

Public Document Pack

Cherwell District Council

Executive

Minutes of a meeting of the Executive held in at Bodicote House, Bodicote, Banbury, OX15 4AA, on 6 December 2010 at 6.30 pm

Present: Councillor Barry Wood (Chairman)

Councillor G A Reynolds
Councillor Ken Attack
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

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
Liz Howlett, Head of Legal & Democratic Services and Monitoring Officer
Karen Curtin, Head of Finance
Tony Brummell, Head of Building Control & Engineering Services
Gillian Greaves, Head of Housing Services
Paul Marston-Weston, Head of Recreation & Health
Chris Rothwell, Head of Safer Communities, Urban & Rural Services
Claire Taylor, Corporate Strategy and Performance Manager
Andy Bowe, Implementation Officer
James Doble, Democratic, Scrutiny and Elections Manager

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Declarations of Interest

Members declared interests in the following agenda items:

6. Eco Bicester One Shared Vision.

Councillor Barry Wood, Personal, as persons known to him have a land interest in the area of, but outside the ecotown.

Councillor G A Reynolds, Personal, as a County Councillor due to the County Council holding a land interest at Gowells Farm.

Councillor Michael Gibbard, Personal, as a County Councillor due to the County Council holding a land interest at Gowells Farm.

Councillor Nicholas Turner, Personal, as a County Councillor due to the County Council holding a land interest at Gowells Farm.

Councillor Norman Bolster, Personal, as a County Councillor due to the County Council holding a land interest at Gowells Farm.

16. Budget 2011/12 Draft 1.

Councillor James Macnamara, Personal, as a Magistrate.

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

The Chairman confirmed he had agreed to a request to address the meeting from Ben Jackson, Bicester Chamber of Commerce in respect of agenda item 17, Pre Order Consultation – Car Parking Proposals.

80 **Urgent Business**

There were no items of urgent business.

81 **Minutes**

The minutes of the meeting held on 1 November 2010 were agreed as a correct record and signed by the Chairman.

82 **Pre Order Consultation - Car Parking Proposals**

The Head of Safer Communities, Urban and Rural Services submitted a report to advise Members on the feedback from the Pre Order consultation on car parking proposals and to enable them to decide on final proposals.

Ben Jackson, on behalf of Bicester Chamber of Commerce, addressed the meeting in opposition to the proposals due to what he perceived would be an adverse impact on Bicester.

Resolved

- (1) That the feedback from the pre Order consultation be noted.
- (2) That officers be authorised to begin formal Order Making on the final proposals set out in the annex to these minutes (as set out in the minute book) for implementation on, or as soon after, 1 March as is possible, with the amendments that evening parking be at a flat rate of 80p for Banbury and 70p for Bicester and that there should be no parking charges on religious bank holidays and New Years Day.

Reasons

A range of car parking proposals have been considered as part of service development for 2011/12, and through the budget preparation process. These were advertised informally in October with key agencies and consultees in accordance with the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996.

Options

Option One Consider the feedback from pre-Order consultation to assist in determining final car park proposals.

Option Two Disregard the feedback.

83

Eco Bicester One Shared Vision

The Strategic Director Planning, Housing and Economy submitted a report which outlined the Revised Eco Bicester One Shared Vision as approved by the Strategic Delivery Board meeting on 8 November 2010, reported the consultation feedback and sought approval for the revised document to be approved for development control purposes for planning proposals in Eco Bicester.

Resolved

- (1) That the report be noted.
- (2) That the proposed changes following the consultation on the Draft document be noted.
- (3) That the Revised One Shared Vision document (annex to the minutes as set out in the minute book) be approved as informal planning guidance for development control purposes.

Reasons

One of the aims of the SDB was to develop a clear vision for Bicester for the next 30 years. The preparation of a shared vision was agreed by the SDB at its first meeting in April 2010. It clearly defines the aims and objectives of the SDB in delivering the eco development at North West Bicester and integrating it with the long term aspirations for the existing town. It is designed to be a clear and concise summary of the key issues affecting the town as it continues to grow. The purpose of the shared vision is summarised as follows:

- To provide a shared vision for the whole of Bicester supported by partners
- To guide the local delivery of the eco-town of national, if not international, significance with the private sector
- To articulate key infrastructure needs to support the eco town
- To inform engagement between the local authority partners, Government departments and agencies on where they can help deliver the project

Options

- Option One** To note the contents of the report and agree the recommendations to approve the vision as informal planning guidance for development control purposes
- Option Two** To amend the recommendations and make further amendments to the vision
- Option Three** To reject the recommendations

84

Local Transport Plan

The Head of Planning Policy and Economic Development submitted a report which presented information to the Executive with a view to the council making a formal response to the public consultation on the Draft Local Transport Plan (LTP).

Resolved

- (1) That the County Council be commended on the general format of the LTP which addresses concerns raised by this Council previously that the LTP should be organised in a way which focuses on proposals for particular settlements and creates a stronger spatial link with Local Development Frameworks.
- (2) That in general, subject to the detailed recommendations made in the report, the policies and area strategies in the LTP be supported.
- (3) That the various detailed recommendations set out in paragraphs 1.16, 1.27, 1.43, 1.52 and 1.58 (with the exception of the reference to major new road links in Banbury) as set out in the annex to the minutes as set out in the minute book be submitted as the Council's formal response to the Local Transport Plan. in particular the Council's comments on:-
 - approach taken by the LTP towards the HS2 proposals in policy PT6
 - the ways in which the vision for eco-Bicester can best be supported through the LTP
 - the proposed Water Eaton Parkway station, and how (a) this can best be implemented in a manner that makes it accessible to local communities in Kidlington and Gosford, and (b) future congestion concerns can best be mitigated.

With the amendments that:

- the strategy for the rural areas should acknowledge the importance of providing footpath links both within and between villages to public transport and employment areas.
- The references in the LTP to major new road links (South East and South West Relief Roads) in Banbury should not be deleted.

Reasons

Oxfordshire County Council is currently preparing its third Local Transport Plan (LTP) for Oxfordshire. The LTP sets out a vision, objectives and outcomes for transport in the whole of the county. It also includes a programme of investment in new transport schemes and maintenance of the existing network.

Options

Option One To endorse the recommendations in the report as the Council's formal response to the Draft Local Transport Plan

Option Two To add or amend the proposed response as the Council's formal response to the Draft Local Transport Plan

Option Three Not to respond to the consultation.

85 **Disabled Facilities Grant Policy**

The Head of Housing Services submitted a report which sought approval for a new policy setting out the Council's approach to the assessment of eligibility for Disabled Facilities Grants, those adaptations which it is appropriate to fund and how it will manage a waiting list if demand exceeds the available budget.

Resolved

- (1) That the Disabled Facilities Grant Policy (annex to the minutes as set out in the minute book) be approved.
- (2) That the proposal that Registered Providers (RPs) (formerly called RSLs or Housing Associations) should be asked to sign-up to a protocol committing themselves to the principles in the Policy and to making a specified financial contribution towards the cost of adaptations for their tenants be endorsed.

86 **Final business case for a shared management team between Cherwell District Council and South Northamptonshire Council**

The Portfolio Holder for Resources and Communications, Leader of the Council and Chief Executive submitted a report to consider the final business case for a shared management team between Cherwell District Council and South Northamptonshire Council.

Resolved

- (1) That Council be recommended at its meeting on 8 December 2010 to approve the business case and the eighteen specific recommendations

included in it, (annex to the minutes as set out in the minute book) for putting in place a shared management team between Cherwell District Council and South Northamptonshire Council by the end of September 2011.

- (2) That Council be recommended to endorse the view of the Executive that, once a shared senior management team is in place, the Council can aspire to continued excellent performance.
- (3) That, it be confirmed following consultation with the Chairman of Overview and Scrutiny Committee, that it is in the Council's interest for this decision to be taken urgently and the right to call-in is waived to enable a binding decision to be taken by Council on 8 December 2010.

Reasons

The Joint Working Group recommends that Cherwell District Council and South Northamptonshire Council put a shared management team in place by the end of September 2011. It is proposed that the Executive accept this recommendation and recommend this in turn to full Council who will take the final decision on whether to go ahead on 8 December 2010.

Options

Option One

Not to recommend the business case to full Council. However, the financial benefits are clear and the risks of delivery are 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.

Cherwell/South Northamptonshire Building Control Shared Service Proposals

The Head of Building Control and Engineering Services submitted a report to consider whether it was appropriate and beneficial to Cherwell District Council and South Northamptonshire Council to merge their Building Control services into a jointly managed operation.

Resolved

- (1) That subject to the endorsement of the Cabinet of South Northamptonshire Council, who are concurrently considering this report, to agree in principle to implementing joint management

arrangements for the Building Control services of Cherwell District Council and South Northamptonshire Council.

- (2) That the Head of Building Control and Engineering Services, and Head of People and Improvement be instructed to carry out the recruitment of the joint Building Control Manager and Team Leaders for each of the Councils as set out in the report and its appendices (annex to the minutes as set out in the minute book).

Reasons

The key reasons for proposing this venture are that it will give both Cherwell and South Northamptonshire Building Control Services a more assured future and over a relatively short period of time the revenue costs borne by both Authorities to fund the non fee element of building control work will decrease.

Options

- Option One** Adopt the shared service approach contained and recommended in this report.
- Option Two** Not to form a shared service but for each Building Control service to continue to operate entirely separately. The risk of this do-nothing approach is that each service would continue to struggle in the face of increasing private sector competition, losing flexibility and resilience, and perhaps unable to recruit replacement staff effectively. This would hasten a decline to each service becoming one of last resort and without the ability to contribute effectively to other relevant services of both Councils. Cherwell would probably have to seek shared service elsewhere where it might have to become the third or fourth partner in an already formed and established alliance,
- Option Three** To agree to a joint venture in principle but to delay bringing it about. There is a strong prognosis that if conditions change for the two services they will worsen. The reasoning behind a shared service would be less compelling and the net benefits may be lost if a decision to proceed is delayed.

88 Update report and request for approval of funding for Dashwood Road Primary School

The Head of Housing Services submitted a report to update Members on progress on the Dashwood Road Primary School site following a report submitted on the 24 May 2010. Significant progress had been made to deliver this scheme and a smaller amount of funding from the capital reserves for affordable housing was now required.

Resolved

- (1) That the progress made with partnership working at Dashwood Road Primary School, Banbury be noted and funding for the scheme from the capital reserves for affordable housing of £200,000 be approved.

Reasons

Following the report to Executive in May 2010 regarding the Dashwood Road Primary School, staff from the council, Oxfordshire County Council, Paradigm Housing Group and the Homes and Communities Agency (HCA) have met to agree how this scheme can be funded. Since the report the scheme has been granted planning permission. The scheme comprises of 18 units of housing to be let at social rents (current HCA target rent levels). These meetings have led to the parties agreeing a reduction in the land price for the scheme of £200,000 plus a reduction in the S106 commuted sums costs of around £100,000. CDC has agreed that five of the units can be let as supported housing for people with a learning disability. These people will be assessed as in need of housing via the District's Housing Register. This is a group that needs specialist provision and there is currently insufficient provision in the District.

Options

- | | |
|-------------------|---|
| Option One | To fund the Dashwood Road Primary School site from the CDC capital reserves |
| Option Two | Not to fund the Dashwood Road Primary School site from the CDC capital reserves |

89 **Corporate Improvement Plan Fear of Crime and Anti Social Behaviour**

The Head of Safer Communities, Urban and Rural Services submitted a report to advise the Executive of the outcomes of the Corporate Improvement Plan Project: Fear of Crime and Anti Social Behaviour and to consider the proposed future priorities and actions for the service arising from the Project.

Resolved

- (1) That the findings and conclusions from the Corporate Improvement Plan Project: Fear of Crime and Anti Social Behaviour be noted.
- (2) That the future priorities and draft action plan which should form the basis of the 2011/12 Service Plan (annex to the minutes as set out in the minute book) be agreed.

Reasons

Anti social behaviour (ASB) is a blight on the lives of individuals who are directly affected; on the perceptions of communities for whom it signals

neglect in their neighbourhoods; and on the reputation of the agencies who are often thought to be unconcerned or ineffectual.

Options

Option One Approve the Key Priorities, Aims and Objectives set out in this report

Option Two Amend the Key Priorities, Aims and Objectives.

90

Value for Money Review Corporate and Democratic Core

The Chief Executive submitted a report to consider the findings of the Value for Money (VFM) Review Corporate and Democratic Core report and the recommendations arising from the report.

Resolved

- (1) That the overall conclusions of the review be endorsed.
- (2) That it be agreed improvements in value for money be sought in Democratic Services and Elections and approve the following recommendations to achieve savings of £124,803;
 1. Merge the Democratic Services and Elections teams to provide greater resilience and achieve further efficiencies
 2. Achieve the schedule of savings (annex 9 to the minutes as set out in the minute book)
- (3) To agree that improvements in value for money be sought in Corporate Strategy, Performance and Partnerships and approve the following recommendations to achieve savings of £68,270;
 1. Delete the post of Performance Officer and restructure the team to accommodate the loss of this post, reallocating roles and responsibilities to reflect revised local priorities and changes in the national performance regime
 2. Reduce the budget for research and consultation, focusing the remaining resources on high priority areas and supporting in house consultation
 3. Change the operating arrangements for performance management software to scale back its costs and provide better value for money
- (4) To agree that improvements in value for money be sought in Treasury Management and approve the following recommendations to achieve minimum savings of £30,000;
 1. Review the Council's declining investment funds and allocate over two funds, rather than three.

2. Ensure that this allocation is in place by 31 March 2011.

Reasons

This review forms part of the Value for Money programme of reviews for 2010/11, which aims to cover all services within the council and improve the value of services offered to residents of Cherwell, and contributes to meeting the Council Promise of securing £800,000 of new savings by 1 April 2011.

Options

The report contains options for achieving efficiency and value for money.

91

Value for Money review of Recreation and Sport

The Strategic Director Environment and Community submitted a report to consider the findings of the Value for Money (VFM) Review of Recreation and Sport report and the recommendations arising from the report.

Resolved

- (1) That the overall conclusion of the review that the service is below average cost for the operation of its leisure centres, according to national benchmarking, has good performance in terms of its sports development assessment, and is high quality in terms of good and improving levels of customer satisfaction be endorsed.
- (2) That it be agreed improvements in value for money be sought and the following approved;
 1. Further grants to village halls be withdrawn from 2011/12, saving £39,000 per annum
 2. Reductions be made in the service establishment through reduced hours and the deletion of a vacant project officer post, saving £56,817 per annum
 3. Additional savings of £33,077 be progressed through reductions to the Leisure Development and Sports Development budgets,
- (3) That it be noted the target savings of £80,000 from the joint use agreements at Coopers School and North Oxfordshire Academy are currently part of the Council's scrutiny activities and subject to negotiation with the management of the two education sites.
- (4) That it be agreed to progress negotiations with the sports centres contract operator to achieve savings through changes to the contract specification and through income benchmarking.
- (5) That a capital bid be requested as part of 2011/12 budget setting for electricity generation at leisure centres outlining its costs and likely savings.

Reasons

This review forms part of the Value for Money programme of reviews for 2010/11, which aims to cover all services within the council and improve the value of services offered to residents of Cherwell.

Options

The report contains options for achieving efficiency and value for money.

92

Value for Money Review of Urban and Rural Services

The Strategic Director Environment and Community submitted a report to consider the findings of the Value for Money (VFM) Review of Urban and Rural Services report and the recommendations arising from the report.

Resolved

- (1) That the overall conclusion of the review that the service is low cost in terms of benchmark expenditure comparisons and is good quality in terms of overall positive levels of customer satisfaction be endorsed.
- (2) That it be agreed improvements in value for money be sought and approval given to:
 1. Implement the Medium Term Financial Strategy savings proposals, saving £73,194 per annum
 2. Secure a net saving of £60,000 per annum currently charged for the provision of specialist advice to the planning service by exploring options to achieve this, such as a reduction in the staff establishment, increasing fee income from planning advice and securing new clients to offset costs
 3. Create a Bus Station Safety Officer post to release a Vehicle Parks Warden post to achieve a net income of £16,000 per annum
- (3) That the recommendations of Scrutiny with regard to increases to car park charges be noted. That the recommendation of the inclusion of an evening tariff to generate further income of £39,640 per annum in addition to the £480,289 already recommended also be noted.
- (4) That the scrutiny process associated with the introduction of a pay and display parking scheme in Watts Way, Kidlington and the need for further negotiations with a view to implementing the scheme within 12 months if these are successful be noted.
- (5) That the proposal to extend the landscape maintenance contract for a further three years to 2015 and secure potential savings of £135,461 through negotiations with the contractor and an extended client base be noted.

- (6) That the provision of a Shopmobility scheme in Bicester be continued and it be agreed in future seek to offset a proportion of its costs through service charges to tenants on completion of the town centre redevelopment
- (7) That the feasibility of charging residents for tree inspections to offset costs of arboricultural staff be explored.

Reasons

This review forms part of the Value for Money programme of reviews, which aims to cover all services within the council and improve the value of services offered to residents of Cherwell.

Options

The report contains options for achieving efficiency and value for money.

93

Budget 2011/12 Draft 1

The Head of Finance submitted a report, providing the first of three opportunities for the Executive to shape and refine the interaction between the Corporate Plan, the service plans that underpin the corporate plan and financial matters before the final budget is presented to Council on the 21 February 2011.

Resolved

- (1) That the draft Corporate Plan for 2011-12 (annex to these minutes as set out in the minute book) be endorsed.
- (2) That the proposed service priorities for 2011-12 (annex to these minutes as set out in the minute book) be endorsed.
- (3) That the draft budget be noted in the context of the Council's service objectives and strategic priorities.
- (4) That the areas of unavoidable revenue growth (annex to these minutes as set out in the minute book) be noted.
- (5) That the areas of additional income or cost reductions that will be considered in order to get to a balanced 2011/12 budget (annex to these minutes as set out in the minute book) be noted.
- (6) That the proposal on Council Tax for 2011-12 be noted.
- (7) That the outcome of the pay negotiations on 2011/12 pay deal be noted.
- (8) That officers be requested to prepare a response to the New Homes Consultation and a report detailing the implications.

- (9) That officers be requested to give consideration to the impact of the recent planning fees consultation and the implications on income generation.
- (10) That the approach to the overall capital programme and 2011/12 expenditure profile (annex to these minutes as set out in the minute book) be agreed.
- (11) That it be noted that the recommendations of the scrutiny reviews of training, fees and charges and capital programme that were considered at the Resources and Performance Scrutiny Board on 30th November 2010 and all the recommendations (annex to these minutes as set out in the minute book) be approved.
- (12) That at this stage no other matters be taken into consideration in producing a balanced budget for the meeting of the Executive on 10 January 2011.
- (13) That the draft revenue and capital budget and corporate plan be approved as the basis for consultation.

Reasons

The budget will form the financial expression of the Council's strategic priorities and service delivery plans for 2011/12; the allocation of resources against agreed service priorities and is necessary in order to achieve its strategic priorities.

Options

Option One To review draft revenue and capital budget to date and consider actions arising.

Option Two To approve or reject the recommendations above or request that Officers provide additional information.

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Chief Executive

The Executive noted that this would be the Chief Executive's last Executive meeting as she was leaving Cherwell District Council to take up a new role as Chief Executive at the London Borough of Hounslow in January 2011. The Executive and Officers wished the Chief Executive all the best for her new role.

The meeting ended at 9.00 pm

Chairman:

Date:

Minute Item 82

Executive

Pre Order Consultation - Car Parking Proposals

6 December 2010

Report of Head of Safer Communities, Urban and Rural Services

PURPOSE OF REPORT

- To advise Members on the feedback from the Pre Order consultation on car parking proposals.
- To decide on final proposals.

This report is public

Recommendations

The Executive is recommended:

- (1) To note the feedback from the pre Order consultation.
- (2) To authorise formal Order Making on final proposals for implementation on, or as soon after, 1 March as is possible.

Executive Summary

Introduction

- 1.1 A range of car parking proposals have been considered as part of service development for 2011/12, and through the budget preparation process.
- 1.2 These were advertised informally in October with key agencies and consultees in accordance with the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996.
- 1.3 The full feedback from this process will be tabled at the meeting as the deadline for receipt falls after the agenda is issued.

Proposals

- 1.4 The proposals consulted on are
 - **Increase in car parking charges.** Consideration will be given to charges being increased by 10p per hour (Banbury from 70p to 80p per hour, Bicester

from 60p to 70p per hour and all other hourly charges by a 10p multiple per hour). Commencement of charging hours to be brought forward from 8.00 am to 7.00 am.

- **Introduction of charges for Blue Badge holders.** Consideration will be given to all blue badge parking becoming chargeable. Charging to be in line with standard hourly rates, but with one additional hour free of charge at all car parks (excluding drop off/pick up bay at Bridge Street, Banbury).
 - **Introduction of evening charges.** Consideration will be given to charges being introduced from 6.00pm to 12.00 midnight at all car parks, at a charge of 50p per two hour /part two hour period.
 - **Increase of Excess Charge Notice charges.** Consideration will be given to Excess Charge Notice levels being increased by £10 for each contravention. A 'Premium Charge' of £100 to be introduced for failure to pay within specified timescale, in line with civil parking enforcement regime.
 - **Season tickets.** Pricing structure to be retained in line with increase in pay and display charges. Consideration will be given to a greater discount being offered to encourage further take up.
 - **Bringing Sunday and Bank Holiday charges in line with Monday-Saturday charges.** Consideration will be given to charging hours being brought into line with the rest of the week and hourly charges to be revised on the same basis.
 - **Charging on Good Friday, Easter Sunday, Christmas Day, Boxing Day and New Year's Day.** Consideration will be given to introducing charges on these days in line with standard hourly rates.
- 1.5 It is also intended that the amendments that were discussed and agreed in May 2010 for the changes to car parking in Bicester as a consequence of the town centre redevelopment, be formally advertised and implemented at the same time as these proposals.
- 1.6 These proposals, if adopted, would require amendment to the Orders which currently regulate the Council's off-street car parks. It is now intended that those proposals that are agreed be introduced in March 2011.
- 1.7 To implement on 1 March 2011 requires formal advert week commencing 13 December 2010.

Conclusion

- 1.8 The feedback from pre Order consultation will help guide final proposals for formal advertising of revised car park Orders to be effective on or as soon after the 1 March 2011.

Background Information

- 2.1 The full pre Order consultation summary-To be tabled at the meeting.

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 Members to consider the feedback from pre Order consultation and to determine final proposals to be formally advertised.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

Option One Consider the feedback from pre-Order consultation to assist in determining final car park proposals.

Option Two Disregard the feedback.

Consultations

Statutory, voluntary and local agencies. Feedback included at Appendix 1. Further consultation feedback to be presented at the meeting.

Implications

Financial: There are no direct financial implications from the pre Order consultation. However, the proposals do seek to maximise our use of resources whilst remaining competitively priced with other private car parks, but without bearing a further burden on council tax payers.
Comments checked by Denise Taylor, Service Accountant, 01295 221982

Legal: This report relates only to responses received to the pre-order consultations. Any objections received following publication of the formal notice of proposals will be submitted to the Executive in due course.
Comments checked by Malcolm Saunders Senior Legal Assistant 01295 221692

Risk Management: By undertaking this pre-Order consultation and securing feedback from stakeholders, and by the Executive considering this feedback in determining the final proposals for formal advert, the Council is at reduced risk of Judicial Review. The formal Order making provides a further opportunity for formal comment by stakeholders on the final proposals ahead of the Council publishing final Notice. Depending on final proposals, there are risks that implementation could lead to reduction in numbers using

Council car parks and there is a risk of the Councils reputation being harmed.

Comments checked by Rosemary Watts, Risk Management and Insurance Officer, 01295 221566

Equalities

The proposals were presented to the Cherwell Disability Forum in view of the proposals around Blue Badge Holder charges.

Wards Affected

All

Corporate Plan Themes

District of Opportunity

Executive Portfolio

Councillor Nigel Morris
Portfolio Holder for **Community Safety, Street Scene and Rural Services**

Document Information

Appendix No	Title
Appendix 1	Initial summary of feedback from the Pre-Order consultation.
Background Papers	
Feedback from consultation- To be tabled	
Report Author	Chris Rothwell, Head of Safer Communities, Urban and Rural Services
Contact Information	01295 221712 chris.rothwell@Cherwell-dc.gov.uk

Appendix 1

Proposed Increase to Car Parking Charges

Initial Summary of Pre Order Consultation Responses

Ref	Proposal	Consultation Responses (numbers received in brackets)
1	10p per hour increase on car parking charges	Object: (1) <ul style="list-style-type: none"> • Charges already too high. Approve: (3)
2	Blue badge holder parking increase of fees / charging hours <ul style="list-style-type: none"> • All blue badge parking to become chargeable. • Charging in line with standard hourly rates 	Objections (19) <ul style="list-style-type: none"> • Unacceptable especially charging the same amount as able bodied people as the Disabled cannot work / little comprehension regarding emotional & psychological effects if situations like this (1) • This is a critically handicapping move for mobility impaired people. It will stop many being part of the community in the main centres (1) • It will raise the first barrier they have to their independence (1) • A discounted charge should be paid by blue badge holders (1) • Free parking should continue due to the cut in benefits for the disabled (1) • Unfair penalising of their 'helpful privileges' (1) • Badge holders would park on yellow lines free of charge thus causing congestion on the streets. (4) Double-yellow parking will potentially cost much more than you'll recoup in the parking charges. • Would result in less business for Banbury & Bicester shops / businesses (2) • Discrimination: Some disabled people would not be able to use the ticket machines • Charging the same rates as able bodied is discrimination (2) • Many Badge holders depend on very busy / stressed carers. This is an obstacle resulting in them being less inclined to donate their time (1) • Victimisation because badge holders are vulnerable / an easy target. Totally unjust

	<ul style="list-style-type: none"> • One additional hour FOC at all short/ultra short stay car parks 	<p>as they have previously worked, paying taxes & dues (1)</p> <ul style="list-style-type: none"> • Another burden for the poorer people (1) • This is a money grabbing exercise which will penalise the general public and bleed the existing scheme. It will alienate the Council further (2) Outrageous. • Cannot carry shopping therefore cannot use public transport. (1) <p>Approve (4) In support with the proviso of 1 free hour. (2)</p> <ul style="list-style-type: none"> • DLA is based on your ability and is not means tested, therefore any charges effect those rich or poor - as they do everyone else. You are not 'poorer' because you are disabled (1) • It is reasonable to expect all members of the community, including Blue Badge holders, to help achieve the savings required by the current financial climate. It would be more pertinent for Blue Badge holders to seek a reasonable number and placement of reserved car parking spaces, and perhaps some degree of concessionary charge (such as a reduced season ticket), rather than expecting to be excluded from paying a reasonable level of car parking fee (1)
3	Introduction of evening charges	<p>Object: (2)</p> <ul style="list-style-type: none"> • This will adversely affect the night time economy of the town at a time when it should be supported. • If you go for an evening meal, you don't want to be timed. <p>Approve: (2)</p> <ul style="list-style-type: none"> • No objection in principal but would prefer a flat tariff i.e. 50p or £1.00 to park from 6pm to the following morning. • As long as it's well signposted.
4.	Increase of Excess Charges Notice charges.	<p>Object: (1)</p> <ul style="list-style-type: none"> • Excessive, surely does not reflect admin involved. <p>Approve: (3)</p>
6	Unifying Sunday & Bank Holiday charges in line with Mon-Sat charges	<p>Object: (5):</p> <ul style="list-style-type: none"> • Extended hours for Wardens thus more money paid on 'unnecessary things'. • Disagree - the Sunday charge is fairly new and expensive when you only need to

		<p>spend an hour in town.</p> <ul style="list-style-type: none"> • Sunday and BH should be lower than the rest of the week - it encourages shoppers! • Having a daily fee that is chargeable whatever day of the week would be easy to administer, and would be easily understood, but seems a bit tight for Sundays and Bank Holidays. Might it be more acceptable (and be seen as more generous) to have a reduced daily flat rate on these days (50p for 2hrs, similar to your proposed evening charges)? Obviously depends on what financial benefit would accrue. • Bank holiday charging –No <p>Approve: (1) Sunday charging yes.</p>
7	<p>Charging on Good Friday, Easter Sunday, Christmas Day, Boxing Day & New Year's Day.</p>	<p>Object: (3)</p> <ul style="list-style-type: none"> • How much will it cost to enforce on Christmas day?! • These are British, but Christian, festivals. Seems a bit Scrooge-like to charge on such days but, without including other ethnic festive days, there is a logic to having some form of parking charge for every day. Is the forecast level of income on these days worthwhile, considering the level of public outcry that may be generated? Might some degree of generosity in approach achieve public good-will? • Yes - if people want to go shopping on Good Friday and Boxing Day let them pay! Seems a bit uncharitable on Christmas Day and Easter Sunday though! (1Yes & 1 No) <p>Approve: (2)</p> <ul style="list-style-type: none"> • Completely right, the busiest times of the year so why not take in money?

Proposed Increase to Car Parking Charges

Initial Summary of Consultation Responses

Ref	Proposal	Consultation Responses (numbers received in brackets)
1	10p per hour increase on car parking charges	Object: (14) <ul style="list-style-type: none">• Charges already too high.• Bicester town centre is already struggling with established businesses closing. Â The forthcoming town centre development is going to put a further strain on these businesses with shoppers choosing to go elsewhere. Â There is currently no encouragement for people to shop and with businesses closing down the discouragement continues• What an incredibly insensitive proposal. The proposals could be looked at again once the new centre is up and running. There should be a proper long term parking area in the town for the benefit of those who work here, with a large cost for one hour, reducing proportionally as the time lengthens. I can't believe the Tories are so keen to alienate their natural business supporters.• At a time when Bicester is undergoing massive redevelopment and shops are closing almost daily why on earth are you increasing car parking charges? You should be looking to support the town through this rocky period not make it even more difficult for the shops and businesses. How about free parking in the weeks leading up to Christmas to encourage people into the town rather than driving them away?.• Bicester Town are losing trade through the Bicester Village complex where parking is free. It would be better if any increases or changes were introduced after the Bicester Town Centre redevelopment is completed. Â Then there would be justification for revised parking charges.• Locals are likely to drive to Witney where parking is free.• Many things can be purchased in Tesco and so I would go there instead of going into town unless absolute necessity.• Fees will put an even bigger strain on pensioners and students• I think this is an inappropriate time to increase car parking charges in the light of job losses and the VAT increase.

		<p>Approve: (5) In the current financial situation, this seems reasonable.</p>
2	<p>Blue badge holder parking Increase of fees / charging hours</p> <ul style="list-style-type: none"> • All blue badge parking to become chargeable. • Charging in line with standard hourly rates 	<p>Objections (32)</p> <ul style="list-style-type: none"> • Unacceptable especially charging the same amount as able bodied people as the Disabled cannot work / little comprehension regarding emotional & psychological effects if situations like this (1) • This is a critically handicapping move for mobility impaired people. It will stop many being part of the community in the main centres (2) • It will raise the first barrier they have to their independence (1) • This will be a disincentive for visually impaired people to go out. It is difficult for them to find work, thus constituting a considerable burden on them/ their carers. • A discounted charge should be paid by blue badge holders (1) • Free parking should continue due to the cut in benefits for the disabled (1) • Unfair penalising of their 'helpful privileges' (1) • Badge holders would park on yellow lines free of charge thus causing congestion on the streets. (4) Double-yellow parking will potentially cost much more than you'll recoup in the parking charges. • Would result in less business for Banbury & Bicester shops / businesses (2) • Discrimination: Some disabled people would not be able to use the ticket machines (2) • Charging the same rates as able bodied is discrimination (2) • Many Badge holders depend on very busy / stressed carers. This is an obstacle resulting in them being less inclined to donate their time (1) • Victimisation because badge holders are vulnerable / an easy target. Totally unjust as they have previously worked, paying taxes & dues (1) • Another burden for the poorer people (1) • This is a money grabbing exercise which will penalise the general public

	<p>Blue badge holder parking Increase of fees / charging hours (Cont'd)</p> <ul style="list-style-type: none"> • One additional hour FOC at all short/ultra short stay car parks 	<p>and bleed the existing scheme. It will alienate the Council further (2) Outrageous.</p> <ul style="list-style-type: none"> • Cannot carry shopping therefore cannot use public transport. (1) • In the current financial situation, this seems reasonable • I believe blue badge holders should have at least their first hour's parking free of charge. They need access to public areas. (1) • Why did Cherwell District Council not charge their employees to park at Bodicote House and generate revenue in that way. • Would recommend that a meaningful fee be charged when the Blue badge is issued and again on re-issue. • The proposals to give one free hour is rather patronising and tokenistic. <p>Approve (5) In support with the proviso of 1 free hour. (2)</p> <ul style="list-style-type: none"> • DLA is based on your ability and is not means tested, therefore any charges effect those rich or poor - as they do everyone else. You are not 'poorer' because you are disabled (1) • It is reasonable to expect all members of the community, including Blue Badge holders, to help achieve the savings required by the current financial climate. It would be more pertinent for Blue Badge holders to seek a reasonable number and placement of reserved car parking spaces, and perhaps some degree of concessionary charge (such as a reduced season ticket), rather than expecting to be excluded from paying a reasonable level of car parking fee (1)
3	<p>Introduction of evening charges</p>	<p>Object: (9)</p> <ul style="list-style-type: none"> • This will adversely affect the night time economy of the town at a time when it should be supported. Restaurants especially. • If you go for an evening meal, you don't want to be timed. • Why do I have to pay to attended a church meeting at the Methodist Church, where there is limited parking? <p>Approve: (4)</p> <ul style="list-style-type: none"> • No objection in principal but would prefer a flat tariff i.e. 50p or £1.00 to

		<p>park from 6pm to the following morning.</p> <ul style="list-style-type: none"> • As long as it's well signposted.
4.	Increase of Excess Charges Notice charges.	<p>Object: (2)</p> <ul style="list-style-type: none"> • Excessive, surely does not reflect admin involved. <p>Approve: (7)</p>
5	Season tickets. Pricing structure to be retained in line with increase in pay and display charges. Consideration will be given to a greater discount being offered to encourage further take up.	<p>Object (1)</p> <ul style="list-style-type: none"> • Yet another cost to business owners who are already seeing their income fall. <p>Approve (10)</p> <ul style="list-style-type: none"> • May be helpful for those who work in town. As an infrequent visitor it would not apply to me.
6	Unifying Sunday & Bank Holiday charges in line with Mon-Sat charges	<p>Object: (15):</p> <ul style="list-style-type: none"> • Extended hours for Wardens thus more money paid on 'unnecessary things'. • Disagree - the Sunday charge is fairly new and expensive when you only need to spend an hour in town. • Sunday and BH should be lower than the rest of the week - it encourages shoppers! • Having a daily fee that is chargeable whatever day of the week would be easy to administer, and would be easily understood, but seems a bit tight for Sundays and Bank Holidays. Might it be more acceptable (and be seen as more generous) to have a reduced daily flat rate on these days (50p for 2hrs, similar to your proposed evening charges)? Obviously depends on what financial benefit would accrue. • Bank holiday charging –No • This is unfair on those who like to attend church on a Sunday. Once again the car parks are not that busy on Sundays or Bank Holidays. • Dreadful as there are so few facilities in the town. It will deter shops from opening and damage economy • I think this is the worst of the proposals. It's unfair to increase the charge to church goers by over 200% just to attend worship. Volunteer helpers with youth activities at town centre churches often spend over 3 hours at

		<p>church and their parking charges will rise massively if this proposal is accepted.</p> <p>Approve: (1) Sunday charging yes.</p>
7	<p>Charging on Good Friday, Easter Sunday, Christmas Day, Boxing Day & New Year's Day.</p>	<p>Object: (12)</p> <ul style="list-style-type: none"> • How much will it cost to enforce on Christmas day?! • These are British, but Christian, festivals. Seems a bit Scrouge-like to charge on such days but, without including other ethnic festive days, there is a logic to having some form of parking charge for every day. Is the forecast level of income on these days worthwhile, considering the level of public outcry that may be generated? Might some degree of generosity in approach achieve public good-will? • Yes - if people want to go shopping on Good Friday and Boxing Day let them pay! Seems a bit uncharitable on Christmas Day and Easter Sunday though! (1Yes & 1 No) • Good Friday is the only day in the above where you might make a profit. • I don't see the point except perhaps Boxing Day and New Years Day for the sales. • You will alienate people for very little reward. • Appalling. Increase the facilities and entice people into town rather than deterring them from visiting <p>Approve: (3)</p> <ul style="list-style-type: none"> • Completely right, the busiest times of the year so why not take in money?

Eco Bicester – One Shared Vision

REVISED DRAFT

November 2010



Foreword



During August and September 2010 the Eco Bicester Strategic Delivery Board consulted on a first draft of their proposed ‘One Shared Vision for Eco Bicester’. This document is the resulting final version of the Vision which has benefited

from many constructive comments from individuals, businesses, partnerships and public and voluntary organisations in Bicester and the surrounding area.

This Vision is about the whole of Bicester, not just about the 5,000 home eco development at NW Bicester. We want all residents in the town and the surrounding area to enjoy a higher quality of life while at the same time reducing their impact on the environment. The standards we set out in this Vision will apply to all future development in the town and we’ll also be taking steps to reduce energy use in existing homes. This said, there are specific standards which currently will apply only to the eco development at NW Bicester as a result of its designation as just one of four eco towns nationally and its consequent role as a national exemplar.

This ‘One Shared Vision’ is the product of a fundamental rethink about how Bicester should develop in the future. Much of what it contains is not new thinking, but what is new is the way this document pulls together the thoughts and aspiration of public and private partnerships and organisations and overlays these with more

recent aspirations for Bicester to be a truly low carbon community.

It will be adopted by Cherwell District Council, Bicester Town Council and Oxfordshire County Council as an important influence on policy- and decision-making in the town and surrounding areas. It will also become an integral part of the Cherwell Core Strategy in the Local Development Framework, gaining formal weight in future planning decisions from the point of adoption. But it is not detailed planning guidance for the town. Nor is it a detailed action plan for the implementation of this Vision.

One of the most important aspects of our plans for the future of Bicester are our plans to bring more and varied jobs to the town to remove the need for residents to travel out of Bicester to work. While we want to see new employers coming to the town the retention and expansion of our current employers is just as important.

All of us on the Eco Bicester Strategic Delivery Board have been really encouraged by the response to the first draft of the ‘One Shared Vision’. We hope those of you who responded think we have done justice to the body of comments we received. To those of you coming to this document for the first time we hope you think this is an inspiring Vision for Bicester. It’s one the Board will work hard to ensure is delivered.

Clr Barry Wood

Chairman
Eco Bicester Strategic Delivery Board
November 2010

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Introduction

The purpose of this document is to set out the shared vision of the Eco Bicester Strategic Delivery Board (SDB). As such, it contains the aims, aspirations and aspirations for the town of Bicester as a whole as it continues to grow in the long term. The aerial view of Bicester on the front cover shows the area covered by the vision. A more detailed plan showing the major development sites in and around the town is included in the document.

The document looks at the town as a whole not just the proposed eco development at NW Bicester. The emphasis is on integrating the new development with the existing town by adopting a holistic approach to the development of the town. The work has already begun with major development underway in Bicester town centre, the completed refurbishment of the leisure centre and swimming pool, in addition to the eco town demonstration projects and housing development at SW Bicester. Bicester has been a garrison town for many years and the future of the military presence in the town is an important factor in developing the vision. Bicester's population is expected to grow and this will require further infrastructure to support the town. The aim is for all new development to be integrated with the existing town to ensure the development of a vibrant place.

The shared vision has been prepared to guide and inform the SDB's work and it is important that the document remains flexible reflecting the latest standards of eco development and changing circumstances. It does not seek to allocate land for development as this is the role of the Local Development Framework, which in time we anticipate will reflect the aspiration set out in the vision and incorporate the development standards it contains. It is ambitious and aspirational and focuses on four key themes: community, economy, transport and environmental sustainability. The future challenges facing the district and the town are recognised and include adapting to climate change, a growing population and significant housing growth. This will

require the development of infrastructure to support the town as it grows.

The following sections set out the detailed vision statement, covering people and places, the economy, transport and movement, environmental sustainability and infrastructure and the standards for eco development. The final section sets out the local standards for the eco development at North West Bicester and is based on the eco town standards set out in the supplement to Planning Policy Statement 1 (PPS1) – Sustainable Development. The contents of the shared vision will be used to inform local standards for eco development in the emerging development plan.

As a result of the consultation, more emphasis on infrastructure and facilities has been included in the vision as part of the community first and environmental sustainability sections. The lack of facilities and the need for infrastructure requirements to keep pace with the growth of the town were common themes of the consultation responses. This is acknowledged in the shared vision and forms the starting point for the long term development of the town.

For more information please contact:
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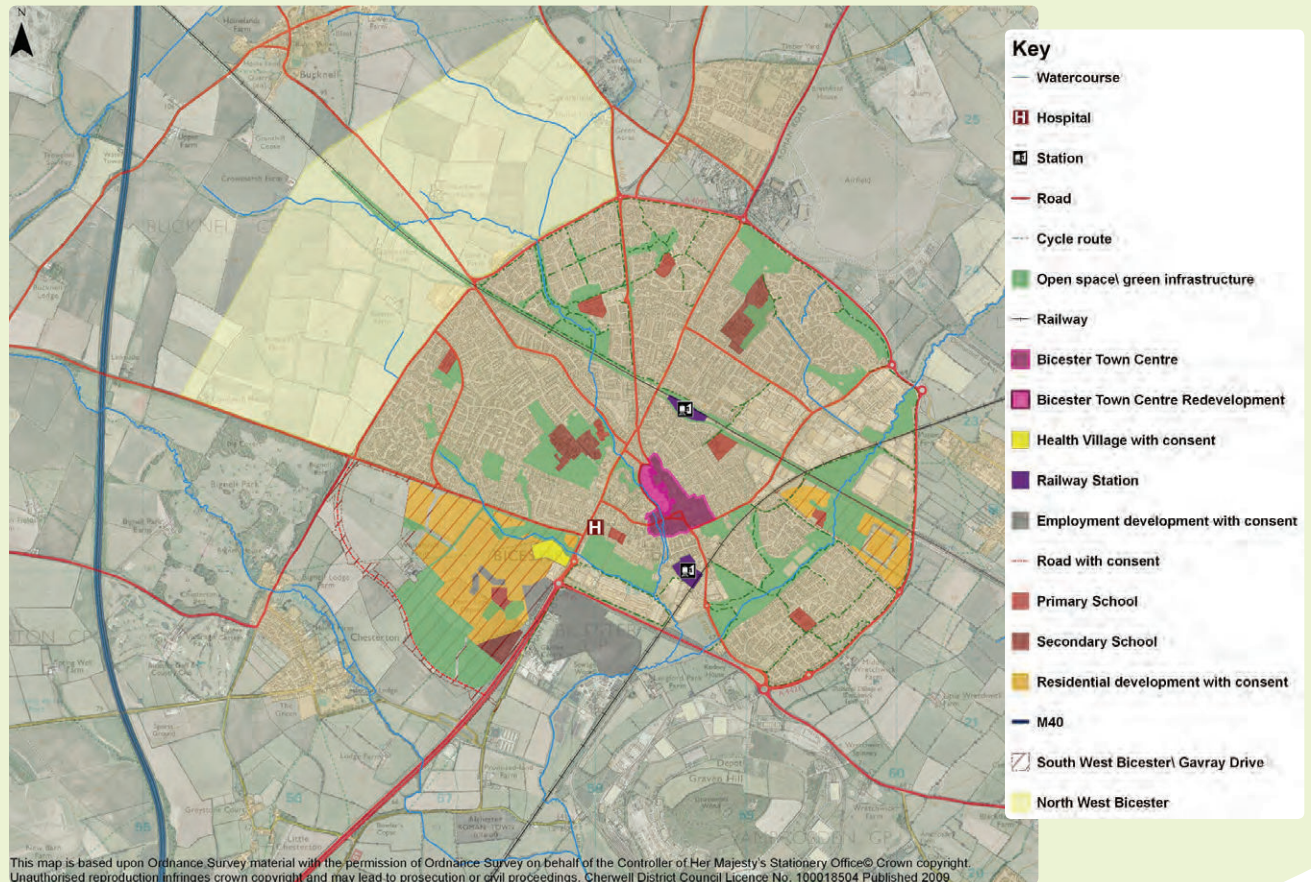


The Vision

To create a vibrant Bicester where people choose to live, to work and to spend their leisure time in sustainable ways, achieved by:

- Effecting a town wide transition to a low carbon community triggered by the new eco development at North West Bicester;
- Attracting inward investment to provide provide environmentally friendly jobs and commerce, especially in green technologies, whilst recognising the very important role of existing employers in the town;
- Improving transport, health and leisure choices while emphasising zero carbon and energy efficiency; and
- Ensuring green infrastructure and historic landscapes, biodiversity, water, flood and waste issues are managed in an environmentally sustainable way

Bicester - Key sites and areas for development



Community first – people and places

Local people will have a huge opportunity to influence the ongoing development of Bicester.

By Bicester for Bicester

- Encouraging people to have a real say in the future of their town
- Supporting local initiatives to improve the town and the community
- Making opportunities for local communities to own and govern local community assets
- Encouraging a growth in sustainability culture, awareness and knowledge about environmental issues by the people and businesses of Bicester

Community first

- New development shall be designed to reduce the opportunity for crime and the fear of crime
- A mix of housing, including affordable housing, housing accessible to those with impaired mobility, high-end housing to attract managers from local companies to reside in the town will be sought in new developments to meet the needs of the whole community
- Support local communities to ensure that their area is safe and free from crime
- Support measures to enhance Bicester as a local service centre for the surrounding villages and rural area
- All new development must be integrated with the existing town to support the creation of a vibrant place

- Opportunities will be sought to improve access to the countryside
- Improvements to town centre retail facilities will be supported

Retrofitting for a Low Carbon Community

- Supporting improved energy efficiency of homes to reduce carbon emissions and fuel poverty
- Supporting improved energy efficiency of business and commercial property to reduce carbon emissions
- Increased water efficiency and reduced water use
- Supporting high speed broadband and digital infrastructure provision for the town

Exacting Eco Standards for New Development (see also standards in section 6)

- Ensure homes built to the highest design and environmental standards

- Seek new buildings which incorporate high quality, contemporary design
- Ensure that new buildings are designed and built to the highest standards in terms of energy efficiency and sustainable construction techniques for example Passiv Haus design based on the code for sustainable homes and British Research Establishment Environmental Assessment Methodology (BREEAM).
- Ensure that new buildings have high speed broadband to facilitate information and smart management systems
- New buildings with reduced water use
- Zero or low carbon energy provision
- Use of local and sustainably sourced materials

Community Infrastructure and facilities

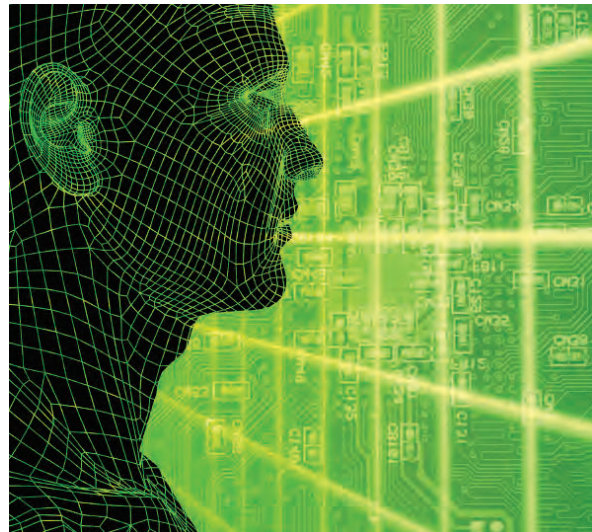
- Provision of high quality community facilities, making best use of the town centre, co location of services, shared use of facilities, public open space, play space for all, streets and gardens and encouraging maximum use of existing community facilities and assets



- Promote local cultural facilities, including a venue with theatre auditorium and room to accommodate formal dining. It is recognised that The Garth could have the potential to fulfil this role
- Promote a sports stadium to meet long term growth of the town
- Provide a new burial site for the town with opportunity for green or woodland burials and quiet recreation.
- Support local sports and leisure facilities
- Provide accessible high quality health and social care to include a community hospital to meet the expanding population of the town
- Support local sustainable food production
- Provision of facilities for young people
- All new development will need to provide or contribute to the provision of facilities to serve the increased population.

Economy

Create a nationally recognised hub of the low carbon economy and the location of choice for business and inward investment. To provide local jobs for Eco Bicester residents.



Employment Opportunities

- Provide new employment opportunities to complement the existing economic base to support the creation of a balanced economic base with opportunities requiring a broad spectrum of skills
- Promote Bicester as a significant location in the triangle between Oxford, Cambridge and London, for an increase in science and technology businesses, exploiting innovations and spin-outs from academic research growing from existing Oxfordshire base
- Create a centre for innovation capitalising on the location within a world class sub region
- Provide support for existing employers in the town to increase their levels of local employment.

Sustainable Travel to Work

- Seek local jobs to reduce out commuting significantly
- Walking and cycling will be promoted through working with new and existing businesses to prepare and implement green travel plans.



Education, Skills and Training

- Creating a learning town with good quality educational opportunities for all ages with access to local quality educational facilities to learn and train
- Provide education, skills and training focused on meeting the needs of business and allowing the local community to benefit from the emerging green economy
- Seek greater provision of higher education facilities within the town

Employment space

- Provide employment opportunities for the eco development’s population
- Provide employment space/office stock suited to modern employment requirements, particularly those of low carbon businesses – BREEAM excellent and designed to reduce energy use
- Seek employment creation as part of large residential development sites
- Create a centre for service industries within this buoyant part of the country

Transport and movement

Encourage walking and cycling as the first choice for travel within the town to improve health, reduce carbon emissions and improve the quality of the environment.

A significant increase in travel by means other than the car across the town

- Promote walking, cycling and public transport within the town
- Work with employers and educational facilities to encourage sustainable travel
- Support designs for new development which support walkable neighbourhoods, public transport and provide good access to day to day services locally
- Improve non vehicular access links to town centre facilities and other important destinations from across the town



- Give priority to walking, cycling and public transport where possible
- Provide high quality cycle parking and storage
- Provide improved bus service information
- Encourage car clubs and car share

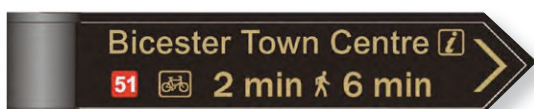
schemes where occasional journeys by car are necessary

Travel Planning

- Ensure schemes and initiatives to promote sustainable travel planning set out in the Department for Transport's Sustainable Travel Towns document developed in more detail for Bicester
- Provide innovative approaches to personal travel, including reduced energy consumption, low emission vehicles

Improvements to the existing transport network

- Ensure sustainable locations for development and highway improvement schemes as part of the 'Bicester Integrated Transport and Land Use Study' commissioned by Oxfordshire County Council in partnership with Cherwell District Council
- Provision of improvements to walking and cycling provision in the town
- Support Chiltern Railways' improvements to the Bicester to Oxford line and services to London
- A perimeter road at 'South West Bicester' to relieve congestion in Bicester and reduce 'rat running' through surrounding villages
- Improvements to Junction 9 of the M40 to unlock the employment growth potential of the town (Phase 1 started in August 2010)
- Encourage electric vehicles and supporting infrastructure



Environmental Sustainability and Infrastructure

In accordance with the community plan “Our District, Our Future” this shared vision aims to understand and adapt to environmental challenges as they arise and ensure that all infrastructure and other developments protect and enhance the environment and biodiversity. The provision of green infrastructure and biodiversity and habitat creation is fundamental to Eco Bicester and already an important component of the town.

Open Space and Green Infrastructure

- Maximise ecological and biodiversity gains from open space compatible with its recreational role
- Ensure the 40% green space at NW Bicester integrates with existing green space within the town
- Seek a network of open spaces incorporating river corridors and linking not only to existing space within the town but also the wider countryside
- Provide multi functional green infrastructure incorporating footpaths and cycle paths, sports and recreational space, play, ecological enhancement, adopted sustainable urban drainage systems and flood alleviation
- Seek opportunities for new wetland areas and creation of local priority habitats
- Use of the new cemetery as a quiet and sensitive green space



- The character of the countryside shall be protected and where new development has been identified as necessary it should be designed to be assimilated within the landscape without altering the character of the surrounding countryside.

Biodiversity

- To protect existing habitats
- To enhance biodiversity in the town and habitat creation
- Include features in buildings such as green walls and roofs, bat tubes and swift boxes to support priority species
- Seek shelter belts to enhance the range of habitats and provide for micro climates

Water Use

- To develop a sustainable water management approach to new development
- Seek water neutrality and more efficient water usage across town
- Promote grey water recycling
- Provide sustainable urban drainage to ensure that existing water courses are maintained and contaminants treated within surface water

Flood Risk

- Provide measures to ensure that run off created from development does not introduce flood risk elsewhere.
- Take opportunities to address flood risk downstream within the town

Waste and energy

- To develop a sustainable energy management approach to new development
- Seek zero or low carbon energy generation
- Explore sewerage and waste providing bio gas for energy centre.
- Provide storage for recyclable materials included in new buildings
- Provide measures to reduce all waste including that from construction

Appendix

Eco Bicester development standards, building on eco town standards

This section provides further detail on the development standards to be used in delivery of the Shared Vision through eco development and particularly the proposals for North West Bicester. As described earlier in the document, the vision for Eco Bicester sets out a holistic approach to future development integrating the proposed development at North West Bicester with the existing town. The following standards are taken and adapted from extracts from the PPS and will be required to be met for development at NW Bicester and other new developments. However it is recognised that for some smaller sites it may not be possible to meet all the criteria on site and in these circumstances off site provision should be investigated.

Zero carbon

The definition of zero carbon follows that set out in the Eco towns PPS and is that over a year the net carbon dioxide emissions from all energy use within the buildings are zero or below. Proposals for the development of NW Bicester should demonstrate how this will be achieved taking into account the health and social care needs of residents, and the resulting energy demand. Other large developments will also be expected to meet the zero carbon requirement.

The definition excludes embodied carbon and emissions from transport but includes all buildings – not just houses but also commercial and public sector buildings which are built as part of Eco Bicester. The calculation of net emissions will take account of locally produced energy; production of energy imported from centralised energy networks, emissions displaced by exports of locally produced energy to centralised energy networks where that energy is produced from a plant (1) whose primary purpose is to support the needs of the Eco Bicester and (2) has a production capacity reasonably related to the overall energy requirement of the Eco Bicester.

Climate change adaptation

NW Bicester is to be a sustainable community that is resilient and well-adapted to future climate change. It should be planned to minimise future vulnerability in a changing climate, and with both mitigation and adaptation in mind. All new developments should be designed to take account of the climate they are likely to experience. New development is to deliver a high quality local environment and meet the standards on water, flooding, green infrastructure and biodiversity set out in this Vision, taking into account a changing climate for these, as well incorporating wider best practice on tackling overheating and impacts of a changing climate for the natural and built environment.

Homes

As well as being zero carbon, proposals for new homes should:

- (a) Achieve high standards of sustainability, for example, Building for Life Silver Standard and Level 5 of the Code for Sustainable Homes as a minimum (or any higher standards in the development plan)
- (b) Meet lifetime homes standards and space standards
- (c) Have real time energy monitoring systems; real time public transport information and high speed broadband access, including next generation broadband where possible. Consideration should also be given to the potential use of digital access to support assisted living and smart energy management systems
- (d) demonstrate high levels of energy efficiency in the fabric of the building, having regard to proposals for standards to be incorporated into changes to the Building Regulations between now and 2016 (including the consultation on planned changes for 2010 issued in June 2009 and future announcements on the definition of zero carbon homes), and
- (e) Achieve, through a combination of energy efficiency and low and zero carbon energy generation, carbon reductions (from space heating, ventilation, hot water and fixed lighting).

Employment

It is important to ensure that NW Bicester is a genuine mixed-use community and that unsustainable commuter trips are kept to a minimum. A similar approach will be sought for all suitable development sites. Facilities to support job creation on the site and in the town should be available and as a minimum there should be access to one new employment opportunity per new dwelling that is easily reached by walking, cycling and/or public transport.

Transport

Travel should support people's desire for mobility whilst achieving the goal of low carbon living. Options such as walking, cycling, public transport and other sustainable options should be prioritised, thereby reducing residents' reliance on private cars, including techniques such as filtered permeability. To achieve this, homes should be within ten minutes' walk of (a) frequent public transport and (b) neighbourhood services. The provision of services may be co-located to reduce the need for individuals to travel by private car and encourage the efficient use of the sustainable transport options available.

The following criteria should be considered in terms of travel planning:

- (a) How the town's growth will enable at least 50 per cent of trips originating in NW Bicester or on any other large mixed use development, to be made by non-car means, with the potential for this to increase over time to at least 60 per cent
- (b) Good design principles, drawing from Manual for Streets, Building for Life, and community travel planning principles
- (c) How transport choice messages, infrastructure and services will be provided from 'day one' of residential occupation, and
- (d) How the carbon impact of transport in the eco-town will be monitored, as part of embedding a long term low-carbon approach to travel within plans for community governance.
- (e) Options for ensuring that key connections around Bicester do not become congested as a result of the development, for example by extending some aspects of the travel plan beyond the immediate boundaries of the site, and
- (f) Ultra low carbon vehicle options, including electric car schemes should be considered to help achieve a sustainable transport system.
- (g) Bicester should grow in a way that supports children walking or cycling to school safely and easily. A maximum walking distance of 800m from home to the nearest school for children under 11 will be sought.

Healthy lifestyles

Bicester shall be designed to support healthy and sustainable environments and enable residents to make healthy choices easily.

Local services

A good level of provision of services within new development in Bicester proportionate to the size of the development and to complement those in the town will be sought. This should include leisure, health and social care, education, retail, arts and culture, library services, sport and play facilities and community and voluntary sector facilities.

Green infrastructure

40% of the total area of land at NW Bicester is to be allocated to green space of which at least half should be public. For other developments the LDF will identify the standards of provision required. A network of well managed, high quality green/open spaces which are linked to the wider countryside should be provided including a range of types of green space, for example community forests, wetland areas and public parks. Green space should be multifunctional, e.g. accessible for play and recreation, walking or cycling safely, and support wildlife, urban cooling and flood management.

Particular attention should be given to land to allow the local production of food from community, allotment and/or commercial gardens.

Landscape and historic environment

Development should complement and enhance the existing landscape character. Proposals should set out measures to conserve and, where appropriate, enhance heritage both assets and their settings.

Biodiversity

NW Bicester will need to demonstrate a net gain in local biodiversity. All new development should seek to achieve this. A strategy for preserving and enhancing local biodiversity is required to accompany any planning applications. This will need to be based on up to date information about the biodiversity of the area including proposals for the management of local eco systems and where appropriate, the restoration of degraded habitats or the creation of replacement habitats. It should set out priority actions in line with the England Biodiversity Strategy and local biodiversity action plans, including appropriate mitigation and/or mitigation measures, required to minimise adverse effects on individual species and habitats of principle importance and to enhance local bio diversity over all. Developers should seek the advice of Natural England and other relevant statutory advisers when developing their strategies. Delivery bodies should be identified in the strategy and its implementation should proceed in parallel with the development.

Water

Bicester should be ambitious in terms of water efficiency, particularly as it is in an area of water stress. NW Bicester and other large development should:

NW Bicester should:

- (a) incorporate measures in the water cycle strategy for improving water quality and managing surface water, groundwater and local watercourses to prevent surface water flooding from those sources; and
- (b) Incorporate sustainable drainage systems (SUDS) and, except where this is not feasible, as identified within a relevant Surface Water Management Plan, avoid connection of surface water run-off into sewers.
- (c) A strategy for the long term maintenance, management and adoption of the SUDS will be required. Eco-Bicester should aspire to water neutrality, i.e. achieving development without increasing overall water use across a wider area. In particular, the water cycle strategy should set out how:
 - (d) development would be designed and delivered to limit the impact of the new development on water use, and any plans for additional measures, e.g. within the existing building stock of the wider designated area, that would contribute towards water neutrality
 - (e) new homes will be equipped to meet the water consumption requirement of Level 5 of the Code for Sustainable Homes; and
 - (f) New non-domestic buildings will be equipped to meet similar high standards of water efficiency with respect to their domestic water use.

Flood risk management

Development should not increase the risk of flooding elsewhere and should use opportunities to address and reduce existing flooding problems. At NW Bicester all of the built-up areas (including housing, other public buildings and infrastructure) will be fully within Flood Zone 1 – the lowest risk. Flood Zone 2 (medium risk) should, as far as possible, be used for open spaces and informal recreational areas that can serve as multi-functional spaces, for example, those used for flood storage. There should be no built-up development in Flood Zone 3, with the exception of water-compatible development and, where absolutely necessary, essential infrastructure as defined in Table D.2 of PPS25: Development and Flood Risk.

Waste

A sustainable waste and resources plan should be developed for NW Bicester and other large developments, covering both domestic and non-domestic waste, which:

- (a) sets targets for residual waste levels, recycling levels and landfill diversion, all of which should be substantially more ambitious than the 2007 national Waste Strategy targets for 2020; it should be demonstrated how these targets will be achieved, monitored and maintained
- (b) Establishes how all development will be designed so as to facilitate the achievement of these targets, including the provision of waste storage arrangements which allow for the separate collection of each of the seven priority waste materials as identified in the Waste Strategy for England 2007
- (c) Provides evidence that consideration has been given to the use of locally generated waste as a fuel source for combined heat and power (CHP) generation for the eco-town, and
- (d) Sets out how developers will ensure that no construction, demolition and excavation waste is sent to landfill, except for those types of waste where landfill is the least environmentally damaging option.

Further Information:

Can be found at the following locations:
Online at: www.cherwell.gov.uk/ecotowns
Offices: Bicester Town Council, Cherwell
District Council

Alternatively you can contact the
Eco Bicester project team by email at
ecobicester@cherwell-dc.gov.uk or
telephone on 01295 221644.

The information in this document can be made available in other languages, large print braille, audio tape or electronic format on request. Please contact 01295 227001

Jeżeli chcieliby Państwo uzyskać informacje w innym języku lub w innym formacie, prosimy dać nam znać. 01295 227001

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Minute Item 84

Executive

Local Transport Plan

6 December 2010

Report of Head of Planning Policy & Economic Development

PURPOSE OF REPORT

To present information to the Executive with a view to the council making a formal response to the public consultation on the Draft Local Transport Plan.

This report is public

Recommendations

The Executive is recommended:

- (1) That the County Council be commended on the general format of the LTP which addresses concerns raised by this Council previously that the LTP should be organised in a way which focuses on proposals for particular settlements and creates a stronger spatial link with Local Development Frameworks,
- (2) That in general, subject to the detailed recommendations made in the report, the policies and area strategies in the LTP be supported.
- (3) That the various detailed recommendations set out in paragraphs 1.16, 1.27, 1.43, 1.52 and 1.58 are submitted as the Council's formal response to the Local Transport Plan, and in particular the Council's comments on:-
 - approach taken by the LTP towards the HS2 proposals in policy PT6
 - the references to major new road links (the South East and South West Relief Roads) in Banbury
 - the ways in which the vision for eco-Bicester can best be supported through the LTP
 - the proposed Water Eaton Parkway station, and how (a) this can best be implemented in a manner that makes it accessible to local communities in Kidlington and Gosford, and (b) future congestion concerns can best be mitigated.

Executive Summary

Introduction

- 1.1 Oxfordshire County Council is currently preparing its third Local Transport Plan (LTP) for Oxfordshire. The LTP sets out a vision, objectives and outcomes for transport in the whole of the county. It also includes a programme of investment in new transport schemes and maintenance of the existing network.
- 1.2 This LTP covers the period 2011 – 2030. It has been prepared over many months by the County Council and has already involved a number of stages of public consultation. The most recent of these was a consultation on “scenarios” which was carried out in the early summer of 2010 and on which this Executive made comments in June (see paras. 2.2 – 2.3 below for more details).
- 1.3 The Draft Local Transport Plan was published by the County Council in October and is available for public consultation until 9th January 2011. A copy of the document has been made available in the Members’ Library.

Proposals & Comments

- 1.4 The next section of the report looks at each of the major areas of the LTP in turn and makes comments and recommendations on each.

General structure and policies within the Draft LTP

- 1.5 The Draft LTP is made up of four elements:-
 - An Executive Summary
 - The Draft Local Transport Plan
 - A Policy Document (which considers the rationale behind the LTP in more detail)
 - An Implementation Plan (which focuses on each of the area strategies).
- 1.6 In setting out its proposals, the Draft LTP makes it clear from the outset that there is likely to be very limited funding available for transport improvements in the first few years of the plan. The longer timescale given to the plan (up to 2030) allows the County Council to set out its aspiration whilst recognising the current economic situation.
- 1.7 The Draft LTP itself has been structured as follows:-
 - Firstly, there are a series of **general policies** for the county. One of these (policy G4) refers to County Council priorities for seeking external funding. Two projects are mentioned, Access to Oxford and transport improvements within Science Vale UK.
 - Secondly, there are a series of policies for each of the **objectives** of the LTP. These objectives are:-
 - Objective 1: to improve the condition of local roads, footways and

cycleways, including resilience to climate change

- Objective 2: to reduce congestion
 - Objective 3: to reduce casualties and the dangers associated with travel
 - Objective 4: to improve accessibility to work, education and services
 - Objective 5: to secure infrastructure and services to support development
 - Objective 6: to reduce carbon emissions from transport
 - Objective 7: to improve air quality, reduce other environmental impacts and enhance the street environment
 - Objective 8: to develop and increase the use of high quality, welcoming public transport
 - Objective 9: to develop and increase cycling and walking for local journeys, recreation and health.
- Thirdly, the LTP contains **area strategies** for Oxford, Abingdon, **Banbury**, **Bicester**, Science Vale UK, Witney, Carterton, Chipping Norton, Faringdon, **Kidlington**, Henley-on-Thames, Thame, Wallingford and the **rural areas**. For each area, the challenges and then the strategy are considered.

General structure and policies within the Draft LTP: Comments

- 1.8 As a general comment, the County Council can be commended for the approach it has taken to the structure of the LTP document. In making its comments on the “scenarios” consultation in July 2010, this Council specifically requested that the final LTP document “*should be organised district-by-district and by settlement to create a stronger spatial link with Local Development Frameworks*” (see para. 2.3 below). The approach that the County Council has taken in presenting the draft LTP broadly does this with specific area strategies for Banbury, Bicester and Kidlington. There is also a county-wide rural strategy. Whilst this is thinner on specific proposals for different parts of rural area, it does recognise some of the specific issues relating to different rural areas of the county (particularly with its corridor strategies). More details comments on the strategy for the rural areas can be found in paras. 1.53 – 1.58 below.
- 1.9 Turning to the general (non area specific) policies in the LTP, the following comments can be made.
- 1.10 As noted in para. 1.7 above, policy G4 refers to priorities for external funding that the County Council will pursue. There is no mention here of eco-Bicester. Whilst Bicester is given its own strategy later in the document (see paras. 1.26 to 1.44 below), it would appear sensible to identify eco-Bicester as a potential further project which could benefit from external funding where this is available. Both the County Council and Cherwell District Council have invested considerable resources in supporting eco-Bicester, and both Councils will wish to pursue appropriate external future funding where this is

available.

1.11 Within Cherwell's Draft Core Strategy our own vision statement (which mirrors much within the Cherwell Sustainable Community Strategy) aims, amongst other things, to:-

- protect our natural resources and reduce the impact of development on the natural environment
- foster a growing economy with good transport links
- reduce dependence on the private car by improving road, rail and public transport links and increasing access to services for those that need them. There will be a focus on measures aimed to manage road congestion, improving public transport, and improving access to town centres and other shops and services.

1.12 In this context, the objectives in the LTP, and the policies that derive from these, appear to be in accordance with our priorities. In particular, the following comments can be made:-

- The objective to "improve the condition of local roads, footways and cycleways, including resilience to climate change" includes a policy to encourage sustainable drainage systems in roads and other transport assets. This reflects our own commitment to support sustainable urban drainage in the Draft Core Strategy
- The objective to reduce congestion includes a policy to identify suitable and unsuitable roads for freight movement, balancing the needs of business with protecting the local environment. This reflects issues which the Council has previously raised in relation to Banbury. The matter is not, however, addressed later in the Banbury area strategy, and this is considered further below.
- The objective to secure infrastructure and services to support development includes a commitment ensuring that the location and layout of new development minimises the need to travel and can be served by high quality public transport, walking and cycling. These measures accord with the general approach taken in the Draft Core Strategy. The commitment to reduce carbon emissions is also welcomed, particularly in the context of a district such as Cherwell which is likely to see significant further growth over the lifetime of the LTP.
- The objective to develop and increase the use of high quality, welcoming public transport includes policies to support proposals to (a) strategically enhance the rail network (policy PT4) and (b) work with partners to deliver new and improved stations and greater integration of rail and buses (PT5). These can be strongly supported as they accord with the support the council has given to the Chiltern Railways Evergreen 3 proposals.
- The objective to "develop and increase cycling and walking for local journeys, recreation and health" includes a policy to improve the local network for walkers, cyclists and horse riders. This helps to meet some of our strategic objectives as set out in the Draft Core Strategy.

1.13 Under the objective of developing and increasing the use of public transport (objective 8), policy PT6 states that the County Council "*will only support the High Speed 2 rail proposals if the local economic benefits outweigh the*

environmental impacts". As members will be aware, the Council, at its meeting on 18th October considered a motion in respect of the High Speed 2 proposal and it took the position that it believes that there is an insufficient Business Case for this proposal has been made. It accordingly instructed officers to prepare a report to the Executive setting out how the Council will campaign with like minded neighbouring Councils to "Stop HS2".

- 1.14 In light of this motion, the Council could use this opportunity to support the position taken by the County Council in the LTP and furthermore re-state its position that it considers that the Business case for the HS2 proposal has not yet been demonstrated.
- 1.15 As a final general comment, it will be the case that in all of the area strategies, the LTP does not distinguish always between schemes that can be realistically taken forward (i.e. which can be actively bid for or funded through the County Council and/or with other identified funding) from any other potential scheme. In these situations, the County Council will need to ensure that it can make available its technical expertise as required to support the district(s) in making those technical decisions at the LDF level. This will include, in appropriate cases, the use of its specialist consultants.

General structure and policies within the Draft LTP: Recommendations

- 1.16 It is recommended that:-
- The Council commends the County Council on the general format of the LTP which addresses concerns raised by this Council previously that the LTP should be organised in a way which focuses on proposals for particular settlements and creates a stronger spatial link with Local Development Frameworks.
 - The Council supports the general policies of the LTP however would wish to see eco-Bicester identified as a priority project for seeking external funding within policy G4.
 - The Council supports the objectives of the LTP and, in general, the policies within these objectives.
 - the Council supports the approach taken by the LTP towards the HS2 proposals in policy PT6, particularly in the light of the potential impact upon communities within Cherwell District of the current proposal. The Council believes, however, that the Government has not made a sufficient Business Case for the proposal.
 - The County Council is asked to guarantee that where there is no certainty of the prioritisation or funding of schemes identified in the LTP, it commits to supporting the Council where more detailed local work is needed. This may include through the use of its own consultants.

Area Policies

Banbury

Banbury: Proposals

- 1.17 The main challenges for Banbury are as follows:-
- Heavy congestion on key routes into the town centre, particularly for north-south movements
 - Air quality – particularly along Hennef Way and along Oxford Road, South Bar, Horse Fair, Warwick Road and Bloxham Road
 - Difficulties for pedestrians and cyclists
 - Bus provision, particularly to some of the employment areas
 - Pedestrian links to Banbury station
- 1.18 The strategy for Banbury focuses on walking, cycling, bus movements and reducing congestion. It includes the following:-
- Highway improvements - will focus on improving junction design where this may improve capacity and reduce congestion. New roads will be considered where alternatives have been considered and discounted. Two major road schemes for Banbury are noted: a South East Relief Road (Bloxham Road to Hennef Way) and a South West Relief Road (Stratford Road to Bloxham Road). The LTP makes it clear, however, that these schemes are unlikely to attract central government funding and will only be delivered in association with development of such a scale as would be able to wholly or mostly fund the road.
 - Buses – new information systems, new bus routes including between residential and employment areas
 - Rail – improvements to the station forecourt; improved walking routes to the station
 - Walking and cycling – improvements to the walking and cycling network, including within the town centre and between residential and employment areas.
 - Behavioural change – working with employers to produce and implement travel plans; promote car clubs and car sharing.

Banbury: Comment

- 1.19 Within the Draft Core Strategy, the need to manage traffic congestion and to provide for more opportunities to travel in a more sustainable way, are highlighted as key issues for Banbury. The spatial strategy for Banbury (within the Draft Core Strategy) seeks to improve public transport services and opportunities for walking and cycling and to minimise traffic congestion. In this context approach in the LTP appears a sound one.
- 1.20 There is much within the Draft Core Strategy which would support the LTP strategy for Banbury, and vice versa. Many of the detailed proposals link in to areas already earmarked for development (such as at Bankside) or allocated in the Draft Core Strategy. In particular, the canalside development provides housing in a sustainable location which will limit the need for additional car movements. The scheme furthermore provides an opportunity to improve the

railway station forecourt and pedestrian and cycle links into the town centre.

- 1.21 A key concern with Banbury is traffic congestion, and the LTP strategy seeks to use a number of lower cost measures to tackle this. Congestion in the town centre (and especially due to the north/south movements through the town) is a particular challenge. The strategy for tackling this principally seeks to promote alternatives (walking, cycling and public transport) as far as possible. In the light of the restricted funds available to the LTP in the next few years, this approach is a reasonable one. It must be recognised that short of investing in major new road schemes around the town, the opportunities to address this congestion will be limited.
- 1.22 Regarding major new road schemes, the LTP is clear that there will not be the public funding to major new road schemes around Banbury and that therefore such schemes would only come forward if funded wholly, or in large part, by new development. This approach is consistent with that taken across the LTP. Whilst the lack of such public funding is regretted, it is nonetheless realistic.
- 1.23 The situation within Cherwell therefore is that the two major road schemes named for Banbury would only come forward as an integral part of major new development. Realistically, this will not happen in the lifetime of the LTP. The South East Relief Road would require large levels of development in the south of the town (beyond that already committed at Bankside) and to the south of Easington and the Salt Way to fund it. It should be remembered that the Bankside development has been planned (and given consent) without any provision for a possible South Eastern Relief Road. The alignment of such a road (which has not been identified, even in broad terms, in the LTP) would therefore presumably have to run to the south of the Bankside development and rugby club land. The South West Relief Road (which similarly has not been defined on a plan) would require large levels of development along the western side of the town including around Crouch Hill and to the west of Bretch Hill.
- 1.24 Although the Draft Core Strategy proposes some development to the west of Bretch Hill and in the Bankside area, this is not of a scale that would begin to justify or afford the provision of either of these major relief roads (estimated at £30-40m). Furthermore, the Council has consistently argued (including at the Public Examination into the South East Plan) that the environmental constraints on the town (including the flooding issues that affect parts of the town, the landscape constraints of the natural "bowl" within which the town sits, and the limited crossing points for the river, canal and railway line) mean that Banbury should not be a focus for major new development.
- 1.25 For these reasons, it is considered that it is unrealistic to maintain a reference to either of these major road schemes in the LTP. To maintain such a reference may give rise to continuing uncertainty over whether there is any future for either of these road schemes over the lifetime of the LTP. This may lead to planning uncertainty and unrealistic hopes for those wishing to see the roads built.
- 1.26 One issue that the LTP does not consider in detail is HGV movements. This was a specific matter that the District Council raised in the scenarios consultation. This matter should be considered alongside others as a means of better managing traffic through Banbury, particularly through the town

centre. There is a general reference to this within objective 2 (reducing congestion) but it is not seen in the area strategy for Banbury.

Banbury: Recommendations

1.27 It is recommended that:-

- The general area strategy for Banbury be supported.
- The references to major new road links (the South East and South West Relief Roads) should be deleted from the LTP as there is no prospect of them being delivered in the lifetime of the LTP and it is therefore unrealistic and misleading to retain a reference to them in the document.
- The County Council continues to work with the District council to consider the opportunities created by major development proposals in Banbury, and in particular the canalside proposals, to meet the objectives of the LTP.
- The LTP, and in particular the Implementation Plan, acknowledges the contribution made by HGV movements to overall congestion and seeks to address this as part of an overall strategy for Banbury.

Bicester

Bicester: Proposals

1.28 The main problems and challenges for Bicester are summarised as follows:-

- Developing an eco town at North West Bicester
- Achieving eco Bicester objectives for the whole town
- Achieving a work/life balance at NW Bicester to meet containment targets
- Achieving a high level of sustainable transport from the new development
- Using the measures being implemented in NW Bicester to trigger a change in travel behaviour across the town
- Ensuring the highway network functions with the remaining car trips
- Existing weekday congestion
- Bicester Village Retail Park (B4030): The worst traffic congestion is often at weekends and Bank Holidays on the road network serving the Bicester Village Retail Park and this can create inappropriate routeing (“rat running”) particularly in Chesterton.
- M40 junction 9
- Park and Ride
- Bucknell Road/Howes Lane junction – congestion caused by traffic

accessing Upper Heyford and M40 junction 10

- Air quality – Kings End and Queens Avenue being considered as an Air Quality Management Area (AQMA) and possibly Field Street/North Street.
- Walking and Cycling – network not complete and difficulties for pedestrians and cyclists to navigate town layout especially visitors
- Public rights of way – disjointed network particularly where paths meet the road network
- Rail and bus stations – significant use of sustainable transport to keep car travel for trips within the town to a minimum

1.29 The strategy for Bicester focuses on walking, cycling, bus movements and reducing congestion. It includes the following:-

- Behaviour change – to be promoted through the *Bicester Travel Behaviour Project*; working with employers and schools to change travel patterns
- Walking and cycling – creating and improving the town's walking and cycling network, particularly routes to key destinations and employment sites, promoting Market Square enhancements.
- Buses – delivering a rapid bus route between NW Bicester and the town centre, Premium Route standard bus stops for the town, delivering bus infrastructure and bus priority to improve reliability on A41 corridor, investigation of new electric /hybrid vehicles on key routes such as the exemplar site at NW Bicester, securing developer contributions to enhance the routing and frequencies of local bus services,
- Park and Ride – creating a park and ride facility adjacent to the A41 (subject to demand assessment). A remote Park and Ride facility is proposed at South West Bicester. The scope of the assessment is not clear from the strategy although the problems and challenges section suggests that the SW Bicester site could be a suitable for car users to transfer to the bus for journeys to Oxford with the opportunity for motorists to transfer to buses for journeys to Bicester town centre including Bicester Village.
- Low Emission Vehicles – introducing charging points for electric vehicles, working with local organisations to encourage the use of lower carbon emission vehicles and investigating options for encouraging use of lower emission private vehicles
- Rail – supporting the upgrade of Bicester Town Station; working with the East West Rail consortium, delivery of a high quality public transport and better cycle links from NW Bicester to the town's railway stations; improving cycle parking at the railway stations and introducing a bus interchange at Bicester town railway station.
- Highway infrastructure and traffic management – working with NW Bicester developers to promote integration with the existing town, incorporating *Eco Bicester* principles to promote safer, more sustainable and healthier modes of transport to and from the site, reducing the

attractiveness of Howes Lane, and Lords Lane to through traffic, improvements to the Eastern perimeter road as an attractive alternative to the central corridor, delivery of the SW perimeter road working with developers, M40 junction 9 improvements working with the Highways Agency, investigating the need to improve M40 junction 10 and its approaches, delivering the second phase of Roman Road improvements, traffic signage review on the strategic road network to ensure routeing is correct and remove clutter.

- 1.30 In summary, the key elements of the transport strategy for Bicester are: promoting travel behaviour change by looking at how to reduce the vehicle miles travelled and working with employers and schools; promoting walking and cycling by improving and creating routes and improving the public realm at key destinations, employment sites and the Market Square; developing rapid, frequent and reliable bus services; encouraging the introduction of low emission vehicles, including through the increased use of electric vehicles and provision of charging infrastructure; supporting improved rail services, the upgrade of Bicester town station and access by sustainable modes to both stations and improving highway infrastructure and traffic management including integrating new developments with the town, delivering the south west perimeter road, downgrading the attractiveness of Howes Lane and Lords Lane, improving the eastern perimeter route, and reviewing traffic signage.
- 1.31 The Executive summary identifies strategic transport schemes set out in the Oxfordshire Local Investment Plan (LIP) required to support the development of Bicester in the short term including M40 junction 9 improvements, the park and ride facility, South West Perimeter Road and sustainable transport improvements. The LTP consultation process seeks support for the above schemes as priorities in the local area whilst recognising the delivery of the scheme is unlikely in the short term due to funding constraints.
- 1.32 It is proposed that this Strategy will replace the Bicester ITLUS (2000) and ITLUS contributions will be transferred to the LTP3 Bicester Town Strategy

Bicester: Comments

- 1.33 Within the Draft Core Strategy, highway constraints such as the traffic congestion in the town centre, the need for improvements to M40 junction 9 and the Bucknell Road / Howes Lane junction within the town, are highlighted as key issues for Bicester. The spatial strategy for Bicester (within the Draft Core Strategy) seeks to provide for new development in accessible locations that will maximise the opportunities for providing sustainable transport choices, reducing traffic congestion and the proportion of out commuting. In this context approach in the LTP appears sound.
- 1.34 The Draft Core Strategy, recognised the traffic problems caused by Bicester's rapid growth in recent years and congestion caused by developments such as Bicester Village Retail Outlet. It refers to LTP2 and existing transport issues. The Draft LTP3 provides the opportunity to align the Core Strategy with the emerging transport strategy for Bicester and shares many of the goals and objectives.
- 1.35 There is much within the Draft Core Strategy which would support the LTP strategy for Bicester, and vice versa. Many of the detailed proposals link in to areas of committed development (such as at SW Bicester) or the proposed

eco development at NW Bicester allocated in the Draft Core Strategy. In particular, the Eco Bicester One Shared Vision for the town will form part of the transport strategy.

- 1.36 Eco development provides the opportunity to promote sustainable travel choices, behavioural change and achieve eco town standards set out the Eco Towns Planning Policy Statement (PPS), July 2009. The NW Bicester development will be an exemplar of sustainable development and the Council would wish to ensure that the LTP reflects requirements for travel in eco towns set out in the Eco towns PPS and *Eco Bicester One Shared Vision*. The behaviour change strategy should consider using targets for trips originating within the town to be made by non-car means based on the 50 per cent target set out in the above documents. The strategy seeks to promote sustainable transport choices (walking, cycling and public transport). For example it promotes a rapid bus route between the proposed eco development at NW Bicester and the town centre. It is important that the improved bus service is extended to the town's business and employment areas as part of a fully integrated transport network.
- 1.37 A key concern with Bicester is traffic congestion, and the LTP strategy seeks to tackle this through a variety of measures including behavioural change and traffic management. Congestion in the town (and especially due to the nature of business at Bicester Village Retail Outlet) is a particular challenge. In the light of the restricted funds available to the LTP in the next few years, the opportunities to address this congestion will be limited.
- 1.38 In terms of the Park and Ride facility, this will be subject to a demand assessment to identify the need for the proposals. However it is not clear how the facility will operate and whether it will serve Oxford, Bicester town centre, Bicester Village or all of these destinations. The LTP needs to be very clear on this point as there is currently a lack of clarity on this important issue.
- 1.39 The infrastructure schemes identified in the LTP remain a priority for Cherwell District Council in delivering Eco Bicester and they should be supported. Regarding the delivery of infrastructure schemes, the LTP is clear that public funding will not be available in the short term (5 years) for major schemes in and around Bicester. The Bicester Area Strategy recognises that enhanced levels of investment will be required to deliver the transport improvements set out in the LTP and reflect Bicester's eco town status. On this basis, the delivery of the transport improvements within Bicester should be included as a priority for external funding and included in Policy G4 of the LTP.
- 1.40 Recognising the funding difficulties inherent in the development of major new infrastructure, the LTP Draft Implementation Plan for Bicester identifies a number of areas that should be further investigated in an effort to manage traffic and provide highway infrastructure. These include investigating improvements to the eastern perimeter route to provide through traffic with a viable and attractive alternative to the central corridor through the town centre. Use of new electric/hybrid buses is also put forward for further investigation. These measures should be kept under active consideration and the further work undertaken at the earliest opportunity once the scope of the further investigations and assessments has been agreed with the District Council.
- 1.41 Prior to the eco development proposed at NW Bicester, the intention was to

take traffic out of the town centre by improving Howes Lane and its junction with Bucknell Road and building the South West perimeter road to link with the A41 north of the Chesterton junction. Draft LTP3 proposes downgrading Howes Lane to enable the eco development to link with the existing town. A consequence of this is that improvements will need to be made to key junctions along the eastern perimeter road so that it provides a viable and attractive alternative for through traffic. The impact of the NW Bicester development is currently being tested by the developer's transport consultants and the results of this work will be used to inform the improvements required to the existing transport network.

- 1.42 In summary, the inclusion of the area strategy section for Bicester is broadly welcomed. The strategy provides the background to the transport issues affecting Bicester including M40 junctions 9 and 10 and existing congestion in the town with specific reference to Bicester Village and Bucknell Road/Howes Lane junction. It seeks to set out how the transport strategy for the town should respond to the eco-development at North West Bicester. As it does so, however, it is vital that issues such as the future of the Park & Ride proposal at SW Bicester and the implications of the eco-development on the functioning of the perimeter road are fully and clearly explained

Bicester: Recommendation

- 1.43 It is recommended that:-

- The general area strategy for Bicester be supported.
- The strategic transport schemes for Bicester remain a priority and should be supported, subject to receiving further information and clarification on the scope and detail of the schemes.
- The delivery of the transport improvements within Bicester should be included as a priority for external funding and included in Policy G4 of the LTP.
- The County Council continues to work with the District council to consider the opportunities created by the eco development proposals at NW Bicester, and in particular the transport and movement section of the Eco Bicester One Shared Vision, to meet the objectives of the LTP.
- The LTP, and in particular the Bicester Area strategy, acknowledges the eco town standards set out the Eco town PPS and Eco Bicester One Shared Vision as part of an overall strategy for Bicester.
- The walking and pedestrian environment strategy should investigate links and the integration between the proposed eco development and the existing town as a priority. Pedestrians should also be given priority in considering highway infrastructure improvements.
- The cycling strategy should refer to the railway stations as key locations/destinations providing cycling facilities.
- The strategy for buses in Bicester particularly the rapid bus route between the NW Bicester development site and town centre should include employment areas as part of a fully integrated transport network.

- The LTP be asked to clarify the purpose of the Park and Ride facility at South West Bicester and give a clear indication of when the demand assessment will be undertaken to inform any decision on the future of this proposal.
- The Transport Strategy for Bicester should be worked up in more detail to align with the emerging Cherwell Local Development Framework and Eco Bicester One Shared Vision. This would include looking further at the need and realistic opportunities to provide sustainable transport infrastructure in and around the town and deliver the required highway capacity and achieve the requirements of the eco town standards.
- The LTP should clarify the priority that needs to be given to exploring how improvements can be made junctions to the eastern perimeter road as a consequence of the measures as part of the eco-development to reduce the attractiveness of Howes Lane and Lords Lane to through traffic.
- All of the actions identified in the Implementation Plan under “Highways Infrastructure and Traffic Management” be considered further at the earliest reasonable opportunity once the scope of the investigations has been agreed with the District Council.

Kidlington

Kidlington: Proposals

- 1.44 Kidlington is generally well served by public transport. The key issues affecting Kidlington are identified as air quality (in the vicinity of the Bicester Road junction with the A34) and currently poor interchange arrangements for rail. This will improve, however, with the construction of the new parkway station at Water Eaton.
- 1.45 The strategy for Kidlington focuses on three elements:-
- Walking & cycling: including new links to Water Eaton Parkway and improved links to the business parks and airport.
 - Traffic management: including a traffic signage review of signage from the strategic road network to Kidlington
 - Public transport: including improving services to the airport, and investigating a range of improvements including a new service to Water Eaton Parkway.
 - Behavioural change: working with schools and businesses to develop travel plans

Kidlington: Comments

- 1.46 This strategy appears to fit reasonably well with priorities already identified by the Council including through the Draft Core Strategy and the Sustainable Community Strategy. These identified the following priorities:-
- Ensuring sufficient access to services

- Ensuring stronger links between industrial areas, the airport and local residents and the village centre
 - Positioning Kidlington in economic terms in view of its unique place on account of the airport, Begbroke Science Park and its proximity to Oxford and promoting the sustainable commercial and recreational potential of the canal and airport.
 - Continuing to explore the potential for a new station
 - Addressing the issue of the main road bisecting the village and traffic management.
- 1.47 The Cherwell Non Statutory Local Plan allocates land for a railway station at Kidlington on the Banbury to Oxford line. This was supported in the first LTP (2001-06) but not in the second (2006-11). This LTP makes no provision for a new station, however it does identify the proposed new station at Water Eaton Parkway being developed as part of the Evergreen 3 Project by Chiltern Railways.
- 1.48 The Council has supported the principle of the Water Eaton Parkway station as part of the wider Chiltern Railways proposals. In order for this station to be successful, it is vital that good pedestrian, cycle and bus links are made to the new station. The references to this in the LTP are welcomed, and these should be prioritised to optimise the opportunities that the station will bring to the village. It would also be helpful if the LTP was able to take a clear position on the previous railway station proposal for Kidlington to avoid any future uncertainty.
- 1.49 It should be noted that the proposed Water Eaton Parkway does have the support (in principle) of Kidlington Parish Council which identifies a number of benefits that the station will bring to Kidlington in terms of lifting its economic profile and providing much improved public transport access for residents of the village.
- 1.50 Notwithstanding this support in principle, both Kidlington and Gosford & Water Eaton Parish Councils are concerned about the level of traffic associated with the station and the proposed level of car parking. These matters are currently being considered as part of the public inquiry into the Transport & Works Act application for the Evergreen 3 proposal. It will be important, however, that the LTP has regard to these matters in finalising its strategy for Kidlington in the event that the station is approved and that increased problems of traffic congestion may occur in the future.
- 1.51 The LTP makes few direct references to the impact of the A4260 which bisects the village, however it does refer (particularly in the Implementation Plan) to the need to support "*Cherwell District Council's principle that Kidlington Village Centre is the vibrant heart of the village*" and supporting "*schemes which provide excellent facilities for pedestrians, in particular wider footpaths and pedestrian crossings*" (Implementation Plan: Kidlington Area Strategy, para. 24.32).

Kidlington: Recommendation

- 1.52 It is recommended that:-
- The general area strategy for Kidlington be supported.

- In the event of the Parkway station at Water Eaton being approved, the County Council be asked to prioritise measures to make sure that high quality pedestrian, walking and bus links are provided from Kidlington and Gosford to the station. Furthermore, notwithstanding the mitigation measures that will be put in place arising from the current Transport & Works Act application regarding the station, the LTP should recognise the potential for increased congestion within Kidlington and Gosford. It should commit to keeping this under close review once the station is operational, and then considering further traffic management measures as a priority if these are found necessary.
- The County Council be asked to take a clear position on the future potential of a railway station in Kidlington on the Banbury to Oxford line as previously identified in the Non Statutory Local Plan and first LTP. If the provision of the Water Eaton Parkway station removes any possibility of this station being built, this should be made clear for the avoidance of future doubt.
- Priority should also be given to measures to improve pedestrian connectivity within and to Kidlington Village Centre, particularly across the A4260, along the lines noted in the Implementation Plan.

Rural Areas

Rural Areas: Proposals

- 1.53 These proposals cover the whole of rural Oxfordshire, not just that part within Cherwell District.
- 1.54 Perhaps not surprisingly, and particularly given financial constraints, the strategy for the rural areas focuses on maintaining existing services and facilities, and improving access to these.
- Buses: The aim is to improve services on major routes between towns, to retain a basic county bus service network in other areas, and to support better marketing and promotion of services. Some improvements to bus shelters will be planned as resources allow.
 - Rail: Improvements are planned to Islip station as part of Evergreen 3. The main LTP focus will be to improving access to stations.
 - Roads: There are no major highway improvements proposed in the lifetime of the Plan. There will be a roll-out of 50mph speed limits on all single carriageway roads and the County Council will support initiatives to have this adopted as a national standard.
 - Walking, cycling, behavioural change: The focus will be on improving connections between villages and to the rights of way network.
- 1.55 There are also a number of corridor strategies proposed.
- Along the A34 north of Oxford, options for a Park & Ride at Bicester will be investigated, and support given to improvements at junction 9 of the

M40 and the Evergreen 3 proposals.

- Along the A4260/A4165 corridor into Oxford, measures include improving access to Water Eaton Park & Ride, supporting the new station and improving access to this.

Rural Areas: Comments

1.56 This strategy appears to fit reasonably well with priorities already identified by the Council including through the Draft Core Strategy and the Sustainable Community Strategy. These identified the following priorities:-

- Protecting and maintaining access to local services wherever possible
- Supporting a sustainable rural economy
- Identifying where traffic controls are desirable and beneficial
- Improving road safety particularly from speeding vehicles and dangerous driving
- Improving links between villages for walkers and cyclists and equestrians.

1.57 Given that the strategy covers the whole of the Oxfordshire rural area, it is short on specific projects and initiatives which would directly benefit our district. The following comments can, however, be made:-

- The reference to improving bus services on major routes between towns and retaining a basic county bus service network in other areas is supported. Care will need to be particularly given to protecting services in those villages which offer employment and other opportunities, to ensure that these opportunities are best supported.
- The initiative to support road safety by reducing speed limits on single carriageway roads is supported.
- The measures to improve accessibility to the new Water Eaton Parkway station can be supported as recognition of some of the potential problems created by the new station.

Rural Areas: Recommendations

1.58 It is recommended that:-

- The general area strategy for the rural areas be supported.
- Within the strategy for bus travel, priority should be given to ensuring that a good level of service is particularly provided to those villages which offer employment and other opportunities
- Within the “corridor strategies”, priority should be given to ensuring that good access is provided to the proposed Water Eaton Parkway station to maximise opportunities for people to get to the station by means other than the private car.

Conclusion

- 1.59 The consultation on the Local Transport Plan runs until 9th January. The County Council will then consider all of the comments received and anticipate approving a final LTP in April 2011.

Background Information

- 2.1 The County Council is required to produce an LTP by April 2011 in order to meet the requirements of the Transport Act 2000 (amended by the Local Transport Act 2008). The previous two LTPs cover a 5 year period and the current LTP runs to 2011. The emerging LTP will cover a longer time period of 20 years allowing greater flexibility in its development and sets the long term strategy and transport objectives for the area. This brings it into line with the Oxfordshire Sustainable Communities Strategy ("Oxfordshire 2030") and provides some headroom beyond 2026 which is the timeframe within which LDFs are being prepared.
- 2.2 Members will recall that in the early summer, the County Council consulted on a series of "scenarios" for the LTP. These considered various alternative approaches that could be taken towards transport planning for the county over the next 20 years. The scenarios were not place-specific (except for a section of Oxford City), but instead looked at an approach for the "large towns" (which included Banbury and Bicester), the "smaller towns" (which included Kidlington) and the "rural areas" of the county. For each area, different scenarios were put forward. (For example, for the larger towns there were scenarios for "promoting lower emissions", "promoting transport choice" and "supporting economic growth".)
- 2.3 At its meeting on 7 June, Executive approved a response from Cherwell District Council to this consultation. Although it made detailed comments on the different scenarios for each of the areas, it made an overall recommendations that:-
- The scenario-based consultation is not helpful in considering the specific transport needs and issues relating to areas of Cherwell District. There should, therefore, be specific consultation on scheme choices relating to specific locations in the county."
 - "The final LTP should be organised district-by-district and by settlement to create a stronger spatial link with Local Development Frameworks."
- 2.4 The comments that have been proposed above take as a starting point these recommendations and the detailed analysis that the Council undertook at that time. They also reflect other work that the council, and its partners, have been undertaking, and other strategies that they have been preparing, which have helped inform the recommendations in the report. These include the following:-
- The Sustainable Community Strategy "Our District; Our Future"
 - The Draft Core Strategy
 - The Cherwell Rural Strategy
 - The "Eco-Bicester; One Shared Vision" document

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 The Executive is invited to consider the contents of the report and consider its response on behalf of the District Council to this public consultation.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

- Option One** To endorse the recommendations in the report as the Council's formal response to the Draft Local Transport Plan
- Option Two** To add or amend the proposed response as the Council's formal response to the Draft Local Transport Plan
- Option Three** Not to respond to the consultation.

Consultations

- LSP Board** The LTP Team have presented the LTP to the LSP Board as part of the public consultation.
- All district councillors** All councillors were alerted of the commencement of the public consultation. A copy of the LTP and supporting material has been placed in the Members' Room.

Implications

- Financial:** There are no direct financial implications arising from making a response to this public consultation. There may, however, be financial implications when specific transport schemes have been identified in terms of how they will be funded through planning obligations and developer contributions.
Comments checked by Joanne Kaye, Service Accountant 01295 221545
- Legal:** There are no legal implications from this report.
Comments checked by Nigel Bell, Solicitor, 01295 221687
- Risk Management:** There are no risks to the Council in participating in the consultation on the emerging LTP3. Dependent upon the ultimate outcome of the LTP process, there may be risks to the Council being able to successfully bring forward its planning and other strategies if these rely on support from the LTP.
Comments checked by Rosemary Watts, Risk Management and Insurance Officer 01295 221566

Wards Affected

All

Corporate Plan Themes

Theme 4 Promoting a prosperous and sustainable economy

Theme 6 Protecting and enhancing the local environment

Theme 8 Rural focus

Executive Portfolio

Councillor Michael Gibbard

Portfolio Holder for Planning & Housing

Document Information

Appendix No	Title
None	
Background Papers	
Draft Local Transport Plan and supporting document: Oxfordshire County Council, October 2010 Report to Executive on Local Transport Plan, June 2010 (Other earlier background papers are referred to in the June 2010 Executive report.	
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Minute Item 85

Disabled Facility Grant Policy

1. The Council's Strategies and Policies

- 1.1 The objectives, ambitions and targets of Cherwell District Council¹ (the Council) are set out in a hierarchy of related Strategies. The top-level, over-arching strategy for the Council and its partners is the *Sustainable Communities Strategy*; beneath it sits the Council's *Housing Strategy* and, building in more detail in relation to the private sector, its *Private Sector Housing Strategy*. These Strategies all reflect the Council's desire and commitment to tackle deprivation, assist older people, improve levels of health and to help people live independently.
- 1.2 The Council's Policies are documents which explain how things will be done and how decisions will be reached. They are essentially the rules the Council sets to ensure that its services are delivered fairly, consistently and clearly. Policies undergo a formal process of consultation and then checking and adoption by elected members.
- 1.3 Since 2003, when most prescriptive grant legislation was repealed, the Council has had to have in place a policy explaining how it will use the grant and assistance powers now available to it². The Council's current grant policy was produced in 2008. This *Disabled Facility Grant Policy* expands upon the Council's *Grants and Assistance Policy 2008* (which remains in force) and has been produced in response to a need to develop our Disabled Facilities Grant work that was recognised during production of our *Private Sector Housing Strategy 2010-14*.

2. Introduction to the policy

- 2.1 Perfectly good homes can be quite unsuitable for occupants with mobility needs, to the extent that they can actually be dangerous and isolating. Adaptations are needed by many disabled people so that they can remain safe and independent. They can be needed by people of all ages, but as our population ages and life-expectancy increases, the number of people needing assistance to adapt their homes is expected to grow.
- 2.2 Cherwell District Council is committed to helping disabled residents and will administer Disabled Facility Grants (DFGs) (and other forms of assistance, such as discretionary grants, where available) so as to help them achieve a home which meet their needs.
- 2.3 However, the Council knows that, in future, as the number of people seeking DFG's and the cost of providing adaptations grow, its finite resources are likely to mean it cannot provide immediate help to all those needing assistance.
- 2.4 This policy is intended to explain how the Council will use its resources to help those who need disabled adaptations and how (often difficult) decisions will be made about the help it can give, the circumstances in which people may need to wait for assistance, and how the Council will seek to make the best use of the

¹In this document all references to the Council mean Cherwell District Council, whose policy this is. References to Oxfordshire County Council will use either that full name or the abbreviation OCC.

² See the Regulatory Reform (Housing Assistance) Order 2002

resources available. It has been developed with input from, and through discussion with, our key service delivery partners, and has been subject to public consultation.

3. Summary of the legal framework

3.1 Disabled Facility Grants (DFGs) were introduced in 1990 but the principle legal provisions are now contained in the Housing Grants, Construction & Regeneration Act 1996 (HGCRA) and regulations made under it. The following is a summary of the key legal provisions³:

- DFGs are mandatory grants and are available to disabled people when works to adapt their home are judged *necessary and appropriate* to meet their needs, and when it is *reasonable and practicable* to carry them out having regard to the age and condition of the dwelling or building⁴.
- DFGs are also subject to a means-test (except in the case of children), which means that applicants' income and savings have to be assessed to determine the amount of any contribution they are required to make towards the cost of the required work, and hence the amount of grant available to them. The way in which the means-test is carried out is set by regulations and the Council does not have any discretion in applying it. Applicants in receipt of certain specified benefits are however exempted.
- Subject to all the eligibility criteria being met, the Council must 'determine' (ie approve) properly made applications '*as soon as reasonably practicable*', but no later than 6 months from the application date⁵ (see also 7.6 below).
- The maximum DFG is currently set at £30,000⁶.
- Grant can be recovered following sale of the property within 10 years of payment provided the Council '*is satisfied that it is reasonable in all the circumstances to require the repayment*'. Grants below £5,000 are however excluded and the maximum amount recoverable in any one case is limited to £10,000⁷.
- In the event of an applicant's death before works are complete, the Council has the discretion to pay grant towards any fees incurred, works already carried out or '*other relevant works*'.

These important factors and their implications are considered in more detail below:

4. Who is responsible for providing and processing DFGs?

4.1 The HGCRA makes the Council responsible for providing DFGs. The Council cannot, in law, refuse to process a properly made DFG application whether it is received from an owner-occupier or a tenant. If the eligibility criteria and proper process are satisfied the Council must approve the appropriate grant. This also

³ This is intended as a very brief overview. The legislation must be consulted for the full picture.

⁴ Section 24(3), HGCRA

⁵ Section 34, HGCRA.

⁶ Set by means of statute.

⁷ HGCRA 1996: DFG (Conditions relating to approval or payment of Grant) General Consent 2008

applies in the case of RSL tenants, whether or not the RSL in question has an obligation to provide a budget for the provision of DFGs, although there is a clear expectation on the part of the Government that all RSLs should be contributing to the cost of DFG work and authorities are '*strongly encouraged to enter into an agreement with the RSL which requires the latter to share a reasonable proportion of the future financial liabilities for the provision of adaptations under DFG*'⁸. The Council believes that this is the appropriate and responsible approach to helping meet the needs of RSL tenants.

(Note: adaptations delivered directly by RSLs are not strictly DFGs because they do not pass through the formal application process, although the result is essentially the same.)

- 4.2 Practice amongst local RSLs varies, with some providing significant funding and undertaking adaptation work for tenants and others doing neither. This means that the Council is dealing with adaptations for some social tenants but not others and that there is a degree of variation and potential inequity in the service they receive.
- 4.3 A second issue is that those RSL tenants who pass through the Council's DFG route are subject to means-testing. Although the majority are not required to make a financial contribution because they receive a means-tested benefit (such as Housing Benefit or Council Tax Benefit), some do; whereas tenants whose adaptations are funded directly by their RSL landlords are not currently means-tested. There is therefore a need to increase equity in the provision of adaptations in the district if we can, both in terms of waiting times and tenant contributions.

We shall therefore be seeking the support of all local RSLs for this policy, their commitment to making both a financial and practical contribution to the provision of adaptations for their tenants, and asking those which undertake adaptive works to carry out means-testing.

5. The grant process

- 5.1 The DFG process is not set out in any detail in this policy although some aspects will require explanation. A step-by-step guide: *Oxfordshire Grant Aided Home Adaptations* has been produced to explain how the grant process works and the respective roles of the Council and of Oxfordshire County Council⁹. That Guide explains our jointly agreed approach and how we will assist disabled service users to carry out adaptations to their homes. The awarding of a grant is however a legal process which means that there are certain formal steps which we have to take in order to make sure we comply with the law.

We shall be seeking to ensure that the determination of grant eligibility, the approval process and works of adaptation proceed as smoothly and efficiently as possible.

⁸ See: Disabled Facilities Grant – The Package of Change to Modernise the Programme, CLG, February 2008, Annex C, section 6.28

⁹ Specifically OCC's Social and Community Services which employs the Occupational Therapists (OTs) who undertake on-site assessment of clients' needs.

A further purpose of this policy is to provide an explanation of how and why waits can occur, to demonstrate that we are seeking to reduce them wherever we can, but also to show that we are dealing with waiting times as fairly and transparently possible.

The policy will also confirm the Council's proposals for recovering grant money in the event of property sale or transfer in appropriate circumstances.

6. Eligibility Criteria

6.1 Eligibility for a Disabled Facility Grant is set by legislation (see Summary of Legal Framework, section 3 above). The availability of a grant is dependant on all three of the following criteria being met:-

- the works being necessary and appropriate, and
- the works being reasonable and practicable , and
- the applicant's means-tested contribution being less than the approved value of the grant.

Necessary and Appropriate

6.2 In order that we can decide if adaptations are '*necessary and appropriate*' we need an assessment of the client and their home. This is usually carried out by an Occupational Therapist (OT) but may also involve the Council (see 7.1.2 below). The assessment focuses on the client's ability to continue living independently in a home of their own. Once an assessment has been carried out the OT makes a referral to the Council indicating both recommended works and an assessment of the priority for work which the client should be allocated. Judgements on both these issues have an important part to play in the proposals in this policy.

6.3 In reaching a decision as to whether works are '*necessary and appropriate*' the Council is required to '*consult the social services authority*'¹⁰. In a majority of cases our practice has been to accept the works recommended in the referral as those which are appropriate, and to use the broad priority specified by the OT. However, if we are to make best use of our resources we shall need to better identify and fully explore alternative solutions and differentiate more precisely between degrees of need. If we do not do so we are at risk of spending our budget on a smaller number of people than we could otherwise help; in effect meeting some clients' aspirational needs entirely at the expense of increased waiting time for others.

This policy will introduce new arrangements for determining what works are necessary and appropriate and what priority each case should be given.

Reasonable and Practicable

6.4 There are times when it is simply not reasonable and practicable to adapt a property (eg if there are multiple or excessive changes in level, if space is limited or where moving existing services would be prohibitively expensive). In cases where it is not possible to adapt a property to an appropriate standard or where the

¹⁰ Section 24(3), HGCR.

cost of works is considered excessive, the Council can properly take the view that the works are not *'reasonable and practicable'*.

This policy will introduce new arrangements for determining what works are reasonable and practicable.

7. Proposals

7.1 Investigation, information gathering and advice – all cases

7.1.1 We shall seek to ensure that advice provided to anyone making an enquiry about adaptations stresses the need for all of the available options to be carefully explored, rather than simply discussing 'how to get a DFG' ¹¹.

7.1.2 Any case which could require:

- multiple adaptations (eg a stairlift in addition to a shower) or
 - involve major building work (such as an extension or the demolition or building of a wall) or
 - which appears to have the potential to be complex
- will be flagged-up¹² and, wherever possible, the initial visit will be made jointly by the OT and an officer from the Council's Grants Team. If an initial OT visit is made before the need for a joint visit has been established, a joint visit will be then be arranged at the earliest opportunity. In other cases a Council officer will visit as soon as possible after receipt of an OT referral.

7.1.3 In order that the Council can make decisions about eligibility, about the help it can give and, if the client is eligible for a grant, about the works which are most appropriate, we need to gather and consider a range of information. In addition to the OTs recommendations (their 'referral') we shall to need to take account of the following:

- the client's financial circumstances
- the cost of works
- the time it is likely to take to deliver the adaptation(s) proposed
- the extent of any family or other practical support
- the suitability of the client's home for adaptation (including the extent of any under-occupation or over-occupation)
- the practicalities of adapting the client's home (taking into account both the site it sits on and its wider location)
- the length of time for which the client is likely to be able to take advantage of the adaptation(s)
- the likely need for future adaptations
- the availability of, and eligibility for, suitable alternative accommodation
- the extent to which the adaptation(s) make appropriate use of the funding available to the Council.

¹¹ First contact is typically via OCC's centralised Access Team.

¹² Cases which require consideration by an OT are passed from the Access Team to the relevant OCC Area Team and subject to further screening to determine what might be involved prior to a visit being arranged. As a result, flagging up will usually involve the OT service flagging up cases with CDC.

7.1.4 Case officers will ensure that all the information we need is gathered and collated using a suitable pro-forma checklist ¹³ and will complete this as soon as possible. Once we have the information we need, we will be in a position to make decisions that take into account all the relevant facts and circumstances. We also intend to develop an appraisal pro-forma to record decision making in relation to both eligibility and approved works.

7.1.5 We shall discuss clients' options with them as soon as we can and will deal with:

- financial issues (such as advice about contributions they may have to make and any additional funding which they may need to secure to cover a shortfall in the cost of works)¹⁴
- alternative accommodation, and
- the implications of decisions that will need to be made about how their needs can be met, including their assessed priority and likely waiting time. (See section 7.5 & 7.6)

7.1.6 We propose that clients who agree to move home will be offered a grant to cover their moving costs¹⁵, will be provided with practical assistance where possible (such as locating and securing a suitable alternative home through the Choice Based Lettings scheme¹⁶) and will be given priority for any necessary adaptations to their new home.¹⁷

7.1.7 Owner-occupiers who might otherwise be faced with waiting for an adaptation and who are eligible for a Flexible Home Improvement Loan will be helped to explore that option and make an application.

7.2 Decision making criteria

7.2.1 Cherwell District Council, in consultation with Oxfordshire County Council's Social and Community Services, has to determine in each case whether the proposed works are necessary and appropriate and if they are reasonable and practicable. The Council cannot approve a Disabled Facilities Grant unless it is satisfied that these criteria have been met ¹⁸.

7.2.2 The Council's decision making will take into account the following specific expectations and presumptions:

- Grant works should properly and fully meet the assessed needs of the client. Grants which only partially meet those needs will only be considered in exceptional cases.

¹³ A suitable form will be developed.

¹⁴ Final means-test results and precise cost of works may not be available initially, but realistic estimates can be provided at an early stage.

¹⁵ Moving-grants are likely to be restricted to a figure less than the estimated cost of adapting the existing home but will be subject to approval by the Head of Service on an individual basis.

¹⁶ Choice Based Letting is the system used to allocate social housing across the district.

¹⁷ Adaptations to the new home will be assessed in the usual manner and the client will still be subject to means-testing.

¹⁸ The Council also has to be satisfied, as a result of a formal means-test, that the client's financial contribution is less than the approved value of the grant.

- Works funded by means of DFG will be the simplest and most cost-effective adaptations that will meet the client's assessed needs.¹⁹
- Facilities will be provided on the ground floor unless the Council judges that to be impractical or more costly.
- Wherever the Council judges it to be a practicable and realistic option, the re-ordering and/or change of use of existing rooms will be the preferred solution and will take precedence over both the construction of extensions and the installation of equipment. This solution will also take precedence if it will result in a reduction in the requirement for, or cost of, equipment.
- There will be a presumption against provision of level-access showers on anything but the ground floor unless that is a cheaper and more practical option.
- There will be a presumption against approving a grant for adaptation of a new home if the client already occupies an adapted home.
- There will be a presumption against the refitting of any adaptations which have previously been removed by, or at the request of, the applicant²⁰.
- There will be a presumption against the adaptation of under-occupied homes, and of under-occupied social-rented houses in particular.
- There will be a presumption against the adaptation of overcrowded homes or homes which are likely to become overcrowded.

7.3 Decision making responsibility

7.3.1 In the following cases, grant eligibility will be determined directly by the Grants Team Leader for the Head of Housing Services:

- Cases involving only the provision of a simple, straight stairlift, which satisfy the decision-making criteria set out above and which the Grants Team Leader judges to require no further exploration or consideration.
- Cases involving adaptations to bungalows and to purpose-built older-peoples' accommodation and sheltered housing (provided this is ground floor or provided with a suitable lift).

7.3.2 In all other situations, case consideration by the Council will include information resulting from a Housing Needs Assessment. A Housing Register application will therefore be required. All such cases will be subject

¹⁹ In the event that the client wants to proceed with a more costly approach, the Council will consider providing grant funding to the value of the simpler option only. If we agree to this, our decision will be conditional upon the works meeting the assessed need and upon agreement that no future grant funding will be available towards works which become necessary as a consequence of the client's decision to proceed with their preferred works rather than those proposed by the Council.

²⁰ For example, an application to refit a shower in a home where a suitable shower used to exist but had been removed by the current applicant who, at that earlier time had preferred a bath, but now seeks a shower.

to review by an Assessment Panel which will comprise the Grants Team Leader (or appropriate deputy), the Assessment & Rehousing Team Leader (or appropriate deputy), the OT specifically allocated to work with the Council (or appropriate deputy) and others as judged appropriate by the Council on a case-by-case basis. Following review, and having considered the views of the Assessment Panel, the Grants Team Leader (for the Head of Housing Services) will again determine whether or not the Council is able to approve a grant and, if a grant is available, the relevant works.

7.3.3 The Council's Head of Housing Service will have the final responsibility for determining whether the works in any particular case are judged *necessary and appropriate* and are *reasonable and practicable*.

7.4 Referrals and applications received in relation to RSL tenants

7.4.1 These will be treated and processed in the same manner as all other referrals and applications (whether from owner-occupiers or private tenants) and, in particular, will be subject to the same assessment, means-testing, allocation of priority and placement on the waiting list (as to which, see below).

7.5 Priority

7.5.1 In order to make sure that we can deal with all grant cases²¹ in fair way, we shall in future use a waiting list system which reflects the priority awarded to each client on the basis of their assessed need only. Those with greatest need will be highest on the list. We are not intending to award additional priority on the basis of time on the waiting list. If a client's needs change, they must be reassessed by an OT and their priority re-determined.

7.5.2 The assessment process is intended to ensure that cases in which adaptation is judged appropriate and which demonstrate high risk are given high priority and will therefore receive attention at the earliest opportunity.

7.5.3 If the DFG process is unable to deliver assistance sufficiently quickly in cases requiring urgent action²², the Council will consider providing discretionary grant funding in accordance with its Private Sector Housing Grant and Assistance Policy 2008.

7.5.4 We shall use the assessment procedure set out in Appendix A to determine priority²³.

7.5.5 In the event that changes are required to the assessment procedure, they will be determined by the Head of Housing Services following consultation with the OT service.

7.5.6 No case will be placed on the waiting list until all of the necessary information has been gathered and considered and until all of the possible options for meeting the assessed need have been explored and considered to the Council's satisfaction.

(In Cherwell, because we operate an 'in-house' HIA, and because almost all clients choose to make use of the HIA service, we rarely receive complete grant

²¹ ie Cases where we have decided that approval of a grant is the appropriate course of action.

²² For example, cases involving discharge from hospital of a terminally-ill client.

²³ This assessment and scoring process has been agreed with the OT service and was proposed by them as the most likely to be suitable.

applications which simply require checking, means-testing and approval. Adaptation requests usually reach us as referrals. These have to be worked-up²⁴ before a formal application can be completed. For this reason when we talk about prioritizing, we are in most cases actually concerned with the order in which we start work on referrals rather than approval of applications (which, by the stage it is reached, is a short administrative exercise). If we receive any completed applications they will be assessed for priority in the same manner as referrals and placed on the waiting list accordingly.)

7.6 Waiting time

- 7.6.1 All appropriate steps will be taken to minimise the waiting time before a grant case can be worked on and approved. The waiting list mechanism will be kept under review to ensure it is operating as intended and as circumstances require.**
- 7.6.2 In the event that changes are required to the waiting list mechanism, they will be determined by the Head of Housing Services in consultation with the Portfolio Holder for Planning & Housing.**
- 7.6.2 Ultimately however, the length of time someone has to wait on the list will depend upon the size of the grant budget, other resources available, and the number of cases with a higher priority.**
- 7.6.3 The Council will however reserve the right to start processing some cases out of strict priority order in exceptional cases (as determined by the Head of Housing Services) and where the Grants Team Leader determines that it is necessary to ensure either efficient allocation of staff resources, or budget allocation and spend.²⁵ (see also 8.2)**

The issue of waiting time does however need some more explanation because waits can occur at several points in the process and for different reasons: The first part of the adaptations process is an assessment by an OT. The OCC's Social and Community Services aim to ensure that assessment and subsequent referral to the Council is made within 28 days, but in some cases clients face a wait at this point before the Council becomes involved.

Once a referral (or an application) reaches the Council, we carry out a preliminary means-test within 10 working days in order that we can determine the likely contribution a client will have to make towards the cost of the work. This provides a further opportunity for us to help them explore alternatives to waiting for a grant. It also means that unnecessary waiting can be avoided, if for example the client is unlikely to be awarded a grant or a grant of sufficient size to facilitate the works they require. We also send the client a grant pack within 5 working days. Once we have obtained the necessary information and have determined that a grant can be approved, the case will be placed on the waiting list for allocation to a case officer.

Once allocated to a Council officer for action, the time taken for a referral to reach the grant approval stage will vary according to the nature of the work involved. Cases requiring relatively straightforward fitting of equipment such as a stairlift are

²⁴ Which involves feasibility checking, tendering, and in some cases preparation of drawings, planning applications, building regulation applications, party-wall agreements etc)

²⁵ For example, it may be appropriate to start working up certain larger jobs in order that other necessary steps such as obtaining planning approval can be started and can run in parallel to grant approval work.

likely to take least time. Those involving extensions and re-ordering of space are likely to take considerably longer, particularly when planning and other consents are required.

Once a grant has been approved, works will commence on site at the earliest opportunity, but this is dependent upon the availability of suitable contractors and their work-programme. This is a factor which is taken into careful account as part of the tendering and appointment process undertaken by the in-house HIA, but is not under the direct control of the Council.

(Note: the legislation requires the checking and approval of a DFG application within 6 months (where eligibility criteria are met). As a result of the HIAs involvement, much of the work (and therefore most of the time taken) occurs before an application can be made, since an application has to include the detailed specification for the work and (usually) 2 prices. In cases which need planning consent the specification can only be produced once that permission has been given. Once the specification and prices are available, the approval process is a simple administrative one taking only a short time. We remain aware however that the total time taken from the point at which a client raises an adaptation need to the completion of their installation is what matters to them.)

8. Funding

8.1 Government and other external funding

8.1.1 The Council will make the case for the maximum government funding contribution at every opportunity.

8.1.2 We shall seek additional funding from other sources, agencies and partners wherever possible.

8.2 Council funding

8.2.1 In accordance with its various strategies the Council will continue to support and deliver disabled adaptations and will allocate resources to DFGs as one of its priorities.

8.2.2 In accordance with this policy, the Council will continue to deliver the available capital resource as efficiently and effectively as possible. In particular, whilst avoiding over-spend, the Council will permit such sufficient, carefully managed over-commitment of the DFG budget as is consistent with the likely future budget, is necessary to ensure effective budget spend, a consistent through-put of cases and appropriate allocation of the available staff resource²⁶.

8.2.3 In the event that a grant applicant dies before works have commenced the application will not be pursued and any grant that has already been approved will be cancelled. In the event that works have already commenced the Council will, in principle, and having regard to the facts of the case, provide grant funding towards those works it judges necessary to make-good. In the case of major building works such as extensions, any

²⁶ This approach has been carefully used to delivered effective spend for a number of years.

discretionary payment will be restricted to those works necessary to make the building safe, secure and water-tight and to provide a basic standard of internal finish only. The Council will however only contribute up to the level of the approved grant and to the cost of any relevant works which exceed the applicant's assessed grant contribution.

8.3 Our proposal for RSL funding

8.3.1 An entirely equitable and transparent scheme would see all adaptations in the district being assessed, prioritised, processed and funded in the same way regardless of tenure. However, although we do not believe this is achievable at present (not least because the Council's Grants Team is already fully committed and because it would necessitate RSL's transferring capital, and possibly allocating a staff resource to the Council), it is right that it should remain an ambition.

8.3.2 In order that resources can be enhanced and future waiting times kept as low as they can be, we propose to ask all RSLs to commit to funding and making appropriate arrangements for installing all minor adaptations and to contributing at least 50% of the cost of major adaptations provided to their tenants.

9. Repayment of Grant

9.1 In order to ensure its grant budget is used as effectively and as efficiently as possible, the Council will use the powers made available to it by the *Disabled Facilities Grant (Conditions relating to approval or payment of Grant) General Consent 2008*, to recover grant in specified circumstances.

9.2 There will be a general presumption that grants should be repaid in those cases where a property adapted with grant assistance for an owner-occupier or their child is sold or transferred within 10 years of the certified date of grant completion. Each case will however be assessed to determine whether it is reasonable in all the circumstances to require the repayment. The Head of Housing Services will specifically approve an exemption if recovery is not to take place.

9.3 In accordance with the General Consent, no repayment will apply to grants of £5,000 or less and the maximum repayment will be £10,000.

9.4 The Council has determined that the first £5000 of all grants greater than £5000 will be exempt but every amount over £5,000 will be repayable up to the £10,000 limit. This is intended to ensure that no one has to repay a disproportionate amount. Table 1 below shows how this will work.

9.5 The Head of Housing Services will have discretion not to recover any very small sums where the administration costs would outweigh the value of the amount which could be recovered ²⁷.

²⁷ For example, the matter of a few pounds only.

Table 1

Grant	Recoverable sum	Comment
£4,999	No Charge	Recovery not permitted
£5,500	£500	Recovery limited to £500 rather than the £5,500 possible
£6,000	£1,000	Recovery limited to £1,000 rather than the £6,000 possible
£10,000	£5,000	Recovery limited to £5,000 rather than the £10,000 maximum
£15,000	£10,000	The maximum allowable £10,000 will be recovered
£30,000	£10,000	The maximum allowable £10,000 will be recovered

9.6 The amount of any grant which is repayable will be made a Land Charge against the property at the time of payment. The Charge will remain in place for the period of 10 years from the certified date of grant completion. This will allow the Council to recover its money at the point of any sale or transfer.

9.7 DFG capital which is repaid to the Council will be recycled, that is, credited to the DFG budget in order that it can be re-used for further DFGs.

Appendix A

Major Adaptation Assessment Criteria – Eligibility & Priority

1. The assessment process and criteria set out below will be used to assess both the Priority Need Band and Priority Score in all cases requiring major adaptations (ie cases requiring structural alterations or the provision of adaptations costing more than £1000). It will not be used for minor adaptations and such cases will not be referred to the Council.
2. Occupational Therapists will record their assessments on this basis in order that Priority can be assessed. Where an identified need does not fit exactly into a level of need, the level that fits most closely should be selected.
3. If a person has low need or the need is already being met by an adaptation or piece of equipment the Need level selected should be Band 1.
4. Only cases with a level of need identified as either Band 4 or Band 3 will be forwarded to the Council. (Those cases at Band 2 or Band 1 will be sign-posted elsewhere.) A copy of the completed Priority Assessment Summary sheet (see below) will be included as part of each referral.

1. ACCESS

1.1 Internal Access

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>Totally unable to mobilise to essential facilities e.g. toilet, bedroom, or unable to access toilet in time even with assistance of carer</p> <p>AND all alternative long term measures have been considered and are inappropriate</p>	<p>Most of the time is unable to mobilize to essential facilities eg toilet, bedroom, or most of the time is unable to access toilet in time even with assistance of carer.</p> <p>AND all alternative long-term measures have been considered and are inappropriate.</p> <p>AND the medical condition is such that there is likely to be significant deterioration over the next 12 months.</p>	<p>Is able to access the majority of rooms within the home but with difficulty.</p> <p>AND there is potential risk to independence in the foreseeable future.</p>	<p>Has indoor access but difficulties are increasing</p> <p>AND limited risk to independence in future.</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

1.2 External Access

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>Unable to access the property even with carer assistance.</p> <p>AND there is essential need for access for health purposes.</p>	<p>Has great difficulty or is unable to access property even with carer assistance.</p> <p>AND needs access for leisure or social purposes.</p> <p>AND would be able to access community facilities/activities on a regular basis</p>	<p>Able to access the property with minimal carer assistance.</p> <p>AND would only need to go out very occasionally</p>	<p>Is able to access property but access in/out is becoming more difficult.</p> <p>AND limited risk to independence in future.</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

1.3 Negotiating Stairs

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>Unable to negotiate stairs</p> <p>AND has essential need to access essential upstairs facilities</p> <p>AND unable to make alternative arrangements to overcome difficulties</p>	<p>Unable to negotiate stairs without a high risk of injury to self and/or carer.</p> <p>AND essential needs to access upstairs facilities and alternative measures cannot reduce risk to independence.</p>	<p>Able to negotiate stairs with difficulty and/or some assistance from a carer.</p> <p>AND alternative measures can be made</p> <p>AND there is potential risk to independence in the foreseeable future.</p>	<p>Able to manage stairs but becoming more difficult.</p> <p>AND limited risk to independence in future.</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

2. TRANSFERS

2.1 Toilet

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>Unable to transfer on/off toilet.</p> <p>AND unable to weight bear</p> <p>AND unacceptable level of physical assistance given by carers, high risk of injury to self and/or carer.</p> <p>OR no care available.</p> <p>AND/OR a commode has been provided but an increased care package is required to empty it OR a commode is being used within a family/communal space.</p> <p>OR bowel management is taking place on the bed as access to a commode/WC is not possible</p>	<p>Able to carry out toilet transfers with great difficulty even with carer assistance.</p> <p>AND there is serious risk of injury to self and/or carer in near future.</p> <p>AND/OR use of a commode severely restricts room space available to the rest of the family.</p> <p>OR use of commode is possible with assistance from 2 carers and/or a hoist.</p>	<p>Able to carry out toilet transfers but with some difficulty.</p> <p>AND sometimes needs help from a carer.</p> <p>AND there is potential risk to self and/or carer in the foreseeable future.</p> <p>AND/OR a commode has been provided and can be used independently or with minimum assistance.</p> <p>OR a commode has been provided and is used in a private area e.g. bedroom or second sitting room.</p>	<p>Able to transfer on/off toilet.</p> <p>AND the transfer is becoming more difficult.</p> <p>AND limited risk to independence in future.</p> <p>AND a commode is not required at this time.</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

2.2 Chair

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>Unable to transfer from a chair/wheelchair.</p> <p>AND unable to weight bear.</p> <p>AND unacceptable level of assistance provided by carer, high risk of injury to self and/or carer.</p> <p>OR no care available</p>	<p>Able to stand from sitting but with great difficulty even with carer assistance.</p> <p>AND there is potential risk of serious injury to self and/or carer in near future.</p>	<p>Able to transfer with some difficulty.</p> <p>AND sometimes needs assistance from carer.</p> <p>AND there is potential risk of injury to self and/or carer in the foreseeable future.</p>	<p>Able to transfer from chair/wheelchair.</p> <p>AND the transfer is becoming difficult.</p> <p>AND limited risk to independence in future</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

2.3 Bed

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>Unable to move around in bed or transfer on/off bed.</p> <p>AND unable to weight bear.</p> <p>AND unacceptable level of assistance provided by carer, high risk of injury to self and/or carer.</p> <p>OR no carer available</p>	<p>Able to alter position in bed, sit up in bed and transfer from the bed but with great difficulty even with carer assistance.</p> <p>AND there is potential risk of serious injury to self and/or carer in near future.</p>	<p>Able to carry out bed transfer with some difficulty.</p> <p>AND sometimes needs assistance from carer.</p> <p>AND there is potential risk of injury to self and/or carer in the foreseeable future.</p>	<p>Able to carry out bed transfer.</p> <p>AND the transfer is becoming difficult.</p> <p>AND limited risk to independence in future.</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

2.4 Bath / Shower

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>Unable to transfer into existing bath/shower.</p> <p>AND an unacceptable level of personal hygiene cannot be achieved by other means e.g. strip wash, bed bath</p> <p>AND there is risk of imminent breakdown of care situation resulting in admission to hospital or residential/nursing care.</p>	<p>Unable to transfer into existing bath/shower.</p> <p>AND unable to strip wash independently.</p> <p>AND carer experiences/will experience difficulty assisting to give strip wash and is at risk of injury OR carer has difficulty achieving an acceptable level of personal hygiene for the service user within existing arrangements OR it is not possible to provide a carer/assistance.</p>	<p>Unable to transfer into existing bath/shower independently.</p> <p>AND is unable to strip wash independently and requires assistance from carer to complete task.</p> <p>AND carers are able to help service user to achieve an acceptable level of personal hygiene.</p> <p>AND carers are at low risk of injury.</p>	<p>Experiences some difficulty or unable to transfer into existing bath/shower. May sometimes require carer assistance.</p> <p>AND able to strip wash independently to achieve an acceptable level of personal hygiene.</p> <p>AND limited risk to independence in the future.</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

3. FOOD AND DRINK PREPARATION

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>Unable to carry out essential tasks</p> <p>AND no carer assistance available.</p> <p>AND severe risk of self neglect and poor nutrition.</p> <p>AND imminent risk to independence.</p> <p>AND there are no other options available.</p>	<p>Unable to carry out essential tasks.</p> <p>AND no carer assistance available.</p> <p>AND risk to independence in near future.</p> <p>AND there are no other options available.</p>	<p>Limited ability but can complete tasks with some difficulty/assistance.</p> <p>AND no carer assistance available.</p> <p>AND risk to independence in foreseeable future.</p> <p>AND there are no other options available.</p>	<p>Can complete tasks but becoming more difficult.</p> <p>AND no carer assistance available.</p> <p>AND limited risk to independence.</p> <p>AND there are no other options available.</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

4. COMMUNITY INVOLVEMENT

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>There is an urgent need to access essential health services as identified by GP/Consultant/other medical professional, or social care support services identified in current care plan, that cannot take place in the home</p> <p>AND there is an imminent risk to physical or mental health for self and/or carer.</p>	<p>There is a substantial risk to physical or mental health of self or carer if these services are not accessed.</p> <p>AND services can no longer take place with the home.</p>	<p>There is a potential risk to physical or mental health of self and/or carer if these services are not accessed.</p> <p>AND services cannot take place within the home.</p>	<p>Some difficulties accessing these services but low risk to physical or mental health of self and/or carer if services are not accessed.</p> <p>AND services could be received within the home.</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

5. FAMILY ROLE

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>Unable to sustain family role.</p> <p>AND physical and/or mental health is imminent risk.</p> <p>AND family members are fully dependent on service user.</p> <p>AND immediate loss of independence.</p>	<p>Family role could be sustained with assistance.</p> <p>AND health at risk in near future.</p> <p>AND puts unacceptable strain on others.</p> <p>AND loss of independence in near future.</p>	<p>Family role could be sustained without assistance.</p> <p>AND health at limited risk in foreseeable future.</p> <p>AND some strain on others.</p> <p>AND loss of independence in foreseeable future.</p>	<p>Family role could be sustained without assistance.</p> <p>AND independence/health at low risk.</p> <p>AND limited strain on others.</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

6. LIFESTYLE/CULTURE/RELIGION

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>Unable to carry out essential religious/cultural requirements.</p> <p>AND there is evidence that these are of crucial importance to the religion/culture.</p> <p>AND imminent risk to health due to loss of role.</p>	<p>Majority of needs not met.</p> <p>AND serious risk of loss of independence in near future.</p> <p>AND serious risk to physical/mental health in near future.</p>	<p>Some religious /cultural needs not met.</p> <p>AND may cause depression/isolation in foreseeable future.</p>	<p>One or two religious/cultural needs not met.</p> <p>AND there is evidence that these are not of critical importance to the religion/culture.</p> <p>AND health at low risk.</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

7. ACCESS TO WORK/EDUCATION

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>Unable to sustain vital involvement in work or education.</p> <p>AND physical and/or mental health is at risk.</p> <p>AND immediate loss of independence.</p>	<p>Involvement in vital work or education is at substantial risk of breakdown.</p> <p>AND physical and/or mental health at risk in near future.</p> <p>AND loss of independence in near future.</p>	<p>Difficulty in accessing maintaining principle daytime work or education activity.</p> <p>AND could be sustained with some support</p> <p>AND health and independence at limited risk in foreseeable future.</p>	<p>Would like to participate in educational or vocational activities as it would improve quality of life.</p> <p>AND some assistance is needed to access them.</p> <p>AND health at low risk.</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

8. CARERS

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>Totally dependent on carer for all essential personal care activities.</p> <p>AND responsibility is too great for carer to manage and carer is at high risk of severe injury to self and/or service user.</p> <p>OR care situation has broken down or is at imminent risk of breakdown with potential for hospital/residential/nursing care being sought.</p> <p>AND provision of equipment will not alleviate the situation.</p>	<p>Reliant on carer for majority of activities of daily living.</p> <p>AND carer has significant disabilities and is at risk of injury in near future.</p> <p>OR care situation is at risk of breakdown in near future.</p> <p>AND carer has very low support networks.</p>	<p>Dependent on carer for assistance with many activities of daily living.</p> <p>AND carer manages with difficulty to provide assistance or is unable to provide some aspects of care.</p> <p>AND possibility of breakdown of care situation in foreseeable future.</p> <p>AND carer has limited support networks.</p>	<p>Very little reliance on carer for assistance with activities of daily living.</p> <p>AND no foreseeable risk of care situation breaking down.</p> <p>AND carer has good support networks.</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

9. HEALTH AND SAFETY

BAND 4	BAND 3	BAND 2	BAND 1	NOT APPLICABLE
<p>No understanding of risk and constantly putting self at risk of accident/injury.</p> <p>AND total lack of independence due to unpredictable nature of behaviour.</p>	<p>Has limited understanding but still putting self at significant risk.</p> <p>AND at risk for majority of tasks.</p> <p>AND loss of independence now or in the near future.</p>	<p>Some understanding of risks with awareness causing occasional stress/anxiety now or in foreseeable future.</p> <p>AND significant loss of independence due to inability to carry out many tasks safely.</p>	<p>Cautious of risk.</p> <p>AND has clear understanding and will be able to contact appropriate services/professional staff when situation deteriorates.</p> <p>AND level of risk may cause occasional stress/anxiety in the near future.</p>	<p>This area is not being considered at this time as it has no impact on the adaptation being recommended.</p>

PRIORITY ASSESSMENT SUMMARY

SECTION 1		BAND				
ACCESS	1.1. Internal Access	4	3	2	1	N/A
	1.2 External Access	4	3	2	1	N/A
	1.3 Negotiating Stairs	4	3	2	1	N/A
SECTION 2						
TRANSFERS	2.1 Toilet	4	3	2	1	N/A
	2.2 Chair	4	3	2	1	N/A
	2.3 Bed	4	3	2	1	N/A
	2.4 Bath/Shower	4	3	2	1	N/A
SECTION 3	Food and Drink Preparation	4	3	2	1	N/A
SECTION 4	Community Involvement	4	3	2	1	N/A
SECTION 5	Family Role	4	3	2	1	N/A
SECTION 6	Lifestyle/Culture/Religion	4	3	2	1	N/A
SECTION 7	Access to Work/Education	4	3	2	1	N/A
SECTION 8	Carers	4	3	2	1	N/A
SECTION 9	Health and Safety	4	3	2	1	N/A

PRIORITY NEED BANDING

Circle only the HIGHEST Need Banding as determined above

4 (High)	3 (Medium)	2 (Low)	1 (No need)
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PRIORITY SCORE CALCULATION

Insert total number for each level from summary table above, use multiplier to determine total for each level, add total for each level to give priority score.

No. of Band 4s	Multiplier	Total A	No. of Band 3s	Multiplier	Total B	No. of Band 2s	Multiplier	Total C	No. of Band 1s	Multiplier	Total D
	x4			x3			x2			x1	

PRIORITY SCORE:

(Sum of Totals A, B, C & D)

BUSINESS CASE

**from the Joint Working Group
for a shared senior management team
between**

**South Northamptonshire Council
and
Cherwell District Council**

18 November 2010

Joint Working Group

South Northamptonshire

Cllr Ian McCord (Chairman)

Cllr Caryl Billingham

Cllr Steve Clarke

Cllr Diana Dallyn

Cllr Paul Farrow

Cllr Blake Stimpson

Cllr Martin Wilson

Cherwell

Cllr James Macnamara (Vice
Chairman)

Cllr Ken Atack

Cllr Nick Cotter

Cllr George Reynolds

Cllr Nicholas Turner

Cllr Douglas Williamson

Cllr Barry Wood

FOREWORD

At the moment, many district councils in England are either in a formal partnership arrangement with a neighbouring district or are seriously talking about it. They are doing this to help save council taxpayers' money, to preserve services for residents, and to respond to expected cuts in Government funding over the coming years. Experience in other parts of the country shows that efficiencies can be gained from a shared chief executive, management team and specialist positions between two authorities. All those who have successfully shared a management team have advised us to do it and reap the rewards; none has regretted it.

In presenting this joint business case to both councils, the Joint Working Group are inviting you to consider whether these models of joint management in the broadest sense offer both councils the flexibility to select the model which best reflects our local needs in the future, and whether or not they advance the cause of localism.

These recommendations, if adopted, will have far reaching consequences for both organisations. Before reaching an informed decision you must satisfy yourself that this alternative approach will deliver better services for the residents and businesses of South Northamptonshire and Cherwell, and give us the best management structure that will help us achieve our ambitions.

The initial saving is a significant amount that will go a long way to addressing our current financial situation, as we are under pressure from the effects of the recession as well as major reductions in grant support from Government.

There is no doubt higher savings could be achieved from a single team, but we must also be sure that we have the capacity and capability to deliver good services throughout both councils.

Public sector finances are going to be severely reduced, yet residents will continue to rely on their district council for good quality services and to champion their local community. By becoming more strategic and efficient in the way we work we can strive, not only for better councils, but councils that are heard more loudly when it comes to national decision making.

This is not a merger of our two councils but a model that strives to show that working together is the best way we can deliver good quality services to our communities in the years to come. Cherwell and South Northamptonshire will continue to be two sovereign bodies with differences in policy and procedure as now.

This final version of the business case builds on the draft first presented to Members of both councils on 17 September. It takes into account the comments received from Members, both formally through the Councils' Cabinet and Executive, as well as the respective scrutiny committees. It also

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8 December 2010

takes into account the comments received from the Trade Unions and staff at both Councils.

We want to thank the Joint Working Group for all their efforts, as well as all the Members who have participated in extensive discussions over the last few weeks. We also want to thank the officers who have supported the work of the Joint Working Group and all the members of staff who have contributed views to the consultation and to the further development of the business case.

The Rt Hon Eric Pickles MP, Secretary of State for Communities and Local Government, has encouraged Local Authorities to consider the benefits of shared management and shared services, and said that the decision is up to us.

This is the final version of the business case. It is now up to you, the Members of each council, to decide a way forward.

Best Wishes



Mary Clarke
Leader – SNC



Barry Wood
Leader – CDC

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1.0 EXECUTIVE SUMMARY AND RECOMMENDATIONS

Introduction

1.1 Cherwell District Council's (CDC) Executive and South Northamptonshire Council's (SNC) Cabinet agreed in July to set up a Joint Working Group to oversee the development and delivery of a detailed business case for the creation of a single senior management team to serve both councils. The Joint Working Group delivered a draft business case in September. Members, staff and unions of both councils have been consulted since then, as have the formal scrutiny committees of both councils and CDC's Executive and SNC's Cabinet. In arriving at this final document the Joint Working Group have taken the comments from all respondents into account. This final version of the business case summarises the Joint Working Group's findings and recommendations in advance of the final decisions to be taken by both full councils on 8 December.

1.2 The Comprehensive Spending Review report, published 20 October 2010, made it clear that local authorities can expect cuts of 26% to formula grant settlements over the next 4 years, with significant front-loading of cuts in 2011/12 and 2012/13. While the detailed assumptions about the final settlement of SNC and CDC are different, it is clear that the type of cost-saving activities, which have been successfully pursued in both councils in recent years, are not going to deliver the larger-scale cost reductions now required.

It was also announced in the Comprehensive Spending Review that DCLG will allocate up to £200m of additional capitalisation directions in 2011-12 only, in order to allow councils to restructure their services for example by capitalising redundancy costs. Both authorities will apply for such a direction at the appropriate time in order to protect dwindling revenue resources. If approved this will mean that capital receipts can be used to fund some, if not all, of the transitional costs.

1.3 But CDC and SNC have much more in common than their financial challenges. Both councils are managing significant housing growth with the infrastructure and resource challenges this brings. Both have ambitions for improving the quality of life of their residents, and for supporting their businesses in ways which go beyond the usual remit of district councils. This work takes up significant staffing capacity which the Leaders of CDC and SNC and the Joint Working Group would like to continue for as long as possible.

1.4 Both councils are now well advanced with their service and financial planning for 2011/12 and beyond. Both are considering potential cuts to services. Although bringing the management teams together would not remove the need for any service reductions, the savings from such a move would significantly reduce the shorter and medium-term cuts

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required. If they adopt joint working, members of both councils will have options that would not be the case if they continue to work alone.

Key workstreams

1.5 Before arriving at our recommendations we, the Joint Working Group, invested much effort in a number of pieces of work in order to present a comprehensive business case:

1.6 ***Lessons from councils who have already put shared management teams in place***

We visited/spoke to three pairs of district councils who share management teams. In response to comments we received on the draft business case we have gone back to some of these councils with specific questions.

1.7 ***Potential shared roles and structures***

We are recommending that the most appropriate shared management structure is one Chief Executive, three Directors and 8 Heads of Service. However, in response to consultation comments, we have been clearer in this final business case as to how and why we arrived at this.

1.8 ***Costs and benefits***

We considered the ongoing costs and benefits of a shared senior management team, the one-off costs, the affordability for both councils, and the payback periods for both. We also considered the potential models for allocating costs or savings between the councils.

1.9 ***Timing of implementation***

The pace at which CDC and SNC should move to a shared management team, particularly in light of the all-out elections at SNC in May 2011, has been a key consideration of the Joint Working Group.

1.10 ***Legal arrangements and appointments to shared senior team***

We have considered the legal arrangements which would need to be in place to allow SNC and CDC to share a senior management team, and the arrangements for member appointments to shared posts

1.11 ***Risks***

We considered the risks of combining the two current management teams into one, and the mitigating actions required to manage these risks.

1.12 ***The potential for savings beyond the senior management team***

In accordance with the scope of our terms of reference, we briefly considered the potential further savings which would come from CDC and SNC sharing officers at the tier below Heads of Service.

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Conclusions

We drew a number of conclusions from our work:

1.13 **Lessons from others**

That councils who share management teams do retain their sovereignty, and elected members of such councils remain in charge of decision-making in their respective districts.

- 1.14 That councils do share management teams successfully; that the theoretical savings have turned out to be real and often greater than predicted; that shared officers do successfully serve two councils even where the priority projects and policies are different; that councils which share management teams do carry on working in other partnerships where appropriate; that councils working together across county boundaries do not face any particular difficulties

1.15 **Shared structure**

That SNC and CDC should share a senior management team comprising twelve posts – a Chief Executive, three Directors and eight Heads of Service – and, beyond the senior management team, three further posts.

1.16 **Financial benefits**

That these fifteen proposed shared posts would cost a total of £1,601,000, compared to a total current cost of £2,647,000, representing a total annual saving of £1,046,000 on the councils' current costs.

- 1.17 That CDC and SNC should share the ongoing costs of these shared posts 50/50, recognising that officers appointed to these roles will split their time equally between the two organisations. There will be an **annual saving of £360,000 for SNC and £686,000 for CDC and cumulative 5-year savings of £1,800,000 for SNC and £3,430,000 for CDC.**

- 1.18 That the one-off costs are estimated as £1,384,000, and that CDC should pay 60% of these in light of its size relative to SNC and also in order to secure broadly similar payback periods for both councils. This represents costs to SNC of £553,600 and costs to CDC of £830,400, assuming average one-off costs, and that all posts are filled internally apart from the shared Chief Executive post which is subject to an external recruitment process and may be an internal or external appointment.

- 1.19 That these one-off costs would be paid back in 1.54 years to SNC in 1.21 years to CDC.

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- 1.20 That these one-off costs should include a contingency sum of £339,000.
- 1.21 That in the worst case one-off costs would be £1,693,000, depending ultimately on which officers are appointed to the new roles. This worst case represents costs to SNC of £686,000 and costs to CDC of £1,016,000, and the payback period to SNC is extended to 1.88 years and to 1.48 years to CDC, still comfortably inside the timeframe required by the Medium Term Financial Strategies of each council.
- 1.22 That in both the average and worst case scenarios the one-off costs are fundable from the balances and earmarked reserves of both councils.
- 1.23 That it is assumed that both councils apply the statutory number of weeks (maximum 30) to redundancy calculations, but that should the number of weeks' compensation awarded be greater than this, then the additional cost is borne by the relevant council.
- 1.24 **Pace**
That this shared team should be put in place as quickly as possible.
- 1.25 **Legal arrangements and appointments to shared posts**
That a Section 113 agreement is the most appropriate mechanism to provide the legal framework for joint working, and a new joint committee is required for elected members of both councils to make appointments to posts in the shared senior management team and to carry out other required functions such as the appraisal of the shared Chief Executive.
- 1.26 **Risks**
That in light of the risk assessment and the extensive learning and advice from other councils, the benefits of CDC and SNC sharing a senior management team outweigh the risks, subject to the mitigating actions being implemented.
- 1.27 **Potential further savings beyond the senior team**
That at the tier below Service Head savings of 15-25% are probably achievable and could deliver **further annual savings ranging from £168,000 to £280,000 for SNC and £294,000 to £489,000 for CDC.** Assuming a 20% reduction in costs, such action could deliver cumulative savings over five years of **£1,120,000 to SNC (£224,000 per annum) and £1,960,000 to CDC (£392,000 per annum).** This is based on 2010-11 budgets before the implementation of any budget proposals.

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Recommendations

1.28 We, the Joint Working Group, following consultation with members, staff and unions at both councils, recommend to the full councils of both CDC and SNC that CDC and SNC put in place a shared management team by the end of September 2011.

1.29 We make a further eighteen recommendations: that

Sovereignty

- Both SNC and CDC will remain separate councils and will retain their sovereignty. Elected members of both councils will remain in charge of decision-making in line with their visions, strategic aims, objectives and priorities.

Shared management team

- CDC and SNC share a senior management team comprising twelve posts: a Chief Executive, three Directors and eight Heads of Service and that the final structure and responsibilities of the senior management team be agreed between the shared Chief Executive, once appointed, and members of both councils before further appointments are made.
- Recruitment to the shared Chief Executive commences immediately, using the Job Description and Person Specification attached in Appendix 8, via an open recruitment process which will be supported by recruitment consultants appointed by both councils.
- The shared Chief Executive is appointed in February 2011 and shared Directors and Heads of Service are appointed by July/August and by September respectively, subject to the final structure being approved first by both full councils.
- Officers appointed as the shared Chief Executive, Directors and Heads of Service be appointed on new terms and conditions to be agreed by the Joint Personnel Committee.
- SNC and CDC share three further posts – covering the functions of communications, corporate performance and programme management – and that these posts be appointed to as soon as possible after end September 2011.
- Officers appointed to the three other shared posts retain their current terms and conditions, with further consideration given to the remuneration levels for those roles in recognition of the new requirement to work across both councils.

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- All successful internal candidates remain employed by their original employer, though in exceptional cases they may be employed by the other authority; successful external candidates to be employed by one or other employer on a case-by-case basis.
- Both councils apply at the appropriate time to the Department of Communities and Local Government for approval to capitalise the costs of creating a shared management team in order to protect revenue resources as far as possible.

Formal and informal structures for joint working

- A Joint Personnel Committee be set up and works to the terms of reference in Appendix 4; that this Committee, supported by recruitment consultants, recommends the appointment of the shared Chief Executive to both full councils and appoints to the Directors and Heads of Service.
- A Joint Appeals Committee be set up to hear any appeals related to the shared posts and works to the terms of reference in Appendix 5.
- The Joint Working Group is disbanded and a new Joint Arrangements Steering Group is now set up and works to the Terms of Reference in Appendix 7 to oversee the implementation of the above recommendations.
- CDC and SNC both sign on 9th December the Section 113 agreement in Appendix 3 to allow them to share a senior management team (including all statutory officers) and three other posts in the way proposed.

Current and future partnership working

- SNC and CDC continue with their existing shared arrangements for service delivery with other local authorities, and these are reviewed either as they come up for renewal or as appropriate.
- Both councils look to build directly on the creation of a shared management team by extending partnership working, creating a confederation of local authorities and other public sector organisations (including health and police) which could collaborate in a model resembling a gateway contract or framework agreement for mutual benefit.

Future development of joint working

- CDC and SNC agree to consider in due course individual business cases for integrating posts at the tier below Service Heads, and teams below that.

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18 November 2010: Final business case for consideration by full councils on
8 December 2010

- Once SNC and CDC decide to consider service level business cases, they work towards a common set of terms and conditions for all staff below Service Heads so that these can be put in place early on.

Project review

- Both councils receive an interim update in September/October 2011 and a post project report in September 2012, reviewing the implementation of these recommendations.

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2.0 SUMMARY OF CHANGES TO FINAL BUSINESS CASE

2.1 In developing this final business case we have taken into account the comments from members, staff and unions at both councils. We point out through the document where we have made changes or provided additional explanation.

The main areas are:

The reasons behind the recommended shared structure of one Chief Executive, three Directors and 8 Heads of Service – In hindsight the draft business case did not make this clear and we have laid out our reasoning now in more detail (in paragraph 5.3)

Timetable -- We had proposed that the shared senior team should be in place by March and we are now proposing end September 2011. We are recommending that work to appoint the shared Chief Executive should start immediately after 8 December, assuming both councils decide to proceed. This is now an open recruitment process and will inevitably take longer to conclude. The timetable now assumes that Directors will be appointed in July /August 2011 and Heads of Service in September 2011.

Cross-county working – We have explored the challenges and opportunities of cross county working in more detail and lay these out in paragraph 4.14.

Capacity of officers in shared posts – We have explored these in more detail and lay these out in paragraph 5.3.

Ringfencing – we have revisited our thinking on which current post holders would be eligible to apply for which roles, reflected in paragraph 5.6.

Comprehensive Spending Review – the outcome of this and its likely consequences are covered in section 3.

Cultural differences – these are explored in paragraph 4.15.

Organisational changes and recent performance – the recent history of the restructuring activity and performance at both councils is covered in paragraphs 3.22 and 3.23.

Extended partnership working – Creating a Confederation – Recognition of the potential to develop opportunities with other authorities in the public sector, putting the two councils in a strong position to address anticipated future challenges, is covered in paragraphs 3.13 and 3.14.

3.0 BACKGROUND

- 3.1 In July 2010, the CDC Executive and SNC Cabinet agreed to explore the feasibility of sharing a senior management team in order to save costs and develop closer working practices. To this end, a Joint Working Group was set up to oversee the development and delivery of a detailed business case for the creation of a single senior management team (CEX, Directors and Heads of Service) to serve both CDC and SNC, and to present this to the CDC Executive and SNC Cabinet, and subsequently to both Council's full council meetings on 8 December 2010.

Financial challenges faced by both councils

- 3.2 Both SNC and CDC have successfully reduced their running costs in recent years by securing efficiencies and transforming services. Both have taken out costs and looked to find new income streams.
- 3.3 SNC revenue costs have increased slightly over the last 5 years from £11.2m in 2006/07 to £12.8m in 2010/11. This was due in part to a decision to invest in senior capacity (following stock transfer) in order to develop an outward facing, policy-led, advocacy organisation. The council has achieved this by making significant revenue savings and by increasing revenue income. The budget reliance on investment income has been significantly reduced, although the Council has achieved a 3% return on four packages totalling £20m which mature over the next three years. All of this has enabled the impact on frontline services to be kept to a minimum.
- 3.4 CDC has reduced its revenue costs by £5m (21%) in the last 4 years, from £23.5m in 2006/07 to a budget of £18.5m in 2010/11. Reductions in total staff costs have driven this almost entirely, reducing from £21.1m in 2006/07 to £16.7m in 2010/11. Only minor cuts have been made to services along the way. At the same time CDC has deliberately reduced its exposure to investment income, relying in 2010/11 on investment income for 6% of the revenue budget, compared to 30% in 2007/08.
- 3.5 But despite this good work, both councils face significant shortfalls in their Medium Term Financial Strategies (MTFS). Both councils have been working to three MTFS scenarios, which in turn project total shortfalls for 2011/12 to 2014/15. The shortfalls are significant for both councils although the detailed assumptions around cuts to formula grant, concessionary travel pressures and other issues are different. The table in the first draft of the business case has been augmented to include the potential impact of the Comprehensive Spending Review (CSR) announcements which were made on 20 October 2010.

	Cherwell	South Northants
Best case	£11.3m (assumed formula grant cut by 5% per year for 3 years)	£4.2m (assumed formula grant freeze)
Realistic case	£15.8m (assumed formula grant cut by 6.5% per year for 3 years)	£6.9m (assumed formula grant cut by 10% in 2011/12)
Updated position after CSR	£13.8m - £16.8m	£8.9m
Worst case	£16.8m (assumed formula grant cut by 20% over 2 years)	£10.3m (assumed formula grant cut by 6.5% per year for 3 years)

- 3.6 Cherwell project their medium term revenue plan over a four year period and therefore in order to ensure comparability the South Northants projections have been provided for the same period (rather than the normal five year period reported to the SNC Budget Working Group). The five year period figures would be £5.2m (optimistic), £8.6m (realistic), £11.6m (CSR updated) and £13.0m (pessimistic).
- 3.7 Additionally the South Northamptonshire figures do not incorporate the £1m reduction that full council agreed in June 2010. With the exception of the CSR updated position, the above figures would be reduced by £5m if these were incorporated (and the figures in the table by £4m).
- 3.8 The CSR updated position above would need to be adjusted by £4.4m (and the figures in the table by £3.5m as a result of due diligence on the £1m reduction now being complete and verifying this figure as £0.876m)
- 3.9 The Comprehensive Spending Review report on 20th October made it clear that local authorities are facing cuts of about 26% over the next 4 years. The table above reflects the impact the announcements at the national level have had on the medium term revenue plans for each council assuming the national position is reflected in the local settlements.
- 3.10 However, the local situation and the phasing of the cuts are still key issues. We still do not know the provisional formula grant settlements both councils will receive for 2011/12 onwards, although the detailed provisional information for each council will be issued by the DCLG in early December, with final settlement figures to follow in January. However, the frontloading of the cuts suggests we will be facing potentially greater cuts in 2011/12 than we had previously thought. Any further news on our provisional settlements will be presented to both councils on 8 December.

- 3.11 In seeking savings to date, both Councils have worked in partnership with other local authorities. SNC has a partnership with three other councils to prepare the Local Development Framework, which is the responsibility of the West Northamptonshire Joint Strategic Planning Committee supported by a Joint Planning Unit. It has a joint Community Partnership Unit (and a joint, statutory Community Safety Partnership) with Daventry District Council and also provides payroll services to DDC. It also works closely with Aylesbury Vale DC and Buckinghamshire CC on issues related to Silverstone Circuit, which straddles the districts' boundaries. CDC tendered and procured its internal audit services and its treasury management services jointly with Oxford City Council and is increasingly using the Oxford Procurement Hub to procure utilities and other services. Cherwell is currently sharing a S151 officer on an interim basis with SNC.
- 3.12 However, while both councils continue to pursue cost-saving opportunities with others where opportunities arise, the size of the potential shortfalls in both MTFs means a more strategic and more focussed approach to joint working is needed to make larger-scale opportunities possible, some of them in the short-term. In the meantime, neither council will need to undo any of these partnership arrangements. If CDC and SNC agree to share a senior management team it will be appropriate to review these as and when the right opportunities arise.

Extended Partnership Working – Creating a Confederation

- 3.13 This document is focussed on the business case for establishing a shared senior management team between CDC and SNC in accordance with the Joint Working Group's terms of reference. The shared Chief Executive will create a shared management team (Directors and Heads of Service), tasked with delivering the priorities of each sovereign council. This single officer core would have the potential to be the first stage in a process which could then be extended to develop opportunities with other authorities (including, but not limited to county, borough, district councils, health and police), adjacent and, possibly non-adjacent. This would put the two councils – via the shared officer core – in a strong position to address the anticipated challenges facing the public sector as a whole in the next few years.
- 3.14 In this way, the two originating organisations – CDC and SNC – would develop a model resembling a gateway contract or framework agreement, open for others to join in the future, creating a confederation of Authorities with a strong delivery focus and a strong policy drive at the core. This would provide critical mass and balance within the South East Midlands Local Economic Partnership.

Much more in common than our financial challenges

- 3.15 One of the widely recognised necessary starting points for successful joint working at the scale proposed is a degree of commonality between the councils and the districts they serve, allowing a shared group of officers to serve two different councils effectively and with sufficient common ground to open up the potential for efficiencies to flow from shared services.
- 3.16 SNC and CDC have a significant amount in common in terms of the districts we serve and our ambitions for service delivery and enhancing the quality of life of our residents. The following table provides a comparison between the two councils over a commonly used set of characteristics.

	Cherwell	South Northants
Land area	230 square miles	250 square miles
Current population	137,400	90,300
Population estimate (2031)	169,900	113,700
Number of Councillors	50	42
Staff (FTEs)	487	227
Revenue budget 2010/11	£18.5m	£12.1m
Spend per head of population	£134.47	£134.49
Spend per household	£315.24	£338.18
Band D Council Tax 2010/11	£123.50	£170.37

- 3.17 Although CDC's population is higher (the effect of Banbury), CDC's spend per head of population and household are almost identical and demonstrate that differences in revenue spend are driven by differences in population.
- 3.18 Differences in council tax levels have been driven by different approaches to council tax increases at the two councils. In recent years CDC has chosen to levy consistently a below-inflation increase, while SNC has chosen to maximise the amount of income being received through council tax. Information on council tax levels, annual and cumulative percentage increases are detailed for each authority in the tables below:

South Northamptonshire	2007-08	2008-09	2009-10	2010-11
Council Tax Increases (average Band D)	£150.31	£157.68	£165.41	£170.37
Net Increase % (+)/ Decrease (-)	4.90%	4.90%	4.90%	3.00%
Cumulative % Increase (+)/ Decrease (-)	4.90%	9.57%	14.03%	16.37%

Cherwell	2007-08	2008-09	2009-10	2010-11
Council Tax Increases (average Band D)	£118.45	£120.00	£123.50	£123.50
Net Increase % (+)/ Decrease (-)	3.00%	1.31%	2.92%	0.00%
Cumulative % Increase (+)/ Decrease (-)	3.00%	4.22%	7.08%	6.88%

3.19 Our strategic priorities are similar:

Cherwell	South Northants
<ul style="list-style-type: none"> ▪ Cherwell: A District of Opportunity ▪ A Cleaner, Greener Cherwell ▪ A Safe, Healthy Cherwell ▪ An Accessible, Value for Money Council 	<ul style="list-style-type: none"> ▪ Enhance performance ▪ Preserve what is special ▪ Protect the vulnerable

3.20 In particular, both councils are trying to manage significant housing growth with the infrastructure challenges this brings. South Northamptonshire is part of the Milton Keynes South Midlands (MKSM) area – the largest national growth area – and part of Cherwell (Bicester and the surrounding area) is included in one of the South East’s Diamonds for Growth. Both councils are part of the South East Midlands Local Enterprise Partnership (SEMLEP) which was given the green light by the coalition government in October.

3.21 Both councils have ambitions for delivering for our districts in ways which go beyond the usual remit of district councils, working with partners to deliver members’, residents’ and businesses priorities. Such work takes up significant staffing capacity which Leaders of both councils and the Joint Working Group would like to preserve for as long as possible.

For example:

Cherwell	South Northants
<ul style="list-style-type: none"> • Securing a flood alleviation scheme for Banbury • Delivering a national exemplar eco town at Bicester • Protecting maternity and paediatric services at the Horton Hospital in Banbury • Working to maintain the right fit between employers’ needs and local workforce skills – in good times and through recession 	<ul style="list-style-type: none"> • Helping shape the future of West Northamptonshire’s growth • Securing the future of Towcester by the Moat Lane regeneration scheme • Regenerating Brackley Town Centre – implementing the agreed Masterplan • Ensuring sustainable rural communities (Interim Rural Housing Strategy)

- 3.22 Both councils have undergone significant organisational change in the last few years.

South Northamptonshire

Since 2006-07 there have been two significant and linked organisational restructures.

Firstly, on the 17 March 2008 the council transferred its housing stock to a Registered Social Landlord (South Northants Homes) and with the transfer saw the vast majority of staff from the Housing and Property and Direct Services Divisions transfer to the new organisation under the TUPE arrangement. Approaching 100 members of staff transferred which represented almost 30% of the council's workforce.

In parallel to the stock transfer programme, which was led by the Chief Executive, the senior management team and members were considering an organisational review. This was the second restructure which became known as Organisation Design Review (ODR) and saw the organisation change into one organised into Directorates for:

- Policy
- Service Delivery
- Corporate Services and Community Engagement

The purpose of the review was for the council to become a 'policy led' and 'enabling' authority. To do this additional capacity was incorporated across the whole of the organisation and at every level and saw the creation of a number of new posts.

Cherwell

Cherwell District Council's pay bill has reduced from £21m in 2007/08 to £16.7m in 2010/11. This has been as a result of:

- A radical restructure in 2007/08 which redesigned the senior team structure and cascaded right through the organisation
- A further restructure of just the senior management team in 2009/10, which reduced the corporate team to the Chief Executive and two Directors and removed another Head of Service role
- The negotiated buy out of performance related pay
- A continuous (and continuing) programme of service by service value for money reviews which has systematically reduced the cost of services across the Council.

- 3.23 Both councils have focussed on improving their performance:

South Northamptonshire

South Northamptonshire was assessed as fair under the CPA arrangements in 2004 and chose not to seek a re-assessment when the Audit Commission invited Councils to do so in 2007.

Since 2004 its Use of Resources score had continually improved. Performance rose from being mediocre nationally and in the county to being the best in the county and in the top quartile nationally.

The Council had improved its performance from an overall score of 2 (adequate) in 2004-05 to an overall score of 3 (performing well) in 2007-08.

Organisational Assessment introduced a 'harder test' in 2008-09, SNC dropped to a score of 2. The Audit Commission indicated that in some areas it was performing close to level 3.

For the financial year 2009-10 the Audit Commission indicated that potentially the SNC score could increase to a level 3. However, with the announcement that the Commission would be abolished, all performance assessment work ceased before any formal position was arrived at.

Cherwell

Cherwell District Council was judged a CPA good council by the Audit Commission in 2004. In March 2009 Cherwell was judged, under CPA, to be an excellent council and secured the 7th highest score for any district council under CPA. Within this overall score CDC was awarded the maximum points available for both 'ambition' and 'achievement' in recognition of the entire organisation's aspirations for the district and excellent track-record in delivering promised outcomes.

In the one and only CAA assessment CDC scored an overall 3 (three 3s) for Use of Resources and 3 for managing performance. CDC lost out on an overall 4 at moderation with only 3 district councils scoring higher than CDC did.

Service and financial planning 2011/12

- 3.24 Both councils are now well advanced with their service and financial planning for 2011/12. Should both councils agree to put in place a shared management team, the 2011/12 savings from such a move would prevent some shorter-term cuts to services. It is unlikely that bringing the management teams together would remove the need for any other cuts. However, working together would open up options previously unavailable to either council and unavailable to each working on its own and would minimise reductions in front line services.

4.0 LESSONS FROM COUNCILS WHO ALREADY SHARE SENIOR MANAGEMENT TEAMS

- 4.1 The IDeA report *Shared chief executives and joint management: a model for the future*, published in October 2009, lays out the joint arrangements under which nine pairs of district councils (and one district and one county council) share a group of senior officers as well as some teams and under which all have achieved efficiencies. The report (attached as Appendix 9) demonstrates that safeguarding services though greater efficiencies is now the main motivation for pursuing joint management arrangements and shared services. It concludes that the benefits go beyond the financial savings to be made from taking the first step to move to one management team, to greater opportunities for efficiencies from shared services, savings from joint procurement and a higher profile for the pairs of councils who now represent between them combined populations of up to 250,000 people. The report is also clear that such savings are achievable much faster than they would otherwise be after the creation of one shared top team.
- 4.2 The same report includes a checklist of key factors to consider when thinking about shared management arrangements:
- Ensure no large cultural differences
 - There must be similarities in the areas covered by the councils
 - The communities need to have some similarities
 - Both councils must trust the chief executive
 - There must be clear and understood governance
 - Politicians must be able to trust and work with each other.
- 4.3 The Joint Working Group, and other elected members from both councils, invested significant time in understanding in detail the lessons to be learned from members and officers at other councils who have already trodden this path. We have visited/spoken to:
- South Oxfordshire and Vale of White Horse District Councils and spoken to both Leaders and one of the Directors
 - East Hampshire and Havant District Councils and spoken to one of the Leaders and the shared Chief Executive (the other Leader was ill on the day)
 - The shared Chief Executive of High Peak and Staffordshire Moorlands Borough Councils.
- 4.4 The notes of these three sessions, subsequently discussed in detail at meetings of the Joint Working Group, are detailed in Appendix 10 alongside the questions we used to explore issues at the first visit to South Oxfordshire and Vale of White Horse and built on during subsequent visits. We judge these to be the most important lessons we learned:

4.5 **Setting the direction**

- ***Sovereignty*** – is not compromised.
- ***Communications*** – cannot do enough with members, officers, unions and stakeholders. Keep messages clear and simple, and repeat the message as it will not always be heard or understood the first time. Be consistent. Use all media, email, face to face, letters, briefings etc.
- ***Trust and clarity*** – both groups of members must trust the shared Chief Executive, and be clear with him/her about their expectations and priorities. It is not essential that both councils are controlled by the same political group (South Oxfordshire and Vale of White Horse).
- ***Similar issues and priorities*** – both districts should have some common issues and concerns, requiring similar expertise in officers.
- ***Different priorities*** – can be recognised and respected – whether in the way resources are allocated or paid for, or in the way constitutions remain different and distinct.
- ***Shared S151s and Monitoring Officers*** – this works.

4.6 **Impact on structure**

- ***Harmonising terms and conditions*** – at the outset or after appointment of senior management team, both models are possible, although not harmonising in advance adds complexity in an already complex environment.
- ***Employing the shared management team*** – all officers employed by one organisation or employed by “home” (originating) organisation.

4.7 **The transition**

- ***Pace*** – once the proposal is agreed, it is important to move as quickly as possible in order to minimise uncertainty for officers.
- ***IT*** – this is crucial to efficient working from more than one location/base for officers, and it is essential compatible IT systems are in place in both organisations as early as possible.
- ***Appointing the shared management team*** – by a Joint Appointments Committee/Panel, comprising members from each organisation.
- ***Rigorous project management*** – ensures this complex series of inter-related initiatives are delivered on time and savings/efficiencies are realised.

4.8 **Financial issues**

- ***The savings*** – these are real and deliverable.
- ***Unexpected benefits/efficiencies*** – varying from single response to government consultations, to taking good practice from one organisation and transferring to other; streamlining procedures (helps officers working across two organisations) – BUT NOTE that this should not become the rule unless acceptable to members in both organisations.

4.9 **Impact on service delivery**

- ***Changing roles*** – members become more strategic, focussed on priorities; service managers have to take on more responsibility for delivering services as senior team's focus becomes more strategic.
- ***Sharing services with other organisations*** – some sharing arrangements were “monogamous”, some more mixed.

4.10 **Impact on members**

- ***Changing roles*** - members become more strategic, focussed on priorities

4.11 **Impact on staff**

- ***Sharing services*** – this is where the greatest on-going efficiencies are to be achieved, but officers and members have to be prepared to be innovative and think about services differently to deliver savings whilst maintaining (or improving) service levels. Heads of Service need to be appointed with clear expectation that they will prepare business cases for sharing services, and implement these cases if they are approved.

4.12 **Impact on partners and community**

- ***Residents*** – all agreed that residents in general are not concerned with shared management arrangements provided service levels are maintained and Council Tax levels/increases are low; being able to demonstrate overhead savings is a vote winner in the view of politicians.
- ***Impact on stakeholders*** – in some cases, other organisations had followed suit and joined up, e.g. Police Force Basic Command Units, Citizens Advice Bureaux and Local Strategic Partnerships in order to reduce duplication of meetings, consultations etc.

4.13 **With hindsight**

- ***Travel between sites*** – minimise by use of teleconferencing, telephone and email, otherwise can be very time-consuming to travel several times a day between sites.
- ***One way door*** – once shared management has been begun, there is no return – not only due to cost considerations, but also because it is successful in delivering efficiencies and protecting front line services.
- ***No regrets from anyone*** – and hearty recommendations to follow them all down this path.

4.14 In response to questions asked during the consultation on the draft business case we have sought to understand in more detail what specific challenges and/or advantages are presented by working across counties. We spoke again to Simon Baker, Chief Executive of Staffordshire Moorlands and High Peak Borough Councils who reported that:

- Cross-county/cross-regional working had not led to any problems for either district council, and there were some (but not strong) advantages.
- Cross-county working has not posed any real issues for partners. The two county councils had some initial worries, but these were soon resolved and by the time the two councils decided to work together were not issues.
- The two councils have not gained the benefit of the ‘strength of speaking for two’ within each county. But this has meant that the shared approach has been less of a threat to the two county councils than that presented by two districts in the same county working closely together.
- Joint working has had no effect on the two councils’ relationships with larger partners. Both councils have partners in both counties at a range of levels, from very local to cross-county. Both councils started out as respected partners in their respective partnerships, and that has not changed. They have kept their autonomy and continue to make local partnering arrangements to fit their respective priorities. There has been no change in the ability of the two councils to influence the achievement of their respective objectives via partnership working.
- In terms of the practicalities of reduced senior management capacity and whether it is sufficient, the fact is that the Chief Executive and Directors simply do not go to as many meetings as previously. The new Executive Team is ruthless about deciding who goes to what meeting – they simply prioritise and only go to critical things. The Executive Team back each other up so any one of them can substitute for the other

(which reflects current practice at SNC and CDC). There is more delegation to Heads of Service and from them to middle managers, which provides good career development for all managers.

- If Staffordshire Moorlands and High Peak Borough Councils were to enter into their shared arrangements again, they would do nothing differently in respect of cross-county working.
- 4.15 In light of the IDeAs report reference to ensuring “no large cultural differences,” we have reflected on how the shared senior management team, and in particular the shared Chief Executive, will need to work hard to counter any perception of one council “taking over” the other.

Each council aspires to deliver excellent services, and each organisation has an active “learning” culture. Both are Investors in People (IIP) compliant. The most recent reports highlight training and development strengths, as well as the fact that each organisation has been through a considerable change programme in the past three to four years.

Existing cultural differences across the organisations, whilst not huge, flow at least in part from the different leadership styles of the two current Chief Executives and the styles of the two Council Leaders and other Members. With the appointment of senior officers, the two organisations have the opportunity to discuss leadership style and culture with candidates, and ensure that in the future the best is taken from each, respecting the sovereignty and autonomy of each authority.

Conclusions

4.16 *Lessons learned*

- That councils who share management teams do retain their sovereignty, and elected members of such councils remain in charge of decision-making in their respective districts.
- That councils do share management teams successfully.
- That the theoretical savings have turned out to be real, and often greater than predicted.
- That shared officers do successfully serve two councils, even where the priority projects and policies remain different and where the two councils operate in two different counties (and former regions).
- That councils which share management teams do carry on working in other partnerships where appropriate.

5.0 POTENTIAL SHARED ROLES AND STRUCTURES

- 5.1 The terms of reference of the Joint Working Group in effect put 31 posts across SNC and CDC in scope. The current top-level structures at both councils are shown in Appendix 11.
- 5.2 It is proposed that CDC and SNC share a senior management team comprising twelve posts – a Chief Executive, three Directors, and eight Heads of Service. This level of resource is in line with other shared teams, and both current Chief Executives are of the view that this is the right level of resource going forward. Appendix 12 contains 3 illustrative shared senior management team structures.
- 5.3 In light of responses to the consultation we lay out in this final version of the business case more of our reasoning for the so-called ‘one, three, eight’ model.
- The ‘one, three, eight’ model has been arrived at by considering the experience of other councils with a shared Chief Executive. This is the model most frequently used by councils who together cover districts and populations comparable to the scale of those which will be covered by a management team shared between SNC and CDC. In each case this has been found to be an appropriate structure in terms of the number of posts and the capacity available to both councils. It has also made compelling financial sense elsewhere and does so in our case.
 - We consider that three Directors will be required to provide the senior management capacity to deliver the agendas of both councils effectively and to a high standard. Appointing fewer Directors for this first phase could lead to delays in implementing joint working across the two councils, and/or jeopardise the delivery of priorities and key strategic projects. Capacity of this order will be needed at this level in order to drive the transformation agenda, to deliver on priorities and ensure that the organisations work effectively together. This will be kept under review by the shared Chief Executive and members.
 - With eight Heads of Service (HoS), there will be a wide span of expertise across the broad responsibilities of the two Councils. Most, if not all, Heads of Service will have equal responsibilities across both councils. Again the number of HoS should be kept under review by the shared Chief Executive and senior Members.
 - During at least the first two years of the new arrangements, it will be essential to have sufficient transformational senior management capacity to drive through the changes in ways of working and to ensure that the efficiencies set out in the outline business case are delivered as a minimum.
 - In light of the consultation feedback we have spoken in further detail to South Oxfordshire and Vale of White Horse about the capacity of a

shared management team of this scale. It is clear from the discussion that there is some capacity to be gained by the removal of duplication between two similar jobs, but there are some other important drivers of increased capacity: the recruitment of the best people from the combined talent pool to shared posts; a robust approach by staff in the shared posts to prioritisation; and the fact that these shared posts are bigger roles with greater time commitment required from the staff in them.

- 5.4 It is proposed that the final structure for the senior management team is agreed by both councils only once the shared Chief Executive has been appointed. Once appointed the shared Chief Executive will work with the two Leaders and other leading members from both authorities to agree a detailed structure, using the 'one, three, eight' model as the starting point but with flexibility within the new budget for the shared management team laid out in this business case. The final structure will need to complement the shared Chief Executive's particular strengths and skills, as well as supporting the priorities of both councils.
- 5.5 It is proposed that a further three posts are shared by the two councils at this stage – to cover the functions of communications; corporate performance and programme management. These posts are being added now, as these roles are captured by the scope of the Joint Working Group's terms of reference and help deliver further savings.
- 5.6 The role of shared Chief Executive will be open to internal and external candidates simultaneously. The other fourteen new roles will be open only to the current holders of specific posts in both councils in order that both councils can fulfil their legal obligations to those members of staff they put at risk by putting in place a smaller shared management team. This process of 'ring-fencing' roles results in jobs being ring-fenced to officers already in broadly similar roles at an equivalent level. In this instance it results in three ring-fences and the following eligibility to apply for roles in the new structure:

	New shared posts	Current posts in ring-fence
Ring-fence 1	3 Directors	5 Directors (3 at SNC and 2 at CDC)
Ring-fence 2	8 Heads of Service	14 Heads of Service (4 at SNC and 9 at CDC as 1 CDC post is vacant and another will be by end March 2011) 2 SNC managers with responsibility for service planning, budget and team management (Waste Services Manager and IT & Customer Services Manager)
Ring-fence 3	3 Lead Officer posts	1 SNC Communications Manager; (CDC Communications Manager post is vacant) 1 SNC Corporate Performance Manager; 1 CDC Corporate Planning, Performance and Partnerships Manager 1 SNC Programme Manager; 2 CDC Improvement Project Managers

- 5.7 After the appointment of the shared Chief Executive, and confirmation of the final structure, all 26 staff remaining in scope (14 at CDC and 12 at SNC) will be consulted formally on the proposed structure and then asked to express interest in any of the roles for which they are eligible and/or voluntary redundancy on the basis that any requests for voluntary redundancy may not be accepted. This will potentially reduce the 'pool' at an early stage and facilitate contractual notice being issued earlier than may otherwise be possible, and therefore savings being realised earlier. Voluntary redundancies will only be accepted if the business case is robust both in terms of future service need and financial considerations.
- 5.8 In the event that an appointment or appointments are not made from the internal candidates across the two councils, additional redundancy payments and further recruitment costs will be payable. A contingency of £339,000 has been built into the business case to deal with these eventualities and any other unforeseen costs, should they arise.

Conclusions

Best structure

- 5.9 That SNC and CDC should share a senior management team comprising twelve posts – a Chief Executive, three Directors and eight Heads of Service – and, beyond the senior management team, three further posts.

6.0 COSTS AND BENEFITS

6.1 SNC and CDC together spend a total of £2,647,000 on their current, separate senior teams and other roles in scope:

	SNC		CDC		Total	
	Number	Cost £000s	Number	Cost £000s	Number	Cost £000s
Chief Executive	1	144	1	144	2	288
Directors	3	340	2	213	5	553
Heads of Service	4	381	11	878	15	1,259
Lead Officers	5	295	4	252	9	547
Total	13	1,160	18	1,487	31	2,647
		44%		56%		

Cost of new structure

6.2 The cost of the proposed new shared senior management team is £1,601,000. This represents a total annual saving of £1,046,000.

	Total	
	Number	Cost £000s
Chief Executive	1	157
Directors	3	371
Heads of Service	8	850
Lead Officers	3	223
Total	15	1,601

6.3 In arriving at the senior team costs we have made the worst case assumption that a 10% uplift is awarded to the highest salary at each tier across the two authorities in order to reflect the additional responsibilities taken on by the new postholders, and the fact that they will now be serving two authorities. Actual salaries will need to be set once posts have been established, either via external evaluation or through market testing.

6.4 In arriving at the cost of the other posts, we have assumed in the business case that successful candidates will be paid a joint working allowance of 10% above the highest current salary.

- 6.5 These posts are non-member appointments and would fall within the normal evaluation processes employed at each authority. The authorities currently have different evaluation schemes, and therefore further consideration is required in relation to assessing a fair salary for the job that reflects the additional responsibilities of the role, and is the same amount regardless of the authority the successful candidate comes from. The impact on the rest of the authority is also a relevant consideration at this level.
- 6.6 The concept of a joint working allowance is an interim arrangement to facilitate joint working below service head level ahead of harmonisation of pay scales and formal re-evaluations. It is a process used in other authorities to recognise the additional duties, responsibilities (and potentially travel) associated with joint working, and also to incentivise posts to ensure the joint organisation is able to attract and retain competent staff. It is particularly relevant in the CDC/SNC partnership because of the significant disparity in pay scales and pay structures.

To share costs or to share savings?

- 6.7 Detailed discussions with a range of local authorities revealed that we need to make a choice up front between sharing costs or savings, and that there are pros and cons for each.
- 6.8 If the costs of a shared senior management structure are shared then the savings made by each council will not be equal, as we currently spend different amounts on our senior management structures.
- 6.9 If the savings are shared then the costs of the new structure are not shared equally going forward. This could lead to an expectation from the authority funding the larger share of the costs that its members have the right to greater access to and attention from officers in the shared senior management team than the other authority.
- 6.10 Detailed discussions were held with the following authorities who already share senior management teams. Their arrangements are:
- South Oxfordshire and Vale of White Horse – share costs equally
 - High Peak and Staffordshire Moorlands – share costs equally
 - East Hampshire and Havant – share costs equally but will review the arrangement after 12 months
 - Adur and Worthing – share costs, but not equally. For example housing is apportioned 90:10 as one authority still has its housing stock.
 - Hambleton and Richmondshire – share costs, but not equally.

- Bromsgrove and Redditch – share costs equally with the exception of housing as one authority still has its housing stock.

In summary all the authorities we contacted share costs rather than savings.

- 6.11 We are proposing that the ongoing costs of the new shared senior management team are shared 50/50 between SNC and CDC, representing an annual saving of £360,000 for SNC and £686,000 for CDC.

One-off costs

- 6.12 The one-off costs of putting this shared team into place are estimated to be £1,384,000, although the final figures will depend on which members of staff are appointed to the new team and which are not.

One-off costs	£000s
Estimated termination payments (average)	647
Redundancy contingency (20%)	129
General contingency	339
Recruitment costs	155
Consultancy advice (HR/Legal etc.)	100
Training/outplacement support	14
Total estimated one-off costs	1,384

- 6.13 We propose that CDC should pay 60% of these one-off costs in light of its size relative to SNC and in order to secure broadly similar payback periods for both councils. These costs would be shared as follows:

- CDC £830,400
- SNC £553,600

Our respective external auditors have both confirmed that they have no problems with this.

- 6.14 These figures assume that both councils apply the statutory number of weeks (maximum 30) to redundancy calculations, which is now the policy at both CDC and SNC.

- 6.15 The costs of termination payments are difficult to estimate at this stage as we cannot predict the outcome of the recruitment process. The costs above are the average costs of termination payments at each tier across the authorities, multiplied by the number of posts that will be made redundant at each tier.

6.16 However, we can calculate the minimum and maximum costs of termination and these are included in the next table to arrive at best and worst case one-off costs. We continue to assume that an internal candidate will be appointed to each post and we retain the contingency figure of £339,000.

One-off costs	Best case £000s	Worst case £000s
Estimated termination payments (average)	205	1,158
Redundancy contingency (20%)	0	0
General contingency	343	266
Recruitment costs	155	155
Consultancy advice (HR/Legal etc.)	100	100
Training/outplacement support	14	14
Total estimated one-off costs	817	1,693
Share of one-off costs (60:40)		
CDC	490	1,016
SNC	327	677

Payback periods

6.17 The table below demonstrates the payback periods for the overall project and for each council in the best, average and worst case scenarios.

		Best case £000s	Average £000s	Worst case £000s
TOTAL PROJECT	One off costs	817	1,384	1,693
	Ongoing savings	1,046	1,046	1,046
	Payback period (years)	0.78	1.32	1.62
CDC	One off costs	490	830	1,016
	Ongoing savings	686	686	686
	Payback period (years)	0.71	1.21	1.48
SNC	One off costs	327	554	677
	Ongoing savings	360	360	360
	Payback period (years)	0.91	1.54	1.88

Balances

6.18 In considering a project such as this, members need to be mindful of the impact on the general fund balances of each council.

- 6.19 General fund balances are the 'contingency of last resort' for all councils and it is perfectly normal for one-off project costs to be funded from such balances. The financial modelling has considered the level of general fund balances held for each council and the impact the three best, average and worst case scenarios would have on them.

The results are summarised below:

	Best case £000s	Average £000s	Worst case £000s
Cherwell District Council			
General fund balances (31.03.10)	1,777	1,777	1,777
Estimated costs	490	830	1,016
General fund balances remaining	1,287	947	761
South Northamptonshire Council			
General fund balances (31.03.10)	2,539	2,539	2,539
Estimated costs	327	554	677
General fund balances remaining	2,212	1,985	1,862

- 6.20 Both SNC and CDC are also considering other cost reduction exercises which will also have one-off costs associated with them, and these also need to be considered as a draw on general fund balances. Possible costs for further phases of joint working will also draw on these balances.

It was announced in the Spending Review that DCLG will allocate up to £200m of additional capitalisation directions in 2011-12 only to allow councils to restructure their services - for example by capitalising redundancy costs. Both authorities will apply for such a direction at the appropriate time in order to protect dwindling revenue resources. If approved this will mean that capital receipts can be used to fund some, if not all, of the transitional costs.

- 6.21 In addition to their general balances CDC and SNC have the following earmarked reserves set aside for particular projects and potential liabilities:

- CDC earmarked reserves (31.03.10) £7.0m
- SNC earmarked reserves (31.03.10) £4.0m

- 6.22 These reserves can be un-earmarked at any time and transferred back to general fund balances if the liabilities they are covering diminish or if the projects they are held for are stopped, reduced or are underspent.

5-year view

6.23 The five-year cumulative impact of the savings and costs is summarised below. Total savings before implementation costs to SNC over the next five years total are potentially £1,800,000 and total savings to CDC in the same period total potentially £3,430,000.

5-year savings overview	SNC £000s	CDC £000s	Total £000s
Savings from shared senior management team and three other shared posts	1,800	3,430	5,230
Implementation costs – senior team plus three posts only (average cost estimate)	-554	-830	-1,384
5-year savings (estimate)	1,246	2,600	3,846

Other options considered and dismissed

6.24 The Joint Working Group have considered and dismissed the possibility of limiting the joint working to a shared Chief Executive. The value of the total annual savings is £131,580 and therefore not considered worthwhile.

6.25 The Joint Working Group have considered and dismissed the possibility of limiting the joint working to a shared Chief Executive and Directors. Although the total annual savings are £313,388, and higher than for just a shared Chief Executive, the value of these savings is still not considered worthwhile.

6.26 A regular theme in the consultation feedback was to do joint working but from the 'bottom up' rather than the 'top down'. Apart from this being outside the scope of the Joint Working Group's Terms of Reference, examples of this to date have proven that this is harder to achieve than a 'top down' approach.

Conclusions

6.27 *Financial benefits*

- That these fifteen proposed shared posts would cost a total of £1,601,000 compared to a total current cost of £2,647,000, representing a total annual saving of £1,046,000 on the councils' current costs.
- That CDC and SNC should share the *costs* of the fifteen shared posts and that they should share these costs 50/50 between the councils,

recognising that officers appointed to these roles will split their time equally between the two organisations. There will be an annual saving of £360,000 for SNC and £686,000 for CDC and cumulative 5-year savings of £1,800,000 for SNC and £3,430,000 for CDC.

- That the one-off costs of putting this shared team into place are estimated as £1,384,000 and that CDC should pay 60% of these in light of its size relative to SNC and in order to secure broadly similar payback periods for both councils. This represents costs to SNC of £553,600 and costs to CDC of £830,400, assuming average one-off costs and that all posts are filled internally.
- That these one-off costs would be paid back in 1.54 years to SNC in 1.21 years to CDC.
- That these one-off costs should include a contingency sum of £339,000.
- That in the worst case one-off costs would be £1,693,000, depending ultimately on which officers are appointed to the new roles. This worst case represents costs to SNC of £686,000 and costs to CDC of £1,016,000. The payback period to SNC is extended to 1.88 years and to 1.48 years to CDC, still comfortably inside the timeframe required by the Medium Term Financial Strategies of each council.
- That in both the average and worst case scenarios, the one-off costs are fundable from the balances and earmarked reserves of both councils.
- That it is assumed that both councils apply the statutory number of weeks (maximum 30) to redundancy calculations but that should the number of weeks' compensation awarded be greater than this, then the additional cost is borne by the relevant council and would impact on their payback period.

7.0 TIMING OF IMPLEMENTATION

7.1 The following timetable for appointments is proposed:

December 2010	Business case approved; shared Chief Executive job description and person specification agreed; recruitment of shared Chief Executive launched, supported by recruitment consultants
February 2011	Chief Executive appointed to start between 1 March and 1 June 2011
March – July 2011 (depending on the start date of shared Chief Executive)	Formal consultation on final shared senior management structure with affected group
By end July 2011 (may be earlier, depending on the start date of shared Chief Executive)	Approval of final structure and job descriptions and person specifications for Directors and Heads of Service
July/August 2011 (may be earlier, depending on the start date of shared Chief Executive)	Directors appointed
September 2011 (may be earlier, depending on the start date of shared Chief Executive)	Heads of Service appointed
October – November 2011 (may be earlier, depending on the start date of shared Chief Executive)	Job descriptions and person specifications for roles covering communications , corporate performance and programme management finalised and posts appointed

7.2 This is the Joint Working Group's preferred timetable as it:

- Retains the finalisation of the shared management structure until the new shared Chief Executive is in post, ensuring that she/he is accountable for the final structure and its success.
- Recognises the importance of moving as quickly as possible to remove the uncertainty faced by staff in affected posts.
- Taking the worst case timetable still secures significant savings in 2011/12 from the creation of a shared Chief Executive, Directors, Heads of Service and Lead Officers. These total £527,000 with the remaining £519,000 following in 2012-13. The total saving of £1,046,000 is consistent with the original business case.

The profile of savings can be split for each Council as follows:

- SNC
 - £194,000 in 2011-12
 - £166,000 in 2012-13

- CDC
 - £333,000 in 2011-12
 - £353,000 in 2012-13

7.3 The alternative would be to delay the Directors and Heads of Service appointments until the autumn but the Joint Working Group does not recommend this alternative.

Information Technology

7.4 We have heard from other councils how critical it is to get compatible IT arrangements in place across the two authorities as soon as possible. Technologies to facilitate the efficient operation of joint management arrangements will need be assessed and implemented as a priority – e-mail and diary management, remote file access, shared telephony etc. – with further opportunities to be identified through a review of IT projects currently underway in both councils.

7.5 In response to comments during the consultation both councils have already established a joint ICT Working Group, the terms of reference of which are included at Appendix 2. Establishing this group so early will also help both councils respond to the potential opportunity offered by the end of SNC's existing outsourcing contract with Capita at SNC in April 2012.

Conclusions

Pace

7.6 That this shared team should be put in place as quickly as possible.

8.0 LEGAL ARRANGEMENTS AND ARRANGEMENTS FOR MEMBER APPOINTMENTS TO SHARED SENIOR TEAM

- 8.1 Section 113 of the Local Government Act 1972 allows a local authority to place one or more of its staff at the disposal of another local authority to carry out the latter's functions. This is done by way of legal agreement known as a Section 113 agreement. These can be used to share single officers, management teams or entire departments. The agreement sets out such matters as what work the shared officers carry out for both councils, how they are appointed and who pays their wages and expenses. The agreement also deals with issues of dispute resolution and termination. The Joint Working Group is recommending a rolling arrangement as opposed to a fixed term but with an interim review in September/October 2011 and full reviews in year 2 and at 5 yearly intervals thereafter, with a right for either council to withdraw with six months notice following the unsuccessful resolution of any dispute.
- 8.2 Councils who already have shared management teams have used Section 113 agreements as the legal framework for joint working. They are tried and tested.
- 8.3 We recommend that both councils sign the Section 113 agreement attached as Appendix 3 immediately after the 8 December, assuming both councils agree to the proposed shared arrangements.
- 8.4 Arrangements are required to allow members of both councils to make appointments to joint posts and to deal with other matters relating to these joint posts. The councils would need to set up a joint committee of elected members to appoint the posts in the senior management team and another to deal with any appeals related to these posts.
- 8.5 The proposed terms of reference of a Joint Personnel Committee are laid out in Appendix 4. This Joint Personnel Committee will be in addition to the committees at both councils which deal with HR issues. This new committee will need to be convened immediately after 8 December to appoint and commission the recruitment consultants supporting the recruitment of the shared Chief Executive and up to three further times during January and February.
- 8.5 The proposed terms of reference of a Joint Appeals Committee are laid out in Appendix 5. This Joint Appeals Committee will be in addition to the committees at both councils which deal with appeals.

Conclusions

- 8.6 That a Section 113 agreement is the most appropriate mechanism to provide the legal framework for joint working and two new Joint Committees are required.

9.0 SUCCESS CRITERIA AND PROJECT RISKS

Success criteria

9.1 Both councils want to see the following from the project:

- Financial savings of sufficient scale achieved to prevent the need for substantial service cuts
- Front line services unaffected or improved for the same or reduced level of cost
- Corporate priorities achieved
- Partnerships performance unaffected or improved

Key projects delivered –

For SNC specifically:

- Moat Lane regeneration and potential relocation
- Affordable Choices
- Customer Service Improvement
- HS2 collaboration with action groups/mitigation

For CDC specifically:

- 'Eco Bicester'
- Bicester town centre development
- Banbury 'Brighter Futures'
- Banbury Cultural Quarter

For both councils:

- Hospital services (Horton Hospital, Brackley and Bicester hospitals)
- Local Development Frameworks.

Risk assessment

9.2 The Joint Working Group has developed a full project risk register including impact/probability scores, mitigating measures and responsibilities and this is detailed in full in Appendix 6.

9.3 The key risks are:

- Failing to secure member support for a shared management team
- Other projects suffer due to a lack of capacity.

9.4 Although these remain scored 'high' even after mitigation measures the Joint Working Group believes we should tolerate these risks at this level going forward, but continue to pay detailed attention to them.

Conclusions

Risks

- 9.5 That In light of the risk assessment and the extensive learning and advice from other councils, the benefits of CDC and SNC sharing a senior management team outweigh the risks, subject to the mitigating actions being implemented.

10.0 POTENTIAL FOR SAVINGS BEYOND THE SENIOR MANAGEMENT TEAM

Fourth tier savings

10.1 A piece of work has been carried out to consider the potential savings at the next tier of the organisation (the fourth tier). Indicatively this would bring a further 62 posts into scope as follows. The assumed costs and number of posts are based on the 2010-11 budget:

	South Northants		Cherwell		Total	
	Number	Cost £000s	Number	Cost £000s	Number	Cost £000s
Fourth tier posts	22	1,120	40	1,958	62	3,078

10.2 It is important to stress that the number of fourth tier posts in the new officer structure cannot be determined at this stage. If members so wished, this would follow on from the appointment of the senior management team but it is reasonable to anticipate that fewer 'middle managers' would be required.

10.3 The following analysis is provided to give an indication of savings for each authority (to add to the savings already laid out in this business case) if the middle management structure could be reduced by 15%, 20% and 25%. There should be no expectation that these savings are achievable at this stage.

	South Northants £000s	Cherwell £000s	Total £000s
Current cost	1,120	1,958	3,078
15% reduction in current costs	168	294	462
20% reduction in current costs	224	392	616
25% reduction in current costs	280	489	769

10.4 There are two further important points to make about the above analysis:

- To achieve the above we need to move away from a 50:50 cost sharing model for this level of the organisation, and the reductions would need to be on current costs. This approach is different to the approach applied to the senior management team but is reasonable as we move more into the operational areas where, broadly, Cherwell should be picking up a greater charge because they are a larger authority.

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8 December 2010

- There will be some middle management posts contained in the above analysis which will already be subject to possible deletion as a result of the budget proposals that are being worked up and evaluated at each authority.

Further savings

10.5 Savings beyond the fourth tier become increasingly hard to estimate. It is expected that there will be savings as teams and systems are brought together over time, but to estimate what these are likely to be at this stage is difficult and would require significant further work.

Conclusions

Potential further savings beyond the senior team

10.6 That savings at the tier below Service Head of 15-25% are probably achievable and could deliver a further annual savings ranging from £168,000 to £280,000 for SNC and a range of £294,000 to £489,000 for CDC. Assuming a 20% reduction in costs such action could deliver cumulative savings over five years of £1,120,000 to SNC (£224,000 per annum) and £1,960,000 to CDC (£392,000 per annum).

Minute Item 87

Executive

Cherwell/South Northamptonshire Building Control Shared Service Proposals

6 December 2010

Report of Head of Building Control and Engineering Services

PURPOSE OF REPORT

To consider whether it is appropriate and beneficial to Cherwell and South Northamptonshire Councils to merge their Building Control services into a jointly managed operation.

This report is public

Recommendations

The Executive is recommended:

- (1) Subject to the endorsement of the Cabinet of South Northamptonshire Council who are concurrently considering this report, to agree in principle to implementing joint management arrangements for the Building Control services of Cherwell and South Northamptonshire.
- (2) To instruct the Head of Building Control and Engineering Services, and Head of People and Improvement to carry out the recruitment of the joint Building Control Manager and Team Leaders for each of the Councils as set out in this report and its appendices.

Executive Summary

Introduction

- 1.1 The joint management arrangements proposed for the Building Control services of the two Authorities are not dependent on those being considered for their joint corporate management. The proposals set out in this report are viable without such corporate arrangements, and equally if such corporate arrangements are put in place the two Building Control services could continue to exist as entirely separate operations.
- 1.2 The work of a Local Authority Building Control (LABC) service comprises two elements. Firstly, it receives and handles applications under the Building Regulations. This accounts for typically 65% to 75% of a LABC's workload. In addition LABC's are tasked with various administrative duties such as the registration and collation of development information and they also have to accept applications which are exempt from building control fees, mainly adaptations for the disabled.

- 1.3 Other peripheral services are also often housed in a LABC environment. For example, in Cherwell there is the role of Access Officer which provides advice on accessibility within the built environment. In South Northamptonshire there is the Council's service which names new streets and assigns addresses to new properties.
- 1.4 For the past 20 years or so LABC's have had to compete with private sector "Approved Inspectors" who can receive Building Regulation applications, and approve these and inspect the resultant works as if they were in the public sector. Approved Inspectors charge their customers for this work as do Local Authorities. Each Local Authority sets a scheme of fees and charges which are in direct competition to those set by Approved Inspectors.
- 1.5 This competition is increasingly putting LABC's at risk and in order to meet the challenge many now have joint management arrangements or have merged completely. This has given those LABC's increased resilience and efficiency and has allowed them to become much more commercially focused than they would otherwise have been through the development of marketing skills and strategies.

Proposals

- 1.6 It is proposed that the Building Control services of Cherwell and South Northamptonshire are brought together under single management. With effect from 1 April 2011 there would be a team of practitioners in each Authority lead by Team Leaders reporting to a joint Manager.
- 1.7 The Building Control Manager and two Team Leader posts will be new positions for which interviews would be held over the winter. The Head of People and Improvement has identified four incumbent officers, two in each Authority, who would be ring fenced to apply for these three new positions.
- 1.8 The Building Control Manager would report to a joint Service Head or two Service Heads if the joint corporate management proposal does not proceed. The Building Control Manager's remit would not only be to manage the shared service on a day to day basis but also, and importantly, to develop the shared service into an organisation that is strong enough to resist increasing market pressures in a way that the services cannot do individually.
- 1.9 Although it is not proposed that on 1 April 2011 there will be a single team resourcing both Districts, the shared service will create the opportunity for this to evolve organically and under the leadership of the new Manager. When appointed he will be charged with developing a vision whereby this could occur and in an appropriate timescale and if circumstances warrant.
- 1.10 The paper and appendices attached to this report provide the background to this proposal.
- 1.11 Appendix 1 shows that there are strong business reasons for the shared service joint venture as it would significantly enhance the ability of both Building Control services to face future pressures. The financial case, particularly for Cherwell, is less compelling and in the short term, benefits occurring in this regard only in the medium to long term. It is considered that this "spend to save" policy is the only one that will assure a long term future for both Authority's Building Control services.

- 1.12 Appendix 2 shows the proposed staff structure most appropriate to the shared service, and the reasons for it. It also details the measures that will have to be taken to achieve this staff structure.
- 1.13 Appendix 3 sets out how governance would be applied to the new shared service. A Management Board comprising Members and Senior Officers of both Authorities have been considered but on balance Cherwell's Democratic Services Manager came to the clear view that management and reporting through a conventional officer hierarchy is all that is needed in this case.

Conclusion

- 1.14 The shared service first started to be investigated some 6 months ago since when the appendices to this report have been prepared and agreed with South Northamptonshire. The South Northamptonshire Cabinet will receive its version of this report together with all its appendices at the same time as Cherwell. The initiative cannot proceed unless endorsed by both our Executive and their Cabinet.

Background Information

- 2.1 A background paper has been prepared explaining the detailed financial and non-financial aspects of the shared service proposal. These have been agreed by Cherwell's Portfolio Holder and by South Northamptonshire. The paper goes into specific detail on the business case for forming a shared service, the governance arrangements under which it will operate, and the proposed staffing implications and structure of the shared service.

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 The key reasons for proposing this venture are that it will give both Cherwell and South Northamptonshire Building Control Services a more assured future and over a relatively short period of time the revenue costs borne by both Authorities to fund the non fee element of building control work will decrease.
- 3.2 This is an imperative more for South Northamptonshire than Cherwell at present as South Northamptonshire have suffered more in recent times as a result of competitive forces. However, even though Cherwell has held its own until now it is unrealistic to think that the competitive pressures will not increase. As such alliances are formed in and around Oxfordshire and Northamptonshire it is appropriate that this joint venture should not be delayed.
- 3.3 The alternative is that both Cherwell and South Northamptonshire will continue to stand alone in this service for as long as can be sustained. That will leave it vulnerable to becoming a third or fourth partner in an already formed alliance, or to its becoming only a Building Control Authority of last resort, picking up only non fee earning work or work which the private sector do not want.
- 3.4 The benefits that this shared service will bring to both Authorities are:
- It will increase the resilience and flexibility of both Authorities to respond to increasing demands and competitive pressures on its Building Control services.
 - It will place in the newly created post of Building Control Manager a clear responsibility to develop the shared service through strong marketing and other strategies so that competition can be resisted and market share maintained or even increased.
 - It will allow direct comparisons and exchanges of management and working practices across both Authorities from which can be selected the best.
 - With the flexibility that will come about, it will enable a single pool of technical knowledge and excellence including specialism's which can be shared across the two Authorities and marketed to other LABCs or LABC groupings.
 - It will facilitate the prospect of a better resourced long term business plan and succession strategy.
- 3.5 There will be immediate financial benefits accruing in Cherwell. Because South Northamptonshire would be entering the shared service from a worse financial position they would be seeing such benefits far earlier in the process. Cherwell would have to be prepared to stand still in this regard for two-three years until South Northamptonshire caught up before realising its financial benefits further down the line.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

Option One Adopt the shared service approach contained and recommended in this report.

Option Two Not to form a shared service but for each Building Control service to continue to operate entirely separately. The risk of this do-nothing approach is that each service would continue to struggle in the face of increasing private sector competition, losing flexibility and resilience, and perhaps unable to recruit replacement staff effectively. This would hasten a decline to each service becoming one of last resort and without the ability to contribute effectively to other relevant services of both Councils. Cherwell would probably have to seek shared service elsewhere where it might have to become the third or fourth partner in an already formed and established alliance,

Option Three To agree to a joint venture in principle but to delay bringing it about. There is a strong prognosis that if conditions change for the two services they will worsen. The reasoning behind a shared service would be less compelling and the net benefits may be lost if a decision to proceed is delayed.

Consultations

Financial: The financial implications are detailed in full in the business case background paper in Section 5 and within Appendix 4 and 5.

For Cherwell this proposal is not being recommended on financial grounds but should be seen as an investment in the service in order for it to develop, grow and make it more resilient following a management departure.

The additional costs can be offset against the building control reserve corporate change reserve. The financial model shows an improved position for Cherwell financially and although revenue is expected to increase this has not been built in to the financial model. The one off implementation costs will be funded through the corporate change reserve and using all scenarios payback will be within 1 year.

Comments checked by Karen Curtin, Head of Finance, 01295 221551

Legal: There are routine legal implications arising from this proposal in respect of joint working, cross border issues and professional indemnity. However, the Head of Legal and Democratic Services is satisfied that these issues pose no practical or legal impediments to the proposal. There are very many such joint arrangements that operate

up and down the Country from which advice can be taken if needed.

Comments checked by Nigel Bell, Solicitor 01295 221687

Risk Management:

Not forming a shared service will in time put Cherwell's Building Control Service at greater risk of competition from the private sector and its long term viability would thus be questionable. The business and operating model suggested in this report is already tried and tested at many Authorities in the Country. The main residual risk is that of Cherwell and South Northamptonshire not being able to operate together due to irreconcilable differences in cultures and priorities. However, a management structure has been designed to mitigate this as much as possible.

Comments checked by Rosemary Watts, Risk Management and Insurance Officer 01295 221566

Efficiency Savings

Clear efficiency savings to both Cherwell and South Northamptonshire are identified in the Business Case and detailed in Appendix 4 and section 5.

Comments checked by Karen Curtin, Head of Finance, 01295 221551

Wards Affected

All wards.

Corporate Plan Themes

A District of Opportunity
A Value for Money District

Executive Portfolio

Councillor Michael Gibbard
Portfolio Holder for Planning and Housing

Document Information

Appendix No	Title
Appendix 1	Cherwell and South Northamptonshire District Councils – Business Case for a Shared Building Control Service
Appendix 2	Service Performance Data
Appendix 3	Existing Costs 2010/11
Appendix 4	Projected Costs 2011/12
Appendix 5	Implementation Costs
Appendix 6	Proposed Staffing Structure
Background Papers	
None	
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**CHERWELL AND SOUTH NORTHAMPTONSHIRE DISTRICT COUNCILS:
BUSINESS CASE FOR A SHARED BUILDING CONTROL SERVICE**

1.0 Executive Summary

- 1.1 The two Council's Building Control services face serious issues that affect their viability, in terms of finances, resilience and ensuring a level of resourcing that will continue to deliver the Councils' priorities at an affordable cost.
- 1.2 The cost profile of the 2 Councils is very different - Cherwell District Council income is twice that of South Northamptonshire, direct costs are lower as a % of income and support costs charged to the building control service are also lower. On the basis that Cherwell District Council has taken an annual management saving of ~ £20,000 in 2010/11 and has a building control reserve of approx £50,000 it is proposing to invest this in order to develop a shared service with South Northamptonshire.
- 1.3 The output being a competitive, resilient, cost effective service, reduction in costs to South Northamptonshire with effect from April 2011 and a commitment that Cherwell District Council position within 3 years should be on a par with 2010/11 projection.
- 1.4 The business case in this paper proposes and assumes a shared service commences on 1 April 2011. It considers the projected individual financial positions of each service during 2010/11 and the combined positions at the end of 2011/12 and 2012/13, taking account of the opportunities for saving and efficiencies. The assumptions are financially conservative – it may be possible, and would be intended where feasible, cost-effective and appropriate – to make the savings sooner. It is envisaged that the proposals will reduce the overall costs to the two Councils by a minimum of £120,000 by the end of 2012/13, create a resilient building control service which will be competitive in the open market therefore potentially leading to additional income generation
- 1.5 The Councils are required to provide certain statutory building control functions (such as enforcement, the collection of data and statistics for transmission to DCLG, and giving technical advice to other Council services such as development control and conservation) which cannot be charged. But they may also provide other services (related to Building Regulation applications) on a commercial basis. The latter are required to break even, but (especially in recent years for South Northamptonshire) make substantial losses, and are under pressure from aggressive private sector competition.
- 1.6 Addressing this issue requires a serious adjustment to the services' cost base, in parallel with re-positioning in marketing terms to maintain and re-build the client base. These issues were evident, to differing degrees, in both Councils a couple of years ago, but the recession has exacerbated them significantly. The two Councils therefore need to address these issues in any event. But the financial pressure that both now face means that urgent action cannot be delayed.
- 1.7 However, if the two Councils sought to reduce costs independently, there is a real risk that the remaining resource would not be sufficient to contribute to an integrated approach to development services. It would also become more difficult to maintain existing market share, thus triggering a business 'spiral of decline' in the face of private sector competition. Sharing resource and expertise should reduce costs in a way that enables service resilience, marketability and efficiency improvements. This will lead to better long-term prospects for recruitment and retention, and better ability to cope with future financial pressures as a result of greater flexibility.

- 1.8 This paper therefore sets out a business case for developing a shared building control service. The aim is to ensure a financially viable (not loss-making) commercial part of the service, by facilitating a single, more realistically resourced team of technical excellence which will have the resilience and flexibility to work to a more appropriate long-term business plan and marketing/charging strategy.
- 1.9 The business case envisages a single service manager supported by two teams, one for each district, but which are capable of supporting each other across the whole area. It assumes a rapid but controlled evolution from the two current independent services to one that is jointly managed but with two separate teams, leading to one that is still jointly managed and team-based but where the teams routinely cover for each other and share specialist and non-specialist resource. It envisages early reduction in staffing of one post, with at least one further post being lost as soon as practicable thereafter (the timing to depend on further consideration of the practical transitional arrangements by the new service manager).
- 1.10 This business case is separate from the wider discussions between the two Councils about shared senior management arrangements. The issues underlying it need to be addressed by both Councils in any event, and the opportunity for a joint service was identified and initial work to investigate its potential was in hand some time before the wider opportunity was identified. This proposal could therefore proceed irrespective of any decision to adopt shared senior management arrangements. However, some details of the proposal would need to be different dependent on the outcome of those wider discussions (reporting lines to senior management); and proposals in relation to staff terms and conditions have been deliberately framed to ensure nothing is done in implementing this proposal which is prejudicial to the wider opportunity.

2.0 Background: How Local Authority Building Control is Funded

- 2.1 Local Authority Building Control (LABC) operations receive funding from two sources. When Building Regulation applications are received from builders or members of the public they are accompanied by a fee. Typically, this fee earning work accounts for about 65% to 75% of the total workload of a LABC operation. The remaining work comprises other statutory functions such as enforcement, the collection of data and statistics for transmission to DCLG, and giving technical advice to other Council services such as development control and conservation.
- 2.2 When performing the fee earning element of its work, each LABC Service is in competition with the private sector. Licensed "Approved Inspectors" have set themselves up as private enterprises to bid for and receive applications under the Building Regulations and deal with them in all respects as if they were the LABC.
- 2.3 Each LABC has to have set a schedule of fees and charges through which it derives the external income which it wins. In Cherwell and South Northamptonshire these fees and charges are reviewed annually. Inevitably, the fees and charges currently set by Cherwell and South Northamptonshire differ. It will be the intention of the shared service to converge these at the earliest possible opportunity, being mindful also that retaining competitiveness is paramount at all times.
- 2.4 There is clearly a balance between maximising external income and keeping the scale of fees and charges sufficiently competitive to attract the required workload. Each LABC is notionally tasked by DCLG to break even in this regard. But whereas in the past the break even requirement may have been of less concern for a Council than delivering its priorities (in other words, councils might have been willing to accept a loss for non-financial reasons), in the current financial climate that position is now untenable. This implies that charging aims and the supporting fee structures need to change, within the framework imposed by the market context.

- 2.5 The cost of the statutory operations not funded by external income is what is termed in this report “Internal Regulatory Supplement” or IRS. The IRS is the cost to the Council (i.e. the draw on its revenue resources) of providing an effective regulatory Building Control service. This cost to the Council of the Building Control service may then be increased if it incurs a loss on the discretionary aspects of the service (i.e. when the costs of the chargeable parts of the service exceed its income) or reduced if a surplus is made.

3.0 Key Issues facing the services

(i) Cherwell and South Northamptonshire Recent Financial Performance

- 3.1 For the work carried out in direct competition with the private sector over the last two complete years Cherwell had posted deficits of £32,000 and £28,000, representing some 9% and 8% of turnover. This followed several years of similar surpluses.
- 3.2 For South Northamptonshire the deficits over the same period have been £135,000 and £166,000, representing of 67.5% and 88% of turnover. These figures may be comparatively high because of the Council’s allocation of corporate and departmental overheads. These have been recently reviewed and will be considerably less in 2010/11. However, the point remains that there has been a substantial deficit of costs over income which reflects high ‘unit costs’ when measured in terms of case-work productivity. South Northamptonshire’s deficit has been commented upon by the Audit Commission, which has made a specific reference about the statutory requirements to break even not being met, and advised that action should be taken to address this.
- 3.3 South Northamptonshire clearly needs to take steps to address this deficit. It is questionable whether this can be achieved without a step change in the way its Building Control service is operated. To avoid a downward spiral where increasing fees would inevitably lead to a reducing market share, the only alternative option to a shared service would seem to be a positive action not to seek any external work and thus become simply a Building Control service of last resort.
- 3.4 Likewise, Cherwell is not in a position where continued surpluses in its Building Control trading account can be taken for granted. It too is in need of an innovative stimulus to ensure its long term future.

(ii) Resilience

- 3.5 The Building Control shared service has been promoted not only on the basis of the necessity for both Councils to make savings in order to address their current market positions (and the levels of deficit being incurred on their fee earning accounts) but also because making the essential savings together will provide a stronger overall basis for continuing with commercial services. Working together will provide more stability and resilience to a service which is coming under increasing threat from private sector competition. It seems clear that service delivery, marketability and efficiency improvements should result from sharing expertise and increasing resilience. These should also result in better prospects for recruitment and retention of professional staff, and through greater flexibility the service should be better able to cope with future pressures. An important consideration for Cherwell in this context is the need to address an imminent management ‘gap’ in the service.

(iii) Delivering the Objectives and Priorities of both Councils

- 3.6 A key issue of the shared arrangements is having certainty that a shared service would deliver the objectives and priorities of both Councils. An important area, from both Councils' viewpoints, is ensuring that sharing does not prejudice the objective of integrating Building Control closely with other development services such as development control and planning enforcement. This was an important aspect of South Northamptonshire's "organisation design review". At a headline level South Northamptonshire and Cherwell organisational structures for the services are relatively similar, so on the face of it the two Councils' overall priorities are aligned.
- 3.7 It is also essential to ensure that the two Councils have a shared vision at all levels on which to deliver future Building Control services. Key issues in ensuring a unified approach are:
- Service standards e.g. speed and timeliness of response, level of detail and frequency of advice given;
 - The nature and detail, and level of pro-activity, in giving advice to builders etc. to promote accessible and sustainable development approaches to construction;
 - The level of involvement of Building Control (at planning application and pre-application advice stages) in development control, to ensure problem-free construction as a result of planning decisions and to promote accessible and sustainable development approaches to building design; and
 - The role of Building Control in supporting planning enforcement (as Building Control officers often see new buildings at the early stages of construction they are able to see emerging problems from a planning viewpoint and by close liaison could help prevent those becoming serious enforcement issues).
- 3.8 All these issues need some further work to ensure the professional staff have a similar view about how they would address them, and are confident they have the necessary skills and experience to cover such work across both districts. Understanding clearly the perspectives of both Councils, and their professional staff, is essential if a correct choice is to be made about a future approach.

4.0 The Business Case Proposal

(i) Overview

- 4.1 This Business Case is predicated on the organogram shown at Appendix 1A, which may be compared to the existing organograms for the two Councils at Appendices 1B and 1C. It assumes a joint Building Control Manager with strong business management and business development skills, as well as extensive technical skills and experience in Building Control, who will be responsible for two teams, one in each Council.

- 4.2 Initially the proposal to merge the service will concentrate on bringing the teams together in as straightforward an approach as possible. The proposed structure means that there will be a Building Control presence in each Council office, a continuing presence in each office is considered essential as the service has strong links to development control, and its customers, who would expect a local presence, are often also concurrently those of other services of each Council. In turn, this will allow the main staff structure in each Council to be retained. Each service receives a combined administration function (shared with other Council services), so the business case has deliberately not looked at the sharing of administration functions at this stage. This, however, could follow in due course.
- 4.3 The Business Case assumes a rapid but controlled evolution for the two independent services that exist at present, to one jointly managed but with two separate teams, and then to one still jointly managed and team-based but where the teams routinely cover for each other and where there is a sharing of specialist and non-specialist resource. At this point the administrative boundary between Cherwell and South Northamptonshire becomes largely irrelevant.
- 4.4 With this evolution, but inevitably at a less rapid pace, will come a convergence of working practices and business culture and in the personal terms and conditions of those involved in the service.
- 4.5 However, crucially, there will need to be a very early convergence of the fees and charges for Building Control applications. DCLG directed all Local Authority Building Control bodies to review and publish by 1 October 2010 new fee scales to reflect the outcome of their recent consultation on adopting a more risk-based approach to charging. From 1 October 2010 Cherwell and South Northamptonshire have set different fee scales based on their differing service costs. However and importantly, the methodology behind each scale has been the same, and with some minor recalculation it will therefore be possible to publish a unified scale on 1 April 2011 or very soon after. That will be the intention of the joint service.
- 4.6 The Business Case is therefore based on a single set of fees applicable equally in South Northamptonshire and in Cherwell.

(ii) Governance and Reporting Lines

- 4.7 The joint Building Control Manager will report to Head of Service level. In the event that a shared senior management approach is adopted by the two Councils, he would report to whichever Head of Service is deemed to be the appropriate manager for the service under the new arrangements (which may become clearer in early 2011). In the event that a shared senior management approach is not adopted, he would report to the relevant Head of Service of each Council (there would be a dual reporting line) and the two Heads of Service would be jointly responsible to their Directors and Portfolio Holders for the service on behalf of their respective Councils.
- 4.8 However, if the shared senior management approach did not proceed, it will be appropriate to consider the need for a specific formal partnership agreement which covers issues such as recruitment, termination, dispute resolution, indemnities, budget setting and suchlike. Those details have not been considered at this stage, to avoid wasted work since (at the time of drafting this paper) it seems likely to be unnecessary.

- 4.9 In either case, the relationship of Building Control Manager to Head(s) of Service is a purely operational one. In the view of both Councils' Monitoring Officers, therefore, it does not require Member involvement in the governance arrangements. It would be for each Council to decide on its own Member-level monitoring arrangements for assessing the performance and effectiveness of the joint arrangements.

(ii) Work Processes

- 4.10 There are inevitably current differences in the working practices and cultures of Cherwell and South Northamptonshire which are reflected in their respective Building Control services. These differences are also inevitably reflected in the costs of the respective services and emerge at two levels.
- 4.11 Firstly, the day-to-day routines of processing applications and dealing with customers and their queries are different in each Authority. While the beginning and end points are the same the means of getting there varies. That is not to say that one Authority is wrong and the other right. Indeed, the most effective means probably lies somewhere in between the two. It will be for the Building Control Manager to assess the processes of each office, select the best practices from each and then blend them into a single transferable process.
- 4.12 Similarly there are differences in the way customer care is approached in each Authority. Building Control is a business which is reliant not only on external income but on balancing the books. It will be for the Building Control Manager to converge the cultures of each organisation so that a sustainable balance of customer care and profitability can be achieved.
- 4.13 The internal technical support provided by Cherwell and South Northamptonshire also differs at present. It is logical and sensible that under a shared service and unified management these should in time be brought into alignment. However, that will be a matter for a future exercise and it is not considered here in any detail.
- 4.14 South Northamptonshire's Building Control service includes its service to name streets and number properties on new developments, and to provide new and maintain existing street nameplates throughout its district. This service fits well beside Building Control and therefore Cherwell will realign its address management service similarly.
- 4.15 Cherwell is currently developing the role of Access Officer within its Building Control service. Through this it will discharge Cherwell's responsibilities under the equalities legislation that relates to the built environment, which can be reinforced by South Northamptonshire's existing expertise in this area. Other areas of mutual aid will be developed as part of the shared service.

(iii) Convergence of Cultures, Customer Care and Business Approach

- 4.16 A successful shared service will be measured not only on its financial performance but also on its ability to progress as one integrated service rather than two disparate ones, which offer a high but affordable level of customer care. Such a vision requires the adoption of a single culture and set of standards.
- 4.17 Appendix 2 shows the key data taken from 2008/09 and 2009/10. This provides a comparison between each Council's operation, from which the following are evident.
- The value of the average commission won by Cherwell is some 34% higher than by South Northamptonshire.

- The cost of processing each commission is 24% higher in South Northamptonshire than in Cherwell. This is due in large part to the fact that South Northamptonshire's Building Control Officers make 14% more site visits to each application site than their Cherwell counterparts.
- Each Cherwell Surveyor deals with 22% more applications than his South Northamptonshire counterpart.
- Cherwell employs an external structural engineer (amounting to 0.6 FTE) to check relevant submissions whereas South Northamptonshire do not.
- Market share in Cherwell is some 10%-15% higher than in South Northamptonshire.
- Satisfaction ratings in South Northamptonshire are marginally higher than in Cherwell (although up to date ratings for SNC are not available)

- 4.18 The conclusion of these headline statistics is that despite each South Northamptonshire commission being of lower value than Cherwell's, South Northamptonshire are putting more resource into each. South Northamptonshire's clients clearly appreciate this high level of service but whether they will continue to do so, and be prepared to pay higher fees to reflect the true costs of a high quality service at a time of increasing financial pressure for them in an increasingly competitive market, is questionable.
- 4.19 Private sector competition is very active in the South Northamptonshire area, which probably accounts for their lower market share. However, as markets and margins become tighter it would be unrealistic to think that such inroads in Cherwell will not be made sooner or later unless action is taken to rebut them. There is already evidence of this in Cherwell's inability to secure the Building Control commission for the prestigious Sainsbury's development in Bicester. Winning that would have earned fees approaching £30,000, close to 10% of Cherwell's annual income from applications.
- 4.20 The challenge facing a joint venture would be for both services to move to a more financially sustainable position. Clearly South Northamptonshire has further to go in this regard and it is not realistic to think that their journey would be with no compromise to their high customer care culture. For Cherwell, the marginal efficiencies brought about by a shared service would probably negate the need for such a step culture change.
- 4.21 The key question for South Northamptonshire in considering this proposal is therefore whether the Council and its customers are prepared to accept this compromise and reduction in service quality. The alternative would be the imposition of higher fees and/or a severe reduction in costs and therefore service quality in order to meet the DCLG's break even requirement, which would in turn inevitably lead to a reduction in its client base. The process would then become self-propagating.
- 4.22 For the South Northamptonshire service to be sustainable in isolation a balance would have to be struck. If the DCLG requirement of driving up fees is to be avoided, a severe reduction in costs and a probable reduction of service quality has to take place. At least under the scenario of a shared service, an element of control over the situation could be achieved with careful management and communication with South Northamptonshire's remaining clients.

5.0 Financial considerations

5.1 The existing financial positions of the Building Control services of each Council are shown in Appendix 3.

5.2 Appendix 4 shows the projected position as at 2011/12 split between the two Authorities.

5.3 The following assumptions are made throughout the financial modelling:

- There are no increases in individual salary costs (i.e. no index linked salary increases).
- The migration of the two existing organograms to a single streamlined one will entail a reduction in the salary of at least one member of staff and/or redundancies. The Business Cases shown in the appendices assume that any pay protection and redundancy payments are outside it.

5.4 In Appendix 4 it is assumed that:

- There is agreement that there is a 60%/40% split of both costs and income - 60% in favour of Cherwell and 40% in favour of South Northamptonshire.
- There is agreement that savings from the reduction in posts is split 60% in favour of Cherwell and 40% in favour of South Northamptonshire.
- The level of support costs is limited to £296,800 in 2011-12. SNC will charge a maximum of £145,000 to the unit and CDC £151,800. These costs will be capped at this amount for the next three years to provide certainty for the unit.
- The 10% premium for a building control manager is included and based on total costs.
- Although support costs are expected to reduce over the period due to medium term financial strategy of both authorities no consideration is built into the model for such further reductions.
- Income is expected to increase as a result of the shared service but for the purposes of the financial model – the 2010/11 projected income is used consistently across the years.
- No inflation adjustments are considered in the model.
- Consultancy costs remain at their present level, but it is appreciated that there is scope to reduce these and the Building Control Manager will be tasked to investigate this as soon as the shared service commences.
- The Internal Regulatory Supplement is the budget incurred by both Authorities to meet the costs of the regulatory element of the Building Control service net of any surpluses or deficits made on the operation funded by external fee income.
- Cherwell District Council will use their existing building control reserve to fund their additional costs over the period with the aim of having an internal regulatory supplement which is equal to or less than the 2010/11 projection.

- 5.5 Naturally, if and when redundancies or staff retirements occur there should be a presumption that overheads will be shed proportionately.
- 5.6 The recruitment of the Building Control Manager and the two Principal Surveyors leading the teams in each Authority will leave an existing Principal or Team Leader without that role. There will then be a skills audit of the remaining personnel in the team and one post will be deleted no later than 1st July 2011 generating a saving across the 2 councils of £40,000 annually.
- 5.7 A further post will be deleted by March 2012 – generating a further reduction of £40,000 across the 2 councils.
- 5.8 The financial model assumes that a further reduction in direct costs is required to be actioned by March 2013 in order to reduce costs by a further £40,000.
- 5.9 In considering this planned timetable consideration has been given to continuing service delivery. Moreover, should market conditions improve to the point where the income/workload increases there is an opportunity to be flexible and review the staffing levels.
- 5.10 The range of redundancy/retirement costs on the basis of 3 deleted posts is between £54,042 and £83,040 with an average of £68,541. However, it should be noted that there is a significant risk that an adequate level of service delivery could not be maintained if three posts are deleted.
- 5.11 On the basis of the direct staff reductions and cumulative savings of £120,000 this would equate to a payback of between 0.45years and 0.69years. This is detailed in Appendix 5.
- 5.12 The range of redundancy/retirement costs on the basis of 2 deleted posts is between £41,658 and £69,100 with an average of £55,379.
- 5.13 If the building control service gains additional income as a result of its competitive position then the direct costs reduction could be compensated for by an increase in income of the same £40,000. If this is achieved then payback would improve to between 0.35yrs to 0.58 years.
- 5.14 All implementation costs will be split 50% to Cherwell, 50% to South Northamptonshire on the basis that Cherwell District Council is using a building control reserve to offset the additional costs it will bear in the initial years and on the basis that South Northamptonshire will generate savings from April 2011. It is proposed that both Councils will use an earmarked reserve to fund these payments.

Financial Effect on Cherwell

- 5.15 The primary reason for Cherwell progressing this project is to take advantage of the opportunity to make the service more competitive commercially and therefore to grow the business and to provide greater resilience for the service as a result previous management reductions.
- 5.16 Appendix 4 details the following investments required from Cherwell to progress this proposal:
- | | |
|---------|---------|
| 2011-12 | £56,498 |
| 2012-13 | £26,498 |
| 2013-14 | £2,498 |

- 5.17 Total costs over the next three years £85,494
- 5.18 These costs will be funded using earmarked reserves with up to £50,000 coming from the Building Control Reserve and the balance coming from the corporate change reserve.
- 5.19 However, it should be remembered that £20,000 per annum of management costs has already been taken from the base budget in 2010-11 and over the period 2011-12 to 2013-14 £60,000 will have been saved as a result of this previous budget reduction.
- 5.20 Therefore the net cost of this proposal over the three year period is £25,494.
- 5.21 If, as anticipated, the service does grow or the market picks up and income increase then 60% of that additional income, regardless of where it is generated will flow back to Cherwell.
- 5.22 There has been no account taken of this increase in income, as it is unknown at this stage, in the business case. A modest increase in demand or indeed fees could meet this shortfall but that cannot be relied on upon this stage.
- 5.23 For Cherwell, therefore, this proposal is not being recommended on financial grounds but should be seen as an investment in the service in order for it to develop, grow and make it more resilient following a management departure.

Financial Effect on South Northamptonshire

- 5.24 As well as the anticipated service benefits the financial benefits are attractive for South Northamptonshire and can be summarised as follows:

2011-12	£ (86,498)
2012-13	£ (106,498)
2013-14	£ (122,498)

- 5.25 On the face of it these are significant savings but as part of the discussions with Cherwell it has also been agreed that the level of recharge to the Building Control account will be reduced by approximately £55,000 and on the grounds that unless there are support reductions (and there will be some as a result of other budget proposals progressing) these will have to be charged elsewhere within the authority then these costs need to be netted off the savings stated above reducing each year by £55,000. The 'real' savings as a result of this proposal is therefore as follows:

2011-12	£ (31,498)
2012-13	£ (51,498)
2013-14	£ (67,498)

One-off costs

- 5.26 The one off costs are detailed in appendix 5 and range from £42,000 to £83,000.
- 5.27 It has also been agreed to share these implementation costs on a 50:50 basis between the two Councils. These will be funded using the Partnership Working Earmarked reserve at SNC and a Corporate Change Earmarked reserve at Cherwell.

6.0 Marketing and Retaining Market Share

- 6.1 The threat of losing fee income and market share to the private sector is an issue that has affected the South Northamptonshire service in recent years but will inevitably apply also to Cherwell. To date the response by both Councils to this has been largely passive, which is not untypical of the way many LABC operations have reacted.
- 6.2 It is, however, worth noting that in the experience of both Cherwell and South Northamptonshire the relationship between price, quality and market share is not straightforward.
- 6.3 Nevertheless, a joint service will provide an opportunity to avert any potential decline, and one of the responsibilities placed on the new Building Control Manager will be to design and implement a strategy to raise the profile of the service in the face of increasing competition, to both halt and indeed reverse the loss of business in the existing client sectors where the Councils' core business currently exists and also to secure new business.
- 6.4 The best tool for this will be the closeness of the shared service to the Development Control service of each Authority and therefore access to the weekly planning application (and pre-application enquiry) lists. This is one of the major reasons why it is important for the shared service to retain its presence within the planning environments of each Authority.
- 6.5 More generally, addressing private sector competition will require a focused approach to market development. A shared service will release some of the resource of the Building Control Manager to find innovative ways of marketing the joint service, perhaps by holding development forums with major clients, providing pre-application advice in liaison with Development Control colleagues, and generally meeting potential clients either to retain their allegiance to the public sector or wooing them back to it.

7.0 Conclusions

- 7.1 The financial models shown in Appendix 4 are achievable, being based on the current financial position of each Authority and with realistic year-on-year savings targets.
- 7.2 Appendix 4 shows these savings in comparative terms and vindicates the proposal to enter into this shared service. In summary it suggests that the two Councils will save a minimum of **£120,000** by the end of 2012/13 and that the commercial Building Control service will be resilient and complete. The overall positions for both authorities will have improved from 2010/11 projection and the building control service will be competitive, resilient and financially viable.
- 7.3 Appendix 6 (with Appendix 1A) sets out more detail on the proposed staffing structure, including the underlying rationale and related human resources issues
- 7.4 The key issues for South Northamptonshire to consider may be summarised as follows:
- It is doubtful whether the South Northamptonshire operation could exist independently in the medium to long-term without significant financial savings, unless the Council were to accept continued major deficits.
 - One option is for the Council to provide only a statutory level of service, and abandon any involvement in the discretionary commercial aspect of the current service.

- Assuming the Council wishes to maintain a full service, because of the benefits that provides to wider corporate objectives, achieving those savings would inevitably come at a cost to its current high customer care culture.
- The question for South Northamptonshire therefore comes down not to whether its Building Control service is prepared to make this compromise, but – if it is to survive in its present form – how it is prepared to make that compromise. This compromise will need to be made with or without Cherwell or any other partner.

7.5 There are three options here:

- Keep its Building Control Service independent of any others. This will involve a serious reduction in costs (staffing levels), and then attempting to deliver the best service possible within the resources made available. In reality, the result would be a service that is very stretched, has limited resilience and could rapidly trigger a business 'spiral of decline'.
- Re-open negotiations with other Northamptonshire neighbours. In this context, previous negotiations with one authority in the county concluded that there were serious differences in culture and working practices that a shared service approach was unlikely to be successful; and starting negotiations with another neighbour would take time to bring to fruition.
- Progress a shared service arrangement with Cherwell. The work done to develop this business case suggests that differences in working practice and cultures between South Northamptonshire and Cherwell do not seem to be so wide that with goodwill and effort from both sides they cannot be bridged in a reasonably short time.

7.6 The key issues for Cherwell to consider may be summarised as follows:

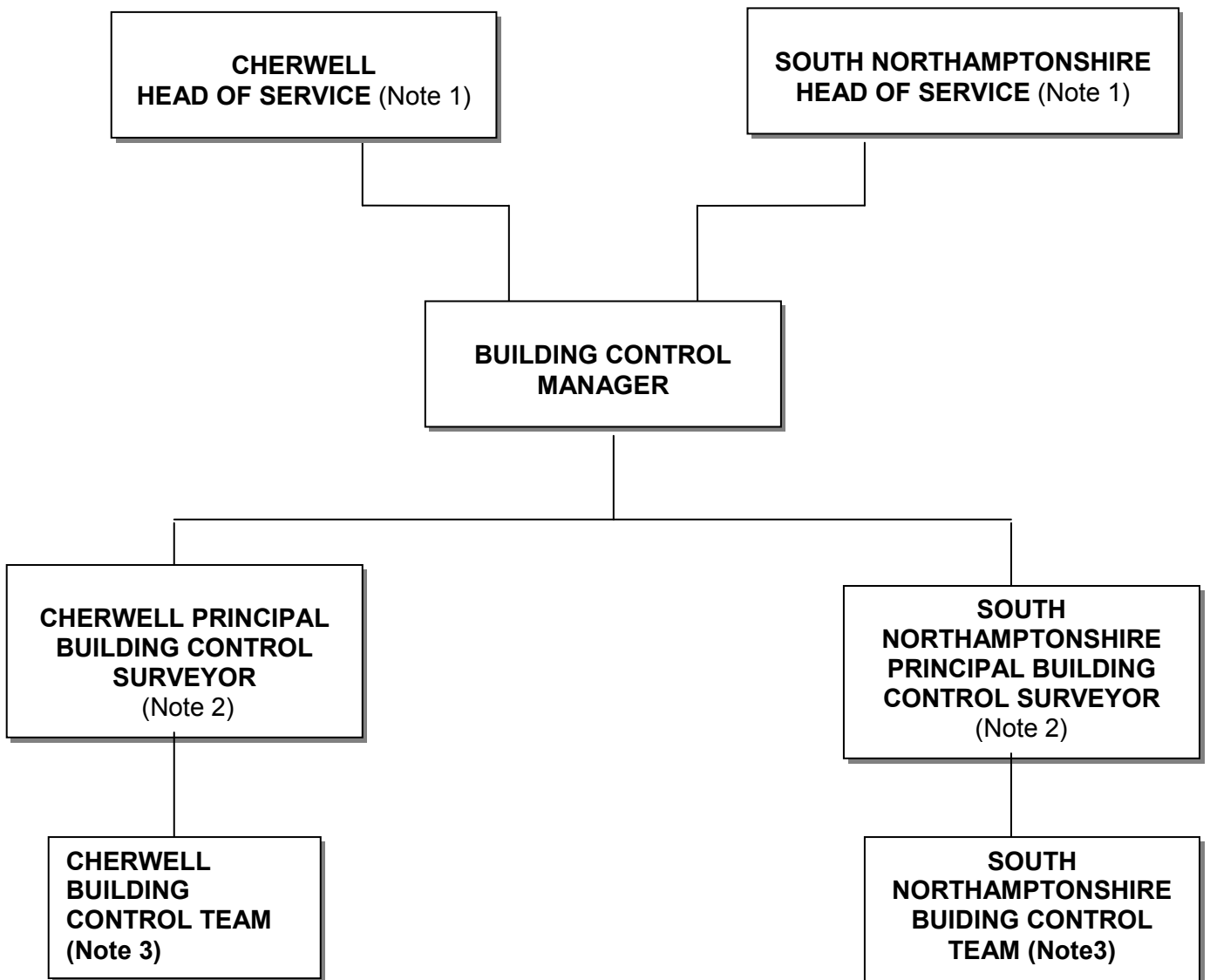
- Under increasing threat from a diminishing market and from growing private sector predators, Cherwell cannot afford to take a neutral position. Alliances have already been formed between West Oxfordshire and Cotswold, and South Oxfordshire and the Vale of White Horse Districts, and therefore its options have already become limited.
- On the basis that Cherwell District Council has taken an annual management saving of ~ £20,000 in 2010/11 and has a building control reserve of approx £50,000 it is proposing to invest this in order to develop a shared service with South Northamptonshire.

7.7 If it cannot form a shared service with South Northamptonshire it too has the following alternatives.

- The first is to keep its Building Control service independent of any others and prepare for a steady decline which will eventually result in its becoming a service of last resort having little resilience and no ambition.
- The second is to join an existing alliance as a third or fourth partner and therefore be constrained to the working culture and practices that have already developed within that partnership.

APPENDIX 1A

**CHERWELL/SOUTH NORTHAMPTONSHIRE BUILDING CONTROL SHARED
SERVICE:
PROPOSED STAFF STRUCTURE**

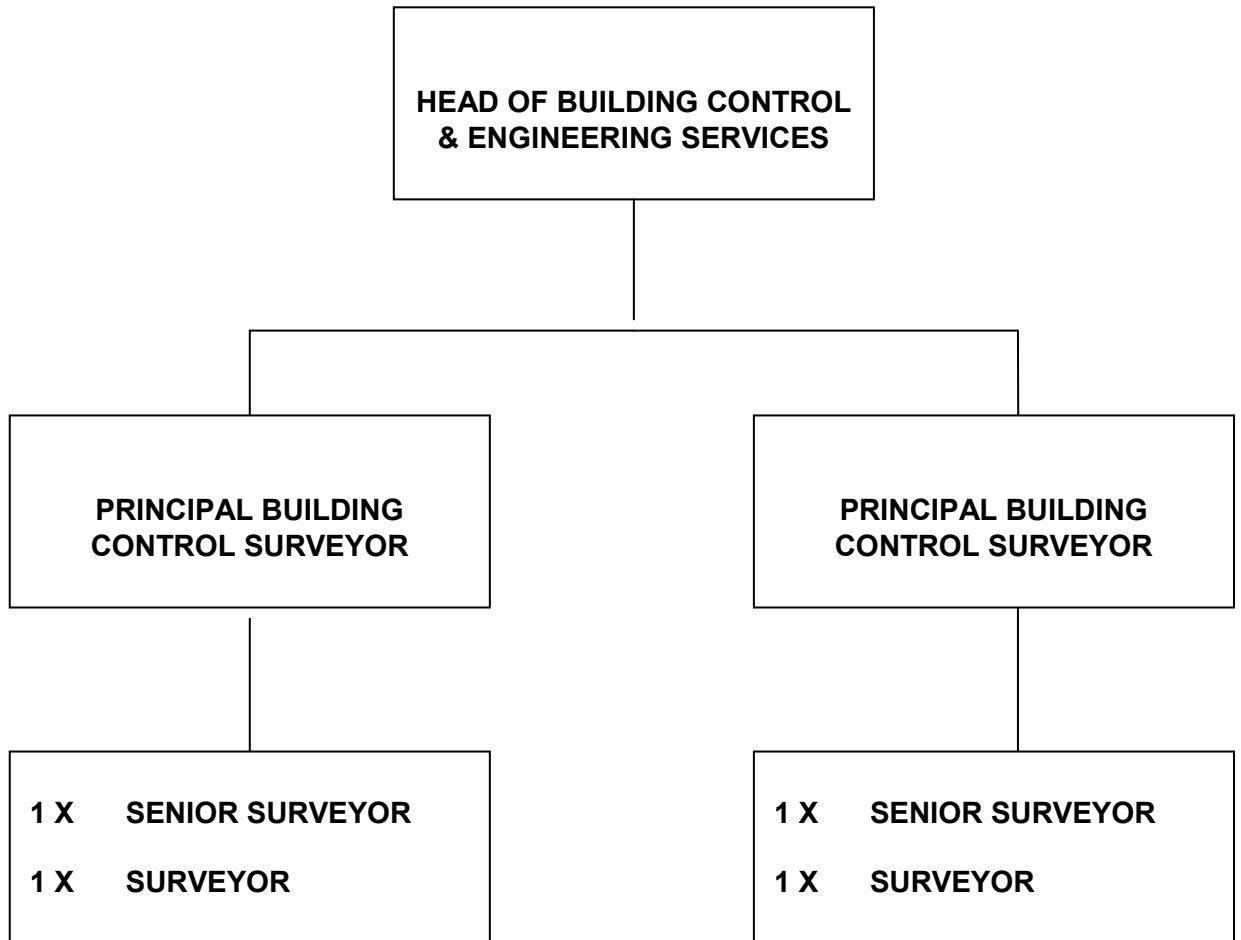


Notes:

1. Diagram assumes Building Control as a shared service if a wider shared senior management approach is not adopted by the two Councils. In the event that a shared senior management approach is adopted by the two Councils, he would report to whichever Head of Service is deemed to be the appropriate manager for the service under the new arrangements.
2. Job requirement to be that that work base location of Team Leaders is flexible, but likely arrangement is that, at outset, one team leader will be based in Cherwell's offices and one in South Northamptonshire's.
3. The number in each team will evolve as a result of the future quantum and distribution of work. The business case assumes a reduction in staff below Principal Building Control Surveyor level from 8 to 6 or 5 over time.

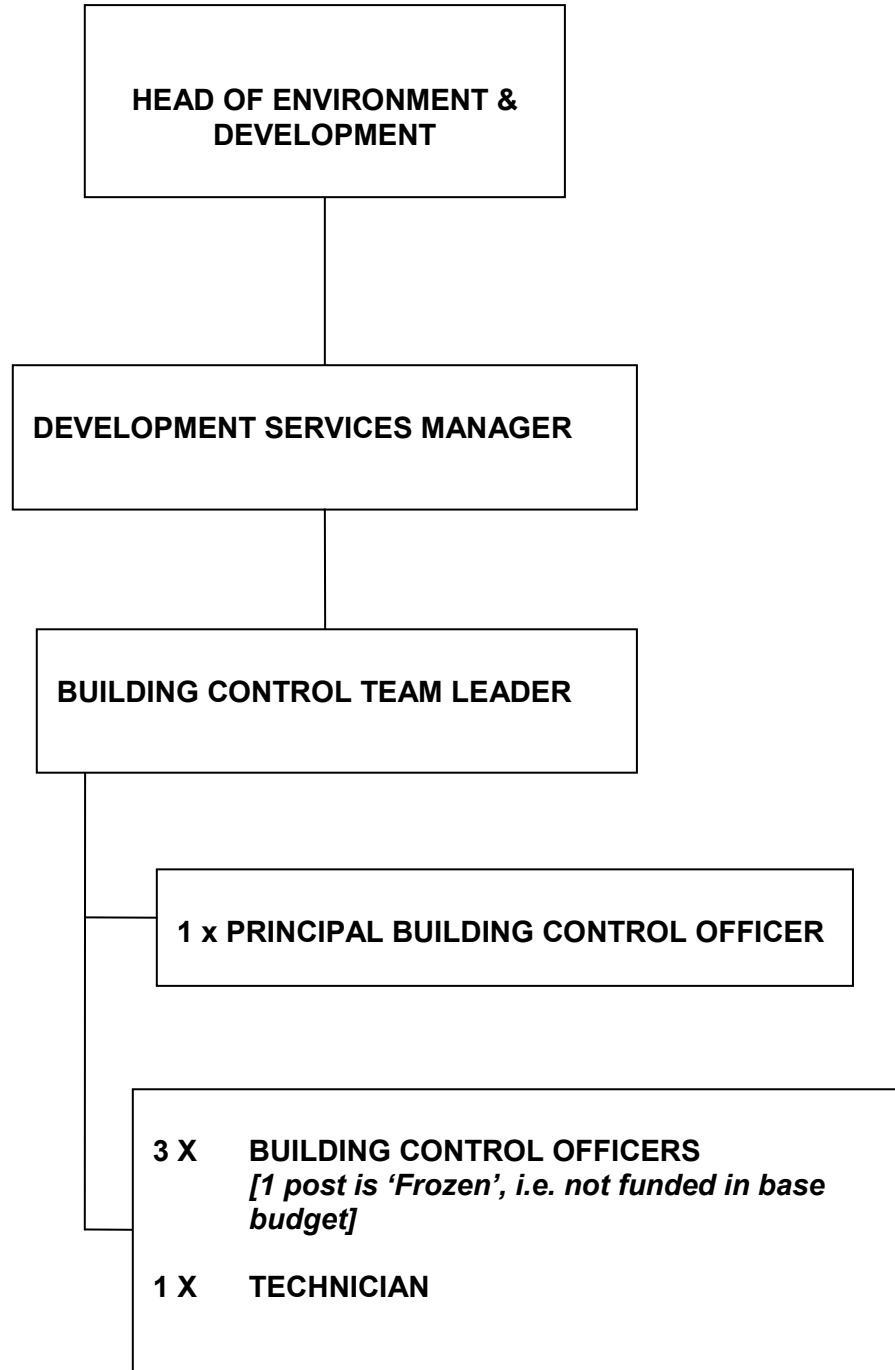
APPENDIX 1B

EXISTING CHERWELL STAFF STRUCTURE



APPENDIX 1C

EXISTING SOUTH NORTHAMPTONSHIRE STAFF STRUCTURE



APPENDIX 2

SERVICE PERFORMANCE DATA

2008/09 Actual				
		Cherwell	South Northamptonshire	Total
	Income/Expenditure	0.92	0.57	0.77
	Surplus (Deficit)	(35268)	(148159)	(183427)
	Income/App (FP+BN)	£449	£295	£383
	Cost/App (FP+BN)	£487	£514	£499
	Mileage/App (FP+BN)	37.0	40.8	38.6
	Mileage/BC Surveyor	5612	5520	5570
	Market Share (FP+BN/FP+BN+AI)	84.2%	74.4%	79.7%
	Site Inspections/APP (FP+BN)	6.51	6.96	6.70
	Apps (FP+BN)/BC Surveyor	152	135	144
	Satisfaction Rating	93%	95% *	94%
	Urban Pop/Total Pop	62%	27%	49%

2009/10 Actual				
		Cherwell	South Northamptonshire	Total
	Income/Expenditure	0.93	0.53	0.74
	Surplus (Deficit)	(28068)	(165395)	(193463)
	Income/App (FP+BN)	£378	£320	£370
	Cost/App (FP+BN)	£408	£600	£501
	Mileage/App (FP+BN)	36.3	45.0	41.3
	Mileage/BC Surveyor	5744	5319	5551
	Market Share (FP+BN/FP+BN+AI)	84.5%	69.2%	77.6%
	Site Inspections/APP (FP+BN)	5.63	6.85	6.35
	Apps (FP+BN)/BC Surveyor	158	118	135
	Satisfaction Rating	91%	95% *	93%
	Urban Pop/Total Pop	62%	27%	49%

FP = **Full Plans**
BN = **Building Notices**
AI = **Approved Inspectors**

* Note – SNC figure is 2005/06

APPENDIX 3

CHERWELL/SOUTH NORTHAMPTONSHIRE
BUILDING CONTROL JOINT VENTURE

EXISTING COSTS 2010/2011

	Existing Costs		
	CDC Costs 2010/11	SNDC costs 2010/11	Total 2010/11
Direct Costs			
Salary Costs	274,158	223,449	497,607
Discretionary Costs	17,178	21,620	38,798
Transport	17,515	17,000	34,515
Consultancy	37,110	1,000	38,110
	<hr/>	<hr/>	<hr/>
	345,961	263,069	609,030
Income			
External Fee Income	(410,000)	(226,465)	(636,465)
	(64,039)	36,604	(27,435)
Support Costs			
Accommodation	7,425	11,115	18,540
IT Support	28,323	39,204	67,527
Central Support	29,649	46,510	76,159
Departmental Support	86,414	67,302	153,716
Management	17,852	36,525	53,377
	<hr/>	<hr/>	<hr/>
	169,663	200,656	370,319
<hr/>			
Internal Regulatory Supplement	105,624	237,260	342,884
<hr/>			

**CHERWELL/SOUTH NORTHAMPTONSHIRE
BUILDING CONTROL JOINT VENTURE
PROJECTED COSTS 2011/2012**

	Projected Costs		
	CDC Costs 2011/12	SNC Costs 2011/12	Total 2011/12
Direct Costs			
Salary Costs	277,277	226,568	503,845
Discretionary Costs	17,178	21,620	38,798
Transport	17,515	17,000	34,515
Support Costs	151,811	145,034	296,845
Consultancy	37,110	1,000	38,110
Recharge to Development Control	0	(24,465)	(24,465)
	500,891	386,757	887,648
Income			
External Fee Income	(410,000)	(202,000)	(612,000)
	90,891	184,757	275,648
Internal Regulatory Supplement			
Re-allocated on 60% / 40%	165,389	110,259	275,648
Increase/Decrease in costs	74,498	(74,498)	0
	CDC 60%	SNC 40%	Total 100%
Part year effect			
Saving (1) - Delete £40k post - no later than July 2011	(18,000)	(12,000)	(30,000)
Net Position of each Authority	56,498	(86,498)	(30,000)
Full year effect			
Saving (1) - Delete £40k post - no later than July 2011	(6,000)	(4,000)	(10,000)
Saving (2) - Deletion of 1 further post by March 2012	(24,000)	(16,000)	(40,000)
Net Position of each Authority	26,498	(106,498)	(80,000)
Saving (3) - Deletion of 1 further posts by March 2013	(24,000)	(16,000)	(40,000)

Net Position of each Authority	2,498	(122,498)	(120,000)
Amended Internal Regulatory Supplement as at March 2013	93,389	62,259	155,648

APPENDIX 5

CHERWELL/SOUTH NORTHAMPTONSHIRE BUILDING CONTROL JOINT VENTURE

IMPLEMENTATION COSTS

Option 1 - Redundancy Costs - 3 Posts

	Low	Average	High
Post 1	14,758	22,579	30,400
Post 2	12,384	13,162	13,940
Post 3	26,900	32,800	38,700
Total Redundancy Costs	54,042	68,541	83,040
Total Projected Savings	120,000	120,000	120,000
Payback Period in Years	0.45	0.57	0.69

Option 2 - Redundancy Costs - 2 Posts (assumed 2 most expensive)

	Low	Average	High
Post 1	14,758	22,579	30,400
Post 2	26,900	32,800	38,700
Total Redundancy Costs	41,658	55,379	69,100
Total Projected Savings & Income	120,000	120,000	120,000
Payback Period in Years	0.35	0.46	0.58

APPENDIX 6

PROPOSED STAFFING STRUCTURE, INCLUDING THE UNDERLYING RATIONALE AND RELATED HUMAN RESOURCES ISSUES

1.0	Introduction																																																
1.1	The proposed staff structure for the shared service is set out in Appendix 1A. The existing staff structures of Cherwell and South Northamptonshire Building Control teams below Head of Service are shown in Appendices 1B and 1C.																																																
1.2	The proposed structure will create three new posts at Manager and Team Leader levels. At this stage the structures below Team Leader level will not change in either Authority. However, it is envisaged that, following appointment of the management/supervision team, achieving success in joint working will necessitate a wider review of resources and staffing. This will allow the business case parameters around costs and joint working to be met (see below for further pointers on how this will be achieved).																																																
1.3	The existing terms and conditions of equivalent Cherwell and South Northamptonshire officers inevitably differ. When recruiting for the new Manager and Team Leader posts it is essential that there are clear job descriptions and other terms and conditions applying to the posts. This paper sets out a rationale to achieve that objective. It also notes that some disparities of terms and conditions will continue below the Manager level unless and until convergence occurs in the two Councils' reward systems.																																																
1.4	<p>The shared Building Control Manager post has been graded using the respective job evaluation systems within each authority with the following outcomes:</p> <p>Grade / total costs</p> <table border="1"> <thead> <tr> <th colspan="3">CDC grade 11</th> <th colspan="3">SNC grade 3</th> </tr> <tr> <th>Salary</th> <th>Total cost</th> <th>+ 10%</th> <th>Salary</th> <th>Total cost</th> <th>+ 10%</th> </tr> </thead> <tbody> <tr> <td>£42,500</td> <td>£55,133</td> <td>£60,646</td> <td>£38,778</td> <td>£51,003</td> <td>£56,103</td> </tr> <tr> <td>£43,500</td> <td>£56,478</td> <td>£62,125</td> <td>£40,191</td> <td>£52,885</td> <td>£58,173</td> </tr> <tr> <td>£44,500</td> <td>£57,823</td> <td>£63,605</td> <td>£41,598</td> <td>£54,805</td> <td>£60,285</td> </tr> <tr> <td>£45,500</td> <td>£59,168</td> <td>£65,084</td> <td>£42,987</td> <td>£56,701</td> <td>£62,371</td> </tr> <tr> <td>£46,500</td> <td>£60,513</td> <td>£66,564</td> <td>£44,388</td> <td>£58,614</td> <td>£64,475</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	CDC grade 11			SNC grade 3			Salary	Total cost	+ 10%	Salary	Total cost	+ 10%	£42,500	£55,133	£60,646	£38,778	£51,003	£56,103	£43,500	£56,478	£62,125	£40,191	£52,885	£58,173	£44,500	£57,823	£63,605	£41,598	£54,805	£60,285	£45,500	£59,168	£65,084	£42,987	£56,701	£62,371	£46,500	£60,513	£66,564	£44,388	£58,614	£64,475						
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1.5	The highlighted rows in this table indicate the respective salary points at which it is recommended that the joint manager post be appointed. This approach is considered in detail below.																																																
1.6	The plus 10% column indicates the overall financial effect of adding a cross working responsibility allowance (including the additional costs that might result, such as extra mileage between the two Councils' offices). This is the assumption in the general CDC/SNC shared management business case. At this stage, for simplicity, the financial impact is calculated as plus 10% on																																																

1.7	<p>the total cost of the post. This gives a worst case total cost figure that can be used to inform the business case for joint working. Thus a maximum cost assumption of £62,371 is used in the business case paper.</p> <p>The successful candidate would remain with their current employer which would result in a very small difference in pay for the post dependant on who the successful candidate and therefore employing authority are.</p>
1.9	<p>It is recommended that the Team Leaders also remain employed by their existing employing Council, on their current terms and conditions until any arrangements for convergence of reward systems are agreed between Councils. This may create reward differences, but they are relatively insignificant.</p>
2.0	<p>CONVERGENCE OF TERMS AND CONDITIONS AND WORKING ARRANGEMENTS THROUGHOUT SERVICE</p>
2.1	<p>There will be slight anomalies in pay between other officer posts in building control across the two authorities but these will not be significant.</p>
2.2	<p>As joint working progresses it will be necessary to establish a position on work base which will affect travel payments and also determine training requirements to ensure resources can be effectively shared.</p>
2.3	<p>However, for the purpose of the business case, these anomalies are not material and therefore not addressed in this paper.</p>
3.0	<p>Proposed Process</p>
3.1	<p>On approval of the Executive and Cabinet meetings in October, proceed with ring-fenced recruitment to the following posts:</p> <ul style="list-style-type: none"> • Shared Building Control Manager [either CDC grade 11, £42500 + 10% responsibility allowance or SNC grade 3, £42,987 + 10% responsibility allowance] • 2 x Principal Surveyors [current employer and grade] <p>Recruitment will be on the basis of:</p> <ul style="list-style-type: none"> • Ring-fence to include current 1 x Team Leader and 1 x Principal post at SNC and 2 x Principal posts at CDC • Simultaneous offer of voluntary redundancy to this group [with no commitment of either side at this time, as redundancy costs and the needs of the service will need to be considered alongside options for the future structure of the service below Team Leader level, including redeployment opportunities]. • Appointment to shared manager post using panel of 2 x Directors and 2 x Service Heads. Newly appointed manager to then join panel to appoint 2 x team leaders with service heads.

3.2	There is potential to be left at this point with 1 displaced employee (assuming there are no volunteers for redundancy or that redundancy does not meet the needs of the service). The options at this point will include retention of over capacity at senior/ supervisory level in the short term, with a view to achieving a “natural” reduction in whole teams numbers, possibly through retirements, or to invoking the appropriate redeployment/compulsory redundancy procedures.
3.3	Clearly it will be important to find the most effective and speedy route to achieving the new lower staff cost base set out in the business case.

4.0	Conclusion
4.1	Moving to the staff structure required for the joint service business case should be achieved as outlined above as this is consistent with the broader business case for shared management.

Executive

Corporate Improvement Plan Fear of Crime and Anti Social Behaviour

6 December 2010

Report of Head of Safer Communities, Urban and Rural Services

PURPOSE OF REPORT

To advise the Executive of the outcomes from the Corporate Improvement Plan Project: Fear of Crime and Anti Social Behaviour and to consider the proposed future priorities and actions for the service arising from the Project.

This report is public

Recommendations

The Executive is recommended:

- (1) To note the findings and conclusions from the Corporate Improvement Plan Project: Fear of Crime and Anti Social Behaviour.
- (2) To agree the future priorities and draft action plan which should form the basis of the 2011/12 Service Plan.

Executive Summary

Introduction

- 1.1 Anti social behaviour (ASB) is a blight on the lives of individuals who are directly affected; on the perceptions of communities for whom it signals neglect in their neighbourhoods; and on the reputation of the agencies who are often thought to be unconcerned or ineffectual.
- 1.2 The core difficulty in developing a coherent response to ASB is the breadth of the term and the fact that it means different things to different people. ASB is a mixed bag of crime, disorder and their precursors, with rowdy/disorderly behaviour being the overwhelmingly majority of reported events [Her Majesty's Inspector of Constabulary (HMIC)].
- 1.3 ASB does not have the same status as 'crime' for the police. There are consequences of this. Very importantly, the public draw no meaningful distinction between crime and ASB (HMIC).
- 1.4 This Fear of Crime and ASB Corporate Improvement Plan Project was prioritised

because of the apparent continuing and disproportionate perception of fear of crime and ASB in comparison to the year on year reductions in the levels of crime across Cherwell. It was subsequently extended to include a short Value for Money (VFM) analysis of the service.

- 1.5 The project was also undertaken at a time when the Council was preparing for future budget reductions and was experiencing loss of external income relevant to the community safety and ASB activities it provides. These matters were considered at a special meeting of the Cherwell Community Safety Partnership (CSCP) in September where partners prioritised the services and initiatives currently delivered.

Proposals

- 1.6 The Project recognised that the public perception of crime and ASB in a low crime area is influenced by many factors and that the Council's services need to change using the better information and understanding now available. There is therefore a need to achieve greater clarity of intent and to prioritise activity against where the Council can make a real difference with the reducing budget it has.
- 1.7 The Project identified a number of key priorities and lessons learned that are set out in an Action Plan. The key priorities can be summarised under 5 broad headings which involve a greater focus on addressing the fear of crime as follows:
- Improved information and communication with the community and with victims of crime and ASB.
 - Improvements to the effectiveness of working in partnership because it makes business sense not because of funding or targets.
 - Improve our visibility and accessibility particularly through the Street Wardens.
 - Adding value to what we have already and seek to make further efficiencies to transfer resources to support the priorities.
 - Improved data quality, recording, information sharing and performance monitoring to achieve better targeted resources/actions.
- 1.8 The approach proposed involves a better targeting of reduced resource levels and more effective partnership working based on a business model - not partnership because of funding or targets. This targeting centres on a lighter touch over crime reduction activities and a shift towards specific activities which address the fear of crime. The key priorities and action plan will require a further review with the CSCP and finalised once the Council's and partners' funding positions are clear to ensure that the priorities can be delivered. In this report, the priorities are presented in the context of the currently known reductions in funding. A specific focus on **Priority A. Information/Communication** and **Priority C. Improve our Visibility** will be given in the first instance as a direct response to resident feedback and satisfaction levels in relation to the fear of crime.

Conclusion

- 1.9 The VFM analysis indicates that, out of the 14 councils in its family group, Cherwell is the seventh most expensive, spending 5.1% above the average. This is partly because of the employment of street wardens in this service area which, whilst being very beneficial, does have cost implications when compared to other councils who do not have such employees. This comparative financial position is likely to change in relation to the Council's service cost base given the planned budget reductions and loss of external income for local projects and activities. However, the same sort of changes are likely to

affect other local authorities.

- 1.10 The Project report has identified many lessons learned from market research and service analysis which have informed the proposed key priorities and actions. The work was undertaken at a time of significant change arising from the new Coalition Government's revised approach, reduced funding and proposals for changes in guidance. Considerable uncertainty still remains as revised guidance is still awaited and further clarity required around Government grant settlement for the Council. Further adjustments and prioritisation are going to be required once the final budget position for 2011/12 is finalised and the implications of the changes in the police force are known in the form of any revised approach from them arising from the HMIC report.

Background Information

2.1 Why a Corporate Improvement Plan Project?

In 2008, the Cherwell Safer Communities Partnership launched its Community Safety Strategy 2008-2011: Working Together to Create a Safe and Healthy Cherwell. The Foreword states:

'Cherwell is enjoying the lowest recorded rates of crime for more than a decade. These figures are still falling. We live in a safe district where the chances of being a victim of crime are very small'.

The Strategy promises to achieve the Cherwell Vision of:

A Safe and Healthy Cherwell
Improving Community Safety and reducing the drugs problem
Making Cherwell a Safer Place to Live

Three years on, this commitment and partnership working remain, with the trend of falling crime continuing, but where fear of crime still remains disproportionate to the actual levels in Cherwell. It is for this reason, and because dealing with antisocial behaviour (ASB) has very low levels of satisfaction from the Cherwell Residents Survey data with a high priority by the public for improvement, that this Corporate Improvement Plan project has been undertaken.

2.2 Scope of the Project

The project focused on understanding and addressing the issues around:

1. Fear of crime
2. Dealing with antisocial behaviour.

The Project set out to examine the Council's work on community safety and anti social behaviour, and the best practice in these areas from high performing councils. It also secured views on the Council's performance in these services from key partners in Cherwell and undertook focused research with members of the public.

What the Project has not attempted to do is focus on work around tackling crime this is the responsibility of the police. However both service areas have a remit to work to reduce crime so the Project has sought to identify/address issues that support this objective and in which the Council has direct influence and can make an impact/add value.

2.3 Project Objectives

Fear of Crime

Understand the key drivers behind current levels of performance for fear of crime Clarify the Council's statutory responsibilities and discretionary functions. Determine changes appropriate to Cherwell that will result in tangible performance improvement

Anti Social Behaviour

Understand the key drivers behind current levels of performance for antisocial behaviour

Clarify the Council's statutory responsibilities

Assess our ability to deliver against the statutory requirements

Determine changes appropriate to Cherwell that will result in tangible performance improvement

2.4 Current Services

The Community Safety Service includes:

- Supporting and promoting community safety initiatives
- Monitoring performance of 4 action groups as part of the Safer Communities Strategy
- Lead for the Cherwell Safer Communities Partnership
- Managing street warden schemes in Banbury and Bicester
- Coordinating 6 Neighbourhood Action Groups
- Managing the partnership budget
- Managing the CCTV partnership

The ASB Service comprises:

- The investigation of complaints of nuisance (including high hedges) this encompasses performing the role of Responsible Authority for public nuisance under the Licensing Act 2003.
- Partnership working to tackle anti social behaviour, drug and alcohol misuse
Operation of Night safe including administrative support to Bicester and Kidlington Pub Watch Schemes and a new Banbury Rural scheme.

Across Oxfordshire, it is the Local Area Agreement 2008-2011 and targets that have been the drivers for all of Oxfordshire's community safety activities over recent years. These have been lead by the Oxfordshire Community Safety Partnership and are then co-ordinated and delivered across Cherwell by the CSCP, which has statutory responsibility for this.

These District wide priorities have informed the work that the ASB Team and the Safer Communities Team undertake through the Service Plan and whilst LAA targets have now been dropped by the Coalition Government, the CSCP has continued to focus on these areas of work.

2.5 Funding Issues

Since the Project scope was agreed by CMT in April 2010, the Coalition Government has come to power following the May 2010 General Election. This has seen a significant shift in the Policy framework around community safety and ASB and a Comprehensive Spending Review that will see Government Grant to the Council reduced by in the order of 26%.

At the time of writing, the precise settlement and impact on services is not clear. What is known is that: there are already areas of funding that have been cut; that further

reductions in Government grant will affect services; that savings as part of the Council's MTFS will reduce the resources available and will limit either the extent or timetable of improvement actions that have been identified by this project.

2.6 Current Budget

There are 4 elements to the **current** Safer Communities and ASB budget:

1. Cherwell District Council Revenue budget
 - ASB £242,795
 - Safer Communities £571,529
2. Thames Valley Police Basic Command Unit budget £55,500 which will be lost from 2011/12
3. Area Based Grant £110,000 (ABG) which is likely to be lost in whole or part in 2011/12
4. Local Area Agreement Reward Grant £25,000 capital and £25,000 revenue (both one off) which will not be available in 21011/12.

It is clear that future service planning cannot rely on external partnership funding as it has for many years as demonstrated by the funding loss from items 2, 3 and 4 above. This is further exacerbated by the loss of a proportion of Charter Community Housing funding for the street warden service which is part of the Council's core Safer Communities budget.

2.7 Value For Money

Comparison of the 2010/11 RA budget estimates amongst CIPFA comparators reveals that Cherwell is the second most expensive authority, spending 30% above the average. However, on further investigation of the three components that make up the RA return (crime reduction, safety services and CCTV) the picture is significantly different once adjustments are made for comparative purposes (See Appendix 1). The net effect of these adjustments puts Cherwell at the seventh most expensive (out of 14), spending 5.1% more than the average.

While the Council is cost effective for CCTV and crime reduction, once adjustments have been made, it remains comparatively expensive for community safety services due to the model for funding and the eight street wardens it employs.

2.8 MTFS

The MTFS and Building Block work has identified £50,000 potential savings. These are from

- Reduction in Street Warden services saving £16,000 – this reflects the loss of partnership funding and will result in a reduction in street wardens from 8 to 6 in 2011.
- New Street Wardens enforcement capability generating income of £16,000
- Reduction in Night Safe Service saving £13,000
- Reduction in out of hours ASB service saving over time costs of £5,000

The post of Neighbourhood Management Support Officer (which has been funded annually from ABG) also comes to an end at the end of December 2010 and is not being renewed at this time. This enables a review of the priorities for any future post

linked to the outcomes of this project and to the level of funding then available.

2.9 CSCP Prioritisation

At a special meeting of the CSCP in September, work was undertaken to plan future Partnership priorities around funding scenarios. The 5 priority areas from the existing 10 key areas of work were identified as:

- ASB
- Serious Acquisitive Crime
- Young People
- Domestic Abuse
- Alcohol related crime

Partnership priorities need to be factored into the outcomes of this Project to ensure Co-ordinated approach to service delivery through partner organisations.

2.10 Project Report

A full copy of the detailed project report has been made available in the Members Room. The methodology used in delivering the Project Brief has included:

- Identifying the legislative requirements for the services
- Benchmarking against other top performing local authorities for best practice and value for money
- Interrogation of the Annual Public Satisfaction Survey
- Further on street survey work to identify key public requirements
- Survey of all the key agencies that make up the Cherwell Safer Communities Partnership
- Citizens jury- research the reasons for fear of crime and identify suitable courses of action.

2.11 Satisfaction Levels

Satisfaction levels around fear of crime in all the areas that were surveyed in 2009 have improved in 2010. People do generally feel safe in their homes and communities. Public responses to these criteria consistently achieve higher than 90%. However, there remain areas of concern - a considerably lower percentage of people feeling safe after dark in their community (66%) and in town centres (44%). Full extract of the survey results are available in the Project Report.

The Cherwell Satisfaction Survey outcomes for how the Council and its partners deal with Anti Social Behaviour are significantly lower. Examples of this are:

- Dealing with noise: 36%
- Speed of response to complaints: 37%
- Visual presence of Police: 28%.
- Dealing with vandalism and graffiti: 28%.

- Visual presence of Street Wardens: 29%.
- Dealing with youths hanging around on streets: 23%.

This gives some key messages about how and where the Council and its partners need to focus their attention in the future particularly in relation to the fear of crime.

2.12 Citizens Jury

As part of the project further detailed work was undertaken to understand peoples' perceptions and fears through citizens' juries. This involved engaging residents from different age groups and locations (rural and urban) to achieve an overall picture of opinion across the district. Participants were asked to identify the key problems and the solutions to address fear of crime in Cherwell and this work has been taken into account in the key outcomes.

This was an extremely valuable exercise and identified that Rural residents don't have a problem in their areas, only a perception that urban areas were places of high crime, that perception and reality in crime figures were widely different, and that targeted action in key locations may lead to improved satisfaction through visible action being taken on perceived hot spots

A copy of the Citizens Jury outcomes is available with the main Project report

2.13 Benchmarking

Comparison work was undertaken with the CIPFA Family Group and with the other councils in Oxfordshire. Comparative performance across Oxfordshire available from NI21 performance for 2009/10 is shown below.

	Indicator	Oxfordshire	Cherwell	City	South	Vale	West
NI21	Dealing with local concerns about anti-social behaviour and crime issues by the police/council	28.1% (best third)	26.9%	32.6%	26.1%	26.4%	26.9%

The top performing councils for NI21 were Ribble Valley at 40.1% and East Dorset at 37.7%

This level of satisfaction is significantly better than in Cherwell and will lead to further work to try and understand how these council areas are achieving this.

2.14 HMIC: ASB Inspection Findings

The Project took place at the same time that HMIC undertook national research into ASB across the 43 Police forces and this Executive report draws on the HMIC inspection findings from its report "Stop the Rot".

In September 2010 the Chief Inspector of Constabulary said that cutting efforts to fight anti social behaviour would be a very serious mistake for the police and warned that if spending cuts led police to neglect the problem, some areas could fall into a spiral of decline.

The HMIC report concluded: "...there is an alternative which offers the prospect of nipping much more of the problem in the bud. This is an early intervention strategy...it will require reform of police availability and a refocusing on what causes harm in

communities, rather than what is or is not a “crime”, or what can be managed out of the police system. Make no mistake; it requires feet on the street. It will also require better pace and focus of partnership efforts to deal, for example, with wayward tenants, and shops selling alcohol, knives and spray paints.

2.15 Budget Consultation and Other Resident Feedback

This Corporate Improvement Plan Project considered the outcomes of the 2010 Customer Satisfaction Survey, and the Council’s budget consultation. Overall residents were divided in their views on community safety services. For some this is a service priority area that should remain untouched, while for others it is less of a concern.

Generally speaking, the majority of residents felt that the Safer Communities services could afford to take a hit in the budget cuts. This is largely because Cherwell is not seen to be an unsafe area. However when people were asked whether or not community safety and ASB is a priority people tend to agree that it is. This is a dilemma for planning priorities and in making decision on service and budget cuts.

The Project undertook additional survey work, most importantly with its partners and through Citizens Juries to try and ‘unpick’ this variation in views and inform priorities and financial commitments.

The HMIC report stated: Confronted by spending cuts, Community Safety Partnerships may be tempted to reduce the amount of work they do in relation to ASB and to concentrate instead on volume crime. All the evidence HMIC have available indicates that this would be a very significant mistake. Managing ASB is crucial to sustaining the vitality and confidence of communities. Untreated ASB acts like a magnet for other crime and disorder problems and areas can quite easily tip into a spiral of economic and social decline.

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 There are some clear messages arising from this Project and a need to reposition the Council’s Community Safety and ASB services. The funding position has changed markedly where there is now a position where there cannot be any reliance on external funding to drive project work. The generally low satisfaction levels evident from the Council’s annual survey provide and the Citizens Jury messages provide a clear indication of where the Council needs to concentrate its effort and resources in the future. From this feedback, there is a strong argument to adjust the service with a lighter touch over crime reduction activities and a shift towards specific activities which address the fear of crime.
- 3.2 The Council’s own financial position also needs to be factored into what it should and can do in the future. Not only is there declining external funding, but the consequences of the MTFS proposals means that its own resources will diminish in the future which means that clarity of priorities and a focus on what is most important will be essential.
- 3.3 One key issue which arises from this report is the role of street wardens. There is significant evidence to suggest that their role is appreciated by the wider community due to their flexibility and variety of functions. However,

given that their prime function when originally established was to create safer neighbourhoods in Banbury and Bicester, the wide range of tasks they undertake now needs to be questioned. Their cost also needs to be justified as it is the employment of the eight post holders which positions the Council as above average cost when compared to other similar councils.

- 3.4 There is therefore a need to achieve greater clarity of intent and to prioritise activity against where the Council can make a real difference with the reducing budget it has. Members need to consider, external funding reductions and the how its safer communities and ASB services address resident needs particularly in relation to the fear of crime. The key priorities which frame the action plan at Appendix 2 are intended to reconcile all these issues in a way which prioritises activities and makes the best use of reducing Council resources. A specific focus on Priority A. Information/Communication and Priority C. Improve our Visibility will be given in the first instance as a direct response to resident feedback and satisfaction levels in relation to the fear of crime.
- 3.5 Achievement and timing of these actions will depend on the level of funding confirmed through the CSR process and also the decisions taken by the Council on the MTFS.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

- Option One** Approve the Key Priorities, Aims and Objectives set out in this report
- Option Two** Amend the Key Priorities, Aims and Objectives.

Consultations

- Cherwell Community Safety Partnership** Work on the Partnership priorities and survey work on performance and satisfaction with community safety and ASB services.
- Citizens Jury** See main Project Report
- Cherwell Customer Satisfaction Survey** See main Project Report

Implications

- Financial:** There is a clear loss of external funding which the service must take account of. This has already begun where it affects posts. Further cost reductions are planned and in hand as part of the Council's MTFS.
- Comments checked by Karen Curtin, Head of Finance, 01295 221551
- Legal:** There are no specific legal implications arising from this report.

Comments checked by Liz Howlett, Head of Legal and Democratic Services, 01295 221686

Risk Management:

The main risk arising from this report is reputational. The Council has been proactive within the communities it serves with its various community safety and ASB services and there is therefore a public expectation that the Council will continue to respond to local need. However, reducing external and internal resource levels will mean that it will have far less capability in the future. Focus on what is important and prioritisation will assist but expectation also needs to be managed.

Comments checked by Rosemary Watts, 01295 221566

Wards Affected

All

Corporate Plan Themes

Safe and Healthy

Executive Portfolio

Councillor Nigel Morris

Portfolio Holder for Community Safety, Street Scene and Rural Services

Document Information

Appendix No	Title
Appendix 1	Value For Money Summary
Appendix 2	Key Aims and Objectives
Background Papers	
1. Corporate Improvement Plan; Fear of Crime and Anti Social Behaviour 2. HMIC ASB Inspection Findings: Stop the rot" 3. Cherwell Customer Satisfaction survey 2010 4. Report of Citizens Juries 4. Project File and Work Packages	
Report Author	Chris Rothwell, Head of Safer Communities, Urban and Rural Services
Contact Information	01295 221712 chris.rothwell@Cherwell-dc.gov.uk

Fear of Crime/Antisocial Behaviour Value for Money Summary

	Community safety	Exp/head	Rank
Basingstoke and Deane	£909,000	£5.62	1
Cherwell	£740,000	£5.35	2
Test Valley	£615,000	£5.33	3
Colchester	£959,000	£5.30	4
Braintree	£585,000	£4.12	5
Eastleigh	£467,000	£3.86	6
Maidstone	£555,000	£3.82	7
Aylesbury Vale	£564,000	£3.20	8
Chelmsford	£535,000	£3.20	9
Ashford	£344,000	£3.03	10
Tonbridge and Malling	£326,000	£2.78	11
East Hertfordshire	£375,000	£2.77	12
Vale of White Horse	£255,000	£2.18	13
Harrogate	£281,000	£1.75	14

Comparison of the 2010/11 RA budget estimates amongst CIPFA comparators reveals the following;

- Cherwell is the 2nd most expensive authority, and is £1.62 per head (30%) above the average or £2.51 (47%) above the lowest quartile spending authority
- This equates to a spend of £223,500 above average, or £346,730 above the lowest quartile spending authority

The RA return for Community Safety was looked at in more detail to discover more about the apparently high cost, and additional benchmarking work was carried out with authorities to better understand their funding and operation. The RA return is made up of 3 separate lines; crime reduction, safety services and CCTV

CCTV

- For CCTV, Cherwell was only the 8th highest spend out of 14, and spending 27% less than the average (or £49,800 less).

Capital charges of £15k were allocated incorrectly to Crime Reduction on the 2010/11 RA form. Exclusion of this from the net expenditure sum results in Cherwell being the 9th most expensive authority, 35% below the average (or £63,700 less).

A comparison was made of authority expenditure for the number of cameras deployed (for the 8 authorities that gave figures). This revealed;

- The average cost per camera deployed was £2,670, with Cherwell's cost for 50 cameras at £2,380 each (10.8% lower than average).
- The lowest cost authority was Harrogate, who deploy 118 cameras for £138,000 of (net) expenditure, largely due to £130,000 received in income

This suggests that Cherwell obtains good value for money from its current CCTV arrangements, although further efficiencies could still be found through shared arrangements, joint procurement or through additional income

Community Safety Services

- For Community Safety Services, Cherwell was the 4th most expensive authority, spending 57% more than the average (or £112,700 more)

Community Safety Services comprises spending on areas such as provision of lighting for safety, provision of safety railings, providing home safety advice and community or neighbourhood wardens

A comparison with how other authorities approach these costs revealed;

- 6 authorities have no street wardens (Braintree, VOWH, Chelmsford, East Herts, Aylesbury Vale and Harrogate)
- Kent authorities (Maidstone, Ashford and Tonbridge & Malling) have between 7 and 9 community wardens that are provided by the County Council at no cost to the District Council
- Colchester has 6 street wardens which are part funded by Essex County Council, and two of which are paid for by Colchester Borough Homes,
- Eastleigh has county council funded accredited community safety officers and 5 police PCSOs which it jointly funds to the tune of £35k

The number of wardens and the nature of their funding is a policy decision by the council. Although the number of wardens does not appear to be significantly higher than elsewhere the nature of how they are funded could be the source of higher than average costs in this area.

Crime Reduction

- For Crime Reduction, Cherwell was the 2nd most expensive authority, spending 117% more than the average (or £160,600 more)

The RA guidance for Crime Reduction suggests that this should include areas such as fees paid to police forces to secure extra police for a particular area, providing crime prevention advice or any community safety (crime reduction) expenditure that cannot be clearly or properly allocated to any other specific service.

Currently the Cherwell RA return for Crime Reduction includes the Street Scene Enforcement cost centre, which accounts for £203k of net expenditure. This is not in the spirit of the guidance and could, arguably, be included in line 522 (Environmental Protection). Exclusion of this sum, and correct allocation of the £15k CCTV capital charges, results in a net Crime Reduction expenditure of £99,000 (£0.72 per head) which is 19% lower than the average (or £23,200 less than the average authority)

Overall RA Total

- Cherwell is the 2nd most expensive authority, and is £1.62 per head (30%) above the average or £2.51 (47%) above the lowest quartile spending authority

The net effect of the charges above result in an overall spend of £527k (£3.81 per head) making Cherwell the 7th most expensive authority and spending 5.1% more than the average (or £25,700 more)

Income

An analysis of the most recent available RO (outturn) data for 2008/09 for the comparator authorities was examined as this contains additional information on employee costs, running costs and levels of income.

In 2008/09 Cherwell appeared to be 50% below average on the level of income it used to offset its costs (8th out of 14, or £106,700 below average), with three authorities obtaining income of over £600,000 per annum. When viewed as a proportion of total expenditure Cherwell was just 10th highest at 12% compared to Ashford whom obtained 68% of its expenditure as income.

Area Based Grant (ABG) is received from the Home Office on an area basis and then divided amongst authorities by Public Service Boards according to local priorities and policies. An analysis of ABG allocation for the 10 authorities that provided data for the current year revealed the following;

- The average ABG per 1,000 population was £0.59, with Cherwell obtaining £0.94, or 58.7% above the average
- Unlike Cherwell, a number of authorities were reliant on ABG to fund mainstream community safety posts.

Assuming that ABG levels have not changed radically since 2008/09 this would indicate that other sources of income are used to supplement community safety expenditure.

Appendix 2

Fear of Crime and ASB - Key Priorities, Aims and Objectives

Priority A. Information/Communication:		
Ref	Aim	Objective
A	Improve information and communication with the community and with victims of crime and ASB.	<p>A1. Establish a communications approach to addressing perceptions around fear of crime and ASB.</p> <p>A2. Improved publicity about crime statistics and success stories from the Partnership.</p> <p>A3. Establish a 'name and shame' policy of offenders and use media channels to bring this to public attention.</p> <p>A4. Establish a clear Vision and agreed set of priorities around community safety and ASB that flow through all the tiers of community safety working.</p>
Constraints: <ol style="list-style-type: none"> 1. Loss of the Neighbourhood Management Support Officer to coordinate information. 2. Uncertainty about funding and partner priorities 3. Potential loss/reduction of ABG funding that supports ASB with £25,000 		

Priority B. Effective Working.		
Ref	Aim	Objective
B	Improvements to the effectiveness. Working in partnership because it makes business sense not because of funding or targets.	<p>B1. Improved internal working within CDC to maximise the resources we have in the community.</p> <p>B2. Targeting our efforts in a more coordinated way and at what the public and the available intelligence tells us are the priorities.</p> <p>B3. Provide the right tools for staff to undertake their work more effectively and be seen by the public to make a difference.</p> <p>B4. Establish a risk driven approach to managing ASB case load...and more effective management of public expectations for case load on nuisance investigation.</p> <p>B5. Simplify structures. Work in partnership because there are business reasons to do so, not because of funding or targets.</p>
Constraints: <ol style="list-style-type: none"> 1. Reduction in staffing levels could limit the range of partnership working 2. Funding reductions may limit the extent to which technology/IT systems can support this aim 3. Potential loss/reduction of ABG funding that supports ASB with £25,000 		

Priority C. Improve our Visibility		
Ref	Aim	Objective
C	Improve our visibility and accessibility.	C1. Improve the visibility of street wardens (and the police).
		C2. Improve public access to information about community safety.
		C3. Community volunteering to play a part in helping to solve neighbourhood issues.
		C4. Deal with issues at first point of contact and before they escalate.
		C5. Better use of/profile of/public reporting using CCTV.
Constraints: 1. Reduction in number of street wardens from 8 to 6. 2. Reduction in external funding of Street Warden service 3. Reduction in staffing to support coordination of information 4. Cost of the CCTV provision.		

Priority D. Efficiencies.		
Ref	Aim	Objective
D	Add value to what we have already and seek to make further efficiencies to transfer resources to support the priorities.	D1. Improve the effectiveness of the existing resources.
		D2. Achieve savings from Joint procurement arrangements (across services and with partners).
		D3. Demonstrate the benefits of Community Intelligence Hub (CIH) to external partners to explore whether CIH can be the system of choice across the partnership to record data and provide information/performance reports to guide resourcing.
Constraints: 1. Upgrade costs of CIH		

Priority E. Data Quality:		
Ref	Aim	Objective
E	Improve data quality, recording, information sharing and performance monitoring to achieve better targeting of resources/actions.	E1. Agreed sharing of information across the partner agencies
		E2. Ensure standardised approach to data input within CDC
		E3. Determine the future of CIH
		E4. Improved performance management
Constraints: 1. Willingness of partners to further share information under the Data Sharing Protocol 2. Future of CIH		

Schedule of proposed savings in Democratic Service and Elections

Proposed Savings	Amount	Year	Comment, Detail and Implications
Deletion of vacant Trainee Democratic and Scrutiny Post	£30,718	2010/11	The saving is achievable through the merger of the democratic and elections team and the sharing of work, demise of the standards regime, reduction in planning committee meetings, no duty to promote democracy and a reduction in member development and slight reduction in proactive parish support.
Reduce Elections IT replacement budget	£5,055	2010/11	Reduces dedicated IT replacement budget (stand alone scanners, servers, pcs laptops) and instead rolling IT replacement will be implemented within remaining budget
Removal of Publicity Budget	£3,000	2010/11	This budget was intended to be used for positive promotion of democracy and the duty to promote democracy, which will not now be enacted.
Cease publishing Member Diary and Yearbook	£750	2010/11	This saving has been achieved, with the diary being replaced by off the shelf diaries for members available on request and an information booklet printed quarterly
Savings on canvas printing procurement	£383	2010/11	This saving has been achieved through renegotiating the 2010/11 contract
Cease member photograph	£277	2010/11	This saving has been achieved
Joint procurement of Statutory Notices	£1,000	2011/12	This estimated saving has been difficult to co-ordinate on a county basis, but has now occurred on some statutory notices (5% and Forward Plan) and others are planned.
Market Testing of Canvas/ Ballot Printing	£800	2012/13 and 2013/14	It is envisaged that this estimated saving can be achieved through re-procurement for 2012/13 and 2013/14
Recycling Presiding Officer Sundries Bags for district elections	£401	2011/12	Rather than supply all new sundries bags costs will be saved by recycling left over materials, using admin staff time.
Reduce Scrutiny Activities Budget	£4,828	2010/11	This budget has been under spent for several years. This reduction would limit options open for members in additional scrutiny activity.
Reduce Member Training Budget	£7,505	2011/12	Over 80% of member training is now internally delivered and therefore there have been under spends in this budget area since 2008, with under spends all being returned to corporate funds. It is envisaged this level of internal training provision can continue, however (with the exception of briefings) 80% of this training is delivered by the Democratic, Scrutiny and Elections Manager and the continued delivery of this internally relies on him remaining with Cherwell District Council or a suitable replacement being recruited. Therefore, in considering budget reductions members should consider possible future calls on this budget in the event that suitably skilled and experienced staff are not available for internal delivery.
Reduce catering for Member meetings	£2,744	2010/11	This will mean ending the provision of sandwiches at all meetings (with the exception of Executive meetings) and no annual council buffet. Refreshments will be restricted to biscuits at meetings and cold drinks will no longer be provided in the member's room.

Schedule of proposed savings in Democratic Service and Elections

Proposed Savings	Amount	Year	Comment, Detail and Implications
Cease providing personal copies of Municipal Journal	£280	2010/11	A single copy will still be available in members room
Member printing and postage reductions	£500	2011/12	These are relatively limited as most reductions have already taken place, with the change from the print room. These savings will result from the reduction in postage and not printing decision sheets, forward plan and agendas for non-committee members introduced on 1 September 2010. Savings will appear against customer services postage budgets and MFD printing costs.
Further efficiencies created through the merger of democratic and elections teams and opportunities created through shared services	£30,000	2012/13	Following the merger of the democratic and elections team further work will take place on the structure of this team following the 2011 elections and how economies of scale can be achieved through the early merger of the team as part of joint working with another local authority. It is anticipated that further efficiencies will be possible through this approach..
Remove/reduce subsidy paid to Parish Council's for elections	£11,111	2012/13	Proposals will be introduced following 2011 elections to allow councils to precept for 2012/13.
Deletion of Standards Committee	£5,451	2011/12	Requires primary legislation in Localism Bill to be realised
Deletion of Standards Committee investigation budget	£20,000	2011/12	Requires primary legislation in Localism Bill to be realised
Total	£124,803		

Minute Item 93

Executive

Draft Budget 1, Corporate Plan and Service Plans 2011 - 2012

6 December 2010

Report of Head of Finance

PURPOSE OF REPORT

The Council has to adopt a budget for 2011/12 as the basis for calculating its level of Council Tax and has to base that budget on its plans for service delivery during the year, recognising any changes in service demand that may arise in future years. This is the first of three opportunities that the Executive has to shape and refine the interaction between the Corporate Plan, the service plans that underpin the corporate plan and financial matters before the final budget is presented to the Council on the 21st February 2011.

This report is public

Recommendations

The Executive is recommended:

- 1) to endorse the draft Corporate Plan for 2011-12 (detailed in Appendix 2);
- 2) to endorse the proposed service priorities for 2011-12 (detailed in Appendix 3);
- 3) to consider the draft budget (detailed in Appendix 1) in the context of the Council's service objectives and strategic priorities;
- 4) to note the areas of unavoidable revenue growth as detailed in the body of this report detailed in Appendix 1 – para 1.23;
- 5) to note the areas of additional income or cost reductions that will be considered in order to get to a balanced 2011/12 budget detailed in Appendix 1 – para 1.26 / 1.27;
- 6) to note the proposal on Council Tax for 2011-12 detailed in (para 2.10)
- 7) To note the outcome of the pay negotiations on 2011/12 pay deal (para 2.20);
- 8) to ask officers to prepare a response to the New Homes Consultation and a report detailing the implications;

- 9) to ask officers to give consideration to the impact of the recent planning fees consultation and the implications on income generation
- 10) to agree the approach to the overall capital programme and 2011/12 expenditure profile (detailed in Appendix 4);
- 11) to note the recommendations of the scrutiny reviews of training, fees and charges and capital programme that were considered at the Resources and Performance Scrutiny Board on 30th November 2010 and approve which should be included in the second draft of the budget: (detailed in Appendix 5 – to follow);
- 12) to advise of any other matters they would like taken into consideration in producing a balanced budget for the meeting of the Executive on 10th January 2011;
- 13) to endorse the draft revenue and capital budget and corporate plan as the basis for consultation.

Executive Summary

- 1.1 The significant savings and efficiencies delivered by the Council up to 2010/2011 had helped to achieve a sustainable medium term budget. Although further savings would have been required these were not on the scale of the financial challenge that now faces the council, which is a direct consequence of the Government's requirement to address a significant national budget deficit.
- 1.2 In light of the severe financial challenges a huge amount of work has been progressed from May 2010 to November 2010 in order to identify actions to reduce the Council's net budget position in 2011/12 and over the medium term forecast period to 2014/15. A number of cost reductions were approved for inclusion in the 2011/12 draft budget as part of the November report to the Executive "Early response to the CSR"
- 1.3 The Council has met its 2010/11 public promise to deliver £800k of budget reductions by April 2011 as well as delivering the 2010/11 Improvement plan which includes 12 Value for Money Reviews.
- 1.4 In light of the projecting government grant reduction a programme of identifying further areas of budget reductions or income generation has resulted in a comprehensive list of building blocks and general budget efficiencies. These reductions have been matched to the Council's priorities, recognise the requirements of the Corporate Plan and have focussed on minimising the impact on front line services.
- 1.5 The budget will form the financial expression of the Council's strategic priorities and service delivery plans for 2011/12; the allocation of resources against agreed service priorities (as seen in Appendix 3) is necessary in

order to achieve its strategic priorities.

- 1.6 The Resources and Performance Scrutiny Board have been reviewing the outcome of the public budget consultation exercise. This committee has reviewed expenditure allocated by public priority, conducted a detailed analysis of fees and charges, training budgets and reviewed all bids submitted for consideration in the 2011/12 Capital Programme. The outcome of this work will be reported to the Resources and Performance Scrutiny Board meeting on November 30th 2010 and any recommendations will be considered in by the Executive for inclusion in subsequent drafts of the 2011/12 budget.
- 1.7 There is a statutory requirement for the Council to set a balanced budget by 11 March 2011 and this report provides a first draft of the 2011/12 revenue and capital budget.
- 1.8 As far as possible it takes account of the Comprehensive Spending Review (CSR) to the extent that details have been disclosed and indicates other areas that may have financial implications.
- 1.9 The projected shortfall at draft 1 requires a further reduction in costs or increase in income of £1,114,180 is required. On the assumption that the Executive approve the scrutiny recommendations and the shared management business case with South Northamptonshire is approved by both Councils on December 8th 2010 then this will contribute circa £900,000 therefore reducing the deficit to a manageable £215,000.
- 1.10 A number of areas to review have been identified in Appendix 1(Para 1.26 / 1.27) The outcome of these reviews together with the updated position of the local government grant settlement and its implication on the current budget shortfall will be presented to the Executive in January 2011. At this stage it is expected that these together with the Councils ability to utilise reserves will deliver the remaining £215,000 shortfall and achieve a balanced budget for 2011/12.
- 1.11 Further work will continue on identifying additional budget reductions for future years and these will be detailed in the Medium Term Forecast which will be updated and presented as part of the final budget report.
- 1.12 This report also considers the draft capital programme for 2011/12.
- 1.13 The Spending Review will mean cuts in services but the Council will do all it can to minimise the effects of the cuts on front line services and build on its record of providing cost effective services and delivering efficiencies.
- 1.14 The draft 2011/12 revenue and capital budget and corporate plan will form the basis for consultation with our stakeholders and the output of this consultation will be considered in formulating the final 2011/12 budgets and Corporate Plan.

Background Information

2.1 Corporate Plan

The corporate plan has been reviewed for the period 2011- 2012. This review reflects the changing economic situation, the implications of local government grant reductions as detailed in the comprehensive spending review and significant strategic developments affecting the district such as the eco-town. The corporate plan takes into account the wide range of public consultation we undertake around local priorities through both our annual satisfaction survey and budget consultation workshops.

The objectives within the corporate plan for 2011 -12 are currently in draft form and will be confirmed after the public consultation in December. Detailed milestones and measures will be set in the final quarter of the year taking into account the latest performance information and budgetary position. As in previous years a set of council tax pledges will be drawn from the corporate plan. These will form a core set of performance milestones for the council which directly reflect the strategic priorities and will be monitored through our corporate performance scorecard. The developing corporate plan measures will be presented to Executive and Council with the drafts of the budget in January and February 2010.

Service Plans

2.2 Service plans are being developed alongside the draft budget and corporate plan. They will include comprehensive consultation feedback, a review of the strategic challenges facing each service and robust peer and member challenge. The service plans underpin the corporate plan and provide the operational detail that ensures the council's strategic priorities are delivered.

2.3 Copies of the draft Service Plans for 2011/12 will be made available on the Council's intranet site for Members to review in January 2011. Final drafts will form part of the background papers for the Budget and Corporate Plan reports presented to Executive and Council in February 2011.

Funding Implications

2.4 In light of the challenging financial position that faces the Council over the medium term, work has been in progress on the 2011/2012 budget since setting the 2010/2011 Budget in March 2010 in order that cost reductions could be considered well enough in advance to maximise contribution to the 2011/12 budget and understand the Medium Term Implications.

2.5 Comprehensive Spending Review (CSR 2010)

The Comprehensive Spending Review 2010 (CSR 2010) was announced

on 20 October 2010, this provided a high-level indication of the Government resources that will be available to local government for the next four financial years. The details of the CSR10 and implications for Cherwell District Council were reported to the Executive in November 2010.

2.6 The most significant point for this report is that the level of Government funding for local authority revenue expenditure at the national level will reduce by 26% in real terms over the next four years and that the reductions would be front loaded.

2.7 It should however be noted that the projected net budget deficit still remains subject to potentially significant change, this is because the Council's own grant figures and impact of the concessionary fare transfer will not be known until the announcement of the local government finance settlement in early December 2010 and this could potentially be very different from the average for local government based on the national level information in the CSR2010.

2.8 In addition CSR2010 did not include comprehensive details of all aspects of the spending review, this further important information should however become clear as the various Government White Papers and Consultation papers are released.

2.9 We have seen additional information and consultation papers on Council Tax Freeze in 2011/12, the new homes bonus and changes to setting planning fees which we are reviewing and considering the financial implications.

2.10 **Council Tax**

The Government's intention to freeze Council Tax for 2011/2012 has also been reflected in the draft budget. SR2010 confirmed that the Government will provide a revenue grant equivalent to a 2.5% increase in Council Tax to fund this freeze; this has therefore been included within the projected resources of the Council.

2.11 **New Homes Bonus**

The Government has just launched a consultation on the "New Homes Bonus Grant", a new "core" grant that will apply from 2011/12 to reward authorities that increase their council taxbase.

2.12 At one level the proposed scheme is very straight-forward. Each October, DCLG will collect information on housing stock by council tax band on the standard council tax form. Any additions to the total stock will attract funding through this scheme at a rate of £1,439 per Band D per year for six years. There will be an additional £350 per year for new "affordable" homes.

2.13

Changes in numbers of empty homes and new builds / demolitions will all

be taken fully into account in assessing the grant because payment will be based on the net change. Shire districts will receive 80% of the grant in two-tier areas, with nothing for police or fire authorities or the GLA.

- 2.14 From our early review one issue is clear that after the first year it is not fully-funded, with any shortfall coming from Formula Grant. By year six and beyond, around 80% of the money will need to come from the existing settlement. This means that the cash allocations in the CSR10 will be reduced from 2012-13 in order to pay for the New Homes Bonus; we assume 2011-12 will remain the same.
- 2.15 The consultation closes on 24 December 2010 and a detailed review of the scheme and implications for Cherwell District Council will be prepared in providing our consultation response. At this stage no budgetary impact has been built into the budget.

Planning Fees

- 2.16 This consultation paper seeks views on proposed changes to the planning application fees regime which would decentralise responsibility for setting fees to local planning authorities. We also propose to allow authorities to charge for resubmitted applications and to set higher fees for retrospective applications.
- 2.17 Proposals will help to reduce the subsidising of planning applications by local taxpayers. If accepted and approved by Parliament, the changes would be implemented from April 2011, with a six month transition period until October 2011.
- 2.18 The consultation closes on 7 January 2010 and a detailed review of the operational and financial implications for Cherwell District Council will be prepared in providing our consultation response. At this stage no budgetary impact has been built into the budget.

Other

- 2.19 We are also waiting for further information on the implications of the benefit reform, funding arrangements for housing benefits and council tax and these in particular may result in further substantial financial implications on the Council. Papers are due to be published in the coming weeks and months, so the funding situation will therefore continue to evolve for some time.

Pay Deal Update

- 2.20 In early 2010 the Council and Unison entered into a collective agreement which set out the local pay award for the following 3 years, as follows:

Year	% increase
2010-11	0%
2011-12	1.80%
2012-13	1.90%

- 2.21 This agreement was made on the basis of the known financial position at the time and was built into the Medium Term Financial Strategy. The cost for 2011-12 would have been £225,000. However, since the agreement was made there have been significant changes to the Council's financial position and that of the public sector generally, as a result of the new government's approach to addressing the national deficit.
- 2.22 The Chancellor announced a pay freeze across the public sector in his emergency budget in June. The Comprehensive Spending Review report, as we know, announced significant cuts to local authority funding (with cuts coming hardest in the next two years) and confirmed that the public sector is expected to lose approx 490,000 jobs over the next four years.
- 2.23 The combination of the government's pay freeze and the Council's financial position has made it very difficult now for the Council to honour the agreement for 1.8% next year. To do so would not only directly contradict the national advice from government but would also be very difficult to justify to Cherwell's residents who are themselves facing pay freezes, pay cuts, redundancy and many other pressures on their income.
- 2.24 Although we anticipate the government will enforce the public sector pay freeze via legislation this was not forthcoming and therefore does not to date provide a mechanism to over-rule local agreements.
- Officers were therefore tasked with attempting to re-negotiate the agreement with Unison in an attempt to bring in broadly in line with both the governments position and the budget position. Thanks in main to co-operation from the local Unison branch, a new agreement has been reached, without ballot.
- 2.25 The new agreement is as follows:
- April 2011** 0% general pay award
£250 flat rate increase applied to all grades below £25,000;
this relates to FTE substantive salaries.
- 2.26 This also replaces the remaining period of the three year agreement (and there is therefore now no agreement for pay awards beyond 2011/12) but we have agreed to undertake detailed negotiations during 2011 to reach a new local agreement for 2012/13 onwards. By this time the financial position of the Council and the broader effects of the public sector cuts will be clearer.
- 2.27 The government's proposed flat rate increase of £250 to all public sector employees earning less than £21,000 would have applied to 216 members

of staff at Cherwell. The agreement to extend the payment of this flat rate to FTE salaries below £25,000 means the increase will apply to 304 (56%) members of staff. The additional cost of extending to salaries between £21,000 and £25,000 is not yet built into draft 1 of the revenue budget but will be added to draft 2 and is listed as a further pressure in Appendix 3.

- 2.28 This agreement saves the Council £0.7m over the next 4 years and contributes directly to reducing the strain on the Council's Medium Term Financial Strategy.
- 2.29 This new agreement is subject to a collective agreement with the Council's recognised Trade Union as part of the agreed collective bargaining process. As such it becomes part of the individual contracts of employment of all staff and the Council is therefore protected from future challenge relating to the previous local agreement.

Pension Fund Valuation

- 2.30 We have received the provisional results of the triennial pension fund valuation and this indicates an increase of 2.9% in employer contributions. These increases can be staggered over 3 years at 0.9% and equate to ~ £118,000 additional costs per annum which have been built into draft 1 of the budget. This preliminary result is slightly better than MTFS scenarios where we had anticipated an increase in the range of 3% - 5%. The main factors which impact on the valuation apart from investment returns are the profile of membership, changes to profile in membership and previous funding levels.
- 2.31 The figures make no allowances for changes from the Hutton Commission including any increase in employee contributions (which we are expecting from April 2012), so there may need to be some revision to these figures before the final certificate is signed off. The Department for Communities and Local Government are advising Actuaries to delay final sign off to as close to the 31 March 2011 deadline as possible.
- 2.32 A report on the pension valuation and financial implications for the Council over the medium term forecast will be considered at the Executive in February 2011.

Budget Guidelines and Timetable

- 2.33 The Executive agreed the budget guidelines, service priorities and timetable at its meeting on 11th October 2010 after considering the medium term financial forecast and underlying financial strategy.

The Status of the Budget

- 2.34 The draft revenue budget as presented has been left, quite deliberately, with a funding gap to emphasise that it is work in progress. This type of gap is not unusual at this stage in the process and it can be covered by considering the actions listed within Appendix 1. The funding gap in the draft budget as presented is £1,114,181 and it is important that Members

are aware of this potential deficit before they finally commit funding against particular priorities and/or divert funding from low priority services.

- 2.35 As in previous years, the final allocation of central Government Grant and the amount available for distribution from the Collection Fund will be confirmed for Draft 2 of the budget. At this stage however given the outcome of the Comprehensive Spending review we have anticipated a reduction in grant of 13% and have already incorporated this reduction into this first draft of the Budget. Additionally we have incorporated an additional strain of £800K in respect of the transfer of Concessionary Fares and its associated funding to the County Council.
- 2.36 On the assumption that the Executive approve the scrutiny recommendations and the shared management business case with South Northamptonshire is approved by both Councils on December 8th 2010 then this will contribute circa £900,000 therefore reducing the deficit to a manageable £215,000. A number of areas to review have been identified in Appendix 1(Para 1.24) The outcome of these reviews together with the updated position of the local government grant settlement and its implication on the current budget shortfall will be presented to the Executive in January 2011. At this stage it is expected that these together with the Councils ability to utilise reserves will deliver the remaining £215,000 shortfall and achieve a balanced budget for 2011/12.
- 2.37 Further work will continue on identifying additional budget reductions for future years and these will be detailed in the Medium Term Forecast which will be updated and presented as part of the final budget report.
- 2.38 All capital bids received have been appraised by the Capital Investment Delivery Group according to the capital appraisal criteria and can be seen in Appendix 4a.
- 2.39 The bid appraisal matrix considers the driver behind the capital expenditure with anything which is compulsory or required for legislation gaining the maximum of 20 points. The bid is then scored accordingly to how directly or indirectly the expenditure supports the Councils strategic directives. Further points are awarded according to which of the Councils consultation priorities the bid meets, and finally the impact on service delivery, organisational risk and positive revenue implications are considered with points awarded accordingly. The maximum score any bid could achieve was 50 and the final scores ranged from 45 to 12.
- 2.40 These bids have then been reviewed by a working group of the Resources and Performance Scrutiny Board and their recommendations will be considered in Appendix 5.
- 2.41 The Capital Strategy for 2011/12 has a direct impact on the Treasury Management revenue budget in terms of the opportunity cost of reduced cash balances from the use of capital receipts and reserves. Decisions on the future capital programme will need to take into account the overall priorities and affordability in revenue as well as capital terms. A review of the capital bids, financing and impact on cashflow and investment income will be considered for the next draft of this budget.

Budget Consultation

- 2.42 Consultation will commence following approval of this report so that views can be sought in sufficient time for them to be taken into consideration when formulating the 2011/12 budget and council tax. The general consultation will take place via the Council website and in order to meet its statutory obligation to consult with business ratepayers meetings will be held with our local chambers of commerce.

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 This report presents the Council's draft 2011/12 Revenue Budget, Capital Bids for consideration and Corporate Plan.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

Option One To review draft revenue and capital budget to date and consider actions arising.

Option Two To approve or reject the recommendations above or request that Officers provide additional information.

Consultations

Executive

11/10/10 and 01/11/10

Resources and Performance Scrutiny Board

28/09/10, 12/11/10, 23/11/10, 30/11/10

Corporate Management Team

Various meetings throughout May 2010 to Nov 2010

Implications

Financial: Financial Effects – the significant financial effects of the budget are identified in Appendix 1. Any decisions made in relation to ongoing expenditure or income in the budget for 2011/12 will have repercussions in future years when current forecasts indicate the financial environment is likely to become increasingly difficult. The Council has a statutory duty to set a balanced budget and could incur the intervention of the Secretary of State if it failed to do so.

Consideration of this item will fall within the provisions of Section 106 of the Local Government Finance Act

1992, and Members affected by those provisions should declare accordingly and refrain from voting on the matter.

The council has developed a number of building blocks to meet the strain created through the reduction in Government grant, these in addition to the £800K public promise and additional efficiency savings have been built into this first draft of the Budget for 2011/12.

Comments checked by Karen Curtin, Head of Finance, 01295 221551.

Legal:

There is a statutory requirement for the Council to set a balanced budget by 11 March 2011 and the draft budget is part of that process.

Comments checked by Liz Howlett, Head of Legal and Democratic Services, 01295 221686.

Risk Management:

The significant risks and assumptions associated with the draft budget are outlined in Appendix 1 and a risk provision has been considered. On a broader front, if due consideration is not given to matching scarce financial resources carefully against properly assessed service priorities, the Council may fail in achieving its strategic priorities and in its duty to demonstrate value for money. A full appraisal of risk will be included in the final budget report detailing mitigations and a sensitivity analysis will be included in calculating the risk provision

Comments checked by Karen Curtin, Head of Finance, 01295 221551.

Wards Affected

All

Corporate Plan Themes

All

Executive Portfolio

Councillor James Macnamara
Portfolio Holder for Resources

Document Information –

Appendix No	Title
Appendix 1 Appendix 2 Appendix 3 Appendix 4 ,4a, 4b Appendix 5	Draft Revenue 2011/12 Budget and Analysis Draft Corporate Plan 2011/12 Service Priorities Draft 2011/12 Capital Bids and Funding Analysis Resources and Performance Scrutiny Board – Budget Scrutiny recommendations (to follow on after Nov 30 th meeting)
Background Papers	
2010/11 Budget Booklet 2010/11 Capital Programme Medium Term Financial Strategy Budget Guidelines 2010/11 Service Plans November 2010 – Response to CSR	
Report Author	Karen Curtin, Head of Finance Karen Muir, Corporate System Accountant Jessica Lacey, Technical Accountant Claire Taylor, Corporate Strategy & Performance Manager
Contact Information	01295 221551 karen.curtin@cherwell-dc.gov.uk

Draft Revenue 2011/12 Budget and Analysis

The Status of the Budget

- 1.1 This is the first draft of the budget and is currently subject to scrutiny of both revenue and capital together with amendments for new information relating to economic climate, confirmation of central Government Grant and the amount available for distribution from the Collection Fund. The draft budget will be presented to the Executive again on the 10th January 2011. Final version of the budget will be presented to the Executive on February 7th 2011 before approval by Council on February 21st 2011.

Budget Guidelines

- 1.2 The draft General Fund Revenue budget has been prepared in accordance with the guidelines agreed by the Executive at its meeting on 11th October 2010.

Economic Climate

- 1.3 UK economy - following the general election in May 2010, the coalition government has put in place an austerity plan to carry out correction of the public sector deficit over the next five years. The inevitable result of fiscal contraction will be major job losses during this period, in particular in public sector services. This will have a knock on effect on consumer and business confidence. House prices have started a negative trend during the summer and mortgage approvals are at very weak levels and also declining.
- 1.4 This downturn in the economy has given rise to a number of unanticipated budget pressures. One of the most immediate impacts of the credit crunch in Cherwell, like elsewhere, is the housing market slowing rapidly. This has seen a reduction in the current year of planning and land charge income, increase in benefit applications, increased fuel costs and these assumptions have been assumed to continue and built into the formation of the draft budget and considered in the review of risk.
- 1.5 Inflation beyond 2011 is forecast to fall back rapidly once the second increase of VAT by 2.5% (which in the short term will add 1.5% to CPI) next January falls out of the index after 12 months, together with other recent sharp increases in food and commodity prices. Consequently inflation at the two year horizon is forecast to fall to around 1.5%, below the target rate of 2%.
- 1.6 Sector, the Council's Treasury Management Advisors, are currently of the view that the Bank Rate may start to increase during Q3 and Q4 of the 2011/12 financial year by 0.5%. For the purpose of this draft of the budget we have assumed a reinvestment rate of 2% for investment income purposes.
- 1.7 The Council's decision in preparing the last MTFs forecast not to rely on investment income to deliver services assumes a 3 year profile and this together with the low interest rates will result in a reduction in investment income for 2011/12.

Medium Term Financial Forecasts

- 1.8 Our medium term financial forecasts were updated as a result of the Comprehensive Spending Review and as a result we are working on the basis of a £16.8m requirement over 4 years. The savings identified in draft 1 of the 2011/12 will provide a substantial contribution to this and a new medium term financial forecast will be included with the budget report in February 2011 once the final government funding is confirmed.

Investments in Iceland

- 1.9 The Council currently has a total of £6.5 million in short term investments (i.e. those with maturity periods of up to one year) with one of the affected banks Glitner. The latest position is that, the Council currently does not have preferential credit status and as such would only recover 29% of this balance. Local Authorities have objected to this creditor status and legal action is being taken.
- 1.10 Local authorities' objections will now be considered under the processes followed under Icelandic insolvency law, and court action will be taken as necessary. 14 test cases which contain legal arguments to support preferential creditor status and 100% recovery have been presented to the Icelandic Courts in September 2010. Cherwell represent 3 of these cases (each deposit is a separate test case).
- 1.11 The defendants including the winding up board are in the process of filing their submissions in response. If local authority deposits are awarded priority status, claims will be fully repaid. If local authority deposits do not get priority status, the Council will receive much less of its investment back.
- 1.12 No payment is expected before the court cases and any appeals for priority status. The earliest likely date by which payment could be made is June 2011 and on this basis we would need to write off the debt in 2010/11 accounts.
- 1.13 The Council have made a capitalisation request to Secretary of State to use capital receipts to offset this loss and a decision is expected on whether this has been approved no later than December 17 2010. If this request is declined then the Council will use earmarked revenue reserves to offset the loss which is part of the medium term financial strategy.
- 1.14 No investment income has been built into the 2011/12 budget for the return of the £6.5m principle at this stage but this will be reviewed as we progress legal proceedings and prepare the final 2011/12 budget.
- 1.15 The LGA is confident that local authorities' priority status as depositors will in due course be secured and 100% recovered and we will keep this committee informed of progress.

General Fund Revenue Budget

- 1.16 The draft General Fund Revenue budget is shown in Table 1. The revenue budget as presented has been left, quite deliberately, with a funding gap of £1,114,180. This type of gap is not unusual at this stage in the process and it can be covered by considering the actions listed in 1.23 / 1.24.

Table 1

SERVICE EXPENDITURE - excluding support allocation	Budget	Projection	Budget	Variance from 10/11 Projection	Variance from 10/11 Budget
	2010/11	2010/11	2011/12		
Corporate Core	£4,543,693	£4,399,250	£3,817,502	-£581,748	-£726,191
Environment & Community	£11,622,769	£11,846,690	£10,906,076	-£940,614	-£716,693
Planning, Housing & Economy	£4,947,243	£4,938,910	£4,801,858	-£137,052	-£145,385
Services Sub-Total	£21,113,705	£21,184,850	£19,525,436	-£1,659,414	-£1,588,269
Capital Charges Reversed	-£2,850,060	-£2,850,060	-£2,735,110	£114,950	£114,950
Net Expenditure Services	£18,263,645	£18,334,790	£16,790,326	-£1,544,464	-£1,473,319
(% decrease)	9%	0%	8%		0%
Reserves and Provisions	£263,881	£192,736	£421,624	£228,888	£157,743

	£18,527,526	£18,527,526	£17,211,950	-£1,315,576	-£1,315,576
Funding					
Investment Income	£1,348,753	£1,348,753	£891,127	-£457,626	-£457,626
Government Grant	£10,905,340	£10,905,340	£8,687,646	-£2,217,694	-£2,217,694
Collection Fund	£84,477	£84,477	£142,403	£57,926	£57,926
Council Tax	£6,188,956	£6,188,956	£6,376,594	£187,638	£187,638
	£18,527,526	£18,527,526	£16,097,770	-£2,429,756	-£2,429,756
Potential Shortfall	£0	£0	£1,114,180		
COUNCIL TAX					
Relevant Tax Base	50113	50113	50396		
Council Tax Rate for Band "D"	£123.50	£123.50	£123.50		
Council Tax Collection	£6,188,956	£6,188,956	£6,376,594		

- 1.17 Our assumption for Council tax is that we will set a 0% increase for 2011/12. CSR2010 confirmed that the Government will provide a revenue grant equivalent to a 2.5% increase in Council Tax to fund this freeze for a period of 4 years; this has therefore been included within the projected resources of the Council.
- 1.18 The revenue budget shows an overall 8% decrease in service expenditure in comparison with the 2010/11 revenue projection and a reduction from 2009/10 outturn of £3,587,491.
- 1.19 In light of the challenging financial position the Council faces in both this and forthcoming years, work has been in progress on the 2011/12 budget since setting the 2010/11 budget in March 2010. The Council made a public promise to deliver £800K worth of savings and in addition has developed Building Blocks across the organisation, identifying opportunities to either reduce costs or increase income generated. The aim being to compensate for the financial pressures arising from the Comprehensive Spending review, general economic climate and our strategy to reduce our reliance on investment income.
- 1.20 This first draft of the 2011/12 revenue budget demonstrates that we have delivered the £800K public promise and incorporated building blocks to the value £972K. In addition, we have also identified £580K worth of additional efficiencies which has also been built into this first draft.
- 1.21 There are three value for money (VFM) reviews going to the Executive in December for approval as part of the same agenda when this draft budget will be considered. Some of the proposals have been included in draft 1. If these proposals are not approved then alternative reductions will be required to offset these in draft 2. There are a number of these savings that have not been built in and these will be considered in addressing the budget deficit in draft 2.

Table 2 on the following pages provides a further breakdown :-

Table 2

Review of Savings	Building Block Description	B Block Number	£800K Savings Promise	Building Blocks	Efficiencies	Total	CRP	PHE	EAC	Total
Finance VFM 2009/10	Reduce 2 posts		£100,000			£100,000	£100,000			£100,000
Legal VFM 2009/10	Further £50k to be identified in 2010/11		£57,000			£57,000	£57,000			£57,000
Communications VFM 2010/11	Full review of printing, advertising and marketing - target 100k reduction		£115,000			£115,000	£115,000			£115,000
Corporate & Democratic Core VFM 2010/11	Review use of 3 Fund managers - target reduction in costs to Treasury Management		£10,000			£10,000	£10,000			£10,000
Corporate & Democratic Core VFM 2010/12	Review of democratic services - VFM - target £70k reductions		£70,000			£70,000	£70,000			£70,000
Corporate & Democratic Core VFM 2010/13	Review of community planning activities - target £20k reductions		£31,000			£31,000	£31,000			£31,000
Community Planning VFM 2009/10	Insurance review - merge with Finance and reduce 1 post		£49,000			£49,000	£49,000			£49,000
ICT review 2009/10	ICT review		£93,000			£93,000			£93,000	£93,000
Regeneration & Estates VFM 2009/10	Canteen - staff reductions and fee review		£27,000			£27,000		£27,000		£27,000
Housing Services VFM 2010/11	VFM - Annual Programme - Housing Services		£100,000			£100,000		£100,000		£100,000
Procurement Self Financing Target	Contract Negotiations - cashable savings		£150,000			£150,000	£150,000			£150,000
Admin Review II	Total Admin in PHE, EAC and Corporate equates to £1m - reduce by 10%	66		£13,000		£13,000	£13,000			£13,000
Contract Management	Review the contract management resource throughout the Council and centralise within one team with Procurement - reduce by 2 posts	85		£53,000		£53,000	£53,000			£53,000
Performance Regime	Consider the performance regime of the Council on the back of the demise of CAA - target reductions in performance team and admin as a result of reviewing what is measured and what is no longer necessary - assume 1 post deleted	108		£29,000		£29,000	£29,000			£29,000
Benefits Advertising	Not a statutory function to promote the take up of benefits - was an audit commission indicator	106		£5,000		£5,000	£5,000			£5,000
Training	Sell externally	54		£25,000		£25,000	£25,000			£25,000
Internal Audit	Review specification and consider reduction in light of CAA demise and stat/disc reviews - assume 20 day reduction in new contract negotiation in 12/13	112		£9,000		£9,000	£9,000			£9,000
Statutory / Discretionary Review		87		£6,000		£6,000	£6,000			£6,000
Street Wardens	Review budgets and target reduction of £16k	33		£15,800		£15,800			£15,800	£15,800

Review of Savings	Building Block Description	B Block Number	£800K Savings Promise	Building Blocks	Efficiencies	Total	CRP	PHE	EAC	Total
Car Parks	Reduced frequency of cash collections from machines	34		£6,800		£6,800			£6,800	£6,800
Subscriptions	Safer Communities Urban & Rural Services Cancel specified subscriptions within Service	35		£2,700		£2,700			£2,700	£2,700
Christmas Lights	Negotiate shared costs of Christmas Lights with Urban Centres	36		£36,000		£36,000			£36,000	£36,000
Nightsafe	Reduce officer time to 50%	43		£13,000		£13,000			£13,000	£13,000
Recycling Income	Improved recycling performance through increased targeting.	8		£45,000		£45,000			£45,000	£45,000
Gate Fees	Negotiated reduction in gate fees	9		£77,000		£77,000			£77,000	£77,000
Glass Collection	Lower net cost in-house collection service requires capital of £130k.	10		£76,000		£76,000			£76,000	£76,000
Bring Banks	Various operational efficiencies	11		£20,000		£20,000			£20,000	£20,000
	Reduced replacement bin costs by more repairs etc	13		£12,500		£12,500			£12,500	£12,500
Street Cleansing	Reduce staff levels through non-use of seasonal staff and not filling a vacancy created through natural turnover of staff.	14		£54,000		£54,000			£54,000	£54,000
Vehicle Maintenance	Increased income on MOT's	16		£5,000		£5,000			£5,000	£5,000
Vehicle Maintenance	Improved cost base	17		£2,500		£2,500			£2,500	£2,500
VFM Programme	Scalable structure, selective external hosting, alternative procurement etc	1		£134,000		£134,000			£134,000	£134,000
Colour printing	Substantial reduction to internal colour printing	2		£24,000		£24,000			£24,000	£24,000
Parish Websites	Alternative parishes website hosting	3		£2,100		£2,100			£2,100	£2,100
Cash Handling	Install 4 Autotellers.	6		£71,000		£71,000			£71,000	£71,000
Staffing	Implemented reduced hours for 3 posts	18		£29,000		£29,000			£29,000	£29,000
Leisure Development	No Projects Officer resulting in fewer projects, limited S106 activity and no support to parishes and other voluntary sector bodies	24		£26,000		£26,000			£26,000	£26,000
North Oxford Academy	Joint User Agreement	28		£41,000		£41,000			£41,000	£41,000
Cooper School	Joint User Agreement	27		£34,000		£34,000			£34,000	£34,000
Grants	No grants to village Halls	25		£39,000		£39,000			£39,000	£39,000
Expressions of Interest	Reduction in resources through expression of interest process	15		£58,000		£58,000			£58,000	£58,000
Facility Management	Centralisation of all and general reduction in service maintenance budgets - budget clarification required as costs covered in devolved budgets	100		£7,400		£7,400		£7,400		£7,400

Review of Savings	Building Block Description	B Block Number	£800K Savings Promise	Building Blocks	Efficiencies	Total		CRP	PHE	EAC	Total
EFFICIENCIES											£0
Efficiencies Corporate Core					£180,152	£180,152		£180,152			£180,152
Efficiencies PHE					£223,813	£223,813			£223,813		£223,813
Efficiencies EAC					£226,094	£226,094				£226,094	£226,094
Total			£802,000	£971,800	£630,059	£2,403,859		£902,152	£358,213	£1,143,494	£2,403,859
								38%	15%	48%	

1.22 The following table provides details of the “New Effects” in the 2011/12 budget. These are either additional expenditure or increased income. You will see that the net effect of these changes is minimal to the Councils bottom line budget, but they do represent in many instances uncontrollable changes from last year’s budget. They have been incorporated into service budgets whilst those services have still delivered their building blocks, contribution to the Councils £800K savings promise and further efficiencies.

Table 3

New Effects	£	CRP	EAC	PHE
	Total			
Removal of Capital Charges	-£33,000	-£33,000		
Movement in Subsidies - Exchequer Services	-£108,000	-£108,000		
Legal - Net effect Increased Planning fee Income and reduced Land Charge Income	-£31,000	-£31,000		
Reduced Admin Subsidy - Benefits Investigations	£9,000	£9,000		
NNDR - Increased Cost	£61,245		£47,932	£13,313
Increased Utility Charges	£23,710		£2,815	£20,895
Career Grade Increases	£13,000		£13,000	
Emergency Flooding and Land Drainage Services transferred to County	-£66,000			-£66,000
Completion of Town Centre Redevelopment - No further legal costs recovered.	£50,000			£50,000
Loss of Rental Income Orchard Way shops (redevelopment)	£28,000			£28,000
Impact of full year rent received for Lodge Bodicote House	-£4,800			-£4,800
Estimated strain of Car Park / Excess Charge and Season Ticket Income	£128,000		£128,000	
TOTAL	£70,155	-£163,000	£191,747	£41,408

1.23 In addition there are areas of Unavoidable Growth which have also been incorporated into the 2011/12 budget. These are of a more significant nature to New Effects and are detailed within the table below;

Table 4

Unavoidable Growth		Budget Increases
Concessionary Fares	Mid Point Impact of £800K for the transfer of Concessionary Fares to the County - incorporated within Draft 1 - awaiting notification.	£800,000
Reduction In Revenue Support Grant	13% Reduction of Revenue Support Grant incorporated into Draft 1- awaiting notification.	£1,417,694
Increased Pension Provision	Impact of 2010 pension revaluation -staggered over three financial years – 2011/12 impact detailed across.	£117,624
Loss Of Housing Planning Delivery Grant	Impact Offset By VFM Review of Service.	£0
Loss of Community Cohesion Grant	Impact Offset By Reduction in expenditure	£0
	TOTAL	£2,335,318

1.24 Our Medium Term Financial Strategy requires efficiency savings and we have a NI target of 3.1% in 2010/2011. The draft budget presented includes a significant level of qualifying efficiencies which will be collated and reported to the February Executive meeting. From a budgetary point of

view only cashable savings are relevant since non-cashable savings do not reduce the overall cost to the Council. Although the national indicator NI179 that is used to measure this has been withdrawn the ongoing identification of efficiency savings must continue to be treated as a high priority.

- 1.25 In order to balance the budget a further reduction in costs or increase in income of £1,114,180 is required.
- 1.26 On the assumption that the Executive approve the scrutiny recommendations and the shared management business case with South Northamptonshire is approved by both Councils on December 8th 2010 then this will contribute circa £900,000 therefore reducing the deficit to a manageable £215,000.

Table 5

AREAS PENDING APPROVALS	IMPACT	CONTRIBUTION RANGE
Scrutiny Recommendations re Training	Reduce Costs	Up to £72,000
Scrutiny Recommendations re Fees & Charges	Increase Income	£300,00 - £500,000
Joint Working Decisions SNDC or Plan B	Reduce Costs	£333,000 (business case)

- 1.27 The following areas will be considered and an estimated range of contribution to the deficit is included.

Table 6

AREAS FOR FURTHER REVIEW	IMPACT	CONTRIBUTION RANGE
Building Block - Administration Review	Reduce Costs	Up to £87,000
Revenue Implications of Capital Programme	Increase / Reduce Costs	-£20,000 to £140,000
Pay Grade Adjustments - (£250 for over £25K)	Increase Costs	£20,000 to £30,000
Grant Reductions (Appendix 3 1st November Executive Report)	Reduce Costs	£25,000 to £75,000
Other Reductions (Appendix 4 1st November Executive Report)	Reduce Costs	£150,000 to £322,000
VFM Reviews (Executive in December)	Reduce costs	£25,000 to £100,000
Review of Interest Calculations	Reduce / Increase Income	
Review of Risk Contingency and Reserves	Increase/Reduce Provision	
Finalisation of Collection Fund	Increase / Reduce	
Notification of Revenue Support Grant (13% reduction in DRAFT 1)	Increase / Reduce	Each 1% increase or decrease equals £110,000
Concessionary Fares – awaiting final confirmation of budget pressure	Increase / Reduce	

- 1.28 The outcome of the reviews in 1.23 and 1.24 together with the updated position of the local government grant settlement and its implication on the current budget shortfall will be presented to the Executive in January 2011 but at this stage it is expected that these together with the Councils ability to utilise reserves will deliver the remaining £215,000 shortfall and achieve a balanced budget for 2011/12.
- 1.29 Further work will continue on identifying additional budget reductions for future years and these will be detailed in the Medium Term Forecast which will be updated and presented as part of the final budget report.

Risk

- 1.30 As ever the Council needs to plan its budget amidst a high degree of uncertainty, which brings with it risks. As well as specific mitigating actions on individual issues, risks are also addressed as part of our corporate risk register, proactive budget monitoring, service planning process and consideration of risk in all key decisions and committee reports.
- 1.31 The draft budget includes a specific service risk provision of £100,000 and a general provision of £160,000 which equates to 1% of projected net expenditure and is in line with our budget planning.
- 1.32 A full appraisal of risk will be included in the final budget report detailing mitigations and a sensitivity analysis will be included to calculate the specific risk provisions.

Reserves

- 1.33 In addition to the robust risk control measures it will be necessary for the Council to maintain a general fund general balance as the ultimate safeguard. This balance is projected to be circa £1m. A full review of Council reserves will be detailed in the February report to the Executive.

Further Document Information

Detail	
Scrutiny Reports	28/09/2010 , 12/10/2010 , 23/11/2010 , 30/11/2010
Executive Reports	1/11/2010 Early Response to Comprehensive Spending Review.
Building Blocks	1/11/2010 Early Response to Comprehensive Spending Review.
£800K Savings Promise	1/11/2010 Early Response to Comprehensive Spending Review.

Cherwell District Council's new corporate plan will be developed for the same period as covered by the comprehensive spending review (4 years 2011/12 - 14/15). This version outlines the Council's priorities for **year one** of the period (**2011-2012**) taking into account the possible reduction in the Council's net budget from £18.5m to £17m.

This draft outlines the Council's four strategic priorities and the objectives that underpin each one. The performance of each objective will be monitored through either progress against projects, key milestones or numerical performance measures. The detail behind these measures and milestones will be set out in January 2011 after the completion of public consultation.

** Specific note should be made of objectives A3 and C1 which will be further developed when national policy implications are fully understood including the Localism Act and policy guidance relating to the role of the voluntary sector (the 'Big Society').*

	A A District of Opportunity	B A Cleaner Greener Cherwell	C A Safe, Healthy and Thriving Community	D An Accessible Value for Money Council
1	<p>Work with partners to tackle disadvantage in the District.</p> <ol style="list-style-type: none"> Brighter Futures in Banbury (project measure) Homelessness, Benefits, take up, improving service, supporting residents through benefits reforms, to include mortgage rescue (project and numerical measures) Support people into work - apprenticeships and the Job Club (project measure) 	<p>Provide excellent waste collection and recycling services, working to reduce the amount of waste produced and to increase recycling across the district.</p> <ol style="list-style-type: none"> Recycling rates (% numerical measure) Total waste reduction (numerical measure) Customer satisfaction (numerical measure) 	<p>* Support the local community, voluntary and not for profit sectors to play an active role in the district.</p> <ol style="list-style-type: none"> Work with the local voluntary sector to provide advisory services for the local community (project measure) Support volunteering across the district (project measure) Develop a new community development strategy to ensure the Council's work in this area provides value for money and addresses local need (project measure) 	<p>Provide value for money and a financially sound organisation, minimising the impact of smaller council budgets on frontline and priority services.</p> <ol style="list-style-type: none"> Achieve annual savings plan targets (financial measure against medium term financial strategy) Ensure the Council's budget is matched to strategic priorities and services are able to demonstrate they provide value for money (finance/project measure) % of people who feel the Council provides value for money (satisfaction measure annual survey)
2	<p>Balance economic development and housing growth.</p> <ol style="list-style-type: none"> Major new housing projects (measured through the AMR) (numerical measure) Affordable housing delivery(% numerical measure) Promoting economic development through business advice / support, inward investment, Local Enterprise Partnerships (project measure) 	<p>Work to ensure our streets, town centres, open spaces and residential areas are clean, well maintained and safe.</p> <ol style="list-style-type: none"> Street and environmental satisfaction (numerical measure) Litter/graffiti/fly-tipping/dog mess (numerical measure) CCTV TBC – may need an alternative 	<p>Provide good quality recreation and leisure opportunities in the district.</p> <ol style="list-style-type: none"> Maintain current levels of visits/usage to district leisure centres (measure to be determined) Maintain high customer satisfaction with Banbury Museum (attendance figures and schools attendance - numerical measure) Work with partners to develop the SW Bicester multi-sports village (project measure) 	<p>Work with partners to reduce Council costs.</p> <ol style="list-style-type: none"> Reduce senior management costs by implementing a single shared senior management team with South Northants Council (financial measure) Explore opportunities to share further services with South Northamptonshire Council, for example building control (project measure) Explore opportunities to develop other service delivery models to further reduce the Council's costs (project measure)

	A A District of Opportunity	B A Cleaner Greener Cherwell	C A Safe, Healthy and Thriving Community	D An Accessible Value for Money Council
3	<p>* Develop a robust and locally determined planning framework.</p> <ol style="list-style-type: none"> 1. Localism – implement the Localism Act in the district (project measure) 2. Transport/infrastructure (project measure) 3. Development control (project measure) 	<p>Work to reduce our impact on the natural environment, limit our use of natural resources and support others in the district to do the same.</p> <ol style="list-style-type: none"> 1. Energy Efficiency / local energy generation (project measure) 2. CO2 reduction (project measure) 3. Fuel poverty / affordable warmth (project measure) 	<p>Work with partners to tackle anti-social behaviour and support community safety.</p> <ol style="list-style-type: none"> 1. Work with partners to reduce crime and the fear of crime in the district. (numerical measures) 2. Work with partners to tackle Anti-Social Behaviour in the district (numerical measure) 3. Provide a programme of activities for young people (project measure) 	<p>Demonstrate that we can be trusted to act properly for you by being transparent about our costs and performance.</p> <ol style="list-style-type: none"> 1. Publish financial and performance data on our website on a monthly basis to enable local people to scrutinise us (project measure) 2. Publish an annual report of our performance and accounts providing a summary of our performance in respect of local priorities (project measure) 3. Consult with local residents in a cost effective manner to ensure the Council has a good understanding of local priorities (project measure)
4	<p>Work to improve the quality and vibrancy of our town centres and urban areas.</p> <ol style="list-style-type: none"> 1. Canal side Banbury (project measure) 2. Bicester Town Centre (project measure) 3. Bolton Road Banbury (project measure) 	<p>Work with partners to support the development of Eco-Bicester, creating a centre of excellence in terms of green or sustainable living.</p> <ol style="list-style-type: none"> 1. Make progress delivering the first phase of housing (400 homes built in to the highest environmental standards) (project measure) 2. Demonstration projects (project measure) 3. Community participation (project measure) 	<p>Support improvement of local health facilities, services and standards across the district.</p> <ol style="list-style-type: none"> 1. Support the local NHS to retain and develop health services at the Horton General Hospital (project measure) 2. Continue to support new and improved health services in Bicester and the surrounding area (project measure) 3. Promote active lifestyles (project measure e.g. the Ageing Successfully programme) 	<p>Work to ensure we provide good customer service through the delivery of high quality and accessible services.</p> <ol style="list-style-type: none"> 1. Maintain existing levels of customer satisfaction (numerical measure) 2. Maintain existing levels of satisfaction with information provided by the Council (numerical measure) 3. Increase the number of our services accessible online / make it easier to deal with the Council online (project measure)
Pledges? Possible areas for public pledges could include the following service areas:				
1	Affordable Housing (%)	Recycling	Leisure Centres	Savings
2	Bicester Town Centre	Street and Environmental Satisfaction		Customer Satisfaction
3		Eco-Bicester		Increase the number of online line services

Frontline Service Priority Framework for 2011/12

Service Area	Priority Ranking 2010/11	Priority Ranking 2011/12
Refuse collection & Recycling	1	1 ⇔
Strategic Housing	1	1 ⇔
Anti-social behaviour	1	2 ↗
Economic Development and Regeneration	2	2 ⇔
Sports facilities	3	3 ⇔
Local Development	3	3 ⇔
Community Development	3	3 ⇔
Housing Needs	4	3 ↗
Private Sector Housing	4	3 ↗
Local Transport and Concessionary Fares	4	4 ⇔
Leisure development	3	4 ↗
Revenues & Benefits	4	4 ⇔
Cleansing	4	4 ⇔
Environmental Protection	4	4 ⇔
Arts	4	4 ⇔
Rural Areas	4	4 ⇔
Car Parking	4	4 ⇔
Estates	4	4 ⇔
Safer communities	3	5 ↘
Health Promotion	3	5 ↘
Building Control and Engineering	5	5 ⇔
Public Protection	5	5 ⇔
Conservation & Urban Centres	4	5 ↘
Planning & Enforcement:	5	5 ⇔
Planning control	6	6 ⇔
Diversity and equality	6	6 ⇔
Landscape	7	7 ⇔
Banbury Museum	7	7 ⇔
Tourism	7	7 ⇔
Licensing	7	7 ⇔

Draft Capital Programme 2011/12

- 1.1 A total of 27 bids were received of which 3 were deleted at appraisal stage. This leaves 24 bids for consideration and these are analysed according to consultation priority below:

Priority	No. of bids
1 Refuse collection & recycling, housing (needs, strategic & private sector), anti-social behaviour	6
2 Economic development & regeneration	2
3 Sports facilities, local, community & leisure development, safer communities, health promotion	2
4 Cleansing, local transport & concessionary fares, environmental protection, conservation & urban centres, arts, rural areas, car parking, estates	1
5 Building control & engineering, public protection, enforcement	0
6 Planning control, diversity & equality	0
7 Landscape, Banbury museum, tourism, licensing	0
Corporate Revenue & benefits, democratic services, chief executive office, member services, corporate charges, communications, treasury, improvement, community planning, elections, land charges	13
	24

- 1.2 The draft capital proposals to date for 2011/12 are shown in Appendix 4a these bids totalling £3,933,314 still need to be considered in the context that they must meet with the Council's priorities. Each scheme is supported by an appraisal and these have been scored according to priority by the Capital Investment Delivery Group.
- 1.3 At least one third of the capital bids can be categorised as spend to save initiatives and generate positive revenue implications which if considered for inclusion in the final 2011/12 capital programme will contribute to the financial challenges ahead.
- 1.4 The new capital bids have been scrutinised by the Resources and Performance Scrutiny Board and their observations and recommendations are detailed in Appendix 5.
- 1.5 The Capital Strategy for 2011/12 has a direct impact on the Treasury management revenue budget in terms of the opportunity cost of reduced cash balances from the use of capital receipts and reserves. Decisions on the future capital programme will need to take into account the overall priorities and affordability in revenue as well as capital terms.
- 1.6 Capital balances are expected to reduce to less than £20m in 2014/15 and a detailed forecast will be included in draft 2 identifying the financial implications.
- 1.7 The Executive has agreed that 21 capital schemes which were approved as part of the 2010/11 budget process but which work has been delayed until

2011/12 will also be delivered in 2011/12 and these are detailed schedule in Appendix 4b.

- 1.8 A summary of the draft capital programme and recommended financing is summarised below:

	Total Scheme Cost	2011/12 Profile
Schemes approved and slipped from 2010/11 (Appendix 4b)	£12,012,000	£6,762,000
Proposed programme (Appendix 4a)	£5,912,314	£3,893,980
Total Capital Programme to be Financed	£17,924,314	£10,655,980
Financed by:		
Capital Receipts	£13,902,264	£8,156,980
Government Grants		
<i>£375k per annum Governmental Grant Funding towards Mandatory Disabled Facilities Grants</i>	£1,500,000	£375,000
Use of Reserves		
<i>Wheeled Bins Reserve</i>	£15,000	£15,000
<i>Vehicle Replacement Programme</i>	£605,050	£207,000
<i>Housing Reserves</i>	£1,902,000	£1,902,000
	£17,924,314	£10,655,980

- 1.9 The Capital programme review is still ongoing and therefore a revision to the Capital programme with full financial implications will be included for consideration in the January and February 2011 budget reports.

Further Document Information

Appendix No	Title
Appendix 4a	New Capital Bid Proposals
Appendix 4b	Schedule of capital schemes slipped from 2010/11

Capital Bids 2011/12 by Score

Bid No.	Consultation Priority	Capital Scheme	Service Head	Service	Capital Bid Score	Total		
						Estimated Capital Cost £s	Estimated Cost for 2010/11 £s	Revenue Costs / (Savings) £s
24	1	Mandatory Disabled Facilities Grants (DFGs)	Gillian Greaves	Housing Services	45	£860,000	£860,000	
19	4	Vehicle Replacement Programme	Ed Potter	Environmental Services	44	£2,186,000	£207,000	(£5,000)
9	C	Extended Contract for Website Hosting	Pat Simpson	Customer Service & Information Systems	40	£59,000	£19,666	(£8,000)
5	C	Photovoltaics at Bodicote House and Banbury Museum	David Marriott	Economic Development & Estates	39	£350,000	£350,000	(£109,436)
20	C	Solar Photovoltaics at Thorpe Lane Depot	Ed Potter	Environmental Services	39	£100,000	£100,000	(£10,000)
21	C	Solar Photovoltaics at Sports Centres	Paul Marston Weston	Recreation & Health	39	£785,000	£785,000	(£370,500)
14	C	Uniform & Corporate Geographic Information Systems (GIS) Database & Application Upgrades	Pat Simpson	Customer Service & Information Systems	38	£15,000	£15,000	
22	1	Delegated Affordable Housing Capital Pot	Gillian Greaves	Housing Services	36	£500,000	£500,000	
23	1	Discretionary House Condition Grants	Gillian Greaves	Housing Services	36	£325,000	£325,000	
6	1	Orchard Way Refurbishment	David Marriott	Economic Development & Estates	34	£250,000	£250,000	(£216,000)
8	3	CCTV Internet Protocol Transmission	Chris Rothwell	Urban & Rural Services	34	£100,000	£100,000	
17	1	Mini MRF (Materials Recovery Facility)	Ed Potter	Environmental Services	34	£29,000	£29,000	(£30,000)
18	1	Recycling Bins Programme	Ed Potter	Environmental Services	34	£15,000	£15,000	(£4,000)
4	2	Fees of Future Regeneration Schemes	David Marriott	Economic Development & Estates	31	£50,000	£50,000	
1	C	Replacement Voicemail Service	Pat Simpson	Customer Service & Information Systems	29	£10,000	£10,000	
3	C	Highfield Depot Repairs	David Marriott	Economic Development & Estates	29	£10,000	£10,000	
11	C	Virtual Server Infrastructure Expansion	Pat Simpson	Customer Service & Information Systems	29	£30,914	£30,914	(£9,462)
12	C	Storage Area Networks (SAN) Expansion	Pat Simpson	Customer Service & Information Systems	29	£41,900	£41,900	(£7,328)
13	C	Core Business System Integration	Pat Simpson	Customer Service & Information Systems	28	£52,500	£52,500	
16	3	Corporate Bookings System	Ian Davies	Environment & Community	23	£50,000	£50,000	£22,500
7	C	Community Intelligence Hub	Chris Rothwell	Urban & Rural Services	21	£20,000	£20,000	(£17,000)
27	2	Kidlington Pedestrianisation	David Marriott	Economic Development & Estates	18	£50,000	£50,000	
10	C	SMS Text Messaging Functionality	Pat Simpson	Customer Service & Information Systems	17	£13,000	£13,000	£10,000
15	C	Contact Centre Call Recording	Pat Simpson	Customer Service & Information Systems	12	£10,000	£10,000	£1,000
GRAND TOTAL						£5,912,314	£3,893,980	(£753,226)

C = this service was not consulted on as part of the public consultation exercise

APPENDIX 4b

2010/11 APPROVED BIDS SLIPPED INTO 2011/12

Bid No.	Capital Scheme	Service Head	Strategic Priority	Score given 2010/11	Slippage agreed as at 1st Nov 2010	
P/Y 1	Funding for Mollington & Hornton Rural Exception Sites	Gillian Greaves	District of Opportunity	30	£	60,000
P/Y 2	Purchase of Temporary Accommodation Bryan House Bicester & Edward Street Banbury	Gillian Greaves	District of Opportunity	31	£	330,000
P/Y 3	Kidlington Pedestrianisation	David Marriott	District of Opportunity	19	£	20,000
P/Y 4	Fees for Future Regeneration Schemes	David Marriott	District of Opportunity	17	£	50,000
P/Y 5	Climate Changes Initiatives Fund	Ed Potter	Cleaner, Greener	Pre 10/11	£	16,000
P/Y 6	Bicester Cattle Market Car Park Phase 2	David Marriott		Pre 10/11	£	94,000
P/Y 7	Old Bodicote House	David Marriott	Accessible Value for Money	Pre 10/11	£	371,000
P/Y 8	Land at Claypits Lane Bicester	David Marriott		Pre 10/11	£	187,000
P/Y 9	Orchard Way Banbury Redevelopment	David Marriott		Pre 10/11	£	1,100,000
P/Y 10	Financial Ledger - Agresso 5.5	Karen Curtin		Pre 10/11	£	50,000
P/Y 11	Budget Module	Karen Curtin		Pre 10/11	£	15,000
P/Y 12	Fleet Management System	Ed Potter	Accessible Value for Money	27	£	28,000
P/Y 13	Village Hall, Recreation Play Grants	Paul Marston-Weston		Pre 10/11	£	19,000
P/Y 14	South West Bicester Sports Village	Paul Marston-Weston		Pre 10/11	£	270,000
P/Y 16	Urban Centres Improvements	Chris Rothwell		Pre 10/11	£	7,000
P/Y 17	Replacement Cabling Infrastructure for CCTV	Chris Rothwell		Pre 10/11	£	55,000
P/Y 19	Online Service Provision via Forms	Pat Simpson		Pre 10/11	£	20,000
P/Y 21	Banbury Pedestrianisation	David Marriott		Pre 10/11	£	20,000
P/Y 23	Thorpe Lane Depot	David Marriott		Pre 10/11	£	50,000
P/Y 24	Bicester Town Centre Development	David Marriott		33	£	4,000,000
						£ 6,762,000

2011/12 Budget Scrutiny Outstanding Actions, Recommendations and Conclusions

Recommendations		
Having undertaken a review of the Council's revenue and capital budget proposals for 2011/12 with specific focus on the building blocks, fees and charges and capital programme, reviewing the capital bids received as part of the 2011/12 process, the Executive is recommended to consider the following recommendations from the Resources and Performance Scrutiny Board:		
Recommendations	Reasons and Comments	Projected additional income/savings 2011/12
Capital Programme 2011/12		
<p>1. That the following capital bids be recommended for inclusion in the capital programme 2011/12:</p> <ul style="list-style-type: none"> • Bid 1: Replacement Voicemail Service • Bid 3 Highfield Depot Repairs • Bid 4: Fees of Future Regeneration Schemes • Bid 5: Solar Photovoltaics at Bodicote House and Banbury Museum • Bid 6: Orchard Way Museum • Bid 7: Community Intelligence Hub • Bid 8: CCTV Internet Protocol 	Members were satisfied with the evidence presented for each of these bids.	-

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<p>Transmission</p> <ul style="list-style-type: none">• Bid 9: Extended contract for Website Hosting• Bid 10: SMS Text Messaging Functionality• Bid 11: Virtual Server Infrastructure Expansion• Bid 12: SAN Expansion• Bid 13: Core Business System Integration• Bid 14: Uniform & Corporate GIS Database and Application Upgrades• Bid 17 Mini MRF (Materials Recovery Facility)• Bid 18: Recycling Bins Programme• Bid 19: Vehicle Replacement Programme• Bid 20: Solar Photovoltaics at Thorpe Lane Depot• Bid 21: Solar Photovoltaics at Sports Centres• Bid 22; Delegated Affordable Housing Pot• Bid 23: Discretionary House Condition Grants• Bid 24: Mandatory Disabled Facilities Grants (DFGs)		
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<p>2. That the following capital bid not be included in the capital programme 2011/12:</p> <ul style="list-style-type: none"> • Bid 15: Contact Centre Call Recording 	<p>There are no tangible revenue implications arising from this bid and an alternative means of implementing contact centre call recording can be considered as part of the Value for Money review of Customer Services.</p>	<p>-</p>
<p>3. That consideration of bid 17, Kidlington pedestrianisation, be deferred until such time as discussions with external partners are concluded and more information available and at this time the bid be rescored and submitted as a supplementary bid.</p>	<p>At present there is no external funding for the bid which contributes to the relative low score for the bid. Discussions will take place with external partners regarding funding, the outcome of which may result in the rescoring of the bid.</p>	<p>-</p>
<p>Staff Training</p>		
<p>4. That within staff training the Executive should:</p>		
<p>i. Reduce the budget allocation for staff attending conferences by 50%.</p>	<p>The current budget allocation for staff attending external conferences and seminars is extremely high in comparison to the other categories.</p>	<p>c. £60k</p>
<p>ii. Give the Learning and Development Manager authority to approve or refuse requests from staff to attend external training, with a right of appeal to the Chief Executive (through CMT).</p>	<p>The approvals system for officers attending conferences and seminars should be tightened. The Council could consider developing a robust policy that would govern criteria for attendance on external courses and that this would contribute to the reduction of unnecessary expenditure.</p>	<p>Linked to 2 - i</p>
<p>iii. Agree that conferences and seminars need to be identified during the performance appraisal process and unless identified at this stage attendance should normally be refused.</p>	<p>The approvals system for officers attending conferences and seminars should be tightened. The Council could consider developing a robust policy that would govern criteria for attendance on external courses and that this would contribute to the reduction of unnecessary expenditure.</p>	<p>Linked to 2 - i</p>

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Member Training		
5. That within Member training the Executive should:		
i. Reduce the member training budget by £7,505 and this reduction should be included in the 2011/12 budget build.	The Member training budget has traditionally been under spent however reducing the budget beyond the proposed could result in the Council not achieving the Member development Charter which it had already invested in	£7505
ii. Agree that following achievement of the Member Development Charter this budget be further reviewed as part of the 2012/13 budget build.	The Council has already invested in achieving the Member Development Charter. Once this has been achieved the budget can be further reviewed.	-
Environmental Services		
6. That within Environmental Services the Executive should:		
i. Amend the pricing for bulky waste collections as follows: <ul style="list-style-type: none"> • £9 for up to three recyclable items • £18 for up to three non-recyclable items 	Promotes reduce, re-use, recycle principles and supports the Cleaner, Greener corporate priority.	£30k
ii. Remove concessions for bulky waste collections.	Online ordering of bulky waste will reduce the number of calls to the customer service centre	see 6 – i
iii. Reduce the charge for a blue bin to £18.	Increase blue bin use and so increase recycling rates. Supports the Cleaner, Greener corporate priority.	

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<p>iv. Introduce a charge of £5 for a third and any subsequent blue boxes.</p>	<p>Reduces the amount spent on boxes and increase blue bin use and so increase recycling rates. Supports the Cleaner, Greener corporate priority.</p>	
<p>v. Increase the charge for 25 trade waste sacks to £39.50 (plus VAT).</p>	<p>Linked to the reduced price of dry recycling trade sacks. Encourages businesses to recycle waste rather than send it to landfill and supports the Cleaner, Greener corporate priority.</p>	
<p>vi. Reduce the charge for 25 dry recycling trade sacks to £29.50 (plus VAT).</p>	<p>Linked to the increased price of trade waste sacks. Encourages businesses to recycle waste rather than send it to landfill and supports the Cleaner, Greener corporate priority.</p>	
<p>vii. Introduce a 12 month trade contract for small business with three categories:</p> <ul style="list-style-type: none"> • Standard Recycler - £7 per month (1 roll waste sacks and 1 roll recycling sacks) • Good Recycler - £9.50 per month (1 roll waste sacks and 2 rolls of recycling sacks) • Excellent Recycler - £11.50 per month (1 roll waste sacks and 3 rolls of recycling sacks). 	<p>Will help small businesses and encourage greater use of the trade recycling service. Supports the Cleaner, Greener corporate priority.</p>	
<p>viii. Include a taxi test in the price of the MOT for taxis</p>	<p>By amending the price, the facility should be more attractive to taxi owners and this should make the MOT bay at Thorpe Lane depot more competitive and bring in additional income.</p>	
<p>ix. Continue to offer a pest service</p>	<p>This keeps the Council in line with neighbouring services who provide a pest service</p>	<p>-</p>
<p>x. That the concession for wasps be removed.</p>	<p>In a full year the cost of the concession is more than £20k</p>	<p>£14k</p>

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xi. That the concession for rats and mice be retained.	The cost of the concession is relatively low. There are concerns that there would be an increase in rats and mice should the concession be removed.	-
Finance		
7. That within Finance the Executive should:		
i. Recharge to customers the fees incurred by Cherwell District Council for processing credit card payments.	Passes on costs incurred by CDC. Brings CDC in line with many other Local Authorities.	£30k p/a based on 10/11 spend
ii. Increase court fees as detailed below subject to approval by the Magistrates Court: <ul style="list-style-type: none"> • Council Tax issue of summons: £55 • Council Tax liability order: £40 • National Non-Domestic Rates (NNDR) issue of summons: £70 • National Non-Domestic Rates (NNDR): £48 	Brings CDC in line with the average charged by other Local Authorities in the county.	Circa £108k based on 10/11 spend
Safer Communities, Urban and Rural Services		
8. That within Safer Communities, Urban and Rural Services the Executive should:		
i. Increase the car park tariffs by 10p per hour (Banbury £0.70 to £0.80/hr, Bicester £0.60 - £0.70/hr)	The 2009 fees and charges review recommended that car park tariffs be reviewed and increase biannually. The increase takes account of the rise in VAT from 17.5% to 20% from January 2011. Members of the Resources and Performance Scrutiny Board raised concerns	£167k - £356k

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	<p>about the impact of the parking increases on businesses and the local economy in Banbury and Bicester.</p> <p>With reference to Bicester, Members of the Resources and Performance Scrutiny Board requested that the Executive take into consideration the redevelopment currently underway in Bicester which is causing disruptions and impacting on the town centre.</p>	
<p>ii. Increase the Excess Charge Notice (ECN) fees by £10 for each contravention</p>	<p>The current charges were set in 2009 on the basis the Council would move to Civil Parking Enforcement. This has not happened and is unlikely to be implemented for at least 18 months. CDC can set 'fine' levels as it sees fit. This maintains the fees in line with expected Civil Parking Enforcement charges.</p>	<p>c. £30k based on current performance</p>
<p>iii. Introduce a 'premium' charge for failure to pay within the specified time scale in line with the Civil Parking Enforcement (CPE) regime but set at £100</p>	<p>Moves Excess Charge Notice charge for failure to pay within specified timescale in line with Civil Parking Enforcement 'Charge Certificate' process.</p>	<p>see 8 – ii</p>
<p>iv. Retain the pricing structure for season tickets in line with increases in pay and display charges</p>	<p>Season ticket prices will still be significantly below private competitor rates and offer generous discounts on daily tariff.</p>	<p>-</p>
<p>v. Bring the charging period for Sundays and Bank Holidays in line with the rest of the week and introduce hourly charging on the same basis</p>	<p>Unifies car park tariffs</p>	
<p>vi. Introduce a flat rate evening parking charge and when determining the fee the Executive should be mindful of the impact of the effect of the charges on the night time economy and existing businesses.</p>	<p>The 2009 fees and charges review recommended that car park tariffs be reviewed biannually. The introduction of evening charges would generate additional income however the Executive are requested to consider the effect on the night-time economy in Bicester and Banbury when considering the charge.</p>	<p>Depends on fee applied</p>

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vii. Agree that the implementation date for the above recommendations i – vi be 1 March 2011	This will allow for the required consultation period.	detailed in recommendations 8 - i – vi
viii. Not extend the chargeable period from 08.00 to 07.00	This would not generate significant income.	Nil impact
ix. Not introduce charges on Good Friday, Easter Sunday, Christmas Day, Boxing Day and Easter Sunday.	This would not generate significant income and would be difficult to enforce.	Nil impact
x. No increase be made to Licensing fees	Licensing fees are already being recovered and statute does not allow the grant of licences to be a revenue raising measure	Nil impact
xi. Increase the fee for Public Path Orders to £1200 with immediate effect.	The fee has not been reviewed for several years. Current CDC cost is £400 which does not cover the time invested. The proposed fee is in line with other Councils.	£800 per application

Conclusions

In addition to the recommendations detailed above, during the budget scrutiny process the Resources and Performance Scrutiny considered the areas below for which there are no recommendations. Members agreed to submit comments for consideration by the Executive during their budget discussions.

Service Area / Issue	Conclusion / Comments
Safer Communities, Urban and Rural Services: Introduction of parking charges for blue badge holders	<p>In deliberating the introduction of parking charges for blue badge holders, Resources and Performance Scrutiny Board members request that the Executive take their comments into consideration.</p> <p>During the budget scrutiny process the Resources and Performance Scrutiny Board considered Building Block 38 – Blue Badge spaces. The building block proposes the introduction of car parking charges for Blue Badge holders which could generate an income of up to £96k.</p>

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	<p>The Board discussed the proposals in detail and questioned the Portfolio Holder for Safer Communities, Urban and Rural, the Head of Safer Communities, Urban and Rural Services and the Head of Finance about the building block. Members noted that there were various options for the introduction of charging blue badge holders within the building block including permitting blue badge holders an additional hours parking free of charge and introducing a new season ticket discount scheme for blue badge holders.</p> <p>Whilst acknowledging the need for the Council to generate income in the current economic climate, noting that blue badges are not means tested, that a number of Local Authorities in the country charge blue badge holders to park and that privately operated car parks in Banbury already charge blue badge holders, some Members of the Board raised the following concerns about the introduction of parking charges for blue badge holders.</p> <ul style="list-style-type: none">• A potential increase in parking on double yellow lines (as this is permitted for blue badge holders in certain circumstances)• Additional pressure on vulnerable people• Financial implications, notably the cost of engineering works making the pay and display machines accessible• No other Oxfordshire districts currently have parking charges for blue badge holders (although Members noted that Oxford City applies blue badge charging in the city centre)
Concessions Policy	<p>During the budget scrutiny process a number of areas Members considered related to concessions. The Council does not currently have a Concessions Policy. Members agreed that the Council needs a clear and consistent concessions policy based on equitable access to all services. Resources and Performance Scrutiny Board members agreed to work with Finance officers to develop a Concessions Policy in spring 2011.</p>