

Committee: Budget Planning Committee
Date: Tuesday 31 October 2017
Time: 6.30 pm
Venue: Bodicote House, Bodicote, Banbury, OX15 4AA

Membership

Councillor Nicholas Mawer (Chairman)	Councillor Douglas Webb (Vice-Chairman)
Councillor David Anderson	Councillor Hugo Brown
Councillor Ian Corkin	Councillor Carmen Griffiths
Councillor David Hughes	Councillor Alan MacKenzie-Wintle
Councillor Andrew McHugh	Councillor Barry Richards
Councillor Tom Wallis	Councillor Sean Woodcock

AGENDA

1. **Apologies for Absence and Notification of Substitute Members**

2. **Declarations of Interest**

Members are asked to declare any interest and the nature of that interest which they may have in any of the items under consideration at this meeting.

3. **Urgent Business**

The Chairman to advise whether they have agreed to any item of urgent business being admitted to the agenda.

4. **Minutes** (Pages 1 - 4)

To confirm as a correct record the minutes of the meeting held on 26 September 2017.

5. Chairman's Announcements

To receive communications from the Chairman.

6. Review of Procurement Strategy Progress (Pages 5 - 8)

Report of the Chief Finance Officer.

Purpose of Report

To summarise the Council's Procurement Strategy progress for Quarter 2 of the financial year 2017-18.

Recommendations

- 1.1 That the Committee note the progress made during Quarter 2 2017-18 in implementing the Council's Procurement Strategy.

7. Quarter 2 2017-18 - Revenue and Capital Budget Monitoring Report (Pages 9 - 12)

Report of the Chief Finance Officer

Please note that the appendices 1 – 3 of this report will follow.

Purpose of Report

To summarise the Council's Revenue, Capital and Reserves position as at the end of Quarter Two of the financial year 2017-18 and projections for the full year.

Recommendation

- 1.1 To review the projected revenue, capital and reserves position at the end of September 2017 and make any comments to Executive.

8. Review of Committee Work Plan (Pages 13 - 14)

To review the Committee Work Plan.

Councillors are requested to collect any post from their pigeon hole in the Members Room at the end of the meeting.

Information about this Meeting

Apologies for Absence

Apologies for absence should be notified to democracy@cherwellandsouthnorthants.gov.uk or 01295 221591 prior to the start of the meeting.

Declarations of Interest

Members are asked to declare interests at item 2 on the agenda or if arriving after the start of the meeting, at the start of the relevant agenda item.

Local Government and Finance Act 1992 – Budget Setting, Contracts & Supplementary Estimates

Members are reminded that any member who is two months in arrears with Council Tax must declare the fact and may speak but not vote on any decision which involves budget setting, extending or agreeing contracts or incurring expenditure not provided for in the agreed budget for a given year and could affect calculations on the level of Council Tax.

Evacuation Procedure

When the continuous alarm sounds you must evacuate the building by the nearest available fire exit. Members and visitors should proceed to the car park as directed by Democratic Services staff and await further instructions.

Access to Meetings

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

Mobile Phones

Please ensure that any device is switched to silent operation or switched off.

Queries Regarding this Agenda

Please contact Lesley Farrell, Democratic and Elections
lesley.farrell@cherwellandsouthnorthants.gov.uk, 01295 221591

Yvonne Rees
Chief Executive

Published on Monday 23 October 2017

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Cherwell District Council

Budget Planning Committee

Minutes of a meeting of the Budget Planning Committee held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 26 September 2017 at 6.30 pm

Present: Councillor Nicholas Mawer (Chairman)

Councillor David Anderson
Councillor Hugo Brown
Councillor David Hughes
Councillor Andrew McHugh
Councillor Sean Woodcock

Substitute Members: Councillor Mark Cherry (In place of Councillor Barry Richards)
Councillor Nigel Simpson (In place of Councillor Alan MacKenzie-Wintle)
Councillor Barry Wood (In place of Councillor Douglas Webb)

Apologies for absence: Councillor Douglas Webb
Councillor Ian Corkin
Councillor Carmen Griffiths
Councillor Alan MacKenzie-Wintle
Councillor Barry Richards
Councillor Tom Wallis

Officers: Paul Sutton, Chief Finance Officer / Section 151 Officer
Sanjay Sharma, Interim Head of Finance / Deputy Section 151 Officer
Lesley Farrell, Democratic and Elections Officer

25 **Declarations of Interest**

There were no declarations of interest.

26 **Urgent Business**

There were no items of urgent business.

27 **Minutes**

The minutes of the meeting of the Budget Planning Committee held on 30 August 2017 were agreed as a correct record and signed by the Chairman.

28 **Chairman's Announcements**

There were no Chairman's announcements.

29 **Review of New Homes Bonus Allocation**

The Chief Finance Officer submitted a report which provided Members with a review of the allocation of New Homes Bonus (NHB) over the life of the scheme.

In response to Members' concerns that there were currently no approved schemes for economic development, the Interim Head of Finance explained that any plans in progress would not be accounted for until approved.

In the course of the discussion Councillor Mawer proposed a recommendation to Executive that New Homes Bonus funds be allocated to the areas in the district that had seen the housing growth. Councillor Woodcock seconded the proposal.

The committee requested that the new homes bonus allocation details be included with the budget reports in February 2018.

Resolved

- (1) That Executive be recommended to consider how best the remaining allocation of New Homes Bonus funds be spent for the benefit of those areas of the district where there has been housing growth.

30 **Review of Committee Work Plan**

The Committee considered its work programme.

Resolved

- (1) That the contents of the work plan be noted.

31 **Exclusion of Press and Public**

Resolved

That under Section 100A of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business on the ground that, if the public and press were present, it would be likely that exempt information falling under the provisions of Schedule 12A, Part 1, Paragraph 3 would be disclosed to them, and that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

32 **Medium Term Revenue Plan - 2017/18 to 2021/22**

The Committee considered an exempt report of the Chief Finance Officer which provided members of the Budget Planning Committee with an update on the Council's Medium Term Revenue Plan (MTRP) for 2017/18 to 2021/22.

Resolved

- (1) That the contents of the exempt report be noted.

33

Budget Strategy 2018/19 and Beyond

The Committee considered an exempt report of the Chief Finance Officer which informed the Committee of the service and financial planning process for 2018/19, the 2018/19 budget strategy and the budget guidelines for service managers to enable the production of the 2018/19 budget.

Resolved

- (1) That the report be endorsed.
- (2) That the overall 2018/19 budget strategy and service and financial planning process be endorsed.
- (3) That, having given due consideration, the budget guidelines and timetable for the 2018/19 budget process be endorsed.

The meeting ended at 7.30 pm

Chairman:

Date:

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Cherwell District Council

Budget Planning Committee

31 October 2017

Review of Procurement Strategy Progress

Report of Chief Finance Officer

This report is public

Purpose of report

To summarise the Council's Procurement Strategy progress for Quarter 2 of the financial year 2017-18.

1.0 Recommendations

- 1.1 That the Committee notes the progress made during Quarter 2 2017-18 in implementing the Council's Procurement Strategy.

2.0 Introduction

- 2.1 The shared procurement team is used to ensure we drive down costs wherever we can, improve the procurement process so it is as streamlined as possible (these are known as process savings) and ensure the regulatory minefield of procurement legislation is adhered to in order to protect the interests of the Council.

3.0 Report Details

- 3.1 The procurement team continue to sell procurement support to the Graven Hill Development Company, advising on procurement projects with a total spend of circa £40m.
- 3.2 The Procurement Team continue to deliver best value for the Council and aggressively seek to reduce the whole life cost of projects whilst maintaining or improving quality.
- 3.3 Examples of added value achieved by the shared Procurement Team for Cherwell District Council Quarter 2 17/18 are shown in the table below.
- 3.4 The budget for running the Procurement Team for Cherwell District Council is £104,000 per annum.

Project	Procurement added value		Cumulative Total
	Q1	Q2	
Cost savings			
Banking services (£18,000 over 4 years-starting q2 16/17)	£1,125	£1,125	
Early payment discount for Diesel (£500 over 1 year starting q2 16/17)	£125	£125	
Woodgreen leisure centre management (£938,000 over 18 years starting q2 16/17)	£13,000	£13,000	
Legal support (£10,000 over two years starting q3 16/17)	£1,250	£1,250	
On line legal database access (£9,000 over three years starting q3 16/17)	£750	£750	
Waste Management software (£7,621 over 4 years starting q4 16/17)	£476	£476	
Agency Staff (£230,000 over 2 years starting q4 16/17)	£28,750	£28,750	
Internal Audit (£35,887 over 3 years starting q1 17/18)	£2,990	£2,990	
Distribution of Cherwell Link (£15,663 over 3 years starting q1 17/18)	£1,305	£1,305	
Car Park Management Services (£461,000 over 5 years starting q1 17/18)	£23,050	£23,050	
HR & Payroll software (£115,500 over 4 years starting q1 17/18)	£7,218	£7,218	
Wider Area Network supply for both councils (£232,960 over 5 years starting q2 17/18)		£11,648	
External Data centre (£137,000 over 5 years starting q2 17/18)		£6,850	
Installation of Xmas lights (£1500 over 2 years starting q2 17/18)		£187	
Sub total	£80,039	£98,724	£178,763

Process saving			
Wide area network		£3,000	
Sub total	£0	£3,000	£3,000
Under budget			
Sub total	£0	£0	£0
Bid differential			
Sub total	£0	£0	£0
Total	£80,039	£101,724	£181,763

3.5 The list below is a sample of current procurement activity:

Project	Comment
Advertising services	Implementing new single on line portal and finalising training.
External printing	Currently finalising documents for market engagement.
Insurance	Currently reviewing cover and excess details with a broker prior to competitive market engagement via CCS framework.
Water dispensers	Working with FM to rationalise existing estate prior to competitive process.
Dry waste recycling	Tender advertised, await submission of bids.

4.0 Conclusion and Reasons for Recommendations

4.1 The shared procurement service continues to provide a valuable service to both Councils by delivering added value whilst striving to improve quality and ensuring compliance with Procurement regulations. The Budget Planning Committee is recommended to note the progress made in Quarter 2 2017/18.

5.0 Consultation

The work of the Procurement Team is scrutinised by the Procurement Steering Group that comprises:

- The Monitoring Officer
- The Section 151 Officer
- The Resources Portfolio Holder

6.0 Alternative Options and Reasons for Rejection

6.1 This report is for information only, members may ask for further information if required.

7.0 Implications

Financial and Resource Implications

7.1 There are no adverse financial effects on the Council by implementing the procurement strategy. Cashable savings will assist in protecting Council services and managing funding reductions.

Comments checked by:

Sanjay Sharma, Interim Head of Finance, 01295 221564
sanjay.sharma@cherwellandsouthnorthants.gov.uk

Legal Implications

7.2 Legal work closely with procurement to ensure that our processes are compliant and not open to challenge. The monitoring officer also plays a key role as part of the Procurement Steering Group.

Comments checked by:

Nigel Bell, Interim Legal services Manager, 01295 221687,
nigel.bell@cherwellandsouthnorthants.gov.uk

8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

Sound budgets and customer focused council

Lead Councillor

Not applicable.

Document Information

Background Papers	
None	
Report Author	Richard Stirling
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Cherwell District Council

Budget Planning Committee

31 October 2017

Quarter 2 2017-18 – Revenue and Capital Budget Monitoring Report

Report of Chief Finance Officer

This report is public

Purpose of report

To summarise the Council's Revenue, Capital and Reserves position as at the end of Quarter Two of the financial year 2017-18 and projections for the full year.

1.0 Recommendations

- 1.1 To review the projected revenue, capital and reserves position at the end of September 2017 and make any comments to Executive.

2.0 Introduction

- 2.1 In line with good practice budget monitoring is undertaken on a monthly basis within the Council. The revenue and capital position is formulated in conjunction with the joint management team and formally to the Budget Planning Committee on a quarterly basis. This report will go to the Executive on 6 November 2017.
- 2.2 Revenue and capital expenditure in Quarter Two and the position on reserves have been subject to a detailed review by Officers.

3.0 Report Details

Projected Revenue Outturn 2017-18

- 3.1 Details of expenditure to the end of September and the projection to the year-end can be found at Appendix 1 (to follow).

Projected Capital Outturn 2017-18

- 3.2 Details of the Capital Programme and expenditure to the end of September are shown at Appendix 2 (to follow).

Reserves 2017-18

3.3 The current position on reserves is shown at Appendix 3 (to follow).

4.0 Conclusion and Reasons for Recommendations

4.1 It is recommended that the contents of this report are reviewed.

5.0 Consultation

Cllr Tony Ilott – Lead member
for Financial Management

Cllr Ilott is content with the report and supportive
of the recommendations contained within it.

6.0 Alternative Options and Reasons for Rejection

6.1 The following alternative options have been identified and rejected for the reasons as set out below:

Option 1: This report illustrates the Council's performance against the 2017-18 Financial Targets for Revenue and Capital and sets out the Council's position on Reserves. As this is a monitoring report, no further options have been considered. However, members may wish to request that officers provide additional information.

7.0 Implications

Financial and Resource Implications

7.1 These are contained in the body of the report. There are no direct costs or other direct financial implications arising from this report.

Comments checked by:

Sanjay Sharma, Interim Head of Finance, 01295 221564

sanjay.sharma@cherwellandsouthnorthants.gov.uk

Legal Implications

7.2 There are no legal implications. Presentation of this report is in line with the CIPFA Code of Practice.

Comments checked by:

Richard Hawtin, Team Leader – Non-contentious, 01295 221695

richard.hawtin@cherwellandsouthnorthants.gov.uk

Risk management

- 7.3 The position to date highlights the relevance of maintaining a minimum level of reserves and budget contingency to absorb the financial impact of changes during the year. Any increase in risk will be escalated through the corporate risk register.

Comments checked by:

Louise Tustian, Team Leader – Strategic Intelligence and Insight, 01295 221786
louise.tustian@cherwellandsouthnorthants.gov.uk

Equality and Diversity

- 7.4 Impact assessments were carried out in advance of setting the 2017-18 budget.

Comments checked by:

Caroline French, Corporate Policy Officer, 01295 221586
caroline.french@cherwellandsouthnorthants.gov.uk

8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

All

Lead Councillor

Councillor Tony Illott – Lead Member for Financial Management

Document Information

Appendix No	Title
1	Directorate Analysis Revenue Expenditure 2017-18 (to follow)
2	Directorate Analysis Capital Expenditure 2017-18 (to follow)
3	Reserves 2017-18 (to follow)

Background Papers	
None	
Report Author	Paul Sutton, Chief Finance Officer
Contact Information	0300 003 0106 paul.sutton@cherwellandsouthnorthants.gov.uk

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Date	Agenda Items
31 October	Q2 Budget Monitoring: Revenue, Funding, Capital & Reserves Q2 Procurement Monitoring
28 November	Capital Bids 2018/19 Discounts and Exemptions Review Fees and Charges 2018/19 Medium Term Revenue Plan CTRS report Q2 Business Rates Monitoring Write Offs
30 January	Revenue and Capital Budget 2018/19 (Incl. MTFS) Provisional LG Settlement 2017/18 Discretionary Rate Relief Policy
27 February	Q3 Budget Monitoring: Revenue, Funding, Capital & Reserves Q3 Procurement Monitoring Q3 Business Rates Monitoring Q3 Write Offs

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