

Committee: Executive
Date: Monday 7 March 2011
Time: 6.30 pm
Venue: Bodicote House, Bodicote, Banbury, OX15 4AA

Membership

Councillor Barry Wood (Chairman)	Councillor G A Reynolds (Vice-Chairman)
Councillor Ken Atack	Councillor Norman Bolster
Councillor Colin Clarke	Councillor Michael Gibbard
Councillor James Macnamara	Councillor Nigel Morris
Councillor D M Pickford	Councillor Nicholas Turner

AGENDA

1. Apologies for Absence

2. Declarations of Interest

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

3. Petitions and Requests to Address the Meeting

The Chairman to report on any requests to submit petitions or to address the meeting.

4. Urgent Business

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

5. **Minutes** (Pages 1 - 14)

To confirm as a correct record the Minutes of the meeting held on 7 February 2011.

Strategy and Policy

6. **Population and Household Projections for Cherwell and Key Implications for the Local Development Framework** (Pages 15 - 30) **6.35pm**

Report of Head of Planning Policy & Economic Development

Summary

To outline for members the updated population & household projections for Cherwell and to consider the implications in terms of proposed changes to the Local Development Framework procedures and the consideration of a locally determined level of growth for the district.

Recommendations

The Executive is recommended:

- (1) To note the information contained in this report and in the attached technical paper (Appendix 1).
- (2) To agree the emerging broad population and household figures for Cherwell District for the period up to 2026 set out in Appendix 1 as a basis for further work on the Core Strategy.

Service Delivery and Innovation

7. **Cherwell District Council's Response to Heavy Snow** (Pages 31 - 40) **6.55pm**

Report of Head of Environmental Services

Summary

To consider the Council's response to the heavy snow in December 2010 and improvements to that response in similar circumstances in the future.

Recommendations

The Executive is recommended:

- (1) To note the problems and issues which arose from the heavy snow fall prior to Christmas;
- (2) To approve the proposed actions to improve the Council's response to future severe winter weather events; and
- (3) To note that any proposed equipment purchased will be acquired within existing budgets during 2011/12

8. Kidlington Pedestrianisation and Traffic Regulation Order
(Pages 41 - 62)

7.05pm

Report of Head of Regeneration and Estates

Summary

To seek the Council's approval to enter into an agency agreement with Oxfordshire County Council, to formally promote a new Traffic Regulation Order for Kidlington High Street.

Recommendations

The Executive is recommended:

- (1) To approve an agency agreement between Oxfordshire County Council, the Highway Authority, and Cherwell District Council to enable Cherwell District Council to formally promote a new Traffic Regulation Order (TRO) for Kidlington High Street.

9. Proposals for High Speed Rail - HS2 (Pages 63 - 68)

7.10pm

Report of Strategic Director Planning, Housing and Economy

Summary

To provide information on the Government's intentions with regards to High Speed Rail and its impact upon the District, and to enable consideration of the need to co-operate with and financially contribute to an emergent group of Councils along the declared preferred route to contest the proposals.

Recommendations

The Executive is recommended:

- (1) To agree to join with other Authorities along the preferred route to campaign against the proposals.
- (2) To agree to the making available of up to £50,000 from Planning Control Reserve
 - (i) as a contribution towards the fund being formed to campaign against the proposals and;
 - (ii) To fund consultancy work required to assist in the detailed assessment of the impact upon individual properties and communities along the Cherwell section of the preferred route (notionally £20,000).
 - (iii) delegate to the Strategic Director Planning, Housing and Economy in consultation with the Portfolio Holder the final distribution of this funding
- (3) To ask the Planning Committee to steer the detailed assessment of impact and to make the Council's representations thereon.

- (4) To require the Strategic Director Planning, Housing and Economy to bring a further detailed report to the Executive towards the end of the consultation period to enable consideration of Council's formal response to the consultation.

Value for Money and Performance

10. **Performance and Risk Management Framework 2011/12** **7.30pm**
(Pages 69 - 104)

Report of Interim Chief Executive and Corporate Strategy and Performance Manager

Summary

This report outlines the Council's performance and risk management arrangements for 2011-2012 reviewed in the context of significant changes to the national performance and inspection regime.

Recommendations

The Executive is recommended:

- (1) To agree the proposed approach to performance and risk management for 2011/12 and request that these changes are reflected in the Council's Performance and Risk management Framework.
- (2) To agree the measures and risks that will make up the Council's performance and risk management framework for 2011/12 (appendix 1).
- (3) To request that officers report on any new performance requirements instigated by the government in the quarterly Executive reports throughout 2011/12 and work to identify and adopt examples of good practice nationally to ensure the Council's performance management remains robust and transparent.

11. **2011/12 Treasury Management Strategy and Treasury Management Practices** **7.45pm**
(Pages 105 - 110)

** Appendices 1 and 2 to this report to follow **

Report of Head of Finance

Summary

This report sets out the strategy and policy framework for treasury operations for 2011/12 and outlines the Treasury Management Practices for 2011/12.

It fulfils two key requirements of the Local Government Act 2003:-

- approval of the Treasury Management Policy in accordance with the CIPFA Code of Practice on Treasury Management; and

- approval of the Investment Strategy in accordance with the CLG investment guidance.

Recommendations

The Executive is recommended:

- (1) To recommend to Council approval of the Treasury Management Policy and Investment Strategy 2011/12.

12. Customer Service Value for Money Review and Customer Intelligence Project (Pages 111 - 172) **7.55pm**

Report of Interim Chief Executive

Summary

To consider the findings of the Value for Money (VFM) Review report and the Customer Intelligence Improvement report, and the recommendations arising from these.

Recommendations

The Executive is recommended:

- (1) To endorse the overall conclusions of the Customer Service VFM and Customer Intelligence reports
- (2) To adopt a new vision for Customer Service to 2013/14 (as set out in Annex 1) that seeks to reduce the cost of the service, retain or improve on existing levels of satisfaction, reduce avoidable contact, manage demand and encourage greater use of online services.
- (3) To commence a customer service transformation programme, involving all service areas, that will drive improvement in Customer Service through adopting smarter working methods to reduce avoidable contact and transactions, and through managing demand to reduce peaks and troughs in levels of transactions.
- (4) To adopt the key performance measures of speed of telephone response and call abandonment rate for the Council's corporate score card
- (5) To establish a two-year cost savings target of £257,462 for Customer Service that addresses the high cost of the service but in a sustainable way, with minimal impact on overall service to the public, as follows;
 1. Include the elimination of all vacant posts by 2012/13, to allow time for the new payment kiosks to reduce current workload, and seek to reduce the establishment by an additional 1 FTE per annum as the transformation programme reduces overall levels of contact
 2. Note savings of £125,654 built into the 2011/12 budget as follows;
 1. Install payment kiosks (saving £65,000) as approved

2. Remove a vacant customer service specialist post (saving £17,000)
 3. Remove vacant hours provision (saving £20,000)
 4. Reduce the establishment by 1FTE (saving £23,654)
3. Make savings of £131,808 in 2012/13 as follows;
1. Eliminating all remaining vacant posts (saving £85,154)
 2. Reducing the establishment by an additional 1 FTE as levels of contact decline through improved working (saving £23,654)
 3. Reducing accommodation costs through plans to move out of Bicester Market Square in 2012/13 (saving £23,000) as part of the town centre project, with the service being required to find this saving by other means should the scheme not progress by this date.
- (6) To include discussions on the nature and number of LinkPoint offices in the council's forthcoming work on the Medium Term Financial Strategy

13. Award of Contract for a Combined Insurance Programme for Cherwell District Council (Pages 173 - 176) **8.15pm**

Report of Head of Finance

Summary

To seek approval for the award of a contract for a Combined Insurance Programme with the deletion of one policy and the increasing of excesses to those agreed in October 2009.

Appendix 1 to this report is exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972.

Recommendations

The Executive is recommended:

- (1) To discontinue the insurance policy for money and increase excesses on a range of continuing policies.
- (2) To award a contract for a Combined Insurance Programme to Zurich Municipal for a period of three years from 1 April 2011 with the allowance purely at the discretion of the Council to extend by up to a further four years in one year increments.

Urgent Business

14. Urgent Business

Any other items which the Chairman has decided is urgent.

15. Exclusion of the Press and Public

The following report(s) contain exempt information as defined in the following paragraph(s) of Part 1, Schedule 12A of Local Government Act 1972.

3– Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Members are reminded that whilst the following item has been marked as exempt, it is for the meeting to decide whether or not to consider each of them in private or in public. In making the decision, members should balance the interests of individuals or the Council itself in having access to the information. In considering their discretion members should also be mindful of the advice of Council Officers.

Should Members decide not to make a decision in public, they are recommended to pass the following recommendation:

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

16. Award of Contract for a Combined Insurance Programme for Cherwell District Council - Exempt Appendix 1 (Pages 177 - 178) 8.20pm

(Meeting scheduled to close at 8.25 pm)

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@cherwell-dc.gov.uk or (01295) 221587 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. The definition of personal and prejudicial interests is set out in the constitution. The Democratic Support Officer will have a copy available for inspection at all meetings.

Personal Interest: Members must declare the interest but may stay in the room, debate and vote on the issue.

Prejudicial Interest: Member must withdraw from the meeting room and should inform the Chairman accordingly.

With the exception of the some very specific circumstances, a Member with a personal interest also has a prejudicial interest if it is one which a Member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest.

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 James Doble, Legal and Democratic Services james.doble@cherwell-dc.gov.uk (01295) 221587

Ian Davies
Interim Chief Executive

Published on Friday 25 February 2011

Cherwell District Council

Executive

Minutes of a meeting of the Executive held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 7 February 2011 at 6.30 pm

Present: Councillor Barry Wood (Chairman)
Councillor G A Reynolds (Vice-Chairman)

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

Also Present: Councillor Daniel Sames

Apologies for absence: Councillor Norman Bolster
Councillor Colin Clarke

Officers: Ian Davies, Interim Chief Executive and Head of Paid Service
John Hoad, Strategic Director - Planning, Housing and Economy
Martin Henry, Chief Finance Officer / Section 151 Officer
Philip Clarke, Head of Planning Policy and Economic Development
Karen Curtin, Head of Finance
Gillian Greaves, Head of Housing Services
James Doble, Democratic, Scrutiny and Elections Manager
Claire Taylor, Corporate Strategy and Performance Manager
Nigel Bell, Team Leader - Planning and Litigation
Natasha Clark, Senior Democratic and Scrutiny Officer

104 **Declarations of Interest**

Members declared interests in the following agenda items:

9. Localism Bill 2010: Opportunities for Cherwell.

Councillor James Macnamara, Personal, as Trustee of charities that own property in the district that may be affected by elements of the Localism Bill.

Councillor Nicholas Turner, Personal, as a tenant of the landowner who had agreed to be involved in the DCLG Neighbourhood Planning Vanguard scheme.

11. Concessionary Travel and Community Transport.

Councillor G A Reynolds, Personal, as a recipient of travel tokens.

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

There were no petitions or requests to address the meeting.

106 **Urgent Business**

There were no items of urgent business.

107 **Minutes**

The minutes of the meeting held on 10 January 2011 were agreed as a correct record and signed by the Chairman.

108 **Overview and Scrutiny Committee Scrutiny Review into Built Environment Conservation Area Policy**

The Head of Legal and Democratic Services submitted a report which presented the report and recommendations of the Overview and Scrutiny Committee review into the Council's Built Environment Conservation Policy.

The Chairman of the Overview and Scrutiny Committee attended the meeting to present the report.

Resolved

- (1) That the work of the Overview and Scrutiny Committee with regard to the Built Environment Conservation Area Policy Scrutiny Review be noted.
- (2) That the Overview and Scrutiny Committee recommendations regarding Built Environment Conservation Area Policy Scrutiny Review as detailed below be agreed:
 - (1) That the Executive recognises the importance of our conservation areas and continues to support the work carried out by the Council to protect their character.
 - (2) That the Executive asks the LDF Advisory Panel to make sure that policies to protect conservation areas are contained within the LDF at the appropriate earliest opportunity.
 - (3) That the Executive approves the informal planning guidance document "*Subdivision of buildings for residential use*" which is shortly to be brought before it for approval following public consultation.
 - (4) That the LDF Panel be requested to keep under review the effectiveness of the document "*Subdivision of buildings for residential use*" and in due course, if this document is found not to be effective in generally achieving its objectives, to consider

whether the document should be reviewed and incorporated more formally as a Local Development Document within the Local Development Framework.

- (5) That Executive supports the efforts of the Council as we work with other organisations (such as the Highway Authority in respect of highway maintenance) to make sure that where public money is spent in conservation areas, this is appropriately directed to ensure that priority is given to ensuring the enhancement of the conservation areas.

Reasons

This report presents the work of an Overview and Scrutiny review of the work of the planning service within conservation areas insofar as this work relates to:

- Identifying, appraising and reviewing conservation areas
- Developing local planning policies and guidance to protect conservation areas
- Determining planning applications, Listed Building Consents and Conservation Area Consents
- Enforcing the planning decisions of the council

Options

Option One To accept some or all of the overview and scrutiny recommendations.

Option Two To reject some or all of the overview and scrutiny recommendations.

109

Draft Planning and Design Guidance: Subdivision of Buildings for Residential Uses

The Head of Planning Policy and Economic Development submitted a report which recommended the Executive approve the draft 'Subdivision of Buildings for Residential Uses' document as informal guidance with immediate effect, so that it can be used to aid applicants when submitting applications and assist planning officers and committee members when determining such applications.

Resolved

- (1) That the Planning and Design Guidance: Subdivision of Buildings for Residential Use, as set out in the annex to these minutes (as set out in the minute book) be approved, subject to minor amendments by the Head of Planning Policy and Economic Development in consultation with the Portfolio Holder Planning and Housing.

Reasons

This document will be informal planning guidance. As informal guidance, it will have limited weight but, having been the subject of consultation, will be a material consideration in the determination of planning applications for the sub-division of buildings for residential use. The guidance provides for the improvement of living environments created by the sub-division of existing residential premises. It also provides guidance on the impact on such works on the external appearance of the building and any further impact on the street as a whole.

Options

Option One Approve the document without changes.

Option Two Approve the document with changes.

Option Three Do not approve of the document.

110 **Planning Policy for Wind Energy Development**

The Head of Planning Policy and Economic Development submitted a report which sought approval of an informal (non statutory) planning guidance document on the subject of wind turbines and residential development.

Members of the Executive commented that the guidance document demonstrated that Cherwell District Council was not opposed to renewable energy but set limits to protect residents in the district.

The Executive thanked Officers for completing a comprehensive piece of work in such a short period of time.

Resolved

- (1) That the document entitled 'Planning Guidance on the Residential Amenity Impacts of Wind Turbine Development' as set out in the annex to these minutes (as set out in the minute book) be approved for use as informal planning guidance.

Reasons

This document will be informal planning guidance. As informal guidance, it will have limited weight but, having been the subject of consultation, will be a material consideration in the determination of planning applications. The local guidance document is linked to policy SD3 of the Draft Core Strategy. This policy sets out the Council's strategic approach to assessing proposals for renewable energy, and makes clear that the Council supports renewable and low carbon energy where appropriate. In assessing planning applications, it identifies a number of issues which are of local significance to Cherwell District which need to be considered.

Options

- Option One** To approve the document set out as appendix 1 for use as informal planning guidance in determining planning applications
- Option Two** To approve the document for use as informal planning guidance, with amendments
- Option Three** Not to approve the document for use as informal planning guidance.

111 **Localism Bill 2010: Opportunities for Cherwell**

The Interim Chief Executive submitted a report which sought consideration of the opportunities and issues for the district which are created through the Localism Bill 2010.

The Chairman began by reminding Members that the Bill had been introduced as draft legislation and was unlikely to receive Royal Assent until late 2011 however it was useful for the Executive to consider the content of the Bill.

Members considered the six key principles of the Bill and agreed that officers should be requested to draft a letter from the Leader on behalf of the council to Tony Baldry MP outlining the issues and questions the Executive had raised during the course of the discussion.

Resolved

- (1) That the contents of the Localism Bill 2010 be noted.
- (2) That officers be requested to provide update briefings to the Executive as the Bill continues on its legislative passage and to draft a letter from the Leader of the Council to Tony Baldry MP highlighting the points raised by the Executive.
- (3) That officers be requested to bring forward any opportunities for pilot projects as and when they arise including any legal, risk and financial implications.

Reasons

The Localism Bill provides many potential opportunities for Cherwell District Council to develop localism and to work towards 'The Big Society'. Due to the way the Bill has been introduced it is inevitable the clauses will be subject to much amendment during its legislative passage and therefore may change quite dramatically from the analysis which is set out above, therefore a further report will be produced following the bill receiving Royal Assent.

Additionally, whilst the Bill contains many proposals aimed at enhancing democracy, these come at a real cost both in terms of the staffing resource to

administer them but also in terms of budgets for instance the cost for a district wide referendum is estimated to be in excess of £150,000.

Options

- | | |
|---------------------|----------------------------------|
| Option One | To agree the recommendations |
| Option Two | Not to agree the recommendations |
| Option Three | To amend the recommendations |

112 **Car Park Order Notice**

The Head of Safer Communities, Urban and Rural Services submitted a report which advised Members of any objections to the Cherwell District Council (Off-Street Parking Places) (Banbury, Bicester and Kidlington) Order advertised on 13 January 2011 and sought authority to make the Order subject to any objections received.

The Portfolio Holder Safer Communities, Urban and Rural advised Executive that one objection had been received relating to the introduction of charges for blue badge holders.

Resolved

- (1) That the objections to the Order be received.
- (2) That formal Order Making on final proposals for implementation on, or as soon after, 4 April 2011 as is practicable be authorised.

Reasons

A range of car parking proposals have been considered as part of service planning for 2011/12, and through the budget preparation process. These proposals, if adopted, would be introduced on or as soon after 4 April 2011 as is practicable as ticket machines, information boards, highways direction signage and access all need to be considered to enable implementation.

Options

- | | |
|-------------------|---|
| Option One | Consider and deal with any objections to the Cherwell District Council (Off-Street Parking Places) (Banbury, Bicester and Kidlington) Order |
|-------------------|---|

113 **Concessionary Travel and Community Transport**

The Head of Housing Services submitted a report which updated the Executive on changes to the Concessionary Travel Scheme and their implications, following the statutory transfer of the administrative responsibility for the scheme to Oxfordshire County Council from 1 April 2011. The report

also updated the Executive on the effects of these changes on the Community Transport (Dial a Ride) scheme, the risks facing the scheme in the future, and the course of action that officers are taking to mitigate as far as possible any adverse effects.

Resolved

- (1) That the change in statutory responsibility for the Concessionary Travel Scheme to the Oxfordshire County Council (“the County Council”) from 1 April 2011, including the changes made to the scheme by the County Council, and the effects on Dial a Ride services provided by Banbury Community Transport Association (BCTA) be noted.
- (2) That the County Council’s delegation of its functions under section 145[2] of the Transport Act 2000 [duty to issue concessionary passes] and associated powers, to Cherwell District Council for the period up to 31 March 2012 the costs of which are to be met by the County Council be accepted.
- (3) That the Head of Housing Services in consultation with the Head of Legal and Democratic Services be authorised to negotiate and complete an Agency Agreement with the County Council under section 101 of the Local Government Act 1972 and section 19 of the Local Government Act 2000 that gives effect to the rights and responsibilities referred to in [2] above.
- (4) That the further examination and development of the alternative proposals within the Cherwell District for longer term community transport provision be approved and the cost implications noted:
- (5) That the County Council be requested to undertake a County Wide review of community transport and related services in the light of the effects of the changes in the Concessionary Travel Scheme and from future funding of Community Transport, the results of which are to be reported back to the Executive.

Reasons

Service Continuity – Following the announcement by way of Statutory Order of the transfer of the Concessionary Fare Scheme to the County Council there is a real need to inform customers of the service of the changes and ensure that the service continues seamlessly. The continued interim provision of the service on behalf of the County Council by Cherwell District Council for a year, will allow the County Council to fully prepare for a seamless transfer of the service delivery of the scheme on 1 April 2012.

Effects on Community Transport – Despite the overall beneficial effects of the extension of travel passes to Dial a Ride services even after the effects of the withdrawal of further travel tokens from 1 April 2011, the risk of potential reductions in the grants from Cherwell District Council and Oxfordshire County Council in the future, represent a major service continuity risk for community transport in the Cherwell District. As a contingency a number of potential options need to be developed to try and mitigate any effects on community transport in the future.

Options

- Option One** Accept the recommendations contained in this report, thereby allowing interim arrangements for service continuity and the consideration of the future role of community transport within the Cherwell District. This is the option advised by officers.
- Option Two** Accept the service continuity arrangements for 2011/12, but not to endorse the potential development of future community transport arrangements.
- Option Three** Not to accept the service continuity arrangements for 2011/12, but to endorse the potential development of future community transport arrangements.
- Option Four** Not to accept the recommendations in this report.

114

Performance Management Framework 2010/11 Third Quarter Performance Report

The Interim Chief Executive and the Corporate Strategy and Performance Manager submitted a report which covered the Council's performance for the period 1 October to 31 December 2010 as measured through the Performance Management Framework.

Resolved

- (1) That the following achievements be noted:

Cherwell: A District of Opportunity

- The Council's job club programme is ongoing with a number of workshops held including interview skills coaching, a redundancy seminar and young people's specialist training including retail apprenticeships.
- The Council's apprenticeships programme has seen success with NVQs in Business and Administration completed. The programme has been extended until September 2011.
- Affordable Housing: performance is currently on track with 40 units delivered and plans in place to deliver additional units, including extra care housing for older people.
- Temporary Accommodation: numbers of households in temporary accommodation remain low with 24 at the end of December 2010.

A Cleaner Greener Cherwell

- Litter: after inspections 97% of land was found to have litter at acceptable low levels, strong performance against a target of 95%.
- Recycling: currently performance exceeding target and is projected to be at 58% by the end of the year.

A Safe and Healthy Cherwell

- Activities for older people: participation rates have continued to improve with 630 additional people taking part in group activities.
- The Community Safety Partnership is reporting a reduction in serious acquisitive crime (theft of and from cars, burglary - dwelling and robbery) of 23% in comparison to last year (data provided by Thames Valley Police).
- Private sector funding has been achieved for radios to support Street Wardens in their work.

An Accessible Value for Money Council

- Reducing the Council's costs by £800,000 in 2010/11: as of 31st December the target has been met and the savings have been reflected in the Council's draft budget for 2011/12.
- Providing More Services Online: there are currently more than 80 transactional services available on the Council's website. The consultation portal has also seen increasing availability of consultation activities including the draft budget for 2011/12.
- The Council's outreach workers have a programme of visits to venues where hour hardest to reach customers are likely to be. The venues include supermarkets, doctors' surgeries and community events.
- Next Steps sessions (careers advice) have been offered as surgeries at all the Council's link points, helping to improve access to partners' services.

(2) That officers be requested to report in the final quarter on the following item where performance was below target or there are emerging issues:

- Strategic Risks: given the significant changes facing the Council in terms of reducing budgets and shared management the Extended Management Team will be reviewing the strategic

risks facing the Council. An update on this review will be brought forward to the next quarter report.

- (3) That the responses identified to issues raised in the quarter two performance report be agreed.

Reasons

The Performance Management Framework allows Councillors to monitor the progress made in delivering our objectives and to take action when performance is not satisfactory or new issues arise.

Options

Option One

1. To note the many achievements referred to in paragraph 1.3.
2. To request that officers report in the third quarter on the items identified in paragraph 1.4 where performance was below target or there are emerging issues.
3. To agree the responses identified to issues raised in the quarter two performance report in paragraph 2.1 or to request additional action or information.

Option Two

To identify any additional issues for further consideration or review.

115

2010/11 Projected Revenue & Capital Outturn at 31 December 2010

The Head of Finance submitted a report which summarised the Council's Revenue and Capital performance for the first 9 months of the financial year 2010/11 and projections for the full 2010/11 period. These are measured by the budget monitoring function and reported via the Performance Management Framework (PMF) informing the 2010/11 budget process currently underway.

The report also considered progress against the 2010/11 Corporate Procurement Action Plan which contributes to the council's annual efficiency target.

Resolved

- (1) That the projected revenue & capital position at December 2010 be noted.
- (2) That the changes in the 2010/11 capital programme as detailed in 3 – 7 below be approved.

- (3) That an additional £2,072K of project funding into the 2011/12 capital programme be slipped and that this be considered as part of the 2011/12 budget process.
- (4) That the supplementary estimate of £45,000 for implementing the changes due to car parking proposals be approved.
- (5) That the contents and the progress against the Corporate Procurement action Plan and the Procurement savings achieved at December 2010 be noted.
- (6) That the transfer of projected service underspends to reserves to facilitate the funding of SNC joint working implementation costs and replenishment of the planning control reserve be approved.
- (7) That the transfer of the windfall interest received in respect of the Councils VAT Fleming case to the Organisational change reserve be approved.

Reasons

This report illustrates the Council's performance against the 2010/11 Revenue and Capital Budget and includes the latest update against the 2010/11 Corporate Procurement Action Plan.

Options

Option One	To review current performance levels and considers any actions arising.
Option Two	To approve or reject the recommendations above or request that Officers provide additional information.

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Draft Budget 2011-12

The Head of Finance submitted a report which provided the third and final opportunity for the Executive to shape and refine the interaction between corporate service plans and financial matters before the final budget is presented to full Council on 21 February 2011.

The first draft was reported to the December 6 2010 Executive meeting and a second draft to the January 10 2011 Executive meeting. The information has now been updated to reflect changes since then and, subject to any further changes Members may wish to include tonight, this final draft will be used to prepare a final budget proposal to be presented to full Council on 21 February 2011.

Resolved

- (1) That the changes to the draft budget since 10 January 2011 and consider the draft revenue budget as set out in the annex to the

minutes (as set out in the minute book) in the context of the Council's service objectives and strategic priorities be approved.

- (2) That the surplus of £9,149 be transferred to general fund balances to enable a balanced budget be approved.
- (3) That a Council tax freeze be recommended to full Council.
- (4) That authority be delegated to the Head of Finance, in consultation with the Portfolio Holder for Resources and Communication, to amend the contributions to or from general fund balances to allow the Council Tax increase to remain at the level recommended by Executive to full Council following the announcement of the final settlement figures.
- (5) That the proposed 2011/12 capital programme as set out in the annex to the minutes (as set out in the minute book) be agreed.
- (6) That the review of earmarked revenue reserves undertaken by the Portfolio Holder of Resources and Communication be noted and the re-allocation between various earmarked reserves and creation of 2 new reserves be approved as set out in the annex to these minutes (as set out in the minute book).
- (7) That the draft corporate plan and public pledges as set out in the annex to these minutes (as set out in the minute book) be endorsed and that authority be delegated to the interim Chief Executive in consultation with the Leader of the Council to make any minor amendments to the plan or pledges as required.
- (8) That the 2011/12 Corporate Improvement Plan as set out in the annex to these minutes (as set out in the minute book) be noted.
- (9) That it be noted that the latest MTFS financial forecast is currently being refreshed and will be part of the budget book.
- (10) That officers be requested to produce the formal 2011/12 budget book on the basis of Appendices 1-4 to the report and attached as annexes to these minutes (as set out in the minute book).
- (11) That the updated Draft Budget 2011/12 be recommended for adoption by the Council on 21 February 2011 (as a key decision).

Reasons

The Council is required to produce a balanced budget for 2011/12 as the basis for calculating its level of Council Tax. It 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.

Options

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

Option Two

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

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Population and Household Projections for Cherwell and Key Implications for the Local Development Framework

The Head of Planning Policy and Economic Development submitted a report which outlined for Members the updated population and household projections for Cherwell and sought consideration of the implications in terms of proposed changes to the Local Development Framework procedures and the consideration of a locally determined level of growth for the district.

The Executive acknowledged that the preparation of a Local Development Framework (LDF) was a statutory requirement but some Members were concerned about the population and household projections that had been proposed. Members commented that it was imperative that the correct figure was included in the LDF and raised concerns about the assumptions that had been made in reaching the recommended figure of 12,750 which was based on nil net migration. Members queried why the nil net migration scenario had been chosen over the other scenarios and questioned its validity and the household occupancy assumptions.

Members requested that officers provide further information in response to their concerns and agreed that further consideration of the item should be deferred to the March meeting.

Resolved

- (1) That consideration of the item 'Population and Household Projections for Cherwell and Key Implications for the Local Development Framework' be deferred to the March 2011 Executive meeting.

The meeting ended at 9.25 pm

Chairman:

Date:

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Executive

Population and Household Projections for Cherwell and Key Implications for the Local Development Framework

7 March 2011

Report of Head of Planning Policy & Economic Development

PURPOSE OF REPORT

To outline for members the updated population & household projections for Cherwell and to consider the implications in terms of proposed changes to the Local Development Framework procedures and the consideration of a locally determined level of growth for the district.

This report is public

Recommendations

The Executive is recommended:

- (1) To note the information contained in this report and in the attached technical paper (Appendix 1).
- (2) To agree the emerging broad population and household figures for Cherwell District for the period up to 2026 set out in Appendix 1 as a basis for further work on the Core Strategy.

Executive Summary

Introduction

- 1.1 The preparation of updated population and demographic projections was initiated in response to the Secretary of State's announcement on 06 July 2010 that the Regional Spatial Strategies (RSSs) had been revoked and that local planning authorities could take responsibility for assessing their own needs and aspirations for local housing development. The purpose of progressing the updated projections was to inform the Council's consideration of what a locally appropriate level of development should be. Members will recall that this was also prompted by a motion which the Council passed in July 2010 which stated (amongst other matters):–

This Council welcomes the letter from Eric Pickles MP signalling a clear intent to release us from the constraints of the SE Plan. The Council instructs Officers to continue work on a Local Development Core Strategy, but to progress on the basis of meeting the locally proposed

housing target originally endorsed by Councillors and included in the submission of the draft plan to the Government (11,800 to 2026). In general terms the Council anticipates this may result in a Core Strategy that creates less pressure on Banbury to expand beyond its natural boundaries, less pressure on Rural Areas to accept housing growth, and a firming up of housing growth for Bicester in line with its Eco Town status

- 1.2 All of the nationally produced projections, including the Office of National Statistics (ONS) population projections and the Department of Local Communities and Government (CLG) household projections (which are based on the ONS population projections), are trend based i.e. they assume that recent population and household trends will continue. In the case of the recent CLG household projections published in November 2010, the development rate over a 5 year period (2004 – 2008) is projected forward. Therefore, they give an indication of what the future population might be if recent trends continue but they do not take account of potential future development strategies at the local level. Therefore work has been progressed since September 2010 to generate such projections and it is hoped that these will begin to inform a decision regarding a locally appropriate level of housing for the district. The work considers a range of scenarios to illustrate the effects of different levels of development over the plan period (2006 – 2026).
- 1.3 The appended technical paper (Appendix 1) summarises the updated population & household projections for Cherwell and considers the implications in terms of the emerging development strategy for the district set out in the Draft Core Strategy.

Proposals

- 1.4 The technical paper attached as Appendix 1 considers a number of different population growth scenarios for the district and for each forecasts the population size, population age profile, household numbers, level of net migration and projected resident labour force. These scenarios are summarised in the attached technical paper.
- 1.5 On the basis of the most recent household projections, a figure of approximately 12,750 may be able to be justified in terms of meeting potential need within the district. Any figure less than this would mean that the likely future needs will not be met and the Council will in effect be recognising that not all identified needs would be met. This level of development may achieve a reasonable balance between meeting the identified need indicated in the projections and reducing the impact of development upon local communities to a more satisfactory level. As such this level of growth may reflect the best way of meeting future needs whilst also seeking to protect local communities.
- 1.6 It is proposed that members are asked, without prejudice to further work to be undertaken, to agree the emerging broad population and household projections for Cherwell for the period up to 2026 as the basis for further work.
- 1.7 Having identified a broad population and household forecast for the district,

the next stage is to consider what implications this has for the development strategy. In February 2010 the Draft Core Strategy was approved for public consultation by the Council and so this should properly be used as a starting point from which to re-assess the strategy now. The South East Plan provides our current housing target 13,400 dwellings.

- 1.8 Appendix 1 sets out options for taking forward the work of the Core Strategy in light of the proposed changes to the plan making procedures. There are still a number of issues that need to be explored further before a more detailed revised development strategy can be put before members for consideration. This would include further consideration of:-
- The responses to the public consultation on the Draft Core Strategy (carried out in the Spring of last year) in the light of these new figures.
 - Further assessment of the implications of the projections for different parts of the district (Banbury, Bicester, Kidlington and the rural areas).

Conclusion

- 1.9 The preparation of the Local Development Framework is a statutory requirement. However, the Government has proposed that changes to the statutory procedures for the preparation of Local Development Frameworks will be introduced in April 2012. These changes are expected to include greater responsibility for local planning authorities in assessing their local housing needs.
- 1.10 The population and household projections set out in this report, together with the options for taking forward this work, will provide a basis for the Council to undertake further work to refine the Draft Core Strategy.

Key Issues for Consideration/Reasons for Decision and Options

- 2.1 To consider the updated population and household projections and the likely implications of different levels of growth over the plan period and of proposed changes to the statutory procedures for preparing the Local Development Framework.
- 2.2 To consider how the Council can move forward with the Core Strategy in light of this information.

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

- | | |
|---------------------|--|
| Option One | To agree the recommendations as set out in the report. |
| Option Two | To amend the recommendations |
| Option Three | Not to agree the recommendations. |

Consultations

Councillor Michael Gibbard Informal briefing

Implications

Financial: The costs of the technical work undertaken and further technical work to be undertaken are met within the existing budget. The options set out for taking forward the Core Strategy will incur significant financial costs but members are not being asked to make a decision on these costs at this stage.

Comments checked by Joanne Kaye, Service Accountant, 01295 221545

Legal: The current legal position in planning policy is very uncertain. The law has not yet been changed to reflect the new government's approach. Recent cases make clear that the regional spatial strategy targets remain in place and must therefore be part of the consultation. However we can consult concurrently on the work done on local housing targets thereby retaining the flexibility to act quickly when the situation becomes clearer.

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

Risk Management: If the Core Strategy is not progressed according to appropriate procedures and on the basis of robust evidence it may result in delays to the progress of the Core Strategy and the possibility that the Core Strategy will not be adopted. This may result in a risk to the Council's credibility/reputation.

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

Equalities Before we submit a Core Strategy we will need to undertake an Equality Impact assessment, however that will be done at a later stage.

Comments checked by Caroline French, Equalities & Diversity Officer 01295 221586

Wards Affected

All

Corporate Plan Themes

A District of Opportunity
A Cleaner Greener Cherwell
A Safe and healthy Cherwell
An Accessible Value for Money Council

Executive Portfolio

Councillor Michael Gibbard
Portfolio Holder for Planning & Housing

Document Information

Appendix No	Title
Appendix 1	Report on Population and Demographic Projections for Cherwell
Background Papers	
Letter from Chief Planning Officer 06 July 2010 and attached Q&As Meeting of Cherwell District Council Agenda & Minutes, 19 July 2010 Previous report to Council on the Draft Core Strategy including on 01 February 2010. The South East Plan, May 2009	
Report Author	Philip Clarke, Head of Planning Policy & Economic Development
Contact Information	01295 221840, philip.clarke@cherwell-dc.gov.uk

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Appendix 1

Report on Population and Demographic Projections for Cherwell and Implications for the Local Development Framework

1.0 Introduction

1.1 The preparation of updated demographic projections was initiated in response to the Secretary of State's announcement on 06 July 2010 that the Regional Spatial Strategies (RSSs) had been revoked and that local planning authorities could take responsibility for assessing their own needs and aspirations for local housing development. The purpose of progressing the updated projections was to inform the Council's consideration of what a locally appropriate level of development should be. Within the south east of England, the South East Plan formed the Regional Spatial Strategy. As well as setting a housing target for Cherwell District for the period 2006 – 2026 of 13,400 homes, it also gave a broad indication as to how this development should be distributed across the district.

1.2 It should be noted that since this work commenced, the High Court ruled on 10 November 2010 that the statements and actions of the Secretary of State in attempting to revoke the Regional Spatial Strategies, in July 2010, were unlawful on several grounds. The High Court ruled that Regional Spatial Strategies therefore continue to form part of the statutory development plan. The effect of the High Court decision is that the South East Plan remains part of our development plan together with the saved policies of the Cherwell Local Plan 1996 and the Oxfordshire Structure Plan 2005 until the existing legislation is repealed and new arrangements come into effect.

1.3 Local planning authorities are required to produce a Local Development Framework (Planning & Compulsory Purchase Act 2004 s15, s19). The Local Development Framework is required to be in conformity with the Regional Spatial Strategy (Planning & Compulsory Purchase Act 2004 s24(1)).

1.4 The work on preparing updated demography projections was partly progressed by the time of the High Court decision on 10 November 2010. It was therefore decided to continue to progress this work so that it could usefully inform discussions regarding an emerging local housing target in preparation for the introduction of new plan making arrangements. Progression of this work may also help to highlight other relevant factors that may also need to be considered alongside these projections.

1.5 These projections are one of many considerations that should inform a locally determined housing target. The government has stated that any such locally determined targets, once introduced, would still need to be justified by clear evidence¹. Local planning authorities would be responsible for establishing the appropriate level of housing provision in their area and the long term supply of land needed for housing development. The Council would need to consider what else should properly influence the Council's decision on how many homes should be planned for. For example, are there aspirations that the Council wishes to pursue for the district that would have an impact on the total number of homes needed, or needs within our communities that should properly be met and that would require more homes to be provided?

1.6 Key considerations are likely to include the Council's aspirations regarding housing mix, housing choice, demographic mix and economic growth. The Council may also wish, or may be required under new plan making arrangements, to consider the extent to which it's emerging development strategy affects or is affected by the wider community and the extent to which it reflects strategic considerations about economic development, movement and housing ie. the extent to which the proposed statutory duty to cooperate has been undertaken.

2.0 Summary of Population and Demographic Projections

¹ Letter from Chief Planning Officer 06 July 2010 and attached Q&As, see Question 11.

How have the projections been produced?

2.1 All of the nationally produced projections, including the Office of National Statistics (ONS) population projections and the Department of Local Communities and Government (CLG) household projections (which are based on the ONS population projections), are trend based ie. they assume that recent population and household trends will continue. In the case of the recent CLG household projections published in November 2010, the development rate over a 5 year period (2004 – 2008) is projected forward. Therefore, they give an indication of what the future population might be if recent trends continue but they do not take account of potential future development strategies at the local level. Therefore work has been progressed since September 2010 to generate such projections and it is hoped that these will begin to inform a decision regarding a locally appropriate level of housing for the district. The work considers a range of scenarios to illustrate the effects of different levels of development over the plan period (2006 – 2026).

2.2 Factors taken into consideration include birth and death rates, marriage and divorce rates, average household size, migration data (movement in and out of the district by age and gender) and development that is already planned for or permitted for housing development as of September 2010. Most of this development is assumed to be built by 2016 and will influence overall population growth. For the period 2016-2026, a range of illustrative scenarios have been assessed to illustrate the effects of different levels of growth within the district.

Description of the Scenarios:

2.3 Natural Change (adjusted for migration) – this scenario initially projects changes in an enclosed population (ie. no-one can move their place of residence in or out of the district) and the number of homes needed for this population. This provides an indication of the number of homes that are needed for local needs but is unrealistic as in reality the District borders are not closed. In reality, the movement of people in and out of the district affects the population profile, birth and death rates and the rate of population growth. Therefore Natural Change is then adjusted for migration. This assumes the same level of household growth as indicated by Natural Change but projects the effects of people moving in and out of the district at that level of growth ie. the same number of houses are assumed to be built but people are able to move in and out of the district which changes the population structure.

Nil Net Migration – this describes a population that has some flexibility to move in or out of the district but only insofar as the number of people moving in and out of the district are balanced ie. there is no net movement in or out of the district. The population profile still changes under this scenario as the age profile of people moving into the district may be different from those moving out. A household figure is provided that will meet the needs of this population.

Development Trend based on a 5 year period (2012 – 2016) – this describes a population that continues to grow based on the continued projection of the rate of development in Cherwell over a 5 year period.

Development Trend based on a 10 year period (2007 – 2016) – this describes a population that continues to grow based on the continued projection of the rate of development in Cherwell over a 10 year period.

Development Trend based on South East Plan Housing Target – this describes a population that continues to grow based on the continued projection of the rate of development needed in Cherwell to deliver the South East Plan housing target by 2026.

Development Trend based on South East Plan Employment Indicative Job Number – this describes the population and household development rate needed to deliver housing in proportion to the South East Plan Interim Job Number.

2.4 The following data is produced for each of the above scenarios:

- Projected households at 5 yearly intervals to 2026 and by type of household eg. married couples, lone parents, one person households, communal establishments.

- Projected population at 5 yearly intervals to 2026 and by age and gender structure.
- Projected labour force (economically active population) at 5 yearly intervals.

What do the projections indicate?

2.5 The projections suggest that in the future there will be more single-person and older households. Most of the increase in population is concentrated with the over 55 age group. There will be a significant increase in the age group aged over 65. Some people in this group will require specialist housing including housing that enables the elderly to stay in the house they already inhabit for longer. The projections also show that the average household size (the number of people per household) in Cherwell reduces from 2.3 in 2006 to 2.1 in 2026.

2.6 Most of the development that has already been planned for or permitted has been taken into account in the projections for the period up to 2016. A further approximately 700 dw have also been permitted but are expected to be developed after 2016, and these are not factored into the projections. A figure of 700 can therefore be offset against the projection figures for each scenario. (A further 128 dw are subject to applications currently subject to planning appeals.)

2.7 The Council will be required to establish a target for new housing to be built during a specified time period – at least 15 years from the date that the Core Strategy is adopted. An annual pro rata figure could be applied for years after 2026 until such time as the overall target is reviewed.

2.8 What are the implications under each scenario (2006 – 2026): (summarised in Table 1)

Natural Change (adjusted for migration):

- Projected increase in population 11,839
- Projected increase in households 11,089
- The number of households created increases even under the natural change scenario. This is because births will be higher than deaths and social changes such as decreasing household size/occupancy rates will still occur.
- Significant out-migration occurs, approx. 1,500 households, and likely to include younger adults.
- Despite the population increase over this time period, the population is aging and so the labour force declines by 2026.

Nil Net Migration

- Projected increase in population 15,197
- Projected increase in households 12,751
- The effect of in and out flows of population on the age structure produces a higher total population and higher demand for households by 2026.
- The additional projected resident labour force is increasing slightly by 2026 but the rate of increase is much lower than in preceding years.

Development Trend based on a 5 year period (2012 – 2016) ie. 828 homes per year

- Projected increase in population 19,146
- Projected increase in households 14,705
- The additional projected resident labour force is increasing more positively by 2026 and more than in earlier years.

Development Trend based on a 10 year period (2007 – 2016) ie. 643 homes per year

- Projected increase in population 15,408
- Projected increase in households 12,855
- The additional projected resident labour force is increasing positively by 2026.

Development Trend based on South East Plan Housing Target

- Projected increase in population 16,509
- Projected increase in households 13,400

- The additional projected resident labour force is increasing slightly by 2026 but the rate of increase is much lower than in preceding years.

Development Trend based on South East Plan Employment Indicative Job Number

- Projected increase in population 27,260
- Projected increase in households 18,720
- Indicates a higher household figure than required by the SEP (but the South East Plan employment figures are disaggregated from a wider area).
- The additional projected resident labour force is increasing significantly by 2026.

What other factors should be considered?

2.9 Other factors will need to be considered alongside the population and demographic projections to arrive at a strategy that is robust, credible and supported by clear evidence. These will include considering a range of economic, social and environmental factors and it may also be important to take account of the wider reforms being proposed by government. Examples include social housing provision as these changes may lead to an increase in housing need.

3.0 How could the development strategy be revised to reflect the demographic projections?

3.1 The Council may wish to consider whether this has any implications upon the district's development strategy, both in terms of overall growth and how this may be distributed spatially.

3.2 It is important to note that these examples do not take account of consultation comments on the Draft Core Strategy, other potential sites or a range of other economic, social or environmental factors. It is also important to note that any new plan making are still expected to require the Council to demonstrate that it's proposed development strategy is the most appropriate strategy, based on an approach that has enabled effective engagement with interested parties and a clear evidence base.

3.3 2,172 homes have been completed in the District between 2006 – 2010, and an additional 4,997 homes have already been permitted between 2006 and 2010. A total of 7,169 homes are therefore already completed or approved for this period. On the basis of these figures the following table shows what the remaining housing requirement would be at this point in time and for each scenario. There are various potential spatial distribution options under each of the scenarios that have been considered. For illustrative purposes, the table below outlines a potential spatial distribution under each scenario, based on the sites that are proposed in the Draft Core Strategy.

Eg. Based on the sites proposed in Draft Core Strategy, spatial options could include:

Scenario & projected household demand	Approx. Residual Requirement	Potential spatial distribution options incl. proposed strategic sites & rural areas.
Natural Change 11,089	3,920	Canalside 1,200 dw Bankside Phase 2 400 dw NW Bicester 3,000 dw Rural / Other sites 0 dw Total 4,600
Nil Net Migration 12,751	5,582	Canalside 1,200 dw Bankside Phase 2 400 dw Bretch Hill 400 dw NW Bicester 3,000 Rural/other sites 582 dw Total 5,582
Development based on 5 yrs 14,705	7,536	Canalside 1,200 dw Bankside Phase 2 400 dw Bretch Hill 400 dw

		NW Bicester 3,000 Rural/other sites 2,536 Total 7,536
Development based on 10 yrs 12,855	5,686	Canalside 1,200 dw Bankside Phase 2 400 dw Bretch Hill 400 dw NW Bicester 3,000 Rural/other sites 686 dw Total 5,686
Development Trend based on South East Plan Housing Target 13,400	6,231	Canalside 1,200 dw Bankside Phase 2 400 dw Bretch Hill 400 dw NW Bicester 3,000 Rural/other sites 1,231 dw Total 6,231
Development Trend based on South East Plan Employment Indicative Job Number 18,720	11,551	Canalside 1,200 dw Bankside Phase 2 400 dw Bretch Hill 400 dw NW Bicester 3,000 Rural/other sites 6,551 Total 11,551

3.4 It is suggested that the Council obtain more detailed projections for Banbury, Bicester, Kidlington and the rural areas to inform further consideration of the development strategy.

What other objectives may the Council wish to achieve through its development strategy?

3.5 Broader aspects of the Councils vision which impact upon the development strategy include the following:

- a) We want to offer our communities a good choice of affordable and market housing in order to make housing more affordable and meet the needs of all sections of the population.
- b) We want to focus development into sustainable locations, particularly where this supports regeneration of our urban areas; and thereby make efficient and effective use of land wherever possible.
- c) We want to see growth taking place in an environmentally responsible manner exploiting Bicester's opportunities as an eco-town.
- d) We want to support our economy and ensure that it is vibrant and diverse.
- e) We want to support a rural economy that is not entirely reliant on agriculture.

4.0 Progressing the Core Strategy under the Current Statutory Procedures

4.1 Public consultation on the Draft Core Strategy was undertaken between February-April 2010. In taking forward the work on the Core Strategy before new procedural arrangements are put into place, there are broadly two options available:

- Progress the Draft Core Strategy to adoption, taking advantage of the window of stability that is now established in terms of procedural arrangements; or
- Pause and wait for new procedural arrangements to be put into place.

4.2 There are several variations on these options which are set out below:

- Progress the Core Strategy to Proposed Submission consultation and then pause to wait for new procedural arrangements to be put into place before progressing the EiP; however this approach raises the risks that the evidence base supporting the

soundness of the Core Strategy will become outdated and that in the meantime the district will not have an adopted Core Strategy to guide development decisions.

- Progress the Core Strategy through the EiP and to adoption reflecting the RSS policies, with the option of a focused review as and when new procedural arrangements are introduced; this approach offers the advantage of being most likely to secure an adopted Core Strategy, however this approach raises the risk that resources will be focused on the costs of the EiP and the Council may wish to progress a subsequent focused review of the Core Strategy fairly soon after adoption.
- Progress the Core Strategy through the EiP and to adoption reflecting a locally determined approach which is not in conformity with the RSS; this approach raises the risks that resources will be invested in the EiP and that the Core Strategy may be rendered unsound and will not be able to be adopted, leaving the district without an adopted Core Strategy to guide development decisions.

What are the risks in the Council progressing a locally determined approach in advance of the introduction of new procedural arrangements?

4.3 The High Court has confirmed that the Regional Spatial Strategy (RSS) remains as part of the statutory development plan. The Local Development Framework (LDF) is required to be in conformity with the RSS (Planning & Compulsory Purchase Act 2004 (24)1). If a housing target that differs from that in the RSS is incorporated into the emerging LDF, the local planning authority will have to justify why the LDF is not in conformity with the RSS. If, in making that argument, the local planning authority seeks to rely on the statements and actions of the Secretary of State in attempting to revoke the status of the Regional Spatial Strategies, which have since been found to be unlawful in the High Court, the local planning authority would have to justify the weight that it gives to those statements and actions. The Localism bill has no weight at this early stage but by the time the Core Strategy is placed before an Inspector the Localism Bill may have progressed to a stage where it can be given some weight by the Inspector.

4.4 If the LDF is progressed toward adoption but is not in conformity with the RSS this could have the following implications:

- If the LDF is not in conformity with the RSS, the LDF could be rendered unsound and would be unable to be adopted.
- If the LDF is adopted but is not in conformity with the RSS, we may see an increase in planning by appeal and/or legal challenge.

4.5 If the adoption of the LDF is delayed until new procedures are put into place, this could have the following implications:

- Without an adopted Core Strategy in place the Council will not have an up to date vision by which to guide major decisions on planning applications, to coordinate the delivery of infrastructure or to seek funding to support growth and infrastructure. It may be difficult if not impossible to prepare and adopt other DPD's or a Community Infrastructure Levy. This may harm the Council's ability to deliver on its strategic objectives, by delaying the delivery of homes for people and by holding back economic growth.
- Without an adopted Core Strategy in place we may see neighbourhood plans starting to be prepared in advance of an adopted Core Strategy.
- Without an adopted Core Strategy in place there is likely to be further uncertainty and delay for housing and economic recovery and this may delay development on some sites. This will make it more likely that sites will come forward in an uncoordinated way and not necessarily on sites that the Council and local communities would favour, but which may nonetheless obtain permission due to wider delays in delivering development across the district. If the Council sought to resist such

schemes without good reason then there would be a risk that planning decisions will be taken through planning appeals, with the possibility of the imposition of costs against the Council. This situation is particularly pertinent to this Council as the Cherwell Local Plan is out of time and there is therefore no up-to-date adopted Local Plan covering the district. The time and costs associated with appeals is greater than it would be if we had an adopted Local Plan.

- Without an adopted Core Strategy in place to guide and encourage investment decisions about where new housing should be built, the delivery of housing in the district may decline and the Council may fail to take proper advantage of the proposed New Homes Bonus. Receipt of this grant would help to off-set proposed reductions to the local government formula grant. Limited access to the proposed New Homes Bonus may leave the District Council with limited resources with which to achieve its strategic objectives and both the District Council and the County Council may have reduced access to funds for facilities for local communities and strategic infrastructure.

4.6 The government intends to bring forward proposals from 2012 onwards to change the planning system in England as set out in the recent Localism Bill. These changes are expected to give local authorities and local communities greater responsibilities for determining the pattern and manner of development in their areas. Full details are not yet available and may change as the Localism Bill progresses through Parliament.

4.7 The Council's Core Strategy may be one of the last to complete its progress through to adoption under the existing Planning Act before new procedures are introduced. A subsequent and focused review of the Core Strategy could be undertaken to update the Core Strategy to reflect the new procedures as and when they are introduced. Currently there is no indication that the proposed procedures would exclude a mini-review from being carried out which could focus on an immediate review of the local housing target and respective development distribution strategy. However the adoption of a Core Strategy in conformity with the RSS may result in some communities, or some elements within our communities, being dissatisfied initially that the scope of future decisions over which they may be given control may be, or may be perceived as being, curtailed by the Core Strategy. It may also result in a Core Strategy being adopted which is quickly outdated as the Bill progresses.

4.8 Given the degree of uncertainty regarding the Government's emerging procedures and the risks involved in any of these courses of action at this stage, the Council could agree to take forward work including consultation on both the Council's preferred local housing strategy and the development strategy that is in conformity with the RSS. This would enable the Council to take a more informed decision at a later stage in the year regarding which strategy it will seek to adopt.

Conclusions

4.9 Having regard to the current statutory requirements there is a clear legal requirement for the LDF to be in conformity with the Regional Spatial Strategy.

4.10 However as the new procedures become clearer and on the basis of the updated population and household projections, it is considered that a case may be able to be made for having a lower housing figure in the Core Strategy if the Council consider that is the appropriate approach to take. Whatever figure is used will still need to be supported by robust evidence on a wide range of considerations.

4.11 On the basis of the most recent household projections, a figure of approximately 12,750 may be able to be justified in terms of meeting potential need within the district. Any figure less than this would mean that the likely future needs will not be met and the Council will in effect be recognising that not all identified needs would be met. This level of development may achieve a reasonable balance between meeting the identified need indicated in the projections and reducing the impact of development upon local communities to a more satisfactory level. As such this level of growth may reflect the best way of meeting future needs whilst also seeking to protect local communities.

Next Steps

4.12 Members are asked to consider how they would wish to progress the Core Strategy. Members are also asked, without prejudice to further work to be undertaken, to agree the broad population and household figures for Cherwell for the period up to 2026 as set out in paragraph 4.11 as the basis for further work.

4.13 It is suggested that further work be undertaken and more information regarding the development strategy be presented to Executive at a later date. This work would include an assessment of more detailed projections for Banbury, Bicester, Kidlington and the rural areas based on the Council's preferred level of housing development, further consideration of the outcome of the public consultation on the Draft Core Strategy and further technical work.

Table 1 - Summary of Population Trends Under Illustrative Scenarios

Homes

	New Homes				
	2006-11	2011-16	2016-21	2021-26	2006-26
Natural Change (with migration) 2016-26	2,284	4,141	2,544	2,121	11,089
Nil Net Migration 2016-26	2,284	4,141	3,163	3,163	12,751
828 pa 2016-26	2,284	4,141	4,140	4,140	14,705
643 pa 2016-26	2,284	4,141	3,215	3,215	12,855
SE Plan Homes 2016-26	2,284	4,141	3,487	3,487	13,400
SE Plan Jobs 2016-26	2,284	5,479	5,479	5,479	18,720

	New Homes per year				
	2006-11	2011-16	2016-21	2021-26	2006-26
Natural Change (with migration) 2016-26	457	828	509	424	554
Nil Net Migration 2016-26	457	828	633	633	638
828 pa 2016-26	457	828	828	828	735
643 pa 2016-26	457	828	643	643	643
SE Plan Homes 2016-26	457	828	697	697	670
SE Plan Jobs 2016-26	457	1096	1096	1096	936

Population and Migration

	Population					Migration	
	2006	2011	2016	2021	2026	2006-26	2016-26
Natural Change (with migration) 2016-26	132,320	134,171	139,865	142,331	144,160	11,839	-3,287
Nil Net Migration 2016-26	132,320	134,171	139,865	143,605	147,517	15,197	1
828 pa 2016-26	132,320	134,171	139,865	145,616	151,466	19,146	3,856
643 pa 2016-26	132,320	134,171	139,865	143,712	147,728	15,408	206
SE Plan Homes 2016-26	132,320	134,171	139,865	144,273	148,829	16,509	1,281
SE Plan Jobs 2016-26	132,320	134,171	142,695	151,125	159,580	27,260	8,895

Labour Force

	Resident Labour Force					
	2006	2011	2016	2021	2026	2006-26
Natural Change (with migration) 2016-26	72,111	72,473	75,042	75,091	74,328	2,217
Nil Net Migration 2016-26	72,111	72,473	75,042	75,839	76,215	4,104
828 pa 2016-26	72,111	72,473	75,041	77,021	78,435	6,324
643 pa 2016-26	72,111	72,473	75,042	75,902	76,333	4,223
SE Plan Homes 2016-26	72,111	72,473	75,042	76,232	76,952	4,842
SE Plan Jobs 2016-26	72,111	72,473	76,755	80,258	82,995	10,884

	Additional Labour Force				
	2006-11	2011-16	2016-21	2021-26	2006-26
Natural Change (with migration) 2016-26	362	2,569	49	-762	2,217
Nil Net Migration 2016-26	362	2,569	798	376	4,104
828 pa 2016-26	362	2,569	1,979	1,414	6,324
643 pa 2016-26	362	2,569	860	431	4,223
SE Plan Homes 2016-26	362	2,569	1,190	721	4,842
SE Plan Jobs 2016-26	362	4,282	3,502	2,737	10,884

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Executive

Cherwell District Council's Response to Heavy Snow

7 March 2011

Report of Head of Environmental Services

PURPOSE OF REPORT

To consider the Council's response to the heavy snow in December 2010 and improvements to that response in similar circumstances in the future.

This report is public

Recommendations

The Executive is recommended:

- (1) To note the problems and issues which arose from the heavy snow fall prior to Christmas;
- (2) To approve the proposed actions to improve the Council's response to future severe winter weather events; and
- (3) To note that any proposed equipment purchased will be acquired within existing budgets during 2011/12

Executive Summary

Introduction

- 1.1 A heavy snow fall occurred on Saturday 18th December. Some 8" of snow fell on the Saturday and although subsequently little additional snow fell, the temperature remained around or below zero for several days following this event. This snowfall had an impact on several of the services but the major areas of impact were on the waste collection service and car park income.
- 1.2 The snow fall in December was the largest snowfall in Oxfordshire for many years. However, this in addition to a significant snowfall in January 2010, meant it was opportune to review the impact of these events on services and look at how the Council could improve its response.
- 1.3 A review has been undertaken with wide scale representation across the Council. This concluded that the main affects of the snow on the Council's operations were
 - Waste Collection was severely affected with only around 30% of

collections completed in the week before Christmas. The catch up of these lost collections proved difficult because of when the Christmas period fell in the week.

- Public car parks were severely affected.
- Speed of snow clearance in the town centres was less than some members of the public and some traders expected.
- Increased numbers of public enquiries were made about services and our response to snow.
- Markets were affected.
- The public were not clear which Council had responsibilities for different services.
- Press interest in our service position was high.
- Other agencies sometimes gave inaccurate information leading to further public enquiries.
- Access to both Council depots was initially difficult and most of the first day was lost from having to clear both depots and the access to those depots.
- Many staff were not able to get into work.
- Those staff who did get to work struggled to park safely at Bodicote House because of the state of the car park.

1.4 Although a number of areas of possible improvement have been identified some changes made since the last snow event in January 2010 did appear to work well. These areas included

- IT systems - Home working through the Homeworker system worked significantly better than the previous Netilla system. The Netilla system had a restriction on licences which limited access to systems. Feedback on the use of Homeworker has been good.
- Information on the website was generally correct and regularly updated. Although the website listed the collections for the next day some residents felt there was insufficient information relating to when in the future their area would receive catch up collections. However the twitter page worked well & had a reasonable number of followers.
- Communication with Oxfordshire Highways generally worked well and Oxfordshire Highways made 10-15 tonnes of rock salt available for the Council to carry out gritting in the town centres on the behalf of Oxfordshire Highways.
- 8 tonnes of rock salt bought by the Council for the two depots and other areas was utilised on car parking areas as well as the two depots
- A snow plough attachment bought for use on a Land Rover worked

well for clearing an initial route through the Thorpe Lane Depot although the plough proved too small for very large areas with deep snow such as Bodicote House and other car parks.

Proposals

- 1.5 An action plan has been prepared. This includes some small investment in equipment which will make services more robust in the event of heavy snowfall.
- 1.6 Clearance of large amounts of snow is too slow using manual equipment alone. Mechanical plant is required and this will be provided through a contract on a daily rate. Ownership of such equipment has been investigated but the costs of ownership are prohibitive

Conclusion

- 1.7 The heavy snowfall in December 2010 was the greatest for many years and caused disruption to services, more so due to the effect of Christmas. A number of possible improvements which would make services more resilient in the event of heavy snowfall have been investigated. Many of these are low cost or no cost improvements and involve procedural changes, better co-ordination or provision of better information.
- 1.8 A proposed priority of response and committing resources has been established. It is based on returning public services to normal operation as swiftly as practicable. By implementing the action plan services will be more resilient for any future heavy snowfall events.

Background Information

- 2.1 On Saturday 18 December 2010, snow starting fall over Oxfordshire. Snowfall continued all day. By the evening some 8 inches of snow had fallen. Temperature levels were already very low and over the next few days hardly ventured above zero and were frequently several degrees below freezing.

Waste Collection Service

- 2.2 The Waste Collection service was severely affected by the weather. On Tuesday 21st December road conditions were initially too hazardous to send out the collection crews. In addition all outlets for receiving waste were closed. For the morning, crews at both depots were used on snow clearance in Banbury, Bicester and to clear more snow at the two depots. By early afternoon Waste Collection vehicles attempted to carry out collections in Grimsbury. This was the only area attempted since the area is flat where around 1,500 collections were carried out. No collections were possible in Bicester so only 1,500 collections out of the usual 22,000 district wide were made. On Wednesday 22nd collections took place from both depots with around 6,000 of the planned collections taking place. As conditions gradually improved during the week around 20,000 collections took place on the Thursday and Friday, although these were limited to flat areas in Banbury, and accessible parts of Bicester and Kidlington. Very few village collections were carried out in the week before Christmas.
- 2.3 Neighbouring authorities faired no better or in some cases much worse than Cherwell. In Vale of White Horse and South Oxfordshire no catch up collections at all were attempted. In South Northamptonshire all collections were suspended in the week prior to Christmas.
- 2.4 Around 2.5 – 3 days worth of collections were lost due to the weather in the week before Christmas. The usual method of catch up involves working Saturdays and Mondays. However with Christmas Day and New Years Day falling on Saturdays and the Mondays were both Bank Holidays, all outlets for waste and recycling were closed. Even if collections were possible on these different days, most households would not have their bins out.
- 2.5 In snow and ice conditions the collection crews have to work at a reduced pace. This large reduction in pace can make it difficult for collection crews to complete their usual rounds. Hence the collection crews were unable to carry out additional collections beyond their usual rounds in a bid to catch up.
- 2.6 In the past, garden waste collections have been stopped in periods of bad weather so that crews can be diverted on to catching up blue and green bin collections. However, now the brown bins contain food waste as well as garden waste, this option has largely been removed.
- 2.7 In snow and icy conditions, it is not only the state of the roads which are of concern. Collection staff pulling wheeled bins in deep snow or across ice becomes hazardous. Although staff are issued with good footwear, the possibility of whether better footwear exists for such extreme conditions needs to be investigated.
- 2.8 Catching up collections is difficult as additional vehicles are no good without

the crews to operate them. By stopping activities such as bin deliveries, street cleansing, bulky waste collections, vehicle maintenance and using those staff, sufficient manpower exists for around 3 additional crews. These crews do help clear backlogs but three additional crews working four days will catch up no more than 1 complete day's worth of collections.

- 2.9 Although additional vehicles can be hired in, competent staff is the limitation. It is important that trained and competent staff are utilised in such conditions Sourcing agency staff at short notice and then having to train them for working in very difficult conditions is not a realistic option. Therefore, three additional crews is the limit of additional resources for catching up.
- 2.10 The failure to catch up all collections due to the combination of snow, bank holidays and the availability of open outlets meant that some properties had to go four weeks between collections. In the north of the district this was green bins, in the south of the district it was brown bins. Clearly this is not satisfactory and measures need to be implemented to reduce the risk of such an event reoccurring.
- 2.11 To minimise disruption, the first aim must be to try to limit the number of lost collections. For collections not to be lost road access needs to be better. This better access can only be achieved by gritting in more residential areas and initial discussions with Oxfordshire Highways have been arranged.
- 2.12 In addition, councils which have more experience of regular significant snow falls will be contacted to try and learn from their experience.
- 2.13 Finally the prioritisation of resources for use on the three respective bins needs to be further considered now food waste is present in the brown bins.
- 2.14 In most circumstances, the four day week working allows a good possibility for catch up although in the week before Christmas this didn't prove possible. Additional crews do help catch up collections. However, it requires at least three additional crews working for four days to catch up just one days worth of lost collections.

Urban Centres

- 2.15 Oxfordshire County Council Highways are responsible for keeping highways clear of snow and ice. However, Oxfordshire Highways initially concentrate their resources on the main highway routes. Consequently the urban centres receive little attention.
- 2.16 Since the Street Cleansing have ceased their operations after heavy snowfall, Street Cleansing resources have been offered to Oxfordshire Highways for clearing snow and ice in the town centres under the guidance of Oxfordshire Highways. Areas for clearance are agreed with Oxfordshire Highways before commencing work.
- 2.17 Oxfordshire Highways make rock salt available for this activity. Unfortunately the amount of snow which fell meant that Street Cleansing teams didn't move on to clearing snow and ice until Tuesday 21st December. In addition progress was slow since the clearance solely relied on manual tools and staff numbers.
- 2.18 The speed of gritting could be increased if a gritting unit towed by a vehicle such as a Land Rover was acquired. Such a unit could be used not only in

the urban centres but also on car parks and at the two depots.

Car Parks

- 2.19 The policy for public car parks is not to carry out gritting. This policy has been derived on the basis that previously most snow and ice events are very short lived with snow and ice quickly thawing. The policy is reviewed annually, the last being after the snow event in February 2010. This led to a variation in the policy to activate snow removal/gritting if forecasts identified heavy and long lying snow as a high risk. This assumed that there was capacity to undertake the work which proved not to be the case in the December 2010 snow event
- 2.20 In December, the car parks were out of action for many days resulting in significant income loss. This position can be improved with mechanical snow clearance.
- 2.21 Street Cleansing staff carried out some clearance in the area for the market and around The Mill in Banbury. Clearance was slow due to the sole reliance on manual equipment. The Grounds Maintenance contractor also diverted resources to assist with snow clearance

Depots

- 2.22 On Monday 20 December Street Cleansing staff initially had trouble gaining entry to Thorpe Lane depot since padlocks were frozen due to the extremely low temperatures (below -10 C) A snow plough which was fitted to the Land Rover at Thorpe Lane depot quickly cleared a route through the depot. Manual gritting of the route and clearance of the staff car park took place although progress was slow due to the amount of snow which had fallen and the equipment available. Consequently, it took most of Monday to clear out routes through the sites and free many of the Street Cleansing vehicles. In addition, as Thorpe Lane Depot is under refurbishment storage is temporarily limited. This limitation meant that some equipment was stored in Highfield and had to be collected. These delays meant that vehicles could not be despatched to collect rock salt from the Oxfordshire Highways Deddington depot until late afternoon. The delays in collecting rock salt meant little resource was despatched to Banbury Town Centre to assist Oxfordshire Highways until Tuesday 21st December
- 2.23 At Highfield Depot, no snow plough exists and clearance was manual using snow shovels and rock salt. Clearance of the depot and the entrance to the depot took all day. Consequently no crews were able to be despatched to help Oxfordshire Highways clear snow in Bicester town centre until Tuesday 21 December.
- 2.24 To utilise Street Cleansing staff on town clearance activities requires the depots to be cleared. Hence the quicker the depots can be cleared the quicker Street Cleansing resources can be deployed supporting Oxfordshire Highways in the urban centres. Manual snow shovels, manual gritting proved to be insufficient for dealing with large volumes of snow and progress could be accelerated by more appropriate equipment. The snow plough on the Land Rover was effective. However, snow clearance equipment is also required for Highfield Depot and, in addition, the gritting process at both depots could be considerably speeded up by the purchase of towed equipment.
- 2.25 An additional snow plough for the other 4X4 vehicle which is usually based at

Highfield costs less than £2,000. Gritting equipment which can be towed by a Land Rover costs in the region of £5,000 - £12,000 depending upon requirements. Such equipment would make gritting quicker and reduce the time taken to move Street Cleansing resources away from depot clearance. It also appears quite possible that such equipment could be purchased as part of the approved Environmental Services Vehicle capital programme 2011/12 and probably within the current allocated budget.

Customer Service & the website

- 2.26 The Customer Service Centre received a significant increase in calls in the week prior to Christmas. A high proportion of these calls were from customers enquiring about Waste Collection
- 2.27 Good quality information on the website is important so that customers do not need to ring. Generally the information provided on the website was good. However, improvements to access, presentation and responsibilities on updating have been identified.
- 2.28 The Communications team will take responsibility for updating the website in severe weather conditions. Waste Collection will produce an update by 8am each day with the plans for collections and this will be updated again later in the day

Bodicote House

- 2.29 Bodicote House car park was covered in eight inches of snow, therefore when staff started to arrive they could not gain access. This caused traffic to overflow into White Post Road. The Land Rover from the depot was sent to clear snow along with some Street Cleansing crews. However progress was slow and the snow plough was damaged on the speed humps within the car parks. The size of the car park combined with the depth of snow was too great for the equipment being used. However, eventually staff were able to access some of the car park.
- 2.30 Whilst many staff walked to Bodicote House in severe weather, there are still some who are able to drive. It is important for those who do drive and who operate essential front line public services such as the Customer Services Centre that they have easy access to and safe parking at Bodicote House.

Proposed Priority of Response

- 2.28 Based on the experiences and lessons learnt from the recent heavy snowfall, the following locations should be cleared of snow in order of priority:
- CDC depots – unless the depots are cleared resources cannot get out to support the public.
 - Banbury Bus Station – Bus routes are a high priority for gritting with Oxfordshire Highways. Hence it is important that the bus station can be accessed.
 - Urban Centres particularly the pedestrianised areas and on Market days.
 - Car Parks - This requires individual car park priorities to be identified

since some car parks are more important to be reopened than others.

- Pathways around public buildings
- Bodicote House – Clearance of the car park especially the public parking area

Resources Available to Allocate to the Priority Locations

- 2.29 The Council has limited specialist snow clearance equipment. Manpower can be supplemented from the Council's Street Cleansing and Vehicle Maintenance staff plus Continental Landscapes. However in deep snow manual equipment is insufficient to clear the snow quickly.

The option for snow clearance is to either purchase relevant equipment or contract in or a contribution of both. The cost of buying and owning a JCB or loading shovels is c£40,000 per vehicle, therefore a combination of contracting these vehicles with drivers on a day rate and minor equipment purchases is recommended.

Minor items to purchase include;

Snow plough unit for a 4X4 vehicle – estimated cost up to £2,000 and Gritting equipment and bins for use at the depots, urban centres for Oxfordshire Highways, car parks and Bodicote House – up to £12,000

Understand what should trigger an event

- 2.30 Such snow events on some occasions can be predicted and where this is possible, a pro active response should be adopted to include;
- Secure and circulate copy of OCC severe weather plan and consider how the CDC Snow Plan would integrate.
 - Review of severe weather warning information received how we get it, who gets it and how we might organise communication of this in the Snow Plan.
 - Secure from OCC their priority gritting route; review and seek to suggest any priority areas across the District that we would ask OCC to include.
 - Provide copy and agree arrangements with Continental Landscapes.

Communications

- 2.31 Informing members of the public in times of disruption about what services they can expect and when is clearly important. The following improvements are proposed to achieve this;
- Have specific arrangements in place for updating the website and ensure updates are communicated daily to the Communications Team.
 - Consider the information the Council wishes to get across and the positive messages that need to be part of the communications approach.
 - Investigate automated response protocols to emails.

- Consider the trigger for the Snow Plan (to be aligned with the OCC Plan), and how corporately this is enacted

Other issues

2.32 These include;

- Check insurance position and liability especially where we are taking money for car parks.
- Look at councils where snow events are more frequent for best practice
- Establish a sub set of priority car parks.

Key Issues for Consideration/Reasons for Decision and Options

3.1 Considering the proposed action plan for adapting services to severe snow events

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

Option One To approve the proposed action plan as outlined in paragraph 2.29 to 2.30

Option Two To reject the proposed action plan

Option Three To ask officers to modify the proposed action plan

Consultations

Dialogue has commenced with OCC about those proposals in this report relevant to them.

Implications

Financial: There are some revenue and capital implications arising from the proposed actions. The amounts are relatively small and it is expected that these can be contained within approved budgets in 2011/12. In addition, the relatively small sums involved are far less than the loss of car parking income which can be substantial.

Comments checked by Denise Taylor, Service Accountant, Tel 01295 221982

Legal: There are no legal implications with this report

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

Risk Management: The likelihood of very heavy snowfall in Oxfordshire has been low but the consequence of such an event can be significant. With a changing climate it is difficult to forecast whether such events are likely to be more or less likely. However, it is prudent to make small investments to reduce the consequences of such an event.

Comments checked by Rosemary Watts, Insurance & Risk Management officer 01295 221566

Wards Affected

All

Corporate Plan Themes

Accessible and Value for Money Council

Executive Portfolio

Councillor Reynolds
Portfolio Holder for Environment, Recreation and Health

Document Information

Appendix No	Title
None	
Background Papers	
None	
Report Author	Ed Potter, Head of Environmental Services
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Executive

Kidlington Pedestrianisation and Traffic Regulation Order

7 March 2011

Report of Head of Regeneration and Estates

PURPOSE OF REPORT

To seek the Council's approval to enter into an agency agreement with Oxfordshire County Council, to formally promote a new Traffic Regulation Order for Kidlington High Street.

This report is public

Recommendations

The Executive is recommended:

- (1) To approve an agency agreement between Oxfordshire County Council, the Highway Authority, and Cherwell District Council to enable Cherwell District Council to formally promote a new Traffic Regulation Order (TRO) for Kidlington High Street.

Executive Summary

Introduction

- 1.1 The Kidlington Pedestrianisation scheme was approved for inclusion in the Council's capital programme on 12 July 2010. Since then, the proposed scheme has been subject to informal public consultation from September to November 2010. The outcome of this consultation was overwhelming support for the pedestrianisation proposals and, as such, the Project Board have approved the scheme for formal consultation on a draft TRO. The report on the consultation results is attached in the Appendix.

Proposals

- 1.2 An agency agreement with Oxfordshire County Council is required to give this Council the power to draft the proposed TRO, advertise it, if necessary to hold a public inquiry, to consider any objections received and to make the Order in the form finally approved.
- 1.3 If the Executive are minded to approve this agency agreement, then it will go forward to Oxfordshire County Council's Cabinet Members Decisions (Transport) Committee, for their consideration on 24 March 2011.

- 1.4 Once the agreement is approved, the Order will be drafted and a provisional timetable for the formal public consultation is likely for June/July 2011.

Key Issues for Consideration/Reasons for Decision and Options

- 2.1 This project is identified as a priority in the Regeneration and Estates Service Plan and is a key partnership project undertaken at the request of the Kidlington Village Centre Management Board and Kidlington Parish Council
- 2.2 The following options have been identified. The approach in the recommendation is believed to be the best way forward.

Option One Approve the agency agreement for the scheme to move forward.

Option Two Reject the agency agreement. However this will result in the postponement of any further work on the scheme and a failure to meet Service Plan targets.

Implications

Financial: A capital estimate of £25,000 is included in the approved capital programme, and this is considered to be sufficient to cover the costs associated with making the proposed Order, including any costs of holding a public inquiry if necessary. It should also cover the cost of amending signage required to implement the Order.

Comments checked by Joanne Kaye, Service Accountant 01295 221545

Legal: The Council would need to enter into an agency agreement with the County Council before it could promote or make any Traffic Regulation Order. The regulations require a consultation process to be carried out when the proposals are still at a formative stage and, if objections are made to the published proposals, it may be necessary to hold a public inquiry.

Comments checked by Malcolm Saunders, Senior Legal Assistant 01295 221692

Risk Management: If the agency agreement is supported, a public inquiry may still lead to the project not going ahead. If the agreement is rejected, it will result in the postponement of any further work on the scheme

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

Safer Communities, Urban and Rural Services A revised TRO for Kidlington High Street is considered to be essential to bring vitality to the village centre; develop improved pedestrian access; and to exclude, in the core period, all but essential delivery vehicles.

Comments checked by Chris Rothwell, Head of Safer Communities, Urban and Rural Services 01295 221712

Wards Affected

All wards in Kidlington

Corporate Plan Themes

A District of Opportunity

Executive Portfolio

Councillor Norman Bolster
Portfolio Holder for Economic Development and Estates

Document Information

Appendix No	Title
Appendix 1	Informal Consultation Report
Appendix 2	Request to OCC for agency agreement
Background Papers	
None	
Report Author	Lisa Chaney, Urban Centres Development Officer
Contact Information	01295 221843 lisa.chaney@Cherwell-dc.gov.uk

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Kidlington High Street Pedestrianisation Scheme

Public Consultation Summary

November 2010

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1 Introduction

In November 2010 Cherwell District Council, on behalf of Kidlington Parish Council, undertook consultation on the pedestrianisation of a section of Kidlington High Street

The proposed pedestrianisation is for the section between Watts Way to Oxford Road between the hours of 10am-4:30pm.

The consultation ran for six weeks from Friday 23 September and Friday 5 November 2010.

1.1 Distribution

A map of the proposed pedestrianisation area, the public exhibition material and a questionnaire were available to view and make comments on at www.cherwell.gov.uk throughout the consultation period. A copy of this material can be currently viewed at: www.cherwell.gov.uk/regeneration

The consultation was widely publicised. A press release was issued and published in the local paper (Oxford Mail) and representatives of the press either came to the open public exhibition held in the High Street or interviewed the Parish Council for the radio, which all further publicised the consultation.

Cherwell District Council placed an article in its quarterly newsletter, Cherwell Link, which gets delivered to every household in the District.

The library and shops in the High Street were encouraged to put posters in their windows. Posters highlighting the consultation were also placed in Health Centres around the village.

We also notified the following of the consultation and invited them to a preview evening.

- Thames Valley Police
- Fire Service
- Oxfordshire Ambulance NHS
- Road Haulage Association Ltd
- Freight Transport Association

Kidlington Parish Council also publicised the consultation on the front page of its website, as well as placing an advert in the local Kidlington newsletter.

Two letters in regard to the consultation were provided to all traders in the High Street, the east side of Oxford Road (12 to 33), the Kidlington Centre and market traders. The first was hand delivered, the second posted (except the Market traders who had both letters posted). A summary of the traders' response to the consultation is discussed later in the report

1.2 Meetings

A number of meetings were held with external key stakeholders during the consultation period to discuss the pedestrianisation.

Date	Meeting
16 th September	Presentation to Kidlington Parish Council
23 rd September	Key Stakeholder preview evening including local businesses, local residents, Councillors and key organisations.

Figure 1: Timetable of meetings

1.3 Exhibitions

An exhibition was held in Kidlington High Street on Friday 23 and Saturday 24 September between 10am and 3pm. This provided the public the opportunity to view the plans and ask officers and Councillors from Cherwell District Council, Oxfordshire County Council and Kidlington Parish Council questions about the proposal. The exhibition was very successful and well attended with approximately 400 attendees.

After this time the exhibition material was then available to view in Exeter Hall; at the Parish Council office; Bodicote House; as well as online.

2 Responses

Questionnaires were available to complete at the exhibitions. Alternatively hard copies could be completed and deposited at Exeter Hall, returned to Bodicote House or completed online.

All responses made during the consultation period are on-line and available to view at <http://consult.cherwell.gov.uk/portal>

2.1 Breakdown of Responses

There were 361 responses submitted as part of the public consultation. 268 were received via a paper copy of the questionnaire, 93 were directly filled in on-line.

In comparing the response rate to other public consultations undertaken by Cherwell District Council, this is a high and positive figure.

2.2 Summary of Responses

This report summarises the responses.

Question 1-6 were quantitative responses only. Question 7 and 8 required a qualitative response. A full set of comments received for question 7 and 8 on the feedback questionnaire, can therefore be viewed online at www.cherwell.gov.uk/regeneration in document entitled 'Consultation – Supporting Information Document.

2.3 Question 1

Are you a

- **Worker**
- **High Street Trader**
- **Shopper**
- **Kidlington Resident**

The majority of respondents to this question were either a resident, a shopper or both. Fourteen respondents were traders and seventeen were workers in the area.

Officers Response

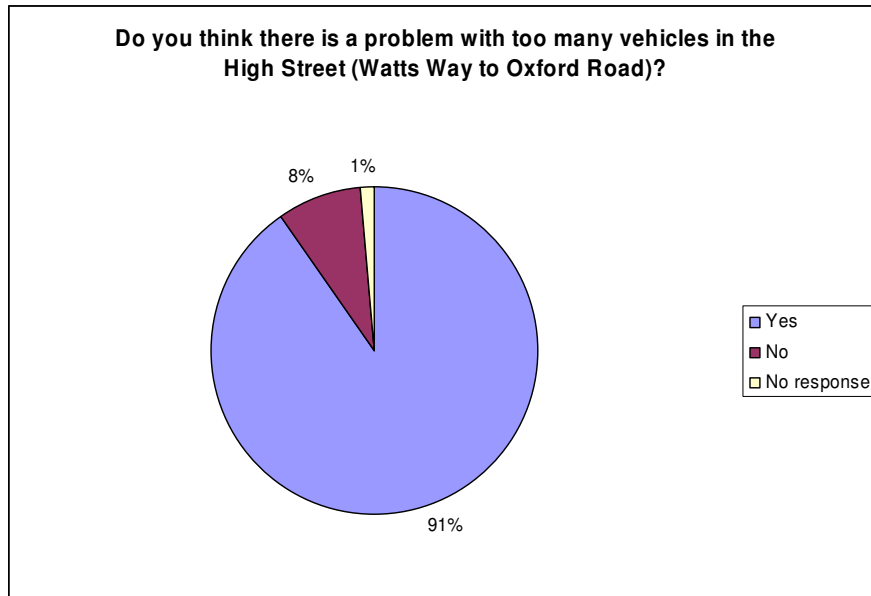
The consultation resulted in feedback from a good cross section of people who would be affected by the pedestrianisation.

However, not as many traders responded as was anticipated but they were notified twice of the consultation so had adequate opportunity.

2.4 Question 2

Do you think there is a problem with too many vehicles in the High Street (Watts Way to Oxford Road)?

Out of the 361 respondents, 326 said yes, 30 said no and 5 gave no response.



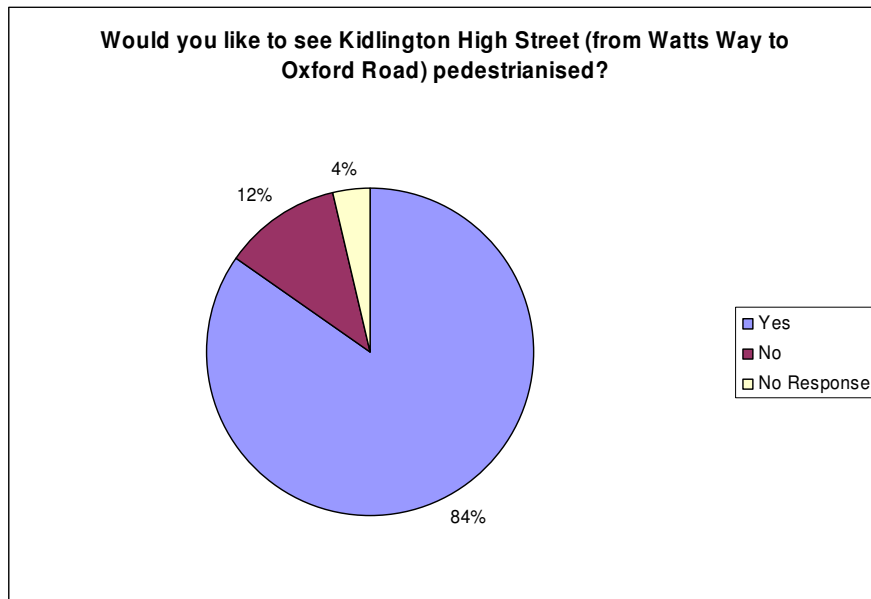
Officers Response

91% of those who completed the survey believe there is a problem with too many vehicles in the High Street

2.5 Question 3

Would you like to see Kidlington High Street (from Watts Way to Oxford Road) pedestrianised?

Out of the 361 responses, 306 said yes, 42 said no and 13 gave no response.



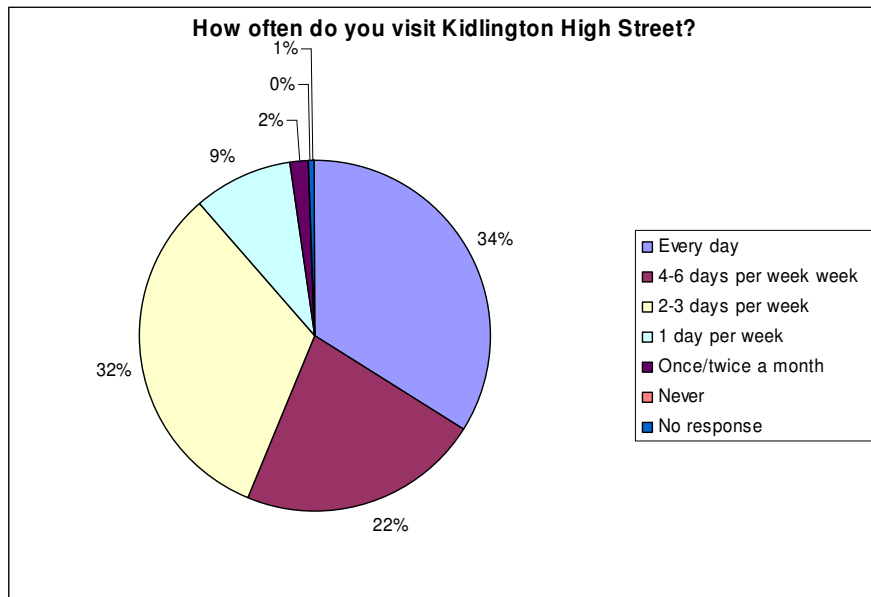
Officers Response

The majority of respondents said that they would like to see Kidlington High Street pedestrianised. The reasons that people did not support the pedestrianisation were given in response to Question 8, and set out later in this report.

2.6 Question 4

How often do you visit the High Street?

Number of Responses:						
Every day	4-6 days per week	2-3 days per week	1 day per week	Once/twice a month	Never	No Response
122	81	117	33	6	0	2



Officers Response

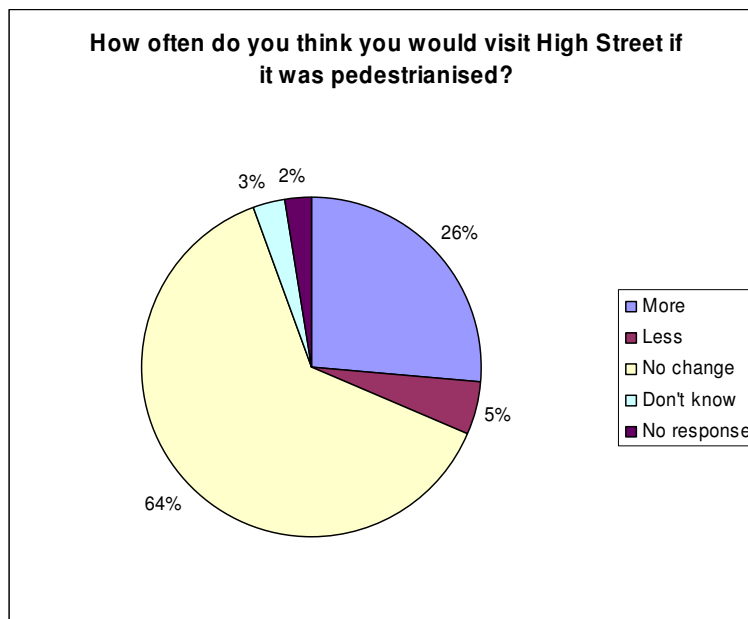
This shows that the majority of respondents to the consultation are regular visitors to Kidlington with 34% of people surveyed visiting every day.

The regularity of these visits shows the importance of views from Kidlington shoppers, workers and residents.

2.7 Question 5

How often do you think you would visit High Street if it was pedestrianised?

Number of Responses:				
More	Less	No change	Don't know	No Response
95	18	228	11	9



Officers Response

Whilst 64% of respondents said that the pedestrianisation of Kidlington High Street would not change the amount of times they visited the High Street, 26% said that they would visit more. This shows that over a quarter of respondents would increase their visits to the High Street if it was pedestrianised, which is deemed to be very positive and as a direct result of the pedestrianisation scheme.

Only 5% commented that they would visit the High Street less and from the comments received to this question it appears this is due to concerns on blue badge parking and the impact on trade.

2.8 Question 6

Would you like to see:

a) Kidlington High Street (from Watts Way to Oxford Road), being made one way for vehicular traffic, exiting onto Oxford Road?

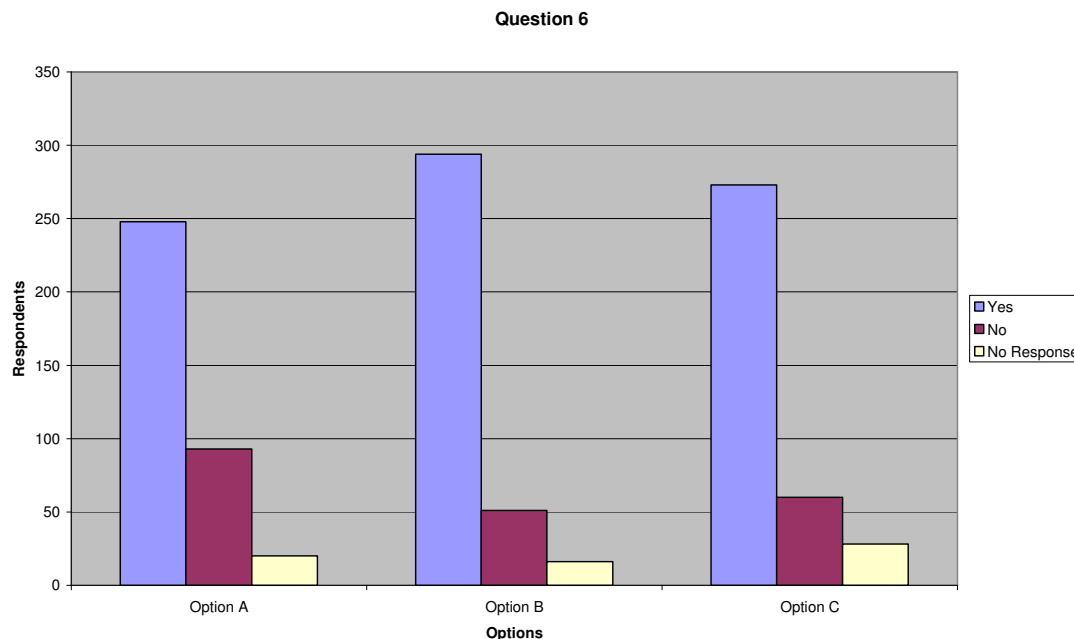
Out of the 361 responses, 248 said yes, 93 said no and 20 gave no response

b) A better physical barrier in place to prevent parking on the footpath area adjacent to numbers 27-35 High Street (the area in front of the Red Cross shop)?

Out of the 361 responses, 294 said yes, 51 said no and 16 gave no response.

c) A Rising bollard installed (at the junction of Watts Way and the High Street, adjacent to Barclays Bank) as a phase 2 of the project?

Out of the 361 responses, 273 said yes, 60 said no and 28 had no response.



Officers Response

This question was not an either/or question so all three options have the potential to be included within Kidlington High Street.

As the chart shows, all three proposals received similar levels of support and objections. All three proposals received significantly more support than they did objection. The most popular proposal was Option B “A better physical barrier in place to prevent parking on the footpath area adjacent to numbers 27-35 High Street (the area in front of the Red Cross shop)?”

Option A” Kidlington High Street (from Watts Way to Oxford Road), being made one way for vehicular traffic, exiting onto Oxford Road” received the most objections. This may be due to some comments received in regard to the closing off the exit onto Oxford Road which is explored later in this report.

2.9 Question 7

On a rating of 1-5 (1 being the most important and 5 being the least important) how would you rate the following features to include in the proposed pedestrianisation scheme of Kidlington High Street?

Local events and galas
More seating places
Improved security
Increase of floral displays
Increase of cycle provision
Improved street lighting
Sculptures and public art

Respondents were also offered the choice to tick 'other' and specify their thoughts. These responses in full are included in the supporting document and grouped into relevant categories for ease of analysis. (therefore some responses from one respondent have been split between the various categories). The most popular comments were in relation to:

- Improved security
- Improved markets
- Street scene concerns
- Parking
- Shops
- Cleanliness.

Officers Response

This question saw the local events and galas the highest consideration to be included in the pedestrianisation scheme of Kidlington High Street, followed by seating places. Sculptures and public art and street lighting were considered the least important.

It must be noted with this question respondents that completed the paper questionnaire were able to rate their responses 1 through to 5. However those that completed the online survey were only able to highlight what they considered to be most important option. The majority of respondents used the paper questionnaire, so were able to list their preferred options, however due to this difference it may have affected the results. Therefore the results to this question will be used as a consideration only and we may need to revisit this question in future work if we are looking to include features in the pedestrianisation scheme.

2.10 Question 8

If you support the pedestrianisation but would suggest changes to the proposals, please outline below:

A full breakdown of all the comments received in response to this question can be found in the supporting document. All will be considered as we move forward with this scheme.

However the most popular themes are discussed.

Paving of the High Street

The current surface finish can be too dangerous and uneven, especially in bad weather for wheelchairs, pushchairs and those users unsteady on their feet

Officers Response

This scheme unfortunately does not have the budget to repave any of the High Street. The money available for this project covers the legal expenses associated with a new Order and any new signage required too. However the comments in regard to the surface treatment have been noted for future reference should anything be considered in time.

Safety

That it is currently a dangerous area where cars and people are mixing especially those that are parking illegally on the double yellow lines and something does need to be done.

Officers Response

This is one of the reasons we are looking at pedestrianisation of Kidlington High Street in order to make it a safer and more pleasant area to shop in.

Times of Access

Many comments were received commenting that the High Street should be totally pedestrianised with no core period.

Officers Response

Unfortunately this is not possible due to access for deliveries and collections from shops. Regard is also given to blue badge holders so they can access a shop or bank directly before 10am and after 4:30pm.

Change of Access

That the street should not be one way but that the exit onto Oxford Road should be blocked off.

Officers Response

Although 68% of the public favoured a one way system, the project board will revisit this, in light of public comments in regard to closing the exit onto Oxford Road. The reason this was not part of the proposals was because a large turning area would need to be provided near the bandstand, which would have to cater for delivery lorries and would make the less attractive to view than the current street scene. It may also not be possible due to access being maintained for 1a High Street.

However the access onto Oxford Road would continue to be a left hand turn only.

Impact on Traders

Concern of the impact of pedestrianisation on traders within the area. People should still be able to access the bike shop, butchers and the builders' merchants for collections and deliveries

Officers Response

The majority of traders who responded to this consultation were in support of the pedestrianisation. Those that need to access the shops directly can still do so before 10 and after 4.30.

Policing

Concern over how effectively the new restrictions would be policed.

Officers Response

If the scheme was progressed with or without the addition of a physical barrier at the junction of Watts Way and High Street a police presence would be required to monitor and enforce the situation. If a physical barrier was introduced this would reduce the demand on the police time and make the process easier. However with some pedestrianisation schemes they do police themselves once the public are aware of the restrictions. Large clear signage and press releases would make it very clear the new restriction operating in the area.

The police do support this pedestrianisation scheme and would put whatever available resources they had to help implement the scheme. However the project board are recommended to speak to Thames Valley Police to understand, in light of recent budget cuts, the amount of policing that they will be able to provide for the proposed scheme.

Market

That with the pedestrianisation there should be an increase in the size and type of Markets available that could utilise a greater area.

Officers Response

The improvement to the market provision within Kidlington was a very popular theme throughout the consultation questionnaire. This matter has therefore been raised with the team responsible for the markets and they have reported that work is ongoing to extend the market into Watts Way and that consideration can be given to the High Street if it is pedestrianised.

Blue Badge Users

That further consideration should be given to disabled access and parking.

Officers Response

Under the proposals blue badge holders can still access the shops and banks along High Street before 10am and after 4:30pm. The decision to propose excluding blue badge holders during the core period was not taken lightly. Regard was given to the availability of other close by parking in the village centre, and the requirements of what a pedestrianisation scheme should entail. Taking these considerations into account, the project board decided to propose that the new TRO would not give any special dispensation to blue badge holders. If blue badge holders were allowed into the area during the core period it was felt it would defeat the purpose of an area being pedestrianised.

Indeed, less traffic movement in this core period would also help less able bodied people to move around more safely and easily.

This matter will however be revisited in light of comments received, to see if any alternative solutions can be found. This will include looking at whether we can provide any additional blue badge parking in Watts Way car park.

Buses outside Tesco

That consideration should also be given to the issue of buses outside Tesco's.

Officers Response

The long standing issues of the buses outside Tesco's are noted. However in order to provide significant improvements in this area considerable expenditure would need to be made. In light of recent budget cuts none of the three Councils involved in this project have suitable funds available to undertake the necessary works needed. The bus operators have been written to, to make them aware of the operating restrictions in this area but at present little more can be done. Should funds become available in the future the matter will be revisited.

Rising bollard/physical barrier at the junction of Watts Way/High Street

Mixed comments were received in regard to this proposal ranging from; we must definitely have one in place, to queries over location, cost and in regard to emergency access.

Officers Response

To clarify the reason for the proposed bollard/physical barrier location, should it be implemented as part of a phase 2, it is to allow access to Watts Way and to the rear of the properties on both the North and South of the High Street for parking and deliveries. If the bollard was placed further towards Sterling Approach, the access could not be maintained for those that would not be eligible for a permit to enter the restricted area and delivery access would become too restricted.

Whilst installing a bollard has not been fully costed and therefore no decision has been made on whether one will be installed, it has been the most practical physical barrier used elsewhere in the pedestrianised zones of Cherwell (Sheep Street, Bicester and soon to be Bridge Street in Banbury). The system can be easily managed and monitored and is less likely to be open to abuse or vandalism compared to other forms of a physical barrier. However the project board are also considering other physical barrier options including a form of 'gate' or an automatic number plate recognition system which may be cheaper to install, operate and maintain.

If a bollard was the preferred option it would be activated to rise at 10am and drop at 4:30pm. Anyone wishing to enter the pedestrian area in the core period (10am-4:30pm) would either have an access 'swipe' card (those with private off street parking) to activate the lowering of the bollard or would simply press a button and an officer operating the CCTV in the High Street would view the camera and drop the bollard for a licensed postal operator or an emergency vehicle.

Cost of proposal

A few comments were received that this proposed scheme is a waste of council tax payer money.

Officers Response

This proposed scheme is being paid for out of Cherwell District Council's capital money with all the research being undertaken by the project partners to minimise cost. Therefore there is no impact on the level of Council Tax.

2.11 Specific Trader Response

This section focuses on the responses from traders within Kidlington that we need to consider.

From the responses gathered in Q1 it could be seen there were 14 specific responses from traders within the locality (this included High Street, Kidlington Centre, Oxford Road and the market). Of these:

- 13 (93%) said they thought there was a problem with too many vehicles in the High Street (Q2)

(Of the next four questions, one respondent did not give a response)

- 11 (79%) would like to see Kidlington High Street (from Watts Way to Oxford Road) pedestrianised.
- 11 (79%) said they would like to see Kidlington High Street (from Watts Way to Oxford Road) being made one way for vehicular traffic, exiting onto Oxford Road.
- 12 (85%) said they would like to see a better physical barrier in place to prevent parking on the footpath area adjacent to numbers 27-35 High Street (the area in front of the red cross shop)
- 12 (85%) said they would like to see a rising bollard installed (at the junction of Watts Way and the High Street, adjacent to Barclays Bank) as a phase 2 of the project.

It is worthy of note that only two traders were not in favour of the scheme and one of these was located outside the pedestrianised area.

In response to Q7 on a rating of 1-5....., local events and galas came out on top with 5 votes, followed by increase on floral displays with 3. More seating places, increase of cycle parking provision and improved security did not feature. The response for 'other' included comments on provision of disabled bays, an improved market and traffic congestion.

In response to Q8 on proposed changes these included comments in regard to an improved market, improved policing, better provision for blue badge holders, regard to views of shop keepers for the proposals, removable bollards outside 27-35 High Street, as well as a bollard opposite Rainbow and Martins to prevent buses mounting the kerb and provision of electricity in the High Street for the use of markets and local events.

It has to be assumed from these results that although only 14 responses were received (after adequate notification) those not responding had no comment or opinion either way. Therefore it is viewed as a positive outcome that 11 traders would like to see the High Street pedestrianised, with only 2 saying no (one gave no comment).

It is perceived that the majority of traders will see the benefits to the pedestrianisation of this section of High Street.

From the traders identified it could be seen one response was a shop located outside the proposed pedestrianised area whilst the rest were either a shop or market traders that would be located within the pedestrianised area. One response could not be determined either way.

3 Conclusion

The results of the public consultation identify that the majority of respondents support the proposals of pedestrianisation of High Street.

The recommendation will therefore be made to the project board that they should progress forward to formally making a revised Traffic Regulation Order for High Street, Kidlington.

Whilst the public supported a physical barrier at the junction of Watts Way and High Street, a decision on how and if this can be funded is still being considered.

However, in the meantime, it is proposed that a better physical barrier be put in place to prevent parking on the footpath area adjacent to numbers 27-35 High Street (the area in front of the Red Cross shop). It is still being considered if these can effectively be removable bollards but their provision would not prevent the market being active in this area on market days.

Before drafting and publicising a new Order, further consideration will be given to:

- Blue badge holder provision within the scheme.
- Policing
- One Way System

4 Next Stage

Once the project board consider the additional matters highlighted above and if the recommendation for a revised Traffic Regulation Order is approved the Order will be drafted which will go to a formal public consultation. It is hoped if approved for consultation this can be completed prior to the 2011 school summer holiday in July.

Planning, Housing & Economy

John Hoad Strategic Director Planning, Housing and Economy

Cherwell

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3 August 2010

Dear Mike

Re: Agency Agreement for an amended TRO for Kidlington High Street

In the autumn of 2009 Kidlington Parish Council and the Kidlington Village Centre Management Board approached Cherwell District Council for support into looking into the feasibility of pedestrianising the High Street.

Over the last ten years the High Street has seen an increase in intensity in the constant movement of traffic through the street causing serious safety issues for pedestrians. Formal and informal parking has become quite prolific, with little or no enforcement of the double yellow lines. As the density of vehicle use has increased so has their environmental impact on the quality of air and on the street scene. Shopping is no longer a pleasant experience in the street and shoppers are being deterred from visiting. The Parish Council would therefore like something done. Cherwell District Council is happy to support this project and have made available a small amount of capital funding for the feasibility research as well as for the making and promoting of an Order.

The outcome of the preliminary investigations by Cherwell District Council and Oxfordshire County Council into what could be done will be going out to public consultation in September 2010. This will include an option to change the current Traffic Regulation Order to restrict vehicular movement in a core period of 10am-4:30pm, consistent with streets in the town centres of Banbury and Bicester. Permits would be issued however for those owner occupiers who require access to private off street parking spaces 24/7. The High Street from Watts Way to Oxford Road would also become one way in order to reduce traffic movements and to make the road feel safer for pedestrians.



Once the outcome of the consultation is known, and should there be sufficient support for the proposed scheme, then Cherwell District Council will ask their Executive Committee to formally recommend the promoting of the new TRO. However I can not take this forward to the Executive without an agency agreement with Oxfordshire County Council being in place, which will permit CDC to promote and make the TRO on behalf of OCC.

Although, I do appreciate the content of the agreement can not be completed until we can confirm the full details of the proposed TRO in January 2011, please could I ask you to liaise with your legal department about drafting an initial agreement now? This would be appreciated in order to keep the project moving forward.

Should you require any further information on the above please don't hesitate to contact me on the above details.

I look forward to working with Oxfordshire County Council on this project.

Yours sincerely

Lisa Chaney
Urban Centres Development Officer

Executive

Proposals for High Speed Rail – Hs2

7 March 2011

Report of Strategic Director Planning, Housing and Economy

PURPOSE OF REPORT

To provide information on the Government's intentions with regards to High Speed Rail and its impact upon the District, and to enable consideration of the need to co-operate with and financially contribute to an emergent group of Councils along the declared preferred route to contest the proposals.

This report is public

Recommendations

The Executive is recommended:

- (1) To agree to join with other Authorities along the preferred route to campaign against the proposals.
- (2) To agree to the making available of up to £50,000 from Planning Control Reserve
 - (i) as a contribution towards the fund being formed to campaign against the proposals and;
 - (ii) To fund consultancy work required to assist in the detailed assessment of the impact upon individual properties and communities along the Cherwell section of the preferred route (notionally £20,000).
 - (iii) delegate to the Strategic Director Planning, Housing and Economy in consultation with the Portfolio Holder the final distribution of this funding
- (3) To ask the Planning Committee to steer the detailed assessment of impact and to make the Council's representations thereon.
- (4) To require the Strategic Director Planning, Housing and Economy to bring a further detailed report to the Executive towards the end of the consultation period to enable consideration of Council's formal response to the consultation.

HS2 Proposals

- 2.1 On 20 December 2010, The Rt. Hon. Phillip Hammond MP (Minister of Transport) announced in Parliament the Government's plans for the development of a national high speed rail network and the proposed route that they will put forward for public consultation. He explained that one of the Coalition's main objectives is to build an economy which is more balanced both sectionally and geographically that will deliver sustainable economic growth while delivering on their climate change targets. Investment in transport infrastructure will, he said, play a key part in this. He explained that there is a need to provide attractive alternatives to short-haul aviation while addressing the issue of scarce rail capacity between city centres.
- 2.2 The Government believe that the best long-term solution to these challenges is the development of a national high speed rail network with a line to Birmingham from London with onward legs to Manchester and Leeds with a Y-shaped format. This would deliver substantial reduction in centre to centre travel times and release capacity on the west coast mainline helping to provide faster commuting on that line.
- 2.3 Work undertaken at the request of the Minister also assessed the capability of this network (of which the London-Birmingham (HS2) line would be the first part) being connected to Heathrow airport via a spur, and connecting to the HS1 (London to Continent) line.
- 2.4 The Minister indicated that upon his appointment he reviewed the proposals published in March 2010 by the previous administration and as a consequence significant amendments were made to the alignment. He published detailed route alignment at that, which is available on the DfT website. He also announced at that time that these routes would be the basis of a public consultation commencing in February 2011. He also intends to publish a revised business case, a full appraisal of sustainability, noise contour maps, and route visualisations. He also made it clear that the consultation will encompass the Government's strategy for a national high speed rail network, the choice of corridor, and the detailed line of the route from London to West Midlands.

The Consultation

- 3.1 At the time of writing this report the formal consultation had not been instigated. From comments made by HS2 Ltd. it is expected to commence on 28 February 2011. It is expected to last until the end of July 2011. As noted above it will be a multi-layered consultation, and will have copious amounts of information available. An update on this will be given to Executive.
- 3.2 The Council, as a key stakeholder, will be formally consulted. It is expected that technical seminars will be held that your officers can attend to improve their understanding of the submissions. It is known also that DfT/HS2 intend to hold regional seminars on the business case/wider strategy element of the consultation.

- 3.3 Public exhibitions/roadshows will be held. No information is available yet, albeit your officers have been asked for their opinions about venues. It is likely that our section of the line will see these events in May/June.
- 3.4 Dependent on the level of details it is anticipated that the Council may need to engage specialist consultants with respect to transport economics, landscape/visual impact and amenity/noise matters, although some elements of this may be able to be handled in-house. It is also possible that it may be possible to combine with adjacent authorities (especially South Northants Council) to lower the cost of such environmental assessment work, and on the strategic/business case (see below)
- 3.5 During the final stages of budget discussions it was identified that up to £50,000 should be made available for such activities. It is known that most other authorities in the local authority grouping (see 4.2 below) have indicated their willingness to give similar (or in some cases much larger) amounts to the "campaign fund". In your officers opinion whilst this is appropriate, it is also necessary to consider what proportion of this £50k (or maybe additional) money should be set aside for detailed assessment work. In terms of potential future expenditure it should be recognised that we have a relatively short section of proposed route and that other Councils have significantly more and therefore should be prepared to make a larger input. The Council is particularly short of expertise in transport economics and may need specific advice in commenting in detail upon the strategic and business cases.
- 3.6 It is suggested that at this stage £20,000 of the £50,000 should be reserved for the possibility of direct consultancy support for CDC work on the analysis of impact and mitigation on the Cherwell part of the route. This will allow negotiation of the campaign contributions and shared approaches to consultancy advice.
- 3.7 The outcome of this assessment work is expected to be fed back to a meeting of the Executive in June/July to enable the Council's formal response to the finalised. It is suggested that the Planning Committee be asked to contribute to the assessment of the environmental impacts of the proposals, and to make the Council's detailed representations on such matters as the HS2 detailed drawings.

Activity to Date

- 4.1 It will be recalled that in October 2010 the Council resolved that
- "This Council notes the Government proposal for a High Speed Rail route from London to Birmingham and that the publicised route impacts on Villages in the District. This Council believes that there is an insufficient Business Case for this proposal. This Council therefore instructs Officers to prepare a report to the Executive setting out how the Council will campaign with like minded neighbouring Councils to "Stop HS2".'
- 4.2 The portfolio holder and the lead officer (Mr Bob Duxbury) have attended co-ordinating meetings of the Councils in Buckinghamshire, Northamptonshire, Warwickshire and Staffordshire held in January/February 2011. These have resulted in the formation of a formal grouping of these District and County Councils (yet to be formally named) which will work together to campaign against the proposals. The Portfolio holder has indicated the Council's

willingness to be part of this group. The Executive are invited to confirm your willingness to participate in this way. The grouping is seeking to form a campaign fund which will be used to implement an agreed strategy for contesting the strategic case for the proposals and against the promotion of the preferred route. That strategy may include legal challenge at appropriate times, and a co-ordinated approach to assessment, publicity and lobbying. There should be one important caveat to any decision to work jointly on campaigning against HS2 and to assessment of the environmental impact; that Cherwell should not be seen to be implying that consideration is given to alternative routes that push the line further to the west and therefore worsen the impact upon this District.

- 4.3 Your officers have taken opportunities to attend briefings/seminars from HS2 Ltd/DFT, and others to improve their understanding of the proposals. This also involved going to Kent to see the impact of HS1, talking to Kent authorities and speaking to Kent interest groups about their role, and impact, during the planning and construction phases, and their views about the line now. In addition the line of the preferred route has been walked, issues identified, and specific properties likely to be directly affected have been identified. Hopefully, therefore we will be able to react swiftly to the consultation documentation and identify the support that we may need, or additional information needed from HS2/DFT to be able to fully contribute to the consultation.
- 4.4 Many of the issues caused by this development that will face the communities in Cherwell (such as noise impact, visual amenity, effect upon protected species, access issues, impact upon footpaths) are shared by or colleagues in South Northants, albeit that they have a significantly greater length of line than our 4 miles. Initial contact has been made with their officers with a view to sharing our assessment framework, analysis, and potentially using a common consultancy team if appropriate.

5 Next Steps

- 5.1 Further meetings of the group of Councils have been arranged (next on 9 March 2011) at which the governance of the group needs to be established hopefully with a steering group and officer's group.
- 5.2 The consultation documentation will need careful assessment to ascertain its scope and completeness, and to assess the extent of outside/shared assistance that we will require. Discussions will be held as soon as possible with the Portfolio Holder and the ward member to give an early indication of the likely views.
- 5.3 Your officers will maintain contact with the affected Parish Council's, any existing or latent pressure groups and individuals to aid their understanding of the proposals and to receive comments which can feed into our assessment work and conclusions thereon.

Key Issues for Considerations/Reasons for Decisions and Options

- 6.1 The key issues considered in this report are the degree of involvement to be had with the emergent group of local authorities, and the extent of financial commitment to that grouping, and to the need to hire in consultancy support for the assessment of the strategic case and environmental impact.

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

- Option One** Agree to co-operate with the emergent group of authorities, and our adjacent colleagues in South Northants, with a financial undertaking of £50,000 towards the campaign against the proposals, and for consultancy assistance.
- Option Two** Agree to the above co-operation with a greater or smaller, financial contribution
- Option Three** Be self contained in our assessment of the proposals within our own existing resources

Implications

- Financial:** The assessment of the soon to be publicised consultation is likely to require support from external consultancies which cannot be met entirely within existing budgeting provision.
The contribution to a campaign fund steered by the recently formed group of Local Authorities will require money to be set aside for such purposes. It can be envisaged that continued resources will be needed for similar spending heads, plus the possible need for legal and parliamentary agent expenditure if this proposal proceeds to Hybrid Bill stage
Comments checked by Joanne Kay, Service Accountant 01295 221545
- Legal:** None at this time
Comments checked by Nigel Bell, Team Leader – Planning and Litigation 01295 221687
- Risk Management:** No implications stemming from this report
Comments checked by Rosemary Watts, Risk Management and Insurance Officer 01295 221566
- Equalities** None
Comments checked by Caroline French, Equalities and Diversity Officer 01295 221586

Wards Affected

Fringford

Corporate Plan Themes

**A safe and healthy Cherwell
A cleaner, greener Cherwell**

Executive Portfolio

Councillor Gibbard
Portfolio Holder for Planning and Housing

Document Information

Appendix No	Title
None	
Background Papers	
None	
Report Author	Bob Duxbury, Development Control Team Leader
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Executive

Performance and Risk Management Framework 2011/12

7 March 2011

Report of Interim Chief Executive and Corporate Strategy and Performance Manager

PURPOSE OF REPORT

This report outlines the Council's performance and risk management arrangements for 2011-2012 reviewed in the context of significant changes to the national performance and inspection regime.

This report is public

Recommendations

The Executive is recommended:

- (1) To agree the proposed approach to performance and risk management for 2011/12 and request that these changes are reflected in the Council's Performance and Risk management Framework.
- (2) To agree the measures and risks that will make up the Council's performance and risk management framework for 2011/12 (appendix 1).
- (3) To request that officers report on any new performance requirements instigated by the government in the quarterly Executive reports throughout 2011/12 and work to identify and adopt examples of good practice nationally to ensure the Council's performance management remains robust and transparent.

Executive Summary

Introduction

- 1.1 Cherwell District Council has a strong track record of performance management. In 2009 the performance management framework was fully reviewed and strengthened and during 2009/10 risk management has been aligned with performance management processes resulting in improved management information and more efficient business processes.
- 1.2 Since May 2010 the coalition government has made it clear that the previous nationally determined and controlled performance regime does not reflect its aspirations in terms of localism or transparency and has begun to dismantle the requirements. Policy statements to date indicate that the government will expect performance priorities and management to be locally determined,

clearly accountable to local residents and less onerous in terms of resources.

- 1.3 The Council has taken this opportunity to review its existing performance management arrangements to meet the new national policy agenda. This report makes a series of proposals to streamline performance management with the aim of freeing up resources and producing locally relevant performance information which enables residents and local business to hold the Council to account.
- 1.4 The Council has also reviewed and updated its Risk Management Strategy and register in line with good practice. The updated Strategy was presented to the Accounts, Audit and Risk Committee on 13 December 2010 and approved by them. Risks are reviewed by the Corporate Management Team on a monthly basis where new risks can be added as required and existing risks amended.

Proposals

- 1.5 The Executive is asked to agree the recommended changes to the Council's performance management framework and note the efficiency savings resulting from these changes. Improvements include:
 - Ensuring our performance information is closely tied to local priorities
 - Streamlining the corporate plan and performance processes
 - Providing better access to performance information for the public
 - Maintaining current areas of strength
- 1.6 The Council's performance and risk framework has been revised to take account of the new approach; following this the Executive is also recommended to agree the streamlined performance measures and scorecards that will be monitored during 2011/12. These measures include the new corporate plan, the corporate improvement plan and the priority service indicators for 2011/12. The revised framework is set out in appendix 1. The Council's performance and risk management framework and the risk management strategy are available as background papers to this report.
- 1.7 In addition to the recommended changes to the Council's performance management framework the Executive is also asked to note that the full implications of new government policy in relation to performance are not yet known. A single set of data that the local authorities are expected to collect has been published and the requirements have been recognised within the Council's performance measures for 2011/12. However, potential changes in relation to peer review and performance self assessment are not yet clear. As such it is proposed that any subsequent policy developments are brought to the Executive as part of the Council's quarterly performance monitoring report and that the Portfolio Holder for Performance is briefed on a monthly basis on emerging policy. It is also recommended that the team responsible for performance management continue to seek examples of good practice to ensure the Council retains a strong focus on good performance.

Conclusion

- 1.8 Cherwell District Council has a track record of strong performance and risk management arrangements. Changing national policy means that the Council has taken the opportunity to make efficiency savings with regards performance management. In 2011/12 the Council will focus its performance management efforts on local priorities and the provision of transparent information about what the Council does and how well it does it.

Background Information

2.1 Cherwell District Council's Approach to Performance Management

Over recent years Cherwell District Council has improved and embedded its approach to performance management. There is a dedicated portfolio holder with responsibility for performance improvement and data quality and a small corporate team sat outside the directorate structure charged with ensuring performance is effectively reported, challenged and underpinned by high quality data.

In 2009 the Council updated and strengthened its performance management framework. This resulted in improved information for CMT and an integrated approach to performance and risk management.

There are always opportunities for improvement, and specific developmental areas for Cherwell have been identified as:

- Ensuring performance information is readily accessible for the public, Members and staff through improved communication and publication of data
- Remaining vigilant about data quality
- Developing a set of local measures that can be benchmarked effectively

2.2 Changes to the National Performance Regime

Since forming a government in May 2010 the coalition has made several significant changes to the national performance and inspection regime that have an impact on all local authorities. The most significant of these are:

- The cancellation of Local Area Agreements (LAAs)
- The deletion of the national indicator set (NIs)
- The removal of the requirement to undertake the Place Survey
- The abolition of the Audit Commission and the associated local government inspection regime (comprehensive area assessments including the use of resources assessment)
- The requirement to publish all items of expenditure over £500, contracts and tender documents in full
- The new single set of data that local authorities will be required to produce
- Emerging policy around increased accountability and control for local communities (for example in the Localism Bill and the transparency agenda)

In addition, the Coalition 'programme for government' document made a number of more general commitments that are of relevance to local authorities and key partners:

- To make the police publish crime data at local levels to ensure people can challenge the performance of the police
- To create a new 'right to data' so that government-held datasets can be requested and used by the public, and then published on a regular basis
- To require all councils to publish meeting minutes and local service and performance data
- To ensure all data published by public bodies is in an open and standardised format, so it can be used easily with minimal cost to third parties

In summary these policies shift the focus of performance management from a rigid nationally determined framework to a more locally orientated approach with greater flexibility for local authorities to set and publish performance measures that more directly meet local priorities and with less resource focused on a nationally determined set of indicators.

2.3 Local Government Sector Response

In response to the new policy direction the Local Government Association (LGA) issued a consultation paper 'Sector Self-Regulation and Improvement' regarding the future of performance management for local authorities. The proposals cover improvement, performance and assessment:

- Developing a benchmarking tool for councils to use comparing unit costs, performance and outcomes.
- Developing a self evaluation tool and a model dashboard for self assessment – to be published annually.
- Peer reviews/assessments, sector led with a wider range of peer support including colleagues from policing and health sectors.
- Improved opportunities to share good practice (a wider knowledge hub).
- The LGA will identify 'early warning signals' to identify poor performance and options for support.
- Councils are welcome to set up sub-regional support/improvement networks to replace the Regional Improvement and Efficiency Partnerships (RIEPS).
- In place of Public Service Agreements (PSAs) the LGA is suggesting a short set of national outcomes (approx 5) with a set of national indicators (e.g. 10) that councils would publish against locally. These national outcomes and indicators would augment local priorities.

It is not yet clear what self assessment may look like or the nature of any specific implications for district councils.

2.4 Implications for Cherwell District Council

The known implications of these changes for Cherwell District Council are:

- A reduction in external inspection requirements
- A continued commitment to local performance reporting and meeting the aspirations of the transparency agenda
- Ensuring that locally determined performance information is robust and

meets local needs

- A potential gap in the availability of comparative or benchmarking data to support value for money and improvement work
- An, as yet, unknown process of self-assessment and regulation

Given the fact that some areas of performance policy are still unknown the recommended changes outlined in paragraph 2.5 below may be augmented with additional actions as required. Any new policy implications will be brought to the Executive as part of the quarterly performance reporting cycle as outlined in recommendation 4 of this report. The Portfolio Holder for Performance will also be briefed.

2.5 Recommended Developments to Cherwell District Council's Performance Management Framework for 2011/12

The Council has clearly demonstrated its commitment to performance management through its investment in P+ (performance management software), its previous approach to external assessment and its continuing corporate focus on performance. Part of the Council's approach has included a focus on customer service performance measured through surveys, consultation and opportunities such as gov metric (customer satisfaction measurement). In the absence of nationally defined measures and given the increasing importance of 'localism' it is not anticipated that a reduction in customer orientated measures would be advantageous in the immediate future.

In 2009 the Council undertook a full review of its performance management framework. As such, it is recommended that no significant changes are made with the exception of making processes more efficient and embedding new national requirements clearly within existing arrangements.

Taken with the changes in national policy, emerging sector responses with regards to self assessment and regulation and the Council's own performance management approach, the following developments are recommended for the Performance Management Framework:

Leadership

- The Executive Portfolio role for performance demonstrates a strong commitment to performance, quality and improvement. Maintaining this focus would ensure that there is strong political oversight of performance.
- The Local Strategic Partnership should continue to improve its approach to performance management – demonstrating that partners are working (cost) effectively together.

Performance Management Arrangements

- Where national policy develops any required changes should be integrated into existing arrangements rather than result in another fundamental review of the Council's performance arrangements.
- Continue to build links with county, neighbouring and similar authorities to support benchmarking and share good practice.
- Medium Term Strategies - provide a six monthly narrative update on the medium term strategies.
- Improve public access to performance information on the Council's

website.

External Assessment

- The Council should explore the opportunity to put senior managers and Members into positions of peer assessors, this will help the Council to learn from others' experiences and also demonstrate our commitment to the new national performance management landscape.
- When the peer assessment methodology is produced the Council should undertake an exploratory self assessment to understand the implications of the new arrangements and help to shape its own improvement and development plans.
- Work with local partners (from public, private and voluntary bodies) to undertake or support proportionate self evaluation.

Data Quality

- Continue the risk based annual programme of performance information checks supported by internal audit, and in doing so audit local performance indicators.

Performance Management Software

- Develop enhanced management reporting tools to better support service managers.
- Develop the performance and risk officers group to enhance skills and reduce training and development costs.

Options for Shared Services

Performance Management is an area where there is potential to share services with another authority. To achieve a robust and effective arrangement some development time would be required to ensure data collection, storage and analysis processes are consistent and that the performance management framework supports the strategic priorities of both Councils.

These changes reflect a continuation of the Council's commitment to performance management, they form part of the Council's corporate governance framework, they reflect the national policy context and represent a saving to the Council of approximately £35,000. This saving has been built into the 2011/12 budget.

2.6 Performance Scorecards – Content for 2011/12

In line with national policy the performance information to be reported to the Executive and the public has been streamlined and focused more keenly on local priorities. Performance reporting will be based on the following themes:

- The corporate scorecard – public pledges, finance, Human Resources and customer performance measures
- The corporate plan
- The value for money and improvement plan
- Brighter Futures in Banbury (key strategic priority)
- Partnerships (significant county and district wide partnerships)
- Corporate Equalities Plan

- Priority Service Indicators
- Risks

Appendix 1 outlines the design and content of the proposed corporate scorecard which will form the basis of the quarterly performance monitoring report that the Executive will receive.

2.7 Savings and Efficiencies Relating to Performance Management

As noted in paragraph 2.5 the Council has identified efficiencies in relation to performance management of approximately £35,000. These are detailed in full in the value for money review of the Corporate and Democratic Core considered the by Executive on 6 December 2010 and have been built into the 2011/12 budget. Savings include a reduction in the number of staff employed to undertake performance and risk related roles, the streamlining of business processes, and savings associated with software and training costs.

There is also the possibility of further performance related savings to be generated through partnership working with South Northamptonshire District Council.

2.8 Risk Management

Originally adopted by the Executive in 2003, the purpose of the Risk Management Strategy is to outline an overall approach to risk management that addresses the risks facing the Council in achieving its objectives, and which will facilitate the effective recognition and management of such risks.

The Council has a strong track record in risk management and over the last 18 months has worked to integrate performance and risk reporting. As part of this project a single reporting system has been developed, the risk register has been fully reviewed and there are opportunities to streamline internal management arrangements by further integrating risk and performance work for example by developing a single performance and risk officers group.

Members have a key role to play in ensuring that risk management is fully embedded within the Council, and this is highlighted in the Risk Management Strategy, which states that commitment from Members, as well as staff, is crucial to the principles of risk management and control, and also highlights the respective roles of the Accounts, Audit and Risk Committee, the Executive, and individual portfolio holders.

Given the work that has taken place over the last 18 months it is not recommended that the Council makes any significant changes to its risk management system other than the routine review and updating of the risk register and emerging good practice. The Risk Management Strategy has been reviewed and updated and a report detailing this was received by the Accounts, Audit and Risk Committee at their meeting in December 2010.

The updated Risk Management Strategy and Risk Register forms part of the background papers to this report.

Key Issues for Consideration/Reasons for Decision and Options

3.1 This report presents the Council's proposed approach to performance management from 2011/12. It reflects changes in national policy and outlines a clear locally determined approach to ensure performance and risk management remains robust and focused on local priorities. The report also highlights areas where savings and efficiencies in relation to performance management have been found.

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

Option One

The Executive is recommended:

To agree the proposed approach to performance and risk management for 2011/12 and request that these changes are reflected in the Council's Performance and Risk management Framework.

To agree the measures that will make up the performance management framework for 2011/12 (appendix 1).

To request that officers report on any new performance requirements instigated by the government in the quarterly Executive reports throughout 2011/12 and work to identify and adopt examples of good practice nationally to ensure the Council's performance management remains robust and transparent.

Option Two

To identify any additional issues for further consideration or review.

Consultations

No specific consultation on this report is required. However, it should be noted that several of the Council's performance measures are based on public consultation or customer feedback.

Implications

Financial:

Financial Effects – the resources required to support performance management have been reduced as part of a value for money review of the service and in line with national policy requirements, resulting in a saving of approximately £35,000.

Comments checked by Karen Curtin, Head of Finance
01295 221551

Legal:

The report recommends that any new statutory performance reporting requirements are embedded with the Council's performance management framework and that these changes are clearly identified.

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

Risk Management: The purpose of the Performance Management Framework is to enable the Council to deliver its strategic objectives and improve customer satisfaction. All managers are required to identify and manage the risks associated with achieving this. All risks are logged on the Corporate Risk Register and there is an update on managing risks recorded at least quarterly. These requirements will remain part of the Council's performance management framework.

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

Data Quality The Council's commitment to robust performance management remains and this includes a data quality policy and guidelines to ensure reliable management information continues to be delivered.

Comments checked by Helen Hayes, lead officer on data quality, 01295 221751

Wards Affected

All

Document Information

Appendix No	Title
Appendix 1	Performance measures for the 2011/12 performance management framework.
Background Papers	
<ul style="list-style-type: none"> • Cherwell District Council Performance Management Framework. • Cherwell District Council Risk Management Strategy and Register. • Value for Money Review – Corporate and Democratic Core (Executive Papers 6th December 2010) • ‘Sector Self Regulation and Improvement’ (LGA – consultation paper http://www.lga.gov.uk/lga/aio/13733907) 	
Report Author	Claire Taylor, Corporate Strategy and Performance Manager
Contact Information	01295 221563 claire.taylor@cherwell-dc.gov.uk

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Corporate Scorecard 2011/2012		Total GREEN	0	0	
		AMBER	0	0	
		RED	0	0	
		NO DATA (N/A)	0	0	
Measure Definition	Responsible Service	Reporting Frequency	Comment on Performance to date	Quarter	
Organisational Resilience / Staff Satisfaction	People and Improvement	Quarterly			
Customer Feedback					
Speed of response to telephone calls	Customer Services and Information Systems	Monthly			
Achieve above average performance in a nationally comparative telephone mystery shoppers survey	Customer Services and Information Systems	Bi - annual			
Corporate Performance Frameworks - Summary of Performance					
Performance Framework	Performance targets %			Reporting Frequency	Comments
	Red	Amber	Green		
Corporate Plan				Monthly	
Priority Service Indicators				Monthly	
Corporate Improvement Programme				Monthly	
Corporate Equalities Plan				Quarterly	
Brighter Futures in Banbury				Quarterly	
Significant Partnerships				Quarterly	
Risk Register - Summary of Changes					
Risk	Net Risk Rating	Change	Comments		

Corporate Plan 2011/2012 Action Plan			
Support local people into work by helping another 1000 local people at our Bicester and Banbury Jobs clubs			
Deliver the Brighter Futures in Banbury programme			
Balance economic development and housing growth			
Deliver 500 new homes including through planned major housing projects			
Deliver 100 affordable homes in the district			
Promote local economic development through business advice and support, inward investment and the Local Enterprise Partnerships			
Develop a robust and locally determined planning framework			
Develop a clear long term local development framework for the district			
Prepare an updated policy for developer contributions and deliver at least £1million funding for infrastructure improvements			
Protect and enhance the quality of the built environment			
Work to improve the quality and vibrancy of our town centres and urban areas			
Start building the new shops and cinema in Bicester Town Centre			
Make progress on the Canal Side Regeneration programme in Banbury			

**Corporate Plan
2011/2012 Action Plan**

Prepare detailed planning guidance for the future redevelopment of the Bolton Road area in Banbury				
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A District of Opportunity : Performance Indicators						
	Quarter Actual	Quarter Target	Quarter Performance	Quarter Actual	Quarter Target	Quarter Performance
NI 156 Number of households living in temporary accommodation						
Housing advice: repeat homelessness cases						
NI181 Time taken to process Housing Benefit/Council Tax Benefit new claims and change events						
NI154 Net additional homes provided						
NI155 Number of affordable homes delivered (gross)						

Corporate Plan 2011/2012 Action Plan			
A Safe, Healthy and Thriving Cherwell	Quarter	Quarter	Comment
Work with partners to support the development of safe and thriving local communities and neighbourhoods			
Continue to provide a wide range of recreational activities and opportunities of young people across the district			
Work with partners to maintain already low levels of crime in the district (all crime)			
Improve the condition of homes in the district to make them safer and healthier			
Support the local community, voluntary and not for profit sectors to play an active role in the district			
Work with the local voluntary sector to provide advisory services for the local community			
Support volunteering across the district			
Prepare a new community development strategy to ensure the Council's work in this area provides value for money and addresses local need			
Provide good quality recreation and leisure opportunities in the district			
Make progress on the South West Bicester multi-sports village			
Maintain current levels of visits/usage to district leisure centres			
Secure the long term future of Banbury museum, reducing the cost for local taxpayers and maintaining access for the community			
Support improvement of local health facilities, services and standards across the district			
Work to promote active and independent lifestyles amongst older people			
Support the local NHS to retain and develop health services at the Horton General Hospital			
Continue to support new and improved health services in Bicester and the surrounding area			

Corporate Plan 2011/2012 Action Plan										
A Safe, Healthy and Thriving Cherwell : National Indicators										
	Quarter Actual	Quarter Target	Quarter Performance	Quarter Actual	Quarter Target	Quarter Performance	Quarter Actual	Quarter Target	Quarter Performance	Comment
Work with partners to deliver 40 active lifestyle sessions for older people each month										
Leisure Centre Usage										
All Crime										
Anti Social Behaviour Incidents										
Increase participation by young people in positive activities										
NI016 Serious acquisitive crime rate										

Corporate Plan 2011/2012 Action Plan			
A Cleaner, Greener Cherwell	Quarter	Quarter	Comment
Provide excellent waste collection and recycling services, working to reduce the amount of waste produced and to increase recycling across the district			
Increase the household recycling rate to above 60%			
Reduce the amount of waste sent to landfill			
Maintain the current high levels of customer satisfaction with our recycling and waste collection services			
Work to ensure our streets, town centres, open spaces and residential areas are clean, well maintained and safe			
Maintain high levels of residents' satisfaction with street and environmental cleanliness			
Increase the number of bring bank recycling sites in the district			
Work with local communities to continue the programme of neighbourhood litter blitzes			
Work to reduce our impact on the natural environment, limit our use of natural resources and support others in the district to do the same			
Reduce the Council's carbon footprint by installing solar panels on Council buildings and generating savings in our energy costs			
Work with partners to improve the energy efficiency of homes and enable more residents to achieve affordable energy bills			
Work with partners to support the development of Eco-Bicester, creating a centre of excellence in terms of green or sustainable living			
Deliver the Eco-Bicester demonstration projects			
Work with all parties to achieve an acceptable scheme on the initial 400 home development			
Ensure there are opportunities for local people to participate in the Eco-Bicester programme			

**Corporate Plan
2011/2012 Action Plan**

A Cleaner, Greener Cherwell : performance indicators												
Quarterly	Quarter Actual		Quarter Target		Quarter Performance		Quarter Actual		Quarter Target		Quarter Performance	Comment
	Actual	Target	Actual	Target	Performance	Target	Actual	Target	Performance	Target		
Residual household waste per household												
NI 192 Percentage of household waste sent for reuse, recycling and composting												

Corporate Plan
2012/2012 Action Plan

An Accessible, Value for Money Cherwell	Quarter	Quarter	Quarter	Comment
Provide value for money and a financially sound organisation, minimising the impact of smaller council budgets on frontline and priority services				
Secure savings of at least £1m to help meet the reduction in our government funding				
Ensure the Council's budget is matched to strategic priorities and services are able to demonstrate they provide value for money				
Work with partners to reduce Council costs				
Reduce senior management costs by implementing a single shared senior management team with South Northamptonshire Council				
Explore opportunities to reduce costs by working with partners including South Northamptonshire Council, to develop alternative service delivery models or shared services.				
Demonstrate that we can be trusted to act properly for you by being transparent about our costs and performance				
Improve the information available to the public about our costs and performance, maintaining the publication of all items of expenditure over £500				
Consult with local residents in a cost effective manner to ensure the Council has a good understanding of local priorities				
Work to ensure we provide good customer service through the delivery of high quality and accessible services				
Maintain high rates of customer satisfaction with our services				
Maintain existing levels of satisfaction with information provided by the Council				
Improve access to our services by increasing online payment and appointment options				

Corporate Plan
2012/2012 Action Plan

Priority Service Indicators 2011/2012							
Quarter Actual	Quarter Target	Quarter Performance	Quarter Actual	Quarter Target	Quarter Performance	Quarter Actual	Quarter Performance
A District of Opportunity							
NI 159 Supply of ready to develop housing sites							
NI 170 Previously developed land that has been vacant or derelict for more than 5 years							
NI 157a Processing of major applications within 13 weeks							
NI 157b Processing of minor applications within 8 weeks							
NI 157c Processing of other applications within 8 weeks							
% Planning appeals allowed against refusal decision							
Number of planning appeals							
NI 159 Supply of ready to develop housing sites							
% Houses developed on previously developed land							
Contribute to the creation of 200 new jobs							
Prepare design, planning and conservation guidance documents to protect and enhance the built environment							
A Cleaner Greener Cherwell							
NI 186 Per capita reduction in CO2 emissions in the LA area							
NI 188 Planning to adapt to climate change (score)							
% of abandoned vehicles removed within 24 hours							
Inform all residents and businesses how to reduce carbon emissions							
NI 194i Emissions of NOx							

Priority Service Indicators 2011/2012										
	Quarter Actual	Quarter Target	Quarter Performance	Quarter Actual	Quarter Target	Quarter Performance	Quarter Actual	Quarter Target	Quarter Performance	Comment
NI 194ii % reduction of Nox emissions										
NI 194iii Emissions of PM10										
NI 194iv % Reduction in PM10 emissions										
% fly tipping removed in 48 hours										
Number of fly tipping incidents										
Number of fly tipping prosecutions										
Removal of fly tipping within 48 hours of reporting										
A Safe, Healthy and Thriving Community										
Number of risk based food premises inspections completed										
NI 182 Satisfaction of business with LA regulation services										
% Residents when asked say they feel safe at home										
% Residents when asked say they feel safe in town centres										
Delivery of Olympic Legacy actions and events leading to 2012 and beyond										
NI 015 Serious violent crime rate										
NI 020 Assault with injury crime rate										
NI 008 Increase participation in active recreation by 1%										

Priority Service Indicators 2011/2012										
	Quarter Actual	Quarter Target	Quarter Performance	Quarter Actual	Quarter Target	Quarter Performance	Quarter Actual	Quarter Target	Quarter Performance	Comment
An Accessible Value for Money Council										
BV009 % Council Tax collected										
BV010 % NNDR collected										
BV078a Average time for new HB/CTB claims										
BV078b Average time to process change in circumstances										
BV079bi.05 % HB Recovered: Overpayment										
BV079bii.05 % HB Recovered: including outstanding										
BV079biii.05 % HB O'Pay: Written Off										
% Invoices paid within 30 days										
Deliver a council tax increase in 2012/13 which is below inflation										
Increase income at joint use sports sites by 2.5%										
% Telephone calls abandoned compared to same period last year										
90% of complaints are resolved within Stage One										
95% of all complaints that are escalated to Stage Two are resolved										
Number of complaints escalated from Stage Three to the Ombudsman										
Produce a combined annual report of performance and finance in June 2011										
Increase the readership of Chenwell Link										
Develop a preventable contact measure										

Priority Service Indicators 2011/2012							
	Quarter Actual	Quarter Target	Quarter Performance	Quarter Actual	Quarter Target	Quarter Performance	Comment
Car parking revenue							
% of buildings audited that are accessible							

Corporate Improvement Plan and Value For Money Programme 2011/2012

	Quarter	Quarter	Comment
Corporate Improvement Plan			
Exploiting the potential for sharing services			
2 year finance settlement			
VFM programme			
New Homes Bonus use/ Budget Strategy			
Legislation changes in housing and response			
Development Control fee / charge setting and VFM			
Banbury Museum Trust Status			
Customer Service Improvement Programme			
Dealing with the impact of the Localism Bill			
Deprivation / Brighter Futures in Banbury (local co-ordination)			
Services to Young People			
Community development improvement plan			
Managing information			
Responding to the Changing Needs of an Ageing Population			

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Corporate Equalities Plan 2011/2012			
	Quarter	Quarter	Comment
Fair Access and Customer Satisfaction			
To ensure Cherwell District Council and our Partners treat the public fairly regardless of their background or way of life			
To improve our services to the older generation within the Cherwell district			
To ensure all our services both internal and external are accessible to all Equality Groups at a high standard			
Tackling Inequality and Deprivation			
To break the cycle of deprivation within the district (Brighter Futures in Banbury Programme)			
Building Strong and Cohesive Communities			
Promote integration between communities and groups through the use of sport, leisure, cultural activities and opportunities for community involvement			
Positive Engagement and Understanding			
To continue to increase engagement and work with young people within the district			
Increase Cherwell's knowledge and understanding of the wider community to ensure we fulfil all residents' needs within our services			
Raise internal awareness of diversity within our community			
Demonstrating Our Commitment to Equality			

Corporate Equalities Plan 2011/2012

	Quarter	Quarter	Quarter	Comment
Review and publicise all documentation in line with government framework				
Undertake a self assessment of the Councils performance against the the Equality Framework for Local Government				
Ensure staff and services promote and embed equality into their work				
All EIA's and Equality documents to be reviewed by the Corporate Equality and Diversity Steering Group				

Brighter futures in Banbury Programme 2011/12

	Quarter	Quarter	Quarter	Comment
				Financial & Employment Support
Improve skill levels and educational attainment				
Improve employability, focusing particularly on young people				
Improve financial situations, addressing debt and financial exclusion				
				Young People Aspirations & Attainment
Improve educational attainment through better skills in numeracy / maths and more effective family engagement				
				Housing & Environment
Good quality mixed housing, affordable for all income levels, and set in a well-managed environment				
Good access to amenities, including shops, health centres and leisure facilities				
				Health & Wellbeing
Improve life expectancy with improved overall health and well-being				
Reducing the clear inequality gaps with low life expectancy				
Reducing high rates of teenage pregnancy				
				Safe & Strong Communities
Build a safer and more connected community, where residents feel socially included				

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Significant Partnerships 2011/2012

Significant Partnerships 2011/2012			
	Quarter	Quarter	Comment
Sub-Regional Partnerships			
Oxfordshire Partnership Board			
Children's Trust			
Health and Well Being Partnership Board			
Environment and Waste Partnership			
Oxfordshire Safer Community Partnership			
Stronger Communities Alliance			
Local Enterprise Partnerships			
Cherwell-specific Partnerships			
Cherwell Local Strategic Partnership			
Cherwell Safer Community Partnership			
Cherwell M40 Investment Partnership			
Banbury Town Centre Partnership			
Bicester Vision			
Kidlington Village Centre Management Board			
Homelessness Strategy Partnership			
Cherwell RSL Partnership & Sanctuary Housing Group			
NW Bicester Strategic Delivery Board			

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Risk Register - 2011/2012										
Risk Heading	Owner	Description	Gross Risk Rating	Net Risk Rating	Net RAG	Controls			Direction of Travel	Comments this quarter
						Gross Risk Rating	Net Risk Rating	Net RAG		
Strategic Risks										
STRAT01 Deprivation & Health Inequalities	Ian Davies	The risk in not breaking the cycle of deprivation and addressing inequalities across the District is that the life opportunities of residents in the greatest need will not be improved and as a result the reputation of the Council will suffer. The risk is particularly acute in areas such as the Nethrop, Ruscott and Grimsbury wards in Banbury where there is a high level of deprivation as measured by the Government's indices of multiple deprivation.				Proposals include a) Long term approach for support to local people and communities as many issues can only be addressed on this basis b) Multi agency action with clear and common objectives c) Additional funding from Government grants to supplement current resources				
STRAT02 Eco Town	John Hoad	The risks are that national and local policy support and resources will be inadequate to support the development of the NW Bicester Eco-Town. As a result the Council may fail to fully exploit the Eco-Town as an opportunity to develop a centre of excellence in terms of sustainable living.				a) Planning policy development through Local Development Framework. b) Eco Bicester Town Project plan and related partnership working with private and public sector partners c) Dedicated Project Team				
STRAT03 Local Development Framework	Philip Clarke	The risks are that the Local Development Framework is not prepared adequately, in time, or is found unsound at public examination. Such outcomes would result in further risks arising from speculative planning applications, undesirable major developments and / or expense for the Council in contesting planning appeals. An unsound plan would mean that the Council would have to repeat 2 to 3 years work at high cost.				This risk will be managed through close dialogue with GOSE and other local authorities. Interim advice from the SOS is anticipated during July and Councillors will be advised when more is known.				
STRAT04 Economic & Social Changes	John Hoad	The risk is that the Council does not identify and respond to general economic and social changes and as a result would not fulfil its role as a community leader and a provider of top quality services driven by a clear understanding of community and individual needs.				Control measures remain the same a) Service and financial planning process b) Sustainable Community Strategy c) Economic Development Strategy and related partnership activities				
STRAT05 Horton Hospital	Ian Davies	The risks to maintaining the Horton Hospital as a facility that meets community aspirations for local health provision are the deliverability and affordability of a revised consultant delivered service model for paediatrics and obstetrics. Failure of either will jeopardise current service provision and could result in a service reduction from the Horton.				a) Support to the PCT in challenging QRHT proposals b) Providing evidence of deliverability of consultant delivered services elsewhere c) Gaining consensus locally that this is important				
STRAT06 The Natural Environment	Ed Potter	The risk is that the Council does not take the necessary actions to meet its obligation, as set by National Government, to ensure its own operations and that of its District's residents and businesses reduce their carbon footprints.				a) Environmental Strategy for a changing climate b) Responsibility for delivery plans for the Environmental Strategy clear c) Relevant delivery groups				
STRAT07 Managing Change	Anne-Marie Scott	The risk is that the Council does not adequately manage the impact of major change programmes on organisational performance and individual morale.				Change management policies in place External legal and HR support planned Project management approach applied, incorporating risk identification and mitigation				
STRAT08 Financial Resources	Karen Curtin	The risk is that in an uncertain economic and financial climate the Council will not have the resources to deliver its corporate priorities. Poor economic conditions also tend to produce increased demand on services. As the Council's income from capital reduces our dependency on interest to support revenue expenditure must also reduce and capital assets will need to be rebuilt to fund future infrastructure investments. Failure to do either will result in budgetary shortfall, service reductions, above inflation increases to council tax and lack of capital to fund future community schemes.				Whilst we don't under estimate the challenges presented as a result of the economic downturn, the Council's financial position remains strong ensuring we are able to continue to meet our priorities in the future. Our rolling programme of VFM reviews has generated cost reductions of £3.7m over the last 3 years, proving our ability to deliver identified savings in full over extended periods of time. Support costs and frontline services alike have been subject to VFM reviews. We have reduced support costs by £1m over the last 3 years, a reduction of 18% in real terms. a) Budget 2010/11 b) Medium financial strategy and sensitivity analysis c) Workforce planning d) Dashboard – budget monitoring				

Risk Register 2011/2012										
Risk Heading	Owner	Description	Gross Risk Rating	Net Risk Rating	Gross RAG	Net RAG	Controls		Direction of Travel	Comments this quarter
							Gross Risk Rating	Net Risk Rating		
Strategic Risks										
STRAT09 Shared Services	Ian Davies	<p>The risk that the shared management arrangements fail to be effectively managed and implemented and will adversely impact upon the Council's financial position and ability to balance its budget with further cutting service budgets. Other potential adverse affects include:</p> <ul style="list-style-type: none"> Loss of key staff and declining morale Loss of organisational reputation Legal challenge Decline in organisational performance Failure of ICT system to be effectively integrated for shared management. <p>There is a comprehensive list of risks established in the development of the shared management business case and these are detailed in Appendix 6 of the business case and contain details of risk, controls and mitigations.</p>					<p>a) Joint Arrangement Steering Group and terms of reference in line with S113 agreement b) Steering group supported with professional legal and HR advice c) Steering group includes senior elected members and managers from both organisations d) Steering Group will provide regular reports and keep risk under review. e) Professional recruitment consultants appointed f) Communications briefings in place g) Business case developed and agreed h) ICT work programme in place</p>			
STRAT10 Legislative and Policy Change	Monitoring Officer	tbc					tbc			
Corporate Risks										
CORP01 Health & Safety	David Marriott	The risk is that a failure to comply with health and safety and welfare legislation and policies could lead to injuries and death, high, sickness absence and claims and litigation against the Council.					<p>a) Wide range of Health & Safety policies and procedures in place as set out on the Council's intranet b) Training is given to all relevant staff undertaking manual work c) Relevant safe working practice notes are issued as part of standard induction procedures</p>			
CORP02 Capital Investments	Karen Curtin	The risk is to the Council's ability to fund its activities because of a reduction in investment income or income from other capital assets such as buildings.					<p>a) Utilisation of treasury management advisors to assist with investing in strong rated institutions. b) We adhere to an annual investment strategy that complies with CIPFA code c) All rental income from buildings is monitored monthly and managed by the Head of Estates to minimise the number of "empty" properties. In this economic climate we will review our occupancy rates. d) Budget 2010/11 e) Medium term financial strategy f) Asset Management Strategy g) Dashboard – budget monitoring h) Annual Treasury Management Strategy i) Counterparty Lists</p>			
CORP03 ICT Systems	Pat Simpson	1) ICT unable to provide Disaster Recovery Services as required by the Business Continuity Plan. 2) Loss of ICT systems that would have a significant negative impact on service delivery and cause exceptional costs to the Council.					<p>1a) Disaster Recovery Plan to be tested by system administrators on a 6 monthly schedule. 2a) Architectural approach of systems and implementation of key projects is quality assured by external auditors; 2b) Annual compliance with ISO 27001 through annual testing of operation procedures by external auditors</p>			
CORP04 Equalities Legislation	Claire Taylor	The risk is the Council may be open to litigation and loss of reputation if it is not compliant with equalities legislation.					<p>a) Equalities scheme b) Mandatory Equalities Training c) Equalities performance monitored through d) PMF e) IDEA Peer assessment planned for 2010 f) Equalities steering group and communications plan</p>			

Risk Register 2011/2012											
Risk Heading	Owner	Description	Gross Risk Rating			Controls			Direction of Travel		Comments this quarter
			Gross Risk Rating	Gross RAG	Net Risk Rating	Net RAG	Gross Risk Rating	Gross RAG	Net Risk Rating	Net RAG	
Corporate Risks											
CORP05 Corporate Fraud	Karen Curtin	tbc				tbc					
CORP06 Civil Emergency	Paul Marston-Weston	Civil Emergency				As a Category 1 Responder under the Civil Contingencies Act 2004, the Council has a duty to prepare and maintain an Emergency Plan which is updated on a regular basis. Furthermore, the plan has an annual testing and exercising schedule. Table top exercises are carried out annually to test the robustness of the plan and for plan familiarisation. Training is also provided as necessary to relevant staff to enable them to undertake effectively their emergency planning duties/role.					
CORP07 Data Quality	Claire Taylor	The risk is that unreliable data sources are used to support decision and policy making putting the Council at risk of making poor decisions. Decisions are made on the basis of information about the population and the nature of the district. If data is out of date, incomplete or inaccurate, those decisions may turn out to be inappropriate.				a) Single trusted data source available for all decision makers to access b) Use external trusted and reliable data source as the basis for our own information c) Internal audit programme for performance indicators d) Initiate a series of data quality health checks					
Partnership Risks											
PART01 Local Strategic Partnership	Claire Taylor	The risk is the failure of the Local Strategic Partnership to deliver its objectives having a negative impact on service delivery to the public, the Council's reputation with other local agencies and this being reflected in national inspection regimes.				a) Partnership governance review implemented b) Management group to support implementation of LSP decisions c) Annual self assessment of performance					
PART02 Community Safety Partnership	Chris Rothwell	Failure of the Community Safety Partnership to deliver a continuous reduction in crime and the fear of crime.				The four Action Groups produce annual action plans to deliver the priorities of the partnership. This is monitored bi-monthly by the partnership's performance management team (CDC head of service and TVP local commander) which reports into the quarterly strategic partnership meetings.					
PART03 Local Enterprise Partnership	John Hoad	tbc				tbc					
PART04 Oxfordshire Waste Partnership	Ed Potter	tbc				tbc					
PART05 Health and Wellbeing Partnership	Paul Marston-Western	tbc				tbc					
Indicated by:-	High	Requires Active Management High impact / High Probability: this risk requires active management to manage down and maintain the exposure at an acceptable level. Escalate upwards.									
	High Medium	Contingency Plans Required A robust contingency plan is required, together with early warning mechanisms to detect any deviation from the profile. Escalate upwards.									
	Medium	Monitoring Required This risk may require some additional risk mitigation to reduce the likelihood (if it can be done cost effectively), but good housekeeping to ensure that the impact remains low should be adequate. Monitor to identify any change in the risk.									
	Low	Review Periodically This risk is unlikely to require further mitigating actions, but the status should be reviewed quarterly to ensure that conditions have not changed.									
		Risk rating stayed the same Last month compared to this month									
		Risk rating improved Performance increased (risk rating decreased) Last month compared to this month									
		Risk rating worsened Performance declined (risk rating increased) Last month compared to this month									

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Executive

2011/12 Treasury Management Strategy and Treasury Management Practices

7 March 2011

Report of Head of Finance

PURPOSE OF REPORT

This report sets out the strategy and policy framework for treasury operations for 2011/12 and outlines the Treasury Management Practices for 2011/12.

It fulfils two key requirements of the Local Government Act 2003:-

- approval of the Treasury Management Policy in accordance with the CIPFA Code of Practice on Treasury Management; and
- approval of the Investment Strategy in accordance with the CLG investment guidance.

This report is public

Recommendations

The Executive is recommended:

- (1) To recommend to Council approval of the Treasury Management Policy and Investment Strategy 2011/12

Executive Summary

- 1.1 The purpose of this document is to outline the Treasury Management Strategy for the financial year 2011/12.
- 1.2 The Code of Practice on Treasury Management approved by the Chartered Institute of Public Finance and Accountancy (CIPFA) and adopted in full by the Council in 2004, requires that a Treasury Management Strategy is produced prior to the beginning of the financial year to which it relates. The Treasury Management Strategy is the cornerstone of proper treasury management, and is central to the operation, management reporting and performance assessment.
- 1.3 The strategy meets the requirements included within the DCLG's Guidance on Local Government Investments. It also includes the option of appointing external Fund Managers for at least a proportion of the portfolio, should the Council determine their use at any time during the year.
- 1.4 The proposed strategy for 2011/12 in respect of the following aspects of the

treasury management function is based upon the views of the Council's Treasury Management Team. This is informed by market forecasts provided by the Council's treasury advisor, Sector.

- 1.5 In consultation with Sector and with full reference to the CIPFA Code of Practice, the Council has reviewed its risk appetite and associated priorities in relation to security, liquidity and yield in respect of returns from various financial instruments.
- 1.6 The strategy detailed in Appendix 1 covers:
 - Treasury limits in force which limit the treasury risk and activities of the Council
 - Prospects for interest rates
 - The borrowing strategy
 - Prudential Indicators;
 - The current treasury position;
 - The investment strategy.
 - Creditworthiness policy;
 - Policy on use of external service providers;
- 1.7 The Treasury Management Practices that the Council is operating to are detailed in Appendix 2.
- 1.8 The highest standard of stewardship of public funds remains of the utmost importance to the Council. This document sets out the Council's priorities and policies for making, and managing investments made by the Council in the course of undertaking treasury management activities during the 2011/12 financial year.

Background Information

2010/11 Performance

- 2.1 The Council has £22.5m and £20m respectively invested with fund managers Tradition UK and Investec. In addition it has around £25m managed in-house (including Eco Town funds of £9.2m) which fluctuates during the year. The recent value for money review recommended a review of each of these operations in light of the current economic climate, reducing balances in investments planned to fund the Capital Programme and the need to contribute to efficiency savings. This review is ongoing and the outcome will be presented in the 2010/11 annual report but is expected to deliver further efficiency savings.
- 2.2 The 2010/11 interest projections as at January 31 2011 show an expected investment income of £1.15m which is on track to budget and all investments are compliant with the strategy.
- 2.3 The 2010/11 Annual Report on Treasury Management will be presented to the Executive in June 2011 along with the Revenue and Capital Outturn reports. This report will give full information on the performance of the Council's fund managers and in-house operation.

Icelandic Deposits Update

- 2.4 Cherwell District Council is one of 123 local authorities that have been affected by the collapse of Icelandic banking institutions. The Council currently has a total of £6.5 million in short term investments (i.e. those with maturity periods of up to one year) with one of the affected banks Glitnir.
- We are currently in a legal process to ensure 100% of the deposits are returned. At present the debt is categorised as an unsecured claim which might only return 29% of the principle. We are challenging that these deposits should be priority claims and be repaid at 100% of principle.
- Local authorities' objections will now be considered under the processes followed under Icelandic insolvency law, and written submissions were filed in September 2010. Glitnir test cases, including ours, are scheduled to be heard in court from 14 to 17 March 2011.
- Regardless of the outcome of this first court hearing we anticipate that an appeal will be lodged (either by local authorities should we lose, or by other creditors should we win) and therefore the final outcome will not be clear until later this year.
- 2.5 It is too early to pre-judge the outcome of the trial and we cannot speculate on any other action we or the other parties might take but we will continue to provide regular updates on the recovery process.

Key Issues for Consideration/Reasons for Decision and Options

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

Option One To review draft strategy and consider proposals arising.

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

Consultations

Corporate Management Team February 2011

Accounts, Audit and Risk Committee : Qtrly reviews in 2010 and to be reviewed on 14 March 2011

Council's Treasury Management advisers - Advice and guidance has been sought from Sector

Implications

- Financial:** The strategy proposed in this report, together with the interest rates forecast, is in line with the assumptions made when the 2011/12 budget was prepared. The costs of treasury operations, debt management, expenses and investment income are included in the 2011/12 budget.
Comments checked by Eric Meadows, Service Accountant, 01295 221552.
- Legal:** There is a requirement for the Council to fulfil two key requirements of the Local Government Act 2003:-
• approval of the Treasury Management Policy in accordance with the CIPFA Code of Practice on Treasury Management; and
• Approval of the Investment Strategy in accordance with the DCLG investment guidance.
Comments checked by Liz Howlett, Head of Legal and Democratic Services, 01295 221686.
- Risk Management:** a) Risk of capital loss – the prime objective of treasury management activities is to ensure the security of the amounts invested. This is managed by using a counterparty list which only includes organisations having a suitable credit rating and which has a maximum amount that can be invested with each organisation at any one time.
b) Liquidity – investments are linked to known future cash flows to ensure sufficient funds are available as and when they are required.
c) Interest Receivable – this is regularly monitored against budget and reported through the Performance management Framework.
Comments checked by Karen Muir, Corporate System Accountant, 01295 221559.

Wards Affected

All

Corporate Plan Themes

An Accessible and Value for Money Council

Executive Portfolio

Councillor James Macnamara
Portfolio Holder for Resources and Communication

Document Information –

Appendix No	Title
Appendix 1	Treasury Management Strategy – to follow
Appendix 2	Treasury Management Practices – to follow
Background Papers	
Sector TMSS template Local Government Act 2003 CIPFA's revised Prudential Code for Capital Finance in Local Authorities (2009) CIPFA's revised Treasury Management Code of Practice (2009) Prudential Indicator working files Capital Programme 2011-2014 Medium Term Financial Strategy 2011/12 Budget Booklet	
Report Author	Karen Curtin, Head of Finance Jessica Lacey, Technical Accountant
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Executive

Customer Service Value for Money Review and Customer Intelligence Project

7 March 2011

Report of the Interim Chief Executive

PURPOSE OF REPORT

To consider the findings of the Value for Money (VFM) Review report and the Customer Intelligence Improvement report, and the recommendations arising from these.

This report is public

Recommendations

The Executive is recommended:

- (1) To endorse the overall conclusions of the Customer Service VFM and Customer Intelligence reports
- (2) To adopt a new vision for Customer Service to 2013/14 (as set out in Annex 1) that seeks to reduce the cost of the service, retain or improve on existing levels of satisfaction, reduce avoidable contact, manage demand and encourage greater use of online services.
- (3) To commence a customer service transformation programme, involving all service areas, that will drive improvement in Customer Service through adopting smarter working methods to reduce avoidable contact and transactions, and through managing demand to reduce peaks and troughs in levels of transactions.
- (4) To adopt the key performance measures of speed of telephone response and call abandonment rate for the Council's corporate score card
- (5) To establish a two-year cost savings target of £257,462 for Customer Service that addresses the high cost of the service but in a sustainable way, with minimal impact on overall service to the public, as follows;
 - a. Include the elimination of all vacant posts by 2012/13, to allow time for the new payment kiosks to reduce current workload, and seek to reduce the establishment by an additional 1 FTE per annum as the transformation programme reduces overall levels of contact
 - b. Note savings of £125,654 built into the 2011/12 budget as follows;

- i. Install payment kiosks (saving £65,000) as approved
 - ii. Remove a vacant customer service specialist post (saving £17,000)
 - iii. Remove vacant hours provision (saving £20,000)
 - iv. Reduce the establishment by 1FTE (saving £23,654)
 - c. Make further savings of £131,808 in 2012/13 as follows;
 - i. Eliminating all remaining vacant posts (saving £85,154)
 - ii. Reducing the establishment by an additional 1 FTE as levels of contact decline through improved working (saving £23,654)
 - iii. Reducing accommodation costs through plans to move out of Bicester Market Square in 2012/13 (saving £23,000) as part of the town centre project, with the service being required to find this saving by other means should the scheme not progress by this date.
- (6) To include discussions on the nature and number of LinkPoint offices in the Council's forthcoming work on its Medium Term Financial Strategy

Executive Summary

Introduction

- 1.1 The Customer Service VFM Review and the Customer Intelligence Improvement Project are part of the Council's Corporate Improvement Plan for 2010/11. Although both have explored different aspects of Customer Service their findings have much in common.
- 1.2 The overall conclusion of the VFM Review is that the service is high cost for its overall operation in comparison with other authorities, although it offers good value for money for Revenues and Benefits callers. It has poor performance in terms of long and increasing times to answer calls, with high but reducing call abandonment rates. It is high quality in terms of good and improving levels of customer satisfaction for residents using the service, although its internal satisfaction levels are poor in parts.
- 1.3 The findings of the Customer Intelligence project are that working relationships between Customer Service and service departments need further development. Limited customer intelligence is gathered at present but is not routinely extracted and used to improve services, except for some incidences of good working practice in Revenues and Benefits. At present there is limited capacity and expertise within Customer Service to undertake any regular provision and assessment of customer intelligence.
- 1.4 Although carried out independently, both projects concurred with the view that the service should reduce its cost base, better manage its customer demand, reduce avoidable contact, make routine use of customer intelligence to drive improvements, improve working relationships between

Customer Service and other service areas and migrate customers onto the most effective and lower cost channels.

- 1.5 An initial steer has been provided by the Use of Resources Steering Group that LinkPoint offices should retain their current operating hours to maintain a common standard of service as was envisaged by the original customer service project, but could employ one member of staff in each office on telephone calls only to redress the balance of telephone and face to face performance. However, the current commitment to running four LinkPoint offices has implications for achieving any further efficiency savings beyond those recommended.
- 1.6 Further savings opportunities may arise from joint work with South Northamptonshire District Council to share services and achieve further efficiencies, although these may not be possible in the immediate term.

Proposals

- 1.7 To adopt a new vision for Customer Service to move it towards a desired future state
- 1.8 To introduce a transformation programme to drive improvement in the service through acting on customer intelligence to reduce waste, manage demand and migrate service users towards more cost effective means of contact.
- 1.9 To establish a two-year cost savings target for Customer Service that addresses the high cost of the service but in a sustainable way, with minimal impact on overall service to the public.

Conclusions

- 1.10 Based on experience in other authorities, significant improvements can be made in the effectiveness of Customer Service through the improvements outlined, accompanied by significant reductions in its cost base.

Background Information

- 2.1 The Executive in July 2006 endorsed a delivery model for establishing a single customer service function for all of Cherwell's services, handling enquiries and service requests made in person, on the telephone or electronic means. The three-year roll-out of the function was adapted to include 'one stop shops' called LinkPoints as a front of house service delivery. The service completed this transition with the opening of the final three LinkPoints in April 2009
- 2.2 The service has a single, coherent approach to customer service with a one stop shop in each main urban area. All requests for information are dealt with at the point of contact through a flexible, skilled customer service team, with 80% of enquiries resolved at the first point of contact. The service is made available through appropriate channels and accommodates differing customer need; there is assisted self service in the one stop shops, and more recently the development of an outreach service into homes and groups/organisations used by our hardest to reach customers. A trial of taking a mobile service to rural areas is currently being reviewed. This coherent approach has been successful with improving levels of customer satisfaction and a top ten rated website.
- 2.3 The service has a budget of £1.6m. It handles a total of 279,500 transactions (2009/10) annually, split between face to face (37%), telephone (62%) and online services (1%). The direction of travel is reducing levels of face to face contact (down 3% on 2009/10), increasing levels of telephone contact (up 4% on 2009/10) and increasing levels of online use (web use up 10% and email up 4% on 2009/10). There were almost 450,000 online requests made in 2009/10 year to the Council's website. Regional analysis shows that 75% of residents in the South East use the internet daily, and Cherwell residents show a high propensity to use online services.
- 2.4 As part of the Medium Term Financial Strategy, the service was set a number of savings 'building blocks' with a combined savings target of £140,000. Along with savings relating to the introduction of payment kiosks (£54,000) was a target of £50,000 for reducing the service specification and £10,000 for reducing opening hours.

Findings from the two Projects

- 2.5 Although undertaken independently, the two projects shared research findings as they emerged, and a single, coherent picture of the successes and shortfalls of current provision was developed.
- 2.6 Key findings from the two projects were as follows;
 - The costs of the service have increased by 13.6% since 2008/09 due to the inheritance of all functions and costs of the cash offices for one stop shops, inheriting Revenues and Benefits staff in 2009/10 on service externalisation and increasing support service costs
 - Customer Service spend, as a proportion of net total Council cost (as derived from RA 2010/11 data) shows that Cherwell is at 7.5% compared to a comparator average of 4.0%. This equates to an above average

spend of £758,592

- By contrast, enquiries made with a Revenues and Benefits contractor showed that in-house provision of Revenues and Benefits call handling was 13% less than an externalised service, and the use of in-house staff provided greater flexibility.
- The majority of the transactions dealt with by the service rest within 3 service areas; Revenues and Benefits (56.5%), Environmental Services (19.5%) and Housing (8.3%). The next largest service area was Urban and Rural (3%). Payments currently account for 34% of all face to face transactions, with Housing Benefit applications and queries accounting for 22%
- The proportion of all contact with the Council (not just that handled by customer service) made in person is higher in Cherwell than in the average authority (15.6% compared to 10%) and significantly higher than a best practice authority (at just 2.9%). The estimated cost of this service channel is the highest of the three channels (£880,000 compared to £693,000 for the other two combined).
- From May 2010, call answering times had deteriorated, with the average call answer time over one minute longer (at 3:37) and only 69% of calls being answered. By contrast, the average waiting time for customers using Linkpoints was 1 min 47 seconds, giving customers no incentive to switch to other less expensive contact channels. The 12 month average (Jan 2010 to Dec 2010) shows improvement with a 2:27 call answer time and 78% of calls being answered. A snapshot for January 2011 showed a 1:33 answer time and 85% of calls being answered.
- There is significant variation of visitor volumes and performance between the four LinkPoint offices with Bicester performing at a much higher level than the other offices. Banbury Town Centre deals with almost four times the volume of visitors than Kidlington. Kidlington has half the traffic of Bicester but consumes the same staffing provision.
- The level of staffing required to operate the four LinkPoints is set by their opening hours and the need to avoid lone working, and accounts for 12.5FTE or £296,000 of staff resource alone. This overhead is difficult to make savings from, given the number and distribution of LinkPoint offices and the staffing requirement to run them, and so creates a high unit cost in dealing with customer enquiries and also reflects the higher than average proportion of contact in person.
- Although the cost of front of house provision is high, it is difficult to make savings in premises costs easily. For example, if the Council were to choose to close Bicester or Kidlington it would only realise savings of around £41,500 and the closure of Banbury Town Centre or Bodicote House would not produce any savings.
- Limited customer intelligence is gathered at present but is not routinely extracted and used to improve services, except for some incidences of good practice in Revenues and Benefits. Urgent customer service issues are responded to well and have been used as opportunities to improve services, but internal working relationships between Customer Service

and departments are in need of development; managers are not familiar with the customer service journey and see customer data as problems and complaints rather than a source of intelligence.

- There is limited capacity and expertise in Customer Service to undertake any regular provision and assessment of customer intelligence.
- The current Vision for Customer Service, and its Access Strategy, require revision to guide the service effectively

2.7 The two projects used research into best practice in other authorities to inform the future direction required by Customer Service. A common approach adopted by high performing authorities has been to use a transformation programme incorporating several key strands;

- A strategy to shift customer contact away from more expensive channels (e.g. face to face) and to less expensive channels (e.g. online) through initiatives such as targeted communications campaigns and improvements in services offered online.
- A systematic approach to reducing avoidable contact, where customers have to contact the Council because the information they have been provided is unclear, because they are not able to find it elsewhere or because they have to contact a number of departments to pass on the same information. Initiatives include improving the clarity of letters, improving the timing of dispatched material and enabling 'tell it once' facilities where a change in circumstances is reported to one service and used by many.
- Better management of demand to smooth out peaks and troughs, such as appointments systems for dealing with Benefits applications on a face to face basis.
- Better use of customer intelligence to identify service improvements. Examples include incentivising online transactions through cheaper prices, responding to identified demand for services in key locations and providing better information in response to a regular query.

2.8 The outcomes of such transformation programmes in other authorities have been shown both to improve the level of customer service and reduce costs through reduced levels of overall customer contact. For Cherwell, reducing contact by 10,000 calls per year, or 7,000 face to face visits, would equate to removing one customer service adviser at a saving of £23,654.

2.9 A number of initiatives are already in hand to reduce costs by over £125,000 in 2011/12. The introduction of payment kiosks is expected to realise savings of £65,000 by removing three vacant customer service adviser posts. A further vacant specialist post can be removed with a saving of £17,000, along with vacant hours provision of £20,000.

2.10 However, these will not be sufficient to bring Cherwell's costs down to a more comparable level. Efficiencies deriving from a transformation programme cannot be realised in the short term, and so a medium-term approach would be required to ensure the savings made are sustainable and do not impact on customer service or customer satisfaction.

2.11 At its 10 November 2010 meeting, the Use of Resources Steering Group considered the initial findings of the two projects. Its view was that in moving forward the service should;

- Set itself a short to medium term cost reduction target to address the high cost of the service
- Instigate a transformation programme to drive out unnecessary contact, focusing on the higher volume services in the first instance, in order to produce savings
- Focus on channel migration to move customer traffic away from face to face and onto online services
- Move to implement appointment bookings for revenues and benefits customers to better manage peaks and troughs in Linkpoint Offices
- Retain LinkPoint offices with their current operating hours to maintain a common standard of service, but employ one member of staff in each office on telephone calls only to redress the balance of telephone and face to face performance
- Retain mobile services but review these after a suitable period of operation to evaluate their effectiveness

2.12 The target level of savings adopted must be considered against a number of factors;

- The Council's base budget is likely to reduce by £4m between 2010/11 and 2014/15. If the service continues at its current budget, the ratio of its spend against total Council spend will increase to 11%.
- If this ratio is pegged to staying below 7% of total council spend the cumulative reduction over 4 years would need to be £600,000
- If the future service budget is instead matched to the anticipated reduction in Council grant (26%), the cumulative reduction over 4 years would need to be £420,000
- There may be opportunities to work with South Northamptonshire District Council to share services and achieve further efficiencies in future.

2.13 A recommended two-year cost savings programme is proposed which comprises;

- The elimination of all vacant posts by 2012/13, to allow time for the new payment kiosks to reduce current workload, and a reduction in the establishment by an additional 1 FTE per annum as the transformation programme reduces overall levels of contact.
- Savings of £125,654 in 2011/12 as follows;
 - i Install payment kiosks (saving £65,000)
 - ii Remove vacant customer service specialist post (saving £17,000)
 - iii Remove vacant hours provision (saving £20,000)

- iv Reduce the establishment by 1FTE (saving £23,654)
 - There will be other reductions in the cost of the service due to planned reductions in support costs– whilst these savings are not as a result of actions within this service they will reduce the overall cost of the service when comparing with other authorities and calculating the % of the Council's net expenditure.
 - Savings of £131,808 in 2012/13 as follows;
 - i Eliminating all remaining vacant posts (saving £85,154)
 - ii Reducing the establishment by an additional 1 FTE as levels of contact decline through improved working (saving £23,654)
 - iii Reducing accommodation costs by moving out of Bicester Market Square in 2012/12 (saving £23,000)
- 2.14 Together, these measures would achieve savings of £257,462 over two years. A higher level of savings may well be possible, dependent on the outcomes of the Transformation Programme, but also as a result of opportunities arising from joint working with South Northamptonshire.
- 2.15 Any additional savings beyond this would require a fundamental change in approach in how the service is delivered. One such option would be to re-visit the current policy of equitable face-to-face service provision through the four LinkPoint offices. The implications of such a change of approach are outlined below under option 3.
- 2.16 Further actions required to implement the proposals are required as follows;
- To adopt a new vision for Customer Service to 2013/14 (as set out in Annex 1) that seeks to reduce the cost of the service, retain or improve on existing levels of satisfaction, reduce wasteful contact, manage demand and encourage greater use of online services.
 - To introduce a corporate transformation programme, involving all service areas, that will drive improvement in Customer Service through adopting smarter working methods to reduce avoidable contact and transactions, and through managing demand to reduce peaks and troughs in levels of transactions
 - To introduce regular reporting of customer intelligence between Customer Service and Heads of Service to improve service awareness of activity and improvement progress
 - To adopt the key performance measures of speed of telephone response and call abandonment rate for the Council's corporate score card

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 The Council's current Customer Service function has high levels of customer satisfaction and multiple access routes, but is expensive to provide and does not utilise customer intelligence effectively.
- 3.2 Best practice shows that transformation projects can significantly reduce costs and improve customer service through reducing avoidable contact, migrating contact to less expensive channels and greater use of customer intelligence

- 3.3 The pace and scale of savings is critical to the ability of the service to implement them in a sustainable manner that does not impact on overall levels of customer satisfaction.
- 3.4 The scope of savings possible may be limited while maintaining current approaches to service provision. For example, maintaining four LinkPoint Offices is known to consume a set level of staff resource (£296,000). The decision to continue to take cash also has cost implications.
- 3.5 Further savings may be possible through the proposed Transformation Programme and/or through joint working with South Northants.

The following options have been identified. The approach in option 2 is reflected in the recommendations of this report

Option One To limit savings in the service to a single year reduction of £135,654 and not implement a transformation programme. While this will be less disruptive it will not drive out the potential savings within the service or improve the customer experience

Option Two To implement a transformation programme with a two-year savings target of £257,462.

Option Three To revisit the current policy of LinkPoint office provision as part of a wider consideration of service delivery. The following table illustrates the maximum possible financial savings of a change in policy ;

	Average Transactions (monthly)	Customer Service Staff (FTE)	Salaries (Annual)	“Savable” Premises Costs
Kidlington	890	2.5	£59,135	£5,538
Bicester	2,346	3	£70,962	£35,960
Bodicote	1,959	3	£70,962	No saving
Banbury	3,521	4	£94,616	No saving

Benefits of the current LinkPoint provision are;

- The council provides of preferred means of contact for some people and provides a local council presence in towns
- it ensures the ability to pay at the point of service;
- it allows the council to share its premises with other agencies (CAB, Job Centre Plus) to provide joined-up service delivery
- it provides a distributed contact centre resilience (i.e. calls answered at LinkPoint offices instead of Bodicote House);
- it offers the possibility of delivering new or enhanced services, such as visitor information
- some form of face to face presence will always be needed for document presentation/verification, reception services etc.
- meeting some contractual obligations, such as delivering concessionary fare services for Oxfordshire County Council

Other than financial savings, the advantages of a change in

policy are;

- It provides an incentive for customers to move to telephone or online services rather than stay with face-to-face services;
- greater volumes of contact can be processed than at present due to the more efficient nature of alternative channels, and most (current) face to face services can be provided in this way;
- more efficient staff deployment will be possible as there will be no need to provide lone working/lunchtime cover, or the need to factor in as much staff travel time;
- closure of the Castle Quay LinkPoint would enable more flexibility of service provision/shop income for the Museum/TIC Trust;
- as a predominantly rural district it could be argued that town centre provision does not provide the most equitable of service. More equitable face to face provision can be provided on an outreach or surgery basis, and using other organisations' buildings. A programme of visits could cover a wider area than at present

Consultations

Customer Service Staff have contributed to both projects and have been instrumental in identifying potential improvements

The Use of Resources Steering Group considered the initial findings of both reports at its 10 November 2010 meeting and provided feedback on acceptable options

Implications

Financial: The cost reductions identified for 2011/12 have been included in the recently approved Council budget. The further savings proposed for 2012/13 will be included if approved as part of next year's service and budget planning process. The nature and number of LinkPoints will be considered as part of the review of the Council's MTFS.

Comments checked by Karen Curtin, Head of Finance
01295 221551

Legal: There are no legal implications arising from the report

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

Risk Management: The proposed level of savings present no risk to service delivery

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

Data Quality Data for comparison has been obtained through rigorous benchmarking. Financial data has been prepared by the

relevant service accountant

Comments checked by Neil Lawrence, Improvement
Project Manager 01295 221801

Wards Affected

All

Corporate Plan Themes

An Accessible, Value for Money Council

Executive Portfolio

Councillor Nicholas Turner
Portfolio Holder for Customer Service and ICT

Document Information

Appendix No	Title
Annex 1	Proposed vision for Customer Services
Annex 2	Executive Summary – Customer Service VFM Review
Annex 3	Report and Executive Summary – Corporate Improvement Plan; Using Intelligence to Drive Improvement
Background Papers	
None	
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Proposed Vision for Customer Services

Vision

In 2013/14 we are a robust customer service organisation managing demand rather than being driven by it. We routinely design out avoidable activity in our services using information gathered from customers, and we are recognised by our internal customers as offering a good quality service, at reasonable cost. Our customer satisfaction levels are no lower than they were in 2010/11.

By 2013/14 we will have:

- reduced the gross expenditure of the customer service team significantly
- retained or improved on satisfaction levels of 73% in 2010/11
- maintained or improved performance levels. No more than 10% of callers abandon their call while waiting to get through; average wait times for telephone calls to the contact centre are not longer than 2 minutes
- migrated to 80% of our contact being online, reduced our contact centre volumes by a quarter, and will have halved our face to face contact.

By:

- Adopting an access strategy that prioritises development of “value” contact to cheaper channels (such as online) while, *at the same time*, reducing face to face and telephone contact
- Reducing wasteful, avoidable contact
- Managing demand – smoothing the peaks and troughs, encouraging online self-service
- Reducing down demand: communications campaigns, FAQs, informative how-to guides
- Considering opportunities for shared premises/service hubs, as they arise
- Exploiting new approaches to service delivery that offer value for money, such as outreach/mobile face to face

Criteria against which success should be measured

- Annual Customer Service Revenue Estimates and by individual service budgets
- Annual Satisfaction levels
- Performance levels: Telephone & face to face wait times and abandoned rates
- Migration achievement rate: Proportions of contact made face to face, by telephone and online (requires defining and baselining) requiring volumes of online service requests face-to-face and telephone contact to be collated.

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Customer Services VFM Review**Executive Summary****Cherwell District Council**

Timetable	Papers Finalised	Meeting Date
CMT	29 October 2010	3 November 2010
Use of Resources	4 November 2010	10 November 2010
Executive	21 December 2010	10 January 2011

Revision History		
Revision Date	Previous Revision Date	Summary of Changes
25 August 2010		Initial draft
2 September 2010	25 August 2010	Amended savings target
28 September 2010	2 September 2010	Combined report started
15 October 2010	28 September 2010	VFM only with PS amendments
20 October 2010	15 October 2010	Further PS amendments and additional savings options
28 October 2010	20 October 2010	Amended contractor reference, finalised savings options
16 November 2010	28 October 2010	Use of Resources Steering Group feedback on future direction of the service
19 November 2010	16 November 2010	Further PS amendments and 4 year savings plan
16 February 2011	19 November 2010	Savings plan amendments following CMT

Customer Services - Executive Summary

1 Introduction

Purpose of this report

- 1.1. Given current financial circumstances, the nature of VFM reviews have changed significantly. Previously, savings identified would be through efficiencies found. This review, while focusing partly on efficiencies, seeks also to identify the full range of savings required of the service covered by the scope of this review.
- 1.2. This report sets out the findings of the Customer Services VFM review with recommendations and options to achieve the current savings target of £140,000, with other options for savings above and beyond this target.

Background and context

- 1.3. Executive in July 2006 endorsed a delivery model for establishing a single customer service function for all Cherwell's services, handling enquiries and service requests made in person, on the telephone and by electronic means. This was to roll-out over a three-year period. A service transfer plan was established to bring over the major service areas into the customer service centre by June 2008. Executive approval was given to move towards 'one stop shops' as an alternative to front-of-house service delivery through cash offices and to replace individual service face to face contact points (e.g. Planning reception). A pilot one stop shop was launched at Bodicote House in April 2008, with three others following by April 2009.
- 1.4. The service is now fully established and continues to develop;
 - Significant capital investment has been made to assist with better customer service and enable future change, and becoming a single service with IT has enabled this. More online services have been developed, and the Lagan portal has been implemented to enable better integration with service-based IT systems for true end-to-end transactions. The service is now at a 'jumping off' point in terms of integrated service delivery
 - An outreach service was established in April 2010 to further develop the council's accessibility to residents, and includes a mobile information service launched in October 2010 using the Health Bus
 - The replacement of the Paypoint payment collection system with self-service kiosks was agreed by Executive on 11 October 2010. This is expected to achieve savings of £144,000 in four years through reduced staffing, and improve levels of customer service
 - A planned Access Strategy has had initial approval from members and is due to be refreshed in 2010/11.

VFM Conclusion

- 1.5. The overall conclusion of the review is that the service is **high cost** for its overall operation in comparison with others, although it offers good value for money for Revenues and Benefits calls. It has **poor performance** in terms of long and increasing time to answer calls, high and increasing call abandonment rates. It is **high quality** in terms of good and improving levels of customer satisfaction for residents using the service, although its internal satisfaction levels are poor in parts.

Staffing

1.6. As at 30 September 2010 the staffing structure in Customer Service was as follows;

Established posts	Posts	Vacancies
	FTE	FTE
Head of Customer Service and Information Systems	1.00	0.00
Customer Services Manager	1.00	0.00
Customer Service Team Leaders	2.00	0.00
Customer Service Advisors	26.00	6.85
Customer Service Specialists	2.50	0.81
Customer Service Officers	3.00	0.00
Business Admin Apprentices	4.00	1.00
Total	41.50	8.66

1.7. Points to highlight about the current establishment are set out below;

- The service currently has 5 customer service advisor vacancies (6.85 FTE) which can be shown to be impacting on service delivery. Three of these will be permanently deleted on the introduction of payment kiosks
- A minimum level of staffing (12.5 FTE) is required for Linkpoint offices to ensure adequate service delivery, cover for lunches, prevention of lone working etc. The consequence is that staffing for the contact centre is secondary to that of staffing front of house services.
- The service expanded to include three outreach worker posts on the transfer of Revenues and Benefits staff to Capita. These posts undertake the home visit work of the previous Revenues and Benefits staff, but have also expanded the accessibility of customer service as a whole to vulnerable groups through attendance at events (Job Clubs), visits to residential homes and more recently through the rural mobile service.
- The service has hosted 4 apprentices (now 3 + 1 vacancy) which rotate between customer service and the post/scanning team

Expenditure

1.8. The budget and expenditure of the service is set out in the table below.

Customer Services	2007/2008	2008/2009	2009/2010	2010/2011
Description	Actual £'s	Actual £'s	Actual £'s	Budget £'s
Employee Costs	487,836	801,863	769,957	912,162
Premises Costs	11,471	101,535	(3,013)	153,278
Transport Costs	2,474	16,634	33,325	17,645
Supplies & Services	44,570	72,016	77,830	82,032
Third Party Payments	295	20,390	26,220	30,618
Support Services	123,216	235,696	334,796	352,543
Internal Support Services	7,117	168,361	26,711	14,388
Capital Charges	37,389	36,470	81,237	88,010
Gross Expenditure	714,368	1,452,965	1,347,063	1,650,676

Other Grants Reimbursements	0		(3,389)	0
Fees And Charges	(1)	(13,746)	(133)	0
Rent Income	0	(351)	(6,860)	0
Chgs To Other Mgt Centres	(153,142)	(1,253,375)	(1,295,133)	(1,650,676)
Total Income	(153,143)	(1,267,472)	(1,305,515)	(1,650,676)
Net Expenditure	561,225	185,493	41,548	0

1.9. A summary of the 2010/11 budget is provided in the following table

Expenditure	Amount	Description
Employees	£912k	Includes current vacancies
Premises	£153k	Rents, service charges, utilities, NNDR, insurance, cleaning, office accommodation
Support	£367k	Recharges through support cost model
Supplies/3 rd party	£113k	Mostly comms & computing costs, plus security, paypoint hire, materials, printing etc
Capital	£88k	Linkpoint construction (65%) and IT/telephone (35%).
Transport	£17k	e.g. staff travelling to LinkPoints

1.10. Key issues to highlight are;

- The costs of the service have doubled since 2007/08, although a better comparison is with 2008/09 when the customer service team was established, which shows an increase of £197,900 (+13.6%). Costs increases since this date can be attributed to;
 - Inheriting the expenditure on cash offices from Finance when Linkpoint offices were launched in 2008/09
 - Inheriting revenues and benefits staff in 2009/10 on service externalisation
 - Increasing support service costs (+21.4%)
- The service is IT dependent so these costs are high (see list below) with licensing costs rising.

1.11. The costs of the service are expected to reduce as follows;

- The introduction of payment kiosks is anticipated to reduce staffing by 3 posts, saving £72,000 per annum
- The deletion of a vacant customer service specialist post will release £17,000
- The deletion of vacant hours provision will save a further £20,000
- The apprentice posts will not be renewed in 2011/12
- Support service recharges are likely to reduce due to savings elsewhere in the council
- Rental costs of £23,000 will be saved when the LinkPoint office in Market Square, Bicester transfers into the proposed new civic building

- Current capital recharges will reduce by £70,000 by 2015 as the life of the current assets will have expired (although any additional capital spending will result in additional recharges)

Service Profile: Volumes, Functions and Transactions

- 1.12. The service deals with 172,000 calls, 104,500 visitors and 3,000 emails per annum (2009/10)
- 1.13. Support cost recharge calculations provide a breakdown of the transactions per council area (attached as Annex 1). The transaction monitoring for 2009/10 reveals;
- The majority of transactions (84.3%) dealt with by the service rest within three service areas; Revenues and Benefits (56.5%), Environmental Services (19.5%) and Housing (8.3%). The next largest service area was Urban & Rural (3.0%)
 - A further 9% of transactions were non-specific to services, such as general enquiries, deliveries etc. Non-Cherwell related queries (e.g. OCC related or “directory enquiries”) account for less than 1% of total transaction numbers.
 - 54% of transactions were face-to-face at Linkpoint offices, 45% via telephone and less than 2% by email.
- 1.14. Working with customer service staff a ‘master list’ was created to capture each individual activity that the service undertakes. A full breakdown is attached as Annex 2. Given this large number it has not been practical to capture volumes or transaction times for each. However, analysis of this list reveals;
- There are 178 separate activities undertaken by the service; 20.7% are high volume/very frequent, 42.6% are seasonal/weekly frequency and 36.5% are occasional/infrequent.
 - The majority of activities (75%) are as a result of planned migrations into Customer Service. Of the remainder 10% arise from being the main council contact point, and 5% are due to being a reception point at Bodicote House. 10% are activities that have been acquired or taken on as a result of a new or policy change within a service (e.g. energy saving grants for housing, residents parking) which can be regarded as ‘uncontrolled’.
 - 80% of the transactions can be classified into 6 main categories; Taking details/logging info (21%), providing information or explaining a process (20%), Forwarding info to other services to act on (15%), redirecting to other agencies (10%), taking payments/making sales (7%) and providing ‘hands on’ assistance with form completion (7%). The remaining 17% comprises filing, copying, putting documents on display and making judgements on eligibility.

Technology and tools used by the service

- 1.15. The service is technology dependent; alongside specific technology for call handling and monitoring it also needs access to the software used by other services in order to act on their behalf. A comprehensive list of these technologies is listed below;
- Mitel telephone systems - Mitel Internet Protocol (IP) phones are used for answering the phones. Mitel Software allows each advisor to be linked to service-specific phone lines that they answer, and also collects management information on call volumes and queues, wait times and answered/abandonment rates.
 - Lagan Frontline – customer relations management software and interface with main service software systems (e.g. Uniform) used for amenities, environmental services, elections, businesses rates and housing. Offers scripting, help and links to websites,

FAQ's and forms. There is no integration between the CRM and the telephone system. Interfaces between Lagan and other systems can be unreliable.

- GovMetric/Telemetric – for customers to indicate how their experience was, and why, used for customer satisfaction evaluation and improvements
- Achieve forms - developed in-house, and used via Lagan CRM. To provide web forms for customers and in-house staff to use. These do not always integrate directly with service IT systems, requiring additional data input from staff.
- IWORLD - is the Revenues & Benefits transaction system for account administration.
- Northgate Iclipse – this is the document imaging system for Revenues and Benefits, with documents scanned and linked via indexing to the customer's folder.
- Paris – for taking payments from the public over the phone. A new hosted system is being procured to replace this in order to achieve compliance with security requirements
- Paypoint - for taking payments from public face to face
- Abritas – Housing management system (read-only access is provided by Housing)
- PUB REG & LREG - election services voters transaction system (read-only access is provided by Democratic Services)
- Internet & Intranet - heavily relied on by staff for up-to-date information provision when on switchboard & reception
- ASTRA - Concessionary travel transaction system

'Building Blocks' savings

- 1.16. Below is a list of the blocks covered by this review, together with their status and savings target which bring the savings target for the service to £140,000

Block No.	Description	Scenario/ Status	Total Saving
5	Reduce Linkpoint opening hours	Exec approved ('Worst case' only)	£10,000
6	Install 4 Autotellers (and reduce staffing accordingly)	Exec approved	£54,000
71	Withdraw facility to pay in all offices	<i>Exec declined</i>	£25,000
74	Review quality standards and service requirements	Exec approved	£50,000
102	Withdraw and reduce benefits visiting officers by 1 FTE	Exec approved	£26,000

- 1.17. Block 6 has already been agreed by the Executive at its 11 October 2010 meeting, and evidence from the business case is also used in this report.

2 Findings from the Review

- 2.1. A variety of information sources have been used to inform this report. Interviews with Heads of Service were carried out. Analysis of cost data for benchmarking has been calculated against SOCTIM data. Best practice has been identified through online conferences and case studies. The latest Cherwell public satisfaction data analysed, alongside historic call and face to face contact performance.

Internal Satisfaction Survey

- 2.2. Interviews took place with a number of senior managers, focusing on their opinions on quality, value for money and the future direction of the service. In some cases this also involved consultation with their service managers. A summary of these interviews is set out below
- The service is not considered as offering value for money for its internal clients. The high level of internal recharges (particularly when compared to arrangements prior to the establishment of customer services) was the key factor in forming this view. One comment made was to question if the authority could continue to afford to provide an “all things to all men” facility as at present.
 - Quality of service provision is seen as mixed. Lower-use clients found the service to be high quality, but those services with the highest usage identified it as average or poor. The exception here was Revenues and Benefits, which felt it was receiving an excellent service. Examples of positive service quality given were;
 - Support provided during the peak workloads, and working with the service to identify ways to minimise problems
 - The team being responsive to any issues identified and being keen to resolve them
 - (for Revenues and Benefits) A good working relationship with process improvement undertaken to resolve issues for customer services (e.g. batching mailouts to residents to better distribute call volumes)
 - Examples of issues with service quality were;
 - Duplication of services provided by the outreach team (Housing)
 - Lack of performance data and of maintaining an ongoing liaison with the service
 - Losing touch with customers and not being aware of what key issues are arising
 - Poor integration of front office (Lagan) with back-office systems (e.g. Uniform), leading to double-handling of data or manual correction being necessary for its operational use
 - The need to follow-up with customers on forms they completed with help from the customer service team in order to obtain all the information required to process an application
 - Customers frustrated with difficulty in getting through to the contact centre, the high level of abandoned calls and incorrect routing of calls
 - Provision of poor quality or incorrect advice that reflects badly on the service
 - Delays in passing on information to services for them to take action on
 - Areas identified where the team could take on additional services were limited and included bookings for shared sports facilities and offering front of house services for town and parish councils.
 - A number of managers responded positively to the idea of bringing back customer services within their area, some stating they would require no extra resource to do so. The advantages were seen as being ensuring a higher quality of service, a ‘right first time’ solution and significantly lower costs for the service through reduced recharges.
 - Managers felt that the size and public ‘offer’ of the service should be reduced, focusing on providing a responsive telephone service with either resolution at first point or swift signposting/passing onto service departments to resolve. Areas dealt with by customer service should focus on those that are straightforward to deal with and have an easily mapped pathway, leaving more specialist work to dedicated admin teams in Directorates

- 2.3. There was a marked contrast between the experiences of Revenues and Benefits to the two other “big three” services (Housing and Environmental Services). Elements that appear to be in play to explain this are;
- A close working relationship with regular meetings to discuss service issues. During the outsourcing transition period this was on a weekly basis, and also involved ICT
 - A formal Service Level Agreement being in place
 - Use of regular performance information from customer service to help manage the service overall. This has led to process improvement work and changes in working practice
 - Greater access to the primary IT system used to update files with the outcome of conversations/advice from customer service (although not to update client information)
 - A higher degree of online forms used
 - The fact that there are no staff within the remainder of Revenues and Benefits to accept and deal with calls – the service *has* to be made to work

Cherwell Residents Survey 2010

- 2.4. The 2010 headline findings for ‘contacting the council’ are set out below;
- Over three-quarters of respondents (78%) have contacted Cherwell District Council in the past, with contact via the telephone being by far the most popular option (56%), followed by face-to-face contact (11%).
 - Email is now the third most popular method (10%) This proportion increases to 15% amongst 25-34 year olds and 20% for high income earners (£40,000+).
 - Ratings for ten out of the eleven aspects measured have either remained the same as 2009 or increased slightly. The only aspect to have seen a slight decrease in satisfaction is the speed of response/ promptness, which has declined from 62% to 60%.
 - As seen in previous years, ensuring that all questions are fully answered and enough information is provided is by far the most important priority for residents and stands alone in terms of relative importance. Explanation of process/ procedures and advice is ranked second in terms of importance to improve, indicating the value of clarity in the way the Council communicates with residents.

Mystery Shopping Survey 2010

- 2.5. Cherwell participates in a national local government customer service benchmarking group for telephone calls which is undertaken by Mystery Shoppers Ltd, a market research agency. This compared the council’s performance against other anonymous authorities in batches (called ‘waves’) and a rolling benchmark average. The findings for the latest performance on telephones for June 2010 are set out below
- Cherwell’s performance on aborted calls was 19% below the wave average, and 20% below the rolling benchmark average, meaning that on average more calls are abandoned in Cherwell than elsewhere
 - Performance in terms of the individual operators (greeting, courtesy, owning the problem, being helpful, being clear) all scored a maximum of 100%, putting the council above average in these areas. Listening skills and offering further help were areas just below the wave average, but significantly below the rolling benchmark average.

Benchmarking of Contact Channel Usage and Cost

2.6. An analysis was carried out on 2009/10 financial data to ascertain how the service matches the SOCTIM benchmark costs for contact channels. This split the total service budget of £1.6m across each of the three channels, using direct costs but also attributing a proportion of overheads as accurately as possible.

- Of the contacts dealt with by Customer Service in 2009/10 the proportions for each channel were 15.6% face to face, 14.5% telephone and 69.9% online. This compares to Tameside (a best practice authority) with 2.9%, 7.8% and 89.3% respectively.
- In May 2010, according to GovMetric data for 57 councils, 71% of customer interactions came from the website; 19% came from telephone interactions and 10% from face-to-face interactions.

Channel	Cherwell Channel Split	Tameside Channel Split	GovMetric Channel Split
Face to face	15.6%	2.9%	10%
Telephone	14.5%	7.8%	19%
Online	69.9%	89.3%	71%

2.7. An estimate of the costs for each channel, as measured against the SOCTIM benchmark cost, is set out below using 2009/10 budget and volumetric data

Channel	SOCTIM Benchmark unit cost	Cherwell unit cost (2009/10)	Cherwell actual cost (2009/10)
Face to face	£8.23	£7.81	£880,196
Telephone	£3.21	£5.70	£596,240
Online	£0.39	£0.17	£83,229

2.8. There are a number of issues with using this model as a benchmark comparison. Firstly, there is no agreed method on how to allocate costs, or how to calculate online usage. Secondly, a high level of usage will produce a low unit cost, but this does not necessarily mean the channel is the most effective means of dealing with the customer contact.

2.9. Cherwell's volume on face-to-face contact is clearly higher than the benchmarks, and consequently it has a high delivery cost for this channel, although a low unit cost given the high volumes it deals with.

Benchmarking the Customer Service function

2.10. As part of the review, the council's 14 CIPFA comparator authorities were surveyed to establish their level of customer service provision and (where possible) service cost. Few direct responses were received so desktop research was used predominantly. The findings of the benchmarking were as follows;

- Most had moved to a contact centre model to deal with telephone enquiries, or were in the process of setting up such a service
- The number of service outlets providing face-to-face contact appears to be higher in Cherwell than in most other comparator councils. It is more usual for two or three offices to be open to the public, although Harrogate has six local offices.
- Maidstone and Tonbridge & Malling have shared front of house services with Kent County Council as part of its Gateway programme (see above). Tonbridge and Malling also offer three 'enquiry surgeries'

2.11. In order to arrive at a broad comparison, authorities were asked to provide basic information about their provision and overall cost, which is set out of the following table. Although only a limited number of responses were received, and the comparison itself is a crude one, the indications are that Cherwell's costs are significantly above average.

Authority	Population	Contact Centre seats	Customer service FTE	Council RA Spend (net total cost)	Total CS budget	CS as % of council spend	Budget/ CSA	Budget/ pop
Braintree	142,100	9	8.5	£22,439,000	£419,410	1.9%	£49,342	£2.95
Colchester	181,000	17	28.5	£30,321,000	£1,042,200	3.4%	£36,568	£5.76
East Hertfordshire	135,500	5	13.94	£23,500,000	£847,000	3.6%	£60,760	£6.25
Maidstone	145,400	14	26	£29,228,000	£1,350,000	4.6%	£51,923	£9.28
Test Valley	115,400	17	17.2	£22,296,000	£730,000	3.3%	£42,442	£6.33

Cherwell	138,200		29	£22,030,000	£1,650,676	7.5%	£56,920	£12
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Average	20.5		4.0%	£49,659	£7
Difference	29%		3.4%	13%	41%

2.12. Key issues to highlight are

- Customer Service spend as a proportion of net total council cost (as derived from RA 2010/11 data) shows that Cherwell is at 7.5% compared to a comparator average of 4.0%. This equates to a spend above average of £758,592
- The additional cost can be attributed to the high staffing requirement of running four LinkPoint offices (12.5 FTE) in addition to a contact centre rather than the assumed reason of it undertaking additional services; at least two other authorities (Maidstone and Colchester) provide Revenues and Benefits services, which are considered to be a high demand service, but spend considerably less

Benchmarking Revenues and Benefits calls

2.13. Enquiries were made with a Revenues and Benefits contractor to assess if call handling could be undertaken more efficiently by them compared to the cost of district council staff.

2.14. The contractor calculates that to handle the current volume of calls (44,500) they would require 4.74FTE, costing £122,000 per annum. By comparison a reduction of 4.74 customer service advisers would save £106,650, meaning that the current in-house provision actually costs less and so offers good value for money. In addition, retaining staff in-house maintains greater flexibility for the service.

Contact Centre and LinkPoint performance

2.15. An in-depth analysis was undertaken on the service's telephone performance since March 2008. Key findings from this are as follows;

- Trend analysis suggests that the overall level of calls may be lower in 2010/11 than in previous years. This is in contrast to an apparent rise in face-to-face contacts. The use of Paypoint has driven up traffic beyond original predictions, and a large proportion of this has been for non-council business.

- Since May 2010 call answering times have deteriorated, with the average call answer time now over one minute longer (at 3:37), and only 69% of calls being answered. There is a clear relationship with the level of abandoned calls increasing with increased call wait times; the longer people have to wait, the more will give up (and will usually call again later) increasing the overall level of calls. The 12 month average (Jan 2010 to Dec 2010) showed a marked improvement with a 2:27 call answer time and 78% of calls being answered.
 - There is a wide variation between call volumes and the speed of answering calls; it doesn't necessarily follow that a greater level of calls means calls will be answered more slowly. However, the level of available staffing is a direct factor; a marked improvement in call answering speed and level of abandoned calls was observed between August 2009 and February 2010 when there was an increased level of staffing from Revenues and Benefits staff being seconded in to the service prior to contracting out. This is illustrated in Annex 3
 - The difference between the average time to answer a call and the average time someone will wait before abandoning a call is growing closer. For 11 months of the study period the average wait time before abandoning a call was actually *shorter* than the average time to wait for a call to be answered.
 - Call handling times have remained fairly consistent (average of 4:15)
- 2.16. An in-depth analysis was undertaken for data for visits to Linkpoint offices since September 2008. Key findings from this are as follows;

- Trend analysis suggests that the overall level of visitors is increasing
- The average wait time for customers using LinkPoints is 1 min 47 seconds (Sept 2008 to Sept 2010), which is far better than contact centre performance
- There is significant variation of visitor volumes and performance between the four offices, with Bicester performing at a much higher level than the other offices. Banbury Town Centre deals with almost four times the volume of visitors than Kidlington. Kidlington has half the traffic of Bicester, yet consumes the same staffing provision

Linkpoint Office	Staffing provision (FTE)	Average monthly visitors	Average wait time
Banbury Town Centre	4	3521 (40.4%)	2:08
Bicester	2.5	2346 (26.9%)	0:58
Bodicote House	3	1959 (22.5%)	2:40
Kidlington	2.5	890 (10.2%)	0:37

- An analysis of the top ten transaction volumes undertaken at each office, attached as Annex 4, shows;
 - Payments currently account for 34% of all face to face transactions, with Housing Benefit accounting for 22%. These are the two largest transactions common to all
 - Bodicote House has a very different profile than other LinkPoint offices given it is located in the council's main offices; 13.6% of contacts are visitors, 10.2% relate to planning (particularly providing assistance with self-service terminals) and 8.5% relating to taxis/licensing, which can only be offered at Bodicote. Although its profile is different the delivery of the service is the same as other LinkPoints, leading to visitors queuing behind people with a lengthy transaction to undertake.
 - Aside from 'value added' work, such as assisting people to complete benefit application forms, much of the work carried out at Linkpoints has a low value (handing out bus timetables, selling dog waste bags)

Contact Centre and LinkPoint staff and premises costs

2.17. The staff and premises costs of operating the contact centre and LinkPoint offices are set out on the following table. Here, premises costs are expressed in terms of the savings that could be achieved should the offices be closed;

	Average transactions (monthly)	Customer Service Advisors (FTE)	Total salary cost	"Savable" premises costs
Kidlington	890	2.5	£59,135	£5,538
Bicester	2,346	3	£70,962	£35,960
Bodicote	1,959	3	£70,962	No saving
Castle Quay	3,521	4	£94,616	No saving
Total Front of House	8,716	12.5	£295,675	
Contact Centre	13,251	10.5	£248,367	Not feasible
Outreach	N/K	1.7	£58,001	None

2.18. Key issues to highlight are;

- More is tied up in staff costs in LinkPoints than in Contact Centre, and they deal with fewer contacts. Closing LinkPoint offices would release significant staff savings unless they are redeployed to other aspects of customer services (e.g. contact centre)
- Although total premises costs are high (£153k in 2010/11) it is not possible to reduce these significantly through closing LinkPoint offices. No premises savings are possible for Bodicote House and Castle Quay as the council would continue to retain the building and its costs
- The feasibility of achieving savings in premises is doubtful; if Kidlington were surplus we would have to seek to sub-let to another office user, or negotiate a surrender of our lease to the Parish Council. The surrender of Market Square, Bicester would likely give rise to costs of £30,000 to remove fittings and make good
- No comparative information exists for mobile/outreach service transactions as they have only recently started recording this data. The service is comparatively expensive given the higher salary grades of the staff used.

Observations from 'back to floor' sessions

2.19. The Project Manager undertook two 'back to the floor' sessions as part of the review; one to observe general enquiries and one to observe switchboard activity. Over these two sessions 42 calls to the switchboard were observed and 11 calls to the contact centre. The observations were that;

- All callers to the contact centre appeared to be satisfied with how their calls were dealt with. Calls were handled competently and politely, and often complex and across a number of areas, illustrating the added value of a centralised call handling facility.
- Calls to the switchboard were answered within 5 rings and transferred promptly. Only 4 (9.5%) of the calls required a named individual. The great majority were transferred on to the contact centre, demonstrating the need for the permanent transfer of the switchboard number.

- The measurement of non-value contact (the previous NI 14 indicator) was different from the indicator definition, with the result that performance here may not be as good as reported currently. Operators tend to judge the value of his/her performance rather than the need for the call in the first place.
- GovMetric monitoring arrangements, where calls are transferred through to an external number for customers to leave feedback, seemed complicated.
- Calls that needed to be referred to specialist services (e.g. Housing) were not as straightforward. Often an officer was asked for by name, and since the physical location of this officer was outside of customer services there were delays and issues with tracking down those individuals.
- A high number of calls concerning benefits appear to be generated by letters received from the service and confusion over next steps or the reason for decisions that had been made. This demonstrated the need for greater NI 14 recording and analysis, and to act on findings to reduce wasted contact.

Learning from Best Practice authorities

2.20. Case studies for seven I&DeA best practice authorities were examined for learning points with regard to improving value for money at Cherwell. Common factors found with authorities that were able to drive down costs while improving customer service were around the effective use of customer intelligence, reducing avoidable contact and promoting channel shift towards greater use of online services. Key learning points from the case studies are set out below;

- Surrey County Council estimates that every unnecessary or preventable six minute telephone call handled by their a contact centre creates up to 20 minutes further work for staff in its back office. It estimates that for every one post's worth of phone calls that is removed from the contact centre, it can remove or redeploy up to four – five posts in the back office. Their work has reduced contact by 100,000 calls in one year, releasing £175,000 of contact centre staff savings, along with 35 people working in the back office being deployed on more effective work
- Poole reviewed the high-volume letters it sent to residents as it found that 10% of council tax calls were because residents did not understand them. As a result of improvements to these letters between 2004 and 2009 council tax calls to the contact centre have reduced by 25% in the peak period and there has been a marked improvement in customer satisfaction (56% to 70%)
- East Herts have used the GovMetric system to enable contact centre and service staff to record avoidable contact. Savings of £38,000 in the housing service were identified through improving error rates in completed housing applications forms and giving customers better information on the likely repair response times they could expect. East Herts has an ongoing Customer Service Improvement Programme with a dedicated improvement officer on an 'invest to save' basis.
- Southwark also used a combination of contact centre and back office information to get a clearer idea of avoidable contact in its housing service. Rather than it being at 22% the true figure was 76%, with up to 83% of the total cost of contact being avoidable. The average cost of each avoidable contact was estimated to be £3,224, meaning that savings of up to £2.4m were possible. Southwark have calculated that every 16% reduction in avoidable contact can save them £1/2m. A programme of avoidable contact reduction, branded 'Right First Time' has been instigated with dedicated improvement staff to action initiatives
- Colchester re-designed its revenues and benefits service around reducing customer contact by 40% overall (65,500 fewer contacts). It identified that the economic downturn

was increasing the number of calls but that 60% of calls did not result in a service request. Targets were set for eliminating visits, reducing phone contact (-70%) and reducing face to face contact (-87%) through enabling self service functions on their website with a view to dealing with up to 80% of benefit applications online. Anticipated net savings are £450,000.

- Tameside have combined their CRM and Mosaic data to gain real insight into their customers and contact patterns. They can track the effect of their channel shift activity more easily and target particular groups, which, since 2003/4, has reduced face to face contact by 22.5%, telephone contact by 30% and increased web activity by 435%.
- South Tyneside used customer feedback from GovMetric to revamp areas of their website and improve its functionality. Improvements for waste and recycling required a focused publicity campaign to increase usage, which resulted in a tenfold increase in online activity. This channel shift has reduced the average cost of a transaction in this areas from £2.97 to £1.25

2.21. The review also explored Chelmsford's mobile customer information service as an alternative delivery mechanism. This has operated since 2007, supplementing its two civic centres, and is used to deliver services to rural and deprived areas. Each of the 10 identified locations is visited at least once per month for sessions lasting up to 2 hours. Visits are timed to coincide with high traffic at the hosting facility, such as a club event, which also negates venue hire costs. The service provided is limited to issues such as providing information on receiving help with Housing Benefit or Council Tax, applying for a free bus pass, reporting environmental problems and commenting on local planning applications. Only one customer service adviser is used at any one time, but is supplemented by staff from partner organisations (e.g. Police, Fire & Rescue Service, Voluntary Services) as well as service departments. Positive feedback has been received, and there has been an increase of 44% in the level of enquiries taken by the service.

2.22. A similar but more comprehensive scheme in Kent is a front-office shared service between Kent County Council and the district councils in the region. They operate across agencies, including central and local government, the voluntary sector, and the private sector. A total of 8 gateway sites are in place in the main towns, together with two mobile units providing services to urban or rural areas where the needs are currently unmet. There is a full range of services offered including information and self help (including free internet access, service directory, and payment kiosks); routine advice and transactions (including bus passes, refuse, parking, and licensing); surgeries by agencies such as CAB and NHS; registrar services for births and deaths; cross-agency services (including council tax, benefits, planning, housing, library, adult education and occupational therapy). Thanet's Gateway Plus is estimated to be saving the council £250,000 a year through sharing its costs with partners.

2.23. The contrast between these authorities and Cherwell's strategy/performance is set out below;

- Our current access strategy is focused in providing contact channels to meet public preference rather than shifting to more efficient means. The provision of LinkPoint offices has generated more demand for face-to-face contact
- Although unnecessary contact is actively monitored this is only carried out at the customer service side and so does not identify unnecessary contact in service areas as well. In addition, the capacity of the service to act on the results of monitoring are limited, and there is no improvement support allocated to carry through improvements
- Although the service is actively monitoring the activity against each channel there is no coordinated approach to achieving a shift in channel usage. The current website does not compare well to higher performing authorities in encouraging residents to carry out their transactions online. There have been some initiatives to encourage greater online usage ('register to vote') but these are not part of a wider and sustained campaign to shift more people to using this channel.

- Further, the council's current capacity to transfer more activity online restricts any progress here. Some online forms result in email alerts to service departments rather than true integration with their own systems, which requires additional data entry. The first true integrated form for missed bins will be enabled by the end of the year, but this was dependent on the purchase of Bartec.
- Although we operate a CRM we have not utilised the customer intelligence this gathers to gain insight into how population groups could be targeted to shift channels.

3 Conclusions

3.1. The conclusions that can be drawn from the evidence gathered are as follows;

- The cost of customer service is high at present and does not offer good value for money for its internal customers. Senior managers wish to see a scaled back service focusing on fewer things, particularly on a high quality telephone service.
- The quality of service offered to residents is very high and is reflected in high and improving external customer satisfaction levels. However this is not always matched by the quality of service offered to internal customers and their satisfaction with it. Problems can be linked to IT integration and the wide range of services covered leading to 'jack of all trades' comparisons.
- There is often no 'service specification' for the service to deliver against, as some activity is generated by policy change rather than a planned migration (e.g. handling ECN queries due to a policy of only considering these in writing). Some service areas could be 'handed back' to their original services to reduce customer service workload, but turning away customers from LinkPoints is impractical.
- The provision of a higher level of front of house service than other authorities leads to demands on staff resources which are expensive. This high level of available provision may actually promote the use of this more expensive channel over more efficient channels (i.e. phone and online services). In other words, our own policy is inhibiting us from promoting channel shift and saving money.
- Service speed at LinkPoint offices currently exceeds that of the contact centre; the August 2010 average for answering calls was 3 mins 37 seconds, compared to average wait times of 1 min 47 seconds at LinkPoints. This provides no incentive for Linkpoint customers to move to other channels.
- The staffing requirement for front of house services is fixed regardless of the volume of contacts dealt with and impacts on the number of customer advisers available to answer telephone calls. Where staffing levels drop it is always the contact centre that bears this reduction, leading to poorer performance on telephone contact. The higher performance in Linkpoint offices suggests there is additional capacity that could be used for call answering, prioritising phone calls over personal visits (all LinkPoints are equipped with contact centre extensions)
- Best practice in reducing costs in other authorities is focused on a combination of reducing avoidable contact and channel migration to less expensive channels (i.e. online). Although the service is actively monitoring the activity against each channel there is no coordinated approach to achieving a shift in channel usage, particularly in promoting greater take-up of online transactions. Promoting the ability for website users to complete their transactions online has been poorly promoted. A number of online forms have been completed, but there is not always integration with service IT systems, leading to the need to double-handle data.

- Although the service monitors NI 14 activity this is likely to be inaccurate, does not cover 'back office' contact in services and the data gathered does not always lead to action. There is insufficient capacity in the service at present to undertake the transformation programmes highlighted in best practice authorities to achieve real savings.
- The nature of contacts at Bodicote House is significantly different that other LinkPoint offices and this is likely to change further with plans to rent out office space in the building. A separate visitor reception would remove the pressure at the current reception and provide a better service to current and potential visitors.

4 Proposals for Improvements and Future Direction

4.1. The service should adopt best practice in reducing waste to drive efficiencies, namely;

- Instigate a transformation programme based around reducing unnecessary contact and lowering the overall volume of contacts dealt with. This would comprise;
 - a) Unnecessary contact monitoring that focuses on one service at a time as part of an overall programme
 - b) Uses a shorter, more intense monitoring period and greater analysis/costing
 - c) Incorporates monitoring of service-based staff as well as customer service staff to identify potential for change across the whole process
 - d) Services being redesigned as end-to-end processes, minimising interventions by people and creating lean processes
 - e) A transformation programme reporting to a Board that can provide direction, and receive and act on recommendations for improvements
- Update the Access Strategy to have a greater emphasis on channel migration to more efficient channels. This would comprise;
 - a) a comprehensive communications strategy to encourage channel shift
 - b) an agreed methodology for measuring online channel usage to track improvements
 - c) regular reporting of performance against channel shift targets

4.2. To improve its flexibility and adaptability the service should;

- Develop a "plug and play" customer service, where what is offered is clearly defined and understood and can be entered into and out of if necessary, according to service demand from the customer or delivery demand from a service (ours or someone else's)
- Develop more flexibility to cope with peaks and troughs in demand through moving to booked appointments, advisers working from home, as and when the service demand requires it

4.3. To make best use of technology to drive improvements the service should;

- Adopt Lagan as the single 'engine' of customer service delivery, integrating with service's specific delivery systems such as Bartec, Uniform, Abritas, Northgate, and able to be so even if those systems are not housed at Bodicote House
- Develop a robust online service access and transaction channel offering end-to-end services, integrated through Lagan, to make online transactions an attractive choice for residents
- Improve intelligence about our customers to design the services they want online and then achieve channel shift through tightly targeted marketing. Focus on services that, when

online, will achieve the maximum savings for the council, and support other customer to adopt online transactions.

- Exploit mobile devices (e.g. mobile phones) as an access method by customers

5 Options for Savings

5.1. At its 10 November 2010 meeting the Use of Resources Steering Group considered the initial findings of the initial VFM report and that of the Customer Intelligence improvement project. Its view was that in moving forward the service should;

- Set itself a short to medium term cost reduction target to address the high cost of the service
- Instigate a transformation programme to drive out unnecessary contact, focusing on the higher volume services in the first instance, in order to produce savings
- Focus on channel migration to move customer traffic away from face to face and onto online services
- Move to implement appointment bookings for revenues and benefits customers to better manage peaks and troughs in Linkpoint Offices
- Retain LinkPoint offices with their current operating hours to maintain a common standard of service, but employ one member of staff in each office on telephone calls only to redress the balance of telephone and face to face performance
- Retain mobile services but review these after a suitable period of operation to evaluate their effectiveness

6 Recommendations

6.1. The Service adopt the Proposals for Improvements and Future Direction set out in Section 4 in full in order to set a vision for the future of Customer Service and establish a pathway to achieving real and ongoing efficiency savings in the medium to long term

6.2. To establish a two-year cost savings target of £257,462 for Customer Service that addresses the high cost of the service but in a sustainable way, with minimal impact on overall service to the public, as follows;

- a. Include the elimination of all vacant posts by 2012/13, to allow time for the new payment kiosks to reduce current workload, and seek to reduce the establishment by an additional 1 FTE per annum as the transformation programme reduces overall levels of contact
- b. Note savings of £135,654 built into the 2011/12 budget as follows;
 - i. Install payment kiosks (saving £65,000) as approved
 - ii. Remove a vacant customer service specialist post (saving £17,000)
 - iii. Remove vacant hours provision (saving £20,000)
 - iv. Reduce the establishment by 1FTE (saving £23,654)
- c. Make savings of £131,808 in 2012/13 as follows;
 - i. Eliminating all remaining vacant posts (saving £85,154)
 - ii. Reducing the establishment by an additional 1 FTE as levels of contact decline through improved working (saving £23,654)

- iii. Reducing accommodation costs through plans to move out of Bicester Market Square in 2012/13 (saving £23,000) as part of the town centre project, with the service being required to find this saving by other means should the scheme not progress by this date

Recorded transactions per council service area

Service name	Service	Face to Face	Phone	Email	Totals
Building Control	Building Control	404			404
CSIS	ICT	397			397
DC & MD	Planning	2,255			2,255
Environmental	Amenities Services	4,417	27,166	1,500	33,083
Environmental	Environmental Services	1,754	3,823		5,577
Environmental	Refuse Sacks	3			3
Estates	Estates	13			13
Exchequer	Business Rates	94	918		1,012
Exchequer	Cashier - Make a payment	36,333			36,333
Exchequer	Council Tax	6,064	27,805		33,869
Exchequer	Housing Benefit	22,479	16,707	1,500	40,686
Finance	Finance	261			261
General/Corporate	Sundry Incomes	4			
General/Corporate	Made Appointment	9			
General/Corporate	General Enquiries (concessionary travel, switchboard, grants...	10,797			
General/Corporate	Chief Executives Office	122			
General/Corporate	Delivery	157			
General/Corporate	Non CDC Enquiry	1,677			17,854
General/Corporate	Visitor	5,088			
Housing	Charter Housing	61			61
Housing	Housing Enquiry	6,648	9,709		16,357
Legal/Dem	Audit - Internal	10			10
Legal/Dem	Benefit Fraud Staff	134			134
Legal/Dem	Election Services	433	2,160		2,593
Legal/Dem	Land Charges	529			529
Legal/Dem	Legal	101			101
People & Imp	Human Resources	221			221
People & Improvement	Communications Team	50			50
Rec & Health	Sports & Leisure	295			295
Urb & Rural	Bus Pass	2,888			2,888
Urb & Rural	Licencing	584			584
Urb & Rural	Parking Permit/tickets/disc enquiries	1,182			1,182
Urb & Rural	Taxi	1,323			1,323

106,787	88,288	3,000	198,075
53.9%	44.6%	1.5%	

Master list of Customer Service activities

Directorate	Service	Team	Activity (main)	Activity (Detail)	Type
All	All	All	Switchboard	Redirect calls to/from Departments	Redirect
All	All	All	Switchboard	Redirect calls to/from the public	Redirect
All	All	All	Switchboard	General advice on enquiries	Advise
All	All	All	Reception duties (Bod Ho only)	Book in visitors	Record
All	All	All	Reception duties (Bod Ho only)	Take/Book in deliveries	Record
All	All	All	Reception duties (Bod Ho only)	Control car park barrier (BH only)	
All	All	All	Reception duties (Bod Ho only)	Call first aiders	Notify
All	All	All	Reception duties (Bod Ho only)	Give out plans or documents on deposit	Access
All	All	All	Reception duties (Bod Ho only)	Maintain leaflet stock	File
All	All	All	Language line	Contact/arrange language line service	Notify
All	All	All	Directory Enquiries	Public asking for external phone numbers	Advise
All	All	All	Directory Enquiries	Staff contact details	Advise
All	All	All	Directory Enquiries	Redirect calls to council staff	Redirect
All	All	All	Complaints	Take details and log	Record
All	All	All	Complaints	Pass details to service	Notify
Corporate	Finance	Revenues and Benefits	Vulnerable youngsters	ID vulnerable youngsters	?
Corporate	Finance	Revenues and Benefits	Overpayments	Explain process on enquiry	Advise
Corporate	Finance	Revenues and Benefits	Overpayments	Take payments for overpayment	Payments
Corporate	Finance	Revenues and Benefits	Advice for targeted groups	visiting groups, events, third parties...	Advise
Corporate	Finance	Revenues and Benefits	New Benefit Claims	Receive, scan and index documents/claim forms	File
Corporate	Finance	Revenues and Benefits	New Benefit Claims	Assist in completing forms/checking	Advocate
Corporate	Finance	Revenues and Benefits	New Benefit Claims	Copying documents	File
Corporate	Finance	Revenues and Benefits	New Benefit Claims	Perform trial calculations	Assess
Corporate	Finance	Revenues and Benefits	New Benefit Claims	Assess for entitlement to benefits	Assess
Corporate	Finance	Revenues and Benefits	New Benefit Claims	Assess for likely benefits	Assess
Corporate	Finance	Revenues and Benefits	New Benefit Claims	Chase progress	advocate
Corporate	Finance	Revenues and Benefits	General Enquiries	potentially enquiries on all R&B	
Corporate	Finance	Revenues and Benefits	External agencies	Deal with calls from Charter tenants	Redirect
Corporate	Finance	Revenues and Benefits	Existing benefit claims	change of circumstances	Record

Master list of Customer Service activities

Directorate	Service	Team	Activity (main)	Activity (Detail)	Type
Corporate	Finance	Revenues and Benefits	Existing benefit claims	change of bank details	Record
Corporate	Finance	Revenues and Benefits	Existing benefit claims	Explain Capita correspondence	Advise
Corporate	Finance	Revenues and Benefits	Existing benefit claims	Notify Capita of any errors	Notify
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	take payments	Payments
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	register new payee	Record
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	assess discounts	Assess
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	change of circumstances	Record
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	change of payment method	Record
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	special payment arrangements	Record
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	death of payee	Record
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	advise on bailiffs attending	Advise
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	explain paperwork/forms	Advise
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	identify and action mistakes	Record
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	refund charges	Payments
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	attachments of earnings	Record
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	arrange NNDR property inspections	Notify
Corporate	Finance	Revenues and Benefits	Council Tax & NNDR	notify special circumstances to Ec.Dev	Notify
Corporate	Finance	Revenues and Benefits	Cheque encashment cards	issue the card to enable non bank account holders to be able to cash benefit cheques at NatWest	
Corporate	Finance	Revenues and Benefits	Benefit payments	Chase for payments on behalf of recipients	Advocate
Corporate	Finance	Revenues and Benefits	Benefit payments	Landlords 8 weeks in arrears	Advocate
Corporate	Finance	Revenues and Benefits	Benefit payments	Check CIS system for benefits payments	Advocate
Corporate	Legal and Democratic	Elections	Voter registration	send registration form	Dispatch
Corporate	Legal and Democratic	Elections	Voter registration	send postal/proxy voting form	Dispatch
Corporate	Legal and Democratic	Elections	Voter registration	check or see electoral register	Access
Corporate	Legal and Democratic	Elections	Voter registration	Check eligibility	Advise
Corporate	Legal and Democratic	Elections	Voter registration	Help with canvass enquiries	Advise
Corporate	Legal and Democratic	Elections	Polling station staff	take in forms/photocopy ID for polling staff	Record
Corporate	Legal and Democratic	Elections	General Enquiries	identify local councillor	Advise
Corporate	Legal and Democratic	Elections	General Enquiries	identify local polling station	Advise
Corporate	Legal and Democratic	Fraud investigation	Identify fraud	Assess possible cases of fraud	Assess
Corporate	Legal and Democratic	Fraud investigation	Identify fraud	Notify Fraud team of possible Fraud	Notify
Corporate	Legal and Democratic	Land Charges	Reception duties	Take payments for land charges	Payments
Corporate	Legal and Democratic	Land Charges	Reception duties	Give out plans for land charge searches	Access
E&C	Environmental Services	Abandoned vehicles	Abandoned Vehicles	Take calls and records details	Record
E&C	Environmental Services	Abandoned vehicles	Abandoned Vehicles	issue paperwork for unwanted/scrapped	Dispatch

Master list of Customer Service activities

Directorate	Service	Team	Activity (main)	Activity (Detail vehicles)	Type
E&C	Environmental Services	Abandoned vehicles	Abandoned Vehicles	re-call as to status of vehicle	Assess
E&C	Environmental Services	Dog Warden	Dog matters	dog registration	Record
E&C	Environmental Services	Dog Warden	Dog matters	complaints about dog noise	Record
E&C	Environmental Services	Dog Warden	Dog matters	lost/found pets	Record
E&C	Environmental Services	Dog Warden	Dog matters	dangerous dog reports	Notify
E&C	Environmental Services	Dog Warden	Dog matters	dog release payments	Payments
E&C	Environmental Services	Pest control	Pest control	General enquiries/advice	Advise
E&C	Environmental Services	Pest control	Pest control	signpost to other agencies (snakes etc)	Redirect
E&C	Environmental Services	Pest control	Pest control	Take bookings for treatments/ re-treatments	Record
E&C	Environmental Services	Pest control	Pest control	take payments for treatments	Payments
E&C	Environmental Services	Pest control	Pest control	Notify officer for call back	Notify
E&C	Environmental Services	Street Cleansing	Refuse	sale of dog waste bags	Payments
E&C	Environmental Services	Street Cleansing	Refuse	Log reports of fly tipping	Record
E&C	Environmental Services	Street Cleansing	Refuse	Log reports of dead animals	Record
E&C	Environmental Services	Street Cleansing	Refuse	log reports of needles	Record
E&C	Environmental Services	Street Cleansing	Refuse	report needle problems to depot	Notify
E&C	Environmental Services	Street Cleansing	Refuse	log reports of broken glass	Record
E&C	Environmental Services	Street Cleansing	Refuse	log reports of graffiti	Record
E&C	Environmental Services	Street Cleansing	Refuse	log reports of spillages	Record
E&C	Environmental Services	Street Cleansing	Refuse	log reports of litter	Record
E&C	Environmental Services	Street Cleansing	Refuse	log reports of messy neighbours	Record
E&C	Environmental Services	Waste & Recycling	Trade waste	Sell bags	Payments
E&C	Environmental Services	Waste & Recycling	Trade waste	sell labels	Payments
E&C	Environmental Services	Waste & Recycling	Refuse	bulky waste collection requests	notify
E&C	Environmental Services	Waste & Recycling	Refuse	what goes in what bin etc	advise
E&C	Environmental Services	Waste & Recycling	Recycling advice	Advise on how and where to recycle	Advise
E&C	Environmental Services	Waste & Recycling	Recycling advice	Hand out bottle bags	Dispatch
E&C	Environmental Services	Waste & Recycling	Ordering bins	Order replacement bins	Notify
E&C	Environmental Services	Waste & Recycling	Ordering bins	Order larger bins	Notify
E&C	Environmental Services	Waste & Recycling	Ordering bins	Order blue bins	Notify
E&C	Environmental Services	Waste & Recycling	Missed bins	Log reports of missed bins	Record
E&C	Environmental Services	Waste & Recycling	Missed bins	Order new collection	Notify
E&C	Environmental Services	Waste & Recycling	food waste	caddy enquiries	Advise
E&C	Environmental Services	Waste & Recycling	Missed bins	report persistent problems	Notify
E&C	Environmental Services	Waste & Recycling	Missed bins	Assess reason for missed bin	Assess

Master list of Customer Service activities

Directorate	Service	Team	Activity (main)	Activity (Detail)	Type
E&C	Environmental Services	Waste & Recycling	Garden waste	sell sacks	Payments
E&C	Environmental Services	Waste & Recycling	Clinical waste	Assess need for clinical waste collection	Assess
E&C	Environmental Services	Waste & Recycling	Clinical waste	Arrange for clinical waste collection	Notify
E&C	Environmental Services	Waste & Recycling	Assisted collections	Assess and suggest assisted collections	Assess
E&C	Environmental Services	Waste & Recycling	Assisted collections	Arrange for assisted collection	Notify
E&C	Environmental Services	Waste & Recycling	General Enquiries	potentially enquiries on all W & R	Advise
E&C	Recreation and Health	Environmental Health	Odour/Contaminated Land	Explain process on enquiry	Advise
E&C	Recreation and Health	Environmental Health	Odour/Contaminated Land	Log reports of noise complaints	Record
E&C	Recreation and Health	Environmental Health	Odour/Contaminated Land	Pass details to service	Notify
E&C	Recreation and Health	Environmental Health	Noise complaints	Explain process on enquiry	Advise
E&C	Recreation and Health	Environmental Health	Noise complaints	Log reports of noise complaints	Record
E&C	Recreation and Health	Environmental Health	Noise complaints	Pass details to service	Notify
E&C	Recreation and Health	Environmental Health	Health and Safety	Log reports of workplace accidents	Record
E&C	Recreation and Health	Environmental Health	Health and Safety	Arrange a callback for reports made	Notify
E&C	Recreation and Health	Environmental Health	Food Safety	Send out registration forms	Dispatch
E&C	Recreation and Health	Environmental Health	Food Safety	Log food hygiene reports called in	Record
E&C	Recreation and Health	Environmental Health	Food Safety	Arrange a callback for reports made	Notify
E&C	Recreation and Health	Environmental Health	General Enquiries	potentially all EH services	Advise
E&C	Urban, Rural and Safer Communities	Licensing	Taxi drivers	copy documents for renewals	File
E&C	Urban, Rural and Safer Communities	Licensing	General Enquiries	Tattoo venues	Advise
E&C	Urban, Rural and Safer Communities	Licensing	General Enquiries	food hygiene	Advise
E&C	Urban, Rural and Safer Communities	Parking	Residents parking	issue permits	Dispatch
E&C	Urban, Rural and Safer Communities	Parking	Residents parking	deal with enquiries	Advise
E&C	Urban, Rural and Safer Communities	Parking	Residents parking	replacement permits/refunds	Notify
E&C	Urban, Rural and Safer Communities	Parking	Residents parking	change of circumstances	Notify
E&C	Urban, Rural and Safer Communities	Parking	Residents parking	take payments for permits	Payments
E&C	Urban, Rural and Safer Communities	Parking	Excess Charge Notices	Deal with complaints	Record
E&C	Urban, Rural and Safer Communities	Parking	Excess Charge Notices	Take payments	Payments

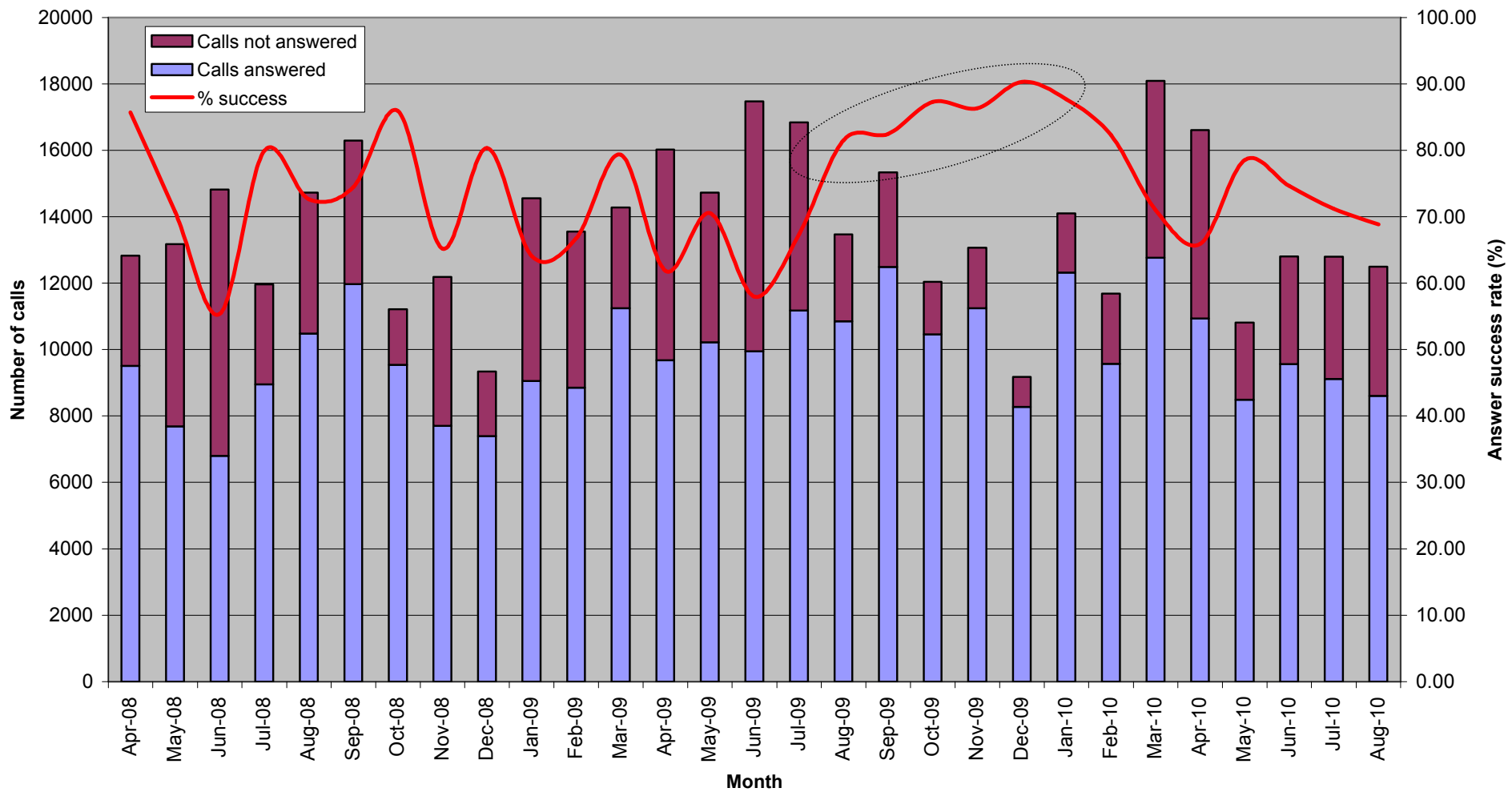
Master list of Customer Service activities

Directorate	Service	Team	Activity (main)	Activity (Detail)	Type
E&C	Urban, Rural and Safer Communities	Parking	Excess Charge Notices	explain appeal notice process	Advise
E&C	Urban, Rural and Safer Communities	Parking	Excess Charge Notices	issue appeal notice documents	Dispatch
E&C	Urban, Rural and Safer Communities	Parking	Excess Charge Notices	assist in completing appeal notices	Advocate
E&C	Urban, Rural and Safer Communities	Parking	Disabled parking	explain blue badge system	Advise
E&C	Urban, Rural and Safer Communities	Parking	Disabled parking	Give out forms	Dispatch
External	Oxfordshire County Council		Other agency functions	Report potholes	Record
External	Oxfordshire County Council		Other agency functions	enquiries on road gritting	Redirect
External	Oxfordshire County Council		Other agency functions	enquiries on grass cutting	Redirect
External	Oxfordshire County Council		Other agency functions	enquiries on RADAR keys	Redirect
External	Oxfordshire County Council		Other agency functions	enquiries on registrar certificates	Redirect
External	Oxfordshire County Council		Other agency functions	enquiries on blue bags	Redirect
External	Oxfordshire County Council		Other agency functions	Adult learning	Redirect
External	Oxfordshire County Council		Other agency functions	street lighting	Redirect
External	Oxfordshire County Council		Other agency functions	schools admissions	Redirect
External	Oxfordshire County Council		Other agency functions	trading standards	Redirect
External	Oxfordshire County Council		Other agency functions	family information service	Redirect
External	Oxfordshire County Council		Other agency functions	PEM team	Redirect
External	Oxfordshire County Council		Other agency functions	registrar service	Redirect
External	Pensions Service	Pensions service	General Enquiries	Refer to DWP	Redirect
External	Pensions Service	Pensions service	Alternative Office	Verify authenticity	Assess
External	Pensions Service	Pensions service	Alternative Office	Copying documents	Copy
External	Pensions Service	Pensions service	Alternative Office	Forward info to DWP	Notify
External	Pensions Service	Pensions service	Alternative Office	Assistance with paperwork/forms	Advocate
PH&E	Development Control and Major Developments	Development Control	General Enquiries	Take payments for planning	Payments
PH&E	Development Control and Major Developments	Development Control	General Enquiries	Assist with self-serve documents on iCLIPSE	Advise
PH&E	Development Control and Major Developments	Development Control	General Enquiries	assist with plotting sheets	Advise
PH&E	Development Control and Major Developments	Development Control	General Enquiries	assist with planning portal queries	Advocate
PH&E	Housing	All	General Enquiries	Deal with all first point of contact calls	Advise
PH&E	Housing	Concessionary Travel	Concessionary Travel	Advise on eligibility/ rules of use/which	Advise

Master list of Customer Service activities

Directorate	Service	Team	Activity (main)	Activity (Detail)	Type
PH&E	Housing	Concessionary Travel	Concessionary Travel	buses Notification of lost passes	Record
PH&E	Housing	Concessionary Travel	Concessionary Travel	Applications for pass/tokens	Record
PH&E	Housing	Concessionary Travel	Concessionary Travel	Distribute passes/tokens	Dispatch
PH&E	Housing	Concessionary Travel	Concessionary Travel	Exchange passes/tokens	Dispatch
PH&E	Housing	Concessionary Travel	Concessionary Travel	Taxi token reimbursement	Record
PH&E	Housing	Housing Needs	Shared Ownership	Assist in completing shared ownership forms	Advocate
PH&E	Housing	Housing Needs	PALS	Assist in completing PALS forms	Advocate
PH&E	Housing	Housing Needs	Choice Based Lettings	Assist in completing housing application forms	Advocate
PH&E	Housing	Housing Needs	Choice Based Lettings	verify and photocopy documents	File
PH&E	Housing	Housing Needs	Choice Based Lettings	Assist in bidding process	Advocate
PH&E	Housing	Housing Needs	Choice Based Lettings	explain/take through bidding system	Advise
PH&E	Housing	Housing Needs	Choice Based Lettings	change of circumstances	Record
PH&E	Housing	Housing Needs	Choice Based Lettings	notify change of circumstances	Notify
PH&E	Housing	Housing Needs	Choice Based Lettings	issue medical forms	Dispatch
PH&E	Housing	Housing Needs	Choice Based Lettings	Inform of bandings	Advise
PH&E	Housing	Housing Needs	Homelessness	mortgage rescue	?
PH&E	Housing	Private Sector Housing	HMOs	Identifying who lives in properties/landlords	Assess
PH&E	Housing	Private Sector Housing	Grants/Energy Saving	Advise on Warmfront scheme	Advise
PH&E	Housing	Private Sector Housing	Grants/Energy Saving	Advise on Cocoon scheme	Advise
PH&E	Housing	Private Sector Housing	Grants/Energy Saving	Advise on Small Repairs scheme	Advise
PH&E	Housing	Private Sector Housing	Grants/Energy Saving	Advise on Home Loans scheme	Advise
PH&E	Housing	Private Sector Housing	Grants/Energy Saving	Advise on Energy Efficiency matters	Advise

Performance in answering calls



Highest volumes for individual transactions at LinkPoints (Sept 2010)

Bicester				2.5
Cashier - Make a payment	1120	45.0%	1	
Housing Benefit	499	20.0%	2	
Amenities Services	228	9.2%	3	
Housing Enquiry	183	7.3%	4	
Council Tax	141	5.7%	5	
Environmental Services	80	3.2%	6	
Bus Pass	73	2.9%	7	
Non CDC Enquiry	66	2.7%	8	
Parking Permit/tickets/disc enquiries	53	2.1%	9	
Election Services	13	0.5%	10	

Kidlington				2.5
Cashier - Make a payment	351	32.5%	1	
Housing Benefit	243	22.5%	2	
Amenities Services	142	13.2%	3	
Housing Enquiry	97	9.0%	4	
Council Tax	77	7.1%	5	
Non CDC Enquiry	47	4.4%	6	
Bus Pass	41	3.8%	7	
Environmental Services	40	3.7%	8	
Visitor	8	0.7%	9	
Planning	8	0.7%	9	
Election Services	8	0.7%	9	

Bodicote House				3
Cashier - Make a payment	438	18.1%	1	
Visitor	330	13.6%	2	
Housing Benefit	308	12.7%	3	
Planning	247	10.2%	4	
Housing Enquiry	228	9.4%	5	
Council Tax	121	5.0%	6	
Taxi	119	4.9%	7	
Licencing	88	3.6%	8	
Environmental Services	85	3.5%	9	
Non CDC Enquiry	61	2.5%	10	

Town Centre Offices				4
Cashier - Make a payment	1869	48.2%	1	
Housing Benefit	1127	29.1%	2	
Housing Enquiry	269	6.9%	3	
Council Tax	263	6.8%	4	
Bus Pass	90	2.3%	5	
Amenities Services	81	2.1%	6	
Non CDC Enquiry	59	1.5%	7	
Environmental Services	39	1.0%	8	
Parking Permit/tickets/disc enquiries	29	0.7%	9	
Visitor	24	0.6%	10	

Corporate Improvement Plan

Using Customer Intelligence to Drive Improvement

Report & Executive Summary:

Cherwell District Council

Timetable	Papers Finalised	Meeting Date
CMT	29 Oct 2010	3 Nov 2010
Presentation of findings to UoR		10 Nov 2010
Final Version (Exec Report) to UoR		16 Dec 2010
Executive		January 2011

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1. Introduction

Purpose of this report

- 1.1. This improvement project forms part of the Council's Corporate Improvement Plan and Value for Money Programme of Reviews for 2010/11.
- 1.2. Working concurrently with the development of this report during quarter two of 2010/11, has been a value for money review of Customer Service. This report should be read in conjunction with that review.
- 1.3. This report also draws on the findings and recommendations of an externally-commissioned customer services data quality review which took place during the development of this improvement plan. This has added to the understanding of what customer intelligence exists, how it is used and how it translates into action on a service level.
- 1.4. The overall aim of the project is:

To ensure we use customer and community information to identify emerging issues for individual services, within localities and for particular groups and (with partners as appropriate) respond promptly to these issues.
- 1.5. This project has been split into two phases, phase 1 focusing on intelligence available through the Customer Service Centre and phase 2 which broadens the project scope to include other sources of customer intelligence available to the Council. This report covers phase 1; phase 2 will be covered by the proposed recommendations for further work contained in this report.
- 1.6. Project Deliverables:
 - Proposals to change current service delivery tangibly to improve outcomes for customers for immediate implementation or for resource consideration as part of service planning for 2011/12
 - Recommendations for a framework for reporting, sharing and responding to both customer and community intelligence to drive improvements across services, and associated corporate performance measures
 - Recommendations regarding the extent to which Cherwell and its service units use all the information at their disposal and how to nurture a culture of using the data gathered corporately or by customer service to drive action within services
 - General recommendations regarding the strengths, gaps and overlaps of the Council's existing approach to customer data and the quality and control of that data
 - The intelligence available and future role of the Community Intelligence Hub (residing in Community Safety).
- 1.7. Further, this report also identifies processes/procedures to facilitate:
 - A response process/procedure for urgent and non-urgent customer issues
 - A mechanism for collecting customer-response performance measures for the Council's corporate performance scorecard

2. Executive Summary and Recommendations

2.1 Introduction

This report sets out to understand how customer intelligence at Cherwell can drive improvements to the services that the Council offers. It considers what intelligence is currently available and proposes a range of improvements. Moving forward, this report sets out a framework for bringing customer intelligence to the heart of service improvement.

2.2 Summary of Findings

Key findings from this improvement project are:

- The Council's Customer Service is highly regarded by Cherwell's residents. The most important thing to customers is that Customer Service answers questions fully and provide enough information
- The Value for Money Review has found that the service is costly, but residents like it, even if demand means we can't answer the phone quickly:

- > High customer satisfaction 73% – Cherwell residents love it!
- > Expenditure high @ £1.6m (2010/11 budget)
- > 55% of budget is staffing costs
- > Average of 3mins 37secs to answer calls (Aug '10)
- > 31% abandoned calls in Aug 2010 (28% 6 month average) – now improving
- > Faster service face-to-face: average 1 min 47 seconds waiting time
- > We have lots of data but no useful information

- Internally, working relationships between Customer Service and departments need developing. Managers are not familiar with the customer journey and often see customer data as problems and complaints, and not as a source of intelligence
- Urgent customer issues are responded to well and have been used as opportunities to learn and improve services
- Limited, customer intelligence is gathered at present but is not routinely extracted and used to improve services, except for some incidences of good working practices in Revenues and Benefits
- There is limited capacity and expertise within Customer Service to undertake any regular provision and assessment of customer intelligence
- There is a lack of clarity and ownership of content within the Council's website and the contribution good content can make to drive improvement
- The Vision for Customer Service established in 2006 has been delivered and no longer provides the service with direction
- A new vision is required to put driving improvement from customer intelligence at the heart of the service aiming for the transformation needed for major channel migration that will drive down costs (as described in the below table), increase performance and maintaining customer satisfaction:

	Transactions 2009/10	2010/11 Direction	2009/10 costs (actuals)
Face to Face	112,650	Down 3% to 11% on last year	£880k @ £7.82/visit
Telephone	104,530	Up 4% in the year to 56%	£596k @ £5.70/call
Online	3,000 emails 500,410 web hits	Web use up 10%, email up 4% (15% for young) on last year	£83k @ £0.17/unit

- The trend is for Cherwell’s customer to move away from face to face and towards telephone and online services. Research shows us that:

- Access by phone is fairly static
- Face to face access dropping slightly
- Website on the up 10% overall
 - Up 35% for young
 - Up 33% rural
 - Up 18% for low income
- Email up 4%, 15% among the young
- 75% in SE Region use the internet daily
- Cherwell residents demonstrate high propensity for online service
- “surely providing more information and advice online would save the council money?” (budget consultation participant)
- Comparatively, at 70% Cherwell is conducting near average volumes of business online, but at 16% face to face volumes are much more than average

2.3 Recommendations

- Adopt a new Vision for Customer Services to 2013/4 and Future State as outlined in Section 3. Note the importance of migrating demand by developing our on-line service and encouraging customers to access it
- Adopt the improvements set out in Section 4 driven from customer intelligence. Note the importance of the management of demand, such as through introducing appointments at our LinkPoints
- Use customer intelligence to drive further improvements: introduce a corporate Right First Time programme for 2011/12 and monthly reporting framework as set out in Section 5
- Adopt two key performance measures for the Council’s Corporate Score Card: Speed of response and abandonment rate as set out in Section 5, and new Customer Promise.

3. Adopting a new Vision 2013/14 and Future State for Customer Service

3.1 Vision context

Findings from the Customer Intelligence and the Value for Money Review conducted in 2010/11 demonstrate that customer service is very much liked by Cherwell's customers, but is too expensive, not giving good performance. Equally the Council is not moving sufficiently rapidly to capture customer's appetite for online services and is not benefitting from customer intelligence to improve services and strip out waste.

In delivering the vision, it is recognised that the current high levels of satisfaction may suffer in the short-term, to be regained by 2014, arising from the transformational nature of the proposed programme.

3.2 Vision

In 2013/14 we are a robust customer service organisation managing demand rather than being driven by it. We routinely design out avoidable activity in our services using information gathered from customers, and we are recognised by our internal customers as offering a good quality service, at reasonable cost. Our customer satisfaction levels are no lower than they were in 2010/11.

3.3 By 2013/14 we will have:

- reduced the gross expenditure of the customer service team significantly
- retained or improved on satisfaction levels of 73% in 2010/11
- maintained or improved performance levels. No more than 10% of callers abandon their call while waiting to get through; average wait times for telephone calls to the contact centre are not longer than 2 minutes
- migrated to 80% of our contact being online, reduced our contact centre volumes by a quarter, and will have halved our face to face contact.

3.4 By:

- Adopting an access strategy that prioritises development of "value" contact to cheaper channels (such as online) while, *at the same time*, reducing face to face and telephone contact
- Reducing wasteful, avoidable contact
- Managing demand – smoothing the peaks and troughs, encouraging online self-service
- Reducing down demand: communications campaigns, FAQs, informative how-to guides
- Considering opportunities for shared premises/service hubs, as they arise
- Exploiting new approaches to service delivery that offer value for money, such as outreach/mobile face to face

3.5 Criteria against which success should be measured

- Annual Customer Service Revenue Estimates and by individual service budgets
- Annual Satisfaction levels
- Performance levels: Telephone & face to face wait times and abandoned rates
- Migration achievement rate: Proportions of contact made face to face, by telephone and online (requires defining and baselining) requiring volumes of online service requests face-to-face and telephone contact to be collated.

3.6 How Customer Services will look in 2013/14: Future State

In 2013/14, Cherwell District Council's LinkPoints are operating in all three urban centres and from the Council's headquarters at Bodicote House.

The service at LinkPoints:

There is a reception service at each LinkPoint providing information and making appointments for casual callers, where necessary. None of these transactions takes more than a couple of minutes. A third member of staff at each LinkPoint (necessary to allow the office to be open 8.45 – 5.15 and over lunch) is logged into the contact centre system, taking calls, and does not deal with customers face to face.

A vending machine is available to dispense dog waste bags, food caddy bags and other environmental sundries. Customers wishing to pay a bill are using the payment kiosk located in the LinkPoint; the receptionist can help customers if necessary, but these machines are considered a reliable alternative to paying manually and regular customers have no problem using them.

The number of customers visiting LinkPoints is around half what it was three years ago.

For Benefit customers:

Most customers are bringing documents in connection with their Benefits applications, and have made appointments by phone, online, or earlier in the day or week at the LinkPoint. Their appointment is to go through their application with a customer service adviser, who will check through their application and make sure it is complete, before sending it for action. Originals are scanned there and then returned to the customer.

At the Call Centre:

Back in the contact centre, wait times for customers are never more than two minutes, and fewer than 10% of callers abandon their call before getting through. Customer satisfaction, recorded by the telemetric systems after each call, is consistently positive and national benchmarking places CDC in the top quartile.

The number of calls has fallen by over a quarter in the past three years even though more services are now delivered through this team, as more and more customers choose to request services online as it is more convenient, saving them time and money.

Online:

Properly functional online service is available via the Council's website, taking customer requests through structured forms and delivering the information right into the service systems which generate the work request or action. Customers receive receipts and acknowledgement and an increasing number of customers can track the progress of their request. This system is used by customer service advisers in the contact centre, as well as by customers in their homes or using self service terminals in LinkPoints and partner buildings. The outreach team find it invaluable to be able to access services on behalf of vulnerable customers they visit in their homes.

The proportion of customer transactions online has grown to 80%.

Internally: *Being a cross-Council, collaborative enterprise*

Each month the customer service manager meets with other service managers to discuss performance. They look over the tailored performance report which includes phone answering times and abandoned rates for individual services; number of enquiries dealt with at the LinkPoints; details of the main causes of avoidable contact during the month, summaries of customer feedback and complaints, progress reports on service change activities agreed last month, and information on plans the service has to make changes or contact customers in the next period.

The service managers fully understand the service that Customer Service provides and work collaboratively with the Customer Service management team. They value the regular contact and take pride in making changes that improve the customer experience. In turn, the customer service team understand the needs of the service and are better placed to adapt to suit their needs as necessary.

Senior management receive summaries of these reports quarterly via the corporate performance system and are confident that the measures in place ensure the right balance between cost and quality is being achieved.

Externally: *Being a cross-partner leader for change*

Cherwell works collaboratively with other agencies to improve the service to residents, such as co-ordinating "Tell it Once" initiatives.

4. Drive improvement from existing customer intelligence

4.1 Context

There is limited customer intelligence available at present. However, working with what information is available and drawing on the experience of the Customer Service Team, a wealth of improvements have been identified which will have a significant impact on improving the customer experience and, over time enable the Council to drive down the cost of customer service.

The actions have been prioritised by the degree of impact on the customer journey and the ease of implementation to form a comprehensive Customer Service Improvement Action Plan.

Some of the key improvements proposed for implementation by March 2011 include:

4.2 Smarter working - reduce avoidable contact and transactions into the Customer Service Centre:

- Improve clarity of letters and bills to customers (“you pay this, we pay that”)
- Improve the timing of Council Tax bills and benefit entitlement letters
- Make it possible for a customer to inform us of a change – such as a death – just once and for that information to be shared across everyone
- When considering fees and charges, be mindful of online service delivery (for example the difficulties in proving, online, an entitlement to an age concession, or being in any specific “class” of customer)
- Simplify pricing policies so they are easier to explain both on-line and by Customer Service staff. For example, connect charging for blue bins @ £15 to charging for blue boxes at £7.50 for each of the 3rd and 4th boxes
- Incentivise online access – make it cheaper to buy services online, for example introduce free delivery on blue bins purchased online
- Respond to direct customer feedback, such as
 - Introduce more bulky waste collection days in Bicester to meet the customer demand
 - Introduce labelling to explain why a bin has not been emptied (too heavy, contaminated,...) to reduce the number of customers calling for an explanation.

4.3 Manage demand – reduced peaks and troughs into the Customer Service Centre:

- Improve scheduling of Council mail outs across all services
- Introduce a new policy: if a missed bin isn’t emptied the same day, it will be collected the next working day. A much easier policy for Customer Service to explain
- Introduce a new policy: allow residents to report a missed bin at any time during the day (this is possible as Cherwell goes over to real-time with Bartech Technology) to stop the current 3pm call surge
- Introduce appointments at the Council’s LinkPoints: reduce face to face contact to 5 minutes per Benefit customer and introduce 45 minute pre-booked appointments for Benefit claimants
- Use lessons learnt from handling events like extreme snow, such as use of automated telephone messages and FAQs (frequently asked questions), to manage customers away from contacting during peak time, provide useful information and take the opportunity to promote benefits of going online.

5. How do we routinely find future improvements?

5.1 Right First Time Corporate Programme 2011/12

Introduce a Right First Time Programme for 2011/12, involving all Council service areas, focusing on using customer intelligence to help deliver the new Vision Statement. It is proposed that this Programme be incorporated into the Council's Corporate Plan from April 2011 and the Council's Corporate Management Team be asked to consider resource allocation to this Programme.

The Right First Time Programme will:

- Involve all Council service areas, service by service, focusing first on the high user areas: Revenues and Benefits, Environmental and Housing Services
- For each service, collect useful information and stop collecting useless data, and analyse this information for trends and intelligence, across all access channels.
- Develop the Council's use of reporting and analysing tools to support the presentation and understanding of customer intelligence (such as the Community Intelligence Hub and Lagan Reporting tools)
- Research public sector and private sector best practice and exemplar authorities such as Beacon Councils
- Bring forward proposals for service improvements and new transformational ways of working, with accompanying business cases, for each service area to achieve the Vision Statement of increasing migration online while reducing the service cost base. Proposals to include :
 - Service delivery (and if appropriate pricing) changes
 - Online migration options
 - Cost reductions and invest to save initiatives.
- Be underpinned by collaborative working between the services and Customer Service Team and provide a platform for on-going, continuous improvement to augment the Customer Service Improvement Plan.
- Be managed as a Corporate Programme.

5.2 Introduce regular reporting of customer intelligence

Introduce two-way reporting on a monthly basis between the Customer Service Centre and Heads of Services. Monthly report to cover:

- Available customer intelligence data and analysis
- Transactions by access channel: usage and cost
- Progress towards channel migration targets and Improvement Plan actions
- Feedback from Head of Service on target and action progress
- Forecast for customer activity in coming months to enable customer services to schedule activity to minimise peaks and troughs.

5.3 Adopt performance monitoring measures

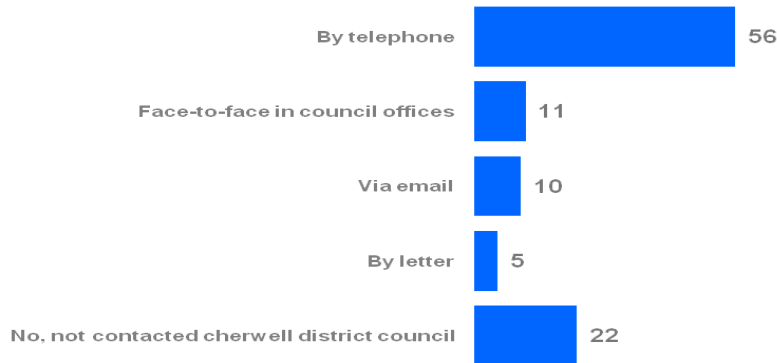
Adopt two performance measures initially for the Council's Performance Scorecard and incorporate the new service standards into the Council's published documentation, including the new Customer Promise at Annex 2:

- Speed of response: a new standard of within two and a half minutes for phone calls (this is setting the standard at the level of last year's performance, current performance 3 mins 37 secs)
- abandonment rate: an improvement target of 25% for 2011/12 (performance at 31% in August 2010).

(i) External Assessments

a) Customer Satisfaction Survey 2010: *Very well respected service by the Customers*

Most of the Council’s customers make contact by telephone. Email is beginning to gain ground, particularly among high earners (20%) and those aged 25-34 (15%), at the expense of letters and face-to-face visits. The 2010 percentage split for contact by all residents is below:



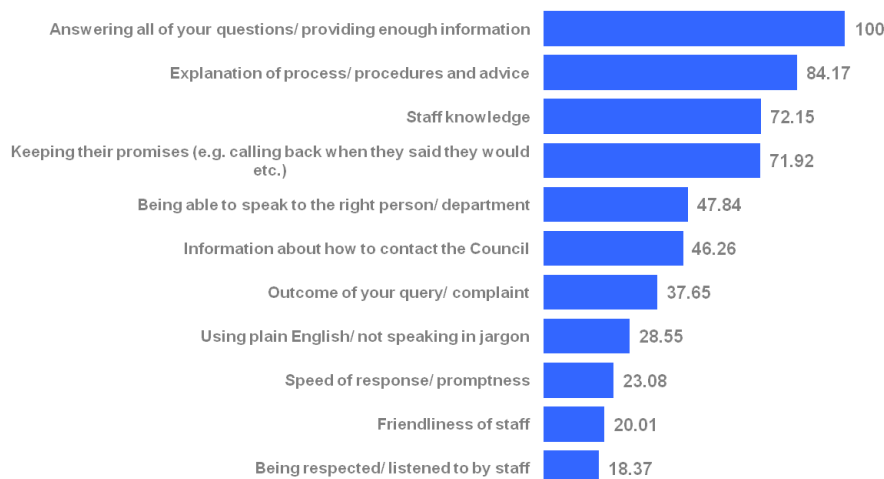
Overall satisfaction with the Council has risen to 73% from 60% in 2006. Individual aspects, such as staff speaking in plain English and being friendly scoring particularly highly at 79 % and 77% respectively.

Greatest dissatisfaction is from:

- query/complaint outcome (14%)
- not keeping promises – such as calling back (14%)
- Speed of response (12%).

Further analysis (see below diagram) gives a hierarchy of factors to improve, ranked by importance:

- answering questions fully and providing enough information is by far the most important priority for residents
- explanation of process/ procedures and advice, indicating the value of clarity in the way the Council communicates with residents
- staff knowledge, emphasising the value to customers of getting it right first time
- keeping promises (e.g. calling back when they said they would).



b) Tribal Report: customer data check

Cherwell commissioned Tribal to undertake a customer data health check during August, reporting findings during September 2010. In summary, they found:

- Customer Service, not departments, decide what information to collect and what to report
- There appears to be no collaborative working between Customer Service and departments around customer data
- Customer Service and services do not appear to work together around the website content
- Services do not know how customers use their web pages
- Customer Service data is not currently being used to design services
- Services are aware of, but lack an understanding of the data and analysis tools available (such as GIS, Google Analytics & MOSAIC segmentation)
- The exception is Revenues and Benefits, where good working relationships exist and both sides benefit from the two way approach.

The Data Quality Review recommends:

- Service managers (heads of service and service managers) should be encouraged to identify the information they need to understand and improve their service
- A formal, regular interaction would help service managers feel more in control of customer information and issues can be tackled, such as changes to processes
- Senior managers and customer service should agree type and content of regular reporting
- Senior managers need training to help them use data to change/re-design services, rather than seeing customer data and intelligence simply as complaints and problems
- Senior managers need to understand the customer journey from end to end as customer service is only the initial step on many occasions. Training and support to emphasis the value of customer insight at senior level would help embed acting on customer data
- There is scope to drive down call volumes using customer intelligence
- The website content can be much better configured to support customer services and also intelligence gathering
- Community Intelligence Hub (CIH), used by the Community Safety Team as an analysis and reporting tool, needs to be assessed against other systems in the Council
- A number of customer metrics should be introduced and reported through the Council's Performance Management Framework, such as: Speed of answering calls and call abandonment rate. For the web, the following metrics are recommended: "query resolution" rate (ie the number of people responding through Govmetric that the page was useful) and "search success" rate (ie the number of failed attempts by the customer to find what they are looking for using the search box).

(ii) Internal Assessments

a) Value for Money Conclusion 2010 Summary: Costly, but residents like it, even if demand means we can't always answer the phone quickly

The overall conclusion of the review is that the service is **high cost** for its overall operation in comparison with others, although it offers good value for money for Revenues and Benefits calls. It has poor performance in terms of long and increasing time to answer calls, high and increasing call abandonment rates. It is high quality in terms of good and improving levels of customer satisfaction for residents using the service, although its internal satisfaction levels are poor in parts.

Customer Service is the first point of contact for all face-to-face enquiries and visitors and around 80% of all telephone contact. Currently, telephone callers wait over 2 mins 30 seconds for an answer and will abandon a call within 3 mins of waiting. A caller who abandons will call again if they are not called back by an advisor first, increasing even further the pressure on an already stretched resource.

Currently the service is costly and lacks capacity to deliver often overwhelming amounts of contact. The service is highly regarded by residents, but less highly regarded by some of the services it serves. Further, There is insufficient capacity in the service at present to undertake the transformation programmes highlighted in best practice authorities to achieve real savings.

b) Customer Intelligence issues

Lagan is the Council's Customer Relationship Management system and is the "front-end" where customer intelligence should be input and collated/analysed. It is being applied on a limited basis for telephone contact for a resident who has:

- called to complain
- called on an environmental service issue
- or emailed into the Council.

There is no capacity within the customer service team to undertake regular reporting or analysis/assessment of customer intelligence – neither time capacity nor expertise.

Limited customer intelligence is collated currently from a number of different sources:

- An advisor's assessment of "avoidable contact" (previously NI. 14) across all Council services. This is undertaken for all telephone calls (electronically captured) and face-to-face (manually captured). This provides a very high-level indication of where to focus effort to avoid unnecessary contact but gives no detail of the background to the avoidable contact upon which to respond. The quality of data captured through this process is also variable
- Customer complaints (via Lagan) averaging around 20 a month
- Govmetric for web and phone usage – this captures a user's view on the helpfulness of a web page and call content which can therefore flag problem areas
- environmental services enquiries (via Lagan downloaded overnight into Uniform where it is exported into the Community Intelligence Hub for further analysis)
- Customer Service Team weekly meetings
- Mystery shopping and the Annual Satisfaction Survey, etc.

Some examples of Revenues and Benefits customer intelligence reporting and learning to improve services exist.

c) System issues

- Up to a dozen proprietary software systems are used by customer advisors (eg Lagan, Bartec, Uniform, Abritas, Iworld, Uniform, Northgate,...).
- Using Lagan to collate customer intelligence for a customer service supported by a proprietary system represents double keying of data for a customer advisor (the introduction of the citizen portal for email correspondence will go some way to address this issue).
- The different proprietary software systems have varying degrees of ease of use, access barriers and speed.
- Customer e-mails and on-line forms are re-keyed into back office systems; email handling has yet to become a formalised access channel and no customer intelligence is yet derived from this source.
- Where customer intelligence exists, no automated reporting analysis or tools are in place (the Council has not invested in the Lagan reporting tool).

d) Community Intelligence Hub (CIH)

- CIH offers a highly-visual, in-depth analysis tool offering a dashboard-style reporting platform, with GIS mapping features. It currently receives external input from Community Safety, Police and Fire data sources as well as daily data for Amenities and Environmental Health Services (from Lagan via Uniform).
- It provides intelligence that has been useful in planning operational activity (such as targeting ASB, identifying Arson trends, incidences/locations of vehicle damage and incidences/locations of needle finds relating to drug activity). The analysis and the support for officers is provided in-house within the Community Safety Team.
- CIH as a system has already been procured by the Council with a multi-licence for Council-wide use. It has already been configured to provide a Cherwell-orientated data reporting framework. For example, it knows all Cherwell's parishes and their boundaries, Wards and Super Output Areas and can therefore report at any of these levels, ie abandoned vehicles or missed bins by Ward.
- CIH (or other reporting tools, such as Lagan Reporting) provide a window onto what the future for Cherwell's customer intelligence reporting could look like. Unfortunately, we are not in a position to consider investing in expanding CIH, or any other, automated tool. First, we need to know what customer intelligence we want to capture and how we want it analysed, before we can specify how we want to expand.
- Currently, Corporate Information Systems do not have the relevant skills to reduce the need for consultancy support for CIH development and changes. It is very roughly estimated that development of the CIH to automate and present general customer intelligence of the type identified in the sources above (and used to create the report see Annex 3 for the proposed regular report to Heads of Service) would incur development costs of around £20k. Requests for these funds are contained in the Capital Programme bid for 2011/12.

e) Reporting urgent customer issues

There are occasions when something unexpected happens causing a surge of calls into customer services, recent examples include:

- "Public panic" issues: such as the announcement of the general election, the budget, when it mentioned changes to benefits, road closures and accidents, risk of flooding/snow,... These happen when people hear something on the news, put two and two together to make about 12 and call us.....
- Ambiguous communications: including letters which tell people they don't have to do anything!

- New services: the introduction of Ringo caused a big increase in face-to-face visits from people asking how to do it, which Customer Service was unable to offer advice
- Out-of-synch scheduling: bulk distribution of letters posted in Blackburn (where Capita are based providing a Benefits Service on behalf of the Council) taking longer to arrive than letters posted at Bodicote and so both arrive at once and cause confusion, despite scheduling efforts.

Arrangements such as the snow plan, flooding plan and emergency plan are in place for handling extreme conditions where the Council expects to be involved. People tend to panic and call us long before the Council needs to invoke these plans. This provides an early warning system which enables customer service and departments to be on standby and put in response measures, while monitoring build up in caller numbers and associated issues.

These plans represent good practice in handling urgent events, such as the extreme snow in January 2010. On this occasion, the responses contained in the Snow Plan, such as automated telephone messages, proved invaluable in providing good information (FAQs) to customers unable to get through due to the high call volume. In turn, the volume of customer contact has been managed downwards within hours through implementing the plan, returning a crisis situation into a manageable event.

This good practice now needs to be introduced more widely across the Council and plans put in place for responding positively to surges in customer contact across a range of services. Development of these plans will be incorporated into the Right First Time Programme.

f) Customer-response performance measures: corporate performance scorecard

The Tribal report commissioned for the Council has recommended a set of metrics, some of which the Council can introduce immediately onto the scorecard, such as:

- Speed to answer – at 3 mins 37 secs in August 10, a new standard of within two and a half minutes for phone calls (last year's performance) is being introduced
- Abandon rate –31% abandonment rate (May 2010 to Sept 2010) with an improvement target of 25% for 2011/12.

The speed of answering targets has been incorporated in to the revised Customer Promise set out at Annex 2 and the Council's current General Service Standards and Charter for all services will be updated also.

g) Other service issues

- There is a belief among managers that the customer journey (ie end-to-end process experience) rests with customer service. The customer journey starts in customer service, but often ends in specific departments. There needs to be a much greater sense of integration towards a common good.
- There is a lack of clarity and ownership around the direction of the website and the contribution it can make to the drive to improve.
- The website is as much of a working tool for the customer service team as it is to our customers. The customer service team rely on the website is a major source of information for Council customers. It needs to be the main, consistent and accurate source for both customers and customer service staff. It has the potential to be the major channel of transformation that will drive down costs, increase performance and maintaining customer satisfaction.
- The absence of a refreshed customer service Vision and accompanying access strategy that would put channel migration at the heart of the customer service improvement, means little importance is placed by services on developing, with IS, their online offering.

- Service improvement therefore lacks prioritisation and tends to be focused on what is implementable rather than what is needed to drive improvement.
- To improve on-line it needs to be made easy to use. A good example is DVLA road-fund licence model. Cherwell is equipped to develop an online, integrated service. Clearly, there needs to be a strategy of “attack” developed in partnership with services needing to reduce their costs, most clearly achieved through enhancing the on-line offer.
- There is no active communication plan in place to publicise/promote new channels of delivery. However, at its recent Development Day the winning “Dragon’s Den” service improvement idea was exactly that – focusing on high volume services used by currently on-line customers.
- Bodicote House is now a Linkpoint with no separate/discrete reception service. Therefore all Council customers, business-to-business visitors and deliveries queue together for a customer advisor to see them limiting capacity to capture face-to-face customer intelligence through Bodicote House. Recent relocation of Customer Service to the area behind reception means that this has begun to be addressed.

The draft new Customer Promise below reflects that the need to implement an interim target of answering calls in 2 mins 30 seconds as the service moves towards achieving its vision of all calls being answered within 2 minutes.

Customer Promise

Contacting the Council by Phone: When you need to request a service

Our telephone contact centre is open Monday to Friday, 8.45 to 5.15. Outside of those times you can find information, apply and if necessary pay for services, or send an email from our website at www.cherwell.gov.uk

You can expect your call to be answered by an adviser *within two and a half minutes*. This is the average queue length; it will often be much quicker, although at some times of the year the wait may be longer. In 2009 the average time customers waited to speak to a customer adviser was just over two and a half minutes.

If you have to wait we will provide information relevant to the service you are calling about, through recorded messages.

Outside the normal opening hours an emergency contact number is available for reporting homelessness, nuisance and pollution problems.

Here are the main numbers to call for council services:

227000 Council Tax and Business Rates	227004	Housing
227001 General Enquiries	227005	Elections
227002 Benefits	227006	Planning
227003 Environmental Services	227007	Environmental Protection

Contacting the Council by phone: When you have ongoing business with the Council

If you have already contacted us about something that is ongoing, or we have contacted you already, we will provide you with phone and email contact details for a specific person or team. This will be on the letter or the email we have sent you.

You can phone Monday to Friday, 8.45 to 5.15 and expect a personal response. We will try to answer calls to those numbers within five rings. Outside of those times you can find information, apply for services, or send an email from our website at www.cherwell.gov.uk.

If the person you need to speak to is not there you may be invited to leave a message (voicemail). Where this is the case we will tell you when you can expect us to call you back – wherever possible this will be by the end of the next working day. To help us do that we will ask you to leave a clear message that includes your name, a contact number, and a brief summary of the reason for the call.

If the person you need to speak to is going to be away for more than two days, we will provide an alternative contact.

Outside the normal opening hours, you can find information, apply for services, or send an email from our website at www.cherwell.gov.uk

The current Standards for General Service Delivery & current Customer Charter will need to be brought into line with the above changes.

Customer Service Monthly Report: Example Service (some data is fictitious)

Section 1: Channel use - Example Service

Channel	April	May	June	July	August	Sept	Total
Telephone	1879	1979	1567	1360	1234	2079	10098
Cost @ £3.21	£6,032	£6,353	£5,030	£4,366	£3,961	£6,674	£32,415
Face to Face	239	201	157	198	212	244	1251
Cost @ £8.23	£1,967	£1,654	£1,292	£1630	£1,745	£2,008	£10,296
Website	1150	991	1089	1123	1069	1264	6686
Cost @ £0.39	£448	£386	£425	£438	£417	£493	£2607
September Avoidable Contact Calls = 47 = £151				September Value Calls = 1823 = £5852			

Progress against channel shift target

Channel	Oct	Nov	Dec	Jan	Feb	Mar
Telephone	1911	1743	1575	1407	1239	1071
Face to Face	1176	1101	1026	951	876	801
Website	1277	1304	1344	1397	1464	1544

Section 2: Customer Intelligence

Complaints (these are real examples from the corporate complaints system)

Case Reference	Title	Service	Date Received	Reply	Stage	Upheld	Lessons learnt
101000261078	Treatment by Staff Member	U & R S	01/10/2010	01/10/2010	1	Yes	Ensure staff are polite in all circumstances
101000261099	Direct Debit	Council Tax	29/09/2010	06/10/2010	-	No	-
101000261517	Paid but received final demand	Council Tax	04/10/2010	06/10/2010	1	Yes - CAPITA	Have corrected parameters.
101000262194	Telephone ans times	Customer Svc	04/10/2010	06/10/2010	1	Yes	refresher training
101000262196	Bin Collection	Amenities	04/10/2010	-	1	-	-
101000262214	CTax Summons	Council Tax	05/10/2010	13/10/2010	1	Yes	-
101000262219	Election On Line process	Elections	04/10/2010	-	1	-	-

Avoidable Contact *

September	Value	AC1	AC2	AC3	AC4	AC5	Total All Contact	Total Avoidable Contact	% of AC
No. of Ex. Svc. Calls	1823	39	4	55	148	2	2079	248	11.9%
All Calls	2746	220	9	143	281	2	3433	687	20%

Customer feedback from Webmetric

- A better way of doing the form saves on paper work and we feel better knowing that it's done and dusted.
- I can't get a large item to the tip, it's a freezer which is broken, neither can I afford to have it collected, I'm a single parent on housing benefit...So now pretty stuck with a dead freezer....
- Recycling is working well in our area.
- Didn't really understand why the list of shops was a PDF download rather than simply another page on the site. Could do with making 'Where to get the bags' a bit more prominent too... Ta!
- Excellent website all round
- No collection days for new residents
- It's great to be able to contact your services at the touch of a button. I am a pensioner and have found your page great to use:) Thank you all for all the hard work you do

Customer feedback from Telemetric

Trend Analysis of Interaction Volume and Average Satisfaction levels

Figure 1. Example Services A

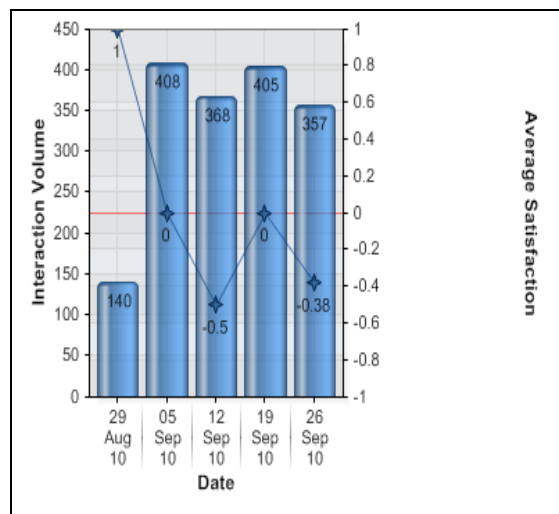
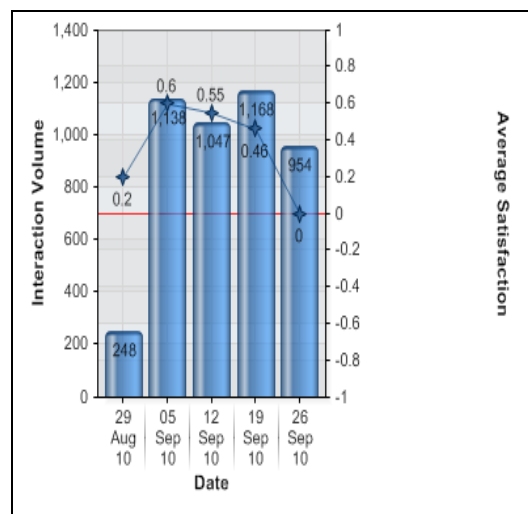


Figure 2. Example Services B



Customer Requests by service element (from Lagan) – September Total = 1995

Major Categories	No. of Requests	Top Requests	No. of Top Requests
Dogs	101	Request for Service	38
Pest	90	Wasps	39
Waste and Recycling	1804	Missed – Green Bin or Sack	168
		Missed – Brown Bin or Sack	163
		Order – 240L Brown Bin	154

Customer Service Team noted issues in the month

Operational Issues Top 3	Impact	Lessons learned
Customers kept bringing a letter they'd had from example service and asking what it was about, but we hadn't seen it	Longer wait times at LinkPoints	Need a copy of all letters going to more than 1000
General number (252535) published in an article about example service – lots of calls had to be transferred	Customers waited twice	Need to ensure Comms have a clear list of which numbers

Other Sources: Mystery shopping, Annual Satisfaction, in-service surveys etc..

Face to Face mystery shopping conducted during November: nothing specific for Example Service but overall shows marked improvement in all eight attributes (being listened to, being clear, friendly, understanding the issue, giving next steps, checking info was understood, signposting and dealing with the customer efficiently), with 100% shoppers reporting "They spoke clearly using simple language and no jargon".

Section 3: Information Exchange (discussion agenda)

1. Progress on with Improvement Plan Actions and Targets for Example Service

2. Forward plans for Example Service and forecast of impacts on Customer Service

What is happening next 2 months across all services? What happened last year to be repeated in same two month period?

3. Info from Customer Service on scheduled activity from other services which may impact Example Service

What have other services already organised with CS that may impact on your plans

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Executive

Award of Contract for a Combined Insurance Programme for Cherwell District Council

7 March 2011

Report of Head of Finance

PURPOSE OF REPORT

To seek approval for the award of a contract for a Combined Insurance Programme with the deletion of one policy and the increasing of excesses to those agreed in October 2009.

This report is public

Appendix 1 to this report is exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972

Recommendations

The Executive is recommended:

- (1) Discontinue the insurance policy for money and increase excesses on a range of continuing policies.
- (2) Award a contract for a Combined Insurance Programme to Zurich Municipal for a period of three years from 1 April 2011 with the allowance purely at the discretion of the Council to extend by up to a further four years in one year increments.

Executive Summary

Introduction

Background

- 1.1 The Council currently purchases all its insurance cover from Zurich Municipal and benefits from:
 - Consolidating all of its insurance requirements with a single supplier providing savings in terms of economies of scale and internal contract management resources;
 - Dealing directly with the insurance provider rather than via a broker agency avoiding third party commission payments.
- 1.2 The Corporate Strategic Procurement Manager undertook an options

appraisal of the possible routes to market, including the use of frameworks provided by professional buying organisations, such as Buying Solutions and the South West Improvement and Efficiency Partnership. However, all these frameworks only made provision for letting contracts via a brokerage service and were based upon a multiple lot approach.

- 1.3 Whereas other authorities have used the multiple lot approach, breaking down the various requirements into self-standing bids, in an attempt to drive down prices with the main three insurance companies in the market, namely Zurich, AIG and Travelers, it was decided that the Council should be transparent about its strategy of seeking a single supplier for all its insurance needs. This approach avoids the need for a much more costly tender process for companies and Councils alike and allows focus to be given to competitive options in terms of excess and service provision.
- 1.4 The single supplier approach also allows the Council to:
- Manage risk and insurance claims more effectively with the transferring of the corporate responsibility for the management of insurance from the Risk Management and Insurance Officer to the Head of Finance, with the operational administration of claims delegated to Heads of Service and operational administrative teams;
 - Benefit from cost effective support and training provided by a single supplier who understands the Council's entire insurance portfolio;
 - Look to future economies of scale in the corporate management function within finance with other authorities, such as South Northamptonshire Council.

The Process

- 1.5 Due to the limited market meeting the Council's prerequisites for a direct, single supplier approach an open tender procedure was undertaken via the Official Journal of the European Union under reference number 2010/S 250-383837, dated 24 December 2010.
- 1.6 A total of five organisations expressed an interest in the tender with Zurich, AIG, Travelers and R. P. Lovatt putting forward further queries but only Zurich submitting a bid by the tender deadline of 10 February 2011.
- 1.7 When pressed for their reason for not submitting bids AIG and Travelers commented on how the highly effective risk management processes in place at Cherwell and the substantial reduction in premiums over the life of the current contract – including those achieved by the value for money review - left them with the conclusion that they could not compete effectively with the rates offered by Zurich who currently hold more than 80% of the local authority market.
- 1.8 Zurich's bid was evaluated on the basis of 70% of marks awarded for price and 30% of marks as per the table below:

Evaluation Criteria		Percentage available	Percentage awarded
1.	Price	70%	70%
2.	Assessment of Cover Offered	10%	10%
3.	Claims handling and Provision of	7%	7%

	Claims Data		
4.	Quality & Service Standards	8%	6%
5.	Range of Services	5%	4%
		100%	97%

- 1.9 Not surprisingly Zurich's bid was very strong and provided an offer with no hidden costs and a menu of choices to help with the transition of the corporate responsibility for insurance to Finance and the devolving of operational administration to the service areas.

The Offer

- 1.10 Further to evaluation of Zurich's written submission a clarification meeting was held which focused on:

- A review of excesses and areas where self-insurance may be more appropriate;
- Assurances as to the training and support to be made available to the Council during this period of transition.

- 1.11 The outcome of this meeting was a total combined offer which amounted to savings of £33,176.64 (13.7%) against the Council's 2010/11 premiums as outlined under section 2.1 and the demonstration of a structure in place that will amply support the Council as the responsibility for insurance moves to Finance.

Proposals

- 1.12 To accept the recommendations and prices listed within section 2.1.
- 1.13 To award a contract for a Combined Insurance Programme to Zurich Municipal for a period of three years from 1 April 2011 with the allowance purely at the discretion of the Council to extend by up to a further four years in one year increments.

Conclusion

- 1.14 The solution provided by Zurich Municipal will not only provide further premium savings of more than £33,000 to those already achieved over the last few years – the 2009/10 extension resulting in savings of more than £30,000 and the 2009 VfM exercise netting an additional £65,000 of savings in 2010/11 – resulting in insurance premium costs coming down £464,000 in 2003/4 to £209,718.58 in 2011/12, but will also provide a robust support system involving telephone, email and web based advise during a substantial change in contract management responsibilities.

Implications

- Financial:** The proposed contract will both provide further savings to meet the Council's efficiency targets and enable the Finance team to effectively take on the management of the contract.
- Comments checked by Karen Muir, Corporate System Accountant, 01295 221559
- Legal:** The tender process has met the requirements of the Council's Contract Procedure Rules and all EU Procurement Regulations.
- Comments checked by Liz Howlett, Head of Legal and Democratic Services 01295 221686
- Risk Management:** The risks are in line with those outlined in the Value for Money Review of Insurance approved by the Executive on 5 October 2009.

Wards Affected

All

Corporate Plan Themes

An Accessible, Value for Money Council

Executive Portfolio

Councillor JJ Macnamara
Portfolio Holder for Resources and Organisational Development

Document Information

Appendix No	Title
1 - EXEMPT	Insurance Cover Excess Proposal and Premium Price Comparisons
Background Papers	
N/A	
Report Author	Viv Hichens, Corporate Strategic Procurement Manager
Contact Information	01295 223747 viv.hichens@Cherwell-dc.gov.uk

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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