is clearly supportive. However it is not as simple as that and the Fed are keen to see inflation rise alongside its headline economic growth and also its labour markets. The Committee decided not to act at its September meeting as many had been anticipating but have signalled rates rising before the end of the year.

12. **Market reaction:** Equity markets initially reacted positively to the pickup in the expectations of global economic conditions, but were tempered by the breakdown of creditor negotiations in Greece. China led stock market turmoil around the globe in August, with the FTSE 100 falling by around 8% overnight on 'Black Monday'. Indices have not recovered to their previous levels but some improvement has been seen. Government bond markets were quite volatile with yields rising (i.e. prices falling) initially as the risks of deflation seemingly abated. Thereafter yields fell on the outcome of the UK general election and assisted by reappraisal of deflationary factors, before rising again. Concerns around China saw bond yields dropping again through August and September. Bond markets were also distorted by the size of the European Central Bank's QE programme, so large that it created illiquidity in the very markets in which it needed to acquire these bonds, notably German government bonds (bunds) where yields were in negative territory.

Treasury Management Activity

Debt Financing

13. Oxfordshire County Council's debt financing to date for 2015/16 is analysed in Annex 2.
14. The Council's cumulative total external debt has decreased from £399.38m on 1 April 2015 to £394.38m by 30 September 2015, a net decrease of £5m. No new debt financing has been arranged during the year. The total forecast external debt as at 31 March 2016, after repayment of loans maturing during the year, is £393.38m. The forecast debt financing position for 31 March 2016 is shown in Annex 2.
15. At 30 September 2015, the authority had 66 PWLB¹ loans totalling £344.38m and 10 LOBO² loans totalling £50m. The combined weighted average interest rate for external debt as at 30 September 2015 was 4.50%.

Maturing Debt

16. The Council repaid £5m of maturing PWLB loans during the first half of the year. The details are set out in Annex 3.

Debt Restructuring

17. There has been no restructuring of Long Term Debt during the year to date.

¹ PWLB (Public Works Loans Board) is a Government agency operating within the United Kingdom Debt Management Office and is responsible for lending money to Local Authorities.

² LOBO (Lender's Option/Borrower's Option) Loans are long-term loans which include a re-pricing option for the bank at predetermined intervals.

Investment Strategy

18. The security and liquidity of cash was prioritised above the requirement to maximise returns. The Council continued to adopt a cautious approach to lending to financial institutions and continuously monitored credit quality information relating to counterparties.
19. During the first half of the financial year short term fixed deposits of up to 12 months have been placed with banks and building societies. Deposits over twelve months have been made with other local authorities, the primary purpose of which was to provide diversification away from bank and building society deposits.
20. The Treasury Management Strategy Statement and Annual Investment Strategy for 2015/16 included the use of external fund managers and pooled funds to diversify the investment portfolio through the use of different investment instruments, investment in different markets, and exposure to a range of counterparties. It is expected that these funds should outperform the Council's in-house investment performance over a rolling three year period. The strategy permitted up to 50% of the total portfolio to be invested with external fund managers and pooled funds (excluding Money Market Funds).
21. The performance of the pooled funds will continue to be monitored by the Treasury Management Strategy Team (TMST) throughout the year against respective benchmarks and the in-house portfolio. The TMST will keep pooled funds under review, including ensuring appropriate diversification and the consideration of alternative investment and fund structures, to manage overall portfolio risk.

The Council's Lending List

22. The Council's in-house cash balances were deposited with institutions that meet the Council's approved credit rating criteria. The approved Lending List was updated during the period to incorporate additional counterparties. Changes were reported to Cabinet on a bi-monthly basis. Annex 1 shows the amendments incorporated into the Lending List during the first half of 2015/16, in accordance with the approved credit rating criteria.
23. All three credit ratings agencies have reviewed their ratings in the first six months of the year to reflect the loss of government support for most financial institutions and the potential for varying loss given default as a result of new bail-in regimes in many countries. Despite reductions in government support many institutions have seen upgrades due to an improvement in their underlying strength and an assessment that that the level of loss given default is low.
24. Fitch reviewed the credit ratings of multiple institutions in May. Most UK banks had their support rating revised from 1 (denoting an extremely high probability of support) to 5 (denoting external support cannot be relied upon). Despite this, Lloyds Banking Group received a one notch upgrade.
25. Moody's concluded its review in June and upgraded the long-term ratings of Close Brothers, Standard Chartered Bank, Goldman Sachs International, HSBC, Coventry Building Society, Nationwide Building Society, Svenska Handelsbanken and Landesbank Hessen-Thuringen.

26. Standard & Poor's (S&P) reviewed UK and German banks in June downgrading Barclays' long-term rating to A- from A. S&P has also revised the outlook of the UK as a whole to negative from stable, citing concerns around a planned referendum on EU membership and its effect on the economy.
27. At the end of July, the council's treasury advisors Arlingclose advised an extension of recommended durations for unsecured investments in certain UK and European institutions following improvements in the global economic situation and the receding threat of another Eurozone crisis. A similar extension was advised for some non-European banks in September, with the Danish Danske Bank also being included as a new recommended counterparty.
28. In the six months to 30 September 2015 there were no instances of breaches in policy in relation to the Council's Lending List. Any breaches in policy will be reported to Cabinet as part of the bi-monthly financial monitoring.

Investment Performance

29. Security of capital has remained the Authority's main investment objective. This has been maintained by following the Authority's counterparty policy as set out in its Treasury Management Strategy Statement and Annual Investment Strategy for 2015/16.
30. The average daily balance of temporary surplus cash invested in-house in the six months to 30 September was £331.75m. The Council achieved an average in-house return for that period of 0.76%, exceeding the budgeted rate of 0.70% set in the strategy. This has produced gross interest receivable of £1.25m.
31. Temporary surplus cash includes; developer contributions; council reserves and balances; trust fund balances; and various other funds to which the Council pays interest at each financial year end, based on the average three month London Interbank Bid (LIBID) rate.
32. The Council uses the three month inter-bank sterling bid rate as its benchmark to measure its own in-house investment performance. During the first half of 2015/16 the average three month inter-bank sterling rate was 0.45%. The Council's average in-house return of 0.76% exceeded the benchmark by 0.31%. The Council operates a number of call accounts and instant access Money Market Funds to deposit short-term cash surpluses. The average balance held on overnight deposit in money market funds or call accounts in the 6 months to 30 September was £57.5m or 17.3% of the total in house portfolio.

External Fund Managers and Pooled Funds

33. The Council continued to use pooled funds with variable net asset value. Weighted by value pooled fund investments produced an overall annualised return of 0.74% for the period. These investments are held with a long-term view and performance is assessed accordingly.

34. Gross distributions from pooled funds have totalled £0.14m in the six months to 30 September. This brings total income, including gross interest receivable to £1.39m for the period.
35. In September 2015 the TMST approved the decision to sell approximately one quarter of the Council's £20m initial investment in the Threadneedle Strategic Bond Fund, due to a decrease in the size of the fund. The sale resulted in a realisable gain of £0.26m, which represents an annualised return of 3.29% since the initial investment.
36. Having reviewed further investment options the TMST approved the decision to invest a further £5m in the CCLA Local Authorities' Property Fund in September 2015.

Prudential Indicators for Treasury Management

37. The position as at 30 September 2015 for the Prudential Indicators is shown in Annex 4.
38. As at 30 September 2015 the Council exceeded the prudential indicator for the upper limit on fixed interest rate exposure for net debt. Actual fixed interest rate exposure was 153.63%, exceeding the 150% limit set out in the 2015/16 Treasury Management Strategy.
39. The indicator is calculated using the following formula:

$$\frac{\text{Fixed debt} - \text{Fixed deposits}}{\text{Total debt} - \text{Total deposits and investments}}$$

40. The reason for exceeding the limit lies predominantly with an increase in the proportion of the Council's investment portfolio held in investments and deposits with variable interest rates, which has subsequently reduced the proportion of deposits with fixed interest rates. This was a deliberate decision taken by the Treasury Management Strategy Team in order to further diversify the Council's investment portfolio.
41. At 30 September 2015, 32.5% of total investments and deposits held were at variable interest rates. The Treasury Management Strategy Team are comfortable with this level of variable rate investments and deposits and do not believe that exceeding the fixed interest rate exposure limit poses a risk to the Council.
42. The Treasury Management Strategy Team will review the suitability of existing interest rate exposure indicators as part of the 2016/17 Treasury Management Strategy. A move away from existing indicators towards the use of local indicators where these are more appropriate will be considered, as encouraged in the CIPFA Treasury Management Code of Practice 2011.

External Performance Indicators and Statistics

43. The County Council is a member of the CIPFA Treasury and Debt Management benchmarking club and receives annual reports comparing returns and interest payable against other authorities. The benchmarking results for 2014/15 showed that Oxfordshire County Council had achieved an average investment return of 1.15% compared with an average of 0.77% for their comparative group of 40 members.

44. The average interest rate paid for all debt during 2014/15 was 4.54%, with an average of 4.23% for the comparative group of 40 members. It should be noted that all of Oxfordshire County Council's debt is long-term, whereas the averages for the comparators include short-term debt which has a lower interest rate and so reduces the averages. Oxfordshire County Council had a higher than average proportion of its debt portfolio in PWLB loans at 87% compared to 74% for the all member group. Oxfordshire County Council had 13% of its debt in LOBO loans at 31 March 2015 compared with an average of 17% for the comparative group.
45. Arlingclose also benchmark the Council's investment performance against its other clients on a quarterly basis. The results of the quarter 2 benchmarking to 30 September 2015 are included in annex 5.
46. The benchmarking results show that the Council was achieving higher than average interest on deposits at 30 September 2015, when compared with a group of 121 other local authorities. This has been achieved by placing deposits over a longer than average duration with institutions that are of higher than average credit quality.
47. Oxfordshire had a higher than average allocation to external funds, fixed and local authority deposits when compared with other local authorities in the benchmarking exercise. Oxfordshire also had a notably lower than average exposure to money market funds, call accounts and certificates of deposit.

Training

48. Individuals within the Treasury Management Team continued to keep up to date with the latest developments and have attended a number of external workshops and conferences.

Financial and Legal Implications

49. Interest payable and receivable in relation to Treasury Management activities are only two parts of the overall Strategic Measures budget.
50. The 2015/16 budget for interest receivable is £2.06m. The forecast outturn for interest receivable and returns on investments is £2.72m, giving net forecast excess income of £0.66m. The increased forecast is due to a combination of higher average cash balances and higher average interest rates than originally forecast. In addition to stronger distributions from pooled funds than originally forecast.
51. Interest payable is currently forecast to be in line with the budgeted figure of £18.2m.

RECOMMENDATION

52. **Council is RECOMMENDED to note the report.**

LORNA BAXTER
Chief Finance Officer

Contact officer: Lewis Gosling – Financial Manager (Treasury Management)
Contact number: 01865 323988
November 2015

Lending List Changes during 2015/16**Counterparties added/reinstated**

Counterparty	Lending Limit	Maximum Maturity
Santander 95 day notice a/c	£15m	6 mths
Bank of Scotland	£15m	9 mths
Barclays current a/c	£15m	100 days
Barclays 100 day notice a/c	£15m	100 days
Danske Bank	£15m	100 days

Counterparties suspended

Counterparty
Goldman Sachs International Bank

Lending limits & Maturity limits increased

Counterparty	Lending Limit	Maximum Maturity
Close Brothers Ltd	£15m	6 mths*
Coventry Building Society	£15m	6 mths*
Nationwide Building Society	£15m	6 mths*
Santander UK PLC	£15m	6 mths*
Landesbank Hessen-Thuringen	£20m	6 mths*
Lloyds Bank Plc	£25m	9 mths*
HSBC Bank Plc	£25m	364 days*
Rabobank Group	£25m	364 days*
Svenska Handelsbanken	£25m	364 days*
Bank of Montreal	£25m	364 days*
Bank of Nova Scotia	£25m	364 days*
Canadian Imperial bank of Commerce	£25m	364 days*
Royal Bank of Canada	£25m	364 days*
Toronto-Dominion Bank	£25m	364 days*

*Indicates limit changed.

Lending limits & Maturity limits decreased

No Counterparty limits have been decreased between 1 April 2015 and 30 September 2015.

Annex 2

OXFORDSHIRE COUNTY COUNCIL DEBT FINANCING 2015/16

<u>Debt Profile</u>		£m
1. PWLB	87%	349.38
2. Money Market LOBO loans	17%	<u>50.00</u>
3. Sub-total External Debt		399.38
4. Internal Balances	0%	<u>-27.31</u>
5. Actual Debt at 31 March 2015	100%	372.07
6. Government Supported Borrowing		0.00
7. Unsupported Borrowing		12.55
8. Borrowing in Advance		0.00
9. Minimum Revenue Provision		<u>-15.60</u>
10. Forecast Debt at 31 March 2016		369.02
<u>Maturing Debt</u>		
11. PWLB loans maturing during the year		-6.00
12. PWLB loans repaid prematurely in the course of debt restructuring		<u>0.00</u>
13. Total Maturing Debt		-6.00
<u>New External Borrowing</u>		
14. PWLB Normal		0.00
15. PWLB loans raised in the course of debt restructuring		0.00
16. Money Market LOBO loans		<u>0.00</u>
17. Total New External Borrowing		0.00
<u>Debt Profile Year End</u>		
18. PWLB	87%	343.38
19. Money Market LOBO loans	13%	<u>50.00</u>
20. Sub-total External Debt		393.38
21. Internal Balances	0%	<u>-24.36</u>
22. Forecast Debt at 31 March 2016	100%	369.02

Line

- 1 – 5 This is a breakdown of the Council's debt at the beginning of the financial year (1 April 2015). The PWLB is a government agency operating within the Debt Management Office. LOBO (Lender's Option/ Borrower's Option) loans are long-term loans, with a maturity of up to 60 years, which includes a re-pricing option for the bank at predetermined time intervals. Internal balances include provisions, reserves, revenue balances, capital receipts unapplied, and excess of creditors over debtors.
- 6 'Government Supported Borrowing' is the amount that the Council can borrow in any one year to finance the capital programme. This is determined by Central Government, and in theory supported through the Revenue Support Grant (RSG) system.
- 7 'Unsupported Borrowing' reflects Prudential Borrowing taken by the authority whereby the associated borrowing costs are met by savings in the revenue budget.
- 8 'Borrowing in Advance' is the amount the Council borrowed in advance to fund future capital finance costs.
- 9 The amount of debt to be repaid from revenue. The sum to be repaid annually is laid down in the Local Government and Housing Act 1989, which stipulates that the repayments must equate to at least 4% of the debt outstanding at 1 April each year.
- 10 The Council's forecast total debt by the end of the financial year, after taking into account new borrowing, debt repayment and movement in funding by internal balances.
- 11 The Council's normal maturing PWLB debt.
- 12 PWLB debt repaid early during the year.
- 13 Total debt repayable during the year.
- 14 The normal PWLB borrowing undertaken by the Council during 2015/16.
- 15 New PWLB loans to replace debt repaid early.
- 16 The Money Market borrowing undertaken by the Council during 2015/16
- 17 The total external borrowing undertaken.
- 18-22 The Council's forecast debt profile at the end of the year.

Long-Term Debt Maturing 2015/16**Public Works Loan Board: Loans Matured during first half of 2015/16**

Date	Amount £m	Rate %
30/04/2015	4.000	9.75%
13/07/2015	0.500	2.35%
31/07/2015	0.500	2.35%
Total	5.000	

Public Works Loan Board: Loans Due to Mature during second half of 2015/16

Date	Amount £m	Rate %
13/01/2016	0.500	2.35%
29/01/2016	0.500	2.35%
Total	1.000	

Prudential Indicators Monitoring at 30 September 2015**Authorised and Operational Limit for External Debt**

Authorised limit for External Debt	£490,000,000
Operational Limit for External Debt	£480,000,000
Capital Financing Requirement for year	£406,298,000

	Actual 30/09/2015	Forecast 31/03/2016
Borrowing	£394,382,618	£393,382,618
Other Long-Term Liabilities	£40,000,000	£40,000,000
Total	£434,382,618	£433,382,618

Fixed Interest Rate Exposure

Fixed Interest Net Borrowing limit	150.00%
Actual at 30 September 2015	153.63%

Variable Interest Rate Exposure

Variable Interest Net Borrowing limit	25.00%
Actual at 30 September 2015	-62.74%

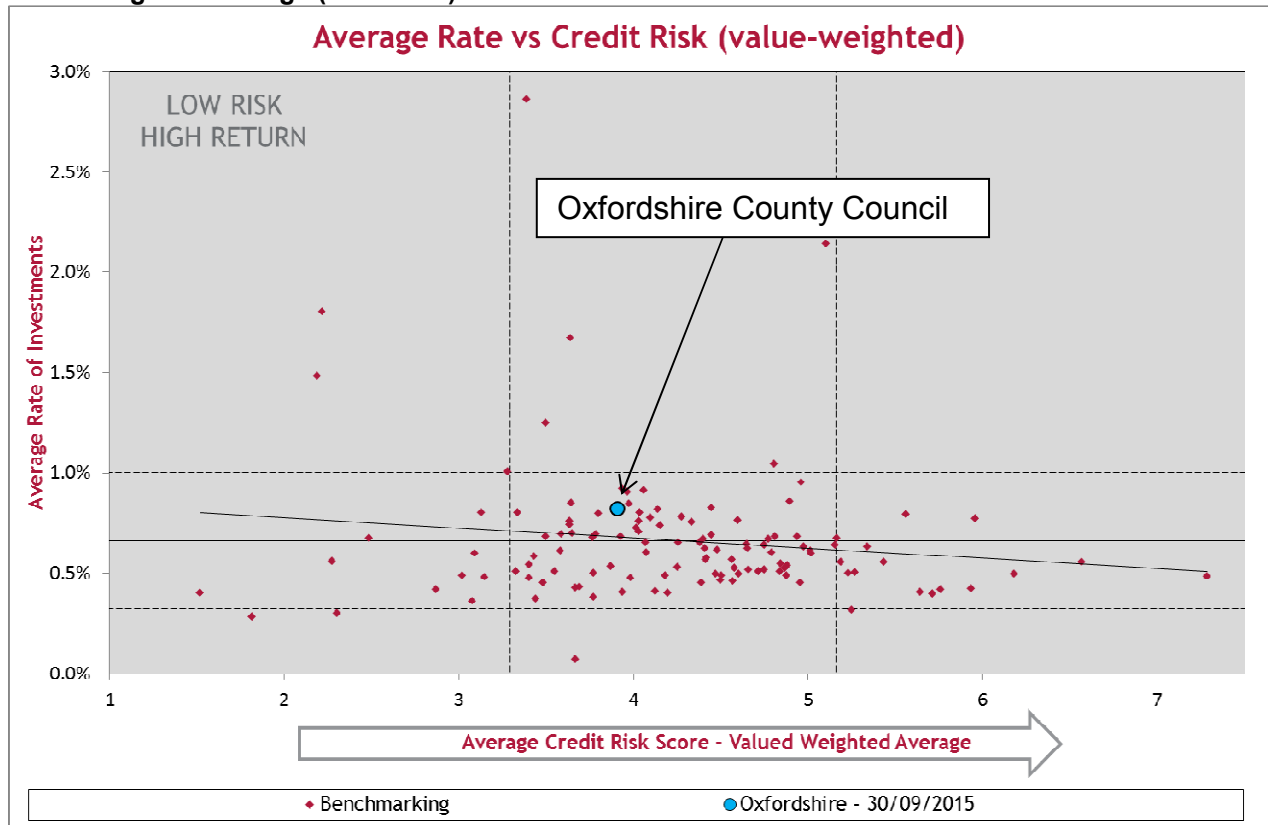
Sums Invested over 365 days

Total sums invested for more than 364 days limit	£150,000,000
Actual sums invested for more than 364 days	£ 59,000,000

Maturity Structure of Borrowing

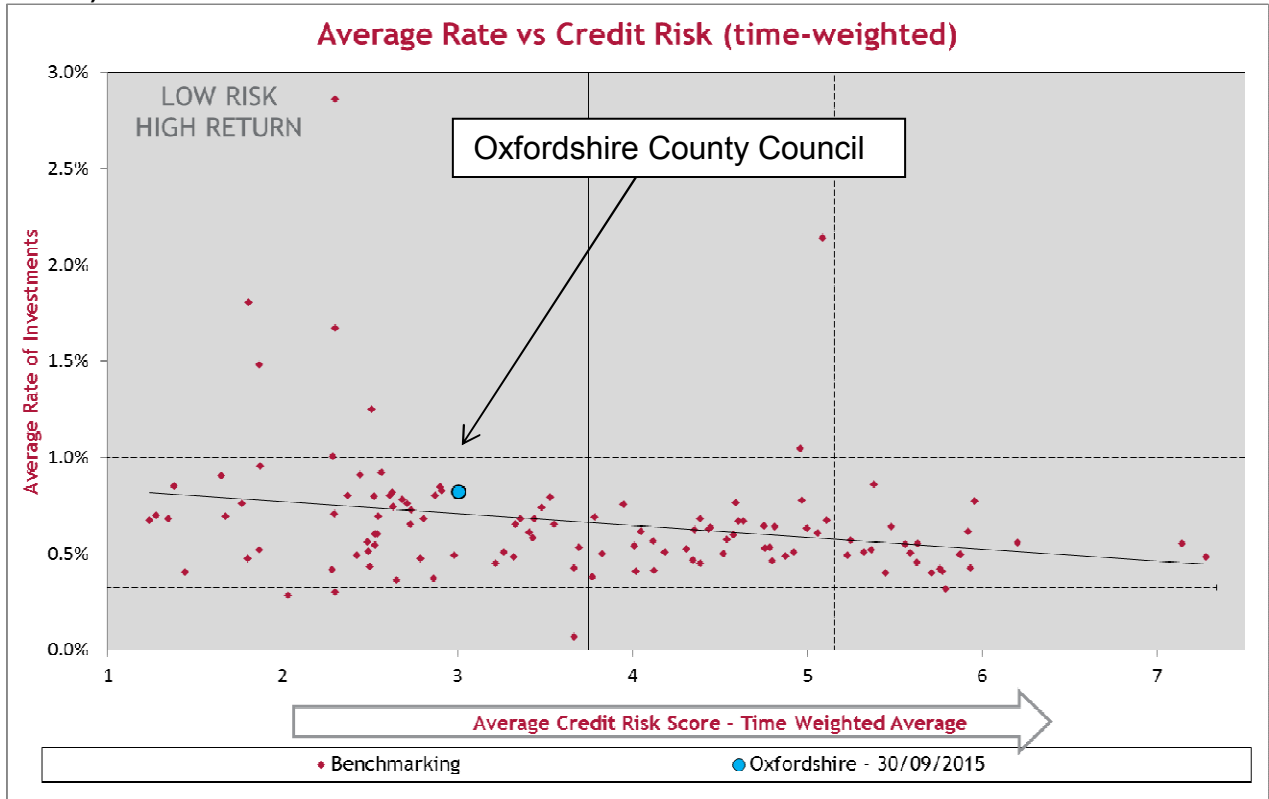
	Limit %	Actual %
Under 12 months	0 - 20	7.86
12 – 24 months	0 - 25	2.28
24 months – 5 years	0 - 35	17.50
5 years to 10 years	5 - 40	11.66
10 years +	50 - 95	60.70

Value weighted average (all clients)



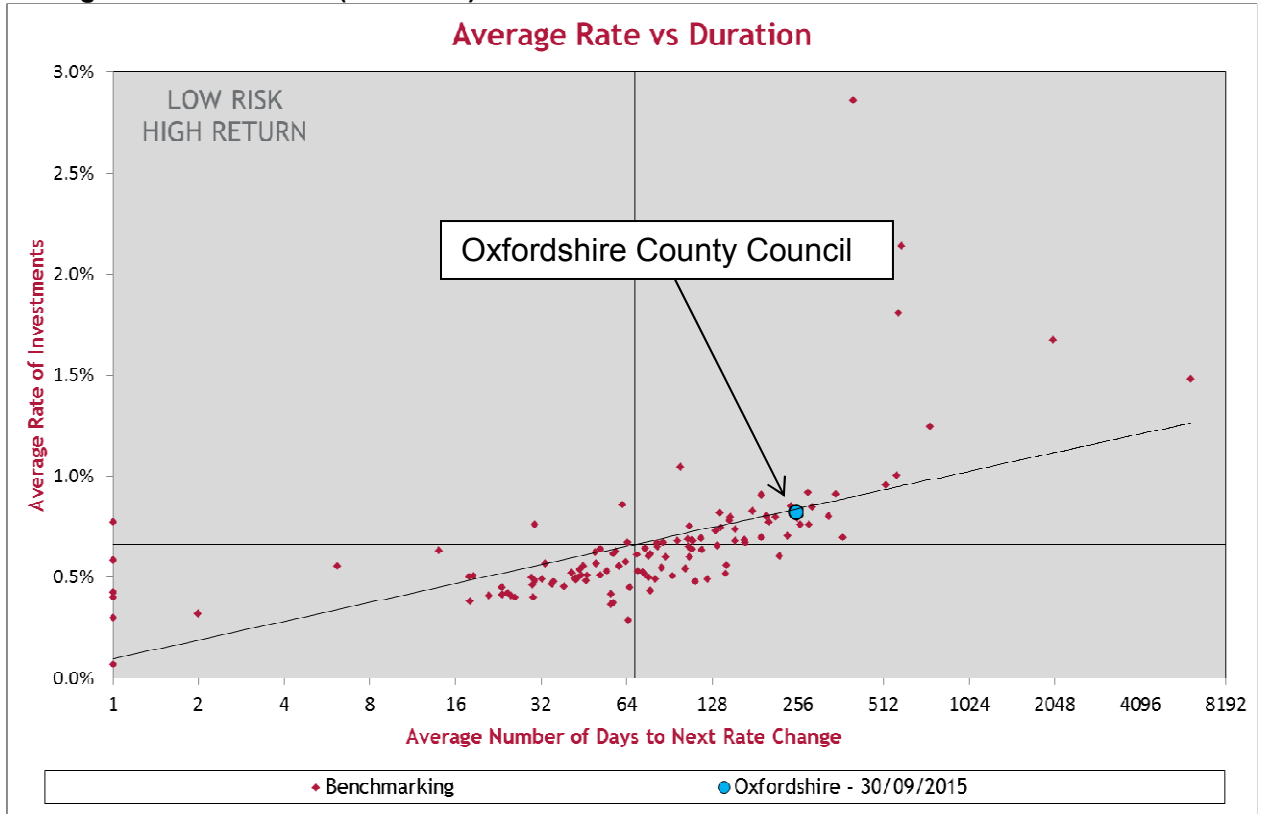
This graph shows that, at 30 September 2015, Oxfordshire achieved a higher than average return for lower than average credit risk, weighted by deposit size.

Time weighted Average (all clients)



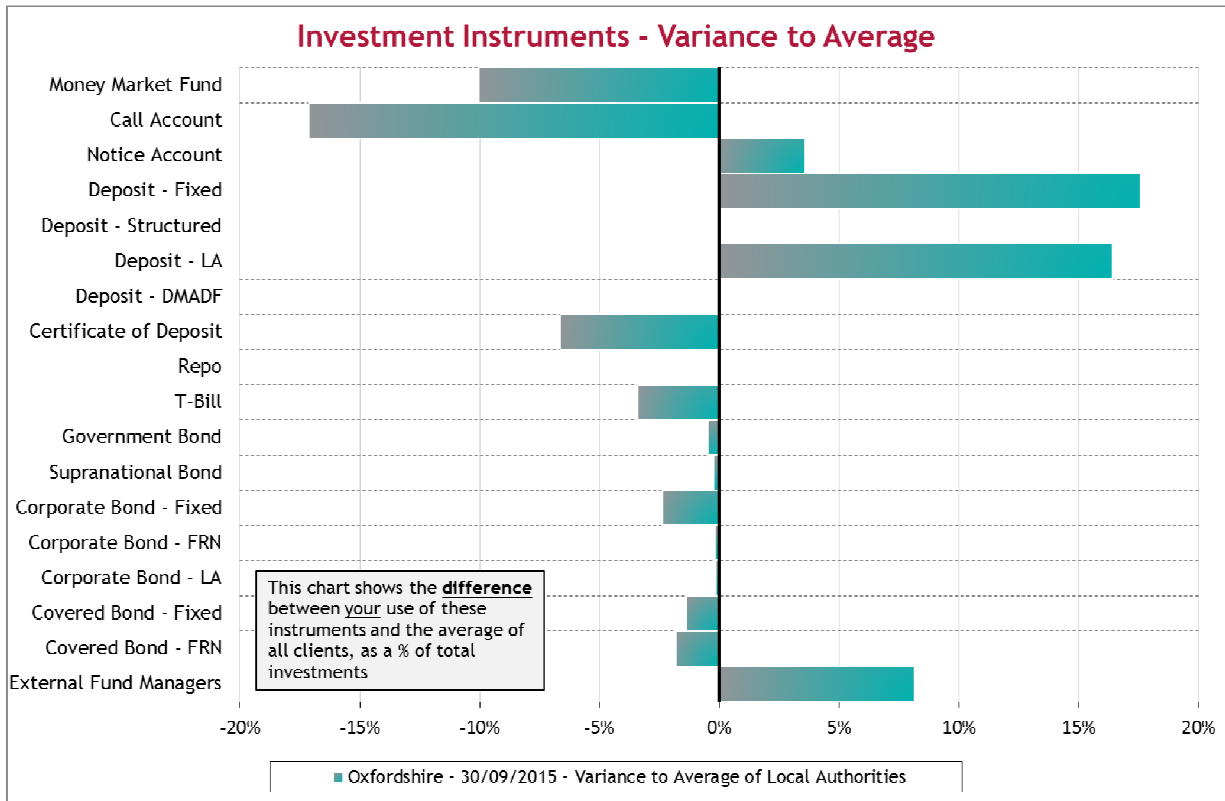
This graph shows that, at 30 September 2015, Oxfordshire achieved higher than average return for lower than average credit risk, weighted by duration.

Average Rate vs Duration (all clients)



This graph shows that, at 30 September 2015, Oxfordshire achieved a higher than average return by placing deposits for longer than average duration.

Investment Instruments – Variance to Average of Local Authorities (all clients)



This graph shows that, at September 2015, Oxfordshire had notably higher than average allocation to external funds, fixed and local authority deposits when compared with other local authorities. Oxfordshire also had notably lower exposures to money market funds, call accounts and certificates of deposit.