

Cherwell District Council

Resources and Performance Scrutiny Board

Minutes of a meeting of the Resources and Performance Scrutiny Board held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 10 January 2012 at 7.00 pm

Present: Councillor Nicholas Mawer (Chairman)
Councillor Douglas Webb (Vice-Chairman)

Councillor Alyas Ahmed
Councillor Maurice Billington
Councillor Patrick Cartledge
Councillor Margaret Cullip
Councillor Andrew Fulljames
Councillor Melanie Magee
Councillor Lawrie Stratford
Councillor Patricia Tompson
Councillor Martin Weir
Councillor Douglas Williamson

Officers: Karen Curtin, Head of Finance and Procurement
Karen Muir, Corporate System Accountant
Stuart Hemming, Transformation Project Officer
Natasha Clark, Team Leader, Democratic and Elections

31 Declarations of Interest

There were no declarations of interest.

32 Urgent Business

There was no urgent business.

33 Minutes

The Minutes of the meeting held on 22 November 2011 were agreed as a correct record and signed by the Chairman.

34 Exclusion of the Press and Public

Resolved

That, in accordance with Section 100A(4) of Local Government Act 1972, the press and public be excluded from the meeting for the following 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.

35

Budget Scrutiny 2012/13

The Chairman opened the discussion with a brief resume of the work that the Resources and Performance Scrutiny Board had undertaken to review the 2012/13 budget. The budget scrutiny process for 2012/13 had involved a review of the current budget for 2011/12 of £15.8m with a detailed review of discretionary areas of spend, a review of staff savings suggestions and the capital bids received as part of the 2012/13 budget process.

The Resources and Performance Scrutiny Board had agreed a number of recommendations, conclusions and comments at their 22 November 2011 meeting which had been considered and endorsed by the Executive as part of draft 1 of the 2012/13 budget at their meeting on 6 December 2011. There were a number of areas where the Board had deferred making recommendations and had instead requested further information.

i. Capital Programme 2011/12

At the Board's November meeting, Members had agreed that capital Bid 16, Cherwell Community Led Housing Programme, should be recommended for inclusion in the capital programme 2012/13 subject to officers circulating additional information (including the report to Executive in May 2010 and modelling) to Members of the R&PSB and them being satisfied with the additional information. Members were satisfied with the supplementary information provided and agreed that the Finance Scrutiny Working Group should retain a watching brief on the Programme.

Members had agreed to defer making a recommendation on Bid 2 Community Intelligence Hub and had requested that officers rescore the bid taking into account their queries regarding potential efficiency savings, whether the bid represented an invest to save opportunity and whether there may be any other contributions available for the Hub. The Head of Finance and Procurement circulated a briefing note which outlined how the bid could be considered as a spend to save initiative. Members raised concerns about the achievability of the savings and noted that as the proposal was principally for the use of the Joint Management Team, the costs of the Hub should be split. The Board noted that due to the shared arrangements currently in place and anticipated future shared arrangements, it was likely that shared bids would be submitted. Members agreed that a process for considering such bids should be developed. The Board agreed to defer making a recommendation on Bid 2 and agreed instead that officers be requested to develop a process for considering joint bids.

The Board had deferred making a recommendation on Bid 17, Telephony Development at their November meeting. The Head of Finance and Procurement reported that this bid had now been withdrawn by the Head of Community Services.

The Head of Finance and Procurement advised the Board that four additional bids had been received by the Capital Programme Monitoring Group for

consideration in the 2012/13 budget: Environmental Improvements in Grimsbury; Buildings at Risk Intervention Fund; Environmental Improvements in Market Square, Bicester; and, Shop Front Improvements.

The Board was satisfied with the supporting information presented for the bid relating to Environmental Improvements in Grimsbury. Members noted that it was highly recommended and agreed that the scheme was essential due to the existing health and safety threat. The Head of Finance and Procurement advised the Board that funding for the project would come from Banbury Town Council, Oxfordshire County Council and Cherwell District Council. It was anticipated that all of CDC's funding would be contributed in 2012/13. Members agreed that the bid should be recommended to Executive for approval but stressed the need for appropriate planting.

In introducing the bid for the capital scheme 'Buildings at Risk Intervention Fund', the Head of Finance and Procurement explained that the purpose of this bid was to provide the Council with a 'fighting fund' to back up any threat of serving an Urgent Work Notice or a Repairs Notice on the owners of a Building at Risk. Members noted that whilst the bid had been deemed highly recommended, the project score had been relatively low. Members commented that it would have been useful to have had supplementary information, including, the amount spent in this area in the past five years and whether any buildings had already been identified for such a fund. Members considered the feasibility of establishing a reserve as part of the reserve fund to cover this kind of eventuality. The Board agreed that they would not recommend the bid for approval but they would recommend that a buildings at risk reserve be created as part of the reserve fund and requested that bids over £50k be presented to the R&PSB for consideration.

In considering the capital bid for Environmental Improvements in Market Square, Bicester the Board noted that environmental enhancements had been proposed in Market Square, Bicester since the publication of the Adopted Local Plan in 1996 and that the Council has had a budget allocation for the project for many years. The Head of Finance and Procurement advised Members that it was anticipated that implementation for the project would be in 2014/15 and that Oxfordshire County Council would also contribute. The Board agreed that the bid should be recommended for approval as the funds would then be formally earmarked and demonstrate CDC was committed to contributing to the project.

The Head of Finance and Procurement introduced the bid for Shop Front Improvements and explained that the aim of the project was to improve the quality of shop fronts in key retail areas in Banbury and Bicester to act as a regeneration tool. Members noted that the bid had been scored relatively low and deemed 'desirable'. In considering the bid Members agreed that whilst they were not averse to such a project, they felt that in the current economic climate it was not a priority area for expenditure and perhaps the local business community should be funding the proposed initiative. Members noted that the bid made reference to 'Shop Front Guidelines' and queried what these were. Members also queried how the money would be allocated, the criteria and the level of funding to individual shop fronts and localities. Members agreed that they would defer making a recommendation on the bid

as they required additional information before they would be able to make an informed decision.

ii. Discretionary Expenditure 2012/13 Budget Scrutiny: Communications and Cherwell Link

The Head of Finance and Procurement reminded Members that discretionary spend for Cherwell District Council in 2011/12 totalled a net expenditure of £3.1m (27% of the Council's net budget).

In considering the discretionary spend area of Communications, Members had been advised that following the appointment of a Joint Communications Manager with South Northamptonshire Council, a full review of the service at both councils was being undertaken. The Board had requested that officers bring proposals detailing how the service could save 25% of its controllable budget to the Board's January meeting for consideration. The Board had also been advised that the distribution of Cherwell Link would be reviewed to feed into the 2013/14 budget. Members had suggested that external advertising could generate income for the Council and savings could be found through shared distribution with South Northamptonshire Council. Members requested officers to explore these options further.

In response to the Board's deliberations and request for proposals that would reduce the Communications budget by 25%, the Head of Finance and Procurement submitted three options that had been identified for consideration. Each of the proposals related to changes to personnel, the distribution of Cherwell Link and service delivery to achieve savings.

The Board considered each of the proposals in turn. Members agreed that option three: retain four issues of Cherwell Link per year and target savings through joint working with South Northamptonshire Council, represented the best option to seek savings in this area at the present time.

Resolved

- (1) That the following capital bids be recommended for inclusion in the capital programme 2012/13:
 - Cherwell Community Led Housing
 - Environmental Improvements in Grimsbury, subject to appropriate planting
 - Environmental Improvements in Market Square, Bicester
- (2) That the capital bid for a Buildings at Risk Intervention Fund not be included in the capital programme 2012/13 but that officers be requested to create a reserve buildings at risk fund as part of the reserve fund.
- (3) That the capital bid for Shop Front Improvement be deferred and officers be requested to supply further information on the bid and submit a supplementary bid in due course.
- (4) That, in terms of the discretionary spend area communications, officers be requested to retain four issues of Cherwell Link per year and target savings through joint working with South Northamptonshire Council

36 **Re-admittance of the Press and Public**

Resolved

That the press and public be readmitted to the meeting.

37 **Review of Budget Scrutiny 2012/13 Process**

The Chairman and the Head of Finance and Procurement led a discussion on the Board's scrutiny review of the 2012/13 budget. This was an opportunity for Members to reflect on the process and consider the approach for budget scrutiny 2013/14.

The Head of Finance and Procurement began by reminding Members that the Council's net expenditure had reduced to £14.6m over the past 5 years primarily due to the Value for Money programme, which had now completed its second cycle and no further reviews were scheduled, not relying on investment income and reductions in Government grants. The Local Government Resource Review was currently underway, the purpose of which was to review how local government was funded. It was expected that the Council would have to reduce expenditure further and the savings would primarily come from reductions in discretionary spending, nonetheless, it would be increasingly difficult to achieve a balanced budget.

In terms of the review of the capital programme undertaken annually by the Board as part of the budget scrutiny process, the Head of Finance and Procurement acknowledged that it was important for Members to receive information as early as possible. Members agreed that it would be useful for them to also be involved in the scoring element of the process. The Head of Finance and Procurement confirmed that the proposed timetable for bids for 2013/14 was: deadline for submission – September 2012; scoring – October 2012; Recommendations on bids – November 2012.

At the suggestion of the Head of Finance and Procurement, the Board agreed that they should hold a workshop on the Local Government Resource Review at their July meeting to enable Members to gain a greater understanding of the review and consider areas that could form part of their work programme and budget scrutiny.

The Board considered other areas that could form part of the budget scrutiny 2013/14 and noted that fees and charges were scheduled to be reviewed. Members commented on the need to constantly review discretionary spend and noted the role that the customer satisfaction survey and public consultation in informing the Council's priorities. In considering the public consultation, Members acknowledged that it represented a snapshot in time with the outcomes potentially being dependent on events at the time. Additionally, the number of people participating in the consultation was relatively low. The Board agreed that a review of the public consultation process to ensure it reflected the public view would be beneficial.

Resolved

- (1) That Finance Officers be requested to give a presentation on the Local Government Resource Review to the Board's July meeting.
- (2) That the Corporate Performance Manager be requested to review the public consultation process to ensure it reflected the public view.

38

Overview and Scrutiny Work Programme Update

The Board considered a report of Head of Law and Governance which updated Members on the Overview and Scrutiny Work Programme 2011/12.

The Board noted that there were a number of items on the work programme that were for monitoring purposes only. Additionally, a number of items had arisen out of the budget scrutiny

The Chairman reported that there was currently a vacancy on the Performance Scrutiny Working Group. Members agreed that Councillor Magee be appointed to this vacancy.

Resolved

- (1) That the Resources and Performance Scrutiny Board element of the Overview and Scrutiny Work Programme 2011/12 be noted.
- (2) That a detailed review of the work programme be undertaken at the February meeting of the Board.
- (3) That Councillor Magee be appointed to the Performance Scrutiny Working Group.

The meeting ended at 8.50 pm

Chairman:

Date: