

**MINUTES OF A MEETING
OF THE RIDGEWAY SHARED SERVICE PARTNERSHIP STRATEGIC BOARD**

**HELD IN CONFERENCE ROOM 1, THE ABBEY HOUSE, ABINGDON ON MONDAY, 3RD
AUGUST, 2009 AT 8.30 AM**

Open to the Public, including the Press

PRESENT:

MEMBERS: Councillors Mary de Vere (Chair), Rodney Mann (Vice-Chair), Ann Ducker and Jerry Patterson

OFFICERS IN ATTENDANCE: Steve Bishop, Steve Culliford and William Jacobs

CAPITA REPRESENTATIVES: Sue King and Darren Keen

NUMBER OF MEMBERS OF THE PUBLIC: Nil

32. **APOLOGIES FOR ABSENCE**

None

33. **MINUTES**

The minutes of the Ridgeway Shared Services Partnership Strategic Board meeting held on 5 May 2009 were adopted and signed as a correct record.

Members sought updates on the following items.

Brown Bins

It was noted that the accounts for the brown bins had been reconciled at the Vale and new procedures had been completed to meet the requirements of South, the Vale and the councils' contractor, Capita. Actions for catching up on all outstanding debt recovery for brown bin accounts were being drafted and would be sent by 12 August 2009 to the Strategic Board Members for approval. Once agreed, the debt recovery actions would commence.

It was reported that under the original contract with the waste collection contractor when brown bins were first introduced in the Vale, cardboard was included in the material that could be put in the brown bins for composting. Cardboard decomposed at a similar rate to garden waste. It had recently transpired that the amount of waste being sent for composting at the Culham site was close to exceeding the limit and the county licence excluded cardboard. Therefore, the County Council had required the Vale's mixed garden and cardboard waste to be sent to another plant at Chipping Norton in West

Oxfordshire. This resulted in an additional cost of up to £100k for the Vale per annum. Officers were looking at ways to mitigate the cost.

Accommodation Costs with Capita

Members recalled that Capita had been considering moving its Vale and South back office operations' staff to one location. It was believed this would be to Abingdon or Crowmarsh. However, it was reported that a much bigger review of operations took place and the work performed by the existing four Exchequer Services staff was due to be moved to Mendip District Council's offices in Shepton Mallet, Somerset.

The Councils' contract client manager, Paul Howden, and other affected council officers had been considering the impact of such a move and had discussed several issues with Capita's managers. The Councils wished to be assured that service standards would not worsen but would improve following this change. The Strategic Board Members undertook to question Capita's managers on this later in the meeting.

34. **DECLARATIONS OF INTEREST**

None

35. **URGENT BUSINESS**

None

36. **MINUTES OF THE OPERATIONS BOARD**

The Strategic Board received and noted the minutes of the Operations Board meetings held on 18 May and 22 June 2009. However, it was noted that the draft minutes from 20 July were unavailable. Members reviewed progress against matters discussed at these meetings.

Vale Benefits Subsidy Audit 2007/08

It was reported that the officers had continued to chase the Department for Work and Pensions about the status of the Vale's adjusted Benefits Subsidy Audit for 2007/08. However, after three months the Department for Work and Pensions had referred the matter to the Council's external auditors, the Audit Commission. The officers had been informed that the adjusted claim could only be accepted after a clean opinion by the Audit Commission by 31 July 2009.

The Audit Commission would only offer a new opinion on the adjusted claim if it carried out substantial additional audit work in the compressed timetable. This was logistically difficult and could cost more in extra audit fees than the increased subsidy value of the adjusted claim. There was also a possibility that the value of re-categorised errors taking the Council's claim back above the threshold, could be countered by fresh local authority errors found by the Audit Commission, taking the council back below the threshold.

The Council approached Capita for an assessment on the likelihood of a clean audit opinion. No decision was taken in time to meet the Department of Work and Pensions' 31 July deadline and so the adjusted claim was deemed to have lapsed. Therefore the original 2007/08 claim stood, with local authority errors exceeding the threshold, resulting in the Council losing subsidy.

The Council had already served a contract claim notice on Capita for the £60K loss in subsidy claim caused by Capita's errors. The full cost was claimable from Capita under the contract and an invoice would be served on Capita to recover the loss.

In relation to the Vale's and South's 2008/09 subsidy claims, it was believed that the Councils were below the required thresholds. Confirmation of this would be sought from Capita.

37. PERFORMANCE MONITORING

Sue King and Darren Keen from Capita were invited to join the Strategic Board meeting for this item to review Capita's performance.

It was reported that the Council Tax collection rate was better than last year. The number of people signed up to pay by Direct Debit was increasing also and the levels of outstanding correspondence on Council Tax queries had reduced.

The collection rate for National Non-Domestic Rates was higher than last year. The Strategic Board reviewed the list of outstanding business rates and noted that there were several stages involved in debt recovery. Write-off of a debt was the last resort and was carried out by the Councils, not by Capita. In answer to a question from a Member, Capita agreed to answer a complaint about the collection of a particular business rate debt and would send a copy of the reply to Strategic Board Members. Capita hoped that its performance on business rates collection would shortly be in the national top quartile for both councils.

Benefits performance was improving also. The time taken to process a claim had reduced significantly in June for both councils. Further improvements were being sought. The number of outstanding claims was reducing. However, Capita reported that the ability to quickly reduce overpayments of benefits was severely hampered by a Government imposed reclaimable limit of £9 per week. The Strategic Board expressed concern at the levels of benefits overpayments and asked for comparison figures for both councils for 2008/09, 2009/10 and overall totals so that these could be discussed at the next Strategic Board meeting. Capita accepted that the level of accuracy in its benefits claims administration needed further improvement and the figures for July were not yet available but were expected to be much improved. The Strategic Board would monitor this closely.

Turning to the exchequer services, it was noted that the payment of invoices within 30 days was better at South than at the Vale. The staff that had not met the 30 day target would continue to be firmly encouraged to do so.

Capita reported that one member of the operations staff located at the Vale's offices had been offered relocation to Swindon and others had been offered relocation to Mendip in Somerset where operations for both the South and Vale contracts would be located. Capita reported that it had responded to all of the issues raised by the Councils' client manager about this proposed change. However, the Strategic Director and Head of Finance asked to see Capita's response. The Strategic Board Members expressed a strong view that any change to the operations must not adversely affect contract performance but rather should improve it.

Members also noted that the Cash Office at South Oxfordshire would be introducing a new and much improved cash receipting system at the end of October. The call centre had performed well over the last period despite the pressure of extra calls following the introduction of the new waste bins. Assisted travel schemes were running at both councils and improvements were being made to the South Oxfordshire invoice (including brown bin invoices) to allow optical character recognition, which should reduce the problem of unidentified receipts.

RESOLVED

that for the next Strategic Board meeting Capita provides benefits overpayment figures for both councils for 2008/09, 2009/10 and an overall figure for comparison.

38. **DATES OF FORTHCOMING MEETINGS**

The date of the next formal meeting of the Strategic Board was noted as Monday 2 November 2009 at 8.30am. Members asked that the informal briefing meeting scheduled for 7 September was cancelled but that an informal briefing meeting was arranged for October instead.

The meeting rose at 9.50 am