

Cherwell District Council

Executive

Minutes of a meeting of the Executive held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 1 December 2014 at 6.30 pm

Present: Councillor Barry Wood (Chairman), Leader of the Council
Councillor G A Reynolds (Vice-Chairman), Deputy Leader of the Council

Councillor Ken Atack, Lead Member for Financial Management
Councillor Norman Bolster, Lead Member for Estates and the Economy
Councillor John Donaldson, Lead Member for Banbury Brighter Futures
Councillor Michael Gibbard, Lead Member for Planning
Councillor Tony Ilott, Lead Member for Clean and Green
Councillor Kieron Mallon, Lead Member for Banbury Developments,
Councillor D M Pickford, Lead Member for Housing
Councillor Nicholas Turner, Lead Member for Joint Working and IT

Also Present: Councillor Sean Woodcock, Leader of the Labour Group
Councillor Nicholas Mawer, Chairman, Budget Planning Committee

Officers: Sue Smith, Chief Executive
Karen Curtin, Commercial Director (Bicester)
Ian Davies, Director of Community and Environment
Martin Henry, Director of Resources / Section 151 Officer
Kevin Lane, Head of Law and Governance / Monitoring Officer
Adrian Colwell, Head of Strategic Planning and the Economy
Jo Pitman, Head of Transformation
Natasha Clark, Team Leader, Democratic and Elections

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Declarations of Interest

Members and officers declared interests in the following agenda items:

16. Graven Hill Update.

Councillor Nicholas Turner, Declaration, as he had put his name forward expressing an interest in a plot of the site but had heard nothing yet.

Karen Curtin, Declaration, as a Director of Graven Hill Village Holdings Limited and Graven Hill Village Development Company Limited.

Sue Smith, Declaration, as a Director of Graven Hill Village Holdings Limited.

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

There were no petitions or requests to address the meeting.

80 **Urgent Business**

There were no items of urgent business.

81 **Minutes**

The minutes of the meeting held on 3 November 2014 were agreed as a correct record and signed by the Chairman.

82 **Chairman's Announcements**

The Chairman made the following announcement:

1. Under the Openness of Local Government Bodies Regulations 2014, members of the public were permitted to film, broadcast and report on the meeting, subject to the efficient running of the meeting not being affected.

83 **Workplace Travel Plan 2015**

The Head of Strategic Planning and the Economy submitted a report which updated the Executive on progress in completing the joint Workplace Travel Plan 2015 and to approve and formally adopt the final draft Travel Plan.

In introducing the report, the Lead Member for Planning reported that the Overview and Scrutiny Committee had considered and endorsed the report at their 25 November 2014 meeting. The Committee had stressed the importance of encouraging conference and video calls to reduce travel.

Resolved

- (1) That the work of officers in their ongoing efforts to introduce a new joint Workplace Travel Plan for Cherwell District Council and South Northamptonshire Council by January 2015 be supported.
- (2) That, as recommended by the Overview and Scrutiny Committee, the final draft Travel Plan (annex to the Minutes as set out in the Minute Book) be approved for adoption.

Reasons

The existing Workplace Travel Plans of the two authorities have reached the end of their intended plan period (published by SNC in 2010, CDC in 2011). The new Plan will supersede and replace both documents.

Alternative options

The alternative to not preparing a new Workplace Travel Plan is to leave SNC and CDC without a current Travel Plan.

84

Bicester Sports Village Update

The Director of Community and Environment submitted a report which updated the Executive with the latest project position in delivering the pavilion, car park, access requirements, floodlighting and 3G synthetic sports pitch.

Resolved

- (1) That the progress in delivering phase 2 of the Bicester Sports Village project be noted.

Reasons

The Bicester Sports Village project is now being progressed in the agreed form albeit slightly later than expected. The planning application will now be presented in time for determination post May elections which moves the anticipated project completion date to early 2016.

Alternative Options

The project has been approved and is progressing in accordance with these approvals. There are no other options being considered at this time other than proposals to remain within the approved funding envelope.

85

Performance Report 2014-15 Quarter 2

The Head of Transformation submitted a report which presented the Council's performance for the period 01 July 2014 – 30 September 2014 as measured through the Performance Management Framework.

In introducing the report, the Lead Member for Banbury Developments, Performance and Communications reported that the Overview and Scrutiny Committee at their meeting of 25 November 2014 at which it had referred to the "red" rating for the number of fly tip enforcement cases be noted.

The Lead Member for Clean and Green explained that the number of fly tipping incidents had decreased and that there were around five prosecutions of big cases every year.

Resolved

- (1) That the following many achievements be noted:

Cherwell: A District of Opportunity

- Promote inward investment and support appropriate economic growth within the district is reporting as Green. New marketing material for Local Plan sites is due to be prepared. Existing marketing material maintained on Cherwell Investment Partnership's (CHIP) website - www.cherwell-m40.co.uk. News stories added and e-newsletters sent to all businesses on the database every month. Development of a self-search database of available commercial property also available through website. Distribution of leaflets to promote the Velocity business grants to Cherwell businesses together with an information day for businesses held at Bodicote in June.
- Develop a whole Council 'Better Business' approach to support new and existing businesses is reporting as Green. Progress continues to embed the Regulatory code. Briefing sessions for regulatory staff took place in November. The draft Enforcement Policy has been approved by Executive and is out for consultation. Work continues with the Economic Development Team to improve support to businesses. A successful first workshop resulted in a number of innovative ideas including a checklist for pop-up shops to enable them to "get it right" first time. Economic Development and Environmental Health officers are now meeting through SEMLEP to develop this initiative further. This will include exploring the Better Business for All Initiative across the SEMLEP region and implementation in Cherwell.

Safe, Green and Clean

- Customer satisfaction with Household Recycling services is reporting as Green; this has increased by 5% to a satisfaction rate of 88%. Food and garden waste collection and dry recycling have both increased as reported through the annual satisfaction survey. Our Waste Collection service has recorded customer satisfaction at 82% which is the highest level achieved to date.
- Number of All Domestic Burglary incidents reported is reporting as Green*. Burglary has continued to fall over the year as against last year. Burglary initiatives and communication packages have lifted community awareness. However the most likely positive effect has been the lack of cross border offending. YTD: 86 incidents reported against target of 105 - reduction on same period 13/14 of 20.4%.

Thriving Communities

- Processing of major applications within 13 weeks is reporting as Green*. A figure of 95% has been achieved this quarter. This figure represents sustained and significant progress, compared with historic performance.
- Processing of minor applications within 8 weeks is reporting as Amber, an improvement from last quarter. Performance this quarter is below target but this does not represent a long term trend and is

expected to recover by the end of quarter three. Year to date performance is 73.88%. The figure for October was 75%.

Sound Budgets and Customer Focussed Council

- Increase our use of social media to communicate with residents and local businesses is reporting as Green. Facebook and Twitter are now an integral part of the communications function. A wide range of service areas are using the social media channels to promote their messages and generate sales, with a limited budget. In the last quarter the Communications Team were announced the winners of the APSE (Awards for Public Service Excellence) for the campaign they delivered through Facebook 'A Rubbish Guide to Christmas'. Other successes include the uptake in the Summer Holiday Hubs – which reached a record high attracting 2609 bookings.
- Deliver a new approach to communications for the Bicester Master Plan is reporting as Green, an improvement on the last quarter. A draft marketing and communications strategy for Bicester has now been developed, bringing together all of the different aspects we are trying to promote under the banner of www.all-about.bicester.com. A multi-functional team will now be formed to ensure the delivery of this plan.

- (2) That the following performance related matters be identified for review or consideration in future reports:

Cherwell: A District of Opportunity

- Bicester town centre regeneration including the Council Community Building is reporting as Amber. Since July 2014 there has been a prolonged period of seeking clarification and reduction in the construction costs for the Community Building, which have substantially increased due to construction inflation and specification. A report was submitted on 20 Oct to confirm the way forward with a start on site expected in Jan 2015.

Safe, Clean and Green

- Number of fly tips enforcement actions are reporting as Red for this quarter. Despite the number of fly tips to date this year, little evidence has been found thereby reducing the opportunity for enforcement actions. During the quarter, there were two successful prosecutions, one fixed penalty notice and three formal cautions. However performance year to date is on a par with last year. Year to date 123 against target of 120
- Tonnage of waste sent to landfill is reporting as Amber this quarter. Quarter 2 saw a small increase in waste sent to landfill although still on track for the year thanks to good performance in Quarter 1. Year to date: 12,911 tonnes against target of 12,926

Thriving Communities

- Number of visits to Woodgreen Leisure Centre (WGLC), North Oxfordshire Academy (NOA) and Cooper School is reporting as Red for this quarter. Overall an exceptionally good performance for both Quarter 2 and full year to date. Performance was up 45,159 against target in Quarter 2. Full year 739,163 visits up by 90,834 on same

period in 2013 (648,329). This is due to an all-round good performance at the District Leisure Centres but particularly a good performance at Bicester Leisure Centre as a result of the reopening of the play and teaching pool. All centres have seen an increase generally with Health and Fitness performing particularly well. This is a positive position to be in the contract year 5 benchmarking test period. Visits to North Oxfordshire Academy and Cooper are on track but are affected by continued fall in visits to Woodgreen Leisure Centre during Quarter 2.

- This is due to a reduction in several areas:-
 - 3607 less pool users particularly in August due to the inclement weather
 - less event and party bookings, particularly weddings - this year has dropped by c6670
 - Boxing Club has relocated to a dedicated facility with a loss of approximately 2,100 throughputs
 - 250 less on bowling due to a later season start attributed to heater replacement works

Officers are working with Parkwood Leisure to develop the programme to address the fall in throughputs. YTD 62,952 against target of 75,604.

- Processing of minor applications within 8 weeks is reporting as Red for this quarter. Performance this quarter is below target but this does not represent a long term trend and is expected to recover by the end of the next quarter. Year to date performance 73.88%. The figure for October was 75%.

Sound Budgets and Customer Focussed Council

- Identify and remove unnecessary work from service delivery processes to help deliver savings and efficiencies is reporting as Amber this quarter. The planned corporate project to co-ordinate a shift to online channels and with it remove unnecessary work from service delivery processes remains on hold pending decisions about three way service delivery although additional services may be implementing their own process changes and reporting these separately.

- (3) That the feedback from the 25 November 2014 meeting of the Overview and Scrutiny Committee during which it considered the quarter two performance report and referred to the “red” rating for the number of fly tip enforcement cases be noted.

Reasons

This report presents the Council's performance against its corporate scorecard for the second quarter of 2014/15. It includes an overview of successes, areas for improvement and emerging issues to be considered.

Alternative Options

Option 1: To note the report

Option 2: To request additional information on items and/or add to the work programme for review and/or refer to Overview and Scrutiny.

86 **Quarter 2 2014/15 - Revenue and Capital Budget Monitoring Report**

The Head of Finance and Procurement submitted a report which summarised the Council's Revenue and Capital position, treasury management and procurement performance for the first six months of the financial year 2014-15 and projections for the full 2014-15 period.

The report also presented information on treasury management performance and compliance with treasury management policy during 2014-15 as required by the Treasury Management Code of Practice.

Resolved

- (1) That the projected revenue and capital position at September 2014 be noted.
- (2) That the quarter 2 (Q2) performance against the 2014-15 investment strategy and the financial returns from the funds be noted.

Reasons

This report illustrates the Council's performance against the 2014-15 Financial Targets for Revenue, Capital and Procurement Monitoring. In line with good practice budget monitoring is undertaken on a monthly basis within the Council. The revenue and capital position is reported monthly to the Joint Management Team and formally to the Budget Planning Committee and Executive on a quarterly basis.

Alternative Options

Option 1: As this is a monitoring report, no further options have been considered. However, members may wish to request that officers provide additional information.

87 **Draft Budget and Business Plan 2015-16**

The Head of Finance and Procurement and Head of Transformation submitted a report which presented the first of two opportunities that the Executive had to shape and refine the draft budget before the final budget is presented to Full Council on 23 February 2015. The report also detailed the draft strategic priorities, the underpinning key objectives, and deliverables for 2015-16 which sit alongside the draft budget and are to be the subject of wider consultation if approved in principle at this meeting.

In introducing the report, the Lead Member for Financial Management reminded Executive that the Council had to adopt a budget as the basis for calculating its level of Council Tax. It had to base this budget on its plans for

service delivery during the year, recognising any changes in service demand that may arise in future years.

Resolved

- (1) That the draft revenue budget (annex to the Minutes as set out in the Minute Book) be noted and it be agreed that it be subject to a period of consultation with the public and other key stakeholders.
- (2) That it be noted the final implications of the local government finance settlement would need to be fully considered once the announcement has been made.
- (3) That Executive is not aware of any other matters that need to be taken into consideration in producing a balanced budget for its meeting on 2 February 2015 at this stage.
- (4) That the passporting of the Council Tax Reduction Scheme (CTRS) grant to local preceptors be endorsed.
- (5) That agreement be given for the proposed medium term strategic priorities, key objectives and key deliverables for 2015-16 to be referred to the Overview and Scrutiny Committee for consultation prior to the 2 February 2015 meeting of the Executive.

Reasons

The Council has to adopt a budget and business plan for 2015/16 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.

Alternative Options

This is the draft budget and options for the overall budget for the Council will be considered at its meeting in February.

88

Asset Management Strategy Action Plan

The Commercial Director (Bicester) submitted a report which sought approval to allocate funds from windfall income streams secured in 2014/13 in order to progress the priority actions arising from the Asset Management Strategy Review.

Resolved

- (1) That the proposed priority actions arising from the asset management plan be noted (those in bold indicate a 2014/15 priority):
 - 1) Asset Strategy Resource Plan**
 - 2) Data and Systems Plan
 - 3) Operational Offices Plan**
 - 4) Operational Depot Plan

- 5) **Car Parks Plan**
- 6) Leisure Buildings Plan
- 7) **Community Buildings Plan**
- 8) **Local Centres Plan**
- 9) Commercial Investment Plan

- (2) That it be noted the monitoring of the asset management strategy was currently undertaken by the Accommodation Asset Strategy Board who would be asked to review terms of reference and membership as a result of the asset review.
- (3) That the allocation of up to £125k from 2014/15 windfall income which would allow the progression of the key activities which focus on the priority actions arising from the Asset Management Strategy Review be approved.
- (4) That it be noted a comprehensive action plan was being developed that would ensure the vision set out in the review document would be delivered by 2019. This action plan will be presented to the Executive in March 2015.

Reasons

It is important that a number of specialist reviews are commissioned in this financial year in order to inform the work programme, capital programme and current strategic development projects. It has been estimated that the resources required total £125k in 2014/15 and these costs can be met from windfall income subject to Executive approval.

The draft action plan will be presented to the governing board in Jan 2015 and then to Executive in March 2015.

Alternative Options

There is an option not to provide funding during 2014/15 and submit bids for the 2015/16 budget process. This is not recommended as a number of priority actions require resources now as they impact on other Council projects and priorities.

Exclusion of the 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, Paragraphs 1, 2, 3 and 4 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.

90 **Draft Budget and Business Plan 2015-16 - Exempt Appendix**

Councillor Nicholas Mawer, Chairman of the Budget Planning Committee, presented exempt appendix B to agenda item 11, Draft Budget and Business Plan 2015-16.

In introducing the exempt appendix, Councillor Mawer explained that members of the Budget Planning Committee had considered the draft capital programme 2015/16 at an informal briefing and would be reviewing at a future meeting of the Committee to agree recommendations for submission to the February meeting of Executive.

Resolved

- (1) That it be noted that final recommendations still needed to be made by the Budget Planning Committee on the Capital Bids.

Reasons

The Budget Planning Committee reviews the Capital Programme and will make recommendations to the Executive.

Alternative Options

The Executive could choose not to receive the recommendations of the Budget Planning Committee. This is not recommended as the Committee undertake a detailed review and submit informed recommendations to Executive and it has yet to meet formally to consider this matter.

91 **Joint Fraud Investigation Team Business Case**

The Head of Finance and Procurement submitted an exempt report which provided an update on the Single Fraud Investigation Service and sought approval for a Joint Fraud Investigation team initially for South Northamptonshire Council and Cherwell District Council (phase 1) and incorporating Stratford on Avon at a later date (phase 2).

Resolved

- (1) That the report be noted.
- (2) That the introduction of a Joint Fraud Investigation Team be approved.

Reasons

Since 2010 the Government has been committed to the creation of a single integrated fraud investigation service which will investigate welfare benefit fraud across Department for Work and Pension (DWP), HMRC and local authorities.

In early 2013 pilots were established to test a number of proposals and options and by the end of 2013 it was confirmed that a single organisation would be established and that the new Single Fraud Investigation Service (SFIS) would be part of the DWP.

The transfer of Housing Benefit fraud investigation from local authorities to DWP is happening on a phased approach from 1 July 2014 until March 2016. In May 2014 the transfer dates were confirmed. The implementation date for SNC and CDC will be 1 February 2015.

Alternative Options

Option 1: Retain no fraud prevention and detection resource.

This option would see no fraud prevention and detection resource retained across the three Councils following the implementation of the Single Fraud Investigation Service (SFIS). This option has been considered and rejected by officers on the basis the three Councils have a duty to protect the public purse and ensure that fraud and error is minimised.

Option 2: To 'buy in' to one of the regional fraud hubs.

This option would see the three Councils purchase the service from a regional fraud hub following the implementation of the Single Fraud Investigation Service (SFIS). This option has been considered by officers and is not recommended as plans for the regional hubs are very much in the development stage. Officers are also concerned that the hub approach could mean reduced control over resources and outcomes. It should be noted that the hubs could be used to provide resilience to a retained local service if required.

Option 3: Implement a Joint Fraud Investigation Team covering SDC/CDC/SNC from 1 February 2015.

This option was considered in detail, and would see a joint team established to cover CDC, SNC and SDC from 1 February 2015, rather than the phased implementation approach proposed in this business case. This option was rejected due to the fact that Housing Benefit fraud investigation at SDC does not transfer to SFIS until February 2016.

92 Woodgreen Leisure Centre Improvements and New Leisure Management Contract

The Director of Community and Environment submitted an exempt report relating to Woodgreen Leisure Centre improvements and the new Leisure Management Contract.

Resolved

- (1) That it be agreed that a three lot procurement approach be adopted in conjunction with South Northamptonshire Council (SNC) to maintain the option of individual decisions by each council whilst exploring the opportunity for mutual benefit through a combined contract.

- (2) That it be agreed that Lot 1 be based on an operating plus investment contract for Woodgreen, Lot 2 be a contract determined by SNC and Lot 3 be the combined option with SNC as a Design Build Operate and Maintain contract subject to further SNC consideration.
- (3) That a whole site annual lifecycle maintenance approach through the use of a mandatory contract variant be considered.
- (4) That tenders for an 18 year operating contract term to align with the end of the Council's main leisure centres contract be sought
- (5) That the requirement for a *very good* BREEAM rating for new internal areas be incorporated in the tender documents.
- (6) That the output specification for the contract be prepared based on the approach outlined in the exempt report.
- (7) That the use of the residual Sports Centres Modernisation capital budget to fund the appropriate specialist support and technical surveys in 2014/15 be noted and supported.
- (8) That a building condition survey be undertaken in 2015/16 as part of the capital investment scheme if approved.
- (9) That the joint procurement with SNC of the relevant external technical support and surveys for the project be supported.
- (10) As set out in the exempt decisions.
- (11) That some flexibility be offered and a non-prescriptive delivery structure within tender documents to seek opportunities for maximum cost efficiency and value for money options from bidders within an agreed overall capital and revenue financial envelope be supported.
- (12) That authority be delegated to the Director of Resources and the Director of Community and Environment in consultation with the Deputy Leader and the Lead Member for Resources to take urgent decisions when these are needed and they fall outside the scheduled Executive meetings.
- (13) That, subject to the prior seeking of legal and procurement advice as to feasibility, the contract be structured to enable other partner Councils to opt to join the contract during its term.

Reasons

Clarity of the market's appetite for risk, practicable timeframes and different contract options has been achieved through a soft market testing exercise. The conclusions from this are as set out in the exempt decision notice.

Swift decision making will be required throughout the procurement process to adhere to the project plan and meet the tight tender time lines. Although major key decisions and updates will be presented to the Executive regularly, it is

recommended that delegated powers are given to the Director of Resources and Director of Community and Environment in consultation with the Deputy Leader and the Lead Member for Resources to take lesser decisions quickly when required and when the need for these falls outside the scheduled Executive meetings.

A DBOM contract is the market's preferred procurement approach as it provides the operator with design input to maximise income potential and to minimise operating costs. However, this will be dependent on whether one joint contract or separate lots are awarded as the preferred separate option for Woodgreen is an operating contract plus investment. It is therefore recommended that a three lot approach is taken in order to ensure best value for money, test the market and encourage operator innovation. To do this, the procurement documentation should be structured into Lot 1 - based on an operating plus investment contract for Woodgreen, Lot 2 a contract determined by SNC and Lot 3 the combined option.

As the tender preparation process progresses, a number of key factors have emerged which require a Council direction to enable further preparation to continue. Those identified in this report include - the adoption of an annual lifecycle maintenance approach as a mandatory contract variant so that the Council can assess the financial implications as part of its final decision making process - a contract term of 18 years is proposed to align with the end of the Council's main leisure centres contract and to provide improved value for money along with sufficient annual lifecycle maintenance benefit - to factor in the corporate energy efficient objective of 'very good' BREEAM rated facilities - to incorporate contract flexibility to seek opportunities for maximum cost efficiency and value for money options from bidders within an agreed overall capital and revenue financial envelope - and to be clear on the basis of the output specification to define what the Council wants over the term of the contract which in turn influences what needs to be monitored and measured.

To meet Project Plan timescales and to inform the tender documentation, the procurement of both the Technical Advisors and survey works is recommended now to be funded from the balance of the 2014/15 Sports Centres Modernisation budget given its suitability and sufficiency for the 2014/15 part of this process.

It is recommended that some flexibility be offered and a non-prescriptive delivery structure within tender documents to seek opportunities for maximum cost efficiency and value for money options from bidders within an agreed overall capital and revenue financial envelope. It is also recommended that, if feasible in legal and procurement terms, scope be offered within the proposed contract to enable other partner Councils to opt in at a later date during the contract term.

Alternative Options

Option 1: Three different contract lots

Option 2: Two different SNC investment strategies to address cost risk

Option 3: The inclusion or not of annual lifecycle maintenance

Graven Hill Update

The Commercial Director (Bicester) submitted an exempt report which provided an update on the work being undertaken by the Graven Hill Development Company ahead of finalising the Delivery Plan and sought authorisation to take part in a media production to promote self-build on the site.

Resolved

- (1) That the work being carried out by the Graven Hill Development Company be noted.
- (2) That it be noted the Delivery Plan and Financial model were being updated to reflect latest market intelligence, final S106 position and infrastructure programme and that in accordance with the governance arrangements, the Updated 2015 Delivery Plan and financial appraisal would be presented to the Partnering Board in Jan 2015 for consideration and then onwards to Executive.
- (3) That the proposed marketing opportunity be noted and the proposal from the Directors of the Graven Hill Holding/Development Company supported by the Partnering Board to take part in this media production recognising the implications of such an activity be endorsed.

Reasons

As at 19 November 2014 (latest Delivery Team Meeting) the work programme for Graven Hill is on track in terms of programme, budget and risk management.

This is a significant investment for the Council and one that is innovative and delivers many positive benefits to the District. It is therefore imperative that the strong governance that has been put place continues to actively manage the work programme, budgets, risks and mitigations.

Exempt Appendix 2 details an exciting media potential to promote the site and taking into account all risks and mitigations it is recommended that the Company should take part in this programme in order to raise profile and boost the sale of plots.

After the Partnering Board scheduled for January 2015 has taken place an update on the Graven Hill 2015 Business Plan will be presented to the Executive in Q4.

Alternative Options

There is an option not to take part in the media production.

Executive - 1 December 2014

The meeting ended at 7.40 pm

Chairman:

Date: