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Cherwell District Council

Executive

Minutes of a meeting of the Executive held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 11 October 2010 at 6.30 pm

Present: Councillor Barry Wood (Chairman)
Councillor G A Reynolds (Vice-Chairman)

Councillor Ken Atack
Councillor Norman Bolster
Councillor Colin Clarke
Councillor Michael Gibbard
Councillor James Macnamara
Councillor Nigel Morris
Councillor D M Pickford
Councillor Nicholas Turner

Also Present: Councillor Nicholas Mawer
Councillor Daniel Sames

Officers: Mary Harpley, Chief Executive and Head of Paid Service
Ian Davies, Strategic Director - Environment and Community
John Hoad, Strategic Director - Planning, Housing and Economy
Karen Curtin, Head of Finance
Richard Hawtin, Team Leader Property & Contracts
Tony Brummell, Head of Building Control & Engineering Services
David Marriott, Head of Regeneration & Estates
Ed Potter, Head of Environmental Services
Pat Simpson, Head of Customer Services & Information Systems
James Doble, Democratic, Scrutiny and Elections Manager

50 **Declarations of Interest**

Members declared interests with regard to the following agenda items:

9. Flood and Water Management Act 2010 and Implications for Local Service Delivery.

Councillor Norman Bolster, Personal, as a County Councillor due to the County Council becoming responsible for the service.

Councillor Michael Gibbard, Personal, as a County Councillor due to the County Council becoming responsible for the service.

Councillor G A Reynolds, Personal, as a County Councillor due to the County Council becoming responsible for the service.

Councillor Nicholas Turner, Personal, as a County Councillor due to the County Council becoming responsible for the service.

51 **Petitions and Requests to Address the Meeting**

There were no petitions or requests to address the meeting.

52 **Urgent Business**

There were no items of urgent business.

53 **Minutes**

The minutes of the meeting held on 6 September 2010 were agreed as a correct record and signed by the Chairman.

54 **Business Case for a shared management team between Cherwell District Council and South Northamptonshire Council**

The Portfolio Holder for Resources and Communications, Leader of Council and Chief Executive submitted a report to consider the business case for a shared management team between Cherwell District Council and South Northamptonshire Council. In the course of discussion it was noted that the Council meeting to consider the business case would now be on 8 December 2010, additionally it was proposed that there should be competitive recruitment to the role of Chief Executive and an IT working group be convened to look at IT integration issues.

Resolved

- (1) That the outcome of the Extraordinary Joint Meeting of Resources and Performance Scrutiny Board and Overview and Scrutiny Committee on 6th October at which both Committees considered the business case and the comments received during the consultation with unions and staff at both councils be noted.
- (2) That Council be recommended to approve the business case (and the fifteen specific recommendations included in it) for a shared management team between Cherwell District Council and South Northamptonshire Council, at its meeting on 8 December 2010.
- (3) That in light of the concerns from the Overview and Scrutiny Committee and Resources and Performance Scrutiny Board about arrangements for the appointment of the shared Chief Executive and the commitment in the business case to competitive recruitment to the shared roles, the Joint Working Group be asked to consider mechanisms for an open recruitment process to this role and

recommend the best way forward to both the Cherwell Executive and South Northamptonshire Cabinet.

- (4) That in light of the concerns from the joint Overview and Scrutiny meeting that a joint IT working group be convened to look at the issues of technology integration, costs and savings that would be required should a shared management team be agreed.

Reasons

The business case proposes a shared senior management team of twelve posts, with three further posts to be shared at this stage. Putting these shared posts in place will deliver an ongoing annual saving of £686,000 to this council, adding up to £3.430m over the next 5 years.

The implementation costs associated with achieving this annual saving of £686,000 will vary depending on which staff leave the two organisations and therefore a range of costs have been estimated in the draft business case. The lowest cost estimate is £817,000. The middle case (as used in the business case) is £1.384m and the highest cost estimate is £1.693m.

The Joint Working Group has recommended that, regardless of which staff in which organisations are made redundant, the costs will be split on a 60:40 basis, with Cherwell District Council picking up 60% of the costs. Both District Auditors have agreed with this approach 'in principle' and we will be able to report further at the meeting by which time the two Heads of Finance will have had another meeting with the District Auditors.

The expected overall pay back period for Cherwell District Council is 1.21 years, working on average one-off costs. This will improve to 0.71 years if one-off costs prove to be our best case costs or drop back to 1.48 years if we face the worst case one-off costs.

The business case is based on a maximum of 30 weeks redundancy compensation being given at both councils. This is currently not the practice at South Northamptonshire Council and the business case states that if either council awards, at their discretion, redundancy compensation exceeding 30 weeks then that council will be responsible for covering that additional cost.

The business case also identifies the possibility for further savings elsewhere in the organisations if a joint management team structure is put in place. Indicatively it sets out the level of additional savings if costs in the next tier of management were reduced by 15%, 20% and 25%.

If 20% reductions were identified in the next tier of management, as a result of the opportunities to work more closely once the senior management team were in place, this would equate to an approximate further ongoing annual saving for Cherwell District Council of 392,000 (or £1.960m over 5 years).

These savings would be in addition bring the total annual saving to potentially £1.078m per year, subject to further business cases which would explore the costs and benefits of services on a case by case basis.

Options

Option One

Not to recommend the business case to full Council. However, the financial benefits are clear and the risks of delivery appear to be manageable. If this case was not to be recommended to full Council the £3.430m saving generated directly by the business case would have to be found from making cuts to the council's own management team, from out-/in-sourcing a range of corporate services and almost certainly from cuts to other services, in light of the greater difficulty and time required in securing these alternative savings. Future savings of the type identified in the business case would also be foregone.

55

Bicester Town Centre Redevelopment - Compulsory Purchase order

The Head of Regeneration and Estates submitted a report to seek approval to the draft compulsory purchase order, and to refer it to Council for approval on 18 October 2010

Resolved

- (1) That Council be recommended to resolve to make a compulsory purchase order in respect of the land shown coloured pink and in respect of new rights in relation to the land shown coloured blue on the plan at annex 1 to the minutes (as set out in the minute book).

Reasons

Since the Council resolution on 19 July, the developer (Town Centre Retail (Bicester) Limited) has continued with its efforts to acquire outstanding land interests by agreement. Whilst some further progress has been made with such acquisitions, a number of interests remain to be acquired – thus the present recommendation to Council to formally authorise a CPO.

The making of the CPO does not mean that negotiations for the acquisition by agreement of the outstanding land interests will cease. During the CPO process the developer will continue to try and acquire these interests by agreement, if it is possible to do so on reasonable terms.

When the Council has resolved to make the CPO, the order will be published, and interested parties will be notified. There will then be a three week period within which any objections must be made. If no objections are received, the order may be confirmed by the Council itself. In the event that an objection is made by parties who have a legal interest in the affected properties, it will be necessary to ask the Secretary of State to hold a public Inquiry to consider the objections. In this event it is likely to be at least nine months before the outcome of the inquiry is known.

Options

- Option One** To proceed with the making of the CPO.
- Option Two** To delay while negotiations continue, although that may well result in delay in delivering the scheme

56 **Response to Formula Grant Consultation**

The Portfolio Holder for Resources and Communications, Leader and Chief Executive submitted a report containing the Council's response to the Government's Consultation Paper on Formula Grant distribution which included the transfer of funding for concessionary travel to upper tier authorities. A revised response to questions 18 and 19 was circulated at the meeting and adopted.

Resolved

- (1) That the contents of the report and response to the consultation set out in annex 2 to the minutes (as set out in the minute book) be agreed.
- (2) That the Council continue to lobby to minimise the financial implications of the transfer of funding for concessionary travel to upper tier authorities.

Reasons

The consultation for proposed changes to the Formula Grant was released on 28 July 2010 with a deadline for responses of 6 October 2010. The proposed settlement is normally issued in late November/early December. The settlement will be based on the resources agreed in the Spending Review which is due to be published on 20 October 2010.

57 **Flood and Water Management Act 2010 and Implications for Local Service Delivery**

The Strategic Director Planning, Housing and Economy submitted a report to consider arrangements being put in place locally to implement the Flood and Water Management Act 2010 and to facilitate essential, consequential, decisions about Council services and staffing (land drainage element of the engineering function). Members noted the significant contribution the Head of Building Control and Engineering Services and his team had made to the district both in terms of knowledge and the delivery of benefits to the community.

Resolved

- (1) That the implications of the Flood and Water Management Act (FWMA) be noted.

- (2) That the County Council as Lead Local Flood Authority (LLFA) be informed that, for the reasons set out in the report, it is unable to take up their offer of a formal, but unfunded, agency agreement that would allow Cherwell District Council (CDC) to operate on behalf of the LLFA in Cherwell.
- (3) That the County Council be informed that CDC will not be in a position to maintain its existing in house land drainage staff expertise and information systems under the terms of the new arrangements and that the district councils "duty to co operate with the LLFA" included in the Act will implemented solely through:
- Local Planning Authority (LPA) consultation on planning policy and development control
 - Provision of any local information or knowledge currently collated or coming to hand in the future
 - Potentially, consideration of making an offer of capital funding contributions towards flood defence works required for the District (these to be planned, designed and implemented by the LLFA and the bodies responsible for main rivers)

All other work on land drainage and flooding will cease.

- (4) That the Strategic Director Planning Housing and Economy be instructed to report to Personnel Committee on, and implement, the necessary staffing changes arising from these decisions on the FWMA and also from earlier changes to the workload of Cherwell's engineering service.
- (5) That work with the County Council be initiated to provide public and partner information to explain the rearrangement of functions, and new local responsibilities and contacts under the FWMA.

Reasons

New statutory arrangements for the local authority role in managing flood risk and responding to flooding problems and issues are included in the Flood and Water Management Act 2010 (FWMA). It is expected the relevant provisions of the Act will be fully enacted from 1 April 2011. The County Council will become the LLFA for Cherwell and will receive additional financial resources in its Government grant settlement to perform this function. District Councils will no longer have an independent statutory role in this field of activity. They will still have a duty to co operate with the LLFA (e.g. in respect of planning powers or provision of local information), and, potentially some concurrent powers to take action to enforce riparian (watercourse) owner responsibilities or implement land drainage works that fit with the policies and priorities of the LLFA.

Options

- Option 1** To decline the County Council's Agency offer and direct all future service requests to the LLFA

Option 2 To make 2011/2 budget provision for an Agency (growth item).

58

Self Service Payment at LinkPoint Offices

The Head of Customer Service and Information Systems submitted a report to seek Executive approval and funding for a new approach for taking payments in the LinkPoint offices, moving from PayPoint terminals to Self Serve Payment Kiosks, in order to achieve savings and improve customer service.

Resolved

- (1) That the Council relinquish PayPoint agent status and discontinue taking payments using Paypoint terminals, but retain PayPoint client status to enable the public to pay council bills at other Paypoint Agents
- (2) That agreement be given to stop the facility to deposit cheque payments at the LinkPoint offices and receive cheque payments only by post
- (3) That agreement be given to a supplementary capital estimate of up to £100,000 for the purchase of automated payment kiosks and their introduction into LinkPoint offices
- (4) That agreement be given to reduce the Customer Service Advisor establishment by 3 Full Time Equivalents after successful transition to the new arrangements

Reasons

The outcome of a recent review into the payments service has identified the introduction of self-service payment kiosks as an alternative that will help address most of the operational issues. Although requiring capital funding of up to £100,000, these will allow for the reduction in the staff establishment of 3 FTE (from existing vacancies) and provide a return on investment within two years.

Options

Option One To continue to use PayPoint and seek to introduce improvements

There are significant operational difficulties in using PayPoint. We are advised that their product is retail-based and not designed specifically for Local Government use, therefore specific requirements and enhancements we have looked at cannot be supported.

There are high operating costs and issues with customer satisfaction that cannot be improved easily.

This option is not recommended

Option Two Create four dedicated cashiering roles at the "specialist" level.

Dedicated cashier roles would undermine the improvements made in developing a flexible cross-discipline workforce. An

extra burden would also be placed on rota and absence management.

The LinkPoint offices are no longer set up with a designated cashier point.

This option is not recommended

Option Three Withdraw payment processing completely and direct our customers to other retail PayPoint Agents.

Other Agents would benefit from increased commission revenue and possible secondary spend. As an example, Oxford City Council no longer has cash offices and has confirmed that they no longer take any cash payments at all. They refer their customers to local PayPoint agents.

The report “Delivering Value for Money in Local Government: Meeting the challenge of CSR7” cites High Peak Council as an example of good practice in this area, when they stopped taking cash and cheques at their offices and directed customers to local PayZone agents.

The Council would be able to reduce the Advisor establishment by at least 3 FTE. There would also be further savings on the costs of collecting money from LinkPoint offices each day (approx £20,000 per year)

This option is not recommended as the Council has committed to continued cash payments

Option Four Cease being a PayPoint Agent and implement Self Service payment kiosks.

Ceasing to be a PayPoint agent but retaining client status will still allow our customers to pay council bills at any PayPoint agent, supporting the strategy to help local businesses.

These machines process cash (give change), cheques and card payments, provide receipts, read barcodes and can give basic account information – balances etc.

A one off investment of up to £100,000 can be recouped by directly reducing the resource within Customer Service. Given the amount of time spent handling payments, a reduction in 3 FTE would not impact the service delivery – i.e. would make available the same resource to deliver all services other than cash handling.

It is suggested that resources are reduced permanently two months after implementation, using them in the interim to help through the transitional period.

59 **Waste & Recycling Service**

The Head of Environmental Services submitted a report which presented further improvements to the Waste & Recycling scheme following the

successful implementation of food waste recycling service. Members praised the work of the Head of Environmental Services for their continued work and high performance particularly with regard to Waste electrical and electronic equipment WEEE.

Resolved

- (1) That the proposed Waste and Recycling Service Efficiencies set out in annex 3 to the minutes (as set out in the minute book) be agreed
- (2) That a supplementary capital estimate of up to £130,000 for the acquisition of a glass collection vehicle be approved
- (3) That the proposed Recycling Initiatives and Service Developments set out in annex 4 to the minutes (as set out in the minute book) be agreed
- (4) That the changes in practice regarding the types of bins provided be agreed
- (5) That the reduction in waste to landfill and the rise in customer satisfaction levels of the waste and recycling service be noted.

Reasons

The waste & recycling service is seen as a high priority service by residents. Both overall performance & customer satisfaction are high. However it is important that the service continues to deliver value for money into the future by reducing the cost of delivery and increasing the performance of the service. The proposals in this report seek to achieve this.

Options

- | | |
|---------------------|---|
| Option One | Approve the supplementary capital estimate and agree the changes in container practices and other service developments. |
| Option Two | Re-tender the glass collection service and try and seek reduced costs. However the last tender had only four tenders and the current supplier was significantly cheaper than all the other tenders. |
| Option Three | Add glass to the blue bin and re-tender the dry recycling contract. This is likely to be cheaper than Option 2 but it is a more expensive option than Option 1 and would increase carbon emissions by around 1,000 tonnes |

60 **Award of Contract for the Supply of External Legal Advice Framework Contract to Oxfordshire Local Authorities**

The Head of Legal and Democratic Services submitted a report which sought to grant project approval and recommend the award of the external legal advice framework contract.

Resolved

- (1) That project approval be granted for and that the Council's entry into a framework contract arrangement under which legal services would be available from a panel of selected external solicitors, such arrangement to be put in place in conjunction with the other Oxfordshire authorities and other public sector bodies be authorised.
- (2) To authorise the award of the framework contract to:
 - Darbys Solicitors LLP
 - Blake Laphorn
 - Eversheds LLP
 - Trowers and Hamblins LLP
 - Freeth Cartwright LLP
 - Browne Jacobson LLP
 - Veale Wasbrough Vizards
 - Wragge and Co LLP

Reasons

Cherwell District Council had available to it a range of external legal services, from a number of firms of solicitors, through the use of a "call-off" contract put in place by all the Councils in Oxfordshire. This "call-off" contract expired at the end of July 2010 and has now been re-tendered.

Options

Option One To agree the Recommendations in this Report

Option Two To reject the Recommendations in this Report

61 **Service & Financial Planning Process and Budget Guidelines for 2011/12**

The Head of Finance and Corporate Strategy and Performance Manager submitted a report which informed the Executive of the service and financial planning process for 2011/12 and sought agreement of budget guidelines for issue to service managers to enable the production of the 2011/12 budget and update the Medium Term Financial Strategy for 2011/12 onwards.

Resolved

- (1) That the service and financial planning process for 2011/12 be noted

- (2) That the proposed budget guidelines and timetable for 2011/12 budget process be agreed.

Reasons

Council will be asked to agree the 2011/12 budget and corporate plan (and the service plans that underpin delivery) at their meeting on 21st February 2011.

62

Value for Money Review of Housing

The Strategic Director (Planning, Housing and Economy) submitted a report which presented the findings of the Value for Money (VFM) Review of housing and the recommendations arising from the report. Members requested that in implementing the conclusions of the review officers consider the possible resource implications of potential future changes to the housing benefit regime and report back on this as necessary.

Resolved

- (1) That it be noted that the service has delivered £160,000 savings above the £500,000 savings target set in the previous VFM review, and that these have been delivered ahead of schedule
- (2) That the achievement of all other recommendations from the previous VFM review, save for those around process benchmarking, and ensure these are pursued during the remainder of 2010/11 to identify areas of greater efficiency be noted
- (3) That the overall conclusion of the review, that the service is now below average cost for housing strategy and private sector housing, and remains above average cost for homelessness due to local circumstances and activity rather than unnecessary spend be endorsed. In addition it be noted that the service has high performance in terms of lower use of temporary accommodation, delivery of affordable housing and responding to the recession. Also it be noted that the service is high quality in terms of high levels of user satisfaction
- (4) That further improvements in value for money be sought and the following recommendations be approved;
 1. Reduce and reconfigured staffing arrangements in line with the revised needs of the service to achieve savings of £60,000
 2. Review temporary accommodation contract management arrangements with Sanctuary Housing to achieve savings of £40,000 and improve contract performance

Reasons

Housing was subject to a previous value for money review which reported to Executive on 12 May 2008. It was selected for a 'revisit' review during

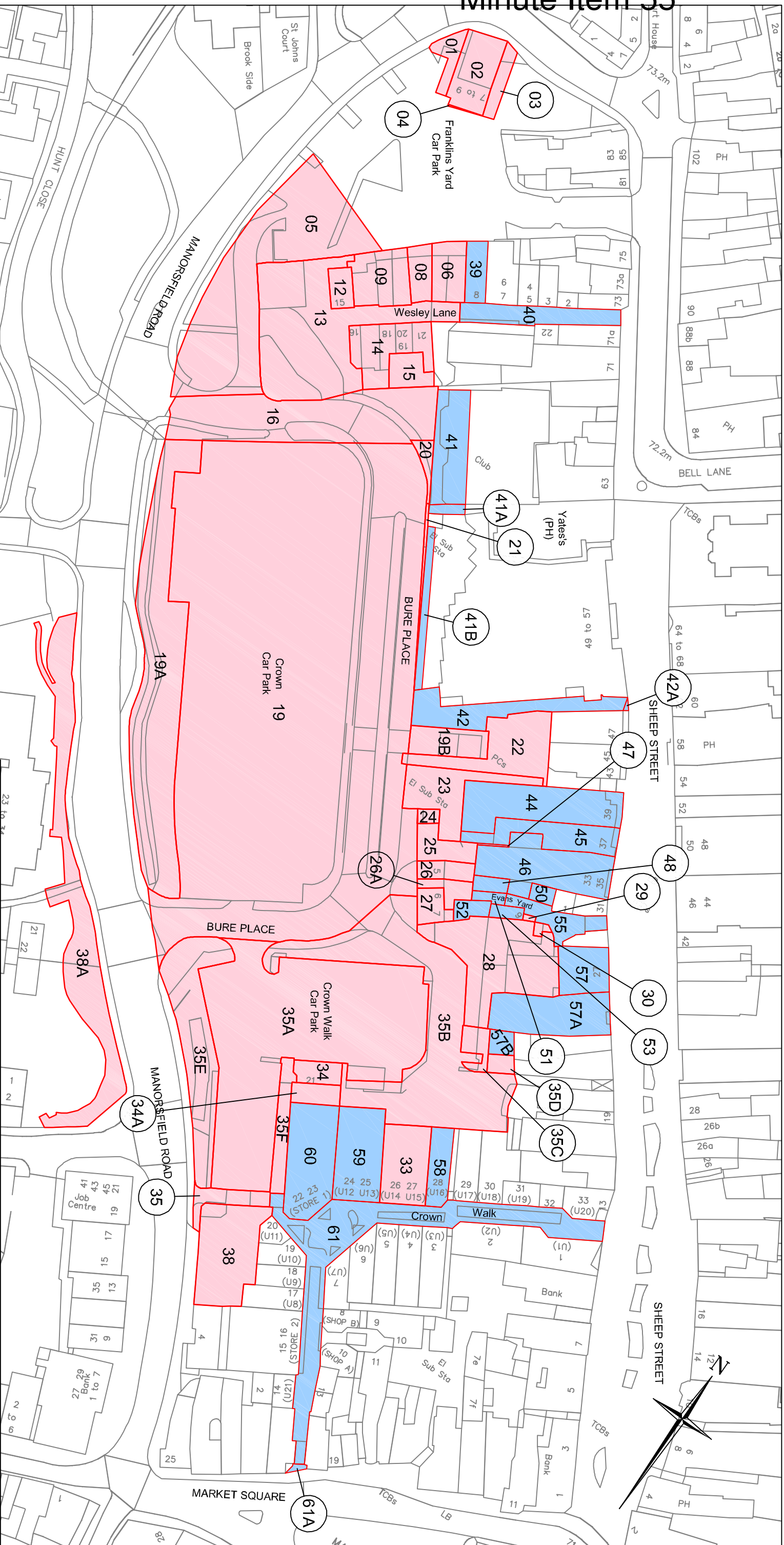
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2010/11 because high-level comparative budget information available through 2010/11 RA form analysis indicated it may still be comparatively expensive. A key element of the review was to better understand these comparative costs to verify the position of the service, and to identify any possible further savings.

The meeting ended at 8.20 pm

Chairman:

Date:



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The COMMON SEAL of CHERWELL DISTRICT COUNCIL
 was hereunto affixed this day of 2010
 in the presence of :-

 a duly authorised officer

DRAFT

Minute Item 56

APPENDIX 1

LOCAL GOVERNMENT FINANCE FORMULA GRANT DISTRIBUTION: CONSULTATION PAPER JULY 2010

FORMULA GRANT DISTRIBUTION CONSULTATION RESPONSE

Name	Karen Curtin
Position	Head of Finance
Organisation	Cherwell District Council
Address	Bodicote House, Bodicote
	Banbury, Oxfordshire
	OX15 4AA
E-mail	karen.curtin@cherwell-dc.gov.uk

CHAPTER 3: ADULTS' PERSONAL SOCIAL SERVICES

Q1 Do you agree that we should update the Low Income Adjustment (OPPSS1)?

Agree

Disagree

Any further comments

N/A

CHAPTER 4: POLICE

Q2 Do you agree the activity analysis should be updated, and a three year average used instead of the current two year average (POL1)?

Agree

Disagree

Any further comments

N/A

Q3 Do you agree that the log of weighted bars per 100 hectares indicator should be used in place of log of bars per 100 hectares indicator (POL2)?

Agree

Disagree

Any further comments

N/A

Q4 Do you agree that the three elements of Additional Rule 2 Grant should be rolled into Principal Formula Police Grant (Main Grant) and therefore distributed as through the Police Allocation Formula (POL3)?

Agree

Disagree

Any further comments

N/A

Q5 Do you agree that the whole of Additional Rule 2 Grant should be rolled into Principal Formula Police Grant (Main Grant) and therefore distributed as through the Police Allocation Formula (POL4)?

Agree

Disagree

Any further comments

N/A

CHAPTER 5: FIRE & RESCUE

Q6 Do you agree that the expenditure data used to determine the coefficients should be updated (FIR1)?

Agree

Disagree

Any further comments

N/A

Q7 Should annual cashable efficiency savings be added to the updated expenditure data used to determine the coefficients should be updated (FIR2)?

Yes

No

Any further comments

N/A

Q8 Would you prefer either FIR3 or FIR4 as an alternative to the current risk index?

FIR3

FIR4

Any further comments

N/A

CHAPTER 6: HIGHWAYS MAINTENANCE

Q9 Do you agree that the daytime visitors component of daytime population per km should be removed (HM1)?

Agree

Disagree

Any further comments

N/A

Q10 Do you agree that the expenditure data used to determine the coefficients should be updated (HM2)?

Agree

Disagree

Any further comments

N/A

CHAPTER 7: ENVIRONMENTAL, PROTECTIVE & CULTURAL SERVICES

Q11 Do you agree that foreign visitor nights is a suitable replacement for day visitors in the district-level and county-level EPCS RNFs (EPCS1)?

Agree

Disagree

Any further comments

The impact of this change could equate to an additional £61k.

Q12 Do you agree that the new GIS-based flood defence formula should be used (EPCS2)?

Agree

Disagree

Any further comments

Cherwell District Council is unaffected by this change

Q13 Do you agree that the new GIS-based coast protection formula should be used (EPCS3)?

Agree

Disagree

Any further comments

Cherwell District Council is unaffected by this change

CHAPTER 8: AREA COST ADJUSTMENT

Q14 Do you agree with the proposal to update the weights given to the labour cost adjustment (ACA1)?

Agree

Disagree

Any further comments

This would reduce the ACA for Cherwell, with a loss of £21k.

CHAPTER 10: SCALING FACTOR

Q15 Do you agree think that the scaling factor for the central allocation should be close to one, so that equal importance is attached to the amounts above and below the threshold?

Yes (if yes, please answer Q16)

No

Any further comments

Significant changes should be avoided in the current circumstances.

Q16 If so, would you prefer Ministers to be able to set judgemental weights for the Relative Needs Amount (CAS1) or the Relative Resource Amount (CAS2)?

CAS1

CAS2

Any further comments

Both options are poor for Cherwell, giving losses of £49k and £39k respectively.

CHAPTER 11: FLOOR DAMPING LEVELS

Q17 Over the next Spending Review period, do you think that the floor level should be set close to the average change or such that it allows some formula change to come through for authorities above the floor?

Close to the average

Allows formula change to come through

Any further comments

Given the uncertainty about the shape of the next settlement – retain current system.

CHAPTER 12: TRANSFERS AND ADJUSTMENTS

Questions 4 and 5 on Additional Rule 2 grant are shown in the Police section above and not repeated here.

Q18 Which of the four options for removing concessionary travel from lower-tier authorities do you prefer?

CONCF1

CONCF2

CONCF3

CONCF4

Any further comments

On the basis that 1 option needs to be selected CONCF 3 results in the lowest budget pressure to the Council.

[See exec report changes]

Q19 Which of the six options for rolling in concessionary travel to upper-tier authorities do you prefer?

CONCF5

CONCF6

CONCF7

CONCF8

CONCF9

CONCF10

Any further comments

Need to check with Oxfordshire (David Illingworth)

Q20 Should concessionary travel have its own sub-block (within the EPCS block)?

Yes

No

Any further comments

Q21 Do you agree with the methodology for adjusting the base position for unadopted drains?

Yes

No

Any further comments

Minor issue for Cherwell District Council where the authority has to take on responsibility for an absentee owner

CHAPTER 13: THE INCAPACITY BENEFIT AND SEVERE DISABLEMENT ALLOWANCE

Q22 Do you agree that the incapacity benefit and severe disablement allowance indicator should use quarterly data rather than annual data (DATA1)?

Agree

Disagree

Any further comments

This chapter concerns a tiny change from annual to quarterly data for this indicator. Cherwell sees a loss of £4k if this change is implemented.

CHAPTER 14: REPLACING THE CHILDREN'S INCOME SUPPORT BENEFIT INDICATOR

Q23 Do you agree that children in out-of-work families receiving Child Tax Credit (CTC) should replace the current children of Income Support / (income-based) Jobseeker's Allowance claimants (DATA2)?

Agree

Disagree

Any further comments

This chapter concerns a tiny change from annual to quarterly data for this indicator. Yes. More up to date data is to be preferred - Cherwell sees a loss of £4k.

CHAPTER 15: STUDENT EXEMPTIONS AND THE COUNCIL TAXBASE

Q24 Would you prefer that May data only is used for the student exemptions adjustment in the taxbase projections (DATA3)?

Yes

No

Any further comments

This chapter proposes to change the date for student council exemptions to be counted from October (too early in the term) to May. Cherwell would lose £5k.

CHAPTER 16: UPDATING DATA ON LOW ACHIEVING ETHNIC GROUPS

Q25 Do you agree that the new definition of secondary school pupils in low achieving ethnic groups should be used (DATA4)?

Agree

Disagree

Any further comments

N/A

ANY OTHER COMMENTS

Do you have any alternative proposals?

Do you have any other comments?

Response

Cherwell District Council welcomes the opportunity to comment on the proposed changes to Formula Grant. The first point to make is a general one. It concerns the benefit of having multi-year settlements. In a period of cutbacks, forward planning is critical and has great benefits for council taxpayers, service users and staff. Even if it is not possible to have detailed figures for all years, having national control totals for Formula Grant and other major funding streams including capital is extremely helpful.

Key Issue – Concessionary Fares Transfer

The transfer of concessionary fares from districts to counties is overwhelmingly the most important issue for Cherwell District Council.

On the basis of the exemplifications put forward the Council's 'base' grant will be reduced in line with actual spend on concessionary fare but in addition, from the exemplifications put forward (not all options have been exemplified) the Council would also lose between £0.5m and £1.1m.

District and Borough councils need to minimise the amount taken from them, but while each authority knows with certainty how much is spent on Concessionary Travel, complications arise because the finance system does not specify how much each received for the service. Ideally, the transfer from one tier of local government to another should not result in an additional budgetary pressure for the council tax payer; but the 'four block allocation model' used in the finance system and the need to use formulae rather than actual allocations or actual spending combine to cause huge swings in funding across the country.

While recognising that the complexity of the system rules out a perfect result, the defensive line we have adopted is to say that:

- (i) In the short-term, no council should lose more grant than it is presently spending concessionary fares; this avoids immediate additional budget pressure
- (ii) No class of authority should lose overall

To take more away from authorities is illogical and indefensible. The Council will continue to lobby in respect of minimizing the impact of this transfer.

Other Changes

The Council's response supports the use of more current data even though this is not beneficial in many options. We are expecting one of the toughest settlements ever. In these circumstances it would be wise to minimise changes to the system to avoid exacerbating an already difficult position.

ADDITIONAL OPTIONS

The following section contains any additional options that have been requested by authorities during the consultation period, and where it has been possible to prepare an option for circulation during the consultation period.

Additional Q1:

Do you agree that we should treat the City of London as two notional authorities for floor damping purposes (DAMP1)?

Agree

Disagree

Any further comments

N/A

Confidentiality

All information in responses, including personal information, may be subject to publication or disclosure under freedom of information legislation. If a correspondent requests confidentiality, this cannot be guaranteed and will only be possible if considered appropriate under the legislation. Any such request should explain why confidentiality is necessary. Any automatic confidentiality disclaimer generated by your IT system will not be considered as such a request unless you specifically include a request, with an explanation, in the main text of your response.

I would like my response to remain confidential (please cross)

Please say why in the box below.

**AGENDA ITEM 8
RESPONSE TO FORMULA GRANT CONSULTATION
UPDATED APPENDIX 1**

FORMULA GRANT DISTRIBUTION CONSULTATION RESPONSE

***UPDATED RESPONSES TO Q18 AND Q19 AS A RESULT OF A NEW
OPTION CONCF45 PUBLISHED BY SETTLEMENT WORKING GROUP AT
THE END OF SEPT 2010 AND DISCUSSIONS WITH OTHER
OXFORDSHIRE COUNCILS***

CHAPTER 12: TRANSFERS AND ADJUSTMENTS

Q18 Which of the four options for removing concessionary travel from lower-tier authorities do you prefer?

- | | |
|--------|-------------------------------------|
| CONCF1 | <input type="checkbox"/> |
| CONCF2 | <input type="checkbox"/> |
| CONCF3 | <input checked="" type="checkbox"/> |
| CONCF4 | <input type="checkbox"/> |

Any further comments

This Council cannot support any of the options detailed above.

The transfer of responsibility from one tier of local government to another should be cost neutral.

The only funding that should be taken away from District Councils is either:

a). The cost of currently running the service (so that the net impact to District Council is zero

or,

b) Identification of the funding previously received for running the service and withdrawal of such funding

All of the options above reduce the formula grant base position by the amount of net revenue expenditure in 2008-09 (and this is perfectly reasonable - Point a) above), however, it then illogically and indefensibly takes away a further significant amount in formula grant.

This approach is ridiculous and not credible. It merely highlights the inadequacy of the rigid, opaque and inflexible four block funding model and clearly demonstrates that it is not fit for purpose for what should be a simple re-allocation of funds from District and Borough Councils to County Councils.

On the basis that 1 option needs to be selected CONCF 3 results in the lowest budget pressure to the Council.

Q19 Which of the six options for rolling in concessionary travel to upper-tier authorities do you prefer?

CONCF5

CONCF6

CONCF7

CONCF8

CONCF9

CONCF10

Any further comments

This Council cannot support any of the options detailed above.

All of the comments detailed in Q18 apply equally to this question.

In consultation with other Oxfordshire Authorities and as per Q18 we find it difficult to support any of these options.

However, the recently issued Option CONCF45 does meet one of the requests above: to take previous expenditure on the scheme from formula grant and therefore of the options set out is the preference.

We would prefer the funding to be redistributed using an unringfenced specific grant, avoiding problems with minimum increases and damping grant.

Proposed Waste and Recycling Service Efficiencies

1. Glass recycling – The current glass collection contract expires in February 2011. Up to £85,000 is spent with our contractor collecting glass. Bringing this work in house by the procurement of a vehicle for around £130,000 will deliver annual savings of £78,000. The pay back is less than two years and the life expectancy of the vehicle is eight years.
2. Gate fees – the collapse in recycling markets in the autumn of 2008 led to rising gate fees. Since then material prices have recovered and in some instances gone beyond the pre 2008 crash prices. Gate fees are being reviewed and a significant reduction is expected in excess of £80,000 per annum.
3. Containers – Over £150,000 (gross) is spent each year on bins & boxes. Some funds for blue bins and money from developers for new properties reduced the net expenditure to £110,000 in 2009/10. However by reusing and repairing more bins and by possible changes to charges for blue containers the intention is to reduce expenditure by £20,000 in 10/11.
4. Vehicle depreciation changes – The Refuse Collection Vehicles have been replaced on a six year cycle. The maintenance costs of vehicles rise with age. However the combination of better maintenance practices, more robust vehicles and the vehicles rarely going on landfill sites has helped increase the life of the vehicle. The intention is to replace refuse collection vehicles on a seven year cycle without increasing annual maintenance cost. This change will reduce capital requirements to replace vehicles by around £60,000 per year.
5. Bring banks – there are over 75 bring bank sites. The annual cleaning of bring banks and the Health & Safety lifting equipment inspection (LOLAR testing) has been carried out by external contractor. By carrying out this work in house and by maximising the value of the materials collected at the bring banks, costs should be reduced by £20,000 in 10/11.
6. Properties which cannot accommodate wheeled bins are supplied with single use grey sacks and paper organic sacks. This costs around £20/property per year. A reusable bag system is being investigated which if successful could save around £10,000 per year after spending around £5,000 on a reusable bag system.
7. Bartec system – the Bartec is an in cab system which allows better flow of information from the Customer Service Centre and the back office to the front line vehicles. The communication route between the vehicle and the Customer Service Centre is also improved. For example, contaminated bins will be identified and Customer Service Centre informed during the collection process so that customer queries can be responded to immediately. Similarly, missed bins reported immediately to the Customer Service Centre can be communicated to the drivers whilst hopefully still in the vicinity of the missed bin. The system is being rolled out through the fleet during 2010/11 and a number of operational efficiencies are expected to be realised which will reduce costs.

8. Christmas collections 2010 – Christmas falls on a Saturday this year. By collecting on the Bank Holiday Tuesday there will be no disruption to collections at Christmas. Householders will have their normal collections on the usual day. This not only reduces disruption and calls to the Customer Service Centre it will remove the need for printing and distributing stickers with the arrangements.
9. Rounds review – the rounds have not been fully reviewed for a number of years. New developments, new recycling and composting outlets and changes in recycling collections mean that the planned routes may not be as efficient as possible. The current rounds are being reviewed to reduce mileage (and hence fuel), reduce labour costs and obtain better balanced workloads. This work may involve changing the day of collection of up to 20,000 properties. Plans and proposals are being developed with the view to changing rounds in early 2011.

Proposed Improved Recycling Initiatives and Service Developments

1. Waste Electrical & Electronic Equipment - Currently there are 16 sites and 6 tonnes of waste electrical & electronic equipment including toasters, kettles, hair driers, small electrical devices have been diverted from landfill. As the number of sites is increased beyond 25, the amount of WEEE diverted from landfill will increase. Some 40 tonnes is expected to be collected in 2010/11. Each tonne of material recycled is worth around £90 in payments from the recycling industry, recycling credits and landfill diversion credits
2. Kerbside collection of batteries – batteries are currently collected via bring banks at over 30 locations. This collected around 8 tonnes in 2009/10. It is estimated that another 20-30 tonnes exist in the residual bins. The possibility of collecting batteries from the kerbside is being researched including making contact with some councils who currently collect. Such as scheme is aimed to be financially cost neutral or better
3. Increasing the amount of glass being captured by further expanding the number of bring sites making it easier for residents to recycle glass. The recent waste analysis shows that some 700 to 900 tonnes is still present in the green bin. By better utilisation of the existing banks, another 5 to 10 sites could be in operation by April 2011. This scheme should bring in additional income.
4. Increasing the amount of textiles being captured. Currently around 325 tonnes of textiles are being collected at a variety of bring banks across the district. However, a recent waste compositional analysis showed that up to 1000 tonnes still remain in the green bin. The current provision of textile banks and the providers will be reviewed – this project should generate some additional income.
5. Trade recycling – some funds secured from the Business Resource Efficiency & Waste (BREW) enabled some research work to be carried out by Oxford Brookes University, a report has just been received with a number of recommendations – this project will increase trade recycling generating additional income.
6. Schools recycling – schools waste as classed as chargeable household waste (Schedule 2). This means that a charge can be made for collection but not for disposal. The intention is to offer to schools, particularly primary schools the Schedule 2 service including food waste. Encouraging food waste in the classroom will have a positive influence on the overall food waste recycling scheme – this scheme will cover all costs and may generate some income.
7. The highest performing council in England for recycling in 2009/10 was Rochford which achieved a recycling rate of around 65% using a three bin collection system. This system includes a weekly brown bin collection system. Rochford is being approached to fully understand their scheme since initial calculations show that a weekly brown bin over the summer months may be possible from summer 2012 for a very low cost.

8. Door stepping campaign in the autumn/winter months to target properties not recycling their food waste. The aim is to increase participation and increase the diversion of food waste from landfill.
9. Two new refuse collection vehicles arrived at the start of September with the Agripa system fitted to the main sides of the vehicles. The Agripa system is essentially an advertising hoarding on the side of vehicle. Different mesh panels can be fitted to the sides of vehicles using an industrial Velcro type of fitting. Feedback on the value of this system will be sought during the rest of 2010/11.
10. Caddy liners – access to caddy liners is an important factor for residents using the food waste recycling scheme. Despite liners being available at most supermarkets and a number of smaller local shops, many residents appear to prefer to buy liners from Cherwell District Council. This seems in part to be price and also certainty about using the correct liners. For the first five months of the food waste recycling service, over 1,700 rolls of liners were sold from Banbury TIC and Thorpe Lane Depot. Physical constraints for storage in Bicester and Kidlington have precluded the sale in these outlets to date. Proposals to make liners more easily available for residents include looking at ordering online with rolls being delivered either by post or crews and also wall simple vending systems in Linkpoints.