

Cabinet Agenda



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Date: 1 December 2011
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A meeting of the

Cabinet

will be held on Friday 9 December 2011 at 2pm
The Abbey House, Abingdon, OX14 3JE

Cabinet Members:

Councillors

Matthew Barber (Chairman)
Roger Cox (Vice-Chairman)
Yvonne Constance
Reg Waite
Elaine Ware

A large print version of this agenda is available. In addition any background papers referred to may be inspected by prior arrangement.

Please note that this meeting will be held in a wheelchair accessible venue. If you would like to attend and have any special access requirements, please let the Democratic Services Officers know beforehand and they will do their very best to meet your requirements.

A handwritten signature in black ink, appearing to read 'M Reed', is written in a cursive style.

Margaret Reed
Head of Legal and Democratic Services

Members are reminded of the provisions contained in the code of conduct adopted on 30 September 2007 and standing order 34 regarding the declaration of personal and prejudicial interests.

Agenda

Open to the Public including the Press

Map and vision

(Page 4)

A map showing the location of the venue for this meeting is attached.

The council's vision is to take care of your interests across the Vale with enterprise, energy and efficiency.

1. Apologies for absence

To receive apologies for absence.

2. Minutes

To adopt and sign as a correct record the public minutes of the Cabinet meeting held on 11 November 2011 (previously published).

3. Declarations of interest

To receive any declarations of personal or personal and prejudicial interests in respect of items on the agenda for this meeting.

4. Urgent business and chairman's announcements

To receive notification of any matters which the chairman determines should be considered as urgent business and the special circumstances which have made the matters urgent, and to receive any announcements from the chairman.

5. Statements, petitions, and questions relating to matters affecting the Cabinet

Any statements, petitions, and questions from the public under standing order 32 will be made or presented at the meeting.

6. Budget virement requests

(Page 5)

Appended to the agenda is a schedule of requests for virements. Table 1 sets out virement requests for approval by Cabinet. Table 2 sets out virements approved under delegated authority by the strategic director.

RECOMMENDATION: To approve the virements set out in table 1 of the paper attached to the agenda.

7. Fit for the future - appointment of consultants for stage 2

(Pages 6 - 10)

To consider report 49/11 of the strategic director.

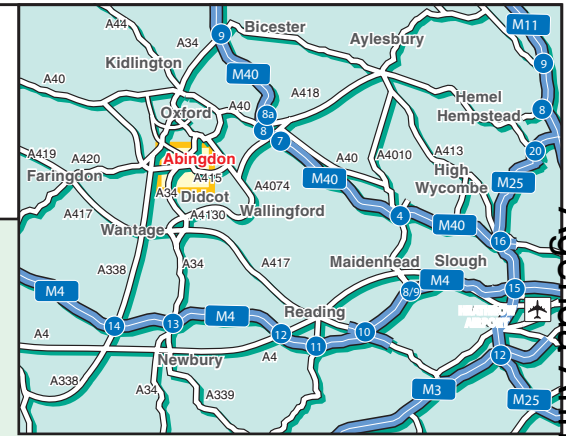
8. Council tax base

(Pages 11 - 15)

To consider report 50/11 of the head of finance.

Exempt information under section 100A(4) of the Local Government Act 1972

None



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KEY: Car Parks	
	Abbey Close
	Cattle Market
	Charter Multi-storey
	Civic
	Rye Farm
	Hales Meadow
	Audlett Drive
	West St Helen Street

By rail – the nearest main line railway stations to Abingdon are either Didcot Parkway (seven miles) or Oxford (eight miles). Radley railway station is located on the main line between Oxford and Didcot and is three miles from Abingdon town centre. For details of train times visit www.nationalrail.co.uk or call 08457 484950

By bus – there are a number of bus routes serving Abingdon town centre. For details of services and timetables, visit Oxfordshire County Council’s website at www.oxfordshire.gov.uk. Contact details for bus operators can be found on the travel information pages on our website www.whitehorsedc.gov.uk

Parking – details of car parks charges can be found on our website

Budget Virement requests received at 28 November 2011 for Cabinet Approval (or noting where approved under Delegated Powers)

Table 1 in this report identifies all budget virements that must be authorised by Cabinet and reported to Council. Table 2 lists those budget virements which have been approved under delegated powers and which are reported to Cabinet for information only.

Key to Type

- 1 Within a subjective heading within a cost centre
- 2 Within a Cost Centre but across subjective headings
- 3 Within the cost centres of a service area
- 4 Across service areas
- 5 Over £10,000

Budget virements do not increase the council's expenditure. The list includes a number of virements at a detailed level. This is to ensure that, wherever feasible, budget variances on day-to-day expenditure and income do not arise and that the real budget pressures and potential underspends can be correctly identified.

Table 1 - Virements for Approval by Cabinet

Date	Account From	Cost Centre Code	Cost Centre Name	Account To	Cost Centre Code	Cost Centre Name	Virement Total £	Virement Percentage	Reason	Type
05/10/2011	4999	SB31	Contingency	9307	CL51	Refuse Collection	43,840	n/a	To reduce the income budget for bulk bins as we no longer receive income from flats for renting bulk bins from the Council	5
24/10/2011	1012	PS41	General Property	4511	CD11	Economic Development	5,500	6.3%	There is no budget for the planned pilot scheme to provide free wi-fi in Wantage (as set out in the emerging corporate plan). However the budget for standby payments for out of hours call-outs relating to council properties is no longer needed. The budget will be offered as a saving in 2012/13 but in the current year it proposed to vire the budget to cover the cost of the wi-fi pilot scheme.	3
Total Virements							49,340			

Summary	
Total Type 1	0
Total Type 2	0
Total Type 3	5,500
Total Type 4	0
Total Type 5	43,840
Total	49,340

Note: there is no Table 2 as there are no virements approved under delegated powers for noting.

Cabinet Report

9 December 2011



Report of Strategic Director

Author: Sarah Longman, Programme Manager

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Wards affected: All

Cabinet member responsible: Mr David Dodds

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To: SOUTH CABINET

DATE: 8 December 2011

Cabinet member responsible: Mr M Barber

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E-mail: matthew.barber@whitehorsedc.gov.uk

To: VALE CABINET

DATE: 9 December 2011

Report no. 49/11

Appointment of consultants to deliver the Fit For The Future programme

Recommendations

- (1) That the cabinet of the Vale of White Horse District Council recommend council to approve a supplementary estimate for £186,500 for half the value of the Fit for the Future two-year programme.
- (2) That the cabinet of South Oxfordshire District Council recommend council to approve a virement from the contingency budget of £186,500 for half the value of the Fit for the Future two-year programme
- (3) Subject to the Vale of White Horse council approving the supplementary estimate, and South Oxfordshire council approving a virement from contingency, that both cabinets appoint supplier B to a joint contract for South Oxfordshire and Vale of White Horse district councils for the Fit for the Future programme for a two year period., with an option to extend for a further two years should it be desired, to be taken by the strategic director in consultation with the relevant cabinet member
- (4) That both cabinets authorise the Strategic Director with responsibility for Fit for the Future to finalise terms and conditions and enter into a contract with supplier B.

Purpose of Report

1. The Fit for the Future programme is a service transformation programme that achieves efficiency savings, while maintaining and enhancing service quality. It has operated at South Oxfordshire council for three years and at the Vale of White Horse council for two years. This report proposes that we continue the programme for a further two years to complete the work across all services.

Strategic Objectives

2. The Fit for the Future programme contributes to the shared strategic objective of managing our business effectively by assisting services to identify efficiency savings across both councils. This is an invest-to-save programme that is expected to deliver ongoing annual savings greater than the one-off cost of the work.

Context

3. The Fit for the Future programme was launched in South Oxfordshire in 2008/09 and consultants were appointed to work with our services with the aim of helping them develop more efficient means of delivering high quality services. This is done through a range of means including, streamlining of processes, removal of functions that do not add value, innovative approaches, introduction of new IT systems, and outsourcing.
4. Typically service heads evaluate all options, looking at the costs and benefits of these, before redesigning services and implementing changes. The process takes nine to twelve months and the whole year savings are obtained in the year following implementation..
5. The table below shows the operating costs of the programme over the past three years and the ongoing annual savings that have been achieved. It can be seen that the efficiency savings greatly exceed the costs of operating the programme. However, it would be wrong to conclude that Fit for the Future is solely about making financial savings. Its aims are to make services more cost effective, more customer-focused and to enable us to do more with less. Savings are often reinvested to improve service quality.

Table one: Fit for the Future Programme previous year savings

	Round 1 2008/9 programme	Function Review 2009/10 programme		Round 2 2010/11 programme	
	South	South	Vale	South	Vale
Total Costs	£ 263,736	£ 118,392	£ 117,274	£ 187,260	£ 225,077
Ongoing yearly savings	-£ 557,701	-£ 641,942	-£ 1,236,266	-£ 363,802	-£ 543,100
Costs to savings ratio	1 : 2.1	1 : 5.4	1 : 10.5	1 : 1.9	1 : 2.4

6. After the initial programme has been completed in each service staff are trained to carry out continuous improvement activities which generate further improvements

on an ongoing basis. The focus in this part of the programme is the delivery of excellence in customer services

Funding of the Programme

7. Although the Fit for the Future programme has been operating for the past three years we have re-tendered it this year, firstly to test the market, and secondly, to comply with EU regulations. A full EU tender process has now been carried out using the EU accelerated restricted procedure culminating in interviews held on Friday 14 October. Five consultants were interviewed.
8. The outcome from evaluation of the tender submissions and the interviews is that the interview panel decided to recommend supplier B to both cabinets to deliver the remainder of the FFTF programme. The consultancy cost of operating this programme, which will run for up to two years, is £249,000.
9. The consultants are supported by an internal programme manager whose role is to oversee consultant performance, project manage delivery of the programme, provide training for staff and deliver the continuous improvement programme. This role will be required for the next two years. The budget required for this support work over two years is £124,000, making a total budget requirement of £373,000
10. There is as yet no financial provision in 2012/13 or 2013/14 for this programme. Normally this would form part of the budget setting process but as the contract needs to be let in advance of this to avoid stalling the programme we are asking both councils to agree to fund the project through virement (South) and supplementary estimate (Vale).
11. At South Oxfordshire the scheme can be funded by vireing £186,500 from the contingency budget. As this virement is greater than £100,000 it requires council approval.
12. There is no scope for a virement at the Vale as we are currently predicting a year end overspend. Therefore Council is requested to approve a supplementary estimate to the value of £186,500.

Procurement process

13. The first stage of the process was to advertise for expressions of interest. In total 52 suppliers submitted completed pre-qualification questionnaires in August 2011. These were evaluated according to technical capacity, professional ability and financial standing. Five suppliers were short listed and issued with invitations to tender with a return date of 10 October 2011. Five tenders were submitted.
14. The tenders were evaluated based on a weighting of 60 per cent price and 40 per cent quality in accordance with current council policies. The 40 per cent quality evaluation considered how the supplier proposed to undertake the work identified within the approved specification and was evaluated in accordance with the criteria specified in the tender documents
15. The scores achieved by each of the tenders are shown in table one below.

Table two: evaluation matrix (Maximum 100 points)

Supplier	Price	Quality	Total	Ranking
A	47.5	30	77.5	3
B	47.1	36.5	83.6	1
C	56.3	19.25	75.6	4
D	59.1	21.25	80.4	2
E	47.3	18	65.3	5

16. Supplier B is ranked first and is offering the most advantageous proposal to South Oxfordshire and Vale of White Horse district councils with a total combined score of 83.6 points. This supplier scored the highest number of points in quality and scored a similar number of points to three other suppliers on cost. Two suppliers scored higher points for their financial submission but significantly lower scores for quality. On that basis officers are recommending that supplier B is appointed to the Fit for the Future contract for South Oxfordshire and Vale of White Horse district councils.

Options

17. No other options were considered because the evaluation of the tenders clearly identifies that supplier B is offering the most advantageous proposal for the council

Financial Implications

18. The tender bid received from supplier B is £249,000. The costs of this plus programme manager will be split 50:50 between South Oxfordshire and Vale of White Horse District Councils.

19. This is an invest-to-save programme that will deliver ongoing annual savings greater than the cost of the work. Typically the savings identified in services when Fit for the Future is first introduced are 10-20% of controllable budget. This varies according to the nature of the service and previous savings initiatives. In previous Fit for the Future work the one-off costs of running the programme have been considerably less than the ongoing yearly savings identified; in other words, it pays back the cost within one year.

20. A financial check has been undertaken as part of the tender process and supplier B has a minimal risk of failure with nothing in their report that should give the councils cause for concern.

Legal Implications

21. Working closely with the legal and procurement teams the procurement process has followed the councils accelerated restricted tender process in accordance with the EU directive 2004/18 as required by the UK Public Contracts Regulations

2006. All suppliers have been kept informed of the process throughout. A contract award notice for the appointment of the selected supplier will be published and the required standstill period will elapse before formal agreements are entered into.

22. The councils are required to enter into a formal contract with the selected supplier.

Risks

23. We must ensure that the consultant achieves the objectives set out in the tender document, within the specified cost. To achieve this a detailed project plan is produced and managed tightly. Delivery against the plan is reported to a monthly programme board that comprises the relevant cabinet members for both councils and the three strategic directors. Payment is made to the consultants periodically based on achievement of specified outcomes.

Other Implications

24. None

Conclusion

25. Supplier B has submitted the tender which is the most economically advantageous to the councils. Awarding the contract to them will allow the invest-to-save Fit for the Future programme to be completed in the next two years. This will result in significant future efficiency savings for the councils. Both cabinets are asked to approve the award of a contract to supplier B.

Background Papers

26. None

Council Report



Report no. 50/11

Report of Head of Finance

Author: Bob Watson - Chief Accountant

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Wards affected: All

Executive member responsible:

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To: COUNCIL

CABINET

DATE: 14 December 2011

9 December 2011

Council Tax Base 2012/13

Recommendation(s)

(a) That in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, as amended, the amount calculated by the Vale of White Horse District Council as its council tax base for the year 2012/13 be **49,075.5**.

(b) That in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, as amended, the amount calculated by the Vale of White Horse District Council as the council tax base for the year 2012/13 for each parish be the amount shown against the name of that parish in appendix 1 of this report.

Purpose of report

1. The purpose of this report is to ask council to agree the council tax base for 2012/13.

Strategic objectives

2. The calculation of the tax base is a legal requirement and an essential part of the tax setting process which helps to achieve the council's strategic objectives of managing its business effectively and meeting people's need for housing by discouraging the practice of leaving homes empty.

Background

3. Before the council tax can be set by the council, a calculation has to be made of the council tax base, which is an estimate of the taxable resources for the district as a whole and for each parish area.
4. The council tax base for the district has to be notified to Oxfordshire County Council and the Thames Valley Police Authority by the 31 January 2012. Each parish and town council is also notified of the figure for its area.
5. Under the current formula grant system the government also uses tax base information for calculating how to distribute grant to local authorities, with a return (CTB1) having been submitted by 14 October 2011.
6. The legislation requires that the council tax base is approved by full council or a non-executive body with delegated powers.

Council tax discounts

7. The Local Government Act 2003 permits billing authorities to amend the discounts that apply to second homes and long term empty homes. From 1 April 2004 the council resolved that for 2005/06 and subsequent financial years the discounts should be reduced to the minimum permitted under legislation, i.e. zero on long term empty homes and 10% on second homes. Officers are not recommending any change to these discounts for 2012/13.

Calculation of the tax base

8. The starting point for the calculation is the list of properties and their tax band as at 12 September 2011 which has been supplied to the council by the Valuation Officer.
9. The list is sorted into parish order and the council then allows for the following information, for each band, which it holds on 3 October 2011:
 - (a) Properties which will be entirely exempt so no tax is payable (e.g. those occupied entirely by students).
 - (b) Properties which will attract a 25% reduction (e.g. those with a single adult occupier).
 - (c) Properties which will attract a 50% reduction (e.g. those where all of the adult residents qualify for a reduction).
 - (d) Properties which will be treated as being in a lower band because they have been adapted for a severely disabled person. The regulations have been amended to take account of the reduction available to those in band A properties.
 - (e) Properties which will be on the valuation list but which attract discounts or disablement relief or are exempt, for only part of the year.
10. This results in an estimate of the number of full year equivalents within each band.

11. Each band is then converted into "band D equivalents" by applying the factor laid down by the government. For example, a band A property is multiplied by 2/3 to arrive at the band D equivalent figure, whilst a band H property is multiplied by two. All these are then added together to give a total of band D equivalents.
12. The total of band D equivalents for the whole district is called the "relevant tax base" and is used by the government for grant distribution purposes, for establishing a minimum potential level of local income that an authority can generate.
13. In order to set the council tax one further adjustment is needed to allow for non-collection. The council is required to decide what its collection rate is likely to be and multiply its relevant tax base by this percentage to give its council tax base. For the 2011/2012 tax the council assumed 98% would eventually be collected and it is proposed to use 98% again in 2012/2013. Based on this assumption, the council tax base for 2012/2013 is 49,075.5 (2011/2012 was 48,426.5).
14. Similar calculations are required for each parish in order to calculate the proportion of the district's tax base which relates to its area. A schedule of the tax base for each parish is set out in appendix 1.
15. To calculate the council tax, the council tax base is divided into the council's budget requirement. This will be finalised during January and February, culminating in the council tax being set by council on 22 February 2012. This date is subject to the council being notified of the major precepting requirements.

Financial and legal implications

16. These are set out in the body of the report.

Background papers:

Local Government Finance Act 1992;
The Local Authorities (Calculation of Tax Base) Regulations
The Local Authorities (Calculation of Tax Base) (Amendment) Regulations 2003
The Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003
ADC Circular 1992/373
Officers' technical papers and calculations

Appendix 1

<u>Parish / Town Council</u>	<u>Number of Properties</u>		<u>Tax Base</u>	
	<u>2011/12</u>	<u>2012/13</u>	<u>2011/12</u>	<u>2012/13</u>
Abingdon	14,331	14,381	12,601.8	12,683.5
Appleford	141	140	159.4	158.0
Appleton with Eaton	387	388	426.8	436.8
Ardington and Lockinge	217	218	209.9	215.6
Ashbury	232	236	253.8	255.3
Baulking	40	40	46.4	46.6
Besselsleigh	30	30	38.5	38.2
Blewbury	735	746	704.3	718.9
Bourton	129	129	147.3	146.5
Buckland	255	254	319.0	310.7
Buscot	87	87	91.8	90.4
Charney Bassett	119	119	144.1	143.3
Childrey	222	221	246.8	247.2
Chilton	363	366	379.0	377.9
Coleshill	75	75	73.8	71.2
Compton Beauchamp	31	31	38.6	38.4
Cumnor	2,412	2,427	2,649.8	2,680.5
Denchworth	78	78	83.4	84.4
Drayton	972	980	948.1	958.0
East Challow	324	324	290.3	289.8
East Hanney	341	341	384.3	388.5
East Hendred	483	493	521.2	531.7
Eaton Hastings	32	32	32.1	32.7
Faringdon	3,024	3,160	2,604.4	2,724.7
Fernham	95	95	117.3	115.9
Frilford	90	90	117.9	115.7
Fyfield and Tubney	200	196	241.8	243.1
Garford	68	68	81.1	82.0
Goosey	53	54	62.5	65.2
Great Coxwell	129	130	153.5	155.7
Grove	3,020	2,994	2,670.9	2,686.1
Harwell	1,024	1,022	1,016.5	1,017.1
Hatford	35	35	45.5	46.6
Hinton Waldrist	140	140	151.9	149.7
Kennington	1,726	1,730	1,722.7	1,723.0
Kingston Bagpuize and Southmoor	925	926	987.3	984.4
Kingston Lisle	102	103	109.6	111.7
Letcombe Bassett	74	74	82.9	83.9
Letcombe Regis	250	326	279.4	342.5
Little Coxwell	67	67	79.8	78.0
Littleworth	95	95	114.6	115.8
Longcot	245	246	263.1	269.6
Longworth	239	240	272.6	273.1
Lyford	22	22	24.4	23.4
Marcham	717	716	711.0	716.4
Milton	468	468	442.4	442.0
North Hinksey	1,891	1,891	1,733.6	1,740.0
Pusey	28	28	34.1	33.6

<u>Parish / Town Council</u>	<u>Number of Properties</u>		<u>Tax Base</u>	
	<u>2011/12</u>	<u>2012/13</u>	<u>2011/12</u>	<u>2011/12</u>
Radley	999	999	913.7	911.5
St Helen Without	825	826	762.2	804.7
Shellingford	75	79	78.7	81.3
Shrivenham	971	977	993.5	1,012.6
South Hinksey	161	161	192.1	194.2
Sparsholt	134	135	147.5	147.8
Stanford in the Vale	901	900	885.5	879.4
Steventon	654	655	635.2	634.9
Sunningwell	366	365	436.4	437.7
Sutton Courtenay	1,018	1,022	1,005.9	1,009.4
Uffington	318	322	339.4	346.2
Upton	171	173	203.2	208.8
Wantage	4,840	4,969	4,338.6	4,456.8
Watchfield	810	813	719.0	782.8
West Challow	77	79	89.3	93.9
West Hanney	220	220	245.8	247.9
West Hendred	144	145	161.6	162.5
Woolstone	59	59	72.1	73.3
Wootton	1,179	1,183	1,218.2	1,229.6
Wytham	69	69	77.6	76.7
	-	-		
Total	50,754	51,203	48,426.5	49,075.5