

Meeting **STRATEGY & RESOURCES COMMITTEE**

Date **Tuesday 23 January 2001**

Time **10.00 am**

Place **County Hall, Oxford**

A G E N D A

Please address any general enquiries on this agenda to Ann Lowe on Oxford 815384.

Media enquiries should be directed to the Press Office on Oxford 815266.

This agenda can also be viewed on the Council's web site, oxfordshireonline (www.oxfordshire.gov.uk).

1. **Election to Chair** (Conservative Group)
2. **Apologies for Absence and Temporary Appointments**
3. **Declarations of Pecuniary and Non-Pecuniary Interests**
4. **Minutes**

Minutes of the meeting held on 31 October 2000 (previously circulated – see November 2000 Council Book).

5. **Matters arising from the Minutes**
6. **Petitions and Public Address**
7. **THE THREE 'C'S IN OXFORDSHIRE – ANNUAL REPORT OF THE DIRECTOR OF PUBLIC HEALTH 1999/2000**

Oxfordshire's Director of Public Health Dr Siân Griffiths will attend the meeting and present to the Committee her 1999/2000 Annual Report "The Three 'C's in Oxfordshire". Dr Griffiths' presentation will be followed by a brief question and answer session.

[If any member would like a copy of the Annual Report on CD-Rom in advance of the meeting, these can be obtained from Ann Lowe on Oxford 815384.]

8. **QUARTERLY FINANCIAL REPORT**

Report by County Treasurer (SR8).

This report presents the overall position of the Council in 2000/01. Current projections indicate a County Fund balance of £4.6m at 31 March 2001.

The Committee are RECOMMENDED to:

- (a) **receive the report;**

- (b) agree:
- (1) the bids for supplementary estimates from the Operations Sub-Committee in respect of:
 - (i) £31,000 to cover the cost of recruiting the new Chief Executive;
 - (ii) £70,000 to cover the cost in 2000/01 of political modernisation;
 - (2) the £14,000 bid for a supplementary estimate from Public Protection Committee in respect of expenditure incurred as a result of the September 'fuel crisis'; and
- (c) reaffirm that the Education and Social Services Committees be urged to keep their potential overspends carried forward to an absolute minimum.

MEDIUM TERM FINANCIAL PLAN

9. revenue budget 2001/02 AND CAPITAL PROGRAMME - A STRATEGIC OVERVIEW

Report by Acting Chief Executive and Deputy County Treasurer (SR9).

The report presents the key issues that the Council needs to consider in setting the revenue and capital budgets for 2001/02. The three main issues that need consideration are:

- balancing an appropriate level of services with an affordable Council Tax increase that will not place the Council in danger of its budget being capped by the Government;
- ensuring that the Council has a funded capital programme;
- ensuring that the Council has sufficient reserves to cover any unknown budget pressures that may occur during the year.

In addressing these issues the report provides general advice to the Council, particularly on the level of Council Tax, the level to which reserves have been earmarked for specific purposes and the flexibility the Council has in setting the budget.

The Committee are RECOMMENDED to receive the report and to take into account the issues raised when considering the reports on the capital and revenue budgets and corporate advice contained elsewhere on the agenda.

10. REVENUE BUDGET AND MEDIUM TERM FINANCIAL PLAN 2001/02 TO 2003/04

Report by County Treasurer (SR10).

The report provides details of the draft Medium Term Financial Plan for 2001/02 to 2003/04. The draft plan shows Council Tax increases of 5.4%, 1.5% and 3.9% over the three years and budget requirement increases of 6.3%, 4.6% and 5.7%. These are very much provisional figures as there is

some outstanding information required and a number of outstanding issues that need to be addressed.

The draft budget is 1% higher than the original plan agreed last February. The main contributing factor is the increase in the Education Standard Spending Assessment, which is £3.8m higher than expected.

There are significant budget pressures which need to be considered before setting the final budget for 2001/02. Some of these relate to new statutory duties imposed on the Council. There is no scope to use balances to fund some of the pressures or ease the Council Tax increase and limited scope, if any, to use reserves to help with the budget.

The Committee are RECOMMENDED to RECOMMEND the Council to agree:

- (a) a medium term financial plan for the Council;**
- (b) a budget for 2001/02;**
- (c) a budget requirement for 2001/02;**
- (d) a precept for 2001/02; and**
- (e) a Council Tax for Band D Equivalent Properties.**

11. **CAPITAL PROGRAMME 2000/01 TO 2002/03**

Report by County Treasurer and Director of Environmental Services (SR11).

The report updates the capital programme for new projects approved by committees, inflation and the latest position on resources. The capital programme has a deficit of £1.9m at the end of 2001/02. The capital settlement for 2001/02 has been received and this is considered in the report. A capital programme booklet has been circulated with the report which also includes a detailed analysis of the City Schools Reorganisation. Financing of the cash flow shortfall on the project is also considered.

The report deals also with recommendations from service committees and considers a number of project appraisals which have been forwarded for approval as they are for schemes with a cost of over £500,000. One of these appraisals – ED490/1 relating to unification of Wantage Infant and Junior Schools on to one site – contains exempt information as defined in Schedule 12A of the Local Government Act 1972. Should the Committee wish to discuss the exempt information in this Appraisal they will be invited to resolve to exclude the public by passing a resolution in the following terms:

"that the public be excluded during the consideration of Project Appraisal ED490/1 since it is likely that if they were present during this item there would be a disclosure of "exempt" information as described in Part I of Schedule 12A to the Local Government Act, 1972, ie any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services."

The Committee are RECOMMENDED to:

- (a) approve the draft Capital Programme and refer it to the Council for approval;**

- (b) **instruct the Capital Programme Steering Group to revise the draft Capital Strategy taking into consideration the comments made by GOSE and bring the revised Strategy back to this Committee in April for approval;**
- (c) **allow the Cultural Services Committee to forgo repayment of £200,000 to the Opportunity Purchase fund for the expansion of Didcot Library;**
- (d) **ask the Education Committee to bring forward schemes totalling £7.2m for inclusion in their programme phased £5.4m in 2002/03 and £1.8m in 2003/04;**
- (e) **ask the Social Services Committee to consider the surplus of resources on their programme after 2001/02 and whether they wish to utilise these resources;**
- (f) **approve the project appraisals listed in paragraph 39;**
- (g) **instruct the Capital Programme Steering Group to consider outstanding recommendations from the Cultural Services Committee and to look at the Preparation Pool and determine if any projects are urgent enough to be considered for inclusion in the programme and the implications of doing this, and to report back to this Committee in April;**
- (h) **Recommend the Council to agree to the disposal of the site of the former Business Units at Paradise Street to St Peter's College or Berkeley Homes on terms previously agreed.**

OTHER MAJOR FINANCIAL AND POLICY ITEMS

12. THE OXFORDSHIRE PLAN 2001/02 – 2005/06

The Assistant Chief Executive reports as follows:-

The County Council has a statutory obligation to publish a Best Value Performance Plan and to distribute a summary to every household by the end of March. The Medium Term Planning & Review Working Group have been working on the updating of the Oxfordshire Plan (our BVPP) but a final version is not yet available.

A major review of the Plan is scheduled for Summer 2001, when it is anticipated that the new Council will wish to take a fresh look at priorities for the next four years. In consequence no major changes are planned to this year's Plan, which will roll forward the current priorities identified in the Oxfordshire Plan 2000/01- 2004/05. References to these are contained in the County Treasurer's report on the budget elsewhere on this agenda. The Best Value review programme, which has to be included in the Plan, has already been approved by the Best Value & Audit Sub-Committee.

It is anticipated that the Medium Term Planning & Review Working Group will finish work on the Plan in early February. Distribution of the summary leaflet will be organised during March with the Council tax demand.

The Committee are RECOMMENDED to authorise the Assistant Chief Executive to approve the final version of the Oxfordshire Plan following consultation with the Medium Term Planning & Review Working Group.

13. **LOCAL GOVERNMENT ACT 2000 : COMMUNITY STRATEGIES AND THE NEW POWER OF WELL-BEING**

Report by Assistant Chief Executive (SR13).

Part I of the Local Government Act 2000 provides local government with a new power to promote the social, economic and environmental well-being of their area, and a new duty to produce a community strategy for their area. These are part of a package of measures in the Act designed to confirm and strengthen the role of local authorities in community leadership, linked to the Government's wider programme of reform of public services. The report explains the new powers and duties and analyses the implications of the statutory guidance which was published in December for the preparation of Community Strategies.

The Committee are recommended to:

- (a) **note the new responsibilities for the County Council, and**
- (b) **invite the Working Group on Organisation & Democracy to consider the implications for the new political management arrangements of the County Council.**

OPERATIONAL ITEMS

14. **Better government for older people**

The Council on 18 July 2000 referred the following motion by Councillor David Buckle to this Committee to determine:-

"This Council:

- 1. notes that the 2-year pilot project 'Better Government for Older People' ended in July 2000;
- 2. congratulates councillors and council officers for effectively co-ordinating the project in Oxfordshire, particularly:
 - (a) the national conference "It's in our Hands" – Participation, Politics and Older People" held at Ruskin College;
 - (b) Local Networks;
 - (c) The formation of the County Panel;
- 3. notes the contribution the project has made to the "Oxfordshire Plan" and in particular the following objectives:
 - (a) making Oxfordshire a better place to live and work in;
 - (b) being a responsive and responsible organisation;
 - (c) protect and support vulnerable people;
 - (d) promote the cultural life of the County;
- 4. welcomes the publication of the project's final report and, in order to take the work and

partnership forward, resolves to:-

- (a) request the Social Inclusion Working Party and the Health Improvement Partnership Board to consider how they wish to use the outcomes of the project;
 - (b) instruct chief officers to report to their programme committees and to the Strategy & Resources Committee on the incorporation of their action plans that were drawn up under the Better Government for Older People project into their departments' Medium Term Plans;
5. instructs chief officers to report annually to their programme committees and to the Strategy & Resources Committee on progress on meeting the Council's objectives and priorities for services for older people."

As Councillor Buckle was unable to be present at their last meeting, the Committee deferred consideration of his motion to this meeting, when it was also hoped that they would have the benefit of a report on the Final Project Evaluation. However that report has had to be postponed to the April 2001 meeting.

The Committee are asked whether they now wish to determine Councillor Buckle's motion or to defer it to their April meeting.

RECOMMENDATIONS FROM COMMITTEES

15. THE COUNCIL'S USE OF AGENCY STAFF

At their meeting on 19 December 2000 the Social Services Committee considered a report which set out the basis for a proposed contract with employment agencies to supply staff to the Social Services Department. The Department's use of agency staff has increased over the last few years and stems to a considerable extent from difficulties experienced in recruiting staff to permanent posts.

The Social Services Committee authorised the Director of Social Services to proceed with entering into a contractual relationship with employment agencies to supply temporary staff. However, in doing so, they also resolved **to RECOMMEND the Strategy & Resources Committee to implement a monitoring process of the Council's use of agency staff and to request the officers to advise the Spokespersons for the Strategy & Resources Committee on a regular basis on the level of agency use throughout the Council.**

[The Committee are reminded that the Personnel Sub-Committee on 17 October 2000 investigated the levels of agency expenditure across the Council and looked at the main reasons for using agency workers. At that meeting the Sub-Committee asked for a more detailed break down of the information and costs, including the reasons for the variations in costs and possible variations in future for budget planning purposes. That further report was submitted to them on 9 January, when the Sub-Committee instructed officers to produce for them monitoring reports on an annual basis (see the Sub-Committee's Minutes elsewhere on this agenda).]

MINUTES OF SUB-COMMITTEES, ETC

16. INVESTMENT & PENSIONS SUB-COMMITTEE*

Unconfirmed Minutes of the meeting on 17 November 2000 (SR16).

The Committee are RECOMMENDED to receive these Minutes.

17. **BEST VALUE & AUDIT SUB-COMMITTEE***

Minutes of the meeting on 30 November 2000 (SR17).

The Committee are RECOMMENDED to receive these Minutes.

18. **OPERATIONS SUB-COMMITTEE***

Unconfirmed Minutes of the meeting on 21 December 2000 (SR18).

The Committee are asked to consider the following recommendations:-

Minute 92/00 – Determinations to be Made by Local Authorities Under Part 4 of the Local Government and Housing Act 1989

The Sub-Committee RECOMMEND the Strategy & Resources Committee to RECOMMEND to Council to:

- (a) approve an overall borrowing limit of £263m for 2001/02;
- (b) approve an overall borrowing limit for short term borrowing of £126m for 2001/02; and
- (c) approve that the maximum amount of borrowing with interest payable at variable rates be £126m for 2001/02.

Minute 96/00 – Highways Depot Rationalisation Strategy Combined Northern Area Offices

The Sub-Committee RECOMMEND the Strategy & Resources Committee to RECOMMEND to Council to authorise the sale of surplus land at the Witney depot to West Oxfordshire District Council.

(The recommendations contained in Sub-Committee Minutes 88/00(b), 94/00 and 110/00(d) have been dealt with elsewhere on the agenda.)

19. **PERSONNEL SUB-COMMITTEE***

Unconfirmed Minutes of the meeting on 9 January 2001 (SR19).

The Committee are RECOMMENDED to receive these Minutes.

20. **APPOINTMENT (CE) SUB-COMMITTEE***

Minutes of the meeting on 9 November 2000 (SR20).

The Committee are RECOMMENDED to receive these Minutes.

C. J. GRAY

Acting Chief Executive

County Hall
Oxford OX1 1ND

16 January 2001

STRATEGY & RESOURCES COMMITTEE – 23 JANUARY 2001

AGENDA ITEM SR4

STRATEGY & RESOURCES COMMITTEE – 31 OCTOBER 2000

MINUTES of the meeting commencing at 10.00 am and finishing at 3.30 pm

Present:

Voting Members:

Councillors Nils R. Bartleet, Ted Cooper, Mrs Ann Davis (in place of Councillor D.L.B. Spencer), Dhall, Neil Fawcett, Margaret Ferriman, Mrs C. Fulljames, Janet Godden, Margaret Godden, Brian Hodgson, Tim Horton, Shereen Karmali, Colin Lamont, Brian Law, Keith Mitchell, Janet Morgan, Don Seale, C.H. Shouler and Sylvia Tompkins.

Ex Officio:

Councillor Dave Green.

Officers:

Whole of meeting: Acting Chief Executive, C.J. Impey, S. Capaldi and A. Lowe; P. Gerrish (County Treasurer's Department); Director of Environmental Services; Chief Education Officer; Director of Social Services; Director of Cultural Services and Chief Fire Officer.

Part of meeting: D.N. Bishop, H. Hughes, B. McLaren and J. Ashby (Chief Executive's Office); M. Bowmer and M. Petty (County Treasurer's Department); N. Monaghan and F. Upton (Environmental Services).

The Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting, together with a schedule of addenda tabled by the Acting Chief Executive. Copies of the agenda, reports and schedule are attached to the signed Minutes, and in relation thereto the Committee determined as follows:-

46/00 ELECTION TO CHAIR

RESOLVED: that Councillor Margaret Godden (Liberal Democrat) be elected to chair the meeting.

47/00 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

Apologies for absence and temporary appointments were reported as follows:-

Apology from	Temporary Appointment
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Councillor Spencer	Councillor Mrs Davis
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48/00 MINUTES

The Minutes of the meeting of the Committee held on 26 September 2000 were approved and signed.

49/00 QUARTERLY FINANCIAL REPORT

(Agenda Item 7)

The Committee considered a report (SR7) which presented the latest position on the Council's 2000/01 budget. Current projections indicated a County Fund balance of £5.1m at 31 March 2001. However this could reduce to £4.3m depending upon the eventual level of expenditure in relation to political modernisation and the amount of expenditure on asylum seekers not met by government grant. The report gave details of the latest position regarding potential overspend on the Education and Social Services budgets and the measures being taken by those two Committees to address the problem. The Director of Social Services reported that current indications were that the Social Services overspend would be significantly lower than that predicted in the report – possibly between £500,000 and £800,000 – and she was optimistic that this could improve even further.

Councillor Margaret Godden moved and Councillor Hodgson seconded a motion in the terms set out in the resolution below. Councillor Mitchell then moved and Councillor Shouler seconded the amendment of paragraph (c) to read as follows:-

"(c) require the Education and Social Services Committees and the relevant officers to take urgent remedial action to claw back their cumulative overspends by the end of the financial year."

On being put to the meeting this amendment was lost by 12 votes to 7.

The substantive motion was then put to the vote and it was

RESOLVED: (by 12 votes to 0) to:

- (a) receive the report;
- (b) agree the following bids for supplementary estimates:
 - (1) from the Operations Sub-Committee in respect of:
 - (i) £10,000 contribution towards the funding of the Regional Affairs Co-ordinator at the South Eastern Counties Chief Executives;
 - (ii) £58,000 to cover the increase in the audit fee in 2000;
 - (iii) from the Public Protection Committee for £9,000 to meet Oxfordshire's share of the additional revenue costs incurred by the Thames Valley Magistrates' Courts Committee; and
 - (c) urge the Education and Social Services Committees to keep their potential overspends carried forward to an absolute minimum.

50/00 CAPITAL PROGRAMME 2000/01

(Agenda Item 8)

The Committee considered a report (SR8) which updated the Council's capital programme, taking into account new schemes added by programme committees, and considered the financing position on the programme.

RESOLVED: (nem con unless otherwise indicated) to:

- (a) note the capital financing position and the necessity to monitor the situation closely for the remainder of the financial year;
- (b) (Councillor Dhall asking for her abstention to be recorded) approve the draft Capital Programme booklet;
- (c) approve Project Appraisals ED474/2, ED484/1 and ED483/1;
- (d) (by 17 votes to 1) approve Project Appraisal H159.

51/00 ASSET MANAGEMENT

(Agenda Item 9)

The Committee had before them a report (SR9) which considered the recent initiatives on asset management set out below and explained the measures being taken to respond to them.

§ DETR Good Practice Guidelines;

§ DETR Requirement for the Single Capital Pot dry run to submit a first stage corporate asset management plan by the end of November 2000;

§ DETR Property Performance Indicators;

§ District Audit Study on Asset Management in Oxfordshire;

§ Audit Commission Report on Asset Management - "Hot Property".

In introducing the report Mr Monaghan stressed the urgent need for a corporate property database and reminded members of the bid for funding elsewhere on the agenda (SR10 – ICT in the next 10 years).

RESOLVED: to:

- (a) note the actions being taken to comply with the DETR Good Practice Guidelines and the requirements for the Single Capital Pot as set out in Annex 1 to the report; and
- (b) agree that the DETR recommended Property Performance Indicators be adopted, with the 8 indicators listed at Annex 2 applied for year 1, and that a further report be submitted in June 2001 on the indicators to be used in the longer term.

52/00 ICT IN THE NEXT 10 YEARS

(Agenda Item 10)

The Committee had before them a report (SR10) explaining how Information and Communications Technology (ICT) had changed and was continuing to change people's lives. The Council needed to use ICT to improve performance, meet Government targets, support the local economy, enhance learning and tackle disadvantage. The report identified two key priorities: a new Management Information System (MIS); and investment in a high capacity (broadband) county wide area network (WAN). However, implementing the Council's strategy would require major organisational change and would be extremely costly, with currently unfunded net costs over a five year period estimated at around £8½m. It was unrealistic to expect that the Council would be able to fund this level of investment alone and options for external funding

(including some form of public/private partnership) would need to be explored. The Chief Officers Management Group were recommending that at a minimum additional resources of £400,000 should be built into the budget projections for 2001/02, thus increasing the existing New Technology Fund to £800,000.

A sum of £250,000 remained unallocated in the current year's New Technology Fund and the Director of Environmental Services urged the Committee to use £107,000 of this to fund the corporate property database referred to in the previous agenda item.

After a lengthy debate it was moved by Councillor Mitchell, seconded by Councillor Fawcett and

RESOLVED: (nem con unless otherwise indicated) to:

- (a) establish an informal member/officer working group, including 6 members (2 from each of the 3 main political groups), to focus on the Council's ICT developments and in particular to advise the Assistant Chief Executive on the use of the New Technology Fund, to invite Councillor Simmons to attend meetings of the working group and take part in their discussions in recognition of his expertise in this field; and to agree that attendance at meetings of this group be an approved duty for the purpose of allowances;
- (b) refer the report SR10 to the working group for consideration and ask them to report back in January;
- (c) (by 16 votes to 1) approve the allocation of £107,000 from the New Technology Fund in the current year to enable work to proceed on the computerisation of the Property Asset Database.

53/00 LOCAL GOVERNMENT ACT 2000 : POLITICAL MANAGEMENT ARRANGEMENTS

(Agenda Item 11)

The Local Government Act 2000 had received the Royal Assent at the end of July and regulations and statutory guidance bringing into effect Part II (political management arrangements and new constitutions) were expected to be issued shortly. The Act gave effect to the proposals published by the Government in the 1998 White Paper "Modern Local Government – In Touch with the People" and in particular carried forward, with some limited changes, the Government's fundamental requirement as to the separation of the executive and scrutiny roles.

The Committee considered a report (SR11) which summarised progress on the development of the Council's own political management model, and set out a preliminary draft structure, based on a Leader and Cabinet form of Executive, developed through the Working Group on Organisation & Democracy. The preliminary draft represented the first step towards the development of a new constitution for the County Council, which would define in detail the role of the full Council; powers and procedures of the executive (including delegation to individual portfolio holders and to officers) and the overview & scrutiny and regulatory committees; and related matters such as procedural standing orders and financial regulations. This would involve a considerable amount of detailed work within a very tight timescale, starting with the consultation process currently under way.

The report also outlined the responses to the consultation which had been received to date. These showed a clear majority of opinion among those responding in favour of a Leader and Cabinet form of Executive. This accorded with the view now confirmed by all of the political groups on the Council that this was the preferred model among those that had been put forward by the Government.

RESOLVED: (by 16 votes to 0, Councillors Dhall and Ferriman abstaining) to:

- (a) note the balance of opinion of those responding to the current consultation as being in favour of a Leader and Cabinet form of Executive;

(b) RECOMMEND Council, subject to their consideration of the final outcome of the current consultation (as set out in the Annex to these Minutes), formally to confirm a Leader and Cabinet form of Executive as their preferred option for the Council's future constitution;

(c) endorse the Preliminary Draft Structure set out in Annex 2 to the report as a basis for development of a detailed constitution;

(d) authorise the Acting Chief Executive, subject to further reference as appropriate to the Working Group on Organisation & Democracy, to take all necessary steps for the further development of a detailed constitution, including consultation and publicity on the draft constitution, generally on the basis of the outline timetable set out in the report.

54/00 Better government for older people
(Agenda Item 12)

The Council on 18 July 2000 had referred the following motion by Councillor David Buckle to this Committee to determine:-

"This Council:

6. notes that the 2-year pilot project 'Better Government for Older People' ended in July 2000;

7. congratulates councillors and council officers for effectively co-ordinating the project in Oxfordshire, particularly:

(a) the national conference "It's in our Hands" – Participation, Politics and Older People" held at Ruskin College;

(b) Local Networks;

(c) The formation of the County Panel;

8. notes the contribution the project has made to the "Oxfordshire Plan" and in particular the following objectives:

(a) making Oxfordshire a better place to live and work in;

(b) being a responsive and responsible organisation;

(c) protect and support vulnerable people;

(d) promote the cultural life of the County;

9. welcomes the publication of the project's final report and, in order to take the work and partnership forward, resolves to:-

(a) request the Social Inclusion Working Party and the Health Improvement Partnership Board to consider how they wish to use the outcomes of the project;

(b) instruct chief officers to report to their programme committees and to the Strategy & Resources Committee on the incorporation of their action plans that were drawn up under the Better Government for Older People project into their departments' Medium Term Plans;

0. instructs chief officers to report annually to their programme committees and to the Strategy & Resources Committee on progress on meeting the Council's objectives and priorities for services for older people."

RESOLVED: (on a motion by Councillor Hodgson, seconded by Councillor Dhall and carried by 16 votes to 0) to defer consideration of this motion to the Committee's next meeting to enable Councillor Buckle to be present and the Committee to have the benefit of a report on the Final Project Evaluation, which was expected in January.

5/00 FUNDING MECHANISM FOR CULTURAL SERVICES

(Agenda Item 13)

(This item was discussed in conjunction with agenda item 14.)

The Council on 18 July 2000 had referred the following motion by Councillor Brenda Churchill to this Committee to determine in the light of advice from the Cultural Services Committee.

"Considering the importance of Cultural Services to the quality of life for the residents of Oxfordshire, this Council believes that this should be reflected in a distinct funding mechanism. The Council therefore resolves to write to the Secretary of State for the Environment, Transport and the Regions requesting that Cultural Services be given a separate Standard Spending Assessment."

The Cultural Services Committee had considered this motion on 2 October and resolved to ADVISE this Committee to adopt the motion amended to read as follows:-

"Considering the importance of Cultural Services to the quality of life for the residents of Oxfordshire and the increasing expectations placed upon cultural services by Central Government, this Council believes that this should be reflected in a distinct funding mechanism. The Council therefore resolves to ask the Secretary of State for the Environment, Transport and the Regions to include in any future spending assessment mechanism a separate and explicit assessment of spending on cultural services which is sufficient to meet the demands placed upon them."

Subsequently, the informal member/officer Finance Working Group had met to consider the Government's Green Paper on Local Government Finance (Minute 80/00 below refers) and had discussed the issues raised by Councillor Churchill's motion. In the light of those discussions, and recognising that the issue needed to be widened it was

RESOLVED: (on a motion by Councillor Margaret Godden, duly seconded and carried nem con) to adopt the motion amended to read as follows:-

"Considering the importance of Cultural Services to the quality of life for the residents of Oxfordshire, this Council believes that this should be reflected in a distinct funding mechanism. The Council therefore resolves to write to the Secretary of State for the Environment, Transport and the Regions requesting that the Environmental, Protective and Cultural Services (EPCS) SSA block should be disaggregated so that the Council can assess whether the resources allocated are broadly enough to meet the increasing demands placed on them, and more specifically to ensure that our overall SSA total is sufficient."

56/00 MODERNISING LOCAL GOVERNMENT FINANCE : A GREEN PAPER

(Agenda Item 14)

The Government had published the above Green Paper (SR14) which set out options to change aspects of the Local Government Finance system. The main issues being considered were:

- grant allocation based on local authority plans rather than formulae;
- a potential relaxation of capital spending controls within prudential guidelines;
- the potential for a local business rate;
- introducing separate SSAs for schools and for other local education authority spending.

The consultation period for the Green Paper would close on Friday 8 December 2000.

The informal member/officer Finance Working Group had met on 26 October in order to consider the Green Paper. Attached to the tabled schedule of addenda was a briefing note from the County Treasurer setting out the views expressed at that meeting.

RESOLVED: (by 11 votes to 7) to authorise the County Treasurer, following consultation with Group Leaders, to agree the Council's response to 'Modernising Local Government Finance: A Green Paper'.

57/00 RESOURCE IMPLICATIONS OF IMPROVING THE COUNCIL'S PERFORMANCE AGAINST THE COUNCIL FOR RACIAL EQUALITY (CRE) STANDARD

(Agenda Item 15)

The Committee had before them a recommendation from the Equal Opportunities Working Party that further resources should be allocated to racial equality.

The Working Party (supported by the Personnel Sub-Committee) were suggesting a total of £130,000 per annum to fund an Equalities Officer located within the Chief Executive's Office, financial support for the Translation Service, a corporate promotions budget for equalities work and a dedicated budget to support partnership working and initiatives on racial equality issues.

Councillor Janet Godden moved and Councillor Horton seconded that this bid for additional resources should be referred to the Operations Sub-Committee for them to consider in December as part of their policy planning exercise, with the suggestion that if there were to be an Equalities Officer post this should deal with all aspects of equality issues and not merely those associated with racial equality.

Councillor Mitchell then moved and Councillor Law seconded that the motion be amended by the substitution of "political groups" for "Operations Sub-Committee". On being put to the vote the amendment was lost by 12 votes to 7.

The substantive motion was then put to the vote and was lost by 13 votes to 6.

It was then moved by Councillor Hodgson, seconded by Councillor Ferriman and RESOLVED: (by 9 votes to 8, the Chair having exercised a second vote in favour of the motion) to refer this bid for additional resources to the Operations Sub-Committee for consideration in December as part of their policy planning exercise.

58/00 A HOUSEHOLD WASTE MANAGEMENT STRATEGY FOR OXFORDSHIRE

(Agenda Item 16)

The Committee had before them a recommendation from the Environmental Committee that they agree the passporing through to the Waste Management Budget of that proportion of the projected increase in the

Standard Spending Assessment for Environmental, Protective and Cultural Services which reflected the additional cost of delivery of the household waste management strategy targets for 2003.

RESOLVED: (on a motion by Councillor Horton, seconded by Councillor Fawcett and carried nem con) that this recommendation from the Environmental Committee be deferred to January and included in the report on the revenue budget and medium term financial plan.

59/00 INVESTMENT & PENSIONS SUB-COMMITTEE

(Agenda Item 17)

RESOLVED: that the Investment & Pensions Sub-Committee Minutes of 18 August 2000 be received.

60/00 BEST VALUE & AUDIT SUB-COMMITTEE

(Agenda Item 18)

RESOLVED: that the Best Value & Audit Sub-Committee Minutes of 12 July 2000 and 30 August 2000 be received.

61/00 OPERATIONS SUB-COMMITTEE

(Agenda Item 19)

RESOLVED:

(a) (in respect of Minute 68/00 – Oseney Court) to RECOMMEND Council to agree the sale of Oseney Court to the Home Group;

(b) subject to (a) above, that the Operations Sub-Committee Minutes of 12 October 2000 be received.

62/00 PERSONNEL SUB-COMMITTEE

(Agenda Item 20)

RESOLVED: that the Personnel Sub-Committee Minutes of 17 October 2000 be received.

63/00 URGENCY SUB-COMMITTEE

(Agenda Item 21)

RESOLVED: that the Urgency Sub-Committee Minutes of 30 August 2000 and 18 September 2000 be received.

64/00 RURAL ISSUES IN OXFORDSHIRE – A POSITION STATEMENT

(Agenda Item 22)

During the past year members of the Medium Term Planning & Review Working Group had expressed an interest in developing a rural strategy for Oxfordshire. A strategy could help to give a rural focus to the County Council's activities and service delivery, and express a commitment to tackling rural issues. However, preparing a rural strategy would be a considerable undertaking, requiring significant financial and staff resources which were not currently available.

The Committee considered a report (SR22) which presented a position statement of initiatives and services provided by the County Council affecting rural areas. This showed that as well as relevant mainstream activities, there were a large number of often innovative projects underway or being planned which were

targeted at specific rural concerns. The report concluded that the most appropriate way forward would be to use the developing Community Strategy, which was a statutory requirement, as a vehicle for providing a focus for co-ordinated action in rural Oxfordshire.

In addition to the departmental initiatives listed in Annex 1, the schedule of addenda detailed a number of initiatives being carried out by Trading Standards. In introducing the report Ms Upton also reported a number of initiatives identified by the Fire Service.

RESOLVED: (on a motion by Councillor Hodgson, seconded by Councillor Bartleet and carried nem con) to:

- (a) note the position statement of current County Council initiatives affecting rural Oxfordshire and recognise the significant action already being taken to tackle particular issues in rural areas;
- (b) acknowledge that a Community Strategy for Oxfordshire could offer an opportunity to develop further co-ordinated action in rural areas without the potential duplication of effort in preparing a separate rural strategy and to ask officers in drawing up proposals for a Community Strategy to consider how rural issues could be explicitly included; and
- (c) endorse and encourage officers in ensuring that Oxfordshire County Council submitted an expression of interest under the LEADER+ programme to support rural development in conjunction with West Oxfordshire District Council.

65/00 TACKLING POVERTY IN OXFORDSHIRE : ANNUAL REVIEW

(Agenda Item 23)

This item had been included in the agenda at the request of Councillor Brian Hodgson in accordance with Standing Order 19(4).

Councillor Hodgson had asked that the Committee consider a paper from the Assistant Chief Executive (SR23), which was to have been included on this cycle's information sheet. This report reviewed, from the perspective of the Council as a whole, the four areas which the Council had identified that it could reasonably expect to influence in order to tackle poverty in Oxfordshire.

RESOLVED: (on a motion by Councillor Janet Godden, seconded by Councillor Fawcett and carried by 11 votes to 0) to refer the report to the Medium Term Planning & Review Working Group.

in the Chair

Date of signing 2000

STRATEGY & RESOURCES COMMITTEE – 23 JANUARY 2000

AGENDA ITEM SR8

QUARTERLY FINANCIAL REPORT

Report by the County Treasurer

Introduction

- 1 This report presents the overall financial position of the Council in 2000/01. It sets out financial issues identified to date, incorporating projections submitted to programme committees and updating the Committee on progress towards achieving 2000/01 budget targets.

Presentation

2. Details of the Council's financial position are contained in the following Annexes:

Annex 1 Projected year end variations compared with 2000/01 budget.

Annex 2 An estimate of Provisions, Reserves and Balances at 31 March 2001 compared with provisional actuals at 1 April 2000.

Annex 3 Budget Pressures identified by programme committees.

Annex 4 Revenue Grants.

Annex 5 Innovation Fund.

Carry forwards from 1999/2000 and balances as at 1 April 2000 are based on the Statement of Accounts 1999/2000 and are provisional until the accounts are signed off.

Reserves and Balances

3. The current projected outturn position of the Council's main reserves and balances are shown in Annex 2, the principal ones being:

	Provisional Balance 1 April 2000 £000	Projected Movement £000	Estimated Balance 31 March 2001 £000
Schools' Reserves	8,206	-3,658	4,548
Committee Carry Forward Reserve	5,452	-6,571	-1,119
County Fund Balance*			

6,073

-1,474

4,599

* the estimated balance at 31 March 2001 is subject to decisions of this Committee regarding bids from the Public Protection Committee and Operations Sub-Committee.

4. It should be noted that the projected 31 March 2001 balance on the Committee Carry Forward Reserve very much remains the worst case scenario. It is not expected to be in deficit at the year end. Further explanation can be found in paragraphs 24 to 26. The projected movement in the other reserves shown in Annex 2 is limited to where specific issues have been identified. The fact that at this stage of the year some of the balances show no movement does not mean there will not be a variation identified later in the year. Of note at this stage of the year is the forecast use of the £737,000 Vehicles Renewal reserve generated by Commercial Services and the £35,000 DSO reserve to fund highways maintenance works in the current year.
5. The forecasting of schools outturn remains a difficult task. All schools were required to return a termly budget monitoring report in the autumn for the summer term. These were, however, of varying quality. Issues around the varying quality are to be addressed by targeted training and support. Schools have submitted three year budget plans which show planned use of reserves in 2001/02 of £5.5m. Schools have recently received a second allocation of Devolved Formula Capital totalling £1.8m. It is unlikely that this allocation will be spent by year end in which case the balances figure will be £1.8m higher than reported to Education Committee on 12 December. It remains the view of the Chief Education Officer that such a substantial use of reserves is unlikely.

Financial Update from Service Committees

Education Committee

2000/01 Budget Pressures

6. Education Committee on 12 December 2000 identified a potential overspend of £1,614,000. This position remains little changed from that reported on 10 October 2000. Of this sum £740,000 in respect of transport days and the Oxford City Schools Reorganisation will be recovered in future years. The remaining deficit, currently £874,000, will be a first call on the 2001/02 budget.
7. The major elements of the £874,000 are in respect of supplementary allocation to pupils with special educational needs and special recoument. This area continues to be under pressure with the overspend £116,000 higher than previously reported. Increased pressures are evident in departmental staffing costs and new pressures being identified in Adult Education. These pressures have been offset by utilising central services for schools requiring additional support.
8. A comprehensive list of all of the expenditure pressures and some compensating underspends including those identified above can be found in Annex 3. Education Committee on both 10 October and 12 December 2000 were recommended to note that the Chief Education Officer is taking action to reduce the overspend in the current year.

Social Services Committee

9. Social Services Committee on 19 December 2000 reported a significant reduction in the overspend previously forecast. This projected overspend is comprised of the elements set out below. The forecast overspend excluding asylum seekers is now £0.8m compared to the figure of £1.75 reported to Social Services Committee on 3 October 2000.

Dec

Oct

Change

	£000	£000	£000
Base budget pressures	-400	650	-1,050
Policy and budget plans shortfall	1,200	1,100	100
Unfunded cost of asylum seekers	500	650	-150
	1,300	2,400	-1,100

Base Budget Pressures/Shortfall on Policy and Budget Plans

10. The reduction in base budget pressures is due to a variety of factors especially a refinement of forecasts. An attempt has been made to eradicate some of the large swings in forecasts which have previously occurred towards the end of the financial year. Significant reductions in forecast expenditure have been made in respect of Chronically Sick and Disabled Persons Act aids and adaptations, independent sector placements for those with physical disabilities, community support spending for those with learning disabilities and spending on legal services coupled with additional forecast income from changes to charging arrangements for older people.
11. There is also potential for the year end position to be further improved. Finance staff are continuing work in the development of forecasting generally with particular emphasis in respect of agency payments for people with learning disabilities and direct payments for people with physical disabilities.
12. In light of the reduction in the projected overspend and the scope for yet further reduction it is not felt necessary to put into action any of the emergency measures set out in the report to Social Services Committee on 3 October 2000 and summarised in the report to this Committee on 31 October 2000. The situation will continue to be monitored and reported to the member/officer budget working group.

Asylum Seekers

13. The unfunded cost of asylum seekers is currently estimated at £0.5m. The estimate is based on trends identified in completing the grant claim form for the first six months of the year. Since that claim the majority of asylum seekers housed in expensive bed and breakfast accommodation have been found alternative provision, including Oseney Court in Oxford and Dashwood Lodge in Banbury. Future spending should therefore come into line with existing grant thresholds.
14. The Social Services Department has met with officials at the Immigration and Nationality Directorate of the Home Office to seek additional grant support. The meeting was facilitated by the Local Government Association on behalf of Oxfordshire County Council and Slough Borough Council following the increase in the grant rates for families offered to the London boroughs. It is argued that both Oxfordshire and Slough should be treated as exceptional cases due to the numbers of asylum seekers and the lack of appropriate accommodation.
15. A response was received from the Home Office in early December which declines to offer the higher rate 'at this stage' but does open the way for further discussions. The £0.5m will continue to be treated as a potential call on balances at this time.

Environmental Committee

16. As a result of the recent adverse weather conditions it has been necessary to undertake a snow clearing operation throughout the whole County. The Director of Environmental Services reports that the operation is anticipated to have cost £75,000. No budget provision exists for such expenditure. It will be met from balances in accordance with previously agreed policy.

Public Protection Committee

17. The Chief Fire Officer has estimated an overspend on the retained firefighter budgets of £175,000, the establishment now approaching full strength. This is a £25,000 reduction on the figure that he reported in September. Additionally there is an estimated overspend of £360,000 on the firefighters

pension account. This has been generated by ill health retirements and the transfer of staff to other brigades. It is Council policy for overspends on both of these items to be met from balances.

18. In response to the 'fuel crisis' in September the Emergency Planning Unit put operation Echo into action. This involved County Council staff attending designated petrol stations in order to verify emergency fuel warrants. With the addition of other running costs expenditure of £14,000 in excess of budget provision was incurred. The County Emergency Planning Officer is unable to absorb an overspend of this magnitude and the Public Protection Committee have accordingly requested a supplementary estimate of £14,000.

Operations Sub-Committee

Chief Executive's Office

19. Additional costs will be incurred this year arising from the appointment of a new Chief Executive. Costs will be incurred on consultancy, advertising and interview expenses which will be partly offset by savings in the post being vacant. Operations Sub-Committee on 21 December recommended this Committee to agree a supplementary estimate of £31,000 to meet these one-off costs of recruitment.
20. The report to Operations Sub-Committee on 12 October estimated the cost of political modernisation at that time to be in the region of £100,000 in the current financial year but indicated that a supplementary estimate would not be sought until December when the figure was more definite. The total cost comprising public and stakeholder consultation, consultancy, employee costs, and other supplies and services is now forecast to be £70,000 for which a supplementary estimate is requested.

Staff Restaurant at County Hall

21. The quarterly financial report to this Committee on 31 October 2000 indicated that a sum of £20,000 would be required from balances to meet the cost of the deficit in the current year and that a full report would be taken to Operations Sub-Committee on 21 December 2000. That report has now confirmed the sum of £20,000 to be met from balances and the Sub-Committee have deferred an immediate decision on whether or not to discontinue the service. In the meantime officers will consult users and possible suppliers on the restaurant's future and short and medium term proposals to improve the service will be investigated.

Virements and Supplementary Estimates (Annex 1, Column 5)

22. Supplementary estimates of £1.027m previously approved by this Committee are reflected in Annex 1, Column 5, together with virements of £215,000 and £3,000 from the Capital Reserve and Contingency respectively. Additionally there have been virements between committee and within committee which have been approved within the authority of each programme committee. Virements are reported to programme committees as part of each committee's Quarterly Financial Report, copies of which are available in the Members' Resource Centre, and are therefore not detailed in this report.
23. In addition, a number of requests for supplementary estimates have been received from committees this cycle. These have been outlined above and are recommended for approval.

Committee Carry Forward Reserve

24. At the meeting of this Committee on 31 October 2000 it was forecast that this reserve would have a

deficit of £2.1m at 31 March 2001. Committee urged the Social Services and Education Committees who had reported overspends of £1.8m and £1.6m respectively to be carried forward to 2001/02 to keep these overspends to a minimum. The position on Social Services Committee is greatly improved as a result of more effective forecast but the position on Education Committee is unchanged. The reserve is now forecast to be £1.1m in deficit (see Annex 1 Column 11).

25. As part of financing the anticipated 1997/98 £1.44m Education overspend over three years, £0.96m deposits from schools were included when setting the 1998/99 budget. £0.655m deposits were received and the Schools' reserves reduced accordingly. The initial shortfall of £0.305m has increased to £0.373m with the repayment of deposits. This sum has been taken as a temporary call on the Committee Carry Forward Reserve. On 31 March 2001 £0.48m of the £0.96m overspend will be repaid leaving a balance of £0.48m which will be covered by deposits from school. As such there will no longer be a call on the Carry Forward Reserve.
26. The Education and Social Services Committees will need to continue to take steps to ensure that their respective overspends are kept to an absolute minimum if the Committee Carry Forward Reserve is to remain in credit at year end and fund the £517,000 revenue spend on the Oxford City Schools Reorganisation.

Strategic Measures

Interest on Balances

27. There is no change to the position reported on 31 October 2000 with increases in interest received due to debt restructuring, increased rates and improved cashflow being offset by higher contributions in lieu of interest on some developer contributions.

Rates

28. The majority of refunds resulting from appeals to the 1995 Rateable Value (RV) came through between 1998/99 and 1999/2000. As reported on 31 October 2000 no more significant refunds are now expected from the 1995 revaluation. The current Non Domestic Rate refunds are £83,000. We are now in the first year of the 2000 RV period. Refunds resulting from appeals to the 2000 RV are unlikely to filter through before 2002/03 at the earliest.

Capital Reserve

29. Current projections indicate that the Capital Reserve will fall to £0.308m by 31 March 2001. It had previously been expected that the reserve would be fully utilised but pressure has been taken off the Capital Programme in the current year as a result of unexpected increased capital receipts. However, there is still uncertainty as to whether the receipts will be received by 31 March 2001. As a consequence the reserve may need to be utilised this year and indeed there may be a need to call on revenue balances.

County Fund Balance

30. The current position on the County Fund is shown below. Whilst a three year Medium Term Financial Plan is in place, the period of change and uncertainty facing the Council is evidenced by the proliferation of supplementary estimate requests received and the number of potential but as yet unquantified calls on the County Fund Balance.

	£000	£000
Balance as at 1 April 2000		6,073
Plus contingency returned to balances		215
		6,288
Variations reported to 31 October 2000		
Less Supplementary Estimates for:		
Social Services - savings shortfall	-632	
Operations Sub - Democratic Services	-67	
Education - post 16 transport	-236	
Trading Standards – Proof of Age scheme	-15	
Public Protection - transfer of warrant enforcement	-9	
Operations Sub - contribution to SECCE	-10	
Operations Sub - district Audit fee	-58	-1,027
Variations to(+)/drawn from(-) Balances		
Retained firefighters estimated overspend	-200	
Operations Sub - staff restaurant at County Hall	-20	
Rates	56	-164
		5,097
New Variations		
Less Supplementary Estimates for:		
Emergency Planning Service	-14	
Chief Executive recruitment	-31	
Political modernisation	-70	-115
Variations to(+)/drawn from(-) balances		
Retained firefighters estimated overspend	25	
Firefighters pension account	-360	
Snow clearing	-75	
Further rate refunds	27	-383
Projected Balance as at 31 March 2001		4,599

31. Excluded from the calculation of projected balances at 31 March 2001 is the £500,000 of expenditure in excess of grant to accommodate asylum seekers (see paragraphs 13 to 15). Representations continue to be made to the Government in respect of the cost of asylum seekers and it is hoped that these excess costs will not have to be met by this Council. Potentially, the balance on the County Fund could reduce to £4.1m.

Government Grants (Revenue)

32. Specific grants known about at the time of setting the budget are listed in the 2000/01 Budget Book. This information is summarised in Annex 4 and updated for further grants reported by service committees this cycle. Annex 4 also indicates the level of funding required to be input by the Council to access the grant. The new grants identified are all 100% funded and have no impact on the overall Council finances. Copies of the detailed grant schedules are available in the Members' Resource Centre.

Other Issues

33. There are two issues which members need to be updated on in respect of rates and pension rights for part time employees, which fall outside the Council's control but which may have potential resource implications and will need to be borne in mind when determining the position on the bids contained within this report. These issues are outlined below. Additionally, also set out below, are updates on capping and the Innovation Fund.

Rates

34. This Committee on 27 June 2000 were informed of the possibility of special schools being reinstated on the rating list. The Revenue Budget Report to this Committee includes £134,000 in 2001/02 as a preliminary estimate of the cost in that year.

Pension Rights for Part Time Workers

35. This Committee on 27 June 2000 was also informed of new rules on the applicability of pension rights to part time workers and the potential implications for retained firefighters. No further information is currently available.

Capping

36. The year on year increase in Council Tax from 1998/99 to 1999/2000 and 1999/2000 to 2000/01, as a result of the budget set by this Council, exceeded Government expectations. The Minister for Local Government wrote to the Council on 14 November 2000 saying that, after careful consideration, she had decided to take no action against the Council under reserve powers.

Innovation Fund

37. This fund has been used widely since being set up with a particular focus on performance management. A detailed position statement showing movements on the fund can be found at Annex 5.

Conclusions

38. The overall financial position of the Council remains broadly in line with expectations with General Fund balances projected to be £4.6m at 31 March 2001. However, there are still concerns surrounding the Committee Carry Forward Reserve, especially with expenditure pressures being experienced by Social Services and Education and the need to contain the revenue expenditure on the City Schools Reorganisation in the current year. More effective forecasting has eased some of the pressure experienced by Social Services but effective management of the service pressures both in Social Services and Education will ease these concerns still further. The capital programme is a potential threat to the Council's balances. As set out elsewhere on this agenda the funding of the capital programme is finely balanced and any shortage of planned capital receipts before year end may have to be met from County Fund balances.

Financial, Staff and Environmental Implications and Implications for People Living in Poverty

39. This report is solely concerned with the latest financial position. There are no environmental or staffing implications nor implications for people living in poverty arising directly from the report.

RECOMMENDATIONS

40. The Committee are RECOMMENDED to:

(a) receive the report;

(b) agree:

(1) the bids for supplementary estimates from the Operations Sub-Committee in respect of:

(i) £31,000 to cover the cost of recruiting the new Chief Executive;

(ii) £70,000 to cover the cost in 2000/01 of political modernisation;

(2) the £14,000 bid for a supplementary estimate from Public Protection Committee in respect of expenditure incurred as a result of the September 'fuel crisis'; and

(c) reaffirm that the Education and Social Services Committees be urged to keep their potential overspends carried forward to an absolute minimum.

CHRIS GRAY
County Treasurer

Background Papers: Nil

Contact Officer: Matt Bowmer, Tel. (01865) 815460

January 2001

STRATEGY & RESOURCES COMMITTEE – 23 JANUARY 2000

AGENDA ITEM SR8

QUARTERLY FINANCIAL REPORT

Annex 2

Details of Provisions Reserves and Balances

The Classification and level of funds given in the table are in accordance with the latest Code of Accounting Practice which defines the type and nature of provisions reserves and balances:

Provision – An amount of money put aside in the accounts for anticipated liabilities.

Reserves – amounts of money set aside to meet certain categories of expenditure in order to avoid fluctuations in the charge to the County Fund.

Balances – the accumulated surplus of income over expenditure.

	Balance at 1 April 2000	Movement During 2000/01	Balance at 31 March 2001
	£000	£000	£000
<u>Provisions</u>			
Insurances	8,065		8,065
Bad Debts	856		856
Other	137		137
Total Provisions	9,058	0	9,058
<u>Reserves</u>			
Schools' Reserves	8,206	-3,658	4,548
Highways On Street Parking	2,032	-389	1,643
Banbury Road Park and Ride	1,283		1,283
Financial Mgt Information System	274	-14	260
IT Equipment	392	-120	272
Vehicle Renewals	945	-833	112
Museum Donations	126	-25	101
Miscellaneous Education	187	67	254
Social Services Hump Funding	119		119
Miscellaneous Fire	106	-51	55
Committee Carry-Forward	5,452	-6,571	-1,119
Capital Reserve	313	-5	308
DSO	35	-35	0
Other	160	-20	140
Total Reserves	19,630	-11,654	7,976
<u>Balances</u>			
County Fund Balance	6,073	-1,474	4,599
Total Balances	6,073	-1,474	4,599
Grand Total	34,761	-13,128	21,633

STRATEGY & RESOURCES COMMITTEE – 23 JANUARY 2000

AGENDA ITEM SR8

QUARTERLY FINANCIAL REPORT

Annex 3

Budget Pressures Identified by Programme Committees

Education

Pressures identified in 2000/01, not allowed for in the 2000/01 budget, are as follows:

	Dec £000	Oct £000	Change £000
Projected overspend			
SEN supplementary allocations	500	500	0
Recoupment	446	330	116
Home to school transport	32	85	-53
Early years grant	70	84	-14
Education department staff	180	90	90
Education department other costs	150	200	-50
School meals	-230	-230	0
PRC	-140	-140	0
Joint sports	-100	-100	0
Standards fund	-50	-50	0
Schools requiring additional support	0	100	-100
Adult	66	0	66
Discretionary awards	-50	0	-50
	874	869	5
<u>Recoverable in future years</u>			
Transport days	223	223	0
Oxford city Schools reorganisation	517	517	0
	1,614	1,609	5

Costs associated with the City Reorganisation are currently assessed at £517,000 for the current year. It is intended that these costs will be carried forward, if necessary, and set off against revenue savings accruing in future years.

Social Services

Pressures identified in 2000/01, not allowed for in the 2000/01 budget, analysed by Division of Service are as follows:

Dec £000	Oct £000	Change £000
-------------	-------------	----------------

Children and Families	903	868	35
Elderly People	-402	-369	-33
Physical Disabilities	213	292	-79
People with Learning Disabilities	672	791	-119
People with Mental Health needs	-185	-195	10
Holding Accounts (Across Client Groups)	36	286	-250
Management and Support Services	-178	-47	-131
Service Strategy and Regulation	66	76	-10
Contingency	-302	0	-302
	823	1,702	-879

The unfunded costs of asylum seekers have been excluded from the October figures to enable comparison.

Environmental

No pressures highlighted.

Public Protection

The major financial pressures for this Committee are being experienced by the Fire Service. The retained firefighter budget is forecast to be overspent by £175,000 with the establishment approaching full strength. This is a £25,000 reduction in the figure reported in September. Additionally there is an estimated overspend of £360,000 on the firefighters pension fund account as a result of ill health retirements and transfer of staff to other brigades. Both of these items will have to be met from County Fund balances.

The Emergency Planning Unit has incurred £14,000 of expenditure over and above budget provision during the 'fuel crisis' in September. The service cannot absorb a pressure of this size and a supplementary estimate has been sought.

Cultural Services

No major pressures highlighted. Management action has been taken to ensure that Policy and Budget plan savings are delivered. In particular audio visual income and utility contract costs are being closely monitored during the current financial year.

Operations Sub-Committee

Pressures exist only in respect of the appointment of a new Chief Executive and political modernisation, both of which are detailed in the body of the report.

STRATEGY & RESOURCES COMMITTEE – 23 JANUARY 2000

AGENDA ITEM SR8

QUARTERLY FINANCIAL REPORT

Annex 4

Government Grants

Committee	Government Grant Funding	Council Funding	Grant as % of Gross Committee Spend
	£m	£m	%
Education*	19.2	6.7	8.0
Social Services*	11.2	0.6	9.0
Environmental	1.3	0.0	3.0
Public Protection	0.2	0.0	1.0
Cultural Services	0.3	0.0	2.8
Operations	0.8	0.1	3.0
	33.0	7.4	7.0

*In addition the Social Services Committee receives £14.6m Health Authority Grant Funding which is a further 11% of the Committee's gross revenue budget and Education's figures include the following grants which have been received since the budget was set:

	£000	Grant Rate %
Standards Fund	1,461	100
Childcare Grant	148	100
Class Size Initiative	100	100

The above table also includes the £647,000 Teachers Green Paper Special Grant which was included in the Education base budget but omitted from the Specific grants 2000/01 page in the 'revenue Budget, Part 1 Summary 2000/01' book.

STRATEGY & RESOURCES COMMITTEE – 23 JANUARY 2001

AGENDA ITEM SR9

REVENUE BUDGET 2001/02 AND CAPITAL PROGRAMME – A STRATEGIC OVERVIEW

Report by the Acting Chief Executive and Deputy County Treasurer

Introduction

1. This report presents the key issues that the Council needs to consider in setting the revenue and capital budgets for 2001/02. The report provides general advice to the Council, particularly on the level of the Council Tax, the level to which reserves have been earmarked for specific purposes and the flexibility the Council has in setting the budgets.

Best Value Performance Plan/Medium Term Plans

2. In March 2000 the County Council published the Oxfordshire Plan 2000/01 – 2004/05, its first Best Value Performance Plan. The Plan sets out the key corporate and service priorities of the Authority and provides information on plans for improving performance. The Oxfordshire Plan is underpinned by medium term plans for each of the service departments, together with other corporate plans such as the Capital Strategy and Community Safety Strategy.
3. Members will need to ensure that the Medium Term Financial Plan and Capital Programme support the achievement of the objectives and targets set out in the Oxfordshire Plan. Similarly, new Policy and Budget Plan proposals should be drawn from departmental medium term plans.

Medium Term Financial Plan

4. The reports elsewhere on the agenda provide the detailed financial position of the Council's Revenue Budget and Medium Term Financial Plan and its Capital Programme. There are three key issues that need to be addressed by the Council in February:
 - balancing an appropriate level of services with an affordable Council Tax increase that will not place the Council in danger of its budget being capped by the Government;
 - ensuring that the Council has a funded capital programme;
 - ensuring that the Council has sufficient reserves to cover any unknown budget pressures that may occur during the year.

Capital v Revenue

5. The last report to this Committee on the capital programme indicated a total shortfall of resources to fund the programme for 2000/01 and 2001/02 of some £5.2m. The latest report indicates an improvement in the financial position due in part to an increase in the capital receipts available to fund the programme in 2000/01. The programme is now projected to be in deficit by £1.9m at the end of 2001/02, which it is assumed can be accommodated by slippage. These figures exclude the

Oxford City Schools Reorganisation for which separate funding has been identified.

6. In September 2000 the Strategy & Resources Urgency Sub-Committee received a report on funding a cashflow shortfall on the Oxford City Schools Reorganisation of £0.9m in 2000/01 rising to £4.9m by 2001/02 and to £10.7m by 2002/03 before returning to balance in 2003/04 on receiving the proceeds from the sale of surplus sites. The options considered by the Urgency Sub-Committee included use of reserves to meet the cashflow shortfall. Consequently, there is likely to be limited scope, if any, for using reserves to help with the revenue budget.
7. The Council could be tempted to use resources earmarked to fund the capital programme to assist with financing the revenue budget. This is not recommended for two reasons. Firstly, historically there has been a relatively low level of capital investment in the Authority and diverting the resources would require a reduction in the planned capital programme. Secondly, the resources diverted would only enable one-off funding of ongoing expenditure and would need to be replaced in future years.
8. The Council's balances are expected to be £4.1m at the end of this year. The County Treasurer and District Auditor recommend that the minimum level of balances the Council should hold are equivalent to 1% of the budget (approximately £4.3m). The anticipated year end balances are just below the recommended level. There are therefore no available sums in the general balances to help fund the budget or capital programme in 2001/02.

Service Plans

9. In terms of the plans for services, the Council's policy for 2001/02 (as included in the Medium Term Financial Plan) is broadly to keep the Education budget at SSA, to increase spending on highways maintenance in order to bring it closer to SSA and to reduce spending on Social Services to bring it closer to SSA. The hardest part of this policy to deliver is the reduction in Social Services expenditure.
10. By keeping the Education budget at SSA the Council meets the Government's expectation to fully passport increases in SSA to Education. However, the imposition of a grant ceiling means that we do not have the associated increase in funding to match the SSA increase. In the light of expenditure pressures faced by all services, the Council will need to take a view on whether to passport all of the increase in Education SSA. The impact of the teachers pay award is of concern. Any increase significantly above the 3% allowed will mean the Council having to review the policy of spending at SSA, unless the Government provides additional funding.
11. The plan for Social Services was to make savings of £3.4m in 2001/02 to bring the Social Services budget closer to SSA. The Social Services Committee have made savings totalling £8.2m since 1999/2000. There are pressures in relation to delivering the full level of cuts required in 2001/02 and the net shortfall against the Policy and Budget Plans in 2001/02 of £1.455m is shown as a pressure for consideration by this Committee.
12. The pressures on the Social Services budget reflect the national position, where considerable concern is being expressed in respect of the increase in funding not keeping pace with the pressures and new responsibilities. The Local Government Association, Society of County Treasurers, and the Association of Directors of Social Services have produced a single questionnaire to collect information on the national position, and the findings should be available at the end of the month. These will be reported orally to this Committee if available, or direct to the special meeting of the Social Services Committee on 30 January 2001.
13. The plan for highways maintenance was to bring the budget closer to SSA. A planned increase of £2.5m has been included in the draft budget. The Environmental Committee had to investigate

alternative sources of funding to meet a £1m reduction. There is a proposal in principle to make a contribution of £1m from On Street Parking surpluses in 2001/02 to the Public Transport support budget, and to achieve the required saving of £1m by an equivalent reduction in the Public Transport Revenue Support in 2001/02. This saving is built into the base budget so consideration needs to be given as to how this saving will be made in future years.

14. The current Medium Term Financial Plan proposes that the other County Council services are resourced at more or less the same level. The Council will need to reconsider this policy in the light of the budget pressures that have been identified. However, there is only limited scope to address these pressures in 2001/02.

Threat of Capping

15. From 1999/2000, the Secretary of State has had the power to cap Council budgets with regard to the level of increase in Council Tax and increases in Council Tax and Budget Requirement for more than one year. The Council was one of the 3 authorities called in by the DETR to explain the increases in its budget requirement and Council Tax for the years 1999/2000 and 2000/01. In the forthcoming year the Council will need to pay particular attention, not only to the increases for 2001/02, but also to the cumulative increases in budget requirement and Council Tax for 1999/2000, 2000/01 and 2001/02 to avoid possibility of the budget being capped.
16. We will be monitoring the likely level of increases in Council Tax and Budget Requirement for all County Councils both for 2001/02 and cumulatively for 1999/2000, 2000/01 and 2001/02. Strategic advice will then be made available to members.

Flexibility

17. The draft budget for the Council indicates a Council Tax increase of 5.4%. The Medium Term Financial Plan for the Council shows a provisional Council Tax increase for 2001/02 of 7.2%. As a consequence, should the Council decide that a 7.2% increase in the Council tax was appropriate then the Council would have an additional £2.5m available to deal with the budget pressures identified in the budget report.
18. These pressures total £10m, offset by savings of £2.3m. In practice, the Council is advised to set a Council Tax somewhere between 5.4% and 7.2% in the light of the favourable RSG settlement, the MORI Survey results (which indicate a preference for an increase between 5% and 7%) and the threat of capping. This would continue the Council's policy of reducing the increase in Council Tax from 11.8% and 8.4% from the previous two years. Each 1% increase in the Council Tax above 5.4% represents additional flexibility of £1.4m.
19. Should the Council receive a Settlement in line with the national average, then the level of budget flexibility in 2002/03 would be greater. For example, if the Council agreed Council Tax increases of 7.2% and 5% for the next two years, there would be flexibility of £2.5m in 2001/02 and a further £5m in 2002/03. The Council's policy could therefore be to defer addressing some of the budget pressures for a year. However, the Settlement in 2002/03 could be affected by either a general election or methodology changes, which are due to be unfrozen in that year.

Conclusions

20. The Council will need to consider a number of factors in coming to a decision about the budget including the outcome of the MORI survey. In determining how to use the resources that are available the Council should ensure that they are used to fund the priorities identified in the Oxfordshire Plan.

21. It is clearly not possible for the Council to address all the budget pressures identified by the service committees without an unacceptable increase in the Council Tax. This will lead to many pressures not being met, some of which could relate to new statutory duties.
22. The Chief Officers Management Group are considering a budget strategy that they would want to commend to the Council. We are available to talk to the Group Negotiating Teams about all of the issues raised in this report and offer COMG's advice on the way forward. Any individual members are welcome to discuss any aspects of the reports on the budget and capital programme with our staff.

Staff and Environmental Implications and Implications for People Living in Poverty

23. There are no direct implications arising from this report.

Financial Implications

24. The report is solely concerned with the financial implications affecting the Council.

RECOMMENDATION

25. **The Committee are RECOMMENDED to receive the report and to take into account the issues raised when considering the reports on the capital and revenue budgets and corporate advice contained elsewhere on the agenda.**

CHRIS GRAY
Acting Chief Executive

PAUL GERRISH
Deputy County Treasurer

Background papers: Nil

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January 2001

STRATEGY & RESOURCES COMMITTEE – 23 JANUARY 2001

AGENDA ITEM SR10

REVENUE BUDGET AND MEDIUM TERM FINANCIAL PLAN 2001/02 TO 2003/04

Report by the County Treasurer

Introduction

1. A report on the strategic overview of the revenue budget 2001/02 and Capital Programme is contained elsewhere on the agenda. This report supplements the strategic overview providing the supporting detail with the analysis of the draft revenue budget and Medium Term Financial Plan. The report contains information on budget pressures faced by programme committees and the Council generally.
2. The draft budget for 2001/02 is £430.5m which, if approved, would result in a budget increase of 6.3% and a Council Tax increase of 5.4%. These figures are provisional as there is some information outstanding. Further information will be provided to members following the meeting as it becomes available and in time for the County Council to set its budget. The Social Services Committee and the Education Committee are holding special budget meetings on 30 January and 1 February 2001 respectively, and aim to provide further advice to the Council.
3. A booklet is attached to this report which includes key financial information and analysis. In addition there are further annexes on specific topics giving specific advice as follows:-
 - Annex 1 Issues Affecting Committees Including Recommendations
 - Annex 2 Strategic Measures and Use of Reserves
 - Annex 3 Limitation of Council Tax and Precepts (Capping)
 - Annex 4 Council Tax/Council Tax Benefit Subsidy Limitation
 - Annex 5 Outcome of the MORI Survey

Draft Medium Term Financial Plan 2001/02 to 2003/04

4. The Council agreed a Medium Term Financial Plan for 2000/01 to 2002/03 at its meeting in February 2000. This Committee in September 2000 agreed the parameters within which Chief Officers should update the Medium Term Financial Plan for submission to service committees. This report collates this information, updating it for known changes.
5. The attached booklet contains an analysis of the updated Financial Plan for 2001/02 to 2003/04. In 2001/02 pay inflation has generally been allowed at 3% for all categories of staff, with an allowance of 2% for price inflation. From 2002/03 inflation has been included at an average of 3%. Latest information has been used to update the plan for allowed variations.
6. The main variations in the latest plan compared to the original agreed in February can be summarised as follows:

2001/02

2002/03

	£m	£m
Original Plan	426.2	444.4
Education Variations		
- Service Transfers	1.8	
- Inflation	-0.5	0.2
- Demography	1.0	0.7
- Policy & Budget Plans	-2.8	1.8
- Other Variations	<u>4.3</u>	<u>2.5</u>
	3.8	5.2
Other Variations		
- Service Transfers*	-1.6	-0.6
- Inflation	-0.1	
- Policy & Budget Plans	0.2	-1.2
- Other Committee Variations	1.0	0.6
- Variations in Strategic Measures	<u>1.0</u>	<u>2.0</u>
	0.5	0.8
Revised Plan	<u>430.5</u>	<u>450.4</u>

* Adjusted for deferment of Children (Leaving Care) Act implementation

The Education variations in total correspond with the change to the expected Standard Spending Assessment for Education.

- The draft Medium Term Financial Plan for 2003/04 of £476.0m has been produced by allowing for inflation at 3% and the effect of the policy and budget plans previously agreed.
- Budget pressures have not been taken into account in preparing the Draft Medium Term Plan. These are considered later in this report.

Draft Revenue Budget 2001/02

- The draft budget for 2001/02 totals £430.5m which is an increase of £25.6m (6.3%) on the 2000/01 budget. The movement from the 2000/01 to the 2001/02 draft budget is analysed below:

	£'000	£'000	%
2000/01 Budget		404,926	
<u>Service Transfers</u>	182		
Inflation to 2001/02 outturn prices		11,854	2.9
Previously agreed policy & budget plans		-537	-0.1

Allowable variations

- Demographic Growth	3,410	
- Other Committee Variations	6,047	
- Strategic measures, use of reserves etc	<u>4,599</u>	
		<u>14,056</u> <u>3.5</u>
2001/02 Draft Budget (outturn prices)	<u>430,481</u>	<u>6.3</u>

Note: Adjustments have been made to the figures reported to service committees to reflect

- within the Social Services budget, the deferment of the implementation of the Children (Leaving Care) Act until October 2001 (Service Transfers increased by £0.2m);
 - adjustments to the categorisation of certain amounts within the Education Committee budget (this has no effect on the bottom line). The available surplus to be allocated has increased from £1.1m to £1.5m.
10. The September Forecast assumed that service transfers would be based on the adjustment to SSA. However, reductions in the Social Services budget have been based on the existing budget provision, which is £0.4m less than the SSA adjustment. Council will need to decide whether the Social Services Committee will be asked to find the £0.4m difference.
11. The increase in Strategic Measures of £4.6m is mainly due to two factors – an increase in capital financing costs due to the expansion of the capital programme (financed by borrowing); and where one off reserves were used to finance the budget in previous years. Full details are shown in Table B in the booklet attached.

Budget Pressures and Recommendations from Committees

12. There are significant budget pressures which need to be considered before setting the final budget for 2001/02. Pressures totalling £10.035m have been identified by service committees, with options for savings of £2.252m to offset them. Details of these pressures and savings are shown in the booklet circulated with this report.
13. In addition to the pressures identified by service committees there are pressures which affect the Council generally. These are included in Annex 1 along with specific recommendations from committees and a report back from the informal member/officer working group's consideration of the ICT Strategy.

Strategic Measures and the Use of Reserves

14. Advice on the appropriate level for balances and therefore the scope to use balances to fund the budget is contained at Annex 2. The advice remains to keep reserves at 1% of net revenue expenditure; this equates to about £4.3m. Assuming that the cost of Asylum Seekers will have to be met from balances in 2000/01, then the year end balances are forecast to fall marginally below this figure, leaving no scope for contributing to the revenue or capital budget. This advice will be reviewed before the Council sets its budget should further information become available.

Capital Programme

15. Planned payments and preparation pool bids exceed the available resources in 2001/02. This is considered in detail in the report on the capital programme elsewhere on the agenda.

The Medium Term Financial Plan

16. The draft Medium Term Financial Plan covers the period 2001/02 to 2003/04 and is based on the parameters established by the Council when setting the budget in February 2000 and approving the Financial Forecast in September 2000. The Council's broad budget strategy, as outlined in February 2000, is to keep Education spending in line with SSA, to increase spending on schools, Cultural Services, and on highways maintenance and road safety, whilst being committed to a steady reduction in the increase in Council Tax over the medium term. The Council has also decided to implement a strategy of reducing spending on Social Services over the three years from 1999/2000 in order to get closer to government spending targets (SSA). The implementation of these reductions will not be fully achieved until 2002/03.
17. The draft Medium Term Financial Plan produces Council Tax increases of 5.4%, 1.5% and 3.9% over the three years and budget requirement increases of 6.3%, 4.6% and 5.7%. The Council needs to consider the draft plan taking into account the pressures identified in this report, the potential for using reserves to offset these pressures or to reduce Council Tax, the potential threat of capping by the Government (see Annex 3) and the possibility of legal challenge to the Council in relation to breaches of statutory duty. The Council may want to consider any amendments to the plans in the light of the information contained in this report, the issues raised in the Strategic Overview and the outcome of the MORI poll reported at Annex 5.

Local Government Finance Consultation

18. The draft settlement was announced on 27 November and details of the settlement along with implications for the Council were circulated to all members by letter dated 6 December 2000. Further information has been circulated to Group Negotiating Teams to assist in the budget setting process and is available to any member who wishes to have it.
19. Consultation data was re-issued on 15 December to take into account a number of changes since the draft settlement. The most significant of these changes is the transfer of the funding of Children Leaving Care from SSA to specific grant being deferred by six months to October 2001. The new data also takes account of the basic credit approvals notified to authorities on 6 December, final Council Tax base figures and other minor SSA amendments. These changes have been incorporated into this report.
20. The Government consulted on two proposals. Under the first proposal a system of floors and ceilings has been used to ensure that no authority with education and social services responsibilities has an increase in external support of less than 3.2% and more than 6.5%. Under the alternative proposal the system for distributing grant is the same as used in 2000/01.
21. Due to favourable data changes, Oxfordshire has fared very well from this settlement, receiving the highest increase in SSA of any County Council. As a result the County is caught by the ceiling proposal. This proposal is the Government's preferred option and as such the draft revenue budget for 2001/02 has been prepared on this basis. If the Government decides not to introduce the floors and ceilings proposal then the Council would receive an additional £1m grant which could be used to fund budget pressures and/or reduce the Council Tax. If the Government decides to keep the floors but not the ceilings then the Council would receive additional grant of about £250,000.
22. The Minister for Local Government agreed to hold face to face meetings with all those authorities that would lose grant if the floors and ceilings proposal was implemented. On 20 December a delegation from Oxfordshire, which included the Leaders of the three main groups, the Acting Chief Executive and the Deputy County Treasurer, met with Local Government Minister Beverley Hughes to voice objections to this proposal. However, the Minister made it clear that the Government are minded to implement the floors and ceilings proposal to mitigate large changes in external support

to local authorities and that Oxfordshire had had a good settlement.

23. The final settlement is expected at the end of January and the details and implications of the settlement will be circulated to members in time for the Council meeting on 13 February 2001.

Budget Flexibility

24. In the Medium Term Financial Plan agreed by Council in February 2000, the Band D Council Tax for 2001/02 was set at £699, an increase of 7.2% on the previous year. If Council decide to stay with this figure then this would give £2.5m flexibility to address budget pressures.

Council Tax Benefit Subsidy Limitation (CTBSL)

25. The Council Tax Benefit Subsidy Limitation scheme for 2001/02 is similar to previous years. The guideline Council Tax for 2001/02 is £624.71.
26. An explanation of the calculation of the guideline is given in Annex 4. If the Council sets a budget of £430.5m for 2001/02, CTBSL of £1.0m will have to be paid. If similar rules apply to the calculation of CTBSL in 2002/03 and 2003/04 amounts of £0.7m and £0.6m respectively will be required.

Comparative Information

27. At the end of October a booklet was circulated to Group Leaders and Group Spokespersons which contained budget and SSA comparisons and of expenditure and SSA per head as well as other relevant information. This should provide useful information to assist members in coming to a decision about the budget.

Outstanding Information

28. Further key information is required before the Council can set its budget:-
- the Flood Defence Levy for 2001/02, expected shortly;
 - information from the Districts on Council Tax bases and collection fund surpluses, which is expected shortly;
 - the final Local Government Finance Settlement, expected at the end of January;
 - the teachers' pay award from April 2001, expected in early February.

Timetable

29. The timetable for the next few weeks is as follows:

30 January	Special Social Services Committee
end January	Local Government Finance Settlement announced
1 February	Special Education Committee
early February	Teachers' pay award announced
13/20 February	Council meeting

Best Value Requirements

30. Technical adjustments will need to be made to the budget to meet the requirements of the Best Value Accounting Code of Practice.

Implications for People Living in Poverty

31. Any reductions in services, particularly those provided by Social Services, are likely to have significant impact on poorer people who rely on the services provided disproportionately.
32. Increases in Council Tax are likely to hit the relatively poor, albeit mitigated by Council Tax Benefit.

Environmental Implications

33. There are no environmental implications arising directly from this report, although the final budget decision will have implications.

Staff Implications

34. Ongoing cuts in Social Services may put pressure on the remaining employees as they try to maintain the level of service provided despite reducing staffing levels. Staffing redundancies may be required in order to achieve the proposed cuts. In addition there will be pressure on staff within Environmental Services as a consequence of the vast increase in the capital programme and the resultant expectations.

Financial Implications

35. There will be significant financial implications for the Authority with whatever budget is agreed by the Council. Not only will this impact on services to the public, but workload pressures on certain staff increase significantly during the process of agreeing a budget and subsequently implementing it. It is expected that these implications will be contained within existing resources.

RECOMMENDATIONS

36. **The Committee are RECOMMENDED to RECOMMEND the Council to agree:**
- (a) **a medium term financial plan for the Council;**
 - (b) **a budget for 2001/02;**
 - (c) **a budget requirement for 2001/02;**
 - (d) **a precept for 2001/02; and**
 - (e) **a Council Tax for Band D Equivalent Properties.**

CHRIS GRAY

County Treasurer

Background papers: Local Authority Finance (England)
Revenue Support Grant for 2001/02 and related matters (the 1st and 2nd draft settlements)
Deputy County Treasurer's letter dated 6 December 2000 (Budget 2001/02 - detailed information on the 1st draft settlement)
County Treasurer's letter dated:
31 October 2000 (Budget and SSA Comparisons with other local authorities)
13 December 2000 (Revenue Support Grant for 2001/02 – 'Ceilings', including a copy of the letter to the DETR making representations on ceilings)
SCT First Survey Results (8 December 2000)
Letter from Hilary Armstrong dated 14 November regarding capping decision for 2000/01

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January 2001

STRATEGY & RESOURCES COMMITTEE – 23 JANUARY 2001

AGENDA ITEM SR10

REVENUE BUDGET AND MEDIUM TERM FINANCIAL PLAN 2001/02 TO 2003/04

ANNEX 1

ISSUES AFFECTING COMMITTEES INCLUDING RECOMMENDATIONS

1. This annex considers the pressures affecting both the programme committees and the Council generally that have not been included within the tables of budget pressures included with the report. It also considers the recommendations from committees.

General Budget Pressures

2. Key Corporate Objectives – There are several challenges facing the Authority. In particular there is an expectation amongst the people of Oxfordshire that the County Council has a responsibility to reduce crime and the fear of crime, protect the environment, tackle social exclusion and nurture economic prosperity. At the same time the Council needs to keep pace with public expectations for 7 day week 24 hour a day services, interactive electronic access to information and advice and provide customer focus that transcends the boundaries between departments and even different agencies. An initial investment of £400,000 was allocated in 2000/01 for the Council's Information and Communications Technology Strategy. Further bids are included in the table of budget pressures.
3. Oxford Prison – The Council has agreed to the development of the Prison site. It is expected that the development will be cost neutral for the Authority. However, the current proposals are dependant upon a substantial amount of grant funding from the South East England Development Agency (SEEDA). The application for funding will not be decided until the end of March or early April.
4. Externalisation of Homes for Older Persons – The Council is approaching the final stages of proposals to externalise Homes for Older Persons. There may be financial costs which will fall on the Council during final negotiations with the preferred bidder.
5. Efficiency Savings – In agreeing the Medium Term Financial Plan in February 2000, the Council gave a target saving for 2001/02 of £1m for efficiency savings etc. Savings of £0.4m have been identified and deducted from various budgets (see Annex 2). Further savings of £0.2m in relation to the Education Committee have had to be excluded because of the policy of Education spending at SSA. Other savings have been identified, either by service committees, or by the corporate centre, or as a consequence of best value reviews. For example savings of £141,000 were generated in 2000/01 on the telephone system. Departments have benefited from just under half of this saving. The balance has been re-invested into ICT development projects. In relation to best value, four reviews completed in 2000/01 are recommending changes which will result in savings of £307,500 in 2001/02 and a further £1.1m in 2002/03. Technically, none of these savings can be logged against the savings target. The Council will have to consider what it should do with the balance of the savings target, ie £0.6m.

Education Committee

6. The Education Committee agreed to consult schools on the draft budget proposals for 2001/02

contained in the report with the caveat that the County Council's intention to fund Education at SSA might be constrained if the Government failed to pay the full RSG due to imposing the 'ceiling' grant and the further information to be provided in respect of Standards Fund allocations. The outcome of this consultation and on the relative priorities for allocating growth funding for 2001/02 will be reported to a special meeting of the Education Committee on 1 February 2001.

In relation to the recommendations to this Committee, the Education Committee agreed the revenue consequences of the City Schools Reorganisation items 4 to 8 and that expenditure should be treated as a charge against the Committee Carry Forward Reserve, to be recovered in 2004/05 and future years from savings in the formula allocation arising from the reorganisation.

The projected revenue costs of the City Schools Reorganisation for 2001/2002 to 2003/2004, as previously reported to the Education and Strategy & Resources Committees, are as follows:

	2001/02	2002/03	2003/04
	£000	£000	£000
1. Brought Forward from 2000/01	517		
2. LEA Central Staff	145	125	55
3. Allowances per Pupil	260	265	115
4. School Based Staff	139	143	62
5. INSET – Displaced Staff	270	220	
6. Initial Schools Set Up	310	475	
7. Partnerships	58	42	
8. Possible PRC			440
Total Revenue	1,699	1,270	672
Total Cumulative Revenue	1,699	2,969	3,641

The costs in respect of items 1, 2 and 3 were agreed as a charge against the Committee Carry Forward Reserve in the first instance, to be recovered in 2004/2005 and future years from savings in formula allocations arising from the reorganisation.

The Education Medium Term Financial Plan approved by Council in February 2000 anticipated some £4.3m available for growth in the 2001/02 budget. As a result of various pressures on the Education budget the available growth has reduced to £1.5m.

The first call on the growth figure of £1.5m is considered to be £1.0m required to access increased Standard Fund allocations. This leaves only £0.5m available to meet other growth pressures identified in the report.

The revenue costs arising from the City Schools Reorganisation between 2000/01 and 2003/04 are recommended to be met from the Education Committee Carry Forward Reserve. It is anticipated that this reserve will be overdrawn at the end of 2000/01 and will require close monitoring to meet the revenue cashflow requirements of the Reorganisation.

Social Services Committee

7. In relation to the recommendations to this Committee, the Social Services Committee:
- (i) resolved to forward their draft budget to this Committee, without endorsing any specific proposal, along with the following comments/observations;
 - that the Committee has successfully borne the brunt of the cuts achieved by this Council in recent years, is on target to deliver cuts of £8.185m by the end of this year,

and yet is still performing creditably against the Government's performance targets;

- that the decisions made to date by the Strategy & Resources Committee in respect of inflation are inconsistent between internal and external provision, may lead to distortion in purchasing patterns and are therefore subject to challenge. Furthermore, the failure to recognise the reality that the conditions in the Oxfordshire employment market cannot be absorbed by the independent and voluntary sector, will lead to new cuts in services to the most vulnerable members of the Oxfordshire community. The Committee therefore strongly recommends the Strategy & Resources Committee to review its policy on inflation, and to treat the £438,300 pressure as an allowed variation to the draft budget;
 - that the achievement of the draft budget is at considerable risk, both to the Council and its clients and community, and at present excludes a series of potential further budget pressures, whilst awaiting further Government guidance;
 - that the draft budget includes a series of reductions in expenditure in line with Government decisions re the transfer of service responsibilities, and that these adjustments are estimated to be £931,000 less than the adjustment to the Social Services Committee's SSA;
 - that in light of the above uncertainties, and to allow a further report on potential savings within services for people with a disability, the Committee will hold a special meeting on 30 January 2001 and provide further advice to Council on its budget following that meeting.
- (ii) agreed to hold a special meeting on 30 January 2001 to allow for further discussions and clarification of those items where further guidance is currently awaited from the Government.

The Social Services Committee have been implementing a three year programme of cuts. Over £8.0m of savings will have been made by the end of 2001/02. Further savings required to meet the Committee's Medium Term Financial Plan are proving difficult to achieve without incurring unacceptable risks to users and breaching statutory duties; and these are reflected in the budget pressures identified in their Draft Revenue Budget and Medium Term Financial Plan for 2001/02 to 2003/04.

Environmental Committee

8. In relation to the recommendations to this Committee, the Environmental Committee:
- (i) approved the draft Medium Term Financial Plan for 2001/02 to 2003/04 and the draft budget for 2001/02 and agreed to submit them to the Council via the Strategy & Resources Committee;
 - (ii) noted the expenditure pressures and savings identified and forwarded the information to this Committee as the Environmental Committee's bids for additional funding;
 - (iii) recommended this Committee to consider allocating £974,000 of the surplus arising on the On Street Parking Account at 31 March 2001 to the Public Transport budget, and to endorse the attainment of the savings target set for this Committee by a reduction in the Public Transport Revenue Support for 2001/02 by an equivalent amount, subject to:

- (a) the Environmental Committee ascertaining the extent of available surpluses in the light of a review of the predicted 2000/01 outturn on the On Street Parking Account at their meeting in March 2001;
- (b) the terms of the District Auditor's determination of the outstanding objection to the 1997/98 accounts not prejudicing the allocation of On Street Parking Account surplus in this way; and
- (c) in the event of On Street Parking Account surplus not being available in the required amount as a result of the operation of (a) or (b) above, any shortfall being made available from balances.

The Environmental Committee draft budget for 2001/02 is some £177,000 below the Medium Term Financial Plan figure agreed in February 2000 mainly due to the reduction in inflation allowances from those that were originally allowed. Expenditure pressures of £2.4m were identified in the report to Environmental Committee of which some £1.6m was regarded as the highest priority pressures to allow continuation of existing service levels in the BVPP, deliver the much larger works programmes and/or meet statutory obligations. These included £0.7m for abnormal inflation on contracts, £0.35m for the National Waste Strategy and £0.3m for the revenue implications of the increased capital programme, and £0.2m for increased tender prices on public transport services.

There is also a pressure to find £1.0m of savings annually from 2002/03. In 2001/02 this has been found by utilising surpluses from the On-Street Parking account to fund Public Transport Support.

Public Protection Committee

9. In relation to the recommendations to this Committee, the Public Protection Committee:
- (i) approved the draft Medium Term Financial Plan for 2001/02 to 2003/04 and the draft budget for 2001/02 for submission to the Council via the Strategy & Resources Committee; and
 - (ii) noted the expenditure pressures and savings identified in the report and forwarded the information to the Strategy & Resources Committee.

The Public Protection Committee draft budget for 2001/02 is broadly in line with the Medium Term Financial Plan approved by Council in February 2000. Net budget pressures in 2001/02 of £86,000 were identified and £114,000 in future years. These mainly reflect the ongoing costs of a Total Care package for Fire Service Protective Clothing, Boots and Helmets plus associated fire fighting apparel, and the costs of new duties and responsibilities arising from new legislation affecting the Trading Standards Service.

Cultural Services Committee

10. In relation to the recommendations to this Committee, the Cultural Services Committee:
- (i) approved the draft Medium Term Financial Plan for 2001/02 to 2003/04, subject to the inclusion of the reinstatement of village hall grants estimated at £50,000 per annum as an additional pressure from 2002/03, and the draft budget for 2001/02 for submission to the Council via the Strategy & Resources Committee;
 - (ii) noted the expenditure pressures and savings identified in the attached booklet and forwarded the information to the Strategy & Resources Committee.

The Cultural Services Committee draft budget for 2001/02 was in line with the Medium Term Financial Plan approved by Council in February 2000.

Net budget pressures were identified totalling some £0.9m. These included the effect of moving towards the draft standard for expenditure on books etc, the replacement and extension to the Computerised Book Issuing System, implementation of the Countryside and Rights of Way Bill and further expenditure to meet the statutory minimum standards identified as Right of Way "Milestones" targets. The full list of pressures is included in Table F in the Revenue Budget and Medium Term Financial Plan Booklet attached to this report.

Operations Sub-Committee

11. In relation to the recommendations to this Committee, the Operations Sub-Committee:
- (i) approved the draft Medium Term Financial Plan for 2001/02 to 2003/04 and the draft budget for 2001/02 for submission to the Council via the Strategy & Resources Committee;
 - (ii) noted the expenditure pressures and savings identified in the attached booklet and forwarded the information to the Strategy & Resources Committee;
 - (iii) informed this Committee that the current level of funding for repairs and maintenance is unacceptably inadequate and unless the budget is restored to a level which allows the minimum necessary programmed maintenance works to be done the frequency and severity of disruptions to services by building and building system failures will increase.

The Operations Sub-Committee draft budget for 2001/02 was £169,000 more than the Medium Term Financial Plan approved by Council in February 2000 largely due to the increased costs of subscriptions and democratic support.

Expenditure pressures totalling £2.5m were identified in 2001/02, including £1m for repair and maintenance of buildings, £0.5m for the costs of political modernisation and a minimum of £0.4m for increasing the new technology fund.

At their last meeting the Committee considered a report "ICT in the next 10 years" which highlighted the need for significant investment in corporate ICT systems and projects, possibly amounting to as much as £1.7m per year over the next five years. An member/officer working group on Strategic ICT was set up to consider the paper further and report back to this Committee.

It has only been possible for that group to meet once, and detailed recommendations on budget requirements are still to be considered. However, the Group is supportive in principle of the new priorities suggested - an integrated corporate Management Information System, and an improved corporate network based on broadband technology.

Further pressure has arisen since the October meeting of the Committee. Consultants have advised that the Council's current web site is not capable of being maintained or developed to meet its objectives. Implementing a new website may require expenditure of the order of £250k.

In consequence there is a potential shortfall of £1.95m in 2001/02. The officer/member working group is in broad agreement that external funding will be needed, particularly in relation to developing a broadband network (which is the most costly project). That project is being given high priority in the current year, partly in order to establish the likely costs and funding options. Nevertheless it will be necessary to adopt one or more of the following approaches:

- review priorities and reduce commitments;
- seek contributions from existing budgets;
- seek external funding.

The Strategic ICT Group will meet later in January to address funding requirements and will report direct to Groups prior to the Council meeting.

STRATEGY & RESOURCES COMMITTEE – 23 JANUARY 2001

AGENDA ITEM SR10

REVENUE BUDGET AND MEDIUM TERM FINANCIAL PLAN 2001/02 TO 2003/04

ANNEX 2

STRATEGIC MEASURES AND USE OF RESERVES

Introduction

1. This annex considers what is currently included in the Medium Term Financial Plan for capital financing, the contingency provision, the savings target and contributions to and from reserves. It also considers whether there are any options for using reserves or balances to assist with the budget in 2001/02.

Capital Financing

2. The County Council has a policy of borrowing the maximum allowed by the Government (via Basic and Supplementary Credit Approvals) to finance the capital programme. The Council also makes provision within the revenue budget for repaying the debt.
3. The Government has announced large increases in the level of credit approvals available to the Authority for 2001/02. If the Authority continues to borrow to the maximum allowed, it is estimated that the additional financing costs arising from this new borrowing would be £0.4m in 2001/02, with a full year effect of £1.3m in 2002/03. These costs have been included in the draft Medium Term Financial Plan. Given the pressures on the revenue budget, members will need to consider whether they wish to continue with the policy of maximising borrowing, bearing in mind that any change to this policy would have consequences for the capital programme.
4. Officers have been successful in reducing the average interest paid by using current market conditions to reschedule debt. A saving of £0.2m is expected in 2001/02, which contributes to the £1m efficiency savings target identified in the Medium Term Financial Plan agreed in February 2000 (see below).

Contingency Provision

5. Provision has been made in the contingency for the potential increase in the Magistrates Courts budget following notification of the latest budget position from Buckinghamshire County Council (the lead authority). The provision in the Medium Term Plan is:

	2001/02	2002/03	2003/04
	£000	£000	£000
Magistrates Courts	48	49	51

The amount of the Magistrates Courts budget is dependent on the final Council Tax base figures and the provision will be reviewed when final notification is received.

Efficiency Savings Target

6. In the Medium Term Financial Plan agreed in February 2000, the Council planned for efficiency savings of £1m from 2001/02 in order to improve services and limit Council Tax increases in future years.
7. At this stage it has only been possible to identify savings of £0.4m for 2001/02 that can be logged against the target – a £0.2m saving in capital financing costs, £0.1m saving in insurance premiums and £0.1m saving on inflation costs. Although other savings have been made (see Annex 1), they cannot be logged against the target and the balance of £0.6m remains outstanding.

Contribution to/from Reserves

8. The Council has used certain reserves to help finance the revenue budget and capital programme in previous years. In some cases these reserves need to be replenished. There is a repayment to reserves of £2.692m in 2001/02, which comprises:

	£000
Repayment of capital resources	1,500
Repayment of reserves	<u>1,192</u>
	2,692

9. The repayment of capital resources is needed to finance the capital programme. If this repayment is not made then the Council will need to cut back on planned capital schemes.
10. The reserves that are to be repaid are the contributions from developers (the interest element) and school balances. These repayments are required if these reserves are to help with the financing of the shortfall on cashflow of the Oxford City Schools Reorganisation.

Use of Revenue Balances

11. Each year consideration is given to the appropriate level for revenue balances taking into account the circumstances at the time. The general level of balances that the Council are advised to retain is 1% of the net revenue expenditure. The District Auditor concurs with the advice that this should be the minimum level. Other factors that need to be considered this year in determining the appropriate level of balances include:
 - costs falling on the Council that may arise from the development of the Oxford Prison site;
 - costs falling on the Council that may arise from the final negotiations with the preferred bidder for the externalisation of Homes for Older Persons.
12. In spite of the additional factors identified above, which could place an extra burden on revenue balances, in the light of the Council's current financial position, planning on revenue balances at 1% or £4.3m is considered appropriate.
13. The Quarterly Financial Report indicates that the projected balance as at 31 March 2001 is £4.6m. However, excluded from this calculation is £0.5m of expenditure in excess of grant to accommodate asylum seekers. It is hoped that these excess costs will not have to be met by the Council, but if they do the balance on the County Fund could potentially reduce to £4.1m. There is therefore no scope to use balances to help with the Council's budget. This advice will be reviewed before the Council sets its budget, should any further information become available.

Other Reserves

14. It is anticipated that the cashflow shortfalls projected for both the capital and revenue elements of the City Schools Reorganisation will have to be met from other reserves. A contribution of £4.9m is needed by 2001/02 to fund the cashflow shortfall for the capital programme (Details are provided within the Capital Programme Report elsewhere on the agenda). It is anticipated that this will be repaid in 2003/04 from capital receipts arising from the sale of other sites. The Education Committee have agreed that the revenue costs of the reorganisation of £1.7m in 2001/02 , £1.3m in 2002/03 and £0.7m in 2003/04, should be treated as a charge to the Education Committee Carry Forward Reserve, to be recovered in 2004/05 and future years from savings in the formula allocation arising from the reorganisation.

15. Because of the significant call on reserves to fund the cashflow shortfall for the City Schools Reorganisation and given that all other reserves are earmarked for specific purposes, there is limited scope, if any, to use reserves to help with the budget.

STRATEGY & RESOURCES COMMITTEE – 23 JANUARY 2001

AGENDA ITEM SR10

REVENUE BUDGET AND MEDIUM TERM FINANCIAL PLAN 2001/02 TO 2003/04

ANNEX 3

LIMITATION OF COUNCIL TAX AND PRECEPTS (CAPPING)

Capping Powers

1. The Secretary of State has wide powers to take action against those authorities he considers have set excessive budgets. They allow the Secretary of State to look back over two or more years when deciding if increases are excessive – but not back beyond 1998/99 – and to determine categories of authority.
2. Under the new powers, the Secretary of State must first decide if the budget requirement is excessive. He will need to determine a set of principles to decide this, which must include a comparison with the budget requirement for the previous year.
3. If the Secretary of State decides that the budget requirement is excessive, he has four options:
 - He may designate an authority in year (i.e. set a maximum amount for the budget requirement for the year in question).
 - He may designate the authority for the following year.
 - He may set a notional budget requirement which is substituted for the actual budget requirement (i.e. a specific amount as opposed to maximum budget requirement)
 - He may designate an authority over a number of years starting in year or the following year (i.e. allowing a phased reduction in the budget over several years).

Experience from 2000/01

4. 2000/01 was the first year of the new capping powers. The principles the Government used in determining whether an authority had set excessive increases were:
 - budget requirement increases over 6% and Council Tax increases over 8% for 2000/01; and
 - two year budget requirement and Council Tax increases of over 12.5% and 20% respectively.
5. Oxfordshire breached all of the thresholds set and was one of three authorities the Government identified as having made excessive increases in 2000/01. However, the Secretary of State decided in November to take no action against any of the three authorities.
6. In the letter regarding the capping decision for 2000/01 the Minister for Local Government has

warned about making large increases in 2001/02:

"In view of the further significant increase in funding which the Government has announced for upper tier authorities for the next three years, we will expect all local authorities to budget responsibly and we intend to take action against any authority which we consider to have set an excessive budget for next year. We find it extremely difficult to accept that any upper tier authority in England needs to increase its Council Tax by 20% over two years. We will be taking into account your large budget and Council Tax increases this year, when we consider your case next year."

Other County Councils Position

7. Whether an authority is designated or not will in the main be determined by their position relative to other authorities.
8. A preliminary survey undertaken by the Society of County Treasurers in early December indicated that other Counties' Council Tax increases would be in the range 4.0% to 12.5% (with 2/3 of those responding projecting increases of less than 7%) and budget increases in the range 2.7% to 8.0% (with over 3/4 projecting increases of less than 6%). As the survey has been undertaken early in the budget process it can only give a broad indication of likely increases. Members will be kept informed of any further information about the budget and Council Tax increases in other authorities as and when it becomes available.

Conclusions

9. It is up to individual authorities to determine whether the budget they set is excessive and likely to be capped. The Government have indicated their intention to take action against any authority they consider to have set an excessive budget for next year and have warned that two-year Council Tax increases over 20% would be considered excessive. In light of this and of information on the Council's position relative to other authorities members will need to decide what increases would be considered acceptable.

STRATEGY & RESOURCES COMMITTEE – 23 JANUARY 2001

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REVENUE BUDGET AND MEDIUM TERM FINANCIAL PLAN 2001/02 TO 2003/04

ANNEX 4

COUNCIL TAX AND COUNCIL TAX BENEFIT SUBSIDY LIMITATION

Council Tax Data

1. In order to set its Council Tax, the County Council needs the following information:
 - (a) **the County Council's budget requirement for 2001/02.** This is the County Council's net expenditure to be financed by the Council Tax, NNDR (Business Rates) and Revenue Support Grant (RSG). This is determined by the Council when it formally sets the budget;
 - (b) **the amount to be received from Business Rates and Revenue Support Grant.** This is determined by Government within the Local Government Finance Settlement. We received provisional figures on 27 November 2000, which were subsequently updated on 15 December 2000. We should receive the final figures at the end of January 2001;
 - (c) **any surpluses/shortfalls on the Council Tax collection funds for earlier years and the estimated position for the current year.** Each District Council must make this calculation and notify the County Council of its share before 31 January 2001. The County Council must take these adjustments into account in setting its precept and the Council Tax figures for 2001/02. These adjustments only affect the Council Tax, not the County Council's budget requirement;
 - (d) **the Council Tax base, expressed in terms of Band D equivalent properties.** Each District Council must formally notify the County Council of the tax base for its area before 31 January 2001. The tax base is determined by adjusting the relevant tax base for estimated losses on collection. The relevant tax base has been used by the Government for distributing RSG.

Council Tax Benefit Subsidy Limitation

2. With effect from 1999/2000 the Government introduced a scheme to limit the amount of council tax benefit subsidy paid to local authorities if they make increases in Council Tax above a guideline set annually by the Government. Where a local authority exceeds the guideline it must make a contribution to the additional benefit costs arising from that increase above the guideline.
3. The guideline for 2001/02 will be:
 - (a) a 4.5% increase in Council Tax; or
 - (b) such higher increase as is necessary to give the council an increase in its budget

requirement equal to its cash SSA increase.

Since the scheme operates cumulatively, the starting point is the 2000/01 Council Tax at guideline or the budget requirement consistent with this figure (as adjusted for service transfers), not the Council Tax or budget requirement set by the authority. A taper is used so that the contribution increases in eighths for each half percentage increase above the guideline. Thus, if the increase in Council Tax exceeds the guideline by up to and including 0.5%, the contribution will be one eighth of the additional benefit cost; if the increase in Council Tax is more than 0.5% but no more than 1.0% above guideline, it will be one quarter of the additional benefit costs; and so on until the cost of the additional benefit has to be met in full.

For Oxfordshire County Council the threshold level above which the Council becomes liable for this subsidy is £624.71. This is a provisional figure, subject to receipt of Council Tax information from the District Councils and the final settlement figures from the Government. The County Council will have to make a contribution to CTBS for any budget requirement it sets where the Council Tax at Band D is more than £624.71. The Council does not have to find the subsidy out of its Budget Requirement for 2001/02. However, the subsidy would increase the Council Tax which the Council has to set for 2001/02. Table 1 below shows the cost of subsidy at various budget levels.

Table 1

Council Tax Benefit Subsidy Limitation Costs at various budget levels

Budget Increase	Budget Requirement	Council Tax Before Subsidy	Contribution To Subsidy	Additional Council Tax	Council Tax After Subsidy	Council Tax Increase
%	£000	£ p	£000	£ p	£ p	%
3.1	417,477	624.71	0	0.00	624.71	-4.2
4.5	423,148	649.99	440	1.96	651.95	0.0
5.0	425,172	659.01	597	2.66	661.68	1.5
5.5	427,197	668.04	754	3.36	671.40	3.0
6.0	429,222	677.07	911	4.06	681.13	4.5
6.5	431,246	686.09	1,068	4.76	690.85	5.9
7.0	433,271	695.12	1,225	5.46	700.58	7.4

Current Budget Requirement	404,926
Current Council Tax	£652.03
Tax Base Estimate	224,317

4. Based on the latest information available and assuming a budget as shown in the booklet the calculation of the Band D Council Tax for 2001/02 is as follows:

<u>Council Tax Calculation 2001/02</u>	£000
County Council Budget Requirement	430,481
Less Revenue Support Grant	-123,212
National Non-Domestic Rates	<u>-152,632</u>
	154,637

Plus Collection Fund Adjustments	-1,500	
Council Tax Income Required	153,137	(P)
Relevant Tax Base (Band D Equivalent Properties)	227,375	
Council Tax Base (Assuming losses on collection)	224,317	(B)
Band D Council Tax	£682.68	(P/B)
Council Tax Benefit Subsidy required (£1.009m)	£4.50	
Inclusive Band D Council Tax	£687.18	

Each £1 million variation in budget will change the Inclusive Band D Council Tax by about £4.80 or 0.7%.

The calculation of the Council Tax for the other bands is shown below in Table 2, along with a comparison with the current year's Council Tax. Table 3 analyses the tax base over each District Council area and allocates the estimated County Council precept to each area relative to their tax base.

Table 2

Council Tax by Property Band for Oxfordshire County Council

Assuming a Band D Council Tax of £687.18, the Council Tax for other bands is as follows:

Property Band	Property Values	Band D Proportion	2000/01 £ p	2001/02 £ p
A	Up to £40,000	6/9	434.69	458.12
B	Over £40,000 and up to £52,000	7/9	507.13	534.47
C	Over £52,000 and up to £68,000	8/9	579.58	610.83
D	Over £68,000 and up to £88,000	9/9	652.03	687.18
E	Over £88,000 and up to £120,000	11/9	796.93	839.89
F	Over £120,000 and up to £160,000	13/9	941.82	992.59
G	Over £160,000 and up to £320,000	15/9	1,086.72	1,145.30
H	Over £320,000	18/9	1,304.06	1,374.36

N.B. The appropriate District/Parish and Police Council Tax will need to be added to give the total Council Tax charge.

Table 3

Allocation of Precept to Districts

The County Council precept (£154.146m) is the sum of the Council Tax income required to fund the

Council's budget (153.137m) and the amount required to fund the Council Tax Benefit Subsidy (1.009m).

District Council	Relevant Tax Base	Assumed Council Tax Base		Assumed Precept Due £000	Payment of Subsidy £000
		Collection Rate %	Number		
Cherwell	47,057	98.65	46,424	31,902	209
Oxford City	43,081	98.65	42,502	29,206	191
South Oxfordshire	54,000	98.65	53,274	36,609	240
Vale of White Horse	45,773	98.65	45,157	31,031	203
West Oxfordshire	37,464	98.65	36,960	25,398	166
	227,375		224,317	154,146	1,009

These figures are for information at this stage. Each District should notify the County Council of its Council Tax Base by 31 January 2001. Any change to the Council Tax bases will affect the Council Tax for the County Council and the precepts due from the Districts. Tables 2 and 3 will be redrawn and presented to Council in February for formal approval. Formal approval is required under the Council Tax legislation for:

- the County Council's precept, allocated to District Councils pro rata to their share of the Council Tax base for the County Council;
- the Council Tax figures for the County Council for a Band D equivalent property and a calculation of the equivalent Council Tax figure for all other Bands.

The information must be given to District Councils by 1 March 2001.

STRATEGY & RESOURCES COMMITTEE – 23 JANUARY 2001

AGENDA ITEM SR10

REVENUE BUDGET AND MEDIUM TERM FINANCIAL PLAN 2001/02 TO 2003/04

ANNEX 5

MORI COUNCIL TAX SURVEY 2001/02

Introduction

1. In December 2000, the Council commissioned Market & Opinion Research International Ltd (MORI) to carry out a telephone survey of a representative sample of 1,000 Oxfordshire residents. The purpose of the survey was to provide evidence to assist members in setting the Council Tax for 2001/2002.
2. MTS (MORI Telephone Surveys) interviewed 1,071 Oxfordshire residents between 13 December 2000 and 3 January 2001. The interviews were carried out using CATI (Computer Assisted Telephone Interviewing) equipment and random digit dialing was employed to ensure that ex-directory numbers were captured in the sample.
3. Quotas were set by area, age, gender and working status to the known profile of the County (1991 census & ONS population estimates) and the data was weighted to area, age, gender and social class.
4. It should be remembered that a sample, not the entire population of Oxfordshire was interviewed. The predicted confidence limit for this survey is +/- 3.0% at the 95% confidence interval.

Perceptions on Council Tax Levels

5. A majority of those respondents who expressed an opinion (excluding those who replied don't know) believe that the average Band D Council Tax level in Oxfordshire is higher than for other English Counties.
6. Overall, 41% of all respondents thought it was higher than average, around one in five respondents thought it was about the average, and only 4% of respondents were able to correctly identify that it is lower than average. (Respondents were subsequently informed that Oxfordshire is just below average, but spending per head is the second lowest of the English counties.)
7. These responses are broadly similar to the findings of the 1999 Residents' Survey.

Q Band D is the middle band for Council Tax for Oxfordshire County Council, the average Band D £652 per year. As far as you are aware, is this higher than the average for other English Counties or is it about the average?

Weighted Base: (1,071)	%
Higher	41
Average	22
Lower	4
Don't know	34

Where percentages do not round to 100% this is due to computer rounding.

2001/02 Council Tax Levels

8. Respondents had read out to them a set of four options concerning next year's Council Tax Levels in Oxfordshire. The most popular option chosen, by 28% of respondents, was an increase of 5% to fund improvements in Education with most services remaining at current levels, but with some cuts in Social Services.
9. Altogether, over a third of respondents (36%) chose an increase of 7% or more. The highest increase offered, a 9% increase, was to fund major improvements in some services.
10. Over four in ten respondents (44%) selected one of the other two options: a 5% increase or a 3% increase. Seven per cent of respondents did not express an opinion, and 13% gave their own preferred option. Of this 13%, 5% of respondents thought that Council Tax levels should remain at the current level.

Q *Early next year, the County Council will need to set its annual budget. I am going to read you four options, which option would you prefer the County Council to choose?*

<i>Weighted Base: All respondents (1,071)</i>	%
Increase Council Tax by 9% to fund major improvements for some services	18
Increase Council Tax by 7% to fund improvements for Education and Highways Maintenance but making some cuts in Social Services	18
Increase Council Tax by 5% to fund improvements in Education, with most services remaining at current levels, but with some cuts in Social Services	28
Increase Council Tax by 3% and make a number of cuts in services	16
Other (broken down below)	13
None / Nothing	1
Don't know	7
<i>Backcoded Other Responses</i>	%
Keep Council Tax the same / no increase	5
Manage money they have already more efficiently	2
Increase Council Tax by 5% with no cuts to Social Services / improvements to Social Services / Care of elderly	
Lower Council Tax / Too high	1
Council Tax should go up with / not go above the rate of inflation	1
Cut costs of Council administration / Red Tape	*
Would need to know what the money is to be spent on / more information required	*
Government should subsidise Councils so less burden falls on Council Tax payers	*
No cuts / more spending on Social Services	*
More than 5 % / large increase with different priorities for spending / depends on how money is spend	1
Other	2

Source: MORI

Where percentages do not round to 100% this is due to computer rounding.

An asterisk (*) denotes a finding or less than 0.5% but greater than 0

Further Information

11. Further information about the survey and outcomes of the statutory customer satisfaction survey carried out in the Autumn, will be made available to members shortly. Analysis by district etc. is possible if requested.

Strategy & Resources Committee – 23 January 2001

AGENDA ITEM SR11

Capital Programme 2000/01 to 2002/03

Report by the County Treasurer and the Director of Environmental Services

Introduction

1. In October 2000 the Committee considered an interim report on the capital programme. Since then the Government has announced the capital settlement for 2001/02, we have received feedback from the Government Office for the South East (GOSE) on our draft capital strategy, and the capital programme booklet attached to this report has been updated, including a revised preparation pool. A detailed expenditure and resources analysis for the City Schools Reorganisation is attached at Annex 1.
2. The report also considers a number of recommendations from service committees and project appraisals, which have been forwarded to this Committee for approval.
3. The impact of all factors affecting the capital programme is considered in the report, and proposals are made for the allocation of resources in accordance with the capital strategy and with regard to the Council's Medium Term Financial Plan.

Background

4. The Council's policy towards the capital programme tends to be based upon the source of financing for each committee. In many cases the source of finance is scheme specific. This tends to be schemes funded by Supplementary Credit Approval (specific borrowing approval) by grants and contributions.
5. The Education and Social Services Committees are allowed to balance their capital programmes within the resources allowed. In the case of Education the non-specific funding for the programme comes from Annual Capital Guidelines (borrowing approval) and capital receipts generated by the committee. The Annual Capital Guidelines could be used for other services. However, the Council is given this funding following a bid to the DFEE and any switch to other services would almost certainly result in a reduction in allocation for future years.
6. The Social Services main source of non-specific funding comes from capital receipts generated by the service. As with Education, the Council's general policy is to allow the committee to use these receipts for alternative schemes.
7. Within the Environmental Committee's transport programme, there has been a switch in recent years from part specific, part non-specific to almost entirely specific. As a consequence, the funding for the transport programme has to be spent on transport related schemes. There has been an issue in recent years about funding fees for developer funded schemes and also fees on schemes within the preparation pool. The Council has funded such fees from general funding available to the programme.
8. The other services are grouped together within the "Environmental Protective and Cultural Services

Block". General funding is available from Annual Capital Guidelines received on a formula basis and from capital receipts, although this can be supplemented by specific funding, particularly within Cultural Services. A decision on which schemes proceed is usually taken on a scheme by scheme basis by this Committee, on the advice of the Capital Programme Steering Group, an officer group representing most departments.

Capital Settlement 2001/02

9. The County Council has received a Basic Credit Approval (BCA) of £10.612m for 2001/02 and a Supplementary Credit Approval (SCA) for Transport of £18.545m. The BCA is calculated from individual Service Annual Capital Guidelines (ACG) as follows:

	£'000
Education	10,450
Social Services	559
Other Services	<u>575</u>
Total Annual Capital Guideline	11,584
Less Receipts Taken into Account	<u>-972</u>
Basic Credit Approval	<u>10.612</u>

10. In addition the Council expects to receive £3.9m in support through SCA as the first contribution towards the City Schools Reorganisation Project. The announcement of this support is expected in March. Support in future years has been promised and is included within the overall financing summary for the City Schools Reorganisation (Annex 1).
11. The overall ACG and BCA figures are significantly higher than those for the current year, this is mainly due to the level of commitments for Education arising from approvals for 1999/2000 and 2000/01. Education have received an overall increase of £2.9m compared to 2000/01. Of this £2.2m relates to an increase in the level of commitment and £0.7m for new bids. The adjustment for Receipts Taken Into Account has increased by over £0.6m due to an increase in the level of capital receipts available to fund the programme.
12. In addition to the increase in BCA, the Council has received a large increase in SCA for Highways of £7.5m (68%) which is ring-fenced for transport. It will be difficult to deliver the Highways programme without a significant increase in resources to plan and implement the programme. The Revenue Budget & Medium Term Financial Plan report elsewhere on this agenda includes a number of budget pressures which need to be addressed to help the situation.

Financial Position

13. The financial summary shows a small surplus in funding the capital programme in 2000/01 (£0.3m) and a deficit of £2.2m in 2001/02 before returning to surplus in 2002/03. However no schemes have been added to the programme to reflect the new annual capital guidelines received for 2001/02, other than a single line added to the Environmental Programme to reflect the Transport Settlement. The Environmental Committee will be proposing a detailed allocation of the settlement in due course, and the analysis will be included in the next capital programme update.
14. The overall financing position and the position for each service block is analysed below:

2000/01	2001/02	After 2001/02	Total
---------	---------	------------------	-------

	£m	£m	£m	£m
Education	1.1	-2.2	8.3	7.2
Transport	1.3	-1.4	-1.9	-2.0
Social Services	-0.9	0.7	3.3	3.1
Environmental, Protective and Cultural Services (EPCS)	-1.2	-0.8	1.4	-0.6
	0.3	-3.7	11.1	7.7
Capitalisation of Revenue	0	1.5	0	1.5
Surplus/Deficit (-)	0.3	-2.2	11.1	9.2

15. The position outlined above is dependant upon generating significant capital receipts. The situation could change, particularly as there is uncertainty over the level and timing of receipts for some of the major disposals.
16. However, the overall financing position for 2000/01 has improved by £1.3m since the last report in October mainly due to an increase in the capital receipts expected to be available to fund the programme.
17. The position for each committee is considered below:

Education Committee

18. The Education Committee has a deficit of £1.1m at the end of 2001/02 and then goes into a surplus of £7.2m by 2003/04. This surplus mainly reflects the new credit approvals received for 2001/02 (£3.2m) and the commitments to further credit approvals of £4.5m in 2002/03 and £1.4m in 2003/04. New schemes have been added in the updated programme together with appropriate financing. The programme includes schemes for which project appraisals have been brought to this Committee for approval (see paragraph 39).
19. The Education Committee can plan on the basis of having a programme balanced with resources available. This allows them to bring forward projects totalling £7.2m for inclusion in the programme after 2001/02.
20. The resources available to the Education Committee have been compiled excluding the City Schools Reorganisation. The Reorganisation is considered at paragraphs 33 to 38 below. The adjustments to funding are:

	2001/02	2002/03	2003/04
	£'000	£'000	£'000
Total Credit Approvals	10,450	5,687	1,358
Less City Schools	-961	-1,373	-412
Less Bayswater/Transfer of ACG	<u>-500</u>		
	8,989	<u>4,314</u>	<u>946</u>

21. In 2001/02 £0.5m of credit approvals are being used to complete a scheme at Bayswater School. This has been added to the City Schools Reorganisation detailed analysis.

Social Services Committee

22. The Social Services Committee is broadly in balance to the end of 2001/02 and then returns to surplus of £3.1m in 2002/03. It is considered unlikely that there will be major capital requirements for Social Services in the short term. The programme currently includes a minor works budget for

2001/02. The provision of supported living accommodation in Oxford has been added to their capital programme financed from capital receipts. The Social Services Committee are allowed to plan on the basis of a programme balanced to their available resources. Technically they can add new projects to the value of £3.1m into their programme after 2001/02.

Environmental Committee

23. The Environmental Committee programme has been updated to include the effect of the new Supplementary Credit Approvals received under the Local Transport Settlement. A single line has been included in the expenditure tables at this stage. The Environmental Committee will expect to allocate this in detail. Included in the settlement is £8.045m for local road maintenance, although this allocation is not ring-fenced. This is an increase of £2.3m on the previous year. The Government have given indicative allocations for the year 2002/03 to 2005/06 within the settlement, with approximately £18m allocation in 2002/03 and £16m in each of the three succeeding years. The settlement excludes any provision for the A40 Bus Lane Scheme for which we will be submitting a bid in the 2002/03 Local Transport Plan.
24. The Environmental Committee shows a deficit of £2.0m which has arisen from approvals given in previous years for fees on developer funded schemes and preparation pool schemes for which no funding is available.
25. The Committee also considered an outline project appraisal for the Northern Area Highways Combined Offices. This scheme will form part of a development in Kidlington including the enlargement of Kidlington Library and relocation of the Social Services Day Centre from the Blenheim Centre. The scheme has been included under Cultural Services in the Capital Programme booklet.

Public Protection Committee

26. There has been one addition to the programme (a Command and Control Computer Training System) funded by a capital receipt from land at Bampton Fire Station.

Cultural Services Committee

27. The Cultural Services Committee approved a project appraisal for the combined Kidlington Library, Social Services Day Centre and Highways Offices. The programme has been updated to include the latest costs for the Oxfordshire Record Office. A proposal was submitted to fund the Library Computerised Book Issuing System and future replacements through the revenue budget. If this proposal is accepted then the schemes for Library Computerisation Phases 1 and 2 can be removed from the preparation pool. Other recommendations to this Committee are dealt with in paragraphs 42 to 48 below.

Operations Sub-Committee

28. The Operations Sub-Committee approved a revised detailed project appraisal for works at Speedwell House and the appraisal has been forwarded to this Committee for approval. The additional costs are expected to be met by higher than anticipated capital receipts.
29. A revised capital programme was also approved by the Sub-Committee, which included a provision for asbestos monitoring work previously done in-house, to be transferred to W S Atkins.

Paradise Street Former Business Units

30. In October 1999 the Committee resolved to recommend Council to agree to the disposal of the Paradise Street site to Berkeley Homes as part of the transaction involving the purchase of Speedwell House. The recommendation was approved by full Council and Berkeley Homes were subsequently granted an option to purchase the site at an agreed price. The agreement allowed Berkeley Homes until the end of October 2000 to decide whether to go ahead with the purchase. They chose not to do so because they had been unable to agree a scheme for redevelopment with the City Council and had been advised by Thames Water that the cost of re-routing a trunk sewer which passes under the site would be unexpectedly high.
31. The capital receipt from the site is required to help fund the cost of purchase of Speedwell House.
32. Berkeley Homes had discussions with St Peter's College who were likely to be the eventual occupiers and owners of a student housing development on the site. The College is still interested in securing the site and wishes to go ahead with the purchase at the price previously agreed. They are aware of the need to re-route the sewer and secure planning consent for redevelopment. The previous advice from Hillier Parker and W S Atkins was that the price was not less than the Council could hope to achieve by an open market sale. That is still the advice. A sale in the current financial year would assist the financing for the capital programme and would avoid further costs in agreeing a scheme for re-routing the sewer, securing planning consent, and marketing the site. It is therefore recommended that the Council be recommended to agree to the disposal of the site other than on the open market at the price previously agreed.

Oxford City Schools Reorganisation

33. A detailed analysis of the projects making up the City Schools reorganisation is included at Annex 1. An analysis of the available funding for the reorganisation is also included. There are funding shortfalls in 2000/01 of £0.9m, 2001/02 of £4.9m, 2002/03 of £10.7m before the cashflow returns to balance in 2003/04 when the remaining capital receipts are released. A report on dealing with the cashflow was considered by the Strategy & Resources Urgency Sub-Committee in September 2000. Since then further investigation of the possibilities to fund the cash flow shortfalls have been undertaken. One possibility, the delay of payment to contractors, has had to be dropped as it is our view that it constitutes a credit arrangement. The main sources proposed for funding the cash flow are the deferral of interest on developer contributions accounts, the use of part of the insurance fund balance, the early receipt from the sale of Milham Ford school site and the use of school reserves. The position in regard to each of these is discussed below.

Interest on Developer Contributions

34. The Council makes an annual contribution in lieu of interest to the developer contribution account to protect the purchasing power of the contributions. In the past this has been deferred to assist with the revenue budget. The Council has budgeted to contribute £1.4m over 2000/01 and 2001/02 to make the final reimbursement. It would be possible to defer this (and possibly future contributions in interest that are due). This could release resources of up to £2.5m by 2001/02. This will ultimately have to be repaid to the developer contributions account.

Insurance Fund

35. The Council has recently had an actuarial valuation of the Insurance Fund. The Council is exposed to a clawback of up to £2.5m based on claims paid under the Municipal Mutual Insurance Scheme of Arrangements. This will only happen if there is a shortfall in the funds available to meet claims against the Municipal Mutual Insurance Company. The money for this clawback is held in the Insurance Fund. The current view is that it is unlikely that this will be required, and it certainly will not be required in the short-term. It is proposed therefore to make £2.5m available to fund the cash

flow on the City Schools Reorganisation. When this sum is repaid the Council can review the position on the Insurance Fund.

Capital Receipts

36. It is proposed to relocate the pupils in Milham Ford School to Oxford School on an accelerated timescale, thus enabling the Milham Ford Site to be sold in 2002/03.

Use of School Reserves

37. The Chief Education Officer has written to schools offering to extend and improve the terms of the schools deposit scheme. This scheme was originally started to help fund a cash flow shortfall in delivering Education Policy Plan reductions in 1998/1999. The provisional indications are that the schools are very interested in participating and further monies will be available to fund the cash flow shortfall.
38. Overall there will be sufficient flexibility from these resources to meet the cashflow shortfall on the City Schools Reorganisation. When capital receipts from the sale of other sites are received in 2003/04 repayment can be made of the funds utilised temporarily to fund the cashflow.

Project Appraisals

39. Standing Orders require this Committee to approve all project appraisals with an inclusive cost of over £500,000. The following appraisals attached to this report have been forwarded to this Committee for consideration:

ED454/1	Marlborough School – Relocation of Ormerod School
ED474/3	Witney Wood Green – Extensions Phase I
ED482/1	Bicester Community College – Phase II
ED485/1	Didcot, Stephen Freeman – Extensions and Refurbishment
ED487/1	Banbury School – Replacement of Wykham Hall
ED488/1	Gosford Hill – Replacement of HORSAs Teaching Accommodation
ED493/1	Chilton School – Replacement of Aluminium and HORSAs Buildings
ED495/1	Marlborough School – Replacement Accommodation
ED490/1*	Wantage CE Infants/Junior – Unification on to one site
H160	Commarket Oxford – Environmental Enhancement
CS3/1	Library Computerised Book Issuing System
OP44/1	Headquarters Offices – Speedwell House

* Project Appraisal ED490/1 contains exempt information as described in Part 1 of Schedule 12A to the Local Government Act 1972 and has not been made public. It should be regarded as strictly confidential by those members and officers entitled to receive it.

40. **The Committee are recommended to approve these appraisals as the funding has been identified.**

Draft Capital Strategy

41. As part of the move towards the introduction of the Single Capital Pot in 2002/03, the Council had to produce a draft capital strategy for submission to GOSE in July 2000. We have recently received feedback on the draft strategy and the next stages of the process are to produce a final capital strategy for the Council, seek approval to the strategy from this Committee and submit the final strategy to GOSE by 31 July 2001. This submission will coincide with the submission of the Council's Asset Management Plans to GOSE. A number of improvements are suggested to the draft strategy. It is proposed that these are referred to the Capital Programme Steering Group for consideration and that the group submit an updated capital strategy to this Committee in April 2001 for approval. This will then form the capital strategy to be submitted to GOSE in July 2001. For information a copy of the letter from GOSE is attached at Annex 2.

Recommendations from Committees

42. The following recommendations from programme committees have been referred to this Committee.

43. The Cultural Services Committee resolved to recommend the Strategy & Resources Committee:

- (a) that Thame Library, the first priority in the Cultural Services Preparation Pool, be treated as an urgent priority for the allocation of credit approvals from the EPCS block;
- (b) *to forgo the £200,000 payment to the Opportunity Purchase fund by Cultural Services for the expansion in due course of the Didcot Library onto the first floor of the current premises;
- (c) to allocate £60,000 for 2001/02 and £120,000 for 2002/03 for minor works to achieve the Annex 2 programme to the Cultural Services Committee report;
- (d) to agree in principle to allow 45% of the EPCS block per year (to Cultural Services) (which would have been £259,000 in 2001/02) dependent on the credit approvals available.

* When the library building at Didcot was constructed the Opportunity Purchase Fund (OPF) was used to pay for the first floor of the premises. The intention was that as the population of Didcot increased and more library space was required Cultural Services would be allocated capital resources to repay the OPF.

Conclusion

44. The Capital Programme has a deficit at the end of 2001/02 of £1.9m. There is normally an amount of slippage in payments on the programme and this is anticipated at about £2.0m. It can be seen therefore that there is no scope to add new projects to the capital programme for 2001/02. This position also takes into account the repayment of £1.5m from revenue, which was used to help fund the budget in 1999/2000.
45. The Education Committee has a surplus of £7.2m by 2003/04 excluding the City Schools Reorganisation. It is proposed that the Education Committee be asked to bring forward new schemes totalling £7.2m for inclusion in the programme and to report back to this Committee on the basis that the £7.2m will be phased, £5.4m in 2002/03 and £1.8m in 2003/04 in accordance with the Council's ability to fund it.
46. In view of the fact that the Opportunity Purchase Fund has not had recent injections of capital, and that there is something of a precedent, it is recommended that the Cultural Services Committee should be allowed to forgo the £200,000 repayment to the Opportunity Purchase fund for the expansion of Didcot Library onto the first floor. This would have no impact on the overall financing position. However the Opportunity Purchase Fund was a particularly useful vehicle in the 1980's and early 1990's and the principle should be revisited when the new capital regulations are in place.
47. It is suggested that the remaining recommendations from Cultural Services Committee be referred to the Capital Programme Steering Group for consideration. It is recommended that the Capital

Programme Steering Group be asked to look at the preparation pool to determine if any projects are urgent enough to be considered for inclusion in the programme and the implications of doing this, and to report back to the April meeting of this Committee.

48. It is proposed that the Capital Programme Steering Group be asked to update the Council's Draft Capital Strategy and bring a revised Strategy to this Committee for approval in April.

Financial Implications

49. The main implications of this report are that the Capital Programme excluding the City Schools Reorganisation shows a deficit of £1.9m by the end of 2001/02. The Council should plan a programme based on £2m slippage in 2001/02. The Council should plan the allocation of the surplus resources as recommended in the report.

Staff & Environmental Implications and Implications for People Living in Poverty

50. There are no implications arising directly from this report, although the implementation of the Transport Settlement will have implications for the revenue budget, and will increase demands on staff in Environmental Services.

RECOMMENDATIONS

51. **The Committee are RECOMMENDED to:**
- (a) **approve the draft Capital Programme and refer it to the Council for approval;**
 - (b) **instruct the Capital Programme Steering Group to revise the draft Capital Strategy taking into consideration the comments made by GOSE and bring the revised Strategy back to this Committee in April for approval;**
 - (c) **allow the Cultural Services Committee to forgo repayment of £200,000 to the Opportunity Purchase fund for the expansion of Didcot Library;**
 - (d) **ask the Education Committee to bring forward schemes totalling £7.2m for inclusion in their programme phased £5.4m in 2002/03 and £1.8m in 2003/04;**
 - (e) **ask the Social Services Committee to consider the surplus of resources on their programme after 2001/02 and whether they wish to utilise these resources;**
 - (f) **approve the project appraisals listed in paragraph 39;**
 - (g) **instruct the Capital Programme Steering Group to consider outstanding recommendations from the Cultural Services Committee and to look at the Preparation Pool and determine if any projects are urgent enough to be considered for inclusion in the programme and the implications of doing this, and to report back to this Committee in April;**
 - (h) **Recommend the Council to agree to the disposal of the site of the former Business Units at Paradise Street to St Peter's College or Berkeley Homes on terms previously agreed.**

CHRIS GRAY
County Treasurer

DAVID YOUNG
Director of Environmental Services

Background Papers: Annual Capital Guidelines from Government Departments
Local Transport Settlement

Contact Officer: Mike Petty Tel No. 01865 815622

9 January 2001

Strategy & Resources Committee – 23 January 2001

AGENDA ITEM SR11

Capital Programme 2000/01 to 2002/03

DETAILED PROJECT APPRAISAL

APPRAISAL NO. ED 495/1

NAME OF SCHEME: Marlborough School – Replacement of Sixth Form and
Temporary Accommodation

COMMITTEE(S): Education Start Year: 000/01

BASIS OF ESTIMATE: Cost Estimate by W S Atkins

1. **DESCRIPTION OF PROJECT**

The Outline Project Submission described a scheme to replace sixth form accommodation at the school currently accommodated within Horsa buildings. The replacement accommodation includes a common-room for 140 pupils, three seminar rooms, tutor/private study room and toilet facilities. The Horsa buildings will be removed at the end of the project.

The Outline Project Submission noted that this scheme would need to be developed alongside the proposed new buildings for the Ormerod Special School at Marlborough which is currently accommodated within an old Premier/temporary building at the school.

It is anticipated that we will hear very shortly from the Department for Education & Employment (DfEE), giving approval for additional funding to progress the Ormerod development from the Premier buildings to an adjacent site at the school (an update will be provided on the current situation at the meeting). It is possible therefore that the Ormerod extension can be approved and built at the same time as the sixth form provision. It is the case however that the top floor of the Premier building is occupied by the Marlborough School and provides accommodation that is essential to the school as it continues to grow. If the Ormerod extension is built concurrently with the sixth form block and replacement accommodation for the school is not, then fire appliance access to the new sixth form block would be compromised by the continued existence of the Premier building and will require significant additional cost to provide an alternative route. In addition, the disposal of the Premier building is likely to be required as part of the planning approval for the new extensions. For these reasons it would be financially and logistically advantageous to build all three phases of the proposal at the same time. By doing so it allows the replacement teaching rooms to be added to the sixth form block rather than a future separate building project. It also means that there will be one building project at the school rather than building work being extended over a number of years.

It is the case that the sixth form buildings must proceed as the funding must be spent by March 2002. If work was to begin on the sixth form block alone then work to the Ormerod and school classrooms would be delayed as it would not be possible to have more than one contractor on site. It is therefore proposed that for the 3 developments to occur concurrently the three phases will be let as a single contract with the third phase for 3 general teaching classrooms being funded from Annual Capital Guidelines for 2001/2002 or from unallocated funds within next years Minor Works Programme, if ACG is not granted. The aim would be to duplicate the school's accommodation currently in the Premier building which includes three classrooms, special needs rooms and two staff offices.

2. JUSTIFICATION AND ASSESSMENT OF NEED

The Horsa accommodation at the school is totally inappropriate for delivering modern secondary school curriculum. With further possible growth within the area it is important to ensure modern sixth form provision at the school. The replacement of these Horsa buildings was a high priority within our New Deal for Schools (4) bid. The Premier building was meant to be a temporary structure for which only temporary planning permission exists. Access to the upper storey is by an external metal staircase. The building is a poor area for delivery of the curriculum and has a non-delegated assessed need for repairs and maintenance of £5,000 and £32,000 delegated assessed need. The sixth form Horsa building has estimated repair and maintenance liabilities of £10,000 delegated responsibility and £85,000 non-delegated.

3. OTHER OPTIONS

The other option is that the buildings remain, however, funding has been allocated specifically to develop the sixth form project. To remain in the Premier building would present access problems in the future and only temporary planning permission is in place.

4. FINANCIAL IMPLICATIONS

(i) Capital

Funding of £364,840 has been secured through New Deal for Schools (4) for the sixth form accommodation inclusive of fees. The further classroom extension will cost £550,000 inclusive of fees. In the first instance the funding for the project can be found from unallocated funds within next years Minor Works Programme as identified in the Capital Programme.

(ii) Revenue

Revenue costs including day to day and structural repairs will be met from the school's delegated budget under the Council's Fair Funding arrangements.

5. STAFF IMPLICATIONS

There are none arising directly from this report.

6. ENVIRONMENTAL IMPLICATIONS

This scheme will enhance the overall site of the school.

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County Treasurer

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November 2000

Strategy & Resources Committee – 23 January 2001

AGENDA ITEM SR11

Capital Programme 2000/01 to 2002/03

REVISED DETAILED PROJECT APPRAISAL

APPRAISAL NO. ED474/3

NAME OF SCHEME: Witney, Wood green – Extensions Phase I

COMMITTEE(S): Education

Start Year: 2000/01

BASIS OF ESTIMATE: W S Atkins estimate based on Agreed Sketch Scheme

1. **DESCRIPTION OF PROJECT**

Appraisal ED 474/2 outlined the project to build a 15 class extension and music room as Phase I of developments at Wood Green School in the light of its significant growth.

The funding available is £1.7m. exclusive of fees.

The tender has now been received for the 15 class extension and music room at £1.333m exclusive of fees.

Part of the agreed scheme requires the remodelling of the access and parking arrangements at the school to provide builders access to the new building block.

It is now possible to include part of Phase II of the developments agreed with the school which was for the need to develop a drama studio. This is within the area of the contractors site compound. Given the competitive tender received, it would be cost effective to proceed with the drama studio as an addition to the contract. A provisional sum of £222,000 has been included within the proposed contract value to carry out this work.

In addition a sum of £60,000 has been allowed for refurbishment of food technology. This sum had been allocated from the Health and Safety budget as the food technology area is deemed to be dangerous as a health and safety hazard but tenders had been very high and so it is proposed to see if a lower tender can be obtained for this work from the contractor while he is on site. It is intended that the work will be funded from this budget.

2. **JUSTIFICATION AND ASSESSMENT OF NEED**

Wood Green School is growing rapidly and is forecast to exceed 1,300 pupils. The school has no specialist drama facilities and it has been envisaged as part of the development plan that a purpose built drama facility be provided at the school.

3. **OTHER OPTIONS**

The only other option is that the school continues to use classrooms for drama and to delay this project to a second Phase of work when it is likely to be more expensive.

4. FINANCIAL IMPLICATIONS

(i) Capital

The total cost and phasing would remain as in the Detailed Project Appraisal with the majority of the funding coming from capital receipts and developer contributions.

5. STAFF IMPLICATIONS

There are none.

6. ENVIRONMENTAL IMPLICATIONS

There are none.

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September 2000

Strategy & Resources Committee – 23 January 2001

AGENDA ITEM SR11

Capital Programme 2000/01 to 2002/03

DETAILED PROJECT APPRAISAL

APPRAISAL NO. ED482/1

NAME OF SCHEME: Bicester Community College – Phase II

COMMITTEE(S): Education Start Year: 2000/01

BASIS OF ESTIMATE: W S Atkins Estimate Based On Current Sketch Scheme

1. **DESCRIPTION OF PROJECT**

This project will replace the last of the aluminium buildings at the school which currently house art and music. Funding for this is provided through New Deal for Schools (4). Additional accommodation will be provided to cater for growth in pupil numbers. Included is the provision of three science labs, eight mathematics rooms, four art rooms and a music room with associated services. This will involve the extension of the current science area and two new teaching blocks providing a remodelling of the school to provide security to the central area of the school.

2. **JUSTIFICATION AND ASSESSMENT OF NEED**

This remains unaltered from the previous appraisal. There is significant rise in the pupil number forecast. This phase of work will also rid the school of its last aluminium buildings which were in a very poor state of repair and has provided an inappropriate teaching environment. The replacement of these buildings formed the highest priority in the successful bid for New Deal for Schools funding.

3. **OTHER OPTIONS**

The school currently has a large number of temporary classrooms partly as a result of a fire at the school which has led to the rebuilding of the 22 classroom block which has recently been opened. The temporary classrooms will still be needed during Phase II construction, however planning consent is unlikely to be given beyond the construction period.

4. **FINANCIAL IMPLICATIONS**

(i) **Capital**

The project is being supported through NDS(4) funding of £764,624 including fees for the replacement of the aluminium buildings. The balance of £1.236m is made available through Annual Capital Guidelines (ACG) allocations.

(ii) **Revenue**

Revenue costs including day to day and structural repairs will be met from the school's delegated budget under the Council's Fair Funding arrangements.

5. STAFF IMPLICATIONS

There are no staffing implications arising from this appraisal.

6. ENVIRONMENTAL IMPLICATIONS

Phase II work will make a significant contribution to improving the environment of the school.

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November 2000

Strategy & Resources Committee – 23 January 2001

AGENDA ITEM SR11

Capital Programme 2000/01 to 2002/03

DETAILED PROJECT APPRAISAL

APPRAISAL NO. ED487/1

NAME OF SCHEME: Banbury School, Replacement of Wykham Hall

COMMITTEE(S): Education Start Year 2000/01

BASIS OF ESTIMATE: W S Atkins estimate based on current sketch scheme

1. **DESCRIPTION OF PROJECT**

The scheme as shown on the attached diagram consists of the replacement of aluminium buildings at the school. These were identified as the highest priority for placement in the Authority's bid for New Deal for Schools (4) funding. Wykham Hall provides for technology, science, drama and dance facilities for the school. The proposed scheme comprises 3 new blocks which includes 6 technology workshops, 2 technology/I.T. spaces, drama and dance studio and 4 new science laboratories. The scheme now provides 4 new science labs rather than the 3 in the outline project appraisal as a result of discussions with the school and the science adviser. The cost for this can be met by reducing circulation space and the number of prep-rooms, which is possible due to the layout of the existing buildings.

2. **JUSTIFICATION AND ASSESSMENT OF NEED**

The project will enhance the school providing modern facilities replacing substandard accommodation at the school. The aluminium buildings at the school are now very old, suffer from extremes of temperature and should be evacuated in high winds. These modern facilities will clearly improve standards at the school.

3. **OTHER OPTIONS**

This project will be funded from New Deal for Schools (4) funding. The money has been allocated for this specific project.

4. **FINANCIAL IMPLICATIONS**

(i) **Capital**

Funding for this project is being made available through the New Deal for Schools (4) to the total value of £2,537,394 including fees.

(ii) **Revenue**

The revenue costs including day to day structure and repairs will be made available from the school's delegated budget under the Council's Fair Funding arrangements.

5. STAFF IMPLICATIONS

There are none arising directly from this report.

6. ENVIRONMENTAL IMPLICATIONS

These works will make a significant contribution to improving the overall environment of the school.

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November 2000

Strategy & Resources Committee – 23 January 2001

AGENDA ITEM SR11

Capital Programme 2000/01 to 2002/03

DETAILED PROJECT APPRAISAL

APPRAISAL NO. ED488/1

NAME OF SCHEME: Gosford Hill - Replacement of
horsa teaching accommodation

COMMITTEE(S): Education Start Year: 2000/01

BASIS OF ESTIMATE: Estimate based on cost of sketch scheme

1. **DESCRIPTION OF PROJECT**

This project includes the construction of a 6 classroom block to replace Horsa teaching accommodation. The agreed replacement building will be joined to the existing main block of the school and provides the opportunity to bring some of the different faculties within the school together. The scheme has been enhanced by Seed Challenge funding which enables one of the new teaching rooms to provide I.T. facilities.

2. **JUSTIFICATION AND ASSESSMENT OF NEED**

This remains unchanged. This Horsa teaching block is typical of many and is identified as part of an exceptional basic need for which New Deal for Schools funding has been secured. The poor teaching environment impose additional strain on teaching staff leading to poor morale and reports of ill health. These particular buildings provided no secure storage for technical equipment and no dry storage for teaching materials. The replacement buildings will provide purpose built accommodation to enable the school to deliver the curriculum more effectively and be 100% accessible for users with special needs and thus assist in raising standards in the school.

3. **OTHER OPTIONS**

This project will be funded mainly from New Deal for Schools (4) funding. This money has been allocated for this specific project.

4. **FINANCIAL IMPLICATIONS**

(i) **Capital**

Funding has been provided from New Deal for Schools (4) funds with an allocation of £591,304 including fees. In addition to this there is a contribution through Seed Challenge funding of £21,000. Leading to a total cost for the scheme of £612,304 including fees.

(ii) **Revenue**

The revenue costs including day to day structural repairs would be met from the School's

delegated budget under the Council's Fair Funding arrangement. It is anticipated that the new building would provide revenue savings for the school.

5. STAFF IMPLICATIONS

There are none arising directly from this report.

6. ENVIRONMENTAL IMPLICATIONS

The scheme will improve the overall environment and working conditions within the school.

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November 2000

Strategy & Resources Committee – 23 January 2001

AGENDA ITEM SR11

Capital Programme 2000/01 to 2002/03

DETAILED PROJECT APPRAISAL

APPRAISAL NO. ED493/1

NAME OF SCHEME: Chilton School

COMMITTEE(S): Education Start Year: 2000/01

BASIS OF ESTIMATE: Cost estimate based on planning application scheme by W S Atkins

1. **DESCRIPTION OF PROJECT**

The outline project appraisal reported the successful bid for funding under the New Deal for Schools (4) whereby an allocation of £1.624m has been received to replace the aluminium and Horsa buildings at Chilton School. This will require the demolition and replacement of all the existing buildings.

Funding has also been provided from Section 106 Agreement based on the development of 275 new houses close to the school site. This will enable the school to become an 8 class school with nursery provision to replace the current school. This will enable the school to cope with the growth from new housing. A plan of the current layout is provided.

An area has been identified which would allow for a further 2 class extension.

Within the Section 106 Agreement there is a requirement to provide community facilities within the new housing developments. Discussions will be taking place to see whether funding can be made available for these community facilities to be built onto the school if this is deemed appropriate.

The Government has determined that the NDS funding should be spent by March 2002 which makes programming and delivery of the scheme very difficult. It is proposed to accelerate the procurement process by using a two stage tendering procedure to obviate the tight programme deadlines.

2. **JUSTIFICATION AND ASSESSMENT OF NEED**

High priority was given by the Education Management Sub-Committee for the replacement of aluminium and Horsa buildings which were intended to have a limited life span when erected in 1950 and are now in such poor condition that they will provide problems in high winds. Despite having a large hall the school is lacking other modern facilities and does require modernisation in order to provide appropriate education to a growing community.

3. **OTHER OPTIONS**

4. **FINANCIAL IMPLICATIONS**

(i) Capital

The scheme can be funded from New Deal for Schools (4) funding - £1.624m plus £370,000 developer funding. The developer contribution is higher than reported in the outline project appraisal and reflects the developer's contribution at March 2000 values.

(ii) Revenue

The revenue costs including day to day and structural repairs will be met from the school's delegated budget under the Council's Fair Funding arrangements.

5. STAFF IMPLICATIONS

None from this report.

6. ENVIRONMENTAL IMPLICATIONS

The outline project appraisal to Members explained that the United Kingdom Atomic Energy Authority would be restoring land adjacent to Chilton School to a safe and clean condition from July 2000. This clean-up operation will take place under controlled conditions and is not considered to be a risk to the school. However, precautionary measures and emergency procedures have been agreed with the school and these will be reviewed in the light of the work that contractors will be doing in pursuing the building works.

GRAHAM BADMAN
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November 2000

Strategy & Resources Committee – 23 January 2001

AGENDA ITEM SR11

Capital Programme 2000/01 to 2002/03

DETAILED PROJECT APPRAISAL

APPRAISAL NO. H160

NAME OF SCHEME: Cornmarket, Oxford: Environmental Enhancement

COMMITTEE: Environmental **PROPOSED START YEAR:** 2001/2002

BASIS OF COSTS: Outline design

1. DESCRIPTION OF PROPOSAL

The scheme comprises the environmental enhancement of the pedestrianised Cornmarket Street in line with the Oxford Transport Strategy (OTS) and the City Council's Public Realm Strategy (PRS) (which recommends high quality natural materials and workmanship, widened footways, new street furniture and flush kerbs.) The scheme would provide a high quality, attractive environment, and would allow for unimpeded pedestrian flow within an uncluttered environment, as well as providing for necessary access for goods deliveries.

2. NEED FOR THE PROJECT

Cornmarket Street is the subject of access restrictions introduced in June 1999 which removed all traffic (including buses) at all times except for loading between hours of 8pm and 10am. Since the introduction of the restrictions Cornmarket Street has become very popular with shoppers and tourists. However, the physical appearance of the street remains as it was prior to introduction of the access restrictions and does not provide the atmosphere that pedestrianisation was intended to create. This scheme will address this shortcoming.

3. CONSISTENCY WITH SERVICE STRATEGY

The improvement of the environment in the city centre is one of the key objectives of OTS. The scheme also complies with Structure Plan T1 and T3, and with Local Transport Plan objectives 10.1, 10.2, 10.3, 27.1, 28.1, 28.3 and 28.6-8.

4. ANALYSIS OF ALL REALISTIC OPTIONS

Three possible options have been identified:

- Do nothing – This would result in OTS, Structure Plan and Local Transport Plan objectives not being met and Cornmarket continuing to suffer a degraded environment.
- Basic highway scheme – This would provide a basic improvement with standard materials at a cost to the County Council of £400,000, but would not achieve a substantial environmental enhancement.
- Full PRS scheme – with substantial financial contributions from the City Council and the County Council's costs as per the basic scheme, this would achieve a "quality environmental enhancement" in line with the principles of the PRS outlined above.

5. JUSTIFICATION OF THE PREFERRED OPTION

The City Council has agreed to make a significant contribution to achieve PRS standards and it is therefore proposed to develop a full PRS scheme for implementation, with details to be developed subject to public consultation.

6. IDENTIFICATION OF FUNDING

The estimated £400,000 cost of the County Council element of the scheme would be defrayed from uncommitted 2000/01 Supplementary Credit Approval.

The City Council have formally agreed contribution of £1,855,000 to bring the scheme up to PRS standards.

7. FINANCIAL AND STAFF IMPLICATIONS

The scheme costs will be met as outlined in Section 6 above. The cost includes urban design consultants' fees as well as construction.

The inclusion of this scheme within the OTS programme will impose additional resource pressures on staff in the Major Projects Group. The City Council has offered to loan an officer to the County Council to assist with the delivery of the scheme.

8. ENVIRONMENTAL IMPLICATIONS

The proposed environmental enhancement of Cornmarket to the City Council's Public Realm Strategy standards will make a major contribution to the visual amenity of the city centre and provide a safer and more attractive environment for pedestrians.

9. RESOURCE APPRAISAL

This is attached.

C J Gray
County Treasurer

David Young
Director Environmental Services

Contact Officer: Darius Seroczynski (01865) 815629)0

December, 2000

Strategy & Resources Committee – 23 January 2001

AGENDA ITEM SR11

Capital Programme 2000/01 to 2002/03

DETAILED PROJECT APPRAISAL

APPRAISAL NO. CS3/1

NAME OF SCHEME: Library Computerised Book Issuing System

COMMITTEE: Cultural Services Start Year: 2001/2002

BASIS OF ESTIMATE: Latest market estimates

1. Description of project

To replace the existing obsolete and underdeveloped library computerised book issuing system (Genesis) at the end of its operational life in the thirteen largest libraries and to extend the new system to the residual 30 branch and 7 mobile libraries not on the network. The purchase of new software and supporting systems will enable the delivery of effective library services according to current and developing national and local agendas. The project will provide a fully interactive Web enabled service, self-service facilities within libraries themselves, and support for e-commerce initiatives. Extension of the new system to all libraries will facilitate integrated service delivery and stock management, and will allow the Library Service to take full advantage of the broadband networking initiative if the latter is agreed.

2. Confirmation of Need for Project

The current library system was installed in 1994 and is now over six years old. The software has not been significantly developed since by the suppliers, and the system is not capable of making use of the rapidly evolving information and electronic environment. Future development strategies for the system are at present uncertain, and there are threats to the long-term market survival of the system.

Limitations in the software impact adversely on operational efficiency. Provisions for the support and maintenance of the current system exist until 2004. It is judged that, even if it is still possible to secure support after that time, support costs will increase significantly (for which there is no budget available).

There is an urgent need for library systems and networks to be able to integrate with other County Council systems and services to help deliver the People's Network and Modernising Government agendas. In particular it is essential that the library system is able to deliver customer self-service over the Internet, especially access to the library catalogue. This is still not possible using the current system, but is available from all other leading modern systems. The only public access to the library catalogue in the 43 libraries in Oxfordshire currently is by the use of microfiche.

In comparison with other Library Authorities Oxfordshire has a very low investment in ICT in its libraries. Only 13 of its 43 static and 7 mobile libraries are computerised (26% of the total). Only 5 English library authorities (out of a total of 80) have a lower proportion of computerised sites. The average for shire counties is 62% of sites. (Source: CIPFA 1998/99). It is believed that Oxfordshire has fallen further behind since these figures were last collected. The linking of all libraries through a

shared computer system will enable the Library Service to offer enhanced levels of service in many ways. It will improve the efficiency of its reservation system, avoid the need for readers who use more than one library to join separately at computerised and manual libraries and enable telephone renewals to be made at any library. The management and exploitation of the bookstock and other library materials will be improved. It will be possible to collect and exploit management information and statistics in an effective way, including the monitoring of statutory Best Value performance indicators.

3. Objective met with Council policy

The County Council accepted and endorsed a corporate ICT strategy in 1999. This project is included in the Strategy Action Plan. It will facilitate the delivery of effective library services in an electronic environment, and a wider integration of library and other County Council services in a seamless fashion.

4. Other reasonable options

To reduce the scheme's scope to one that only replaces the existing system and infrastructure. This would provide operational stability in those libraries on the system, provide Web access to the Catalogue and some other self service facilities. However, the extension of the computerised system to all libraries will be precluded again. The department's ability to deliver a coherent, consistent and inclusive library service to all locations will remain constrained. In addition full advantage of the investment in networking through the People's Network will not be achieved.

There are no other viable options apparent.

5. Preferred Option

The preferred option is the procurement of a replacement system and software with one that is already proven in the market place, and the extension of the system to all sites once the People's Network is implemented.

A number of possible funding models have been explored for this option. The conventional approach to fund such a scheme has been via the Capital Programme, and this project has been in the preparation pool for Cultural Services for some time. However, with the current shortfall on the capital programme anticipated to be in the region of £5.2million in 2001/2002 it is judged that to be realistic the recommended preferred solution for this priority project is revenue funding.

There are a number of distinct advantages in this solution. As payments will be made year on year for software and equipment rather than through rental, leasing or similar deferred payment schemes, the constraints of the Capital Finance Regulations do not apply. Also there is no additional pressure on the Capital Programme. Inherent within the scheme are proposals to establish a budget for the replacement of the equipment and software. This will enable the department to plan for all future system and equipment replacement without having to rely on periodic bids to the capital programme. In turn this will lead to long term sustainability, and the department's ability to rely upon its core systems. This approach will enable the Library Service to better work in partnership with the systems supplier in the future, and will improve development opportunities.

The revenue costs of this approach are included in budgetary pressures for consideration in the Medium Term Financial Plan. In the first three years these are £209,000 (2001/2), £232,000 (2002/3) and £273,000 (2003/4). In future years these costs are anticipated to be £283,000 (2004/5), £291,000 (2005/6), and falling to £136,000 p.a. thereafter.

The alternative is to fund the scheme from the capital programme at a total capital cost estimated

to be £1,090,000 (which produces with debt repayment a total charge of £1,333,000). The annual revenue consequences of this approach would be £11,000 (2002/3), £7,000 (2004/5), £51,000 (2005/6) and £81,000 per year thereafter. (A credit of £1000 is expected in 2003/4). The combined seven year lifecycle capital, debt and revenue cost of this option is therefore £1,563,000. Future replacement of the core system and software will remain unfunded by this approach, and provision of an estimated £275,000 would be required in 2008/9 for this purpose.

The seven year cost for the preferred revenue option is estimated to be £1,560,000 (£3,000 less than capital). This compares particularly favourably with the above conventional capital programme approach as it encapsulates all future equipment and system renewal.

6. Timing/Phasing

It is anticipated that the first stage of the project (the replacement of the core system) will take some 18 months to complete from initiating tender procedures to full installation and commissioning. As the replacement of the system is an urgent need the earliest possible start date is envisaged with the bulk of the work being done over the 2001/2002 financial year, and with some residual work being carried out the year after.

The extension of the system to all remaining sites is anticipated to take three years over the period 2003/4 to 2005/6. *It needs to be noted that this stage can only take place provided the corporate broadband project has delivered connectivity to all the relevant libraries.*

7. Financial/Staff Implications

These are based on indicative cost forecasts provided by a number of current leading system suppliers.

8. Land

Not applicable.

9. Environmental Implications

Reductions in the need to visit libraries in person for certain services. Reductions in the need to travel to other Council Offices as a result of access to services and information through libraries.

RICHARD MUNRO
Director of Cultural Services

CHRIS GRAY
County Treasurer

HELEN HUGHES
Head of Corporate ICT

Strategy & Resources Committee – 23 January 2001

AGENDA ITEM SR11

Capital Programme 2000/01 to 2002/03

REVISED DETAILED PROJECT APPRAISAL

APPRAISAL NO. OP44/1

NAME OF SCHEME: Headquarters Offices

COMMITTEE(S): Operations Sub - Committee Start Year: 1999/2000

BASIS OF ESTIMATE: Purchase Price for freehold interest in Speedwell House and estimated cost of refurbishment/extension.

1. **DESCRIPTION OF PROJECT**

The project is as described in the original project appraisal i.e. the purchase and refurbishment of Speedwell House and provision of accommodation to replace the County Hall Pratten Building, but with the addition of the construction of additional accommodation on the ground floor of Speedwell House below one wing of the building which currently has a bicycle cage, five unused car park spaces at surface level and offices above. The car park spaces were taken out of use as a condition of the planning consent granted by the City Council for use of part of the building for students accommodation when the County Council gave up that part of the building in 1992.

2. **JUSTIFICATION AND ASSESSMENT OF NEED**

The justification and assessment of need are largely as described in the original appraisal. It is now proposed that the opportunity should be taken to provide additional accommodation by making full use of the potential ground floor area of Speedwell House. The most likely use for the additional space is for the relocation of the Emergency Planning Unit from the Pratten Building. All of the existing occupiers of the building will need to be relocated by the end of April 2001 to enable the redevelopment of the Castle site to go ahead. Alternative accommodation has been identified for most of the occupiers. Initially the Emergency Planning Unit will be relocated to basement accommodation at Woodeaton Manor. That is not suitable for long term use and it would be expensive and poor value for money to bring it up to suitable standard. There is a strong case for the EPU Emergency Operations Centre to be located within the Council's headquarters offices.

There are likely to be changes in the requirement for headquarters offices in the near future, in particular from Political Modernisation and the introduction of new workstyles. In the medium to longer term it is possible that the overall need will reduce, but in the shorter term there may be pressure for additional space to facilitate Political Modernisation. It is intended that there will be a full review of future office needs as the requirements from Modernisation and the possible consequences of different workstyles become clear. Provision of the additional accommodation at Speedwell House would provide the Council with additional space within its headquarters complex in a freehold building. This should give greater flexibility to meet the Council's needs, and would add to the value of the building should it become surplus in the future.

Following the review of future needs there would need to be a decision as to whether the Emergency Planning Unit occupies the additional space at Speedwell House or whether that space should be used for other corporate needs, in which case alternative accommodation would be provided for EPU. If the space is used for EPU then the Emergency Operations Room would provide a useful

meeting/training facility when not in use for emergency operations. At present it is necessary to hire facilities for many training purposes and there should therefore be a saving in revenue costs.

3. OTHER OPTIONS

Other options considered for relocation of the Emergency Planning Unit have been:

Leased accommodation at Elsfield Way and Marston Road
Basement of County Hall
Former Coroners Court and Mortuary at Floyds Row
Transportable building at Grandpont Car Park
Underused accommodation at school sites

The leased accommodation did not meet the brief and/or has been withdrawn by the landlords. There was inadequate accommodation available in the basement. The space vacated by Archives has been allocated to Trading Standards (to release space at Hollybush Lodge which has since been sold), UNISON (to be relocated from the Pratten Building), the Records Management Unit, and the Detached Youth Work Project (relocated from the Pratten Building).

The former Coroner's Court at Floyds Row has been provisionally made available for OCVA to be relocated from the Pratten Building. Although the OCVA application for lottery funding has been unsuccessful, an application is now being made to the Home Office for funding under the capital improvement grant programme. There would be substantial costs in acquiring the former mortuary from the City Council and converting the buildings for use for EPU.

A transportable building at Grandpont would not be good value for money and there would be planning and site difficulties. None of the school space would be suitable or available other than in the very short term.

4. FINANCIAL IMPLICATIONS

The total capital cost is now estimated at £4,157,000 inclusive of fees which is an increase of £672,000 on the figure stated in the original project appraisal. It is proposed that the additional cost be funded from higher than expected capital receipts from the sale of properties formerly held by the Operations Sub-Committee: for example Crabtree Farm, Kingston Bagpuize and Hollybush Lodge.

The capital receipt funding identified in the original project appraisal is related to the sale of the site of the Paradise Street Business Units. As part of the transaction for the purchase of the freehold interest in Speedwell House, Berkeley Homes were given an option to purchase that site. They did not exercise the option within the time allowed and it is now intended that the site be offered for sale on the open market. It appears that the development potential for the site will be affected by a trunk sewer which passes through it. The implications of that and the possibilities for future development are currently being investigated. If the capital receipt from the site is lower than was originally estimated the shortfall will again be made up from the higher than expected receipts from the other sites formerly held by the Sub-Committee mentioned above and, if necessary, from a surplus on the budget for the former Prison site and the Minor Works budget.

The revenue costs for the additional accommodation at Speedwell House will be lower than for the Pratten Building or any of the alterations considered for EPU. There will be no rent and low energy and maintenance costs.

5. STAFF IMPLICATIONS

As part of the refurbishment of Speedwell House it is intended that the Social Services staff currently

in that building will move to County Hall and that the Environmental Services staff at County Hall will move to Speedwell House. An Environmental Services staff Consultative Group has been established to be involved in the plans for the refurbishment and arrangements for the works to be done

6. ENVIRONMENTAL IMPLICATIONS

A planning consent already exists for the provision of the additional ground floor accommodation at Speedwell House. That consent was secured by Berkeley Homes for use of the space for student accommodation. A further consent will be needed for provision of the accommodation for offices. The new building will need to be in keeping with the style of the remainder of the building. The five car park spaces which are currently unused will be permanently taken out of use. There will also be a need to relocate existing cycle parking.

PAUL GERRISH
Deputy County Treasurer

DAVID YOUNG
Director of Environmental Services

Contact Officer: Neil Monaghan, Assistant Director, Environmental Services
Tel: 01865 815712

3 January 2000

Strategy & Resources Committee – 23 January 2001

AGENDA ITEM SR11

Capital Programme 2000/01 to 2002/03

DETAILED PROJECT APPRAISAL

APPRAISAL NO. ED485/1

NAME OF SCHEME: Stephen Freeman, Didcot – Extensions and Refurbishment
of Former Infant School

COMMITTEE(S): Education Start Year: 2000/01

BASIS OF ESTIMATE: Current W S Atkins cost estimate

1. **DESCRIPTION OF PROJECT**

This project has been brought forward from the Preparation Pool of the Capital Programme and is primarily to refurbish the former Infant School currently being used to provide storage facilities for the Oxfordshire Archives. The proposal brings back into suitable accommodation as a learning resource for the school the archive area now that this has been relocated to Oxford. The scheme also provides for early years provision as part of the scheme and Statutory Notices have been published to change the age range of the school to 3-11. The work will also include new internal circulation routes and I.T. space and additional classroom for reception adjacent to the nursery creating a foundation stage environment.

The scheme will also remove an old condemned building for which a successful bid was made under New Deal for Schools (4). The aim will therefore be to provide a 14 class school for 420 pupils plus 26 pupil nursery.

The Outline Project Submission explained the opportunity to construct a new extension link between the Junior and Infant buildings, a new staff room and a more secure welcoming reception area for visitors including remodelling of internal areas within the Junior School block. Within the funding available it may not be possible to carry out all of these additional works.

2. **JUSTIFICATION AND ASSESSMENT OF NEED**

As a result of declining pupil numbers the majority of the former Infant building was declared surplus to requirements and was taken over by Cultural Services and converted into specialist storage facilities used by Oxfordshire Archives. These have now transferred to St Luke's Church in Oxford. This building therefore requires a major refit to restore it to Education purposes. The Early Years Sub-Committee at their meeting in January 2000 agreed to support the resourcing of Early Years provision as part of the programme. The project will achieve the objective of providing more economic use of space and contribute toward raising standards and improving management of the school.

3. **OTHER OPTIONS**

The last part of the Infant building used by the Archives has now become surplus. If nothing is done to this building to restore it to Educational use then it will be closed down and will deteriorate and become an eyesore and a potential hazard. If the building is not used to provide accommodation for Early Years and Key Stage I pupils there would be the need to provide temporary classrooms. This would be considered to be inappropriate as there is likely to be a permanent need in the area and such accommodation would not be particularly appropriate for early years pupils.

4. FINANCIAL IMPLICATIONS

(i) Capital

Current cost estimate for the refurbishment for the Infant building is £540,000 including professional fees. This includes a contribution of £125,000 from the Early Years Capital Programme, £199,000 NDS (4) and a contribution of £8,000 from the School's Formula Capital Allocation. The balance will be met from Annual Capital Guidelines (ACG) Credit Approval. The overall funding for the scheme has remained the same as in the Outline Project Appraisal though there is an overall saving due to the allocation of NDS funding.

(ii) Revenue

Revenue costs including day to day and structural repairs will be met from the school's delegated budget under the Council's Fair Funding arrangements.

5. STAFF IMPLICATIONS

There are no staff implications directly arising from this report.

ENVIRONMENTAL IMPLICATIONS

The building work will be carried out in accordance with the planning permission issued by the County Council when environmental design, choice of materials and any landscaping requirement will be taken into account.

G.M. BADMAN
Chief Education Officer

CHRIS GRAY
County Treasurer

DAVID YOUNG
Director of Environmental Services

Contact Officer: Michael Mill, Acting Senior Education Officer Tel: (01865) 815134

November 2000

Strategy & Resources Committee – 23 January 2001

AGENDA ITEM SR11

Capital Programme 2000/01 to 2002/03

DETAILED PROJECT APPRAISAL

APPRAISAL NO. ED454/1

NAME OF SCHEME: Marlborough School – Relocation of Ormerod School
(Secondary School Pupils Only)

COMMITTEE(S): Education Start Year: 2000/01

BASIS OF ESTIMATE: Detailed cost estimate by W S Atkins

1. **DESCRIPTION OF PROJECT**

This scheme provides purpose built permanent accommodation for secondary aged pupils on the Ormerod School roll at the Marlborough School, Woodstock. Since the Outline Project Submission in February 1998 the scheme has been developed in liaison with both schools and the Department for Education & Employment (DfEE) to the point at which a scheme has been agreed with the DfEE Architects Division and funding reserved pending final approval by the DfEE. (An update will be provided at the meeting). When completed the Ormerod facilities will include 4 classrooms, food technology room, social area and other appropriate ancillary accommodation.

2. **JUSTIFICATION AND ASSESSMENT OF NEED**

Since the early 1970's secondary pupils from the Ormerod School have whenever appropriate, been receiving their education alongside their mainstream peers. Over the years relationships between the Ormerod and Marlborough School have strengthened to the point where all secondary aged pupils on the Ormerod School roll except for the most profoundly disabled receive some or all of their education within the Marlborough Building. This scheme will enable all the Ormerod children to receive their education into the future at the Marlborough School.

3. **OTHER OPTIONS**

The only other option would be to return the secondary aged pupils into segregated accommodation at the Ormerod School in Headington. The children are currently accommodated within a temporary Premier building on the Ormerod site. This building only has temporary planning permission and is inappropriate as a long term provision for special needs pupils. Disabled pupils are required to cross the school campus to access other areas of the school. The move to greater inclusion and further integration is in keeping with both the Government and County's policy on integration of special needs pupils.

4. **FINANCIAL IMPLICATIONS**

(i) **Capital**

The estimated capital cost of this work is £1,000,000 inclusive of fees. As this work is a statutory proposal the Authority will expect to receive a Supplementary Credit Approval

(SCA) to cover the cost of the work.

(ii) Revenue

Revenue costs including day to day and structural repairs will be met from the school's delegated budget under the Council's Fair Funding arrangements.

5. STAFF IMPLICATIONS

There are none arising directly from this report.

6. ENVIRONMENTAL IMPLICATIONS

There will be great benefits to the school in the removal of the Premier block from the school site and improved environment will assist in raising standards at the school.

GRAHAM BADMAN
Chief Education Officer

CHRIS GRAY
County Treasurer

DAVID YOUNG
Director of Environmental Services

Contact Officer: Michael Mill, Acting Senior Education Officer Tel: (01865) 815134

November 2000

STRATEGY & RESOURCES COMMITTEE – 23 JANUARY 2001
AGENDA ITEM SR13

LOCAL GOVERNMENT ACT 2000: COMMUNITY STRATEGIES AND THE NEW POWER OF WELL-BEING
Report by the Assistant Chief Executive

Introduction

- 1 Part I of the Local Government Act 2000 provides local government with a new power to promote the social economic and environmental well-being of their area, and a new duty to produce a community strategy for their area. These are part of a package of measures in the Act designed to confirm and strengthen the role of local authorities in community leadership, linked to the Government's wider programme of reform of public services.
2. Draft guidance on the well-being power was issued in December 2000 and final statutory guidance on the preparation of community strategies was published at the same time.

The Well-being Power

3. This new power has been established to enable local authorities 'to promote the social, economic and environmental well-being of their areas'. It is designed to act as an all embracing power to enable authorities to do as they see fit, as long as the power is not used to raise extra money from Council Tax payers, and does not conflict with other explicitly articulated prohibitions in other legislation. The principle applied is one of "Wednesbury reasonableness". It is not necessary to be contributing to all three 'well-beings' in order to exercise the power, any one of social, economic or environmental well-being is acceptable. The Act makes it clear that power can be exercised before an approved Community Strategy is in place. At this stage the most pressing need is to consider how these issues and the associated existing budgets for economic, environmental and social policy might be managed within the new political management arrangements when they are implemented. These issues will be drawn to the attention of the Working Group on Organisation & Democracy.

Community Strategies

4. The purpose of a Community Strategy is "to enhance the quality of life of local communities and contribute to the achievement of sustainable development through action to improve the social, economic and environmental well-being of the area and its inhabitants".
5. The Local Government Association describes it as "a practical mechanism for joining things up at the local level". It is intended that a Community Strategy will meet four objectives. It must:
 - allow local communities (based upon geography and/or interest) to articulate their aspirations, needs and priorities;
 - co-ordinate the actions of the council, and of the public, private, voluntary and community organisations that operate locally;
 - focus and shape existing and future activity of those organisations so that they effectively meet community needs and aspirations; and
 - contribute to the achievement of sustainable development both locally and more widely, with local goals and priorities relating, where appropriate, to regional, national and even global aims.
6. A Community Strategy will have four key components:
 - a long-term vision for the area focusing on the outcomes that are to be achieved;
 - an action plan identifying shorter-term priorities and activities that will contribute to the achievement of long-term outcomes;
 - shared commitment to implement the action plan and proposals for doing so;
 - arrangements for monitoring the implementation of the action plan, for periodically reviewing the

community strategy, and for reporting progress to local communities.

7. The guidance recognises that community strategies will reflect local circumstances and needs and that every authority and community will be different. For these reasons the precise way in which these four components are constructed will vary from one area to another. However the guidance sets out four underpinning principles for community strategies. These are to:
 - engage and involve local communities;
 - involve active participation of Councillors within and outside the executive;
 - be prepared and implemented by a broad 'local strategic partnership' through which the local authority can work with other local bodies;
 - be based on a proper assessment of needs and the availability of resources.
8. The guidance places considerable stress on ensuring that the social, economic and environmental strands of a strategy:
 - are covered in an integrated way;
 - have regard to the Government's Sustainable Development Strategy; and
 - comply with the new statutory duty on public authorities to eliminate unlawful racial discrimination.
9. It also places great stress on process. It says "The process by which community strategies are produced is as important as the strategy itself", and "The key to an effective community strategy will therefore be successful partnership and community involvement through the process" It recognises that this is not a completely new process and says: "In developing local strategic partnerships, councils and their partners should seek to build on those local arrangements that have worked well rather than starting from scratch", and makes explicit reference to the process for producing Local Agenda 21 strategies. There is no prescribed date for the completion of a Community Strategy, but getting the process established is a draft BVPI for 2001/02.
10. The guidance recognises that the process in two tier areas such as Oxfordshire presents particular challenges, and says that "unless the county and district councils work together, the process of preparing Community Strategies is likely to lead to considerable duplication, conflicting priorities, and consultation/partnership fatigue". It makes it quite clear that before the process can begin in a two-tier area agreement about the process has to be reached, saying (para 32) "It is important that the various tiers work out a joint approach to the preparation of Community Strategies before they involve other partners in the process". It also makes it clear (para 60) that in the interest of joint working local authorities need not necessarily prepare their own community strategy. It says:

"The duty to prepare a strategy does not necessarily mean that every council must prepare a separate Community Strategy. Section 101 of the Local Government Act 1972 permits an authority to discharge any of its functions jointly with another".
11. The issue of a joint approach to the preparation of community strategies in Oxfordshire was discussed at the Oxfordshire Committee during the Autumn, but no agreement was reached. Since that time one district council has proceeded with a process which must be considered to be unofficial as it is outside the statutory guidance.

Next Steps

12. Officers are in discussion with colleagues in district councils about the process to be adopted in Oxfordshire, and it is hoped that Chief Executives will be able to recommend proposals to the Oxfordshire Committee during the next few months.

Financial and Staff Implications

13. Producing a community strategy will be a time consuming process. Inevitably there will be significant financial and staffing implications for local government whatever the outcome of discussions at the Oxfordshire Committee on the process. At this stage it is not feasible to anticipate the extent to which additional resources will be required.

Environmental Implications and Implications for People Living in Poverty

14. The new power of well-being, and the development of a Community Strategy have the potential to bring significant benefits in the longer term.

Recommendations

15. **The Committee are recommended to:**
- (a) **note the new responsibilities for the County Council, and**
 - (b) **invite the Working Group on Organisation & Democracy to consider the implications for the new political management arrangements of the County Council.**

STEPHEN CAPALDI
Assistant Chief Executive

Contact Officer: Martin Stott, Head of Economy & Environment Team Tel: 815919

Background Papers: Preparing Community Strategies: government guidance to local authorities DETR
Power to promote or improve economic, social or environmental well-being: draft
guidance to local authorities DETR

8 January 2001

Strategy & Resources Committee

STRATEGY & RESOURCES COMMITTEE - 23 JANUARY 2001

AGENDA ITEM SR16

INVESTMENT & PENSIONS SUB-COMMITTEE - 17 NOVEMBER 2000

MINUTES of the meeting commencing at 10.00 am and finishing at 1.04 pm

Present:

Voting Members:

Councillors Nils R. Bartleet, David Buckle, Brian Law, Jim Moley, Tom Snow, D.L.B. Spencer, Richard R Farrell (District Council Representative) and J.F. Faulkner (District Council Representative).

Ex Officio:

Councillor Dave Green.

Officers:

Whole of meeting: J.T. Hehir (Chief Executive's Office); B. Phillips and T. Wheeler (County Treasurer's Department).

By Invitation:

Investment Houses

Mr M. Burgess)	
)	Deutsche Asset Management
Mr R. Morris)	
Mr A. Sykes)	
)	Schroder Investment Management
Mr J. Tennant)	

Observer:

Mr M.J. Leeding – Beneficiaries Representative

Mr A. Bushell

The Sub-Committee considered the matters, reports and recommendations contained or referred to in the

agenda for the meeting, copies of which agenda and reports are attached to the signed Minutes, and in relation thereto determined as follows:-

46/00 ELECTION TO CHAIR

RESOLVED: that Councillor Bartleet (Labour) be elected to chair the meeting.

47/00 MINUTES

The Minutes of the meeting of the Sub-Committee held on 18 August 2000 were approved and signed.

48/00 ORDER OF BUSINESS

RESOLVED: to consider agenda items 12E and 10E immediately after item 8E.

**49/00 OVERVIEW OF PAST AND CURRENT INVESTMENT POSITION
(Agenda Item 7)**

The Sub-Committee considered tables and charts which reviewed the investment activity during the past quarter and presented an overview of the fund's position as at 30 September 2000 using charts referred to as Charts 1-14 of the agenda. In response to members' comments, Mr Bushell briefly commented on the distinctions between the investment strategies of the two fund managers.

RESOLVED: to receive the charts and tables, and that the information contained in them be borne in mind insofar as they related to items 9E and 10E in the Agenda.

50/00 EXEMPT ITEMS

RESOLVED: that the public be excluded during the consideration of items 8E-12E in the Agenda since it was likely that if they were present during those items there would be a disclosure of "exempt" information as described in Part I of Schedule 12A to the Local Government Act, 1972 and specified below each item in the Agenda, i.e. information relating to the financial or business affairs of any particular person (other than the authority).

PROCEEDINGS FOLLOWING THE WITHDRAWAL OF PRESS AND PUBLIC

**51/00 OVERVIEW AND OUTLOOK FOR INVESTMENT MARKETS *
(Agenda Item 8E)**

The Independent Financial Advisor gave an overview of the current and future investment scene and market developments across various regions and sectors. The report (IP8E) was supported by relevant charts of economic and market trends. He commented on the uncertainties in the market arising from the US presidential elections and political instability in Japan, and that technology hardware stocks had held up strongly in the market as compared to software and telecoms which had fallen sharply.

RESOLVED: to receive the report and charts, to consider any further action arising thereon, and to bear the Financial Adviser's conclusions in mind when considering the Fund Managers' reports.

52/00 ANNUAL REVIEW OF THE FINANCIAL ADVISER *

(Agenda Item 12E)

The Sub-Committee considered a report (IP12E) which presented the annual review and summarised the work and tasks carried out by the Financial Adviser during the financial year and made a recommendation on re-appointment for the next twelve months.

Mr Phillips introduced the report and in response to members' comments said that it was feasible to increase the Adviser's fee in line with the rate of inflation and to discuss with him flexibility on the length of contract.

RESOLVED: (on a motion by Councillor Buckle, seconded by Councillor Snow and carried nem con) to reappoint the Independent Financial Adviser on the existing fee adjusted by inflation since the last increase in fee in 1997, and that the officers be requested to discuss flexibility to the length of contract with the Adviser.

53/00 SCHRODER INVESTMENT MANAGEMENT *

(Agenda Item 10E)

The Independent Financial Adviser reported orally on the performance and strategy of Schroder Investment Management drawing on the charts at items 7 and 8E.

He commented that he had discussed with the Fund Managers recent changes to the management structure at Schroders and engagement with companies on SRI Issues, and referred to their investment strategy.

Mr Tennant referred to Schroders' meeting report and said that the markets had changed only marginally by the end of quarter 3. He drew attention to the Performance and Performance Attribution charts in the meeting booklet and said that Schroders' inclination had been to withdraw from investment in emerging markets and to invest in western economies. He briefly referred to the themes and activities illustrated by the charts on Position and Activity, Asset Allocation and the UK equity valuation range. With regard to the latter, he explained that the PE differential between the most and least expensive stocks had peaked on 10 March this year, but had narrowed significantly. In the longer term, he believed that the high differentials were not sustainable and therefore, strategically, Schroders would aim to get more "growth" into their portfolio than currently; in the meantime deeper cyclical stocks such as ICI were rallying. The value of the part of the Fund managed by Schroders was £344 million (£183 million in the UK) at the time of the meeting.

In response to questions from the Sub-Committee, Mr Tennant said that Schroders had moved into an overweight position in non-cyclical services (eg Energis) and Resource. The main issue of concern had been a lack of exposure to IT stocks; recent changes in investment strategy were aimed at turning this situation around.

Mr Sykes gave an overview of the markets. Global economic demand was slowing (and especially in the US). As profits were reducing so investment spending had slowed. He anticipated that interest rates would be cut. However there was sufficient underlying strength in US markets for the Federal Bank to engineer a "soft landing". On the basis of this rationale Schroders had moved investment from emerging to western markets and adjusted their weightings in Europe. Overall Schroders' outlook was positive; declining interest rates would be beneficial to markets, particularly western markets. He referred to trends in the corporate bond market which gave a closer picture of market trends; as markets slowed so smaller companies were performing better.

The Fund Managers briefly reported on voting rights exercised (Vodafone) and on engagement with companies regarding socially responsible investment issues, including discussions with BP/Greenpeace, Rio Tinto and Balfour Beattie.

RESOLVED: to receive the Schroders written reports for the period ended 30 September 2000.

54/00 DEUTSCHE ASSET MANAGEMENT LTD *
(Agenda Item 9E)

The Independent Financial Adviser reported orally, on the performance and strategy of Deutsche Asset Management Ltd drawing on the charts at items 7 and 8E.

Mr Morris reported briefly on the markets, which had been relatively lacklustre in the third quarter, in spite of enormous volatility during the period. De Am had modestly over-performed the benchmark; added value from equities was largely offset by below benchmark overseas equity returns.

Mr Burgess drew members' attention to page 4 of the meeting report which set out the largest positive and negative contributors to De Am's UK equity performance. The largest overweight position in any single stock was less than 1% of the part of the Fund managed, which reflected De Am's strategy not to over-invest in any one stock.

He also referred to portfolio controls (page 6), the top 10 holdings (page 7), voting (page 8), socially responsible investment engaged in during quarter 3 and executive remuneration at Vodafone. Members commented on this engagement and on the extent of De Am's investment in Vodafone during recent years.

Mr Morris, in summary, said that there were clear signs of a global economic slowdown. However, profit growth remained positive. A soft landing, rather than a recession, was forecast for the global economy and therefore equities were positioned to fare better. He drew members' attention to IT spending as percentages of GDP (page 15) and it appeared that this would progress into the future; productivity growth was accelerating into the economic cycle which underpinned the position of corporate America, therefore De Am would be looking towards changing their negative position in the US market.

The Fund Managers indicated that they would inform the officers of voting rights exercised in respect of KPMG's directors' elections.

RESOLVED: to receive the Deutsche Asset Management written reports for the quarter ended 30 September 2000.

ITEMS FOLLOWING THE RE-ADMISSION OF THE PRESS AND PUBLIC

55/00 INVESTMENT & PENSIONS informal MEMBER/OFFICER WORKING GROUP
(Agenda Item 13)

The Sub-Committee considered a report (IP13) from the informal member/officer working group's meeting of 1 September concerning a range of investment and pensions issues, together with recommendations.

RESOLVED: to:-

- (a) subscribe to the Risk Reporting Service on a trial basis and request the officers to include, as a standing item on future agendas, a quarterly report on the risk within the portfolio, the cost of the service at £7,000 per annum to be met from commission recapture;
- (b) include, as a standing item on the public part of future agendas, a quarterly report on issues arising from the PIRC Corporate Responsibility Service, the first report to include an analysis of how other subscribers were using the service;

- (c) ask the Fund Managers to report to each Sub-Committee on engagement with companies on matters of SRI and Corporate Governance;
- (d) agree to defer consideration of performance benchmarks until publication of the Myners Report.

56/00 APPLICATIONS FOR ADMISSION – PROCEDURES AND NEW APPLICATIONS

(Agenda Item 14)

The Sub-Committee considered a report (IP14) which updated members on the progress in implementing recommendations from the new Local Government Pension Regulations and also dealt with applications for admitted body status. The report gave a breakdown of the types of application as shown in the Regulations and clarified where the liabilities fell within each category, as previously requested by the Sub-Committee.

RESOLVED:

- (a) to require bodies when applying for admission agreement under category 3 of the report to have a written guarantee supplied by funding bodies;
- (b) to continue to receive applications from bodies under categories 1 and 2 considering each on its merits but without the specific written guarantee from the main funding authority;
- (c) to approve the application of West Oxfordshire Housing Limited subject to all parties agreeing to the terms of the Admission Agreement.

57/00 ANNUAL FORUM

Further to Minute 21/99(a), the Sub-Committee noted that the annual Forum would take place following this meeting and that an agenda had been circulated.

in the Chair

Date of signing

2001

** (The reports relating to the exempt items have not been made public and should be regarded as strictly private to those members and officers entitled to receive them. In the case of the Investment Managers' reports 9E and 10E, these will remain private until after 17 February 2001.)*

Strategy & Resources Committee

STRATEGY & RESOURCES COMMITTEE - 23 JANUARY 2001

AGENDA ITEM SR17

BEST VALUE & AUDIT SUB-COMMITTEE – 30 NOVEMBER 2000

MINUTES of the meeting commencing at 10.00 am and finishing at 3.10 pm

Present:

Voting Members:

Councillors Neville F. Harris, Brian Law, Julie Mayhew-Archer, Dermot Roaf, C.H. Shouler and Sylvia Tompkins (in place of Councillor Tom Richardson).

Ex Officio:

Councillors Margaret Godden, Brian Hodgson and Keith Mitchell.

Officers:

Whole of meeting: S. Capaldi, C. Atherstone and G. Malcolm (Chief Executive's Office); J. Barker (County Treasurer's Department);

Part of meeting: M. Ginsburg, D. Lines and C. Thomas (Chief Executive's Office); Director of Cultural Services; Director of Social Services and L. Brown; R. Harnes (Education Department); J. Parry (Fire Service).

By Invitation:

Councillor Mrs Judith Heathcoat (for Agenda Item 7(a)).

Councillors Neil Fawcett and Norman Matthews (for Agenda Item 7(b));

Councillor Brian Hook (for Agenda Item 7(c));

Councillors Brenda Churchill, Margaret Ferriman and Sam Segaran (for Agenda Item 7(d)).

Observer

P. Fryer (Unison).

The Sub-Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting, together with a schedule of addenda tabled by the Chief Executive, copies of which agenda, reports and schedule are attached to the signed Minutes, and in relation thereto determined as follows:-

49/00 ELECTION TO CHAIR

RESOLVED: that Councillor Mayhew-Archer (Liberal Democrat) be elected to chair the meeting.

50/00 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

Apologies for absence and temporary appointments were reported as follows:-

Apology from

Temporary Appointment

Councillor Richardson

Councillor Tompkins

Mr C. Quinton

-

51/00 MINUTES

The Minutes of the meeting of the Sub-Committee held on 30 August 2000 were approved and signed subject to:

- (a) Minute 47/00(a): 'Support for Schools of Concern' being amended at paragraph 2 by the addition of the words 'so far' after 'scope of the review'; and
- (b) Minute 48/00: 'Timetable for Best Value Reviews' being amended at paragraph 3 by the deletion of the word 'information' and the substitution of 'comment'.

52/00 PETITIONS AND PUBLIC ADDRESS

Mr Malcolm drew the Sub-Committee's attention to copies of a letter which had been made available at the request of L. Sanders, Oxfordshire Carers' Forum, regarding Agenda Item 7(a), Night Care Service Provision.

53/00 ORDER OF BUSINESS

RESOLVED: to consider Agenda Item 10 immediately after Agenda Item 8.

54/00 OUTCOMES OF BEST VALUE REVIEWS

(Agenda Item 7)

- (a) Domiciliary Care for Older People

The Sub-Committee considered a report (AUD7(a)) on the outcome of the Best Value review on Domiciliary Care for Older People, which had entailed investigation into key areas of this £14m service.

L. Brown introduced the report and responded to questions and comments in relation to this major exercise which included a major refocusing of the whole service to concentrate on clearly defined outcomes. Specific improvement options included external contract tendering arrangements, changes to the provision of the night care service, the take-up of Section 28(a) Health Funding and consultation.

Mr Capaldi outlined the role of the Best Value officers in the Best Value process. Mr Fryer commented upon staffing implications.

RESOLVED: to:-

- (a) endorse the recommendations set out in the BV3 forms;
- (b) endorse the action plans set out in the BV4 forms;
- (c) **recommend** the outcomes of the reviews to the Social Service Committee.

(b) Student Support

The Sub-Committee considered a report (AUD7(b)) on the outcome of the Best Value review on Student Support.

Mr Harmes introduced the report and responded to questions and comments, in particular relating to the areas/options for improvement identified and the timescale proposed to reach top quartile targets in the light of the minority report at Annex 1.

RESOLVED: to:-

- (a) endorse the recommendations set out in the BV3 forms;
- (b) (on a motion by Councillor Law, seconded by Councillor Mayhew-Archer and carried nem con) endorse the action plans set out in the BV4 forms subject to the reduction in the staff cost per applicant to the national upper quartile target being accomplished by 2003/04, and the issue of contracting out being re-examined not later than 3 years hence; and
- (c) **recommend** the outcomes of the reviews to the Awards Sub-Committee and Education Committee.

(c) Customer Care

The Sub-Committee considered a report (AUD7(c)) on the outcome of the Best Value review on Customer Care. Ms Atherstone introduced the report and responded to questions and comment in relation to key areas of this complex review, including perceived gaps in service provision, customer satisfaction and access to services, and training and staff development in 'customer care' competencies. Mr Capaldi confirmed that the concept of call centres would be examined in relation to the County Council's ICT Strategy.

RESOLVED: to:-

- (a) endorse the recommendations set out in the BV3 forms;
- (b) endorse the action plans set out in the BV4 forms;
- (c) **recommend** the outcomes of the reviews to the Operations Sub-Committee.

(d) Arts and Recreation

The Sub-Committee considered a report (AUD7(d)) on the outcome of the Best Value Review on Arts and Recreation which had focused on arts, recreation, the School of Sport and tourism.

The Director of Cultural Services made the following corrections:-
in paragraph 2 of the report the addition of Option 6 from BV3, page 14;
in BV3: page 3, Summary, line 1, the deletion of £50,350 and substitution of £44,000;
page 6, paragraph 2, the deletion of the last sentence; and page 7, 'Arts Consultant',
amendment of the last line of paragraph 1 to read ".. a new contract and revised
specification".

The Director reported a possible requirement to provide twelve months' notice of intention to
suspend subscription to the Southern Tourist Board (STB).

Members urged that in such a case discussion should take place with the STB as to how
they could support the development of a tourism policy in Oxfordshire during 2001/02.

RESOLVED: to:-

- (a) endorse the recommendations set out in the BV3 forms;
- (b) endorse the action plans set out in the BV4 forms;
- (c) **recommend** the outcomes of the reviews to the Cultural Services Committee.

55/00 BV2 FORM
(Agenda Item 8)

Fire Service Control Room Function.

Mr Parry introduced the BV2 project specification (AUD8) which set out the proposed structure and
organisation of the review which focused on areas of the Fire Service Control Room Function. He
responded to questions and comments including the anticipated Home Office guidance to local
authorities on the combination of control room functions, and conditions of service and practice
regarding uniforms and equal opportunities.

RESOLVED: to approve the BV2 form.

56/00 **REVIEW PROGRAMME 2001/2-2005/6**
(Agenda Item 10)

**The Sub-Committee considered the proposed revised Best Value Review programme
(AUD10).**

RESOLVED: to

- (a) approve the programme subject to consultation with the Sub-Committee's political Group
Spokespersons; and
- (b) **ask Chief Officers to present BV2 specifications for reviews to the Sub-Committee by
June 2001 at the latest.**

57/00 **BEST VALUE REVIEWS**
(Agenda Item 9)

This item had been included in the agenda at the request of Councillor Harris in accordance with
Standing Order 19(4).

Councillor Harris spoke to the item and asked the Sub-Committee to consider the team membership and future accountability of Best Value reviews. He considered that at a future meeting the Sub-Committee should review the Best Value process including review team membership, the role of the elected member in the BV process, and future accountability within the County Council's new political management arrangements.

in the Chair

Date of signing

2001

Strategy & Resources Committee

STRATEGY & RESOURCES COMMITTEE - 23 JANUARY 2001

AGENDA ITEM SR18

OPERATIONS SUB-COMMITTEE – 21 DECEMBER 2000

MINUTES of the meeting commencing at 10.00 am and finishing at 3.20 pm

Present:

Voting Members:

Councillors Nils R. Bartleet, Dickie Dawes, John Farrow, Mrs C. Fulljames, Neville F. Harris, Brian L. Hook, Bob Johnston, Norman Matthews, Julie Mayhew-Archer, Jim Moley, Dermot Roaf (in place of Councillor Mrs Jan Morgan), Sam Segaran, Sylvia Tompkins, Roy Tudor Hughes and Harry Wyatt.

Ex Officio:

Councillors Margaret Godden, Dave Green, Brian Hodgson and Keith Mitchell.

Officers:

Whole of meeting: D. Bishop and G. Warrington (Chief Executive's Office); P. Gerrish (County Treasurer's Department).

Part of meeting: S. Capaldi, C.J. Impey, C. Atherstone, C. Dixon, H. Hughes, H. Simpson and B. McLaren (Chief Executive's Office); N. Monaghan and M. Robinson (Environmental Services).

The Sub-Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting, together with a schedule of addenda tabled by the Acting Chief Executive. Copies of the agenda, reports and schedule of addenda are attached to the signed Minutes, and in relation thereto the Sub-Committee determined as follows:-

83/00 ELECTION TO CHAIR

RESOLVED: that Councillor Tompkins (Labour) be elected to chair the meeting.

84/00 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

Apologies for absence and temporary appointments were reported as follows:-

Apology from

Councillor Mrs Jan Morgan

Temporary Appointment

Councillor Roaf

85/00 MINUTES

The Minutes of the meeting of the Sub-Committee held on 12 October 2000 were approved and signed.

86/00 PETITIONS AND PUBLIC ADDRESS

The following request to address the meeting had been agreed:

<u>Request from</u>	Agenda Item
Dinah Harris,	15. Ragwort - A Strategy for Progress.
British Horse Society	

The Sub-Committee were addressed by Mrs Harris at item 15 of the agenda (see Minute 97/00 below).

87/00 ORDER OF BUSINESS

RESOLVED: to take Item 25 immediately after Item 6.

88/00 NATIONAL HOLOCAUST REMEMBRANCE DAY

(Agenda Item 25)

In June 2000 the Sub-Committee had agreed that the County Council should observe the annual Holocaust Remembrance Day to be held on 27 January 2001. The Sub-Committee now considered (OPS25) a programme of County Council activities.

RESOLVED: to:

- (a) endorse the Holocaust Memorial Day Programme set out in Annex 1 to OPS25;
- (b) encourage all members and staff to participate in activities outlined in the Programme.

89/00 Quarterly financial report

(Agenda Item 7)

The Sub-Committee considered a report (OPS7) setting out the Sub-Committee's 2000/01 budget based on the latest information available. The report drew attention to an estimated surplus of £535,000 which would be carried forward to next year.

RESOLVED: to:

- (a) receive the report;
- (b) **RECOMMEND the Strategy & Resources Committee to approve the following supplementary estimates in 2000/2001:**
 - (i) **31,000 to cover the net cost of appointing the new Chief Executive;**

- (ii) **£70,000 to cover the cost this year of Political Modernisation.**

90/00 REVENUE BUDGET AND MEDIUM TERM FINANCIAL PLAN 2001/02 to 2003/04
(Agenda Item 8)

The Sub-Committee considered a report (OPS8) which presented the Sub-Committee's draft Medium Term Financial Plan for 2001/02 to 2003/04, the Draft Budget and the Review of Charges for 2001/02 and the Expenditure Pressures and their financing for 2001/02 to 2003/04.

RESOLVED: to:

- (a) approve the draft Medium Term Financial Plan included in the attached booklet for submission to the Council via the Strategy & Resources Committee;
- (b) approve the draft budget for 2001/02 for submission to Council via the Strategy & Resources Committee; and
- (c) note the expenditure pressures identified in the attached booklet and forward the information to the Strategy & Resources Committee.

91/00 CAPITAL PROGRAMME UPDATE
(Agenda Item 9)

The Sub-Committee considered a report (OPS9) which updated the Sub-Committee's capital programme.

RESOLVED: to

- (a) agree the proposed capital programme including additional funding of £46,000 per year for Asbestos Monitoring; and
- (b) refer the proposed programme to the Strategy & Resources Committee.

92/00 REPAIR AND MAINTENANCE OF BUILDINGS: PROPOSED REVENUE BUDGET 2001/2002
(Agenda Item 10)

The Sub-Committee considered a report (OPS10) which :

- (a) set out the provisional assessed need for the repair and maintenance of the County Council's building stock;
- (b) set out a proposed apportionment between committees for the available repair and maintenance budget ;
- (c) *sought authority to refer parts of the detailed schedule of assessed need and proposed programme of repair and maintenance to the relevant Committees for their observations, for report back to the Sub-Committee in April.*

RESOLVED: to:-

- (a) note the report;
- (b) refer the relevant parts of the Comprehensive Schedule of Assessed Need and Proposed Programme of Repairs and Maintenance of County Council buildings to programme committees and ask them to report back their comments and observations to the Sub-Committee in April;
- (c) agree that the proportion of the budget delegated for non-structural repairs to the Cultural Services, Social Services and Environmental (Highway Depots only) Committees remain at 15% of the respective budget allocation for 2000/2001;
- (d) inform the Strategy & Resources Committee that the current level of funding for repairs and maintenance was unacceptably inadequate and unless the budget was restored to a level which allowed the minimum necessary programmed maintenance works to be done the frequency and severity of disruptions to services by building and building system failures would increase.

93/00 DETERMINATIONS TO BE MADE BY LOCAL AUTHORITIES UNDER PART 4 OF THE LOCAL GOVERNMENT AND HOUSING ACT 1989

(Agenda Item 11)

Under Section 45 of the Local Government and Housing Act 1989 each local authority was required to determine for each financial year their overall borrowing limit; their short term borrowing limit; and the limit on the proportion of interest which was payable at variable rates. The Sub-Committee considered a report (OPS11) which set out what those determinations should be.

RESOLVED: to RECOMMEND the Strategy & Resources Committee to RECOMMEND Council to:

- (a) approve an overall borrowing limit of £263m for 2001/02;
- (b) approve an overall borrowing limit for short term borrowing of £126m for 2001/02; and
- (c) approve that the maximum amount of borrowing with interest payable at variable rates be £126m for 2001/02.

94/00 WRITING OFF OF BAD DEBT – RENT INDEX NO. 831179

(Agenda Item 12)

The Sub-Committee had before them a report (OPS12) which set out details of an outstanding debt in respect of one of the units in the Paradise Street Trading Estate which had been vacated leaving outstanding rent for the period September 1996 to July 1998.

RESOLVED: to approve the writing off of £10,633.48 in respect of Rent Index 831179.

95/00 HEADQUARTERS OFFICES - SPEEDWELL HOUSE

(Agenda Item 13)

The Sub-Committee considered a Revised Detailed Project Appraisal (OPS13) for the purchase and refurbishment of Speedwell House and provision of accommodation to replace the County Hall Pratten Building.

Mr Monaghan informed the Sub-Committee that an offer had been received for the purchase of the Paradise Street site. He had been unable to prepare a detailed report on this offer for this meeting of the Sub-Committee but would report to the Strategy & Resources Committee in January 2001.

RESOLVED: to approve Revised Detailed Project Appraisal OP44/1 and to **RECOMMEND the Strategy & Resources Committee to approve it also.**

96/00 PROPOSED DISPOSAL OF THE BISHOPSWOOD CENTRE, SONNING COMMON

(Agenda Item 14)

The Sub-Committee considered a report (OPS14) which set out a proposal to sell the Bishopswood Centre.

RESOLVED: to authorise the sale of the Bishopswood Centre to the Learning Disabilities Trust on terms to be agreed by the Director of Environmental Services and if terms could not be agreed then the site be sold on the open market.

97/00 HIGHWAYS DEPOT RATIONALISATION STRATEGY: COMBINED NORTHERN AREA OFFICES

(Agenda Item 14B)

As part of the rationalisation of highways and ground maintenance depots the Sub-Committee considered a proposal (OPS14B) to sell surplus land at the Witney Depot.

RESOLVED: to **RECOMMEND Strategy & Resources Committee to RECOMMEND Council to authorise the sale of surplus land at the Witney depot to West Oxfordshire District Council.**

98/00 RAGWORT - A STRATEGY FOR PROGRESS

(Agenda Item 15)

The Council on 21 November 2000 had adopted the following motion by Councillor Bartleet.

"This Council:

1. recognises that the poisonous plant Ragwort is widespread in the County, along roadside verges, on waste ground and on pastureland, and is potentially fatal in horses, cattle, goats, deer, pigs, dogs and people. Its toxins have been found in eggs, milk and honey;
2. notes that the Oxfordshire Branch of the British Horse Society has done a great deal to raise public awareness of the dangers of Ragwort;
3. welcomes recent statements by the Countryside Minister which stress the Government's determination to root out injurious weeds wherever they may be found;

4. congratulates the Environmental Services Department for organising a local 'Ragwort Summit' on 14 November 2000, and
5. resolves to:
 - (a) consider as a matter of urgency recommendations which are forwarded from the 'summit';
 - (b) continue to support 'Root Out Ragwort' events in Oxfordshire;
 - (c) establish, in consultation with the Oxfordshire Branch of the British Horse Society, a local awareness campaign to help eradicate Ragwort. The campaign will help everyone who has an interest in the countryside to understand what they can do to protect both animals and people from the effects of this poisonous weed."

In response to paragraph 5 of the motion, the Sub-Committee considered a report (OPS15) which set out a campaign to eradicate ragwort.

Dinah Harris (British Horse Society) addressed the Sub-Committee. Referring to the plant's ability to spread at an alarming rate she expressed three major concerns arising from the presence of the weed:

- for livestock who were at risk from directly eating the plant;
- the plant's poisons were reaching the human food chain and had been found in milk bread, honey and grains;
- the effect of the weed on other flora.

She urged the County Council to help with a corporate effort to control the effects of this weed. She suggested that the County Council apply to the Ministry for Agriculture Fisheries and Food for them to delegate the powers contained in the 1959 Weeds Act and to appoint a Ragwort Officer to co-ordinate this work.

RESOLVED: to:

- (a) note the report OPS15;
- (b) authorise the setting up of a member/officer Ragwort Working Group as outlined in paragraphs 5 and 6 of the report.

99/00 PLANNING APPLICATION FOR THE CONSTRUCTION OF AN EXTENSION TO AND ALTERATION OF THE EXISTING PARK & RIDE CAR PARK INCLUDING 462 ADDITIONAL CAR PARKING SPACES (MAKING A TOTAL OF 945 SPACES), ON LAND ADJACENT TO AND INCLUDING THE THORNHILL PARK & RIDE CAR PARK AND THE A40, EAST OF OXFORD (APPLICATION NO. S24/00)
(Agenda Item 16)

The Sub-Committee considered a planning application (OPS16) by the Environmental Committee for County Council development for an extension to the Thornhill Park & Ride car park under Regulation 3 of the Town and Country Planning General Regulations 1992. The application was in the green belt and had been advertised as a departure from the Development Plan.

RESOLVED: subject to the Secretary of State for the Environment, Transport and the Regions not wishing to determine the application himself to approve the application subject to conditions to be drawn up by the Chief Planning Officer but which should include:

- (1) detailed compliance;
- (2) detailed duration limit – 5 years;
- (3) no development should take place on site until there had been a staged programme of archaeological work;
- (4) protection of trees on land during building operations;
- (5) no development to begin until a scheme for landscaping and its maintenance had been approved;
- (6) a landscaping scheme be implemented in first planting season following substantial completion;
- (7) details of all fencing to be submitted;
- (8) revisions to car park layout or buildings for approval be submitted after consultation with Oxford City Council and the Police;
- (9) schedule of materials and finishes for buildings and surface treatments to be approved;
- (10) details of access arrangements to be submitted;
- (11) no development to begin until details of floodlighting, cowling and predicted overspill levels had been submitted and approved;
- (12) hours of use of floodlighting to be submitted and approved;
- (13) the construction of surface water drainage systems should be carried out in accordance with details submitted to and approved in writing by the Chief Planning Officer before any development commenced;
- (14) surface water from car park areas to be discharged via deep trapped gullies with maximum water seal of 85mm and via oil/grit interceptor;
- (15) details of balancing pond to be submitted and approved.

100/00 PUBLIC CONSULTATION

(Agenda Item 17)

The Sub-Committee considered a report (OPS17) which examined the possibility of creating a corporate unit to advise on consultations by all departments whether through questionnaires, public meetings or otherwise.

RESOLVED: (on a motion by Councillor Hook, seconded by Councillor Mrs Fulljames, amended during the course of debate with their and the Sub-Committee's consent at the suggestion of Councillor Segaran and carried nem con) to improve the County Council's consultation expertise by developing service department expertise with the help and guidance of the Council's central consultation officer.

101/00 CUSTOMER CARE BEST VALUE REVIEW

(Agenda Item 18)

The Sub-Committee considered a report and review documents (OPS18) in relation to the outcome of a Best Value Review of Customer Care which had been referred to them by the Best Value & Audit Sub-Committee.

RESOLVED: to receive the report, endorse the recommendations set out in the BV3 forms and endorse the action plans set out in the BV4 forms.

102/00 PARTICIPATION OF ETHNIC MINORITIES IN PUBLIC LIFE

(Agenda Item 19)

In October 2000, the Sub-Committee had considered a report on an initiative run by Bristol City Council designed to encourage members of ethnic minorities to participate more fully in public life. The Sub-Committee had asked for further information about the Bristol City Council scheme with an outline of how a similar scheme might be set up in Oxfordshire. This further information was now before them (OPS19).

RESOLVED: (on a motion by Councillor Roaf, seconded by Councillor Johnston, amended during the course of debate with their and the Sub-Committee's consent at the suggestion of Councillors Hodgson and Hook and carried nem con) to:

- (a) note the purpose and content of Bristol City Council's "Move into public life" course;
- (b) seek the views of the Ethnic Minorities Consultative Committee on the merits and practicalities of such a scheme;
- (c) ask officers to report in more detail on potential ways in which the County Council might take forward such a scheme to meet the needs of ethnic minorities and other under-represented members of the community to enter into public life;
- (d) ask officers to report further on the general public reluctance to enter into public life.

103/00 MEETING THE TRAINING AND INFORMATION TECHNOLOGY NEEDS OF MEMBERS

(Agenda Item 20)

During 1999, the Sub-Committee had received reports on the development of a training programme for councillors and the provision of I.T. equipment to all members. The Sub-Committee now considered a report (OPS20) which dealt further with these matters and in particular:

- (i) outlined potential proposals (including a pilot scheme for interested members) for providing all members of the County Council with home-based I.T. equipment;
- (ii) outlined a proposal to develop an Intranet specifically dedicated to the information needs of members, again to come into effect following the May 2001 elections;
- (iii) suggested outline proposals for a training and development programme.

RESOLVED: to:

- (a) receive the report;
- (b) agree, subject to funding being provided in the budget for 2001/2002, the outline proposals for the provision of I.T. to all members of Council following the May 2001 elections;
- (c) **endorse the involvement of members in a pilot project for the provision of home-based I.T. equipment to run between January and April 2001 and to authorise the Assistant Chief Executive & Solicitor to the Council to make the necessary arrangements in liaison with Group Leaders;**
- (d) **note the proposed arrangements for developing a member training and development programme for 2001/2002.**

104/00 COUNTY COUNCIL ELECTIONS – 3 MAY 2001

(Agenda Item 21)

The Sub-Committee had before them a report (OPS21) which considered the annual review of the scales and fees etc paid for County Council elections. As in previous years the fees had been increased in line with inflation and also to take account of the new requirements of the Representation of the People Act 2000, in particular the provisions relating to the rolling register and postal voting.

The report also considered a number of proposals to increase publicity for and encourage turnout at the County Council elections in May.

RESOLVED: to:-

- (a) approve the Scale of Expenditure for the financial year 2001/2002 for the election of County Councillors as set out in Annex 1 to OPS21;
- (b) approve the Scale of Expenditure for the financial year 2001/2002 for any referendum or mayoral election required under the Local Government Act 2000 as set out in Annex 2 to OPS21;
- (c) note the proposals being pursued to increase publicity for and turnout at the County Council Elections in May 2001.

105/00 SOUTH EAST ENGLAND REGIONAL ASSEMBLY (SEERA)

(Agenda Item 22)

The Sub-Committee considered a report (OPS22) which responded to the Operations Urgency Sub-Committee's request that this Sub-Committee consider permanent arrangements for all matters concerning the County Council's representation on SEERA. The report looked particularly at the present arrangements and identified that the main matters for consideration related to membership and voting. The report proposed changes for the period up to the May 2001 County Council elections, with a review thereafter.

Councillor Roaf moved and Councillor Johnston seconded that the officer recommendations as set out in paragraph 10 of the report be approved subject to (c) being amended to read as follows:

- (c) to agree that in principle Council members of SEERA should cast their votes in accordance with Widdecombe principles, and to ask officers to write to all other South East Councils to ask them to agree with this principle and that when a substantial number of other Councils had agreed to adopt it to adopt it in Oxfordshire;

Councillor Harris then moved and Councillor Segaran seconded that (b) be amended as follows:

- (b) that Councillor Nils R. Bartleet be appointed as the County Council's one alternate to the full member with immediate effect, to serve until May 2001.

The amendment was put to the Sub-Committee and carried by 9 votes to 4.

The substantive motion as amended was then put to the Sub-Committee and it was -

RESOLVED: (by 9 votes to 3) to:

- (a) note the County Council's current representation on SEERA;
- (b) appoint Councillor Nils R. Bartleet as the County Council's one alternate to the full member with immediate effect, to serve until May 2001;
- (c) agree that in principle Council members of SEERA should cast their votes in accordance with Widdecombe principles, and to ask officers to write to all other South East Councils to ask them to agree this principle and when a substantial number of other Councils had agreed to adopt it to adopt it in Oxfordshire;
- (d) review the position following the County Council elections in 2001.

106/00 OXFORD AIRPORT CONSULTATIVE COMMITTEE – ALLOWANCES
(Agenda Item 23)

The Sub-Committee considered a report (OPS23) on the reclassification of the Oxford Airport Consultative Committee for the purpose of allowances.

RESOLVED: (by 15 votes to 0, Councillors Bartleet and Dawes abstaining) to agree the reclassification of the Oxford Airport Consultative Committee as a Category A body for the purpose of allowances.

107/00 COMMITTEE LUNCHESES: HIGHWAYS & ROAD SAFETY SUB-COMMITTEE
(Agenda Item 24)

In October 1999 the Sub-Committee had agreed a request by the Highways & Road Safety Sub-Committee to have Committee lunches provided subject to review after 12 months. Meetings of the Highways & Road Safety Sub-Committee had since then continued into the afternoon session and it was likely that this trend would continue.

RESOLVED: to authorise the continuation of provision of lunches at meetings of the Highways & Road Safety Sub-Committee for members of the Sub-Committee and those officers required to attend those meetings.

108/00 EXEMPT ITEMS

RESOLVED: that the public be excluded during the consideration of items 26E-28E in the Agenda since it was likely that if they were present during those items there would be a disclosure of "exempt" information as described in Part I of Schedule 12A to the Local Government Act, 1972 and specified below each item in the Agenda, i.e. information relating to:-

- (a) any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services (Agenda Item 26E);
- (b) the amount of any expenditure proposed to be incurred by the authority under any particular contract for the acquisition of property or the supply of goods or services (Agenda Item 27E);

- (c) any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office-holders under, the authority (Agenda Item 28E).

PROCEEDINGS FOLLOWING THE WITHDRAWAL OF PRESS AND PUBLIC

109/00 CONTRACT FOR SUPPLY OF COMPUTER SUPPORT SERVICES AFTER MARCH 2001* (Agenda Item 26E)

The Sub-Committee considered a report (OPS26E) proposing that the core support services contract with Capita Business Systems (CBS) be terminated from 31 March 2001.

RESOLVED: to terminate the core support services contract with Capita on 31 March 2001.

110/00 DISPOSAL OF 161 DIVINITY ROAD, OXFORD AND ACQUISITION OF 42 COVELLY ROAD, OXFORD* (Agenda Item 27E)

The Sub-Committee considered a report (OPS27E) on the disposal of two Social Services properties.

RESOLVED: to approve the disposal of:

- (a) 161 Divinity Road, Oxford on the open market; and
- (b) 42 Covelly Road, Oxford to a Housing Association once it had been converted, on conditions requiring it to be used to accommodate people with learning disabilities.

111/00 CATERING SERVICES COUNTY HALL - COURTHOUSE RESTAURANT* (Agenda Item 28E)

Councillor Johnston declared a significant non-pecuniary interest in this item and withdrew from the meeting until the debate had been concluded and the vote taken.

The Sub-Committee considered a report (OPS28E) which considered the future provision of catering services at County Hall.

Following a long debate during which the consensus was that discontinuation of the County Hall catering services would be premature it was -

RESOLVED: to:

- (a) agree to defer a decision on whether to discontinue the County Hall catering services;
- (b) ask officers to consult users including OCC staff and councillors and possible suppliers including Osborne on its future;

- (c) investigate short and medium term proposals to improve the service;
- (d) **RECOMMEND the Strategy & Resources Committee to meet this year's predicted financial loss of £20,000 from Council balances.**

in the Chair

Date of signing

2001

** The reports relating to the exempt items have not been made public and should be regarded as strictly private to those members and officers entitled to receive them.*

Strategy & Resources Committee

STRATEGY & RESOURCES COMMITTEE - 23 JANUARY 2001

AGENDA ITEM SR19

PERSONNEL SUB-COMMITTEE – 9 JANUARY 2001

MINUTES of the meeting commencing at 10.00 am and finishing at 12.19 pm

Present:

Voting Members:

Councillors David Buckle, Mrs Ann Davis, Mrs J. Heathcoat, Mrs Humphries, Jim Moley (in place of Councillor Jill Davies), Don Seale, Craig Simmons, Tom Snow, Sylvia Tompkins (in place of Councillor Tony Stockford), Roy Tudor Hughes (in place of Councillor Brian Law) and David Turner.

Ex Officio:

Councillors Brian Hodgson and C.H. Shouler (in place of Councillor Keith Mitchell).

Officers:

Whole of meeting: S. Corrigan, J.T. Hehir and Dr H. Simpson (Chief Executive's Office); S. Tanner (Education Department), B. Phillips (County Treasurer's Department).

Part of meeting: S. Capaldi and C. Atherstone (Chief Executive's Office).

The Sub-Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting together with supplementary information relating to agenda item 11, copies of which agenda, reports and supplementary information are attached to the signed Minutes, and in relation thereto determined as follows:-

58/00 ELECTION TO CHAIR

RESOLVED: that Councillor Mrs Davis (Conservative) be elected to chair the meeting.

59/00 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

Apologies for absence, temporary appointments and Group Leader substitutions were reported as follows:-

Apology from

Temporary Appointment/Substitute

Councillor Davies

Councillor Moley

Councillor Law

Councillor Tudor Hughes

Councillor Stockford

Councillor Tompkins

Councillor Mitchell

Councillor Shouler

60/00 DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTERESTS

Councillor Turner declared a pecuniary interest in Agenda Item 9. Councillor Shouler declared an insubstantial non-pecuniary interest in Agenda Item 12.

61/00 MINUTES

The Minutes of the meeting of the Sub-Committee held on 17 October 2000 were approved and signed.

62/00 MATTERS ARISING FROM THE MINUTES

Minute 69/00 : Appraisals within the Education Department

Ms Tanner reported that within the Education Department other than County Facilities Management, 96.3% of appraisals had now been completed. Due to management turnover and the nature of the service, appraisals within County Facilities Management had been more difficult to implement.

63/00 BEST VALUE REVIEW OF PERSONNEL (Agenda Item 7)

The Sub-Committee were asked to consider the outcome of the Personnel Best Value Review which was also due to be reported to Best Value & Audit Sub-Committee on 5 February 2001 for their approval.

It had previously been agreed that the Review would look at a series of strategic and operational issues including structure, delegation of decision making for new posts and SMR regradings, employment appeals, an appeals procedure, major projects and training. Nine recommendations had been identified to take forward and an action plan was provided for each of these in the BV4 forms.

Ms Corrigan introduced the report and spoke briefly on the rationale to the recommendations put forward. With regard to Option 2 (page 37) she undertook to provide the Sub-Committee with an annual monitoring report on the consequences of regrading decisions.

Mrs Tanner commented that if Improvement Option 3 (abolition of requirement to readvertise temporary posts which became permanent) were to be extended to teaching staff, the Education Committee would need to be consulted.

In relation to Option 1 Councillor Buckle moved and Councillor Tompkins seconded to recommend the Best Value & Audit Sub-Committee to defer a decision on the preferred option pending the appointment of a new Chief Executive and changes to the committee structure after May 2001.

On being put to a vote the motion was lost by 8 votes to 3.

RESOLVED: to:

- (a) endorse the recommendations set out in the BV3 forms subject to approval by Best Value & Audit Sub-Committee; and
- (b) endorse the action plans set out in the BV4 forms subject to the inclusion of "specific budget" in proposed service improvement target 2 of Option 2 and the inclusion of member training in the Training and Development Forum (Option 9), and subject to approval by Best Value & Audit Sub-Committee.

64/00 THE LOCAL GOVERNMENT/EARLY YEARS TERMINATION OF EMPLOYMENT (DISCRETIONARY COMPENSATION) (ENGLAND AND WALES) REGULATIONS 2000 AND THE LOCAL GOVERNMENT PENSION SCHEME REGULATIONS 1997 AS AMENDED – DISCRETIONARY POWERS
(Agenda Item 8)

It was reported that these Regulations revoked and replaced much of the Local Government (Discretionary Payment) Regulations 1996 and subsequent amendments. The Regulations also required the Council to produce a policy (Annex 1) to show how it would exercise the discretionary powers granted within the Regulations on membership of the Local Government Pension Scheme and a proposed Retirement Policy (at Annex 2) as agreed at Employees' Joint Consultative Committee in September, following consultation with UNISON.

Mr Phillips undertook to clarify for members the policy on division of pensions for dependants in Section 5 of Annex 1.

RESOLVED: to receive the report and adopt the proposed policy statements in Annexes 1 and 2.

65/00 PATERNITY, PARENTAL & EMERGENCY LEAVE PROVISIONS:
EDUCATION DEPARTMENT
(Agenda Item 9)

(Councillor Turner withdrew from the meeting until the debate on this item had been concluded and the vote taken.)

Attached to the agenda at PERS9 were draft schemes which had been submitted to the Teachers Joint Committee for consultation purposes and adopted by the Education Committee on 13 December. The Schemes were intended for use in schools and other education establishments; as they applied to all such staff, both the Education Committee's and this Sub-Committee's approval was required.

RESOLVED: to adopt the schemes at PERS9.

66/00 RELOCATION EXPENSES POLICY
(Agenda Item 10)

The Sub-Committee had before them (PERS10) a draft Relocation Expenses policy. The aim of this was to provide flexible financial support to people to provide encouragement to applicants who needed to move in order to take up a new job with Oxfordshire County Council. It was hoped that the Scheme would help new recruits to secure a home close to their work place so that stresses of commuting were reduced and that the distance travelled to work was minimised, in line with the Council's "Travelwise" policy.

RESOLVED: to adopt the Relocation Scheme for Newly Appointed Employees subject to inclusion of a general resettlement allowance of £3,000 in paragraph 7(a) and the deletion of the

separate allowance for fixtures and fittings in 7(d).

67/00 UNISON – CHARGES FOR ACCOMMODATION
(Agenda Item 11)

On 7 December 2000, the Employees Joint Consultative Committee had considered a request from Unison for assistance from the County Council with the costs of office accommodation. Under the current Facilities Agreement the costs of accommodation were "on agreed terms". In practice this had meant that 50% of the market rate had been charged to Unison amounting to approximately £6000 per annum. A letter received from Unison making this request was attached at PERS11 Annex 1, and a further letter from the Oxfordshire Branch Secretary elaborating on the request was circulated at the meeting.

A brief survey of neighbouring Councils had shown that of the 8 respondents, only one charged any rent for Unison accommodation.

The Sub-Committee were advised that if they agreed to remove the charge for rent from Unison this would be recharged to departments according to numbers of "Green Book" employees as currently took place with the salary costs of the seconded Branch Officers.

RESOLVED: to grant Unison office accommodation at a peppercorn rent (£1.00 per annum) with effect from 1 April 2001.

68/00 EMPLOYMENT AGENCIES
(Agenda Item 12)

Further to Minute 67/00 the Sub-Committee had before them a report (PERS12) which gave a more detailed breakdown of the information and costs for agency labour, including the reasons for the variations in costs and possible variations in future for budget planning purposes.

Annex 1 set out expenditure on agency labour in 1998/99 and 1999/2000. Annex 2 gave the more detailed information on the breakdown of agency expenditure and the reasons given for fluctuations between 1998/99 and 1999/2000, with predicted fluctuations for the coming year.

It was reported that the Social Services Committee on 19 December 2000 had recommended the Strategy & Resources Committee to implement a monitoring process on the Council's use of agency staff and to request the officers to advise the political group spokespersons of the Strategy & Resources Committee on a regular basis on the level of agency use throughout the Council's departments.

Arising from the report, Ms Corrigan said that Chief Officers had recently agreed to advertise some ICT posts with a market supplement of £4,000 to be reviewed on an annual basis.

Members commented on the adequacy of systems to monitor and maintain consistency in standards for agency staff, particularly in Social Services and on factors militating against the recruitment of permanent staff.

RESOLVED: (on a motion by Councillor Buckle, seconded by Councillor Mrs Humphries and carried nem con) to:

- (a) receive the information in this report;
- (b) call for a further monitoring report on agency expenditure in 2001 as soon as this was available, and an annual monitoring report to the Sub-Committee.

69/00 OXFORDSHIRE COUNTY COUNCIL & EMPLOYEES JOINT CONSULTATIVE COMMITTEE

(Agenda Item 13)

RESOLVED:-

- (a) **(In relation to Minute 56/00 - Variable Hours Contracts for Support Staff in Schools)**
to:
- (i) endorse the proposal to include the wording set out in paragraph 4 of the report, as amended, in all new contracts for support staff in schools with the exception of caretakers, cleaners and learning support assistants employed to work with pupils with special educational needs;
 - (ii) authorise the officers to continue discussions with headteachers and governors with a view to introducing such a clause for those LSA who worked with SEN pupils;
 - (iii) ask officers to report back to Personnel Sub-Committee on their progress with these discussions or when agreement was reached;
- (b) that, subject to (a) above, the Oxfordshire County Council & Employees Joint Consultative Committee Minutes of 7 December 2000 be received.

70/00 URGENCY SUB-COMMITTEE

(Agenda Item 14)

RESOLVED: that the Urgency Sub-Committee Minutes of 13 October, 10 November and 15 December 2000 be received.

71/00 EXEMPT ITEMS

RESOLVED: that the public be excluded during the consideration of item 15E in the Agenda since it was likely that if they were present during that item there would be a disclosure of "exempt" information as described in Part I of Schedule 12A to the Local Government Act, 1972 and specified below the item in the Agenda, i.e. information relating to a particular employee, former employee or applicant to become an employee of, or a particular office-holder, former office-holder or applicant to become an office-holder under, the Authority.

PROCEEDINGS FOLLOWING THE WITHDRAWAL OF PRESS AND PUBLIC

72/00 URGENCY SUB-COMMITTEE*

(Agenda Item 15E)

RESOLVED: that the Exempt Part of the Urgency Sub-Committee Minutes of 10 November and 15 December 2000 be received.

in the Chair

Date of signing

2001

** The reports relating to the exempt items have not been made public and should be regarded as strictly private to those members and officers entitled to receive them.*

Strategy & Resources Committee

STRATEGY & RESOURCES COMMITTEE - 23 JANUARY 2001

AGENDA ITEM SR20

APPOINTMENT (CE) SUB-COMMITTEE – 9 NOVEMBER 2000

MINUTES of the meeting commencing at 2.00 pm and finishing at 4 15 pm

Present:

Voting Members:

Councillors Margaret Godden, Brian Hodgson, Julie Mayhew-Archer, Keith Mitchell, Don Seale and Sylvia Tompkins.

Officers:

Whole of meeting: A. Lowe and Dr H. Simpson (Chief Executive's Office).

By Invitation:

Mohan Yogendran and Simon Wing (PricewaterhouseCoopers).

The Sub-Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting, copies of which agenda and reports are attached to the signed Minutes, and in relation thereto determined as follows:-

73/00 ELECTION TO CHAIR

RESOLVED: that Councillor Mitchell (Conservative) be elected to chair the meeting.

74/00 TERMS OF REFERENCE

RESOLVED: that the Sub-Committee's terms of reference be noted.

75/00 APPOINTMENT OF NEW CHIEF EXECUTIVE

(Agenda Item 4)

The Sub-Committee had before them for consideration drafts of the following documents:-

Timetable and process for appointment (APPCE4(a))

Job Description (APPCE4(b))

Selection Criteria (APPCE4(c))

Salary and Conditions (APPCE4(d))

Advertisement (APPCE4(e))

Other documents forming the remainder of the recruitment pack (APPCE4(f))

The message from the outgoing Chief Executive, which had not been available for despatch with the agenda, was tabled, as was further advice from PricewaterhouseCoopers on the subject of salary. Copies of both are attached to the signed Minutes.

The Sub-Committee considered each of the draft documents in turn and agreed amendments as described below.

Job Description (APPCE4(b))

A motion by Councillor Hodgson and seconded by Councillor Tompkins to include in item 7 wording emphasising equal opportunities issues was lost by 4 votes to 2.

Selection Criteria (APPCE4(c))

It was agreed (nem con) to include the need for applicants to have an appreciation of the way in which ICT could and should be used to deliver and manage services in a local authority.

Salary and Conditions (APPCE4(d))

Councillor Hodgson moved and Councillor Tompkins seconded that the post be advertised on the basis of a fixed-term contract for six years at a salary of upto £110,000 subject to negotiation. Mr Yogendran on behalf of PricewaterhouseCoopers reiterated their advice that the maximum salary should be £120,000.

An amendment moved by Councillor Mitchell and seconded by Councillor Godden to reduce the length of the fixed-term contract to five years was then carried by 4 votes to 2.

It was then agreed (unanimously) that the contract be for a fixed term of five years at a salary upto £110,000 subject to negotiation.

Advertisement (APPCE4(e))

It was agreed (on a motion by Councillor Godden, seconded by Councillor Mayhew-Archer and by 4 votes to 2) to delete from paragraph 2 the words "and almost sixteen years with no overall political control". It was also agreed to substitute "Whatever" for "Regardless of" at the start of the next sentence.

A motion by Councillor Seale, seconded by Councillor Mitchell, to delete "but with a history of capping" from the first sentence of paragraph 2 was lost by 3 votes to 2.

Other Documents in the Recruitment Pack (APPCE4(f))

Introduction:

It was agreed to include an explanation as to why the vacancy had arisen.

Message from Leaders:

It was agreed that this would be headed "Message from the Leaders of the County Council's Three Largest Political Groups".

Councillor Mitchell tabled for discussion an alternative version of the Leaders' message. This was considered alongside the version circulated with the agenda and a revised version agreed upon. A copy of this is attached to the signed Minutes.

About Oxfordshire:

It was agreed:

- (1) to combine the first two paragraphs and to expand to emphasise the diverse nature of the County;
- (2) to amend the final paragraph of the second page of this section to refer to areas of low pay and to make clear SRB funding had been obtained for only some of the county's market towns;
- (3) to include reference to: the review of the local plan, particularly drawing attention to development pressures; the incidence of skill shortages amongst key public sector workers;
- (4) to replace "introduced" by "implemented" on the penultimate line of the first paragraph on the third page.

About the County Council:

It was agreed:

- (1) to add a reference to disability awareness training;
- (2) to make clear there had been public consultation on the budget for the past two years;
- (3) to include a reference to the new youth website "www.spired.com";
- (4) to delete "and to limit Council Tax increases" on the second page of this section.

About the Role of Chief Executive:

It was agreed: to include reference to the Chief Executive's role in assisting members to manage political change; to make other minor textual amendments.

Personal Performance Targets:

It was agreed to redraft the immediate priorities to read:-

- Ensuring effective corporate working by Chief Officers' Management Group;
- Developing and implementing the new political structures arising from modernisation;
- Securing cultural change within the organisation and promoting innovation.

Timetable (APPCE4(a))

Mr Yogendran advised the Sub-Committee that the post of Chief Executive for Oxford City Council was also in the process of being advertised. He understood that they planned to place an advertisement during week commencing 20 November but this could well slip into the following week. In the circumstances he saw no reason why this should affect our proposed timetable.

Councillor Mitchell made clear the view of his group that the appointment process should be delayed until after May 2001.

RESOLVED:

- (a) (by 4 votes to 2, Councillors Mitchell and Seale asking for their votes against to be recorded) to approve the timetable and process for the appointment at APPCE4(a);
- (b) (unanimously) to approve the job description at APPCE4(b);

- (c) (nem con) to approve the selection criteria at APPCE4(c), amended as recorded above;
- (d) (unanimously) in relation to the salary and conditions of the post:
 - (1) to **RECOMMEND** the Personnel Urgency Sub-Committee to agree that the post of Chief Executive be advertised with a maximum salary of £110,000, to be subject to negotiation with the successful candidate; and
 - (2) subject to the agreement of (1) above, to approve the draft terms and conditions of employment at APPCE4(d) amended by the insertion of £110,000;
- (e) (by 4 votes to 1) to approve the advertisement at APPCE4(e), amended as recorded above;
- (f) (nem con) to approve the remainder of the recruitment pack at APPCE4(f), subject to the various amendments recorded above.

in the Chair

Date of signing

2001