

WEST OXFORDSHIRE DISTRICT COUNCIL

Minutes of the meeting of the
Finance and Management Overview and Scrutiny Committee
held via video conferencing at 12:30 pm on **Wednesday 3 February 2021**

PRESENT

Councillors: Derek Cotterill (Chairman); Alex Postan (Vice-Chairman); Alaa Al-Yousuf, Maxine Crossland, Harry Eaglestone, Duncan Enright, Steve Good, Gill Hill, Liz Leffman, Dan Levy, Geoff Saul, Harry St John and Elizabeth Poskitt.

Also in Attendance: Councillors Andy Graham and Toby Morris.

Officers: Elizabeth Griffiths (Chief Finance Officer and Deputy Chief Executive); Frank Wilson (Group Director – Finance); and Amy Bridgewater-Carnall (Senior Strategic Support Officer)

32. MINUTES

RESOLVED: That the minutes of the meeting of the Committee held on 9 December 2020 be approved as a correct record and signed by the Chairman.

33. APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

There were no apologies for absence received, and the following temporary appointments were notified:

Councillor Elizabeth Poskitt for Councillor Julian Cooper
Councillor Duncan Enright for Councillor Rosa Bolger.

34. DECLARATIONS OF INTEREST

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

35. PARTICIPATION OF THE PUBLIC

There were no requests received.

36. COMMITTEE WORK PROGRAMME 2020-2021

The Committee considered the previously circulated report of the Head of Democratic Services, which invited it to consider its Work Programme for the remainder of 2020/2021.

The Senior Strategic Support Officer outlined the report and highlighted that a revised version needed circulating with amended dates for 2021 along with an update on when the Investment Property Review would be submitted.

The report noted that the Publica Business Plan had been approved for a two year period last year and a provisional, interim report date of July 2021 had been added.

Officers agreed to confirm whether the Implementation of the Transformation Programme from Publica would be incorporated into the Business Plan report.

RESOLVED: That the report be noted.

37. CAPITAL, INVESTMENT AND TREASURY MANAGEMENT STRATEGIES

The Chief Finance Officer stated that due to a miscommunication with officers, this item had been incorrectly added to the agenda. Whilst it was noted that these strategies would be presented to Cabinet later in the month, officers had not been in a position to present them to this Committee at this stage.

38. MEDIUM TERM FINANCIAL STRATEGY

The Committee received and considered a presentation from the Chief Finance Officer on the Medium Term Financial Strategy. Mrs Griffiths advised that figures were still being finalised but there were no changes from the budget submitted to Councillors in January. It was noted that authorities were in a better position with regards Government Funding compared to last year and having put a number of projects on hold, the financial position was in a better position moving forwards.

It was highlighted that the financing issue was a longer term one, with a drop in funding expected, combined with a loss of income due to Covid-19 of £1.8 million. There was a budget gap within the Capital Programme that would need funding and with a pressure on cash reserves, there was no way of paying back any potential borrowing. The example of the replacement of the Ubico fleet was used which had a life span of seven years. Mrs Griffiths highlighted that a number of the projects planned would not return any funds to the Council.

With regard to the loan made available to Cottsway Housing, Mrs Griffiths explained that this had been to facilitate affordable housing throughout the District and the term was over 50 years. Therefore, this money was tied up, long term.

This was followed by a robust discussion by Members of the Committee, and officers answered questions on a range of areas.

In relation to the Ubico fleet, the options of moving to greener methods of transport and communicating with other shareholders regarding their fleets and needs were discussed.

Officers reiterated that a lot of the Council's finances were tied up in longer term investments and decisions may need to be made to defer items on the Capital Programme, especially as the income from the leisure service was now uncertain. Mrs Griffiths assured the meeting that GLL was acting proactively to continually assess the business and to try to meet the changing needs of residents.

Councillor Postan addressed Members and noted that a true sub-contracting model for Ubico would result in them supplying the fleet of vehicles and the Council paying them for the service. He requested that a cost comparison be produced along with an engineers' report on the differing impacts to vehicles when used in rural or urban areas.

Mrs Griffiths confirmed that lease costs versus capital costs could be requested and advised that the transformation team had looked at a mixed fleet covering larger areas in the past. She also reminded Members that this was a teckal company and the Council was obliged to cover their costs.

The Cabinet Member for Resources addressed the meeting and advised that the programme had been looked at closely and items moved accordingly. He reiterated that this was a live document and some tough decisions would need to be made.

Members agreed the idea of cannibalising vehicles for leasing to other Councils had been discussed previously and noted that it would be useful to be presented with a scheme.

RESOLVED: That the presentation be noted.

39. UPDATE ON 2021/2022 BUDGET

The Committee received an update from the Chief Finance Officer who advised that little had changed on the budget report since the last submission in January 2021.

Mrs Griffiths highlighted the areas of concern which included the Capital Budget and large value items that may require the need for external borrowing in the future.

Following a query from Councillor Al-Yousuf, Mrs Griffiths confirmed that the January 2021 report was still the most up to date with no material changes. Settlement figures had been added but there were no changes to the revenues budget.

Mrs Griffiths stated that this was a balanced budget and although it was recognised that all sectors were facing uncertainty, the Council was in the best position to approach the coming year. The finalisation of the Ubico contract was unlikely to alter the budget figures.

Members noted that savings would still need to be made and officers were working on a transformation programme whilst encouraging other partners, such as Ubico, to look at cost effective ways of working.

In response to a query from Councillor Leffman, Mrs Griffiths advised that officers did communicate with partners, officers and colleagues and shared ideas, thoughts and aspirations for making realistic savings. It was recognised that Cabinet could also look at the relationship between the Council and Ubico and the Cabinet Member for Resources would be asked to investigate how this was being addressed at a strategic level.

The Senior Strategic Support Officer reminded Members that representatives from Ubico had been invited to attend the Environment Overview and Scrutiny Committee the following week, and Members were welcome to forward any questions for discussion.

The Cabinet Member for Resources thanked Councillor Leffman for her question and assured the Committee that his fellow Cabinet Member, Councillor MacRae, had regular meetings with Ubico and continued to have robust service delivery discussions with them.

RESOLVED: That the update be noted.

40. 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 19 January 2021.

RESOLVED: That the report be noted.

41. MEMBERS' QUESTIONS

Councillor Postan had submitted two questions prior to the meeting as specified below:

1) "How often should Publica provide information on its activities to FMOS and in addition to performance statistics, customer satisfaction and financial data what communication needs to be provided to Council members?"

2) "What activities that involve both members and Publica staff can the committee suggest that might foster teamwork and regain the joint sense of purpose that existed prior to Publica's inception?"

In response to question 1), the Director of Finance, Mr Wilson responded as follows:

'Detailed Publica reports on performance against delivery targets are presented to Cabinet and each scrutiny committee on a quarterly basis and to Cabinet on a similar basis. This covers a range of performance indicators as set by the Council.

Publica financial data is reported quarterly to the board – board papers can be found on the Publica portal, which can be accessed by the members portal.'

In response to question 2), the Committee were advised that discussions had taken place between the scrutiny chairs and Leaders across the four Councils with a view to re-establishing a forum for Members liaison.

Members noted that workshops had been held in the past, pre Covid-19, but it was felt that there was a lack of interaction between officers and elected members. Officers assured Members that communication amongst staff was generally good with many departments using 'Teams' to hold quizzes across the festive period. However, it was acknowledged that many of these relationships had been watered down with the decision taken following the 'Stay at Home' advice from government.

The Chairman thanked all for attending and closed the meeting.

The meeting closed at 1.47 pm

CHAIRMAN