

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 3 October 2018**

PRESENT

Councillors: Alex Postan (Vice-Chairman, presiding); Alvin Adams, Alaa Al-Yousuf, Rosa Bolger, Julian Cooper, Charles Cottrell-Dormer, Pete Dorward, David Harvey, Edward James and Geoff Saul.

29. MINUTES

**RESOLVED:** That the minutes of the meeting of the Committee held on 11 July 2018 be approved as a correct record and signed by the Chairman.

30. APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

Apologies for absence were received from Councillor Cotterill.

Councillor Bolger attended for Councillor Enright.

31. DECLARATIONS OF INTEREST

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

32. PARTICIPATION OF THE PUBLIC

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

33. 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 11 July 2018.

34. COMMITTEE WORK PROGRAMME 2018/19

The Committee received and considered the report of the Head of Democratic Services, which provided it with an update on the Work Programme for 2018/2019.

Councillor Harvey raised an issue regarding tree branches, from tress on Council land obscuring pedestrian crossing warning lights on Welch Way, Witney. In addition, a dirty Ubico vehicle had recently been observed in Cirencester, and Councillor Harvey was concerned that this could have a reputational impact upon the Ubico owner Councils. The Chief Finance Officer confirmed that she would follow up these issues with the Head of Land, Legal and Property and the Head of Environmental Services.

Councillor Postan also drew the Committee's attention to recent progress with the implementation of electric vehicle usage in Banbury and the recent coverage in the Press with Victoria Prentis MP. He added that he felt the Council should continue to progress with the implementation of Electric Vehicle Charging Points across the District.

Councillor Cooper enquired as to the Partner Councils' support for the Charging Point Scheme. The Chief Finance Officer confirmed that Cotswold District Council had already given their support for the Scheme and that she would follow up on progress with the Forest of Dean District Council.

**RESOLVED:** That progress with regard to the Committee's Work Programme for 2018/2019 be noted.

35. CABINET WORK PROGRAMME

The Committee received and considered the report of the Head of Democratic Services which gave Members the opportunity to comment on the Cabinet Work Programme published on 18 September 2018.

It was noted that there was duplication within the Appendix in regards to the approval and adoption of the revised Corporate Enforcement Policy. The Chief Finance Officer apologised for this error.

The Chief Finance Officer explained the Corporate Enforcement Policy was a comprehensive document relating to services across the Council. These included Planning; Environmental and Regulatory Services (ERS); Council Tax and Housing Benefit Services.

**RESOLVED:** That the content of the Cabinet Work Programme published on 18 September 2018 be noted.

36. RURAL BROADBAND PROJECT UPDATE

The Committee received and considered the report of the Group Manager, Business Support Services, which updated it on the progress of the Superfast Broadband project to date. He explained that the builds were currently processing well and that there were 23 different teams currently working across the District.

The Group Manager added that he would be meeting with one of the Directors from Gigaclear to discuss improvements to their wayleave process in mid-October 2018 and confirmed that requests for lights had recently been delayed owing to shortages within the County Council's Highways Department, which had now been overcome.

Councillor Cooper queried why Lechlade had been included within the report, despite not being within the District. In response, the Group Manager explained that, whilst not within the District and therefore the Council's remit, it was part of a backhaul route which the network within the District relied upon.

Councillor Postan wished it to be recorded that he had recently experienced contractors working in a nearby area and that he had found them to be very polite and helpful.

Councillor Dorward enquired if a map showing the utilities was being kept for future reference to help with maintenance. The Group Manager confirmed that records would be kept on all the infrastructure associated with the project by Gigaclear for the life of the contract and beyond as the fibre had an expected life of approximately 25 years.

**RESOLVED:** That the report be noted.

37. GENERAL DATA PROTECTION REGULATION (GDPR) UPDATE

The Committee received and considered the report of the Group Manager, Business Support Services, which provided it with an update on actions being undertaken as part of

the Council's implementation of the new legislation relating to data protection and information security management.

Councillor Postan drew Members' attention to an email recently sent by the Head of Democratic Services to Members regarding the forwarding of emails. He also requested that the Committee continue to receive regular update reports in regards to the Regulation.

**RESOLVED:** That the report be noted.

### 38. INVESTMENT IN UBICO FLEET HIRE SCHEME

The Committee received and considered the report of the Group Manager, Council Advisory Services, which would be considered by Cabinet on 17 October 2018, and which sought one-off funding for the trial of an invest to save initiative to create a Ubico fleet pool. Under the proposal, the Council would fund the acquisition, repair, maintenance and servicing costs of operational vehicles which could then be hired to any Ubico partner, reducing the lease costs to the partner, whilst providing a return on investment for the Council.

The Chief Finance Officer introduced the item on behalf of, and in the absence of, the Group Manager. She explained that the investment would be for the benefit of all clients and the Council's investment would fund the acquisition of two older vehicles, which had reached the end of their current service life within an urban or country setting. The Committee was informed that currently, vehicles which had seen regular service in urban areas suffered with mechanical issues with the tail lift; whereas those used in country areas suffered from mechanical issues with the vehicles' engines and gearboxes. It was also reported that the Scheme as a pilot project looked to combine parts from both vehicles to create vehicles which could continue service for an approximate three further years. The Chief Finance Officer added that it was expected the income received would exceed the cost of purchase and renovation of the vehicles, which equated to £36,000 over three years and based on a vehicle usage rate of 80%. In conclusion, she also confirmed that there was a low risk associated with the Scheme and the Council could dispose of the vehicles at any time.

Councillor Harvey enquired as to the age of vehicles that were intended to be purchased and commented that he was concerned, having recently seen some poorly-maintained newer vehicles in use, that the use of these older vehicles would not portray the Council in the correct light.

In response, the Chief Finance Officer explained that the vehicles' age would vary between seven and 10 years and confirmed she would report the concerns regarding current vehicles' conditions to Ubico.

Councillor Postan commented that he wished the Committee to formally recommend that Ubico agree to present tidy vehicles owing to the image they presented to the public of the Council and its partners.

Councillor Bolger sought clarification in regards to the renovation centre for the vehicles and if this would be located within the District. The Chief Finance Officer responded that she was not currently aware of the location as this was dependent on where Ubico had sourced the vehicles from, but added that she would feed this into her discussions with Ubico.

Councillor Al-Yousuf expressed that, in his view, the investment was small by budget standards and the opportunity to 'recycle' vehicles was key to the Council's commitment to its environmental impact. He added that he was currently unsure in regards to the ownership of the vehicles and if there were implications from trying to get the maximum amount of use out of the vehicles, but highlighted that these would most likely be considerations at a later stage when the Scheme was presented to the Cabinet for decision.

The Chief Finance Officer informed the Committee that the vehicles would eventually be scrapped for their best market value, but stressed the Scheme had the potential to cease the leakage of funding into hire vehicles and, whilst the funding would flow through the revenue account, it was budget neutral as the funding would come from earmarked reserves.

Councillor Saul stated that he wished to know the purchase price of the vehicles, in light of the £128,000 reported covering the purchase and maintenance of the three vehicles. In response, the Chief Finance Officer explained that there were no vehicles currently in the Council's fleet which were suitable for the Scheme as they had all recently been replaced, but confirmed that there were vehicles in other fleets. She added that she would include further information in the Cabinet report.

**RESOLVED:** That Cabinet be advised that the Committee was supportive of the Scheme, subject to:

- (a) Investigations being undertaken regarding incorporating training and recording processes into the crews' daily schedules and monitoring being undertaken regarding routes and crews to determine whether certain caused greater strain upon collection vehicles;
- (b) Revenue streams being presented to the Committee at six-monthly intervals to determine whether the scheme represented value for money; and
- (c) Legal and accounting information being presented to the Committee.

39. ACTION PLAN FOR THE DELIVERY OF AFFORDABLE HOUSING ASSOCIATED WITH THE OXFORDSHIRE HOUSING AND GROWTH DEAL

The Committee received and considered the report of the Chief Finance Officer, which addressed a proposal which would support the Council's objective of accelerating the delivery of affordable housing in the District, with the outcome supporting the Council's commitment to the Oxfordshire Housing and Growth Deal.

The Chief Finance Officer explained that the Council was working with Cottsway Housing to establish an onward lend to the Association to deliver an additional 48 houses and added that the report was being presented to the Committee prior to being considered by the Cabinet.

Councillor Saul expressed his support for the Scheme, but questioned the mechanisms in place to ensure the houses were built to the Council's requirements. In response, the Chief Finance Officer explained that a legal document would be produced between the Council and Cottsway, which would set out the performance criteria and reporting to the Council. In addition, the delivery of the housing units would be reported to the Oxfordshire Growth Board as part of the Oxfordshire Housing and Growth Deal governance arrangements. She also explained that a delegation was sought for the Chief Finance Officer, Leader and Cabinet Member for Resources to enter into legal agreements underpinning the transaction.

Councillor Cooper commented that he was very disappointed that the Council had only approached one housing association, this being the Council's Strategic Partner, and commented that he was aware of previous financial issues in relation to the association chosen.

Councillor Postan responded that the diligence due to be undertaken was to provide the Council with assurance in relation to these risks and concerns. Councillor Postan did however wish to draw Members' attention to the fact the houses were required to be built by 2021 and there was the option to hold a special meeting of the Committee to scrutinise the legal agreements in advance of the Council entering into the contract.

In response to various Members' questions, the Chief Finance Officer confirmed that the Council sought a mix of assets from Cottsway; the Deal would feed into the Council's Capital Programme and Capital Management Strategy; all other housing associations used a similar financial sustainability model as Cottsway; the ownership of potential sites was still to be confirmed, but that sites had been worked through in co-operation with the Council's Housing Team and, whilst providing a small financial gain, the main aim of the Deal was Housing Delivery.

**RESOLVED:** That Cabinet be advised that the Committee was supportive of the proposals, subject to the matters outlined above; and

- (a) the principles of establishing a Revolving Credit Facility with Cottsway Housing be considered;
- (b) the principle of including provision for a Revolving Credit Facility of £10 million for delivery of affordable housing in the District within the next update to the Capital Programme, Capital Strategy and Treasury Management Strategies be agreed; and
- (c) the principle of delegating the negotiation of the detailed terms for the transaction to the Head of Paid Service in consultation with the Chief Finance Officer, Monitoring Officer, Leader of the Council, Cabinet Member for Resources be agreed in addition to a formal consultation with the Finance and Management Overview and Scrutiny Committee.

#### 40. TREASURY MANAGEMENT ACTIVITY AND PERFORMANCE 2018/19

The Committee received and considered the report of the Chief Finance Officer, which covered the period April to August 2018 and followed the Committee's wish to release the capital gains from investments in global equity funds. The overall gain amounted to around £700,000.

The Chief Finance Officer confirmed that the Council had now increased its investment in Pooled funds from £12 million to £13million as a result of realising the capital gains from the global equity funds. Details of the investments were set-out within the circulated report. She added that there was a target of income of £607,000 for the year and confirmed the Council was on track to exceed the target and generate investment income of around £690,000.

Councillor Postan commented that the Council needed to look at its investments carefully as it currently had significant funds stored within its Pooled Funds. He added that the Council needed to take a defensive position and should look to acquire more than one expert opinion on what would be a suitable 'defensive stance'.

In response, the Chief Finance Officer explained that she would seek to enquire about the costs of procuring advice, which was in addition to that currently provided in an agreement between the Council and Arlingclose.

Various Members expressed their views both for and against the cost of procuring additional advice and considered that the final amount should be delegated to the Chairman and Chief Finance Officer to agree.

**RESOLVED:** That the information provided be noted.

41. QUARTER ONE PERFORMANCE INDICATORS 2018/19

The Committee received and considered the report of the Group Manager, Council and Company Support, which provided information on the Council's performance as at the end of Quarter 1 2018/2019.

**RESOLVED:** That the report be noted.

42. MEMBERS' QUESTIONS

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

The meeting closed at 3:30 pm

CHAIRMAN