

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 12 July 2017

PRESENT

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

Also in attendance: C G Dingwall and T J Morris

16. MINUTES

RESOLVED: That the minutes of the meeting held on 31 May 2017 be approved as a correct record and signed by the Chairman.

17. APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

There were no apologies for absence or temporary appointments.

18. DECLARATIONS OF INTEREST

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

19. PARTICIPATION OF THE PUBLIC

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

20. RURAL BROADBAND PROJECT UPDATE

The Strategic Director and Head of Paid Service introduced the report, summarised the Council's involvement in the rural broadband project to date and introduced Mr Simon Furminger of Broadband Delivery UK (BDUK), the Government delivery agency overseeing the procurement process. He advised Members that the procurement process was on track and the closing date for the submission of tenders was 15 August. It was envisaged that, following the evaluation of tenders, a report regarding the award of a contract would be submitted to the Cabinet in September.

Mr Emery advised that an informal Member working group comprised of himself and the Vice-Chairman, Mr Howard and Mr Postan had been established to monitor progress.

(Mr Mullins joined the meeting at this juncture)

The Council's Business Development Officer advised that, to meet state aid requirements, procurement followed a highly structured process. An open market review had been completed and the results analysed by the Council's consultants. This had been subject to a state aid public consultation process to define the intervention area using a BDUK template.

This exercise had established that there were some 5,300 premises unable to receive superfast broadband with some 3000 currently under review. These properties fell within the scope of public subsidy although it was likely that the total figure would reduce as the

County Council was extending the coverage of its own scheme to areas such as Langford and Great Tew where there were schools.

Tenders were to close on 15 August with the subsequent evaluation and contract negotiation process taking place in September and October, a time period based upon BDUK guidance. Based upon expressions of interest it was anticipated that three tenders would be submitted.

Mr Furminger advised that BDUK remained supportive of the project which was to receive some £1.6 million in Central Government funding. BDUK's role was to ensure that the procurement process was compliant and successful and to ensure that the procurement process complied with state aid requirements. He confirmed that all due processes had been followed to date.

Mr Howard questioned whether the Council's contribution would be sufficient to secure 100% coverage. In response, the Council's Business Development Officer explained that the contract was based upon a gap funding model in which suppliers would compete to provide the optimum level of coverage against a fixed price. Whilst it was not certain that full coverage would be achieved, this remained the Council's clearly stated aspiration. The Business Development Officer also advised that tenders had been sought on a whole communities approach so as to avoid services being provided to part of a settlement only. The Group Manager of ICT, Change and Customer Services advised that the evaluation criteria were weighted to achieve the highest possible coverage.

Mr Howard noted that it was impossible to require the provision of broadband infrastructure to new properties through the development control process and suggested that the Council should make representations to Government to enable this to be required by planning conditions. The Strategic Director and Head of Paid Service confirmed that such representations had already been made and the Group Manager of ICT, Change and Customer Services indicated that the industry approach had changed with developers acknowledging the importance of providing such facilities in a competitive market.

In response to a question from Mr Good it was confirmed that the intervention area did not include the new strategic sites identified in the emerging local plan. Given the difficulties previously experienced, Mr Good stressed that it was vital that the Committee did everything possible to ensure the project's deliverability. Mr Emery advised that the working group would look at the whole procurement process, not just the documentation. The Group Manager of ICT, Change and Customer Services indicated that the difference between this and the previous project was that the Council now controlled the entire process. Tenders would be subject to a robust evaluation process to ensure that proposals were deliverable. In addition, the project was subject to BDUK evaluation and scrutiny from the Council's own consultants, Farrpoint.

In response to a question from Mr Cotterill, the Group Manager of ICT, Change and Customer Services confirmed that the classification of premises within the intervention area was identified on the on-line map available through the Council's website. In response to a further question he advised that the tender process was technology neutral and it was expected that a range of options would be presented to ensure optimum coverage. The tender documents required broadband speeds to meet national standards.

In conclusion, Mr Dingwall noted that, whilst the implementation of the previous project had been outside the Council's control, it now had full control over the delivery of the

current project. He thanked Mr Furminger and BDUK for their support and the Council's Officers for their work on the project to date.

21. REVIEW OF MEMBER STRUCTURES AND DEMOCRATIC COSTS.

The Committee received and considered the report of the Strategic Director and Head of Paid Service which invited Members to make comments upon the report submitted to the Council on 26 April in response to the Leader of the Council's commitment for a review of the current committee structures, electoral cycle and the number of Members of the Council.

The Head of Democratic Services introduced the report and advised that, at its meeting held on 6 July, the Economic and Social Overview and Scrutiny Committee had resolved that the Council be advised that its Members were of the opinion that the current structures should be retained.

Mr Harvey suggested that the potential level of savings was not sufficient to warrant a wholesale change in the Council's structure which worked well in its current form. The mix of daytime and evening meetings facilitated attendance by Members with a range of other commitments and the current number of Members produced a broad democratic reach. He indicated that he was not persuaded that a reduction in the number of committees was worth the potential saving of £25,000 as meetings would last twice as long with only half the Members being able to attend. As matters stood, Mr Harvey considered that the Council should take no further action and proposed that, in light of the Local Plan Examination in Public currently taking place and the likelihood of any accepted plan providing some 15,000 more homes in West Oxfordshire, there would be a need for a review of the boundaries as the houses came on line which might mean several new Wards and Members for the Council which would be a more appropriate time to consider a review of these questions in the round.

Mr Howard concurred, indicating that further investigation would put additional demands upon Officers. With the question of local government reorganisation still unresolved, he considered that it would not be appropriate to carry out a review at present.

Mr Postan indicated that the development of shared services and the creation of the Publica Group as a Tekel company meant that there was a need for greater scrutiny and resources should be bolstered, not reduced. Mr Adams concurred with the retention of the status quo.

Mr Good agreed, suggesting that a reduction in the number of Councillors would result in a loss of experience and expertise. To reduce the number of Members would dilute this knowledge base whilst a larger Member body offered greater democratic representation and involvement.

Mr Good concurred that the outcome of the Local Plan was likely to give rise to a boundary review.

Mr Saul expressed his support for the retention of the status quo, indicating that the Council should identify what were the most effective scrutiny arrangements. He did not believe that a reduction in the number of committees would result in significant savings and did not subscribe to the idea of a single development control sub-committee. However, Mr Saul suggested that the Council could explore ways in which it could work more efficiently.

Mr Adams suggested that the Council should encourage the use of IT. In response, the Head of Democratic Services advised that the Council could and did provide agenda papers to Members electronically but did not provide equipment such as Ipads to Members. Mr Good advised that, as a Board Member, he was provided with equipment by Cottsway Housing.

With regard to Ward boundaries, the Head of Democratic Services advised that the Local Government Boundary Commission for England (LGBCE) conducted periodic boundary reviews. West Oxfordshire had last been subject to a review in 2001 as a result of which Ward boundaries had been revised but the number of Members remained unchanged. He advised that it was his expectation that a periodic boundary review would be called by the Commission within the next two or three years, particularly if there were any significant inequalities between the electorate in individual Wards. As and when a review was called the Commission would take account of electorate forecasts for the following five years only, a period likely to be shorter than that covered by the emerging Local Plan which was to run until 2031. The Local Plan would not in itself trigger a review, nor impact upon the forecasting methodology employed.

The Head of Democratic Services reiterated that the LGBCE was likely to initiate a review as a matter of course or the Council could request a review should it wish.

Mr Howard indicated that he would wish to see the current electoral cycle of thirds maintained so as to ensure a degree of continuity.

Having been duly seconded the recommendation was put to the vote and was carried.

RESOLVED: That the Council be advised that the Committee is of the opinion that, in light of the Local Plan Examination in Public currently taking place and the likelihood of any accepted plan providing some 15,000 more homes in West Oxfordshire, there would be a need for a review of the boundaries as the houses came on line which might mean several new Wards and Members for the Council which would be a more appropriate time to consider a review of these questions in the round.

22. 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 31 May 2018.

23. COMMITTEE WORK PROGRAMME 2017/2017

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 2017/2018.

23.1 2020 Vision Project

The Strategic Director and Head of Paid Service advised that arrangements were being made for a joint meeting of the Overview and Scrutiny Committees to be held early in September to give consideration to the 2020 Service specifications. In response to a question from the Chairman he confirmed that this would be a formal meeting.

Mr Postan indicated that such a meeting was both welcome and necessary to provide assurances that difficulties would not be encountered further into the future. Good communication was vital in ensuring that all Members were fully informed before taking a final decision.

Mr Emery encouraged all Members to attend Cabinet meetings when relevant issues were under discussion and Mr Morris noted that Members were provided with the full Cabinet

Work Programme and were at liberty to request forthcoming items to be referred to the overview and scrutiny committees prior to their determination where time permitted. Mr Emery encouraged all Members to take advantage of this opportunity.

The Strategic Director and Head of Paid Service acknowledged that this was an important issue and advised that, whilst time constraints were relevant, special meetings could be arranged if necessary. He also stressed that, in addition to holding the Cabinet to account, the overview and scrutiny committees had an important role to play in policy development and it was important to achieve a balance between the two.

Mr Howard expressed some concern that, in transferring the Council's most senior staff to Publica, a conflict of interest could arise. Mr Morris stressed that the 2020 project was founded upon the premise that the individual partner authorities would retain their sovereign status, setting policies and commissioning services. Publica was simply a delivery vehicle with all Officers being employed under that umbrella. The individual skill sets would still be available to the Council.

The Strategic Director and Head of Paid Service advised that there were still some decisions to be taken regarding the transfer of certain Officers holding particular delegations. Following the vires audit the expectation was that not all Officers would transfer to Publica but that some, including the Section 151 Officer and the Monitoring Officer amongst others, would remain with the Council so as to avoid any potential conflict of interest. A report would be considered by full Council in September and the issue would also be addressed at the joint meeting of the overview and scrutiny committees.

Mr Emery indicated that it was reassuring that a final decision would be taken by full Council. He acknowledged concerns that those providing most of the Council's services would no longer be direct employees.

The Strategic Director and Head of Paid Service indicated that the new arrangements were not as different from the current position as decisions regarding service delivery would still be made by the individual partner authorities. The Council would retain full sovereignty over service delivery. Members expressed some concern over the potential loss of personal experience and questioned how that knowledge and experience could be retained.

Mr Morris indicated that the Council would not be losing its existing skill set and the Strategic Director and Head of Paid Service advised that individual members of staff would still be in place post transfer, delivering services to the same specifications. Publica was simply a cost sharing vehicle and, whilst changes might take place further down the line, these could prove to be for the better.

Mr Good did not consider this to be a significant issue and Mr Adams noted that changes of personnel within a large organisation occurred as a matter of course. Mr Harvey agreed that individual members of staff would always come and go in a natural evolution. Whilst some Officers might not be based in West Oxfordshire in the future, they would still be available to Members and Mr Harvey stressed that the contracts and service level agreements were the key to success.

Mr Postan indicated that there were only three ways for a business to increase profits; cut costs or increase margins or volume. The only option open to the Council was to cut costs.

23.2 Re-organisation of Local Government

In response to a question from Mr Howard, the Strategic Director and Head of Paid Service advised that, following the recent election, this issue had become rather more complex and there had been no further progress to date.

23.3 Introduction of Electric Vehicle Charging Points

Mr Postan indicated that he was keen to progress this project but that, to date, no 'turn-key' solution had been found. Mr Cotterill questioned whether there were any problems in relation to equipment standardisation. Mr Good advised that Officers were investigating

23.4 Local Authority Partnership Purchase Scheme

Mr Emery suggested that the Local Authority Partnership Purchase scheme be put back on the Work Programme. In response, the Strategic Director and Head of Paid Service advised that the scheme was almost ready for launch and undertook to provide Members with further information on the current position.

RESOLVED: That the Committee's Work Programme for 2017/2018 be approved.

24. 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 22 June 2017.

Mr Morris advised that the Cabinet meeting scheduled to have been held on 26 July had been cancelled as the Oxford City's consultation on the unmet housing need has yet to be received.

This and the remaining items of business on the Work Programme that were to have been considered at that meeting would now be dealt with at the meeting on 23 August.

RESOLVED: That the content of the Cabinet Work Programme published on 22 June 2017 be noted.

25. ANNUAL INVESTMENT PROPERTY REVIEW

The Committee received and considered the report of the Head of Paid Service, together with appendices containing exempt information regarding the Council's current property investments and their performance since the last review in July 2016.

Members were pleased to note that the Council's investments continued to perform well and, in response to a question from Mr Good, confirmed that there did not appear to be any significant difficulty in letting small office premises in Witney.

Mr Wall noted that there appeared to be a shortage of industrial premises available to small companies wishing to expand in Chipping Norton and enquired whether the Council would consider investing in such provision. In response, the Strategic Director and Head of Paid Service advised that, whilst the balance between the Council's property and cash investments was in accordance with its approved policy, consideration would be given to any suitable investment opportunity that arose. However, he stressed that commercial property had been acquired for investment purposes, not to support economic development but this latter option was open for the Council to consider if it felt appropriate. The Council could also consider the future use of its existing assets.

In response to a question from Mr Cotterill, the Strategic Director and Head of Paid Service advised that the nature of the Council's property portfolio did not expose the Authority to high risks.

Mr Morris noted that, without investment income, Council Tax would need to be some £50 higher to support existing expenditure. He acknowledged the differing imperatives driving investment and economic development but confirmed that the Cabinet would be prepared to consider acquisitions giving an appropriate level of return should the opportunity arise.

Mr Cottrell Dormer stressed that the Council was not a developer and the Strategic Director and Head of Paid Service acknowledged the divergence between its position as a landowner and its role as the Local Planning Authority.

Mr Mullins questioned whether the Council would support public houses but recognised that the investment potential was somewhat limited.

Mr Postan asked that details of the performance of non-property investments be provided as a benchmark against its property portfolio and the Strategic Director advised that further information would be provided at the next meeting.

RESOLVED: That the performance of current property investments be noted.

26. MEMBERS' QUESTIONS

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

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

The meeting closed at 3:25pm

CHAIRMAN