

URGENT BUSINESS AND SUPPLEMENTARY INFORMATION

Executive

1 December 2008

Agenda Item Number	Page	Title	Officer Responsible	Reason Not Included with Original Agenda
11.	(Pages 1 - 24)	Draft Budget 1 and Service Plans 2009 - 2010	Chief Accountant	Information not available at time of agenda dispatch

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**DRAFT BUDGET 2009/10
APPENDICES 1-4**

1 December 2008

Draft Revenue 2009/10 Budget and Analysis

The Status of the Budget

- 1.1 This is the first draft of the budget and will be subject to scrutiny of revenue and capital bids 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 January 12th 2009 and February 2nd 2009 before approval by Council on February 23rd 2009.

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 6 October 2008.

Economic Climate

- 1.3 The economy is showing pronounced signs of slowing down and many industry experts have now agreed we are in the midst of a recession. The recent crisis in the financial markets has delivered a sharp and involuntary tightening of monetary policy. This, along with the continued effects of high inflation and decelerating house price inflation is expected to undermine consumer confidence and deliver lower or nil growth. The Bank of England's ability to cut rates (current base rate 3%) will be tempered by continued concerns over future inflation performance, with RPI now running at 4.2% and CPI 4.5%. These rates are lowered than those in our budget guidelines.
- 1.4 Butlers, the Council's Treasury Management Advisors, are currently of the view that the Bank Rate may decrease by up to 1% to 2% by the end of the current financial year. A further cut is expected of 0.25% in 2009/10 thus reducing the Bank Rate to 1.75%.
- 1.5 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, increased fuel costs and these assumptions have been continued into the draft budget.
- 1.6 The planned reduction in interest rates will also result in a reduction in investment income for 2009/10.

Investments in Iceland

- 1.7 We have £6.5m in one of the failed Icelandic banks – Glitner. We are working closely with the LGA to seek recovery of our principal and accrued investment income.
- 1.8 Whilst this money is currently deemed at risk, we have for the purpose of this draft budget not as yet made any assumption on the likelihood of repayment of the £6.5m principal sum and await official guidance from CIPFA and will update in the next draft budget.

General Fund Revenue Budget

- 1.9 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 £734,667. This type of gap is not unusual at this stage in the process and it can be covered by considering the actions listed in 1.14 and 1.15.

SERVICE EXPENDITURE - excluding support allocation	Outturn 2007/08	Budget 2008-09	Projection 2008-09	Budget 2009-10	Variance from 08/09 Projection
Customer Services & Resources		7,453,327	7,651,616	8,062,768	411,152
Environment & Community Improvement		9,865,291	10,070,463	9,126,693	(943,770)
Planning, Housing & Economy		371,696	383,128	350,076	(33,052)
Chief Executives		2,697,680	2,936,680	2,741,239	(195,441)
Services Sub-Total	26,143,031	22,325,765	22,893,373	22,453,581	(439,792)
Capital Charges Reversed	(2,504,576)	(1,228,310)	(1,228,310)	(1,274,986)	(46,676)
Net Expenditure Services increase/(decrease)	23,638,455	21,097,455	21,665,063	21,178,595	(486,468)
		-11%	3%	-2%	-5%
Reserves and Provisions	111,543	82,428	(160,572)	(251,943)	(91,371)
	23,749,998	21,179,883	21,504,491	20,926,652	(577,839)
Investment Income	(6,892,106)	(5,030,455)	(4,939,455)	(3,155,973)	1,783,482
Government Grant	(9,947,783)	(10,310,045)	(10,310,045)	(10,610,610)	(300,565)
Collection Fund	(195,652)	(101,591)	(101,591)	(101,591)	0
Council Tax	(5,807,252)	(5,961,360)	(5,961,360)	(6,323,811)	(362,451)
	(22,842,793)	(21,403,451)	(21,312,451)	(20,191,985)	1,120,466
Potential (Surplus)/Shortfall	907,205	(223,568)	192,040	734,667	542,628
COUNCIL TAX					
Relevant Tax Base	49,214	49,678	49,678	50,672	
Council Tax Rate for Band "D"	£118.00	£120.00	£120.00	£124.80	
Council Tax Collection	5,807,252	5,961,360	5,961,360	6,323,811	

- 1.10 The revenue budget shows an overall 5% decrease in service expenditure in comparison with the 2008/09 revenue projection and a reduction from 2007/08 outturn of £2,459,860. The drivers for this 10% reduction are the restructure of the Council, buyout of the performance related pay and efficiencies.

- 1.11 The budget guidelines set a 5% target per directorate to address the economic issues and reduction in investment income. A target of £1,039,584 was required and to date £1,257,122 has been identified.

Analysis of Savings to Date	PHE	CSR	EAC	IMP	CEX	Total
Total	(185,340)	(395,024)	(493,327)	(18,041)	(165,390)	(1,257,122)
Budget Guideline Target	(128,460)	(319,589)	(472,352)	(17,656)	(101,527)	(1,039,584)
Additional Savings Identified	(56,880)	(75,435)	(20,975)	(385)	(63,863)	(217,538)

1.12 These savings can be analysed as :

VFM Reviews	(428,659)
Income	(1,666)
Restructure Impact	(105,637)
Efficiencies	(744,978)
Budget Adjustments	178,390
Service Impact	(97,301)
Staffing Adjustments	(57,271)
Total	(1,257,122)

1.13 Our Medium Term Financial Strategy requires efficiency savings and we have a NI target of 3.1% in 2009/2010. 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. The ongoing identification of efficiency savings must continue to be treated as a high priority despite the Council exceeding the 2007/2008 targets in keeping with the commitment to improve Value for Money

1.14 The variance from 2008/09 projection to draft 2009/10 budget of £542,628 can be analysed as :

Variance from Projection 08/09	£542,628	Comments
Inflation	£700,493	As per budget guideline - 4.8% less 1%
New Effects	£651,263	Full Year effects including pension revaluation offset by restructure
Corporate Training & Job Evaluation	£209,872	Funding from Reserves
Savings	-£1,377,122	Directorate Savings of £1,257,122 - see 1.11
Unavoidable Growth	£43,799	Utilities & Licensing Software
Sports Centre Modernisation Cost Reduction	-£745,000	Reduced cost to offset capital opportunity cost of investment
Reduction in Interest Income	£1,783,482	Interest Rates reduction - reducing balances - Iceland impact
Additional Risk Provision	£100,000	Additional Provision in relation to recycling gate fees
EXM - Various	-£391,371	Funded from reserves and provisions
Council Tax	-£362,451	Budget guideline - Based on 4% rise and 2% increase on tax base
VAT Share	£200,000	Reduction in amount to be claimed from £400k to £200k
Revenue Support Grant	-£300,565	Increase in Formula Grant
Other	£30,228	Other minor variances

Actions to address budget deficit

1.15 The following actions have been identified for the Executive to consider in order to minimise the budget deficit at this stage:

Deficit to Budget Draft 1	£734,667	Comments
Potential Areas		
Fees and Charges	£433,500	As per recommendations from Scrutiny - see Appendix 1a
Interest	£150,000	Review cash holdings - Investec and Capital Programme Impact
Growth to be considered	-£40,000	See Appendix 4
Growth funding	£40,000	Funding sought
Inflation Rate Changes	£50,489	Budget guideline 4.8% - latest figures RPI is 4.2%
Maintenance Budgets Review	£28,000	50% additional saving
Rental Income	-£120,000	Confirm calculations of rents
Concessionary Fares	-£120,000	Based on latest operator costs
	£421,989	
Balance to find:	£312,678	

1.16 In order to balance the budget a further reduction in costs or increase in income of £312,678 is required. The following areas will be considered :

- a) Review infrastructure costs where known income reductions
- b) Capital Programme - implement revenue effects
- c) Capital Programme - review proposals / interest impact
- d) Identify further efficiencies from within services
- e) Review services according to consultation priorities
- f) Analyse investment income
- g) Review of Reserves

1.17 The outcome of these reviews together with amendments identified in relation to paragraph 1.1 above will be presented to the Executive in January 2009.

Further Document Information

Appendix No	Title
Appendix 1a	Fees and Charges Scrutiny Recommendations

RESOURCES & PERFORMANCE SCRUTINY BOARD FEES & CHARGES SCRUTINY 2008

CONCLUSIONS AND RECOMMENDATIONS

OBJECTIVES

The primary purpose of the Fees & Charges scrutiny review was to identify the service areas where through reviewing fees and charges a fair balance could be struck between cost of service provision and income for the Council. In particular where fees and charges were historic, had not been reviewed for some time and had fallen behind being a 'reasonable' charge for the service received. The review also set out the practicalities of how this could be achieved, and to assess how compatible this would be with the Council's overall objectives. The outcome should deliver increased income which will help to alleviate future budget pressures.

METHODOLOGY

The Resources and Performance Scrutiny Board (R&PSB) conducted the review, supported by the Finance Director, Service Accountants and the Scrutiny Officer.

Members of the R&PSB met informally on four occasions to gather evidence and discuss ideas with specific Heads of Service. The conclusion was a formal committee meeting on 18 November when the R&PSB "challenged" specific Portfolio Holders and Heads of Service on proposals for income generation.

CONCLUSIONS

- That the absence of a uniform policy or system for the review of fees and charges within the Council had resulted in a confusion of individual charges and policies, many of which could not be explained or justified.
- That there should be a regular (annual) review of all fees and charges; and that this should involve objective/independent comment from councillors/officers outside the portfolio/service area.
- That there should be a clear and consistent approach to charging across the Council.
- That any discretionary charge must recover the cost of provision of the service.
- That there is a need for improved management information to inform the review and decision making process. This same information should support and assist Service Heads in the ongoing operation of the service area.

- The Fees & Charges review did not look at the Council's property portfolio. However, this is an area that should be subject to review and asset management has been identified as a potential topic for scrutiny in 2009.

Recommendations	Reasons	Projected additional income 2009/10
1. The Executive should formalise a Fees & Charges process to:		
i. ensure the implementation of the proposals, if accepted, for individual fees & charges in the 2009/10 budget;		-
ii. formulate a charging policy for the Council;	The Council needs a clear and consistent charging, discount and concessions policy based on equitable access to all services.	-
iii. formulate a discount policy for the Council;		-
iv. formulate a concessions policy for the Council;		-
v. develop initial strategic thinking for income generation in the 2010/11 budget;		-
vi. identify the type of management information required to support a more robust and standardised approach to the setting of fees and charges;	This scrutiny review was on occasion limited by the lack of detailed management information and limited analysis of the financial data. The decision making of members and officers can only be improved by the timely provision of better data.	-
and that the Executive should invite:		
vii. 2 or 3 members of the R&PSB to be involved in the on-going Fees & Charges review process.	This allows the R&PSB to be pro-active in discharging its responsibility for the overview and scrutiny of the Council's finance budgets and services.	-
2. The Executive should ensure that the annual Budget and Service & Financial Planning process includes a review of all fees and charges and that this should involve councillors and officers from outside the portfolio/service area.		-
3. The Finance Scrutiny Working Group (FSWG) should monitor the impact of the (accepted) proposals for individual fees & charges on the 2009/10 outturn. The FSWG should also review income generation as part of its routine work programme.	This is central to the role of the FSWG, which is charged with responsibility for the detailed scrutiny of budgets and finance and is expected to consider profiled spends and outturn (e.g. car park income).	-

<p>Legal and Democratic Services</p>	
<p>4. That within Legal and Democratic Services and the Corporate Centre the Executive should:</p> <ul style="list-style-type: none"> i. Maintain the Land Charges Personal Search fee in line with statutory fees and continue to lobby government for legislation to allow local authorities to recover the costs of this service; ii. review the hourly rate charged to external clients, including town and parish councils, for legal work and advice; iii. increase the corporate charge for copying to 20p per sheet. 	<p>-</p> <p>TBA</p> <p>TBA</p> <p>TBA</p>
<p>Building Control and Engineering Services</p> <p>5. That Building Control and Engineering Services are to be commended for their business like approach and their practice of maintaining an on-going review of fees and charges.</p>	
<p>Urban and Rural Services</p>	
<p>6. That within Urban and Rural Services the Executive should:</p> <ul style="list-style-type: none"> i. introduce the changes to the various licensing fees and charges as set out in Annex 1, items a – e; ii. increase the Excess Charge Notice (ECN) fees from £50 to £70 and £35 to £50 with the latter discounted to £40 for early payment from January 2009 (Annex 1 item f); iii. increase the charges for season tickets as set out in Annex 1 item g and support this with a clear policy/formula for the pricing and application of discounts; iv. increase the pay & display parking tariff by £0.10 per hour (Annex 1 item h); 	<p>As set out in Annex 1.</p> <p>£12,000</p> <p>£30,000</p> <p>£34,900</p> <p>£323,400</p>

	higher than rate after proposed 10p increase. Hourly rate still significantly cheaper than private sector competitors in Banbury. Staged increase over 2 years reduces potential income and duplicates costs/resource demands. Technical considerations re 5p coin.			Nil Impact
v.	postpone any increases in charges to the Bicester Residents Parking scheme until the completion of the review into that scheme and the proposals for the roll-out of similar scheme in Banbury;		Significant practical problems with the implementation of the Bicester scheme, especially relating to enforcement. Cost base and pricing structure must be considered as part of specific review into district wide residents parking schemes.	Nil Impact
vi.	ask officers to explore the possibility of amending the conditions of the Bicester Residents Parking Scheme to allow the permit holders to use the Cattle Market car park during the day. This arrangement should be temporary and kept under review as part of the town centre development project;		Offers practical solution and alleviation to some members of the Bicester Residents Parking Scheme. Cattle Market car park is severely underutilised. In the short term there is no adverse impact on income generation.	Nil Impact
vii.	ask officers to review the arrangements, with particular reference to cost recovery, for the Banksman post at the Banbury bus depot (Annex 1 item k);		The Council needs to understand the full costs of this arrangement and to examine how other local authorities offer similar services.	Nil Impact
Environmental Services				
7.	That within Environmental Services the Executive should:			
i	introduce a pest control fee for the treatment of rats and mice;		Local comparators charge for this element of pest control. Need to set appropriate fee level consistent with external pest control contract.	Fee to be determined. (Approx 700/yr)
ii	consider the concessions structure for pest control as part of an overall concessions policy;		The Council needs a clear and consistent concessions policy based on equitable access to all services.	-
iii	increase the charge for the recovery of abandoned vehicles in line with other local authorities;		Current £10 fee is below local comparators. Fee increase anticipates possible upturn in incident rate as a result of changes to scrap metal value.	Approx 60/yr @ increased rate of £30 = £1,200 (additional income)
iv	set the MOT service price at the statutory rate and ensure that future price increases are applied as soon as the new statutory rates are published;		This is a discretionary service where traditionally the fees are set slightly below the statutory level. It has a strong local customer base. For some categories of vehicle it is	Minimal Impact

	the only local supplier.		
v	ensure that the unit sale price of blue or brown bins (other than for promotional campaigns) covers the cost of provision;	Fee needs to strike an appropriate balance between promoting recycling and recovering the costs of bins.	-
vi	increase the charge for bulky waste in line with neighbouring authorities and withdraw the free collection for fridges/freezers;	Current £10 fee is below local comparators and only 33% of collections attract a charge. Fee level needs to increase if we are to encourage use of retailers' disposal schemes and to minimise risk of increased fly-tipping.	Approx 3200 paid collections/yr @ increased rate of £20 = £32,000 additional income.
vii	consider the concessions structure for bulky waste as part of an overall concessions policy;	Local comparators do not offer concessions. The Council needs a clear and consistent concessions policy based on equitable access to all services.	-
viii	ask officers to explore opportunities for closer working with local organisations to optimise recycling and re-use of bulky waste;	Promotes reduce, re-use, recycle principles and supports the Cleaner, Greener corporate priority.	-
ix	increase the charge for the trade waste service so that costs are fully recovered in parallel with the promotion of a trade waste recycling initiatives.	This is a discretionary service and must recover its costs. Supports the Cleaner, Greener corporate priority.	Fee to be determined.
Total projected additional income in 2009/10			£433,500

Urban & Rural Services Fees and Charges - Scrutiny Summary 2009/10

As at 18 November 2008

Element	Current Income	Proposal for 2009/10	Comments	Additional Income Projection 2009/10
a. Street Trading	£36,000	Raise the £7.53/day to £10/day equivalent	No increase since 2005. Then a 3 year programme to bring in line with benchmark review. Then review/RPI each year.	£11,800
b. Tables and chairs	£2,500	10% increase	Complete a review and introduce more robust arrangements. 2 year programme to bring in line with benchmarking. Then review/RPI each year.	£250
c. Markets Bicester and Kidlington	£52,000	Equalisation of frontage rental	Friday charges in K currently half the price of Saturday charge. Then review/RPI each year	Nil net effect
d. Premises Licenses		No change	Controlled by legislation	Nil
e. Gambling Act Permits		No change	Controlled by legislation	Nil
f. Gambling Act Premises	£7,700	Increase by RPI-3%	Need to control so income nets off costs. Then review/RPI each year	£230
g. Taxis (vehicle and drivers licenses) (Private Hire and Hackneys)	£120,000	3-5% increase subject to benchmarking	3 year programme to bring in line with benchmark review. Then review/RPI each year	£3,600-£6,000

Annex 1

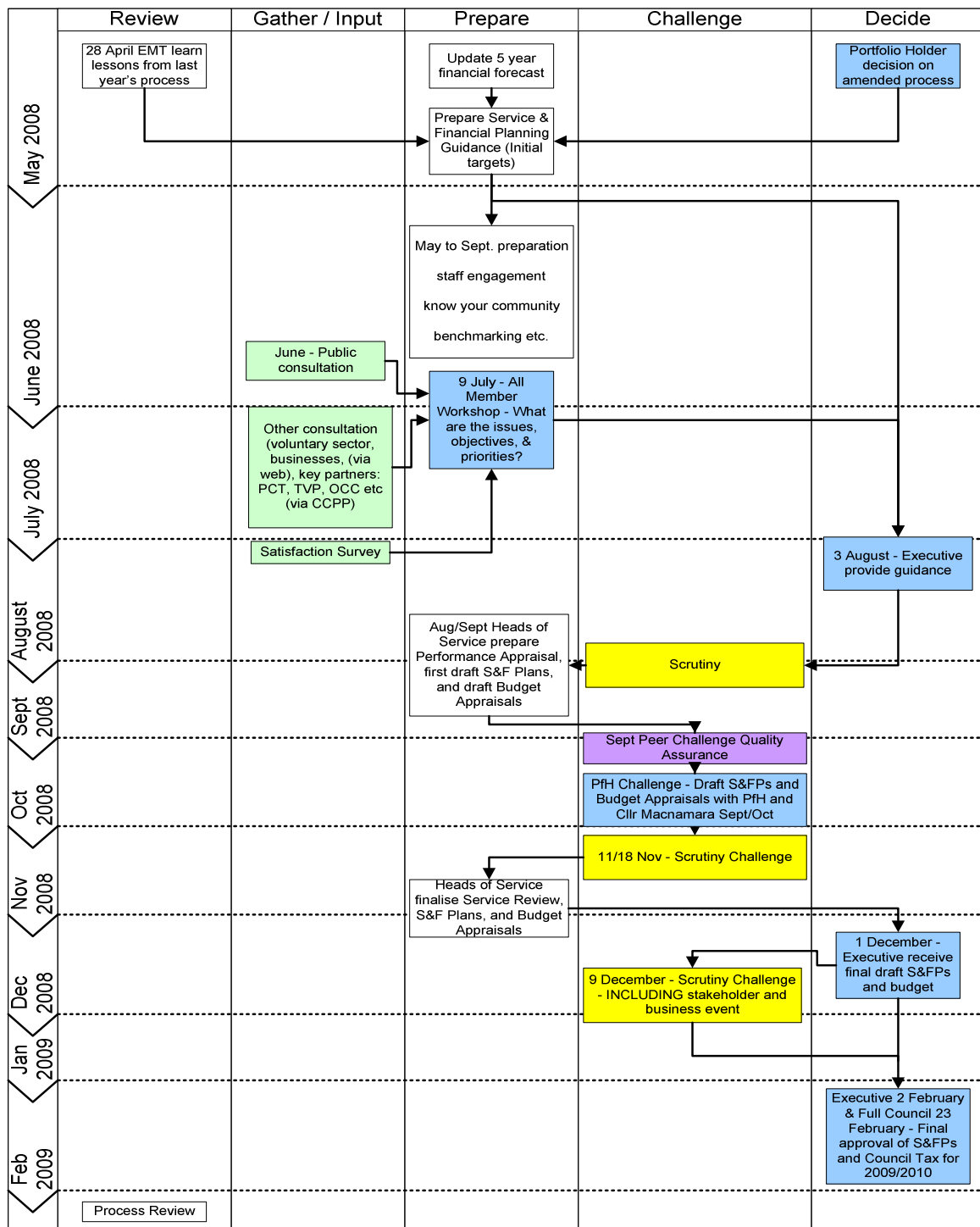
h.	Excess Charge Notices (ECN)	£240,000	£50 increased to £70 £35 increased to £50 discounted to £40	Bring in line with Civil Parking Enforcement (CPE). If assume 6000 ECN's issued and average value is £45. Note CPE legislation could well result in lower income on its introduction.	£30,000
i.	Season Tickets	£105,000	Base costs on discounted daily pay and display rate Bring discounts to same level across the District.	Monthly 24% discount Quarterly 30% discount Annual 37% discount Then review / RPI each year These are the current levels of discount using Banbury season tickets and pay and display as the benchmark	Bicester £19,392 Banbury £15,508
j.	Pay and Display Bicester Banbury	£673,296 £917,844	£0.10 per hour increase	Based on Average increase of 21.6% in Bicester. Based on average increase of 19.39% in Banbury. Then annual review and bi annual increase.	Bicester £145,431 Banbury £ 177,969
k.	Residents Parking Bicester	£6,250	All Residents permits £65. An increase from £50 and £25.	Then review / RPI each year visitor permits are free but could charge at £10.00 per book of 25 = additional £4,400	£2,650
l.	Road Closures	£4,000	5% increase		£200
m.	Bus departures	£12,000	Increase by RPI-3%	RPI each year	£360

SERVICE & FINANCIAL PLANNING PROCESS

1. Service and Financial Planning Process

The Council has developed an integrated approach to service and budget planning. The process and timetable for agreeing the service plans and budget is presented in the flow chart below.

Service & Financial Planning Process 2008/9



	<p>Each year we make changes to the Service and Financial Planning process in the light of lessons learnt from the previous year and changes in the external environment. In overall terms we wanted to retain the most successful features of the process for 2008/09 in that it was a member led process that was challenging and clearly focussed on improving service delivery and organisational performance. Building on those strengths we made a number of improvements:</p>
	<ul style="list-style-type: none"> • There is better integration of the service plan with the Community Plan and targets coming from the Local Area Agreement. • Staff at all levels were engaged in the development of the plan. • There was an improved assessment of current performance. • We had better quality demographic information and were able to use this to better understand and respond to the diversity of needs in the district. • We also changed the timing and the content of the annual Customer Satisfaction Survey so that it would better inform the process. <p>As in previous years we used the process to identify areas where efficiency can be improved and savings achieved without affecting service delivery. This was given added urgency this year by the global economic crisis. So as well as considering how the corporate target of 5% efficiency savings will be achieved for 2009/10 services were asked to identify what additional efficiency savings could be identified through improved working, shared services and outsourcing.</p>
2	Consultation and Prioritisation
	<p>Central to the Service and Financial Planning process is the engagement with the local community about their priorities for the coming year. In recognition of the diversity of the district our consultation targeted a number of different groups. There were two half day sessions with members of the general public (representing people living in urban and rural areas). There were a number of shorter focus groups with people from various communities or groups; younger people, older people, people with disabilities and people from black and minority ethnic groups. Telephone interviews were held with local business to listen to their views on budget priorities. In addition to the public consultation events a number of sessions were held with key stakeholders. These were; the parish councils, the voluntary sector, the Cherwell Community Planning Partnership (the Local Strategic Partnership for Cherwell) and a session for Cherwell District Council elected Members. A summary of the key findings is below.</p>

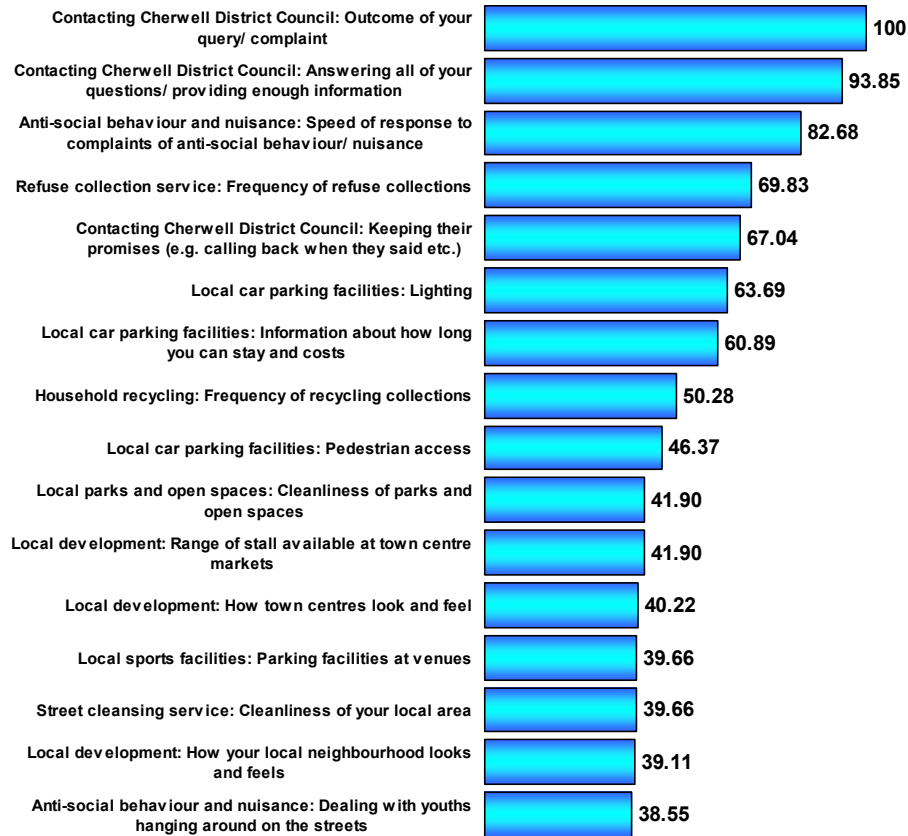
Group Consulted	General Findings
Public Consultation	<p>Key concerns: anti-social behaviour, sports/leisure, recycling, housing and 'urban' matters</p> <p>Spending Priorities:</p> <p>More: anti-social behaviour, sports facilities, sports and arts</p> <p>Less: tourism</p> <p>Top Strategic Priority:</p> <p>District of Opportunity and Cleaner/Greener</p>
Urban Dwellers	
Rural Dwellers	<p>Key concerns: anti-social behaviour, sports facilities, refuse collection and 'rural' issues</p> <p>Spending Priorities:</p> <p>More: anti-social behaviour, sports facilities, leisure development</p> <p>Less: Banbury museum, tourism, health promotion</p>

Group Consulted	General Findings
	<p>Top Strategic Priority: A Safer Cherwell, A Healthy Cherwell</p>
Business	<p>Key concerns: safer communities, recycling, leisure/economic development and rural areas. Spending Priorities: More: rural areas, recycling, safer communities, sports facilities, leisure development, economic development and regeneration Less: landscape, diversity and equality, Banbury museum. Top Strategic Priority: District of Opportunity and A Safer Cherwell.</p>
<p>Harder to reach groups</p> <p style="padding-left: 100px;">Younger People</p> <p style="padding-left: 100px;">Older People</p> <p style="padding-left: 100px;">Disabled People</p> <p style="padding-left: 100px;">Minority Ethnic Groups</p>	<p>Key concerns: aspects of safety along with their short-term future (housing, jobs, marriage plans) Spending Priorities: More: rural areas, recycling, safer communities, community development, local transport, leisure development, conservation & urban design, strategic housing Less: landscape, licensing, diversity & equality, tourism, private sector housing Top Strategic Priority: A Safer Cherwell and Cleaner, Greener</p> <p>Key concerns: The cleaner, greener agenda. Spending Priorities: More: anti-social behaviour, refuse collection Less: public protection, health promotion Top Strategic Priority: Cleaner, Greener</p> <p>Key concerns: Aspects of the cleaner, greener agenda and (personal) safety Spending Priorities: More: refuse collection, anti-social behaviour, leisure development, strategic housing, housing needs Less: landscape, licensing, Banbury museum, conservation and urban design Top Strategic Priority: Cleaner, Greener and A Safer Cherwell</p> <p>Key concerns: Housing, refuse collection, public protection, diversity and equality. Spending Priorities: More: refuse collection, public protection, diversity and equality, health promotion., local development, strategic housing, housing needs, private sector housing Less: environmental protection, community development, planning enforcement Top Strategic Priority: Evenly spread across the four strategic priorities</p>
Elected Members	<p>Key concerns: Cleansing, anti-social behaviour, safer communities, leisure and economic development Spending Priorities: More: Cleansing, Safer Communities, Antisocial Behaviour, Leisure Development, Tourism Less: rural areas, landscape, diversity and equality, Banbury</p>

Group Consulted	General Findings
	museum Top Strategic Priority: An even spread between all four priorities
Parish Councillors	Key concerns: rural areas, local transport services, planning enforcement, antisocial behaviour, community development. Spending Priorities: More: local transport services, planning enforcement, rural areas Less: landscape, licensing, diversity and equality Top Strategic Priority: District of Opportunity and Cleaner, Greener
Community Planning Partnership	Key concerns: Local transport, local development, rural areas and Banbury museum (support for) Spending Priorities: More: local transport, local development Less: licensing, planning control, Top Strategic Priority: District of Opportunity
Voluntary Organisations	Key concerns: antisocial behaviour, community development, health promotion and housing Spending Priorities: More: community development, health promotion, strategic housing Less: landscape, licensing, public protection, tourism, planning control Top Strategic Priority: A Healthy Cherwell and A Safer Cherwell
	<p>These results show the diversity of needs and priorities across all the different groups consulted. However within this overall picture there are clearly some priorities that are the same for many groups. Most notable are community safety and anti-social behaviour, dealing with refuse, and protecting the environment. These findings coincide with the findings of the 2008 Customer Satisfaction Survey in which the respondents identified the priority factors influencing overall satisfaction. The results which are shown below also give high priority to these issues (with the addition of customer care and car parking issues). This complex picture has meant that when we agreed the service plans and the resources to deliver them we had to balance our the delivery of our corporate priorities with allowing services the leeway to respond to this complexity of needs.</p>

CHERWELL DISTRICT COUNCIL DRIVERS OF SATISFACTION – RELATIVE IMPORTANCE OF FACTORS IN DRIVING OVERALL SATISFACTION

- Driver Analysis -



BASE: (Those answering)

0 - 100 Index

3	<p>Service Plans 2009/10</p> <p>Copies of the Service Plans for 2009/10 are available on the Council's intranet site http://intranet/improvement/draftserviceplans.cfm.</p>
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Further Document Information

Appendix No	Title
Appendix 2a	Consultation Priorities

Summary of Priorities

Service Area	Strategic Priority	Budget Consultation Rank (1-7)	Customer Survey		Satisfaction and trend	Previous Investment High/Medium/Low	Overall Priority Ranking Recommendation 1-7
			Rank High/Medium/Low	Priority			
Anti-social behaviour	Safe & Healthy (safety element)	1	High		Low but improving satisfaction.	MEDIUM	1
Refuse collection	Cleaner, Greener	2	High		Medium but stable satisfaction.	HIGH	1
Strategic Housing	District of Opportunity	1	N/C		-	MEDIUM	1
Leisure development	Safe & Healthy (health element)	2	Medium		(in relation to parks and open spaces)	MEDIUM	2
Access to Services	Accessible, Value for Money	This strategic priority was not considered as part of consultation	Low		Low priority when ranked by respondents but in key driver analysis of top significance. Medium and stable satisfaction.	MEDIUM	2
Recycling	Cleaner, Greener	3	High		High but declining satisfaction.	HIGH	2
Safer communities	Safe & Healthy (safety element)	3	Medium		(in relation to CCTV) Low and declining satisfaction.	HIGH	2
Local Development	District of Opportunity	4	Medium		(in relation to 'control of local development') Low but improving satisfaction.	MEDIUM	3
Customer service centre	Accessible, Value for Money	This strategic priority was not considered as part of consultation	Low		Low priority when ranked by respondents but in key driver analysis of top significance. Medium and stable satisfaction.	MEDIUM	3
Rural Areas	Cleaner, Greener	4	N/C		-	MEDIUM	4
Sports facilities	Safe & Healthy (health element)	3	Medium		Medium but improving satisfaction.	HIGH	4
Sports and arts	Safe & Healthy (health element)	3	N/C		-	HIGH	4
Cleansing	Cleaner, Greener	4	Medium		Medium but improving satisfaction.	MEDIUM	4
Environmental Protection	Cleaner, Greener	4	N/C		-	MEDIUM	4
Public Protection	Safe & Healthy (safety element)	4	N/C		-	MEDIUM	4
Community Development	Safe & Healthy (safety element)	4	Medium		(in relation to community recreation facilities) High and improving satisfaction.	MEDIUM	4
Local Transport and Concessionary Fares	Safe & Healthy (safety element)	4	N/C		-	MEDIUM	4
Health Promotion	Safe & Healthy (health element)	4	N/C		-	MEDIUM	4
Conservation & Urban Design	District of Opportunity	4	N/C		-	MEDIUM	4
Planning Enforcement:	District of Opportunity	4	Medium		(in relation to 'control of local development') Low but improving satisfaction.	MEDIUM	4
Building Control and Engineering	District of Opportunity	4	N/C		-	LOW	4
Economic Development and Regeneration	District of Opportunity	4	Medium		(in relation to 'control of local development') Low but improving satisfaction.	HIGH	4
Housing Needs	District of Opportunity	4	Medium		(in relation to 'control of local development') Low but improving satisfaction.	MEDIUM	4
Private Sector Housing	District of Opportunity	4	Medium		(in relation to 'control of local development') Low but improving satisfaction.	MEDIUM	4
Urban centres	Cleaner, Greener	5	Medium / Low		Elements that relate to local development medium priority, low but improving satisfaction. Elements that relate to car parking, low priority, medium but improving satisfaction.	MEDIUM	5
Licensing	Safe & Healthy (safety element)	7	N/C		-	MEDIUM	5
Planning control	District of Opportunity	6	N/C		-	MEDIUM	6
Diversity and equality	Safe & Healthy (safety element)	6	N/C		-	MEDIUM	6
Tourism	Safe & Healthy (health element)	6	N/C		-	MEDIUM	7
Banbury Museum	Safe & Healthy (health element)	6	N/C		-	MEDIUM	7
Landscape	Cleaner, Greener	7	N/C		-	MEDIUM	7

Notes

Priority ranking scheme:	
Budget Consultation	1 - greatest priority for investment, 7 - lowest priority for investment,
Customer Satisfaction	High priority, medium priority, low priority.
Previous Investment	High, Medium, Low : based on last 2 year growth and capital bids
Overall Rating	1 - greatest priority for investment, 7 - lowest priority for investment

Key

N/C- the customer satisfaction survey did not cover this element of service delivery
Safe and Healthy (safety element) - for the purposes of the budget consultation the safe and healthy priority was split into two elements safety and healthy.
Safe and Healthy (health element) - for the purposes of the budget consultation the safe and healthy priority was split into two elements safety and healthy.

Draft Capital Programme 2009/10

CAPITAL PROGRAMME AND FINANCING STATEMENT-SUMMARY

	Scheme Cost £
Approved Programme-Schemes approved prior to 2009/2010	£7,055,500
Proposed Programme for 2009/2010	<u>£16,850,100</u>
Total Capital Programme excluding projects	£23,905,600
Main Projects - approved prior to 2009/2010	
Sports Centre Modernisation	£10,248,599
Bicester Town Centre Project	£10,000,000
	£20,248,599
Total Capital Programme	£44,154,199
Financed by:	
Capital Receipts	£32,460,866
Capital Grants and Contributions	£2,878,000
Government Grants	£375,000
Direct Revenue Financing/Use of Reserves	£8,440,333
	<u>£44,154,199</u>

- 1.1 The draft capital proposals to date for 2009/10 are shown in Appendix 3a these bids totalling £16,850,000 still need to be considered in the context that a substantial proportion of the current approved programme will be undertaken in 2009/10 and must meet with the Council's priorities. Each scheme is supported by an appraisal and these will be scored according to priority.
- 1.2 The schemes will be considered by Members for approval before being incorporated in to the budget. The Capital programme review is still ongoing and therefore a revision to the Capital programme will be included for consideration in the January and February 2009 budget reports.

Further Document Information

Appendix No	Title
Appendix 3a	New Capital Bid Proposals

PROPOSED CAPITAL PROGRAMME 2009/10

Key to Priorities:

- A = District of Opportunity
 B = Safe and Healthy
 C = Cleaner and Greener
 D = Accessible, VFM
 E = Corporate Capital Strategy and Asset Management Plan

Capital Scheme	Service Head	Strategic Priority	Committed Y/N	Scheme Cost	2009/2010 £	2010/2011 £	2011/2012 £	2012/2013 £	2013/14	2014/15
Customer Service & Resources										
<i>Business Services</i>										
Toilet Refurbishments Phase 4 - Bodicote House	Tina Poke	C	Yes	£30,000	£30,000	£0	£0	£0	£0	£0
Replacement of Vehicle Fuel Installation - Highfield Depot	Tina Poke	C	Yes	£70,000	£70,000	£0	£0	£0	£0	£0
Replacement of Heating Boilers - Old Bodicote House	Tina Poke	C	Yes	£40,000	£40,000	£0	£0	£0	£0	£0
Acquisition of High Volume Shredding Machine - Confidential Waste	Tina Poke	C	Yes	£15,000	£15,000	£0	£0	£0	£0	£0
				£155,000	£155,000	£0	£0	£0	£0	£0
<i>ICT</i>										
Telephone Voice Recording	Pat Simpson	D		£35,000	£35,000	£0	£0	£0	£0	£0
Disaster Recovery ICT	Pat Simpson	D		£15,000	£15,000	£0	£0	£0	£0	£0
Environmental Services Waste Management IT System 2009/10	Pat Simpson/ Ed Potter	C		£38,000	£38,000	£0	£0	£0	£0	£0
Remote and mobile working (including Netilla Replacement)	Pat Simpson	D		£10,000	£10,000	£0	£0	£0	£0	£0
Data Security (Govt Connect)	Pat Simpson	D		£10,000	£10,000					
Electronic Document Records Management System (HR only in 2009/10)	Pat Simpson	D		£60,000	£60,000					
Online Service Provision via Forms	Pat Simpson	D		£50,000	£50,000					
Scheduling at the point of entry	Pat Simpson	D		£20,000	£20,000					
Self Service Terminals	Pat Simpson	D		£80,000	£80,000					
System Integration for Customer Relationship Management (inc upgrade to V7)	Pat Simpson	D		£30,000	£30,000					
IT System Developments	Pat Simpson	D		£45,000	£45,000					
Laptop upgrades/replacement and other mobile devices	Pat Simpson	D		£10,000	£10,000					
Network Upgrade to Backup Drives and Robot Replacement	Pat Simpson	D		£38,000	£38,000					
Storage replacement for Filestore/Filestore2 (network SAN) Phase 1	Pat Simpson	D		£40,000	£40,000					
Storage replacement for Filestore/Filestore2 (network SAN) Phase 2	Pat Simpson	D		£40,000	£40,000	£40,000				
Sunray and Mitel Intergration (supporting hotdesk & homeworking)	Pat Simpson	D		£15,000	£15,000					
Telephony Decommissioning and Upgrades to Switches	Pat Simpson	D		£20,000	£20,000					
Telephony support for customer service (improvements to Contact Centre)	Pat Simpson	D		£10,000	£10,000					
Upgrades to Microsoft Office 2003	Pat Simpson	D		£55,000	£55,000					
CORE	Pat Simpson	D		£10,000	£10,000					
GIS Tools	Pat Simpson	D		£30,000	£30,000					
Sharepoint extension	Pat Simpson	D		£50,000	£50,000					
Establishment of a customer panel for improving customer service	Pat Simpson	D		£10,000	£10,000					
Channel Migration Advertising campaign	Pat Simpson	D		£15,000	£15,000					
				£736,000	£696,000	£40,000	£0	£0	£0	£0
Customer Services & Resources										
				£891,000	£851,000	£40,000	£0	£0	£0	£0
Environment & Community										
<i>Health & Recreation</i>										
Repairs to existing Car Park and Footways at Woodgreen - DDA	Paul Marston-Weston	A,B,D	Yes	£50,000	£50,000	£0	£0	£0	£0	£0
Banbury Museum - Repair and Improvement	Paul Marston-Weston	A,B,D	Yes	£20,000	£20,000	£0	£0	£0	£0	£0
Relaying the Astroturf at Cooper School - Bicester	Paul Marston-Weston	B,A,D	Yes	£150,000	£150,000	£0	£0	£0	£0	£0
North Oxfordshire Academy Astroturf	Paul Marston-Weston	B,A,D	Yes	£150,000	£150,000	£0	£0	£0	£0	£0
North Oxfordshire Academy Site Safety & Security	Paul Marston-Weston	B	No	£60,000	£60,000	£0	£0	£0	£0	£0
Energy Saving Measures at Museum	Paul Marston-Weston	C		£20,000	£20,000	£0	£0	£0	£0	£0
Town Centre Visitor Signage	Paul Marston-Weston	A	Yes	£20,000	£20,000	£0	£0	£0	£0	£0
Drayton Athletics Track Refurb and Throws Cage Replacement	Paul Marston-Weston	B		£20,000	£20,000	£0	£0	£0	£0	£0
South West Bicester Sports Village	Paul Marston-Weston	A,B,D	Yes	£6,373,000	£170,000	£3,750,000	£2,203,000	£250,000	£0	£0

Capital Scheme	Service Head	Strategic Priority	Committed Y/N	Scheme Cost	2009/2010	2010/2011	2011/2012	2012/2013	2013/14	2014/15
				£	£	£	£	£	£	£
Urban & Rural										
Automated Number Plate Recognition (assist Crim Reduction)	Chris Rothwell	B,D	Yes	£40,000	£40,000	£0	£0	£0	£0	£0
Implementation of Banbury Residents Parking - Signage & Lining	Chris Rothwell	A	Yes	£30,000	£30,000	£0	£0	£0	£0	£0
Community Woodland Project	Chris Rothwell	C,B,A	Yes	£90,000	£35,000	£10,000	£5,000	£0	£0	£0
Urban Centres Improvements	Chris Rothwell	A,B,C,D	Yes	£300,000	£45,000	£50,000	£75,000	£75,000	£55,000	£0
Pocket Parks Improvements	Chris Rothwell	B,D,A	Yes	£60,000	£20,000	£0	£20,000	£0	£20,000	£0
Markets Enhancements	Chris Rothwell	Yes	Yes	£30,000	£30,000	£0	£0	£0	£0	£0
Kidlington Village Centre Pedestrianisation	Chris Rothwell	A	Yes	£20,000	£20,000	£0	£0	£0	£0	£0
Kidlington Exeter Close Project	Chris Rothwell	D	Yes	£30,000	£30,000	£0	£0	£0	£0	£0
Off Road Parking Facilities/Environmental Improvements	Chris Rothwell	B,C	Yes	£750,000	£150,000	£150,000	£150,000	£150,000	£150,000	£0
Covered Vehicle Inspection Facility (Licensing)	Chris Rothwell	B	Yes	£25,000	£25,000	£0	£0	£0	£0	£0
				£1,335,000	£425,000	£210,000	£250,000	£225,000	£225,000	£0
Environmental Services										
Recycling Container Scheme	Ed Potter	C		£100,000	£65,000	£35,000	£0	£0	£0	£0
Vehicle Replacement Programme	Ed Potter	C		£3,304,000	£738,000	£521,000	£473,000	£728,000	£844,000	£0
Kitchen Waste Collection Service	Ed Potter	C	Yes	£50,000	£50,000	£0	£0	£0	£0	£0
				£3,454,000	£853,000	£556,000	£473,000	£728,000	£844,000	£0
Safer Communities & Community Development										
Replacement Cabling Infrastructure for CCTV and Office Links and Fibre City	Grahame Helm	B,D	Yes	£250,000	£250,000	£0	£0	£0	£0	£0
				£250,000	£250,000	£0	£0	£0	£0	£0
Environment & Community										
				£11,902,000	£2,188,000	£4,516,000	£2,926,000	£1,203,000	£1,069,000	£0
Housing & Affordable Housing										
Housing Services										
Discretionary Grants	Gillian Greaves	A	Yes	£440,000	£440,000	£0	£0	£0	£0	£0
Mandatory Disabled Facilities Grants	Gillian Greaves	A	Yes	£950,000	£950,000	£0	£0	£0	£0	£0
Acquisitions Scheme	Gillian Greaves	A	Yes	£1,000,000	£1,000,000	£0	£0	£0	£0	£0
Housing Investment Programme	Gillian Greaves	A	Yes	£30,000	£30,000	£0	£0	£0	£0	£0
				£2,420,000	£2,420,000	£0	£0	£0	£0	£0
Economic Development & Estates										
Future Regeneration Schemes - Preliminary Professional Fees	David Marriott	D	Yes	£300,000	£50,000	£50,000	£50,000	£50,000	£50,000	£50,000
Bicester Town Centre Redevelopment Scheme	David Marriott	A	Yes	£120,000	£60,000	£40,000	£20,000	£0	£0	£0
Bicester Cattle Market Car Park	David Marriott	A	Yes	£35,000	£35,000	£0	£0	£0	£0	£0
Access to Highfield Depot	David Marriott	D	Yes	£22,100	£22,100	£0	£0	£0	£0	£0
Thorpe Lane Depot Refurbishment Scheme	David Marriott	E	Yes	£1,160,000	£1,134,000	£26,000	£0	£0	£0	£0
				£1,637,100	£1,301,100	£116,000	£70,000	£50,000	£50,000	£50,000
Planning & Affordable Housing										
				£4,057,100	£3,721,100	£116,000	£70,000	£50,000	£50,000	£50,000
Total Programme										
				£16,850,100	£6,760,100	£4,672,000	£2,996,000	£1,253,000	£1,119,000	£50,000

Growth Bids 2009/10

- 1.1 The budget guidelines agreed by the Executive in October 2008 indicated that there should be **NO GROWTH** unless funding has been identified to fund.
- 1.2 The following growth bid is asked for consideration and funding is being sought.

Revenue Growth Bid 2009/10		
Service:	Environmental Services	
Bid for:	Food Waste Recycling	
Strategic Priority:	Cleaner Greener Cherwell	
Funding:	Increase sought for 2009/10	£ 40k – to be found
	Additional increase 2010/11 onwards	£ 140k– to be found
Prime Drivers		
Meet a corporate target?(please detail) Food Waste Recycling is essential to meet the corporate priorities for increasing recycling and reducing waste to landfill <ul style="list-style-type: none"> - Increase our recycling to 53% by 2010 and to 55% by 2011 - Reduce the amount of waste sent to landfill by 2000 tonnes by 2010 and a further 1000 tonnes in 2011 		Y/N
Respond to satisfaction survey? (please detail which survey and detail satisfaction issue raised) This is important to deal with the customer satisfaction of recycling and refuse. Recycling satisfaction has drifted down from 79% to 75% Refuse satisfaction is at 68% with around 22% dissatisfied because of two weekly collections. Collecting food will increase refuse satisfaction and recycling satisfaction		Y/N
Address equalities issues (state source: EqIA? And detail nature of action)		Y/N
Spend to Save initiative (spell out nature and likely time)		Y/N

<p>frame to recover costs arising from savings achieved) Not directly but if food waste is not eventually launched the new financial arrangements will not be beneficial for Cherwell</p>	
<p>What will the additional funding be used for? There are two elements – loss of benefit of garden waste recycling credits and launch costs.</p> <p>Currently each tonne of garden waste has a gate fee of around £20/tonne and a recycling credit fee is received of around £40/tonne. This is a £20/tonne to help offset operational costs. Once food waste is collected with the garden waste this benefit is lost. Since we collect around 13000 tonnes of garden waste the loss is £260k/year. However the new financial arrangements benefit Cherwell from out performing landfill targets. In 2010/11 this benefit is around £120/130k. Hence the loss of £140k in 2010/11.</p> <p>If the timing is right in 2009/10 the loss in garden waste credits may be limited to £80-100k and this should match the benefit from the new financial which should make it cost neutral.</p> <p>However the scheme launch requires investment – launch costs, publicity costs, kitchen caddies and liners, delivery costs etc. It is expected that a mixture of revenue and capital is required and a bid for half these funds from the Oxfordshire Waste Partnership will be sort. With the capital bid and revenue together there is an expected need of £240k with 50% of this hopefully funded by the OWP.</p>	
<p>What outcomes is it expected to deliver (and by when)?</p> <p>Food waste recycling is expected to take the recycling rate beyond 55%. This is likely in the first full year of operation in 2010/11.</p> <p>It is also expected to improve the 2010 customer satisfaction survey results</p>	
<p>How will success be assessed/measured? Tonnes and the National Indicators as well as 2010 Customer satisfaction survey</p>	
<p>What are the implications of not approving this bid? If not approved recycling rates will not improve and the corporate targets will not be met. Customer satisfaction will slowly fall. Also it would put strain on the OWP partnership because LATS targets in 2010 may not be met and would not be met in the future</p>	

- 1.3 The bid will be considered by Members for approval before being incorporated in to the budget or not in the January and February 2009 budget reports.