

## **Cherwell District Council**

### **Executive**

Minutes of a meeting of the Executive held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 5 October 2009 at 6.30 pm

Present: Councillor Barry Wood (Chairman)

Councillor G A Reynolds  
Councillor Ken Atack  
Councillor Michael Gibbard  
Councillor James Macnamara  
Councillor Nigel Morris  
Councillor D M Pickford  
Councillor Nicholas Turner

Apologies for absence: Councillor Norman Bolster  
Councillor Kieron Mallon

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  
Mike Carroll, Head of Improvement  
Liz Howlett, Head of Legal & Democratic Services and Monitoring Officer  
Karen Curtin, Head of Finance  
Jo Smith, Communications Manager  
James Doble, Democratic, Scrutiny and Elections Manager  
Michael Sands, Trainee Democratic and Scrutiny Officer

#### **2 Declarations of Interest**

There were no declarations of interest.

#### **3 Petitions and Requests to Address the Meeting**

There were no petitions or requests to address the meeting.

#### **4 Urgent Business**

There was no urgent business.

#### **5 Minutes**

The Minutes of the meeting held on 7 September 2009 were agreed and signed by the Chairman.

6 **Service & Financial Planning Process and Budget Guidelines for 2010/2011**

The Head of Finance and Community Corporate Planning Manager submitted a report which sought to inform the Executive of the service and financial planning process for 2010/11 and to agree budget guidelines for issue to service managers to enable the production of the 2010/11 budget and update the Medium Term Financial Strategy for 2011/12 onwards.

**Resolved**

- (1) That the service and financial planning process for 2010/11 be noted.
- (2) That the proposed budget guidelines and timetable for 2010/2011 budget process as set out in the Annex to the Minutes (as set out in the Minute book) be considered and agreed.

**Reasons** -The Council needs to set guidelines and a timetable for the preparation of draft estimates for 2010/11. These guidelines should support the objectives contained in the 5-Year Corporate Plan, Improvement Strategy and in particular the updated Medium Term Financial Strategy.

7 **Banbury Canalside Draft Supplementary Planning Document (SPD)**

The Head of Planning and Affordable Housing Policy submitted a report which sought approval of the draft Supplementary Planning Document (SPD) and Companion Document for the Canalside site in Banbury for public consultation.

**Resolved**

- (1) That the Draft Supplementary Planning Document (SPD) set out in the Annex to the Minutes (as set out in the Minute book) and the Companion Document (background paper to the report) be endorsed for public consultation.
- (2) That the Head of Planning & Affordable Housing Policy, in consultation with the Portfolio Holder for Planning and Housing, be delegated to make any further minor non-substantive changes as are necessary to the Draft SPD and Companion Document prior to the publication of these for public consultation.
- (3) That Officers be requested to arrange a Councillor workshop to enable Member participation at an early stage.

**Reasons**- The Council identified the Canalside site as part of a wider Regeneration Area in the Non Statutory Cherwell Local Plan 2011. More recently, the Council has been working with English Partnerships, and more recently the Homes & Communities Agency (HCA) to develop a vision for the comprehensive redevelopment of the Canalside area. In order to update the evidence base for the Local Development Framework and to

consider in more detail the regeneration opportunities that there may be in the canalside area, English Partnerships last year commissioned a study. This work was undertaken by consultants LDA Design. On 6 October 2008, the Executive considered a report summarising this work and endorsed the principle of 1,200 dwellings as part of a residentially led development including the relocation of uses on the site.

### Options

<b>Option One</b>	To endorse the SPD and Companion Document for public consultation
<b>Option Two</b>	To endorse the SPD and Companion Document for public consultation with amendments
<b>Option Three</b>	To not endorse the SPD and Companion Document for public consultation

## 8 External Audit Annual Governance Report and Use of Resources Judgement

The Chief Executive submitted a report which sought to update the Executive on the key messages from the District Auditor in her 2008/09 Annual Governance Report and the judgements she had made on the Council's performance in the new Use of Resources assessment.

### Resolved

- (1) That the use of Resources score contained in the District Auditor's Annual Governance Report and the scale of the achievement this represents be noted.
- (2) That the Chief Executive be requested to send a copy of the Auditor's report to the Taxpayers Alliance.

**Reasons** - The District Auditor's view on the Council's use of resources is an important judgement and contributes directly to the Organisational Assessment score.

## 9 Value for Money Review of Insurance

The Strategic Director Customer Services and Resources and the Head of Improvement submitted a report for consideration on the findings of the Value for Money (VFM) Review report and the recommendations arising from the report.

### Resolved

- (1) That the conclusion of the review that the function is relatively high cost with average performance levels but high quality in terms of the qualifications of staff employed and low level of claims payments made be noted.

- (2) That the Council move away from the current policy of transferring the majority of council risk to an insurer, to one of self insuring a larger proportion of risk given the very low number of claims currently experienced. This will be achieved by:
  - a. Discontinuing unnecessary insurance policies and increase excesses on the remaining policies. This will deliver savings of £65,813 in 2010/11.
  - b. Determining claims in-house rather than pass to insurers to settle. Injury claims should continue to be handled by insurers given the complexity, potential high cost and the expertise needed in determining settlement figures;
  - c. Transferring the £500,000 reserve fund for the Spiceball reconstruction, following the completion of that project, to the Self Insurance Reserve which currently has a balance of £300,000.
- (3) That a net saving of £15,000 in the management of insurance and risk be achieved by:
  - a. Deleting the post of Risk Management and Insurance Officer in its current form with a gross saving of up to £46,244.
  - b. Transferring the corporate responsibility for the management of insurance to The Head of Finance, with the operational administration of claims delegated to Heads of Service and operational administrative teams;
  - c. Market testing for an external provider to deliver the corporate management of risk (but not the routine performance management of risk).
  - d. Using the balance from a. to fund the costs of b. and c.
- (4) That in advance of letting the new insurance contract from 2011/12 Officers be requested to explore the opportunities for achieving further financial savings through consortia purchasing and sharing support and expertise with other local authorities.

**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.

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### **Revenue and Benefits - Future Award of Tender**

The Strategic Director Customer Service and Resources and the Head of Finance submitted a report on the progress to date following the decision to externalise the transactional elements of the revenues and benefits service and, following a tender process, to recommend a preferred supplier.

### **Resolved**

- (1) That the project progress to date in relation to the primary objectives be noted and the proposals below agreed:

- a) That the transactional components of the revenues and benefits function are transferred to the preferred supplier with effect from 1 February 2010 to be delivered offsite in a specialist processing facility.
  - b) That benefit investigations, debt recovery, customer facing services, discretionary payment awards, and tribunal/court representation are retained in house. These elements will be incorporated into existing Finance, Legal and Customer Services teams.
  - c) That the supplier will be subject to rigorous performance monitoring by a newly established contract management team to ensure compliance with contracted standards.
  - d) That current customer services resources are increased by six posts, including three specialist revenues and benefits advisors.
  - e) That service support costs associated with the outsourced services are reduced by £123k per annum.
- (2) That a preferred supplier for the externalised components of the services as set out in the exempt Minute be appointed.

**Reasons** - Following a value for money review and an external options appraisal in December 2008, the Executive agreed, in March 2009, to seek an external supplier for the transactional “back office” elements of the revenues and benefits service with three primary objectives:

- a) To secure a sustainable service delivery model, sufficiently resilient to deliver consistently good levels of service to residents and able to meet peaks in demand such as that associated with the current economic climate
- b) To improve customer access and provide local area based service points for specialist revenues and benefits support
- c) To secure improved value for money, delivering the transactional elements of the service within the administrative subsidy envelope (£885k)

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### **Refurbishment of Old Bodicote House**

The Chief Executive, Strategic Director Customer Service & Resources and Project Manager submitted a report regarding the refurbishment works to Old Bodicote House. The Portfolio Holder drew the Executives attention to the revised recommendations which had been previously distributed.

#### **Resolved**

- (1) That the progress to date on determining the future use of Old Bodicote House be noted.

- (2) That any decision on the refurbishment of Old Bodicote House and the extension of Bodicote House car park be deferred to the November meeting of the Executive.
- (3) That sufficient funding in the capital programme for the outstanding work required to complete essential fire safety and other improvements to the stairwells of Bodicote House, to the sum of £40,000, be approved.

**Reasons-** The council's Asset Management Plan was adopted by Executive on 27 April 2009. It sets out the ambition to create and maintain new sources of income that can be used to sustain an appropriate level of future capital investment. A further ambition is to offer facilities for partner organisations to occupy, generating income for the Council, and potentially reduce the financial support those partners require while seeking to increase income by offering additional services to tenants, enabling the Council to offset part of its fixed overheads against this service charge.

## 12 **Exclusion of the Press and Public**

### **Resolved**

That in accordance with Section 100A(4) of Local Government Act 1972, the press and public be excluded from the meeting for the following items of business, on the grounds that it could involve the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of that Act.

## 13 **Refurbishment of Old Bodicote House - Exempt Annex**

Report withdrawn from agenda

## 14 **Revenue and Benefits - Future Award of Tender - Exempt Annex**

The Strategic Director Customer Services & Resources and the Head of Finance submitted a report which sought to select a preferred supplier for the award of the Councils Revenues and Benefits Service Provision Contract.

### **Resolved**

- (1) That Supplier B be approved as the preferred supplier for the provision of the transactional components of the Revenues and Benefits service and after negotiation approve the award of a 5 year contract with a target date for commencement of 1<sup>st</sup> February 2010.
- (2) That the savings secured for inclusion in the 10/11 budget process be noted.
- (3) That the upfront capital costs to fund redundancies and pension costs be funded through the organisational change reserve and efforts to minimise these costs be approved.

**Reasons** - The Council has committed to securing the best quality service within the available financial resources. Both tenders evaluated fall within the requisite grant subsidy envelope but the proposal submitted from Supplier B represents best overall value for money.

**Options**

<b>Option One</b>	To select supplier A
<b>Option Two</b>	To select supplier B
<b>Option Three</b>	To appoint neither supplier and retain the service in-house.  As both tenders represent improved value for money this is not recommended.

The meeting ended at 8:20 pm

Chairman:

Date: