

WEST OXFORDSHIRE DISTRICT COUNCIL

Minutes of the meeting of the Finance and Management Overview & Scrutiny Committee
held in Committee Room 1, Council Offices, Woodgreen, Witney, Oxon
at 2.00 pm on Wednesday 5 April 2017

PRESENT

Councillors: P Emery (Chairman), G H L Wall (Vice-Chairman), A J Adams, D A Cotterill, C Cottrell-Dormer, P J G Dorward, H B Eaglestone, S J Good, H J Howard, E H James, A H K Postan, and G Saul

72. MINUTES

RESOLVED: That the minutes of the meeting held on 1 February 2017 be approved as a correct record and signed by the Chairman.

73. APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

There were no apologies for absence and Mr H B Eaglestone attended for Mr A D Harvey.

74. DECLARATIONS OF INTEREST

There were no declarations of interest from Members or Officers in matters to be considered at the meeting.

75. PARTICIPATION OF THE PUBLIC

There were no submissions from members of the public in accordance with the Council's Rules of Procedure.

76. MAIN POINTS FROM THE LAST MEETING AND FOLLOW UP ACTION

The Committee received and noted the report of the Chairman, which gave details of the main points arising from its meeting held on 1 February 2017. Mr Emery advised that the Strategic Director and Head of Paid Service would provide an update on the re-organisation of Local Government as the last item of business.

(Mr E H James joined the meeting at this juncture)

77. COMMITTEE WORK PROGRAMME 2016/2017

The Committee received the report of the Strategic Director and Head of Paid Service providing an update on the work programme for the Committee for 2016/2017.

77.1 Rural Superfast Broadband Project

The Strategic Director and Head of Paid Service advised that the rural superfast broadband project was proceeding in accordance with the programme plan. The open market review had been completed and the information provided was now out to public consultation as necessary under the state aid requirements. In effect, this was primarily a re-presentation to the broadband providers of information regarding service availability and planned improvements over the next three years.

The consultation was also open to the general public and details had been made available on the Council's website. From the data provided it had been possible to create spatial mapping recording each individual property and showing those which already had or were planned to receive superfast broadband as well as identifying those that would not receive this service. The Council's project was directed towards those properties in the latter category.

The provision of this more detailed information had revealed that this intervention area contained a greater number of properties than was initially thought. Only 80% of properties in West Oxfordshire had or were planned to receive superfast broadband, not the 90% suggested under the County Council's programme with British Telecom; although it was possible that this discrepancy was the result of data error rather than an accurate reflection of the position on the ground.

The consultation process would conclude at the end of the month at which time the Council would be able to go out to tender having passed the various check points required to satisfy public subsidy arrangements and BDUK. The Strategic Director and Head of Paid Service confirmed that, whilst it was a couple of weeks behind schedule, the project was broadly on track.

In response to a question from Mr Emery, the Strategic Director and Head of Paid Service indicated that, whilst it was unlikely that the project could catch up on this delay, it was more important to ensure that the primary data upon which it would be based was accurate. Mr Emery enquired whether there was likely to be any further slippage and the Strategic Director and Head of Paid Service indicated that, in a project of this size and complexity, a minor delay of this nature was not of particular significance. The key factors governing the project would be when prospective providers could deliver the service and, given that the intervention area was greater than first thought, how far coverage could be extended within the financial provision available.

Mr Good indicated that, as the intervention area was greater than had been thought, if there were a large number of remote properties, the cost of reaching them would be significant and questioned whether there was any feeling for the percentage of additional cabling required. The Strategic Director and Head of Paid Service advised that there was no information available at this stage as this was a network design issue. All properties had been identified and it was recognised that there were a number of outlying premises where connection would be expensive and decisions would have to be made. This project had always relied upon a gap funding model whereby public subsidy would be provided to commercial operators. The question remained how far that £3.2Million subsidy would stretch.

In response to a question from Mr Postan, the Strategic Director and Head of Paid Service advised that there would be a 12 week tender process commencing in May. Once tenders closed and had been subjected to analysis it was envisaged that work would commence in the late autumn. The point at which a service became operational was dependent upon the successful contractor's mobilisation plans and a response was required from the market before this could become clear.

The Strategic Director and Head of Paid Service indicated that Officers shared the frustrations expressed by Members but emphasised that this was a complex project. Whilst every effort would be made to progress as quickly as possible, the Council could not afford it to go wrong. In response to a question from Mr Cotterill, he confirmed that the scheme would be based on an open network, enabling individuals to choose their service providers, as this was a requirement of the subsidy arrangements.

Mr Cottrell-Dormer indicated that residents in his part of the District were satisfied with current service provision and were unwilling to meet the cost of an enhanced service.

In response to a question from Mr Howard, the Strategic Director and Head of Paid Service advised that developers were not required to provide the necessary infrastructure in new-build properties. Mr Cotterill indicated that the Council's Development Control Sub-Committees had been applying conditions to this effect but the Strategic Director and Head of Paid Service explained that such conditions had been struck down as unreasonable by the Planning Inspectorate on appeal. The Council continued to make representations to Central Government on this issue.

Mr Adams questioned whether, given the additional number of properties identified, tenders submitted would be within budget. The Strategic Director and Head of Paid Service indicated that this was something that the market would dictate. The Cotswold Broadband project had sought to serve some 4,500 to 5,000 properties utilising the Council's loan and additional Government subsidy and had failed. It was clear that a loan would not deliver but the Council was now offering direct grant funding. It was not certain what level of coverage could be achieved within the funding available and the Strategic Director and Head of Paid Service acknowledged that it was unlikely that this would reach 100%. It was necessary to receive a price from the market before the level of coverage achievable could be ascertained.

77.2 Introduction of Electric Vehicle Charging Points in Council Car Parks.

The Chairman advised that, since this item had been included within the Committee's Work Programme, the County Council had indicated that it too intended to provide vehicle charging points. Mr Emery then handed over to Mr Postan who had undertaken some initial investigative work.

Mr Postan indicated that electric vehicles were now a reality and were being used in increasingly large numbers. He believed that concentration of the pollution resulting from electricity generation to enable the use of clean running vehicles was the way forward. He endorsed the Council's policy of providing free car parking but acknowledged that this represented a loss of potential revenue. The introduction of Electric Vehicle Charging Points would provide an alternative revenue stream for the Council.

Mr Postan advised that he had sought information on the cost of setting up such a scheme commencing with charging points in Chipping Norton, Carterton, Eynsham and Witney. In addition to providing a small revenue stream, such a project would have environmental benefits and enhance the Council's reputation as a forward thinking authority wishing to provide services for local residents.

Having spoken to one of the market leading companies in this field, Mr Postan had established that the cost of providing charging points was in the region of £1,800 per unit. This figure was based upon the provision of 70 units and was dependent upon the proximity of a three phase power hub. The cost per unit reduced if a greater number of points were supplied.

In order for such a project to be effective, Mr Postan suggested that 10 points would be required in each of Chipping Norton, Eynsham and Carterton with 40 being provided in Witney. It would not be possible to provide points in the Marriotts Walk car park as, whilst the Council owned the freehold, the car park was under the control of the Centre's Management Company.

Mr Postan indicated that the project could be funded from the windfall growth in investment income occasioned by currency fluctuations following Brexit, together with Government grants and suggested that a Working Party be established to explore costings with other companies and draw up proposals for the introduction of such a scheme.

Mr Good expressed his thanks to Mr Postan for his work on the project to date and indicated that he would wish to join the Working Party having had recent experience of vertical wind turbines designed for use in urban areas. Mr Good also questioned whether a company would be prepared to fund installation of charging points on the Council's land for a percentage of the income. Mr Emery questioned whether there was scope to secure sponsorship.

Mr Saul indicated that he too would wish to join the Working Party.

The Strategic Director and Head of Paid Service undertook to provide the necessary financial and technical support and, in response to a request from Mr Postan for advice on the Council's procurement procedures, explained that delivery of the project would need to secure formal approval through the Council's formal decision making process.

RESOLVED: That a Working Party comprised of Councillors Postan, Good and Saul be established to explore the possibility of providing electric vehicle charging points in Council owned car parks.

78. CABINET WORK PROGRAMME

The Committee received and considered the report of the Chief Executive, which gave Members the opportunity to comment on the Cabinet Work Programme published on 21 March 2017.

78.1 Revised Data Protection Policy

Members noted that the revised Data Protection Policy was now to be submitted to the Cabinet meeting on 17 May. Mr Good indicated that, in his role as the Council's representative to Cottsway Housing he had become aware that data protection was of significant concern to that company. He questioned whether the Council harboured similar concerns. In response, the Strategic Director and Head of Paid Service advised that the Council had always complied with data protection requirements which were high on the agenda given its participation in the Public Service Network.

Whilst it was a matter of significance, data protection was just part of the overall compliance regime applicable to the Authority. The review had generated a degree of additional work but the extent of this had not been of particular consequence.

78.2 Increase in Planning Application Fees

The Strategic Director and Head of Paid Service advised that the Government had offered local authorities the option of increasing planning application fees by 20% provided that any additional income generated was applied to the planning service. Resources at West Oxfordshire were stretched and a report recommending such an increase was to be considered by the Cabinet on 19 April.

Mr Emery questioned whether the increase would be applied across the board or selectively to larger applications. The Strategic Director and Head of Paid Service explained that this was a percentage increase to statutory fees that it was anticipated would apply universally, although larger developments would bear the brunt of the increased fees.

Mr Howard questioned whether some of the additional income generated would be used to offset the cost of previous planning appeals. In response the Strategic Director and Head of Paid Service advised that an amount would be set aside in a fund to support the appeals process but it would not be applied directly against expenditure already incurred.

78.3 Joint Equality Scheme

Mr Howard questioned why this item had not been considered by the Human Resources Committee. The Strategic Director and Head of Paid Service explained that the scheme related to the Council's service delivery to the public, not its internal operation and staffing policies.

79. TREASURY MANAGEMENT ACTIVITY AND PERFORMANCE – 2016/2017

The Committee received and considered the report of the GO Shared Service Head of Finance giving details of the performance of in-house and external fund managers for the period 1 April 2016 to 28 February 2017.

Drawing on his experience as the Council's representative to Cottsway Housing, Mr Good questioned whether the Council needed to be able to demonstrate publically that it had a designated Officer dedicated to this work. In response, the Strategic Director and Head of Paid Service advised that there was a team of four persons within Go Shared Services responsible for the Treasury Management function. Following Paul Stuart's retirement, Philip Alway would oversee the Council's Treasury Management Function in future. In addition, the Council also engaged Arlingclose as its external treasury management advisors.

With this team of treasury management specialists and external advisors, the Strategic Director and Head of Paid Service confirmed that he was satisfied that appropriate arrangements were in place. In conclusion, he indicated that the Council's cash investments had decreased significantly since it had started to diversify into commercial property.

Mr Alway then gave a brief overview of the report which presented a positive picture and drew Members' attention to the forecast outturn which, as at 28 February, showed an expected surplus of some £125,000 over budget for the year.

Mr Howard indicated that he had seen suggestions that, given the increased demand for timber in the construction industry, investments in forestry could yield attractive rates of return and enquired whether this was worthy of further investigation.

Officers undertook to seek the advice of the Council's treasury management advisors as to whether any funds incorporating investments of this nature were available but the Strategic Director and Head of Paid Service reminded Members of the Council's need to retain liquidity in its investments.

RESOLVED: That treasury management and the performance of in-house and external Pooled Funds' activity for the period 1 April 2016 to 28 February 2017 be noted.

80. PERFORMANCE INDICATORS – QUARTER 3 2016/2017

The Committee received and considered the report of the Head of Leisure and Communities providing information on the Council's performance at the end of the third quarter of year 2016/2017.

Mr Good questioned whether it was possible to meet the targets set for answering telephone calls and Mr Howard queried whether the sample size was sufficient to provide a valid indication of customer satisfaction levels. The Strategic Director and Head of Paid Service acknowledged that the quarterly response levels were low but considered that the indicator had some potential value and should therefore be retained.

Mr Good questioned whether sickness levels could be indicative of staff morale. The Strategic Director and Head of Paid Service recognised that current uncertainties could have an impact upon staff morale but noted that absence levels were not significantly above target and were significantly lower than the national average.

81. MEMBERS' QUESTIONS

There were no questions from Members relating to the work of the Committee.

81.1 Local Authority Partnership Purchase Broker Scheme

The Chairman advised Members of the progress made in developing the Local Authority Partnership Purchase Broker Scheme. He indicated that he had recently received a piece of work from Officers setting out in more detail the basis upon which the scheme could operate. He undertook to provide Members with more information once he had had the opportunity of discussing this further with the relevant Cabinet Member.

82. RE-ORGANISATION OF LOCAL GOVERNMENT

The Strategic Director and Head of Paid Service provided a brief update on the current position with regard to the re-organisation of local government.

He advised that the County Council had submitted its proposals for a unitary Oxfordshire to the Secretary of State with the support of South Oxfordshire and the Vale of White Horse District Councils. The submission had been followed up by a letter to Town and Parish Councils seeking to garner their support.

The District Council had received some 4,500 responses to its own publicity campaign, the overwhelming majority of which expressed support for the District Council and high levels of satisfaction with the services it provided.

An initial response to the unitary proposals had been prepared in conjunction with Cherwell and Oxford City, identifying the weaknesses in the County Council's case and requesting the Secretary of State to decline to apply the fast track process.

The Secretary of State would give his initial response to the County after May when he would indicate whether or not he was minded to allow the bid to proceed. At that point, West Oxfordshire would have the opportunity to put forward a more detailed response. If the bid was approved using the fast track process, a Statutory Instrument would be made in the summer enabling a shadow authority to be created in April 2019.

West Oxfordshire was working with Deloitte to prepare a more detailed rebuttal to submit should the Secretary of State be minded to approve the County's bid.

The Strategic Director and Head of Paid Service advised that the County Council had only made the results of its on-line survey available on the day following that on which its Overview and Scrutiny Committee had considered the bid and it was worthy of note that these results had not been supportive of a unitary county. The only positive response had come from the doorstep survey which was based upon a sample of only 500 households throughout Oxfordshire.

In contrast, West Oxfordshire's survey had secured support for its own position from over 90% of respondents; the City Council had raised a petition in excess of 10,000 signatures opposed to a unitary County and Cherwell was also carrying out survey work.

In response to a question from Mr Emery, the Strategic Director and Head of Paid Service advised that, if the Secretary of State indicated that he was not minded to support the bid, the County's proposal would fall.

West Oxfordshire maintained the position that the best way to secure funding was to support a devolution bid with a combined authority and elected mayor. This approach had been adopted in Cambridgeshire which had just secured devolution funding of £20 Million per annum over a 30 year period to facilitate infrastructure funding. Deloitte had advised that the Government's insistence on a directly elected mayor as a prerequisite to a substantive devolution deal was based upon the premise that it demonstrated a democratic mandate that would otherwise be lacking.

Mr Postan questioned whether a change in the composition of the County Council at the forthcoming elections would impact upon the bid and Mr Howard advised that, from his experience, local residents were not supportive of a move to a unitary authority.

The Strategic Director and Head of Paid Service advised that the fast track process had been introduced to prevent a single authority from vetoing a proposal that had otherwise received support. It was evident that this was not the case in Oxfordshire.

Mr Good questioned what had led to South Oxfordshire and the Vale changing their position and queried how the current debate impacted upon the Local Enterprise Partnership.

The Strategic Director and Head of Paid Service advised that the LEP had not adopted a stated position, although it recognised the benefit of a single point of contact. The key priority for the LEP was to secure funding for infrastructure improvements.

The meeting closed at 3:10pm

CHAIRMAN