

WEST OXFORDSHIRE DISTRICT COUNCIL

Minutes of the meeting of the **Overview and Scrutiny Committee**

Held in the Council Chamber, Council Offices, Woodgreen, Witney, Oxfordshire OX28 1NB
at 5.30 pm on **Wednesday, 17 July 2024**

PRESENT

Councillors: Andrew Beaney (Chairman), Joy Aitman (Vice-Chair), Thomas Ashby, Adam Clements, Julian Cooper, Steve Cosier, Rachel Crouch, Genny Early, David Jackson, Liz Leffman, Nick Leverton, Dan Levy, Andrew Lyon, Paul Marsh, Stuart McCarroll, Michele Mead, Elizabeth Poskitt, Carl Rylett, Sandra Simpson, Ruth Smith, Alistair Wray, Liam Walker, Mark Walker and Alex Wilson

Officers: Giles Hughes, Chief Executive, Andrew Pollard, Interim Programme Director, Simon Anthony, Business Manager for Environmental Services, Kim Hudson, Principal Planning Officer, Madhu Richards, Director of Finance, Georgina Dyer, Chief Accountant, Maria Wheatley, Parking Manager, Andrew Brown, Democratic Services Business Manager and Christine Elsasser, Democratic Services Officer

Other Councillors in attendance: Alaric Smith and Andy Graham

17 Apologies for Absence

Apologies for absence were received from Councillor Natalie King. Councillor David Jackson substituted for Councillor Natalie King.

Councillor Nick Leverton left the meeting at 18:24.

Councillor Liam Walker left the meeting at 18:30

Councillors Adam Clements and Liz Leffman left the meeting at 19:09

Councillor Thomas Ashby left the meeting at 19:15

Councillor Michele Mead left the meeting at 19:45

18 Declarations of Interest

There were no declarations of interest received from Members of the Committee.

19 Minutes of Previous Meeting

Councillor Michele Mead proposed that the minutes of the previous meeting, held on Wednesday 5 June 2024, be approved by the Committee as a true and accurate record. This was seconded by Councillor Steve Cosier, was put to a vote and it was unanimously agreed by the Committee.

It was noted that Councillor Liz Leffman had given apologies and was therefore not absent. The attendance record for 5 June 2024 would be amended accordingly.

20 Announcements from the Chair

The Chair welcomed Members to the meeting and drew attention to the updated version of the Publica Transition document which had been provided to Members

21 Participation of the Public

There was no participation of the public.

22 Publica Transition Plan

The Chief Executive introduced the report that set out the services proposed to transfer from Publica to the Council, the process including phasing, consideration of risks and opportunities, cost implications, practicalities and timelines.

It was explained that important work had been done collectively and alongside the Interim Programme Director to ensure the best outcomes were achieved. Taking into consideration logically, the great detail of services to ensure any changes were done in a phased manner with a strong locality focus to ensure the organisation would deliver.

Special care was taken in the financial modelling to recognise that service areas varied and that there would be differences in how Publica and the Council would be structured.

The financial implications of the Publica Review had been the subject of extensive due diligence since programme inception in February 2024. The resulting financial modelling output reflected robust programme assumptions and a detailed audit trail of movements between baseline costing, of delivery via the current Publica model, to the new Council structure post transition, as proposed in the Detailed Transition Plan.

The key financial implications of the Detailed Transition Plan were an indicative enduring annual increase to West Oxfordshire District Council revenue budget of £185k per annum (pro rata for 2024/25 would be £77k) with one-off costs of restructuring in the region of £207k to £301k, being the “most likely” and “maximum” scenario respectively.

The report also referenced business change and a focus on the Council’s needs and priorities. The changes would bring better clarity in roles and responsibilities, responsiveness and agility.

There was a plan to implement minimum redundancies and the intention was to ensure that roles would be available for as many staff as possible. TUPE would be used to facilitate this process and for the majority of staff the transition from Publica to West Oxfordshire District Council would be straightforward with very little disruption.

The Interim Programme Director explained that he deliberately set up a programme office and asked Members to note the ‘Waterfall’ chart on page 31 that highlighted the core movements in cost from the Publica baseline costing to the Council’s new structure post transition. The key assumptions which underpinned the Phase I cost movements were:

- The Council model assumed that all Phase I roles were opted-in to Local Government Pension Scheme (LGPS) at the point of transfer (November 2024) with no subsequent opt out.
- Newly created roles were in accordance with service delivery requirements under the Council model post Phase I. Proposed organisational structures had been developed, to facilitate this cost modelling, and these would be refined and finalised after consultation with staff involved in Phase I.
- “Direct savings” resulted from roles not transferring to an equivalent role within the Council operating structure.

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- “Indirect savings” resulted from a Senior Management restructure within Publica. These savings were offered in entirety underneath the scope of Phase 1, therefore no further executive management savings were anticipated for future phases.
- For modelling purposes, both the one-off costs of transition and the savings (direct & indirect) had been split equally across the councils (one third each).
- The paper did not consider any impact of the Council restructure on Retained Officers’ remuneration.
- As mentioned, Local Partnerships envisaged a phased approach to the transition and Phase 2 would be the subject of a future report.

The Chief Executive and the Interim Programme Director answered questions from Members and the following points were to be noted:

- The intention was to make sure as many people as possible would have roles in the new structures and where TUPE does apply, the employment of any employees would transfer automatically to the Council unless they objected to the transfer. They would be employed on the same terms and conditions and gain an entitlement to join the Local Government Pension Scheme. Where a role was fragmented (shared) and would no longer remain shared post transfer, TUPE would not apply in all cases. In these instances, formal consultation would be undertaken with the impacted employees in line with the Publica Redundancy Policy and Procedure following ACAS best practice. Consideration would be given to alternative measures to minimise or avoid redundancies including, and limited to, suitable alternative suitable employment within Publica, or through employment opportunities with the Shareholder Councils.
- The cost savings were explained in the covering report section 5.1. Impacts on 2024/25 were explained in section 5.3 of the covering report.
- Human Engine identified some benefits, for example a suitable pension that may attract future employees to the Council.
- Organisational culture was important and this would be considered in the consultation period; understanding of what values staff felt were important would be continued to be monitored through staff surveys.
- Processes for redundancy costs would be highlighted as part of the quarterly budget monitoring report to ensure Members could be made aware.
- Publica would still exist and deliver important services to the Council.
- The Budget for 2024/25 was built on assumptions that were known at the time. The cost of the transition could be found in section 5.2 of the report.
- Councils were creating various roles within planning to ensure experience was retained within each Council.

RESOLVED that the Committee AGREED:

I. To Note the Publica Transition report.

23

One-Year Publica Business Plan

The Chief Executive introduced the report that considered the Draft Publica Business Plan 2024-25, produced by the Publica Board in consultation with Directors and Shareholders, and that recommended the Leader (as Shareholder Representative) approved the plan.

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It was explained that the purpose of the plan had been updated from the previous version first introduced and now:

- Acknowledged that Publica (and the Shareholder Councils) were currently in a 'transitional period' to staff and interested parties such as Councillors and Ubico, Publica's sister Teckal company;
- Provided clear messages to employees and interested parties on the priorities over the next year as part of a change management strategy;
- Ensured there was a clear focus on supporting Publica employees through transition and managing service changes effectively;
- Focused on the planning for the 'New Publica' and co-creating a new operating model in partnership with the Shareholder Councils;
- Stated that work with the Shareholder Councils was being undertaken to enable and ensure a smooth transition of services back under Council control.

The Chief Executive and the Interim Programme Director answered questions from Members and the following points were noted:

- The future of Publica was an appropriate question and updates and further questions would be answered to that as and when. It was believed that staff would find it reassuring that it was business as usual.
- There were priorities within the plan and those priorities would not be delayed.

Action Point: Comments would be fed back to Officers that it was felt this document was not a business plan due to the lack of financial figures.

RESOLVED that the Committee AGREED:

I. To Note the One-Year Publica Business Plan.

24

Waste Service Update

The Business Manager for Environmental Services presented a report that provided Members with an update of current waste services and also provided a timeline and options for future service design and delivery.

It was explained that West Oxfordshire District Council (WODC) had contracted with Ubico for waste collection, street cleansing, grounds and other ancillary services since 1 April 2015. Ubico was a Teckal company wholly owned by its Shareholder Councils including West Oxfordshire District Council (WODC). Ubico's contract with WODC was due to end on 1 April 2026. Ubico's performance, particularly in terms of key waste areas of missed bins and container deliveries had improved significantly over the last 12 months since the introduction of a shared improvement plan between Ubico and Publica. The contract required WODC to notify Ubico of its intentions regarding a future contract before 1 April 2025. This report provided a suite of options for a future contract.

WODC was a key partner of the Oxfordshire Waste and Resources Partnership. The partnership was a very active collection of like-minded local authorities who were aiming to find collaborative ways of working to generate savings, efficiencies, environmental improvements, and other corporate objectives. WODC had led a review of strategic container purchasing across the partnership and identified quick wins for neighbouring authorities to

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make significant savings on their container purchasing. WODC have been named on a partnership contract for sale of recycling material, this joint contract was projected to provide significant savings for WODC, a paper was being prepared seeking approval for this contract.

The Business Manager for Environmental Services answered questions from Members and the following points were to be noted:

- There were active ongoing discussions to push new opportunities for a new recycling contract.
- The example in the report of collections every 3-4 weeks was only an example and did not represent the current thinking around the new government would do. It was requested that this be removed as to not to confuse residents.
- Missed material of any kind during a waste collection was classified as missed bins.
- Consideration needed to be given to how the Council could promote refill and reuse.

Action Point: The Business Manager for Environmental Services to consider including data on scattered bins in reporting. Online systems were being developed so that information could be used to retrain crews.

Action point: The Business Manager for Environmental Services would investigate Councillor Mead's address to find out what has happened with missed bins previously.

Action point: The Business Manager for Environmental Services would ask DEFRA to speak back to the Committee regarding broken equipment.

RESOLVED that the Committee AGREED:

I. To Note the Waste Service Update.

25

Community Infrastructure Levy (CIL) Draft Charging Schedule

The Principal Planning Officer introduced the report that considered a draft CIL charging schedule which had been prepared in response to updated viability evidence. The report summarised the main outcomes of the viability work and the updated draft CIL charging schedule.

It was explained that the Community Infrastructure Levy (CIL) was a charge that may be levied on most forms of development to help fund infrastructure. Despite several previous public consultations, CIL had not been adopted in West Oxfordshire and therefore last year, Members agreed that fresh viability evidence should be commissioned with a view to public consultation taking place on a new CIL draft charging schedule. That viability evidence had now been completed and a new draft charging schedule had been prepared. Details of the various charges were set out in the report.

The Principal Planning Officer answered questions from Members and the following points were noted:

- As part of the Oxfordshire Infrastructure Strategy which is a county-wide study, there would be collaboration with other councils in Oxfordshire on larger strategic projects.
- CIL is a fixed tax on development and once adopted is not negotiable on an application-by-application basis whereas Section 106 payments are negotiable.
- Rates are based a large part on viability, and it was advised a pragmatic and simple approach be taken.

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- The proposed CIL rates are similar to other local planning authorities, in particular South & Vale.
- Payment of CIL receipts to Town and Parish Councils was capped at 15% if no Local Plan Neighbourhood Plan in place; 25% if a Local Plan Neighbourhood Plan was in place. However, the broad understanding was that it was capped annually based on the number of existing residential properties in the parish (£100 per dwelling) properties which was 110 per existing on that dwelling.
- An Infrastructure Development Plan (IDP) was due to update the funding gap analysis and would help close the infrastructure funding gap. The Council's infrastructure funding gap analysis would be updated prior to submission for examination
- The funding gap analysis would provide up-to-information on the predicted costs of all necessary infrastructure and the money expected from CIL and legal agreements to establish the likely funding gap.
- Regarding point 3.4 on page 89 of the pack, the non-residential developments listed as nil rated were due to it being based on relative lack of viability.
- Neighbourhood plans allow for Towns and Parish Councils to decide what infrastructure they would like to see and identify a level of need in the community.
- Suggested CIL rates are based on viability evidence, recommended by viability consultants. Their evidence found that charging CIL on the strategic development sites would not be viable due to their high Section 106 costs associated with supporting infrastructure.

RESOLVED that the Committee AGREED:

I. To Note the Community Infrastructure Levy (CIL) Draft Charging Schedule.

26

Financial Performance Report 2023-24 Quarter Four

The Director of Finance reported the financial performance of the Council in 2023/24.

The Chief Accountant explained that at year end the overspend on the cost of services was £972,473. This was driven by pressure on fee earning activities such as Building Control, Land Charges and Development Management. In addition, there was a significant overspend on the Ubico contract, due to the impact of the NJC pay award and additional costs for vehicle hire. There were also voids and rent-free periods in the Council's Investment Property portfolio which exacerbated this year end position. There was a table that outlined all the expenditures and savings per service on page 119 of the agenda pack.

The Chief Accountant answered questions from Members and the following point was noted:

- It was only the Capital Expenditure Budget that was slipping and therefore it was unlikely to affect residents directly. The reasons for slippage varied but projects included in the capital programme were all subject to a business case.

Members commended and thanked Officers for the report.

RESOLVED that the Committee AGREED:

I. To Note the Financial Performance Report 2023-24 Quarter Four.

27 Public Convenience Contract

The Parking Manager introduced a report that would ask Executive to consider to agree a contract award for the cleaning and maintenance of public conveniences.

It was explained that the procurement process was carried out with an open tender method. The new contract would benefit from economies of scale being a shared contract across Cotswold District Council and West Oxfordshire District Council.

The Council-owned public conveniences were currently cleaned and maintained by Danfo (UK) Ltd under contract. The contract was due to expire on 30 September 2024, and a procurement exercise had been completed to secure a new contract from 1st October 2024 for a period of 4 years.

Quality criteria included an assessment of the bidders' ability to meet the required standards, their arrangements for management and supervision, their approach to managing customer complaints, their fleet management arrangements, their resilience and their approach to health and safety and sustainability.

Officers evaluated the bids, the outcome being that the preferred contractor for recommendation was Danfo (UK) Ltd, the current supplier. (Annex B)

The Parking Manager answered questions from Members and the following points were to be noted:

- It was only the contract that was being looked at not services in general.
- Outsourcing to Parish and Town Councils was not considered as part of this report; however, it would be looked at as part of a separate review of the service.
- The review would start once the contract was decided and within that contract there was a clause that enabled negotiation of more or less services to be provided.

RESOLVED that the Committee AGREED:

I. To Note the Public Convenience Contract.

28 Report back on recommendations

There was one Executive response to a recommendation, which related to the Approval of upgrading CCTV provisions on page 144 of the agenda pack and it was for noting.

29 Committee Work Programme

Action Point: There was a suggestion from a Member to examine access to dentistry in the District. Officers would be consulted on the best way of dealing with this suggestion and the Chair would report back to the Committee.

The Committee Work Programme was noted.

30 Executive Work Programme

The Executive Work Programme was noted.

31 Matters Exempt from Publication and Exclusion of Press and Public

There was no requirement for an exempt session.

32 Public Convenience Contract - Exempt Appendix

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This item was not discussed.

The Meeting closed at 8.25 pm

CHAIRMAN