

Committee: Executive
Date: Monday 7 November 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 John Donaldson	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 - 8)

To confirm as a correct record the Minutes of the meeting held on 3 October 2011.

Service Delivery and Innovation

6. **Award of Contract for the Provision of the following Voluntary Services to Cherwell District Council: 1) Debt and Money Advice; 2) Services to Increase Volunteering; 3) Voluntary Driving Service** (Pages 9 - 22) **6.35pm**

Report of John Hoad, Head of Service

Summary

To seek approval for the award of a contract for the provision of voluntary services across three thematic areas:

1. Debt and money advice
2. Services to increase volunteering
3. Voluntary driving services

Recommendations

The Executive is recommended to:

- (1) Award a contract for the provision of voluntary services across all three thematic and geographical areas to Banbury CAB, whose bid involves arrangements and partnerships with five other voluntary organisations, for a period of three years from 1 April 2012 with the option to extend by up to a further two years.
- (2) Confirm the cessation of existing funding arrangements for organisations funded through the Council's Voluntary Sector (Community Development) Grants Programme and Community Transport Grants Programme as from 31 March 2012.

Value for Money and Performance

7. **2011/12 Projected Revenue & Capital Outturn at 30 September 2011** (Pages 23 - 40) **6.50pm**

Report of Karen Curtin, Head of Service

Summary

This report summarises the Council's Revenue and Capital performance for the first six months of the financial year 2011/12 and projections for the full 2011/12 period. These are measured by the budget monitoring function and reported via the Performance Management Framework (PMF) informing the 2011/12 budget process currently underway.

This report also reviews the treasury and procurement action plan performance for the first six months of 2011/12.

Recommendations

The Executive is recommended to:

- (1) Note the projected revenue & capital position at September 2011.
- (2) Note the Capital Slippage of £5.853m from the 2011/12 capital programme as detailed in the main body of this report.
- (3) Note the Quarter 2 performance against 2011/12 investment strategy.
- (4) Note progress against the Procurement Action plan detailed in Appendix 1 and the savings recorded in Appendix 2.

Urgent Business

8. Urgent Business

Any other items which the Chairman has decided is urgent.

(Meeting scheduled to close at 7.00pm)

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

Information about this Agenda

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 Part 5 Section A of 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.

Queries Regarding this Agenda

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

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.

Sue Smith
Chief Executive

Published on Friday 28 October 2011

Cherwell District Council

Executive

Minutes of a meeting of the Executive held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 3 October 2011 at 6.30 pm

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

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

Also Present: Councillor Leslie F Sibley
Councillor Tim Emptage

Apologies for absence: Councillor Norman Bolster

Officers: Sue Smith, Chief Executive
Calvin Bell, Director
Ian Davies, Director
Martin Henry, Director / Section 151 Officer
Kevin Lane, Head of Service / Monitoring Officer
Natasha Clark, Senior Democratic and Scrutiny Officer

49 **Declarations of Interest**

Members declared interests in the following agenda item:

8. Bicester Hospital.

Councillor James Macnamara, Personal, as a member of St John's Ambulance.

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

There were no petitions or requests to address the meeting.

51 **Urgent Business**

There were no items of urgent business.

52 **Minutes**

The minutes of the meeting held on 5 September 2011 were agreed as a correct record and signed by the Chairman.

53 **Bolton Road Draft Masterplan and Supplementary Planning Document**

The Head of Regeneration and Estates and Head of Planning Policy and Economic Development submitted a report which sought consideration of the draft Supplementary Planning Document (SPD) and Companion Document for the Bolton Road area in Banbury and endorse it for public consultation.

Resolved

- (1) That the Draft Supplementary Planning Document (SPD) (attached as an annex to these minutes as set out in the Minute book) be endorsed.
- (2) That the appropriate Head of Service be authorised, in consultation with the Lead Member for Planning, to make any further minor non-substantive changes as are necessary to the Draft SPD and Companion Document prior to the publication of these for public consultation.

Reasons

This project is identified as a priority in the Regeneration and Estates Service plan and identified as land for redevelopment for a retail led scheme in the draft Core Strategy.

Options

- | | |
|---------------------|---|
| Option One | To endorse the SPD and Companion Document for public Consultation |
| Option Two | To endorse the SPD and Companion Document for public consultation with amendments |
| Option Three | To not endorse the SPD and Companion Document for public consultation |

54 **Banbury Museum Trust**

The Strategic Director Environment and Community submitted a report which sought consideration of an initial report by the Banbury Museum Trust Project Board into the feasibility and options for the creation of a charitable organisation to deliver museum and visitor information services from 2013/14. The creation of such a Trust would ensure the continued delivery of services alongside savings to the Council.

Resolved

- (1) That the creation of a charitable organisation to deliver museum and visitor information services at Banbury Museum, subject to the agreement of the National Heritage Lottery Fund and Oxfordshire County Council.
- (2) That in relation to the charitable vehicle used for the creation of the trust,
 - a. the use of a Charitable Incorporated Organisation as the preferred vehicle, adopting the 'Foundation' model constitution, with objects suited to the establishment and maintenance of a museum and the advancement of local arts, culture and heritage be endorsed; and
 - b. the use of a Company Limited by Guarantee (having charitable status and pursuing identical aims) as an appropriate alternative legal structure for the trust in the event that the preferred vehicle in Recommendation no. 2(a) is not available be endorsed.
- (3) That the working name of the Trust as 'Banbury Museum Trust', with the final decision on naming to be taken by the Trust itself be approved.
- (4) That the establishment of a Board of Trustees comprising at least 5 members and including a Council member (to be nominated by the Executive for this purpose), with the number of Council members rising to two should the size of the Board increase to 10 or larger be approved.
- (5) In relation to the appointment of such Trustees,
 - a. That the Project Board be permitted to interview suitable candidates for Shadow Chairman, any such appointment to be confirmed by the Executive;
 - b. That Shadow Chairman be permitted, in consultation with the Project Board, to select, via advertisement or other effective process, suitable candidates for membership of the Shadow Board (in addition to those Council members nominated to the Board pursuant to Recommendation no. 4 above); and
 - c. That the relevant Head of Service be authorised to invite the Shadow Chairman and (non-Council) members of the Shadow Board to undertake those roles permanently upon establishment of the Trust.
- (6) That retention by the Council of the freehold of the Museum building and Bridge Gallery be approved, granting, instead, a lease of it to the Trust for a minimum period of 30 years, and to authorise the appropriate Head of Service, in consultation with the Lead Member for the Environment to negotiate suitable terms for such a lease with the Trust on this basis.

- (7) That in relation to other arrangements for the letting of the premises in addition to the lease of the Museum and Bridge Gallery referred to in Recommendation no. 6 the following be agreed:
- a. To sub-let to the Trust the Visitor Information Centre/LinkPoint (including Tooley's Boatyard) (subject to the consent of the Council's head landlords, Scottish Widows and British Waterways) for a like period of 30 years and the appropriate Head of Service be authorised, in consultation with the Lead Member for the Environment to negotiate suitable terms for such sub-lettings to the Trust; and
 - b. To make provision for the Council to occupy the LinkPoint area under a licence from the Trust, such licence to be determinable by either party on 6 months notice, to avoid granting the Council exclusive possession of the area and, being personal to the Council, the benefit of the licence to be incapable of transfer to any other occupier.
- (8) That the Council's retaining responsibility for the maintenance of the exterior, structure and principal plant of the premises let to the Trust (subject to any prohibitions contained in the Scottish Widows and British Waterways leases proposed to be sub-let to the Trust pursuant to Recommendation no. 7) be approved so that the Trust shall only be responsible for interior maintenance and decoration.
- (9) That the transfer of the Museum Café contract and ancillary Licence to the Trust be approved, such that the same would henceforth be managed by the Trust either directly or through a trading company set up by the Trust for this purpose, with the future operation of the café upon the termination of that arrangement on 13 January 2013 to be determined wholly by the Trust.
- (10) In relation to the transfer of staff,
- a. That the need to transfer those staff identified as being affected under TUPE requirements and commence a formal consultation process following the Executive resolution to proceed with the formation of the Museum Trust be noted;
 - b. That Community Admitted Body status for the pensions of transferred staff, or an equivalent scheme should this not be possible be sought;
 - c. That it be agreed to continue to pay contributions as at present on past pension liabilities and require the Trust to take out a bond to fund any possible future liabilities should the Trust fail;
 - d. To limit the Council's future liability for redundancies relating to transferred staff to three months after the transfer date, and to establish a bond to fund this liability.
- (11) That the provision of ICT services (internet, telephony, email, website) by the Council to the Trust under a stand alone service level agreement between the Council and the Trust, for which the Trust will be charged a service fee be agreed, with the following exceptions:

- a. An independent internet connection be established for the Trust;
 - b. A dedicated colour laser printer be procured for the Trust;
 - c. Existing PC equipment be gifted to the Trust; and
 - d. The Trust take out its own licences for the software it will use
- (12) With regard to the financial allocation to the Trust;
- a. That a shadow budget for the Trust from 2012/13, based on initial assumptions, be established, and that this be used as a baseline for negotiation with the Shadow Trust Board in establishing an initial financial allocation;
 - b. That it be agreed that the initial financial allocation should not be any greater than the current budget provision for the Museum and VIC, and should reflect the NNDR savings anticipated and
 - c. That subject to the agreement of the National Heritage Memorial Fund, a five-year funding agreement with the Trust, with a three-year rolling review period, be entered into.
- (13) That an initial financial allocation of £15,000 to the Project for 2011/12 in order to obtain the specialist advice, relevant consents and approvals and other services needed to create the Trust and transfer assets to it be approved.
- (14) That the transfer of the museum undertaking, the VIC service, and, where permissible, the Council's interest in any contracts wholly connected with the same which are not expressly considered elsewhere in this report, to the Trust upon its creation be approved.
- (15) That the timetable for the transition to Trust status proposed by DCA Consultants be noted.
- (16) That, following consideration by the Executive, no implications arising from the Local Authority Resource Review that impact upon the savings potential of this project prior to implementation be noted.

Reasons

The proposal to form a bespoke charitable Trust to operate Banbury Museum and Visitor Information Centre will provide for greater certainty for the future operation of these services together with greater freedoms and flexibilities.

The creation of a charitable Trust will enable the Council to benefit from reduced expenditure on the provision of these services from reduced NNDR contributions.

Options

Option One Implement all the recommendations of the Project Board in creating a bespoke Trust for the Museum, incorporating Banbury VIC.

Option Two Retain the VIC within Council control and restrict the scope

of the Trust to the operation of a museum only. This would reduce the level of savings that can be achieved (i.e. no NNDR saving) and would require additional staff to operate a front of house service for the Museum.

55 **Bicester Hospital**

The Strategic Director Environment and Community submitted a report which sought consideration of the latest position regarding the procurement by Oxfordshire PCT of the re-provision of Bicester Hospital.

Councillor Sibley, Leader of the Labour Group, addressed Executive. Whilst commending the opportunity the Bicester Hospital re-provision represented for the residents of Bicester, he expressed disappointment at the decision of the PCT to retain the existing site. Councillor Sibley also thanked the Council for its ongoing support to the provision of a Community Hospital in Bicester.

In response to Councillor Sibley's address, the Chairman confirmed that the council's position about the need for a Community Hospital in Bicester remained unambiguous and the council would continue to support the matter.

Resolved

- (1) That the PCT's decision through its bidder shortlisting process to re-provide the new community hospital on the existing hospital site be noted.
- (2) That the full support of the District Council continue to be offered to the PCT in providing a new Bicester Community Hospital as a fundamental part of the town's infrastructure.
- (3) That the PCT be urged to ensure service continuity throughout the redevelopment and to maximise the scope for future expansion possibilities in their design.

Reasons

The Council has for many years expressed a strong preference for the new Bicester Community Hospital to be located on the health village site within the SW Bicester development. It has argued that such a relatively large green field site provides greater opportunity for a high quality development and setting, the site due to its size offers the best opportunity for future expansion of healthcare services for a growing town, the health village concept has the potential to provide complementary adjacent health care services and service continuity during construction would be unaffected.

The PCT short listing decision effectively rules out this site option as the shortlisted bidding process, will now be concentrating only on the current hospital site.

With the major reforms and changes taking place in the health sector at present, particularly with the commissioning of services, there is the potential

for a change of commissioning body part way through the procurement process. If this were to be the case then that would have to be managed at that time. In the meantime, both the process and the financial envelope for this procurement have been approved by the PCT and the Strategic Health Authority.

Arising from this position is the question over the future uses of the health village site at SW Bicester. The Section 106 Planning Agreement for that site in summary stipulates that the health village can be used for a community hospital, a GP Surgery and for the provision of other medical facility uses including that of an extra care elderly nursing home. It also requires the marketing of the site for these uses. As the first two of these health care uses are no longer required by the PCT, it can be expected that the marketing of the site will concentrate on other medical/health care uses. The S106 Agreement has a five year limit from implementation of the development or until the occupation of 1,000 dwellings which ever is later.

Options

- | | |
|-------------------|--|
| Option One | To continue to support the PCT in its procurement of the re-provision if a new hospital. |
| Option Two | Not to support the PCT in its procurement of the re-provision if a new hospital. |

The meeting ended at 7.25 pm

Chairman:

Date:

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Executive

Award of Contract for the Provision of the following Voluntary Services to Cherwell District Council:

- 1) Debt and Money Advice**
- 2) Services to Increase Volunteering**
- 3) Voluntary Driving Services**

7 November 2011

Report of John Hoad, Head of Service

PURPOSE OF REPORT

To seek approval for the award of a contract for the provision of voluntary services across three thematic areas:

1. Debt and money advice
2. Services to increase volunteering
3. Voluntary driving services

This report is public

Recommendations

The Executive is recommended to:

- (1) Award a contract for the provision of voluntary services across all three thematic and geographical areas to Banbury CAB, whose bid involves arrangements and partnerships with five other voluntary organisations, for a period of three years from 1 April 2012 with the option to extend by up to a further two years.
- (2) Confirm the cessation of existing funding arrangements for organisations funded through the Council's Voluntary Sector (Community Development) Grants Programme and Community Transport Grants Programme as from 31 March 2012.

Executive Summary

Introduction

- 1.1 Further to a detailed options appraisal in light of the reduction in central government funding, Cherwell District Council's Executive decided in May 2011 'To signify a likely cessation of existing funding arrangements for

organisations funded through the Council's Voluntary Sector (Community Development) Grants Programme and Community Transport Grants Programme as from 31 March 2012'. (Exact copy of the Executive decision.)

- 1.2 The Executive also agreed to the commencing of a commissioning process to fund strategically relevant Advice, Volunteering and Volunteer Car Driving services across three geographical areas within Cherwell, requesting that it receive a further report on the outcome of this exercise as part of the 2012/13 Service and Financial Planning process in the Autumn.
- 1.3 This report outlines the outcome of this exercise and recommends the award of a contract for all three thematic and geographical areas – a total of nine lots as outlined below – to Banbury CAB.
- 1.4 The May 2011 Executive decision marked the Council's desire to commission strategically relevant services at a time when it is important that the Council funds services which target those most in need, are delivered on an equitable basis and support the Council to deliver its statutory responsibilities and its other wider corporate planning and community planning priorities.
- 1.5 The Council aims to make this shift in how it funds services via the voluntary sector in the context of a national agenda of Localism and the Big Society.
- 1.6 The service model that the Council approved is being commissioned in three *thematic* service packages:
 - Debt and money advice
 - Volunteer car driving services
 - Services to increase volunteering activity
- 1.7 Each of these services will operate across three *locality* areas and are therefore split into a total of nine individual lots. Tender lots are as follows:
 - Debt and money advice in Banbury and surrounding villages (Lot 1)
 - Debt and money advice in Bicester and surrounding villages (2)
 - Debt and money advice in Kidlington and surrounding villages (3)
 - Volunteer car driving services in Banbury and surrounding villages (4)
 - Volunteer car driving services in Bicester and surrounding villages (5)
 - Volunteer car driving services in Kidlington and surrounding villages (6)
 - Services to increase volunteering activity in Banbury and surrounding villages (7)
 - Services to increase volunteering activity in Bicester and surrounding villages (8)
 - Services to increase volunteering activity in Kidlington and surrounding villages (9)
- 1.8 This is a Part B service in terms of the EU Regulations and though procurement best practice and the Council's own Contract Procedure Rules have been followed to the letter there is only an onus on the Council to publish an award notice and no requirement to advertise via the Official

Journal of the European Union.

- 1.9 Prior to the tender exercise all existing grant recipients were consulted and the net was cast into South Northants and across the rest of Oxfordshire for potential providers.
- 1.10 A workshop was held to provide information about the exercise with notes provided for any potential bidder who was unable to attend the workshop.
- 1.11 The opportunity was then advertised in the local media and the Council's website for an open tender procedure whereby the pre-qualification element was included within the tender submission document.
- 1.12 The advertisements and previous engagement led to a total of 11 organisations expressing an interest in receiving the tender pack:
 - South Northants Volunteer Bureau
 - Banbury CAB
 - Bicester CAB
 - Oxfordshire Advice Centre
 - Age UK Oxfordshire
 - Kidlington & District Information Centre
 - Oxfordshire Rural Community Council (ORCC)
 - Oxfordshire Community and Voluntary Action (OCVA)
 - Cherwell Community and Voluntary Services (CCVS)
 - Banburyshire Community Transport Association
 - N-gage
- 1.13 Interested parties were encouraged to put forward further questions and ask for further advice about fulfilling the specification supplied by the Council. A number of questions were put forward the answers to which were circulated to all those expressing an interest to ensure equal treatment and transparency.
- 1.14 Bidders were encouraged to consider partnership bids to strengthen the services provided and the result was that four bids were received as follows:

Bidder 1: Cherwell Community and Voluntary Services – bid for lots 4, 5 and 6 for the volunteer driving schemes.

Bidder 2: Banbury CAB – bid for all nine lots with partnerships agreed with Bicester CAB, South Northants Volunteer Bureau, Oxfordshire Rural Community Council, IAC and Aspire Oxford.

Bidder 3: Banburyshire Community Transport Association – bid for lots 4, 5 and 6 for the volunteer driving schemes.

Bidder 4: Oxfordshire Community and Voluntary Action (OCVA) – bid for lots 7, 8 and 9 for increasing volunteering activity.
- 1.15 The attached spreadsheets provide a summary of the final scores after the clarification meetings by thematic service.
- 1.16 The evaluation panel was satisfied that the business case, robust partnerships and forward thinking methodology of the Banbury CAB bid

would best meet the requirements of the services across all nine lots with added value being provided by:

Economies of scale to deliver synergies of service

- a cost effective service delivered by a single entity
- efficiencies due to overheads being apportioned across other income sources
- one agency to manage the contract – less in-house resource required managing the contract
- The use of three CAB offices to create volunteering centres in Banbury, Bicester and Kidlington

Additional funding

Banbury and Bicester CAB received additional funding of over £235,000 in the last year and will continue to generate extra external funding for these services.

New Project Development

Banbury CAB in partnership with West Oxfordshire CAB has been designated as one of the three HMRC centres of excellence – adding funding of £30,000 per year for the next five years.

Early Intervention

Gateway advice centres provide a low cost and time efficient triage service, ensuring clients receive the correct level of support, allowing fully trained advisors to provide services for clients with more complex needs – especially the vulnerable and those who are excluded from other services.

Effective partnerships

Subcontracting to Bicester CAB and buying in expertise throughout the lifetime of the contract from SNVB, Aspire, IAC and ORCC.

Effective Self Monitoring

Banbury CAB have an effective performance management framework which will allow objective driven monitoring of the contract without drawing on too much resource from Council officers.

For clarity the Banbury CAB bid would therefore cover the whole of the District including Banbury, Bicester and Kidlington.

- 1.17 A clear SLA will accompany the contract with SMART objectives – many of which have already been presented by Banbury CAB as part of their bid – and this will be monitored on a regular basis with quarterly review meetings by the Authorised Officer and the operational team members.

Wider Context

- 1.18 This report covers the procurement exercise, and the emphasis of this exercise has been to improve access to services across the whole of the District. The exercise has sought to improve services, improve signposting to other services where achievable, and to mitigate against any grant reductions.
- 1.19 The most notable grant cessation in the move to commissioning strategically relevant services is that to the Banbury Community Transport Association

(BCTA). Council officers are working with the County Council in their plans for a county wide Dial-a-Ride service to ensure a community transport facility beyond voluntary car driving scheme and to ensure that the needs of the most vulnerable customers continue to be met.

Proposals

- 1.20 To confirm the cessation of existing funding arrangements for organisations funded through the Council's Voluntary Sector (Community Development) Grants Programme and Community Transport Grants Programme as from 31 March 2012'
- 1.21 To accept the recommendations based upon the evidence of a robust and fair tendering exercise which actively engaged all existing voluntary services providers across the district.
- 1.22 To award a contract for the provision of voluntary services across all three thematic and geographical areas to Banbury CAB, whose bid involves arrangements and partnerships with five other voluntary organisations, for a period of three years from 1st April 2012 with the option to extend by up to a further two years.

Conclusion

- 1.23 The proposals put forward by Banbury CAB fully meet and even exceed the requirements of the Council in providing fair and equitable services across three key thematic areas across the entire district and are based upon robust partnerships and buying in of expertise which has the potential of extending the services provided while still delivering 24% of savings on the budget currently allocated to the Council's Voluntary Sector (Community Development) Grants Programme and Community Transport Grants Programme over the lifetime of the contract. It also provides an opportunity to target funding at services which support the Council's statutory responsibilities and improve cost effectiveness and a more equitable distribution of resources.

Background Information

- 2.1 23 May 2011 Executive Report on Advice, Volunteering and Car Driving Schemes.

Implications

- Financial:** Provision of 24% of savings on the budget currently allocated to the Council's Voluntary Sector (Community Development) Grants Programme and Community Transport Grants Programme over the lifetime of the contract.
- Comments checked by Karen Curtin, Head of Finance Cherwell District Council and South Northamptonshire Council 0300 0030 106
- Legal:** The decision to commission strategically relevant services through a competitive tender exercise open to third sector bodies was made to ensure best use of Council resources in the funding of services which still targeted those most in need, were delivered on an equitable basis and supported the Council to deliver its statutory responsibilities at a time of significant pressure on budgets and in the context of a national agenda of Localism and the Big Society.
- The award recommendation contained in this report, which arises out of a tender process undertaken in accordance with the requirements of the Council's Contract Procedure Rules and all EU Procurement Regulations, is the culmination of that decision.
- Comments checked by Richard Hawtin, Team Leader – Property and Contracts, Legal and Democratic Services 01295 221695.
- Risk Management:** The main risks to the Council associated with this recommendation are legal (mitigated through the procurement process) and service failure impacting on the customer (mitigated through contract and performance management and a service level agreement).
- Comments checked by Claire Taylor, Corporate Performance Manager 0300 0030113
- Equalities** The approach will ensure that accessible advisory, voluntary and voluntary car driving schemes formerly funded through grant provision will continue to be available to communities across the District including those most vulnerable. Officers are working with organisations affected by the move to commissioning services rather than grant provision to ensure any adverse impact are limited or mitigated through effective signposting to other services including County Council etc...
- Comments checked by Claire Taylor, Corporate Performance Manager 0300 0030113

Wards Affected

All

Corporate Plan Themes

An Accessible, Value for Money Council

Executive Lead Member

Councillor Debbie Pickford
Lead Member for Housing

Councillor Ken Atack
Lead Member for Financial Management

Document Information

Appendix No	Title
1	Evaluation spreadsheet for lots 1 to 3 – Debt and Money Advice
2	Evaluation spreadsheet for lots 4 to 6 – Car Driving Schemes
3	Evaluation spreadsheet for lots 7 to 9 – Increasing Volunteering
Background Papers	
N/A	
Report Author	Helen Town, Strategic Housing Officer
Contact Information	01295 227991 helen.town@cherwell-dc.gov.uk

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Voluntary Services
Evaluation Summary for Debt and Money Advice - Lots 1 to 3

		Mark out of 10				Percentage Equivalent								
		1	2	3	4	1	2	3	4					
	<u>Voluntary Services Lots 1 to 3 - Debt & Money Advice</u>													
	<u>Section 2</u>		Y											
	<u>Section 3</u>		Y											
	<u>Section 5</u>		P											
	<u>Section 6</u>		P											
	<u>Section 7</u>		P											
	<u>Section 8</u>		P											
	<u>Section 9</u>		P											
	<u>Section 10</u>		P											
	<u>Section 11</u>		P											
	<u>Section</u>													
	<u>Prioritisation 1</u>													
	<u>Section 12</u>		10			NA	8	NA	NA	10				8.0
	<u>Section 13</u>		10			NA	9	NA	NA	10				9.0
	<u>Section 14</u>		10			NA	8	NA	NA	15				12.0
	<u>Section 15</u>		10				9			20				18.0
	<u>Prioritisation 2</u>													
	<u>Section 16</u>		10			NA	9	NA	NA	10				9.0
	<u>Section 17</u>		10			NA	9	NA	NA	10				9.0
	<u>Prioritisation 3</u>													
	<u>Section 18</u>		10			NA	8	NA	NA	10				8.0
	<u>Section 19</u>		10			NA	9	NA	NA	10				9.0
	<u>Prioritisation 4</u>													
	<u>Section 20</u>		10			NA	6	NA	NA	5				3.0
	TOTAL									100				85

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Executive

2011/12 Projected Revenue & Capital Outturn at 30 September 2011

7 November 2011

Report of Karen Curtin, Head of Service

PURPOSE OF REPORT

This report summarises the Council's Revenue and Capital performance for the first six months of the financial year 2011/12 and projections for the full 2011/12 period. These are measured by the budget monitoring function and reported via the Performance Management Framework (PMF) informing the 2011/12 budget process currently underway.

This report also reviews the treasury and procurement action plan performance for the first six months of 2011/12.

This report is public

Recommendations

The Executive is recommended to:

- (1) Note the projected revenue & capital position at September 2011.
- (2) Note the Capital Slippage of £5.853m from the 2011/12 capital programme as detailed in the main body of this report.
- (3) Note the Quarter 2 performance against 2011/12 investment strategy.
- (4) Note progress against the Procurement Action plan detailed in Appendix 1 and the savings recorded in Appendix 2.

Executive Summary

Introduction

- 1.1 In line with good practice budget monitoring is undertaken on a monthly basis within the Council. The revenue and capital position is reported monthly to the Corporate Management Team and formally to the Executive on a quarterly basis. This report includes the position at Q2.

- 1.2 The revenue and capital expenditure in Q2 has been subject to a detailed review by Officers and reported monthly to management as part of the corporate dashboard. An additional benchmark has been included this year to measure the accuracy of projections by budget holders on a month by month basis.
- 1.3 A review of the treasury performance for Q2 is also included within this report.
- 1.4 Our performance has been regularly reviewed by our treasury management advisors Sector and by the Accounts, Audit and Risk Committee.
- 1.5 Progress against the Council's procurement strategy and the annual saving's target is also included within this report.

Conclusion

- 1.6 Due to the downturn in the economy, impact of the credit crunch on Council services and the volatility of the financial markets, the Council is keeping a watching brief on any challenges that they may need to face which may result in a redirection of budgets.
- 1.7 The variances on the revenue and capital projections are within the Council's stated tolerances of +2% / -5%.
- 1.8 The Council has a General Fund Revenue reserve to meet any budgetary surplus or deficit.
- 1.9 The actual return on investments for the quarter to September 2011 was £685k compared with a budget of £446k a variance of £239k. This is in line with expectations.
- 1.10 The Council's performance against the procurement action plan is in line with timescales and after 6 months 49% of the savings target has been achieved.

Background Information

Revenue and Capital Position at 30 September 2011

- 2.1 The Dashboard Revenue Report for September 2011 shows an underspend against budget of £802k. This differs from the projected year end position detailed below through profiling of expenditure and income
- 2.2 Total capital spend to September 2011 including commitments, amounts to £1.5m. This represents 10% of the total annual budget and 24% of the periodic budget.

Revenue Projected Outturn 2011/12

SEPTEMBER 2011 PROJECTIONS	Full-Year Budget	Projected Out-turn	Projection Variance
	2011/12	2011/12	2011/12
	£000's	£000's	£000's
DIRECTORATES			
Corporate Core	3,225	3,287	62
Environment & Community	8,975	9,164	189
Planning Housing & Economy	3,297	3,423	126
Net Expenditure Services	15,497	15,874	377
Use of General Risk Reserve		(159)	(159)
Increase in Investment Income		(218)	(218)
	15,497	15,497	0
Net Revenue Projected (under) / overspend 2011/12 @ September 2011			0

2.3 As detailed in the table above there is currently a projected service overspend of £377k which is offset by use of the general risk reserve of £159k to offset the income issues and increased investment income of £218k (see 2.7 below), leaving a net balanced position compared with budget. This variance is within the Council's stated tolerances of +2% / -5% and will continue to be monitored on a monthly basis.

2.4 Environment and Community currently has a projected overspend of £189k.

Environmental Services has a projected overspend of £150k. Agency costs are projected to be £59k above budget through long term sickness and bank holiday work. There are also significantly reduced tonnages, recycling credits and income from sales of recyclables which in part is being offset by the utilisation of reserves of £58k set aside for bin distribution. The MOT bay is currently projecting an under recovery of income of £27k although this may reduce to £17k if further savings materialise.

Health & Recreation is projecting a £24k overspend – primarily arising through reduced income from catering and conference hiring at the museum.

Various underspends within Environment & Community Administration, Safer Communities, Urban & Rural Services serve to part offset overspends of £19k in Customer Service and Information Systems relating to the unscheduled parallel running of datalines.

2.5 Within Planning Housing & Economy there is an overspend / under recovery of income projected of £126K.

Regeneration and Estates is projecting an under recovery of income from Castle Quay Shopping Centre of £150k, based on Q1 and Q2 rents received to date and a £26k reduction in rents from industrial units. However this is offset in part by additional income of £33k from estate shops and Banbury Rugby Club.

Due to the current economic climate there has been a significant increase in homelessness applications resulting in a projected overspend within Bed & Breakfast accommodation in Housing of up to £62k. This is however offset in part by additional income in Housing Benefit / Rental income and underspends in rent deposits. This will continue to be monitored.

2.6 Corporate Core is projected to be £62k overspent.

Finance is projecting an under recovery of court costs of approximately £50k. Projections for Rent Allowances and Subsidy income indicate an overspend of £66.3k however this is offset by an underspend on Council Tax rebate payments made of (£42.5k). Overspends in Discretionary rate relief of £22k are offset by salary and consultancy underspends.

These overspends are under investigation and a further update will be ready for Q3. They are partly offset by an underspend in Audit Fees due to an 8% reduction in 11/12 fees made by the audit commission and additional income projected with Land Charges for search fees of approximately £23k.

2.7 We are currently projecting an over recovery of interest of £218k based on interest received to September 2011, the forecasted cash flow for the remainder of the year adjusted for the contribution from the ECO town funds which are transferred back to the ECO town investment pots. This is detailed further in Para 2.18 – 2.22.

Capital Projection 2011/12

2.8 Total capital spend to September 2011, including commitments, amounts to £1.5M. This represents 10% of the total annual budget and 24% of the periodic budget.

SEPTEMBER 2011 PROJECTIONS	Full-Year Budget	Projected Out-turn	Projection Variance
	2011/12	2011/12	2011/12
DIRECTORATES	£000's	£000's	£000's
Corporate Core	65	70	5
Environment & Community	4,113	3,297	(816)
Planning Housing & Economy	11,417	6,486	(4,931)
	15,595	9,853	(5,742)
Net (Under) / Overspends			(111)
Identified Slippage			5,853
		As above	5,742

2.9 The projected spend for capital schemes at Q2 taking into consideration the slippage requests is £9.853m.

2.10 Assurance has been sought from Service Heads to ensure that schemes are started according to budgeted profile and have been reviewed by the Capital Investment Delivery Group.

2.11 The review undertaken has currently identified a total of £5.853m of slippage required into the 2012/13 programme. These are detailed below :-

Capital Schemes - slippage	£000's
Bicester Cattle Market Car Park Phase 2	90
Bicester Pedestrianisation	250
Thorpe Lane Depot Refurbishment Scheme	15
Old Bodicote House	236
Bicester Town centre Redevelopment	3,620
Access to Highfield depot	22
Acquisitions Scheme - to extend RSL Housing	99
Funding for Mollington & Hornton Rural Exception site	60
Purchase of Temp Acc Bryan House Bicester & Edward Street	132
Delegated Affordable Housing Capital Pot	500
South West Bicester Sports Village	829
	5,853

Joint Working Arrangements with South Northamptonshire

2.12 Our 2011/12 budget has been prepared on the basis that we will achieve £333k worth of savings in this current year.

2.13 The joint chief executive started earlier than anticipated in the business case and there will be savings as a direct result of this. It is anticipated that there will be further savings in the joint senior management team as the salaries are lower than assumptions contained in the business case.

2.14 We can confidently project that at the end of September – Q2 we will have achieved £124K of savings relating to staffing budgets as a result of vacancies and the earlier start of the CEX. We are also projecting additional income of approximately £40k through other Joint Working initiatives within Health & Safety, Democracy and Procurement.

2.15 Using this information and estimating a projection forward to the end of the year we do anticipate in excess of £333K worth of savings being achieved, however, the actual figure will be reported in Q3 report.

Efficiencies

2.16 Efficiencies and progress on achieving the budgeted commitment of £1m in 2011/12 is being progressed as part of the budget preparation process for 2012/13.

2.17 As at 30th September we have secured £749,633 which represents 75%

Treasury Performance Quarter 2 2011/12

2.18 The actual return on investments for the quarter to September 2011 was £685k compared with a budget of £446k a variance of £239k.

The actual return on investments by Fund manager can be seen below:

Fund	Amount at 30 th Sept 2011	Q2 Interest Budget YTD	Q2 Actual Interest YTD	Variance YTD	Annual Rate of return %
TUK	10,500,000	246,153	276,068	29,915	3.47
Investec	11,548,176	55,625	143,238	87,613	N/A
In House	50,256,358	144,060	265,551	121,491	1.24
Total	72,304,534	445,838	684,857	239,019	1.84

2.19 The 12 month benchmark for investment returns according to Sector is 1.34% and as illustrated, the authority outperformed the benchmark by **50 bps** primarily as a result of the longer term investments which are achieving >5% - these however are nearing maturity.

2.20 The performance is in line with expectations and the additional investment income is as a result of larger than expected balances. A substantial proportion of the investment income is related to the ECO Town funds and this income will be allocated directly to these funds.

2.21 After considering this we are projecting to be delivering an additional £218k of investment income compared to budget at the year end.

2.22 The mid year report considers the economic conditions and compliance with our annual treasury management strategy and this will be reviewed at the next meeting of the Accounts, Audit and Risk Committee.

Progress on Procurement Action Plan

2.23 Progress against the Council's procurement action plan is detailed in Appendix 1.

2.24 Collaboration continues apace with South Northamptonshire on a project by project basis with savings of up to 20% identified for postal services and savings of some £3,858 on water hygiene checks. Established partnerships with Councils across Oxfordshire and Buckinghamshire are also continuing to function well with Cherwell leading on tenders for the supply of tyres, liquid fuels and the review of Council Tax Single Person Discounts.

2.25 Cherwell is currently undertaking the following shared procurement projects:

- Internal Audit Services and Reactive Maintenance with South Northamptonshire Council;
- Council Tax Single Person's Discount Review with all Oxfordshire district councils;
- Credit checking facilities with all Oxfordshire councils;

- Traffic management services with South, Vale and West Oxfordshire districts.
- 2.26 The procurement target for securing ongoing cashable savings in 2011/12 is £150,000 and to date total savings achieved amount to £73,413 – i.e. 49% of the total at the mid-year mark. The full detail behind the savings can be seen in Appendix 2.
- 2.27 A growing percentage of the cashable savings have been secured by including a range of initiatives within tender documents, such as fixed pricing for the second and third year of the contract or at least fixing increases by 1% below the Consumer Price Index; requesting prompt payment discounts against invoice payments – the average being 3% but discounts offered being as high as 5%; requiring the contract to be made available to other local authorities and public bodies with retrospective discounts agreed in the event that there is an increase in expenditure over the year.
- 2.28 These savings will result in budget reductions in the formulation of the 2012/13 budget and contribute to in year cost reductions.

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 This report illustrates the Council's performance against the 2011/12 Revenue and Capital Budget and includes details of Treasury Performance as at Qtr 2 – September 2011

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

- | | |
|-------------------|---|
| 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. |

Consultations

The revenue and capital position has been subject to regular review by the Corporate Management Team and as part of the PMF framework.

Compliance with our investment strategy and monitoring of our returns was reported to the Accounts, Audit and Risk Committee on 23rd September 2011.

Implications

- | | |
|-------------------|--|
| Financial: | Financial Effects – The financial effects are as outlined in the report. |
| | Efficiency Savings – There are no efficiency savings arising from this report however the budget 2011/12 was based on a number of efficiencies and progress against the 2012/13 efficiencies is included in Para 2.13. |

Comments checked by Karen Muir, Corporate System Accountant 01295 221559

Legal:

Presentation of this report is in line with the CIPFA Code of Practice.

Comments checked by Kevin Lane, Head of Service 4 01295 221686

Risk Management:

The position to date highlights the relevance of maintaining a minimum level of reserves and budget contingency to absorb the financial impact of changes during the year.

Comments checked by Karen Muir, Corporate System Accountant 01295 221559

Wards Affected

All

Corporate Plan Themes

An Accessible and Value for Money Council

Lead Member

Councillor Ken Attack
Lead Member for Financial Resources

Document Information

Appendix No	Title
Appendix 1	Progress against the 2010/11 Procurement Action Plan
Appendix 2	Procurement Savings Target
Background Papers	
2011/12 Budget Booklet Medium Term Financial Strategy 2011/12 Investment Strategy CIPFA Treasury Management Code of Practice 2011/12 Procurement Strategy and Action Plan	
Report Author	Karen Curtin, Head of Service 3 Karen Muir, Corporate System Accountant Viv Hichens, Corporate Strategic Procurement Manager
Contact Information	03000030106 Karen.curtin@cherwellandsouthnorthants.gov.uk

Appendix 1 - Record of Progress Against Procurement Action Plan for 2011/12

APPENDIX 1

7.1 Embed and Develop the use of the Procurement Strategy objectives across the Council		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> • Consolidate the key officers group already trained via workshops for continued development of options appraisals for all service planning and contract management to enable better planned and managed contracts. <ul style="list-style-type: none"> ○ Consult on further needs and undertake a gap analysis on a project by project basis; ○ Build on workshops held in 2010; ○ Monitor progress and build case studies for use in workshops and to encourage buy-in. 	Onward going	<p>Training continues on a project by project basis as follows:</p> <ul style="list-style-type: none"> • Housing – options appraisal, specification writing, evaluation and contract management preparation for voluntary commissioning projects; • Environmental Services – entire procurement process and contract management for Transport team with the Tyres and Liquid Fuels re-tender which are resulting in better use of technology, prompt payment discounts and bulk ordering.
7.2 Governance and compliance		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> • Ensure all operational procurement and contract management activity complies with the Council's Contract Procedure Rules (CPR) and statutory regulations by: <ul style="list-style-type: none"> ○ Referring to the CPR with workshops; ○ Refreshers on a project by project basis; ○ Use of the rolling carousel news function on the intranet; ○ Regular meetings with HoS; ○ Visiting DMTs. ○ Circulating key learning points and case studies via Cascade and Inside Cherwell. • Enhance the scrutiny and policy development role of the Procurement Steering Group Strategy Group by: <ul style="list-style-type: none"> ○ Holding first quarterly meeting by the end of May 2011 at which 	Onward going	<p>Continued regular dialogue with HoS and officers both via 1-2-1 and team meetings. Most recently have been advising new HoS on areas such as the Contract Procedure Rules, waivers and have briefed the two new officers on the Procurement Steering Group.</p> <p>A lot of work carried out on whether contracts set up prior to joint arrangements working with SNC can be utilised by SNC.</p> <p>Further meetings being arranged with new group as a result of new JMT in place. Focus will particularly be</p>

7.2 Governance and compliance		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> ○ key objectives for the year will be agreed; Rollout to HoS with rolling membership of two to three HoS. ● Monitor procurement indicators with an agreed recording mechanism in place by July 2011. ● A “No Purchase Order No Pay” policy is proposed whereby all expenditure is approved before it is committed. Retrospective Purchase Orders i.e. those raised after the commitment has been made should be discouraged and in due course sanctions should be considered for non compliance: <ul style="list-style-type: none"> ○ Promote work undertaken by Controls team via intranet carousel, Cascade and Inside Cherwell; ○ Undertake quarterly reviews with Controls team and approach officers not conforming to the policy. <p>Encourage buy-in to the rules from Members – particularly portfolio holders - by publishing regular updates via the Your Council Matters bulletin.</p>	<p>Onward going</p> <p>Onward going</p> <p>Onward going</p>	<p>on whole life costing and contract management.</p> <p>Corporate Contracts Officer is now monitoring on a quarterly basis.</p> <p>Work being undertaken by Controls team to consider how best to mitigate the impact of embedding the policy on the targets for payment of invoices within 30 days.</p> <p>One article published in Your Council Matters to date. Resources portfolio updated on procurement progress and now sitting on the Procurement Steering Group Strategy Group.</p>
7.3 Achieve greater efficiency and demonstrate improved value for money		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> ● Deliver VFM savings associated with best practice procurement for all categories with a lifetime contract value of more than £10,000 per annum with records maintained for anticipated and actual savings. Cashable savings target of minimum of £150,000 for 2011/12. ● Further develop additional savings strategies such as: <ul style="list-style-type: none"> ○ More in-depth options appraisals that review the scope and service level requirements of contracts; ○ Exploring opportunities for in-sourcing, shared services or outsourcing to other authorities where appropriate; 	<p>Onward going</p> <p>Onward going</p>	<p>Cashable savings of £73,413 year to date (49% of annual target) together with non-cashable savings of £31,845 and capital savings of £124,000. Refer to Appendix 3 for complete breakdown.</p> <p>In-depth options appraisals undertaken for voluntary sector commissioning has resulted in effective consultation exercise with local voluntary providers. Opportunities for in-sourcing explored to good effect with landscaping contract.</p>

7.3 Achieve greater efficiency and demonstrate improved value for money		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> ○ Finder fees and reduced rates/retrospective discounts for opening tendered contracts to other authorities; ○ Prompt payment discounts. ● Continue supplier rationalisation and elimination of spend with non-approved suppliers via analysis of data from across the South East and Aggresso. Aim for 100% on contract expenditure for existing corporate contracts. 		<p>Shared services options explored with Payroll with SNC and other local authorities.</p> <p>Finder fees being put to good effect with Telephony</p> <p>Maintenance contract where SNC have joined contract set up by CDC.</p> <p>Recent expenditure review exercise has turned up opportunities for testing the market in areas such as civil engineering, drainage, vehicle workshop supplies and short-term vehicle rental.</p>
7.4 Develop the corporate contract management methodology and promote across all service areas		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> ● Maintain a Council wide register of all contracts/agreements for all significant contracts (over £10K) and monitor procurement performance and activity, including savings and benefits tracking: <ul style="list-style-type: none"> ○ Quarterly contract review for all contracts on the register including record of any additional savings and efficiencies. ● Implementation of the three contract management templates developed by the Corporate Contracts Officer. <ul style="list-style-type: none"> ○ Quarterly review of templates in action both for new and existing contracts with brief case studies to promote good practice. 	<p>Onward going</p> <p>Onward going</p>	<p>Register has been further developed by the Contracts Officer with categorisation in line with the South East Business Portal (used by 74 local authorities and other public bodies across the South East and providing free information for local SMEs). The register is also being used by the Oxfordshire Procurement Hub Officer to identify further opportunities for collaboration with Oxfordshire local authorities.</p> <p>Contracts Officer has met with officers to develop contract management template with approval to be sought from JMT for continued rollout in Q3.</p>

7.5 Sustainability		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> Consider the costs and benefits of environmentally preferable goods/services as alternatives as part of the full lifetime cost calculation process. 	Onward going	Put to good effect with the Tyres re-tender with the rubber being 100% recycled. The bulk storage facilities for biodiesel coupled with guaranteed delivery within 48 hours mean that the CO2 reduction for deliveries will be greatly reduced. Also considered with the cleaning materials framework undertaken with Northampton Borough Council and the public convenience maintenance contract.
<ul style="list-style-type: none"> Promote awareness, train and encourage buyers to review their consumption of goods and services, reduce usage and adopt more environmentally friendly alternative products. 	Onward going	Further work being undertaken with the stationery contract to reduce usage and successful outcome with the new contract for replacement multi-functional printers resulting in higher speed machines with removal of colour option for all but one printer.
<ul style="list-style-type: none"> Ensure sustainability is addressed with each procurement exercise by including it as a section within the stakeholder questionnaires and encouraging sustainability to be included within evaluation criteria as well as the assessment/pre-qualification stages. 	Onward going	Adoption of Government Buying Standards for recycled paper for services contracts whereby contractors agree to usage of recycled paper with all work undertaken on behalf of the Council.
<ul style="list-style-type: none"> Encourage buyers to break down larger contracts to match SME and Social Enterprise capacity where appropriate. 	Onward going	Adopted successfully for the PV (solar panel) installation and reactive buildings maintenance projects.

7.6 Joint Working		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> • Develop framework for cooperation with South Northamptonshire Council in 2011/12: <ul style="list-style-type: none"> ○ Review forward plans for all procurement exercises in 2011/12 across both Councils; ○ Agree collaboration projects and targets for economies of scale in procuring together; ○ Review value for money of existing draw down contracts where there is the option of switching to whichever contract demonstrates the best VFM; ○ Review existing common contracts and options for collaborative negotiating of the scope and pricing structures. ○ Provide quarterly reports on additional savings achieved by above activities. 	Onward going	<p>The initial 14 high profile projects identified have been continually added to on a project by project basis:</p> <ul style="list-style-type: none"> • Telephony maintenance – contract set up by CDC joined by SNC with savings to follow. • Postal Services – CDC has adopted framework for 2nd class post reviewed by SNC. • SNC have been included on a range of facilities management tenders including reactive buildings maintenance and lift maintenance. • Review of Internal Audit has resulted in joint tender exercise commencing for 1st April 2012 contract start date. • Agresso (financial management system) upgrade being undertaken as a joint exercise in conjunction with the wider ICT review.

7.6 Collaboration		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> • Develop further strategic links with the following procurement partners to share best practice, reduce duplication and administration costs and release additional savings: <ul style="list-style-type: none"> • Oxfordshire Procurement Hub • Strategic Procurement Partnership for Oxfordshire (SPPO) • Northamptonshire procurement partnerships • Milton Keynes, Oxfordshire and Buckinghamshire Procurement Partnership (MKOB) • Procurement arm of Improvement and Efficiency South East (IESE) – and future partners – PCT, Thames Valley Police, Universities and 	Onward going	<p>The Oxfordshire Procurement Hub Officer is providing support on two tender projects and continues to review opportunities for joint working.</p> <p>Effective dialogue with SPPO over joint working on facilities management tenders and contract management best practice and facilitating the use of apprenticeships with contracts let by the Council.</p> <p>IESE continue to provide some useful information on best frameworks available for key goods and supplies.</p>

7.6 Collaboration	
Action	Status
<ul style="list-style-type: none"> Colleges. The South East Business Portal. 	<p>Progress Narrative The South East Business Portal being used to advertise all tenders and promoted to SMEs as a free source for information on tender opportunities.</p>

7.7 Continuous improvement	
Action	Status
<ul style="list-style-type: none"> Enhance Procurement team's knowledge of the following via involvement with local partnership networks, Achilles (local training provider based in Abingdon), Hampshire Procurement Practitioner framework, national conferences and procurement networks such as the Society of Procurement Officers and the Chartered Institute of Purchasing: <ul style="list-style-type: none"> In sourcing vs. out sourcing; Shared services; Public sector service provision – both by Cherwell on behalf others and by others on behalf of Cherwell. Effective benchmarking of current contracts against other authorities in the South East. 	<p>Progress Narrative Corporate Contracts Officer is now MCIPS qualified and Corporate Purchasing Officer is due to complete her studies by the end of August.</p> <p>Procurement Assistant is undertaking benchmarking exercises on a project by project basis – most recently used for the supply of tyres and vehicle workshop accessories.</p>

7.8 Mixed Economy	
Action	Status
<ul style="list-style-type: none"> • Continue to make it easier for local businesses to trade with us and implement a two-way dialogue process via online questionnaires and focus groups: <ul style="list-style-type: none"> ○ Dispatch of and collation of feedback from an online questionnaire; ○ Develop use of engagement forums for all relevant projects; ○ Feedback questionnaire for short listed suppliers – record any feedback from phone debriefs to reduce workload on suppliers. 	<p>Onward going</p>
	Progress Narrative
	<p>Engagement forums have been used to good effect with the following projects:</p> <ul style="list-style-type: none"> • PV (solar panel) installation • Reactive buildings maintenance • Voluntary sector commissioning

7.9 Corporate Procurement Resources	
Action	Status
<p>Raise the profile of the Procurement Service and its achievements, both internally and with external stakeholders by:</p> <ul style="list-style-type: none"> ○ Arranging bi-monthly 1-2-1's with key Heads of Service; ○ Regular updates via intranet carousel, Cascade and Inside Cherwell focusing on corporate contracts, the contracts register, updates and tips.; ○ Meetings with the partners listed in 7.6 	<p>Onward going</p>
	Progress Narrative
	<p>The increased flow of officers approaching the Procurement team – especially ahead of a project – demonstrates how right across the Council officers understand the importance of engaging procurement at the earliest possible stage with impromptu 'drop-in' surgeries occurring on a daily basis.</p> <p>The increased experience of the Corporate Contracts Officer and the Corporate Purchasing Officer has also been recognised by the way in which officers at all levels approach them for advice rather than going straight to the procurement manager.</p>

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Procurement Cashable and Non-Cashable Savings Achieved for Financial Year 2011 to 2012 as at end of June 2011

APPENDIX 2: PROCUREMENT SAVINGS

Service Area	Contract Description	Cashable with budget reduction	Cashable but no budget reduction	Non-cashable	Capital
Various	P Cards			£28,601	
Environmental Services	Public Toilet Maintenance	£4,860			
Customer Service and IT	Supply of multifunctional printer/copiers	£16,452	£8,640	£3,244	
Environmental Services	Vehicle Spare Parts - price increase 1% below CPI - i.e. 3.5% i/o 5.2% & 2.5% prompt payment discount	£2,900			
Regeneration and Estates	PAT Testing - fixed price for 2nd year - CPI saving of 4.5%	£180			
Regeneration and Estates	Heating plant maintenance - price increase 1% below CPI on £8681 & prompt payment discount	£260			
Regeneration and Estates	Cooling plant maintenance - price increase 1% below CPI on £6148 & prompt payment discount	£480			
Housing	Housing Register Software - inflation clause reduced to CPI	£160			
Urban & Rural	Supply of Pay & Display Tickets	£750			
Urban & Rural	Supply of lone worker devices	£4,398			
Regeneration & Estates	Provision of door & shutter maintenance	£2,662			
Customer Service and IT	2nd class postal services	£2,500			
Environmental Services	Public Convenience Cleansing - agreement to hold prices at 2010 rates	£2,191			
Environmental Services	Pest Control - agreement to fix prices at 2010 rates	£2,350			
Leisure	South West Bicester Sports Village Pitches	£1,240			£124,000
Regeneration & Estates	Cleaning materials	£250			
Regeneration & Estates	Water Hygiene	£3,858			
Regeneration & Estates	Lift Maintenance	£359			
Recreation & Health	North Oxfordshire Guide - contract extension at same price as 2010	£135			
Housing	Voluntary Services		£119,765		
Housing	Affordable Homes Strategy Consultancy	£2,300			
Housing	HCA Programme Management Contract	£8,386			
ICT	ICT Due Diligence	£5,000			
Finance	CT Single Person's Review Service	£1,892			
Environmental Services	Tyres	£3,250			
Environmental Services	Liquid fuels	£5,000			
Regeneration and Estates	Hot drinks machines	£1,600			
	Total YTD	£73,413		£31,845	
	Target	£150,000			
	% achieved	49%			
	Since Q1 have saved an additional	£31,780			

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