



WEST OXFORDSHIRE  
DISTRICT COUNCIL

## WEST OXFORDSHIRE DISTRICT COUNCIL

Name and date of Committee	EXECUTIVE – 11 MARCH 2026.
Subject	PROPOSED AMENDMENTS TO GOVERNANCE AGREEMENTS AND EXTENSION OF SERVICE AGREEMENTS
Wards affected	None
Accountable member	Andy Graham - Leader of the Council Email: <a href="mailto:andy.graham@westoxon.gov.uk">andy.graham@westoxon.gov.uk</a>
Accountable officer	Giles Hughes - Chief Executive Email: <a href="mailto:giles.hughes@westoxon.gov.uk">giles.hughes@westoxon.gov.uk</a>
Report author	Frank Wilson - Managing Director (Publica) Email: <a href="mailto:frank.wilson@publicagroup.uk">frank.wilson@publicagroup.uk</a>
Summary/Purpose	The purpose of this report is for the Executive to consider proposals for amendments and an extension to governance arrangements following the conclusion of the Publica Review. This includes the updating of service specifications, service agreements, the members agreement and articles of association.
Annexes	NONE
Recommendation(s)	That the Executive resolves to: <ol style="list-style-type: none"><li>1. Approve in principle the changes to the governance agreements set out in section 3 below.</li><li>2. Delegate authority to the Chief Executive, in consultation with the Leader, to finalise and enact through appropriate legal documentation, the detailed changes to the agreements, in line with principles agreed.</li></ol>
Corporate priorities	<ul style="list-style-type: none"><li>• Putting Residents First</li><li>• Working Together for West Oxfordshire</li></ul>
Key Decision	YES

Exempt	NO
Consultees/ Consultation	Publica Board Council Management Teams Shareholder Forum (Leaders) Officer Transition Board (CEO's, s.151 officers and Publica reps) Publica Transition Legal Workstream (Monitoring Officers & Legal)

## **1. EXECUTIVE SUMMARY**

- 1.1** The arrangements for shared service provision within the Publica partnership have been subject to a significant level of change over the last two years as a consequence of the Publica Review. There has been significant change to the company board structure with new Non-Executive Directors appointed including council officer representation, and a slimmed down Publica Executive structure reflecting the reduced service provision to partners.
- 1.2** The changes set out in this report provide for an updated set of governance arrangements to support the service changes post the Publica review, clarifying roles and responsibilities, and revising service specifications to reflect current provision. The changes also provide both certainty and the necessary flexibility as we move towards local government reorganisation.
- 1.3** The approved changes will be legally enacted most efficiently through deeds of variation to the original documentation rather than requiring full replacement documentation, where possible, thereby minimising any legal costs.

## **2. BACKGROUND**

- 2.1** The governance documents that support the delivery of services by Publica were approved prior to its launch in 2017. These documents outlined arrangements for managing the company and its service delivery for all partners. For three of the partners (Cotswold, Forest of Dean and West Oxfordshire) this included three separate service specifications relating to Support Services, General Services and Commissioning. Cheltenham only took Support Services and as such, have one service specification. These service agreements all had different timelines associated with them.
- 2.2** The Publica Review has fundamentally changed the nature of the service offering from Publica to its shareholding councils such that three separate contracts are no longer necessary. Having paused any further significant changes to the Publica service offer prior to determining Publica's future as part of Local Government Reorganisation (LGR), the shareholders requested that Publica review and update the governance documents to reflect the current position in terms of service delivery and to prepare for LGR.
- 2.3** In recognition of the changing specifications since the commencement of the Publica Review, the partners have been operating on a range of side letters to accommodate these changes and indeed, expiring service agreements timelines. It was agreed that revising the agreements at this stage was sensible to provide certainty for councils and employees whilst retaining flexibility as we move towards LGR.

2.4 Cheltenham BC have recently extended their service agreement (not impacted by the Publica Review) until 31 October 2030 as accommodated for within the original agreements.

2.5 The key agreements that have proposed changes within this report are:

- Articles of Association
- Members Agreement
- Services Agreements
- Services Specifications

### 3. SUMMARY OF THE MAIN CHANGES TO GOVERNANCE DOCUMENTS

3.1 The key changes required in the documents are set out below. These changes have been considered in detail by the Shareholder Forum where the council is represented by the Leader and Chief Executive.

#### Articles of Association

3.2 Some very minor changes are proposed to largely reflect current practice: -

- clarifying that annual distributions or surpluses are permitted and that this does not require prior shareholder approval
- removing reference to the dormant companies (now dissolved)
- removal of the requirement to annually renew the Chair of the Boards appointment (the three-year term remains unaltered as does the ability to remove the Chair within the term)

#### Members Agreement

3.3 Relatively minor changes are proposed reflecting current practice. It is proposed that these changes are enacted by a deed of variation.

- Clarifying that surpluses can be distributed annually
- Clarifying that members will fund the consequences of any decisions that they have made (as they did in respect of the Publica Review) subject to decision making unanimity
- Clarifying the timelines for the annual business plan – reflecting a more appropriate timeline that matches council and Publica budget processes

#### Services Agreement

3.4 The Services Agreement has more significant changes specifically to deal with the merging of three separate specifications into one. There is now one specification of 'services', removing Commissioning Services and General Services. There is also an amendment to create a

single agreement end date of 31 October 2030. This aligns with the date used by Cheltenham which provides continuity should any new unitary authority want to continue with the model, or undertake a phased shutdown, whilst retaining flexibility for termination earlier, if necessary, in the run up to reorganisation.

**3.5** There has also been some general updating to pick up changes in legislation such as GDPR and changes to clauses to reflect how the agreement works in practice rather than originally specified.

**3.6** A summary of the changes is set out below: -

- Definitions updated and a revised expiry date / extension opportunity to protect new unitary options
- updating of section on notices to reflect current addresses and methods
- updating of payments processes and timings to reflect actual practical arrangements that have been in use since Publica was formed
- updating quality control arrangements to reflect the current position
- updating of relevant insurance provisions to reflect what is procured in partnership with the councils
- clarification about what is included within the annual report
- a revised service specification (see below)
- a revised communications protocol to clarify role of Member Representative Board (Shareholder Forum) and Client Office Group (Operational Forum)

### **Service Specification**

**3.7** Revised service specifications are provided (one for each council) setting out the services now provided post phases 1 and 2 of the Publica Review. These follow the same format and level of detail in the original documents but are rewritten to reflect current service provision and there is one for each partner council. These are supported by detailed service plans for each service area which are provided to the council management teams.

**3.8** The specifications will be live documents and reflect any further changes that occur should councils further amend service provision. Any such amendments will be reported through the regular quarterly financial performance reports.

## **4. ALTERNATIVE OPTIONS**

**4.1** The council could continue to operate the arrangements with Publica under side letter but this would fail to provide clarity of revisions to roles and responsibilities and the service specification after the Publica Review.

## **5. FINANCIAL IMPLICATIONS**

- 5.1** There are no direct implications from the approval of the revised governance arrangements set out in this report.
- 5.2** The Publica budget and revised costing model outcomes have been included within the new year budget. Where any changes to service provision is made 'in year' these are subject to contract variations and budgets amended with close dialogue between the Publica and council finance teams

## **6. LEGAL IMPLICATIONS**

- 6.1** It is anticipated that the legal execution of the changes to the documents will be conducted, where possible, by deed of variation and will be carried out by the in-house legal team. Whilst the legal team does act on behalf of both parties no conflicts of interest are anticipated as the changes have been agreed by all parties.

## **7. RISK ASSESSMENT**

- 7.1** Updating of these agreements seeks to minimise risk to the council moving forward by providing greater clarity in roles and responsibilities moving forward.
- 7.2** The documents seek to provide certainty to the councils that service provision will continue, provides certainty to Publica and its employees that contractual arrangements remain in place, whilst providing flexibility for the council or its successor to retain or amend the arrangements as necessary.

## **8. EQUALITIES IMPACT**

- 8.1** There are no impacts of these changes under equality legislation.

## **9. SUSTAINABILITY IMPLICATIONS**

- 9.1** There are no impacts on sustainability matters through approval of these governance changes.

## **10. BACKGROUND PAPERS**

- 10.1** The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:
  - None.

(END)