

Agenda

www.oxford.gov.uk



Value and Performance Scrutiny Committee

Date: **Tuesday 28 February 2012**

Time: **6.00 pm**

Place: **St Aldate's Room, Town Hall**

For any further information please contact:

Alec Dubberley, Democratic Services Officer

Telephone: 01865 252402

Email: adubberley@oxford.gov.uk

Value and Performance Scrutiny Committee

Membership

Chair	Councillor Stephen Brown	Carfax;
Vice-Chair	Councillor Scott Seamons	Northfield Brook;
	Councillor Mohammed Abbasi	Cowley Marsh;
	Councillor Michael Gotch	Wolvercote;
	Councillor Rae Humberstone	Blackbird Leys;
	Councillor Bryan Keen	Cowley;
	Councillor Sajjad Malik	Cowley Marsh;
	Councillor Stuart McCready	Summertown;
	Councillor Mike Rowley	Barton and Sandhills;
	Councillor Gwynneth Royce	St. Margaret's;
	Councillor Oscar Van Nooijen	Hinksey Park;
	Councillor David Williams	Iffley Fields;

HOW TO OBTAIN AGENDA

In order to reduce the use of resources, our carbon footprint and our costs we will no longer produce paper copies of agenda over and above our minimum internal and Council member requirement. Paper copies may be looked at the Town Hall Reception and at Customer Services, St Aldate's and at the Westgate Library

A copy of the agenda may be:-

- Viewed on our website – mycouncil.oxford.gov.uk
- Downloaded from our website
- Subscribed to electronically by registering online at mycouncil.oxford.gov.uk
- Sent to you in hard copy form upon payment of an annual subscription.

AGENDA

Pages

1 **APOLOGIES FOR ABSENCE AND SUBSTITUTIONS**

2 **DECLARATIONS OF INTEREST**

3 **STANDING ITEM: WORK PROGRAMME**

1 - 12

Pat Jones, Principal Scrutiny Officer, Tel: (01865) 252191,
Email phjones@oxford.gov.uk;
Alec Dubberley, Democratic Services Officer, Tel: (01865) 252402,
Email: adubberley@oxford.gov.uk

Background information
The work programme needs to reflect the wishes and interests of the Committee. It is presented here and at every meeting to allow members to lead and shape their work.
Why is the item on the agenda?
To agree the lines of inquiry for forthcoming meetings and to take an overview of progress
Who has been invited to comment?
The Principal Scrutiny Officer, will present the work programme and answer questions from the Committee.
What will happen after the meeting?
The Chair and Vice-Chair will continue to monitor the Committee's work programme and report to future meetings.

4 **STANDING ITEM: REPORT BACK ON THE COMMITTEE'S RECOMMENDATIONS TO THE CITY EXECUTIVE BOARD AND ON MATTERS OF INTEREST TO THE COMMITTEE**

13 - 18

Contact Officer: Alec Dubberley, Democratic Services Officer
Tel: (01865) 252402, email: adubberley@oxford.gov.uk

Background information
This Committee has made a number of recommendations to City Executive Board and officers. This item reports on the outcomes from these.

Why is the item on the agenda?
To report on recommendations made in respect of Benefits Fundamental Service Review, Asset Management Framework, Housing Revenue Account Business Plan, Corporate Plan Performance, Budget and Performance.
Who has been invited to comment?
The Democratic Services Officer will go through the outcomes and answer questions.
What will happen after the meeting?
Any further follow up will be pursued within the work programme.

5 HOUSE IN MULTIPLE OCCUPATION - UPDATE

19 - 24

Contact Officer: Ian Wright, Health Development Service Manager
 Tel: (01865) 252553, email: iwright@oxford.gov.uk

Background information
The City Council has agreed a scheme to license all properties in the City that are designated a Homes in Multiple Occupation
Why is the item on the agenda?
The Committee, through it's work programme has agreed to focus on the following aspect of the scheme:- <ul style="list-style-type: none"> • Targets within the extended scheme being met • Cost and charging base is controlled and reasonable
Who has been invited to comment?
The Board Member and officers from the Service will be invited to attend the meeting.
What will happen after the meeting?
Any further follow up will be pursued within the work programme or suggested for inclusion in the Scrutiny Programme for the next Council year.

6 DRAFT ASSET MANAGEMENT PLAN

To Follow

Contact Officer: Alec Dubberley, Democratic Services Officer
Tel: (01865) 252402, email: adubberley@oxford.gov.uk

Background information
The Council has an Asset Management Plan setting out an overarching strategy of how it's operational, investments and housing stock property is managed. The Plan was last updated in 2010. At a previous meeting the Committee investigated the plan and decided to pre-scrutinise the next version of it.
Why is the item on the agenda?
At the previous meeting the Committee decided to focus on the following specifics:- <ul style="list-style-type: none">• Are measures to reduce maintenance backlogs adequately covered by the plan?• Does the document plan for successful and profitable management of the Council's Assets?
Who has been invited to comment?
Steve Sprason, Head of Corporate Assets Richard Hawkes, Corporate Asset Manager Councillor Turner – Portfolio Holder
What will happen after the meeting?
This is up to the Committee. It may choose to submit a report to the Executive Board or to ask for further work to be done.

Please note: at the time of producing the agenda the Asset Plan was not ready for release. This will be sent to Committee members early next week.

7 MINUTES

25 - 36

Minutes of the meeting held on 21 November 2011 and the Special Meeting on 5 January 2012.

8 DATES OF FUTURE MEETINGS

26 March 2012

DECLARING INTERESTS

What is a personal interest?

You have a personal interest in a matter if that matter affects the well-being or financial position of you, your relatives or people with whom you have a close personal association more than it would affect the majority of other people in the ward(s) to which the matter relates.

A personal interest can affect you, your relatives or people with whom you have a close personal association positively or negatively. If you or they would stand to lose by the decision, you should also declare it.

You also have a personal interest in a matter if it relates to any interests, which you must register.

What do I need to do if I have a personal interest?

You must declare it when you get to the item on the agenda headed "Declarations of Interest" or as soon as it becomes apparent to you. You may still speak and vote unless it is a prejudicial interest.

If a matter affects a body to which you have been appointed by the authority, or a body exercising functions of a public nature, you only need declare the interest if you are going to speak on the matter.

What is a prejudicial interest?

You have a prejudicial interest in a matter if;

- a) a member of the public, who knows the relevant facts, would reasonably think your personal interest is so significant that it is likely to prejudice your judgment of the public interest; and
- b) the matter affects your financial interests or relates to a licensing or regulatory matter; and
- c) the interest does not fall within one of the exempt categories at paragraph 10(2)(c) of the Code of Conduct.

What do I need to do if I have a prejudicial interest?

If you have a prejudicial interest you must withdraw from the meeting. However, under paragraph 12(2) of the Code of Conduct, if members of the public are allowed to make representations, give evidence or answer questions about that matter, you may also make representations as if you were a member of the public. However, you must withdraw from the meeting once you have made your representations and before any debate starts.

This page is intentionally left blank

Value and Performance Scrutiny Committee

Work programme debate outcomes

General Principles

After consultation with back-bench councillors the committee this year has decided to run its programme through a series of themes. Each theme will be led by a committee member sometimes supported by small group of colleagues.

The aim of the committee this year in setting themes is to approach its work in a more focused and searching way reducing the number of items on agendas allowing a “select committee approach” to be taken.

A Finance and Performance Panel has been set again this year to give a firm focus on budget delivery, performance and treasury management. Of particular interest to the panel this year will be the reform of council housing finance and the delivery of budget. The Panel will invite the attendance and views of a council tenant representative at appropriate times

The programme remains flexible and open to reorganisation by the committee. A complete review will be undertaken by the Chair and Vice Chair in January 2012

The information that follows shows:

- The themed draft programme and focus
- Current nominations
- Projected agenda schedules
- Forward schedule for the Finance and Performance Panel

Value and Performance Scrutiny Committee

Draft Work Programme 11/12

Theme	Area(s) for focus	Likely Status of Inquiry	Nominated/interested councillors
Asset Management	<p>Lines of inquiry</p> <p>To have an early view of:</p> <ul style="list-style-type: none"> • The draft document proposed for consultation with highlighted or listed areas that have changed • The achievements against the 2009 action plan with areas that remain unachieved highlighted with reasons for delay or change • The work done in order to identify the gaps and alterations needed based on changing circumstances and demands. Alongside this how these are addresses in the new plan • An update on the 2009 risk assessment (and any links to the corporate risk register) in particular sections set to ensure we provide maximum value from our asset base 	<p>Select Committee Inquiry:</p> <p>Target meeting date: 21st. November</p>	<p>Councillors van Nooijen and Gotch</p>
Benefits Service	<p>Focused reporting on progress and outcomes around value for money principles</p>	<p>Standing Panel. Report back to committee:</p>	<p>Councillors Brown, Royce, van Nooijen</p>

<p>Fundamental Service Review</p>	<p>Within all of these outcomes how we would compare nationally (if that is still possible)</p> <ul style="list-style-type: none"> • Economy - How the overall cost of the service to the local tax payer is being reduced. What the reduction target is, over what period and how we are performing against this. In considering this to see the full effect on our accounts split between subsidy, administration and debt provision • Efficiency - The target for the unit costs of the various process (new claims, change in circumstances etc) over what period and how we are performing against this • Effectiveness - The output measures, but the committee would like to see additions to the normal internal measures and include others that customers might see as a "whole service" so: <ul style="list-style-type: none"> - Time taken to perform the various functions i.e. new claims and changes in circumstances - The number of appeals and success rates - Accuracy levels - Queuing times - Telephone response times - Abandoned call rate - Customer feedback on quality and attitudes of staff - Benefit take up measures with monetary targets 	<p>Target dates: 7th. December and 26th. March</p>	<p>and Williams Lead Member: Councillor Brown</p>
-----------------------------------	---	--	---

	<p>It is recognised that the "Economy Measure" above will be linked to the results of the analysis to determine the type of service we are to design. For the committee be told which service elements or outputs within the proposed service design are different from those generally delivered, why and the extra cost of these.</p>		
Finance and Performance Panel	<p>Standing Panel remit:</p> <ul style="list-style-type: none"> • Current year budget delivery • Performance against service and corporate targets • To act as the "responsible body" within the CIPFA code for the Treasury Management Strategy and service • To understand and review the business planning and treasury management strategy set to meet the reform of council housing finance • To review budget proposals and Medium Term Financial Strategy 	<p>Standing Panel</p> <p>Agenda schedule below</p>	<p>Councillors Seamons, Rowley, Brown and Williams</p> <p>Lead Members: Councillor Seamons</p>
Environmental Services	<p>Reconfiguration of Environmental Health Services to reduce costs</p> <ul style="list-style-type: none"> • The current range, status, cost and users of our services • Any links between these services and other targets and actions within the council 	<p>Committee Inquiry</p> <p>Target date: 12th. September</p>	<p>All committee members</p>

	<ul style="list-style-type: none"> • Options for reductions to meet the target • In particular what are the options for the noise nuisance service • Communication and wind down plans <p>Houses in Multiple Occupation Licensing:</p> <ul style="list-style-type: none"> • Targets within the extended scheme are met • Cost and charging base is controlled and reasonable 	<p>Committee Inquiry</p> <p>Target date: 26th. March</p>	
<p>Equalities</p>	<p>Service Delivery</p> <p>To understand the agreed equality objects and outcomes expected from these. To monitor direction of travel and change Service Plan link</p> <p>Oxford City Council as an employer</p> <p>No lines of inquiry agreed. Discussion with lead member underway</p> <p>Corporate Performance</p> <p>Outcome from the corporate assessment to achieve level 2 of the Equalities Framework for Local Government</p>	<p>Select committee inquiry</p> <p>Target date: 26 March</p>	<p>Councillors Royce and Rowley</p>

Leisure contact performance	<p>To scrutinise outcomes to target from the Fusion Leisure Services Contract across:</p> <ul style="list-style-type: none"> • Value for Money • Increased participation • Improvements in quality of service • Outreach work • Carbon Management <p>The committee this year is particularly interested in outcomes from outreach programmes and interaction with partners around public health issues</p>	<p>Committee inquiry</p> <p>Target date: 21st. November</p>	<p>All committee members</p>
Additional item called from the Forward Plan Return of Park and Ride facilities to City Council management and operation	<p>Briefing to allow pre scrutiny:</p> <ul style="list-style-type: none"> • What events have culminated in the breakdown of the current park and ride management arrangements • What are the budgetary implications for the council and how will these be managed • What are the service implications for the council and those using park and ride facilities 	<p>Committee inquiry</p> <p>Target date: 12th. September</p>	<p>All committee members</p>
Additional item called from the Forward Plan Trading Strategy	<p>To pre-scrutinise the proposed strategy for trading our services outside the council. The 10/11 committee interest in particular lay in:</p> <ul style="list-style-type: none"> • A proper understanding of risks to the council in legal, financial and reputation terms • Striking the right balance between service delivery and trading and recognising “pinch points” • Governance arrangements 	<p>Committee inquiry</p> <p>Target date: 12th. September</p>	<p>All committee members</p>

Additional item called from the Forward Plan	To pre-scrutinise the Corporate Plan within the consultation period.	Committee inquiry Target date: 30 th . January 2012	All committee members
--	--	---	-----------------------

Value and Performance Scrutiny Committee Agenda Schedules

Dates	Slots and Items
21 st . June	<ol style="list-style-type: none"> 1. Destination Management Organisation – Business Plan 2. Performance against target – outcome for 10/11 3. Provisional budget outturn 10/11 4. Fusion leisure contact – outturn against targets <p>Meeting full</p>
12 th . September	<ol style="list-style-type: none"> 1. Trading Strategy 2. Reconfiguration of Environmental Services 3. Park and Ride operation and management (briefing) <p>Meeting full</p>
21 st . November	<ol style="list-style-type: none"> 1. Asset Management – Select committee meeting 2. Leisure Contract Performance 3. Benefits fundamental service review progress and Panel view <p>Meeting Full</p>
5 th . January Special meeting	<ol style="list-style-type: none"> 1. Call-in of CEB decision on the – Call Handling Contract
28 th . February Rearranged meeting	<ol style="list-style-type: none"> 1. HMO update 2. Pre-decision scrutiny of the Asset Management Plan
26 th . March	<ol style="list-style-type: none"> 1. Equalities – possible Select Committee 2. Leisure – further in formation on outreach work 3. Vacant slot 4. Vacant slot

Finance and Performance Panel

Members: Cllrs. Seamons (Lead member), Brown (VAP Chair), Rowley and Williams

Officers for this meeting: Pat Jones, Nigel Kennedy, Anna Winship, Tim Power, Jane Lubbock

Meeting Date: 23rd. September at 2.00pm – papers deadline: morning of the 6th. September		
Officers for this meeting: Pat Jones, Nigel Kennedy, Anna Winship, Tim Power, Jane Lubbock		
Agenda Item	CEB link	Comment
1. 1 st . Qtr. Spending 2. 1 st . Qtr Performance – to include reporting of service level targets 3. Treasury management performance 10/11 4. Treasury Management performance 1 st . Qtr. Including issues for 11/12 strategy 5. Reform of Housing Finance 6. Budget prospects 11/15	21st. Sept Absolute deadline 13 th Sept (papers published)	The Panel want to report their comments and recommendations to the CEB meeting on the 21 st . Sept Tenant representative not invited for item 5.

Date: 14th. November 2011

Panel only meeting to agree budget review outline

Date:

29th. November at 5.30pm – papers deadline: morning of the 25th. November

Officers for this meeting: Pat Jones, Nigel Kennedy, Anna Winship, Tim Power(possibly), Jane Lubbock

Agenda Item	CEB link	Comment
1. 2 nd . Qtr. Spending	7th. Dec Absolute deadline 29 th . Nov (papers published)	The Panel will want to report their comments and recommendations to the CEB meeting on the 7 th . December
2. 2 nd . Qtr. Performance– to include reporting of service level targets		
3. 2 nd . Qtr. Treasury Management Performance including issues for 11/12 strategy		The Consultation Budget and MTFS will be taken as part of the Budget Review Group. Lead Member to agree a timetable for discussion with the Board Member
4. Reform of Housing Finance (progress)		
		Invite a tenant representative for item 4

Dates to be agreed

Budget Review October/November to February – dates and outline to be agreed by the Lead Member

Key dates as understood currently:

MTFS – 7th. December CEB

Consultation Budget – 7th. December CEB

Scrutiny Budget report complete by 27th. January

Budget proposals from CEB to Council – 8th. February

Council agrees budget – 20th. February

Reserved meetings – CEB and Council 23rd. February

All based on published schedule

Date:
3rd. February at 2.00pm – papers deadline: morning of 27th. January

Officers for this meeting: Pat Jones, Nigel Kennedy, Anna Winship, Tim Power(possibly), Jane Lubbock

Agenda Item	CEB link	Comment
1. 3 rd . Qtr. Spending 2. 3 rd . Qtr. Performance– to include reporting of service level targets 3. 3 rd . Qtr. Treasury Management performance 4. Treasury Management Strategy 12/13 5. Final comments on “firm” budget proposals 6. Reform of Housing Finance	8th. February Absolute deadline 31 st . January (papers published)	The Panel will want to report their comments and recommendations to the CEB meeting on the 8 th . Feb Invite a tenant representative for item 6

This page is intentionally left blank

Report back from the City Executive Board on recommendations made by this Committee and its Panels

7 December meeting

Resolved to thank the Scrutiny Committees and the Scrutiny Panel for their useful input and to accept the recommendations in the reports, namely:-

Benefits Fundamental Service Review

- (1) That the Board should be satisfied that the re-allocation of support service charges from Customer Services away from Benefits and towards other service users did not increase the total cost of those services;
- (2) That the Board should be more ambitious in its setting of economic targets for the Review and work towards a benchmark that reflected the best of those local authorities with similar ambitions.

Asset Management Framework

- (1) That the Board should agree to affirm its commitment to providing good and sustainable budgets to tackle the maintenance backlog and investment in order to provide for the most effective use of the Council's assets and that each political group should support this within their own budget proposals;
- (2) That the Board should set a target in the Asset Management Framework of a 5% rate of return on investment assets.

Housing Revenue Account Business Plan

- (1) To review as a matter of urgency the Council's current policy and partnerships for rent debt and debt advice management in order to ensure that the Council has in place the resources and systems to support tenants, and otherwise to do all the Council can to avoid or contain debt;
- (2) That the Housing Fundamental Service Review should aim for clear value for money targets and ambitions so that robust and transparent delivery could be achieved;
- (3) In the context of co-regulation and performance management, to take all opportunities to ensure that the Housing Service offered represented good value for money when compared to the best and that management costs per dwelling be set in comparable terms.

Corporate Plan Performance

- (1) That the information presented for the Corporate Plan targets should represent the accurate position at the point of measurement.

Partnership Working and increased public involvement in decision making

- (1) That an extension to the performance reporting framework that was already in place around the Corporate Plan be developed to show up to 12 targets from partnership action plans that were specific to the City and contributed to or directly delivered the Council's corporate priorities and to report to members twice yearly on progress;
- (2) That Scrutiny members should have early access to the organisational forward planning of the Policy Framework and strategies so they are clear on development and progress;
- (3) To agree that Councillor Wilkinson should take the lead on Scrutiny involvement in the Oxford Strategic Partnership refresh;
- (4) To agree that a Scrutiny member should 'shadow' the Board member engaged in the Health and Well Being Partnership;
- (5) That a quarterly newsletter on partnership working be produced for residents' groups and other interested parties.

8 February meeting

The Finance and Performance Panel of the Value and Performance Scrutiny Committee submitted two reports as follows:-

- Response to the 2012/13 Budget (item 74 refers)
- Response to 3rd Quarter Performance data (item 78 refers).

Councillor Seamons, on behalf of the Panel, highlighted a number of recommendations which are set out in full below along with the response of the Board Member.

Budget report

Recommendation 1

Based on organisational performance, to reduce the contingency set against the non delivery of all budget reductions and increases in income to 50% for those categorised as high risk.

Response - Whilst the Council has delivered significant savings in 11/12 it is no guarantee of future delivery. Indeed it could be argued that in the context of a four year MTFs, the easier savings were delivered first. It is also the case that less than 10% of the savings/additional income proposals have been classified as high risk, therefore reducing the contingency as suggested

would not release significant funds (£209k over the four year period, £59k in 2012/13), hence it is proposed that rather than reduce the contingency provision at this stage, all contingencies continue to be reviewed on an annual basis as part of the MTFS refresh process.

Recommendation 2

To publish to the RG the model used to produce the homelessness contingency along with what it is likely to be spent on if needed.

Response - Agreed. However, it should be noted that this is an area of uncertainty and this is based on our best estimate of what might happen. We will be keeping the situation under review.

Recommendation 3

To reclassify to low risk the new income in Direct Services in 15/16 and Environmental Development from 13/14 onwards.

Response - The income proposal in relation to Direct Services is dependent on the migration from Cowley Marsh and Horspath Road depots to a single integrated site. Having done initial site investigation, options for relocation are limited and feasibility work is only just commencing. It is therefore too early to say whether the move is achievable within the timescale and hence the additional income deliverable. For these reasons it remains high risk. The income proposal in Environmental Development relates to new income streams from fee from fault, new local licensing and taxi fixed penalty notices of around £50k in total. As these income streams are not yet 'tried and tested' a high amount of risk is considered appropriate

Recommendation 4

To see as soon as possible the detail of the models that have been used to produce the budget adjustments for the withdrawal of the housing benefit administration grant and the service requirement to be assured that they complement each other

Response - Agreed. However, it should be noted that the DWP have not yet outlined in detail the operation and transition arrangements for the new scheme. Hence this is our best estimate of what might happen. We will be keeping the situation under review and it is likely to change.

Recommendation 5

To consider in the coming year the affects on the customer service outlet and the call centre of the transfer of benefits to the DWP. To reflect this in future budgets.

Response - Agreed.

Recommendation 6

To maintain an open mind on the administration of the Council Tax benefit scheme to ensure that nothing is ruled out and the best possible value for money is achieved.

Response - Agreed. Officers will be working up proposals during the course of the year for member consideration. At this stage no detailed guidance has been issued by the government. However, the administration is clear that the aim of the scheme will be to minimise the increase in poverty caused by the cut to council tax benefit in Oxford.

Recommendation 7

To express disappointment that partners are not contributing to the upfront costs of the delivery of the Olympic Torch Celebration and ask the Board Member to raise this at least with the 2 Universities and the County Council.

Response - The County Council are contributing to the Olympic Torch Celebration through 'benefits in kind' for instance repairs to pot holes and road closures. Thames Valley Police are paying for the deployment of police for the event. Oxford University are organising and paying for the 'torch leaving' event.

Recommendation 8

To request that the Board Member considers with the RG information being prepared by officers on apprenticeships and to decide if the scheme as currently outlined presents the best opportunities for employment and training for young people in the City.

Response - We note Scrutiny's points on this, and will look to maximise the impact of the proposed scheme for young people in the City. Officers have been asked to work up papers and present options to maximise the outcomes from the apprenticeships, educational attainment and youth services funding.

Recommendation 9

For the RG to review the broad scoping of the Educational Attainment Improvement Project as soon as possible (April/May?) and in particular the mechanisms for focus and project selection as soon as they are available.

Response - Agreed.

Recommendation 10

To review at the end of the first year the investments made by the City Council and those made by the County Council in City Schools alongside progress against expected outcomes/milestones.

Response - Response - Agreed. However, at the end of the first year data will be limited in terms of outcomes.

Recommendation 11

For the RG to review the broad scoping of the Youth Services Provision as soon as possible (April/May?) and the detailed mechanisms for focus and project delivery as soon as this is available.

Response - We will look to involve Scrutiny as soon as possible in this work.

Recommendation 12

That a more simplistic approach is taken to the spending of money for free swimming rather than the complex measures and considerations of health and wellbeing discussed. The RG suggestion is that the money is used to teach “x” number of children from areas of deprivation to swim confidently who would otherwise not learn.

Response - Agreed. We will be advised by officers on an appropriate target.

Recommendation 13

For the organisation to consider all new investments as they relate to regeneration and young people together to provide for a coordinated steer, efficient use of resources and sound governance arrangements.

Response - All work of Oxford City Council should be coordinated, have sound governance and use resources efficiently. However, these are separate pieces of work being delivered by different sections of organisation so there will not be a single, detailed “project plan”.

Recommendation 14

For scrutiny to be part of arrangements to monitor delivery and outcomes.

Response - The ongoing input of Scrutiny in monitoring our ambitious plans to improve attainment by and provision for young people in Oxford will be welcome.

Performance Report

Recommendation 1

For the apprenticeship target to be rethought to include a reflection of the opportunities provided to City residents. To consider giving a target to each Service Head rather than leave delivery centrally.

Recommendation 2

To reconsider the mechanism used to measure the number of people volunteering in Oxford possibly in conjunction with our neighbouring authorities and the voluntary sector.

Recommendation 3

To reconsider the method used to measure all environmental outcomes so that they adequately and fairly reflect the views across all wards. To consider doing this through locally set panels and surveys.

Recommendation 4

To ensure that measures of customer satisfaction in future include those using the web. To consider a range of methods throughout the year that may combined to provide a more accurate and useful customer view.

Recommendation 5

To reset the target to measure the use of utilities in leisure centres to a weighted measure per customer.

Recommendation 6

To reset the target that measures complaints to one that reflects response and progress.

Recommendation 7

To reconsider all the financial targets set to ensure they are not duplicated elsewhere and are expressed in the most useful terms.

Recommendation 8

To take out all strategy milestone measures within the Service Framework and if appropriate replace these with measures against the key outcomes from strategies.

Recommendation 9

To include in the Corporate Performance Framework for 2012/13 onwards outcome measures that reflect the expectations of the new budget investments in young people.

The Board agreed all of the performance recommendations 1-9.

To: Value and Performance Scrutiny Committee

Date: 28 February 2012

Report of: Head of Environmental Development

Title of Report: An update on the licensing of HMOs

Summary and Recommendations

Purpose of report: Provide an update on progress after the first year of the new licensing scheme for HMOs in Oxford

Report Approved by: Head of Environmental Development

Policy Framework: Meeting Housing Needs

Recommendation(s): To note the report and ask Councillors to publicise the scheme to local residents and ask them to report HMOs to the Environmental Development service

Introduction

1. Houses in Multiple Occupation (HMOs) are a corporate priority for Oxford City Council because more than 20% of the city's residents live in an HMO yet surveys show a significant proportion provide the worst housing conditions in the city and generate problems for local residents through poor management.

2. National legislation has meant that from 2006 all HMOs of three or more storeys with five or more occupiers require a licence and this resulted in 551 properties being improved and licensed.

3. Using powers granted by the previous government, the Council approved a new licensing scheme for Houses in Multiple Occupation in October 2010. The first phase of the scheme came into force on the 24th January 2011 when all the remaining three or more storey HMOs and all the two storey HMOs with five or more occupiers became licensable. The second phase began on the 30th January 2012 when all the remaining HMOs in the City became licensable.

4. Oxford City Council is the only local authority in the country to have a scheme that requires all the HMOs across the whole of its district to be licensed. This approach is of great interest to many other local authorities and officers and councillors from larger cities such as Bristol, Southampton and Nottingham have visited Oxford to learn how we are tackling problem HMOs.

5. The licensing scheme is totally self funding so the council taxpayer is not funding the work and the Council is only allowed to cover its costs and will not be making a profit from those who pay licence fees.

The Licensing Process

6. HMO licensing is a process where the dutyholders are reluctant to apply and see there being no financial gain from obtaining a licence, only a penalty for failing to not have one in the event of being caught.

7. The process includes submitting a lengthy application form and the required certification, making a payment, carrying out an inspection, writing a report and drafting a licence with conditions, consulting with all the interested parties for 2 weeks and then issuing the licence. It takes on average 17 weeks from making an application to issuing a licence and in more complicated cases e.g. where there are representations against conditions, payment delays, failure to provide required certificates, etc it can taken far longer.

8. Improvements have been made to the application system and an online application form and payment system has been developed to replace, as far as possible, paper applications. The process has gone totally paperless, with any paper forms being scanned into a database and correspondence, draft licences and consultation is all carried out by email. Even the licence is sent as an electronic version by email.

9. Over 90% of applications are being made online, which is a great achievement and it is the best performing online application system operated by the Council. Officers from the Business Improvement service have commented that the best performance in other local authorities for similar systems is only 65%.

10. The councillors have been insistent that a HMO licence is not issued without an inspection of the property being carried out. This means that the licensing process has teeth and that the licence conditions are based on what the officers found during their inspection.

The First Phase

11. Following consultation with the letting agents and portfolio landlords it was agreed to introduce a phasing agreement whereby the agent or landlord provided the Council with a full list of all the addresses that required licensing and they signed an agreement that they would submit an agreed number of applications very month. This allowed them to manage the workload and

stagger payments for their clients and also helped us to manage the resources needed for the inspection process.

12. Where possible an individual inspector was assigned to a landlord or agent so that a rapport was developed.

13. By the end of December 2011 the figures were as follows:

Initial applications	Payments received	HMOs inspected	Licences issued
728	609	473	338

14. To put these figures into perspective, a total of 282 applications were made for HMOs in the first year of mandatory licensing and after nearly 5 years a total of 551 HMOs had been licensed. The productivity of the scheme has therefore been very high.

15. The first phase applications are near to completion, with a further 179 initial applications being received in January 2012 just as the start of the second phase approached.

16. The original estimate was that there would be approximately 800 HMOs requiring a license in the first phase so this has been proved to be an underestimate of 10%.

First Phase results

17. Only 11 licences have been issued without the need to add conditions requiring additional work. This is good evidence of the need for the scheme. The commonest reason for additional conditions on licences is to improve fire safety, typically a heat detector in the kitchen and an upgrade or installation of a smoke detection system.

18. Only 30 draft licences have been subject to a representation from the landlord or another interested party who wish to challenge a condition being imposed on the licence. These are reviewed by a senior officer and if the landlord is still not satisfied they can appeal to the Residential Property Tribunal (RPT) to have the case heard independently. There has not been an appeal against an HMO licence to the RPT since licensing began in April 2006, which is an indication of the consistency and pragmatism of the officers carrying out the work.

19. There has been concern expressed that HMO licensing would result in a reduction of valuable accommodation space in Oxford, when there is already excessive demand for rented property. It was feared that this would be brought about by landlords leaving the market altogether, or choosing to only rent to families or that inspections would result in box rooms being prohibited or the numbers allowed to occupy properties being reduced. To date there have only been a small number of cases brought to our attention of sharers being evicted, which has been counter balanced by landlords contacting us

for advice on what is needed to turn their property into an HMO and others increasing their capacity as there is now no way to avoid licensing by reducing tenant numbers. Less than 10 undersized and uninhabitable rooms have been prohibited and the fears of a widespread loss of box room accommodation has proved unfounded.

20. There have also been some allegations from two very vocal landlords who have claimed that the Council have been gold plating the standards required for HMOs in Oxford. There are no national standards for HMOs and local authorities are required to develop their own standards. Our standards were compared to 14 other similar local authorities and no significant differences were found.

Enforcement Action

21. The Environmental Development service has a strong reputation for enforcement action across all of its functions and according to CIPFA Oxford has been the toughest district council in the country with regards to enforcement action in the private rented sector for several years. An HMO Enforcement Team has been set up with the primary purpose of investigating unlicensed and poorly run HMOs.

22. Known addresses and properties owned by problem landlords were visited soon after the scheme started. This has resulted in further enforcement action and an outstanding prosecution. Landlords who are no longer considered fit and proper people to hold a licence because they have been prosecuted under the Housing Act 2004 have been forced to find someone else to be the licence holder. In one case where the landlord was unable to find anyone prepared to hold the licence an Interim Management Order was issued which meant that the Council took over the landlord function of the property, including collecting the rent.

23. All the letting agents in the City who had not submitted any licence applications after 6 months were visited and warned in a follow up letter that they should be getting their landlord clients to submit licence applications.

24. In December warning letters were sent to approximately 2000 properties that were suspected of being HMOs due to records on the database and these are being followed up by visits to properties that have not responded, following further checks on data and information sources.

25. In the first year of licensing one letting agent was prosecuted for managing an unsafe HMO and another accepted a formal caution for failing to licence a property. A total of seven successful prosecutions have been taken so far against landlords with a further three in the court process and over 40 cases are currently under formal investigation. Formal action for failing to licence HMOs began after a period of 6 months to allow landlords sufficient time to find out about the scheme and submit applications.

The Second Phase

26. The second phase only commenced on the 30th January 2012, but the scale of the task ahead can be measured by the number of applications received already. By the 16th February we had received 583 applications, which is already 80% of the first phase total.

27. The Business Improvement service have carried out a business process improvement exercise in anticipation of the significant increase in licence applications. This indicated that improvements could be made, particularly with regard to the use of a new software package to speed up the process and cope with the workload, However, the exercise also showed that the team is under-resourced and that 11 further staff were needed even after the improvements had been implemented. The software has been ordered and is due to be implemented next month.

28. Residents and Students groups have been asked to report any HMOs to the Environmental Development service on hmos@oxford.gov.uk and it would be helpful if Councillors could help get this message out to their communities.

Staffing and Finance

29. A total of 6 additional staff have been required to process the licence applications and at present there are 5 new officers carrying out inspection work. External contractors are also being used to cope with peaks and troughs. To date the number of inspections per officer is 3 times the national average.

30. Although the scheme is self financing, £180,000 was included in the budget for the first year on an invest to save basis which will be repaid over the following 5 years. The financial calculations for the scheme have been projected to the end of 2011/12 and they indicate that £30,000 of the £180,000 will be able to be rolled forward into the 2012/13 year.

Recommendations

29. Members are recommended to:

- (a) Note the report,
- (b) Publicise the scheme to local residents and ask them to report HMOs to the Environmental Development service.

Name and contact details of author: Ian Wright

Background papers: None

Version number: 1.1

This page is intentionally left blank

VALUE AND PERFORMANCE SCRUTINY COMMITTEE

Monday 21 November 2011

COUNCILLORS PRESENT: Councillors Brown (Chair), Seamons (Vice-Chair), Gotch, Humberstone, Keen, Royce, Van Nooijen and Fooks.

OFFICERS PRESENT: Pat Jones (Principal Scrutiny Officer), Steve Sprason (Head of Corporate Assets), Lois Stock (Democratic Services Officer), Helen Bishop (Head of Customer Services), Lucy Cherry (City Leisure), Tim Sadler (Executive Director for City Services) and Richard Hawkes (Corporate Asset Manager)

22. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence were received from Councillor Mc Cready – Councillor Jean Fooks substituted.

23. DECLARATIONS OF INTEREST

Councillor Gotch declared a personal interest in the item concerning the review of the Benefits Service (minute 25 refers) on the grounds that he had tenants who were in receipt of housing benefit.

24. STANDING ITEM: REPORT BACK ON THE COMMITTEE'S RECOMMENDATIONS TO THE CITY EXECUTIVE BOARD AND ON MATTERS OF INTEREST TO THE COMMITTEE

The Committee received and noted the report to City Executive Board concerning the Trading Strategy.

25. BENEFITS FUNDAMENTAL SERVICE REVIEW

The Head of Customer Services submitted a report (previously circulated, now appended) concerning the Benefits Fundamental Service Review. Helen Bishop (Head of Customer Services) attended the meeting and presented this report to the Committee. She highlighted the fact that new claims were now processed within 17 days, which is within the top quartile for performance, and that the average telephone response rate is now over 90%, with an abandonment rate of under 10%. Consultation with stakeholders had shown that they would be willing to have self-service terminals within their own premises.

Councillor Val Smith (Board Member for Regeneration and Customer Services) added that Members had made an important contribution to the review through a Member Advisory Group. Whilst there was a desire to reduce costs, there was also a need to remember that the service dealt with some very vulnerable people; and that there was no desire to see them disadvantaged by any changes. Councillor Smith had personally tested the telephone service and felt that it had improved a great deal.

Introduction

The following additional information was then provided in response to questions posed by members of the Committee:-

- (1) It was expected that a “resilience contract” would help with services over the Christmas period. This was a contract which allowed a provider to assist the Council when its workload reached a peak in order to help maintain Council performance;
- (2) Sick leave had been reduced for a variety of reasons. Many long term sick members of staff were now back at work, or had moved to work elsewhere. The Attendance management Policy was being applied in order to keep levels of sickness down;
- (3) It was hoped that excess paperwork issued to landlords would be reduced or even eliminated in future. Landlords would be able to choose whether or not to receive hard copies of documentation, and they would be able to check their status on line;

Costs

Councillor Brown expressed the view that there was a lot of good work going on, that it was possible to see results, and that the Committee both noted this and was pleased with the progress made. The Committee wanted to be kept informed of costs and value for money.

Neil Lawrence (Performance Improvement Manager) indicated that there had been a real reduction in costs occasioned by the bringing together of services in one place. Helen Bishop added that there was still a need to reduce the costs of the service, with savings of £115,000 made this year and a further £75,000 saving needed next year. The customer service recharge has also been reduced with £85,000 of savings required in the current year and £92,000 to be found over the next 2 years.

Tim Sadler (Director, City Services) clarified that the cost of customer services had fallen for various reasons, one being the reduction in accommodation costs, leading to a new reduction of £565,000, some of which was a redistribution of costs. Councillor Fooks asked for an itemised list of those elements that contributed towards savings. Councillor Van Nooijen wanted to be assured that customer services were becoming cheaper and more efficient as a result of changes being made. The Committee also expressed general concern that any savings made as a result of recharged should not cause the inflation of another service area’s budget. Tim Sadler assured that the Committee that this would not happen, provided that other areas made commensurate savings as well.

Other costs

In answer to a question, it was explained that the sum of £8.84 quoted was the cost of Mouchel processing change of circumstance applications. This was a small part of the overall process. Neil Lawrence added that the benchmark figure of £111 was based on the cost of processing new claims, and did not take into account changes in circumstances. The sum of £59 was given as the benchmark average.

Recommendations

It was RESOLVED to make the following recommendations to City Executive Board:-

(1) To express to the City Executive Board support for the design principles outlined in the report and to congratulate all those involved in bringing the service to this point

- (a) Scrutiny Councillors were still unclear on the “economy principles” used within the Fundamental Service Review which they wish to highlight to the City Executive Board. One of the significant issues for the Council and highlighted in the Audit Commission Review was the very high cost of the service in gross terms which includes that funded by the administration grant and that funded by local tax payers. Within its scope the scrutiny committee was eager to see “real” reductions in cost to the benefit of the local tax payer.
- (b) In response to questions the committee was told that the total reductions made within the service between 10/11 and 11/12 is estimated as £925k. Of this amount:-
- £377k represents a real reduction in the councils budget through reduced staff, consultants, external processing and IT
 - £565K represents a shift of recharges from Customer Services. These cost are to be charged to other Council Services who are now served by this service
- (c) The Committee is concerned that the movement of this substantial amount does not give cost increases for receiving services. The Directors view was that this should not be the case providing the service takes advantage of the efficiencies proved. The scrutiny committee has asked to see details of where the charges will go and the effects of these on the total costs of those services

(2) For the City Executive Board to be satisfied that the re-allocation of support service charges from Customer Services does not increase the total cost of Services.

- (a) The committee heard that the Fundamental Service Review was not working towards the delivery of the service to any particular benchmark. There is an acceptance by all that the Council wishes to provide a high quality service that responds well to its client group. So the profile ultimately would be higher than average costs accompanied by higher than average outcomes.
- (b) A target of between £70 and £80 per claim has been chosen as a working consideration on the basis that this feels about right but effectively the real target in monetary reduction terms is to deliver the budget reductions agreed within the budget. The committee asked to see comparative benchmarks for urban authorities with the same ambitions as ours and it was clear that there is room for further downward movement beyond the £70 - £80 articulated. In

fact it is clear that the Fundamental Service Review is likely to overshoot this.

- (3) For the City Executive Board to be more ambitious in their setting of economic targets for this Fundamental Service Review and work towards a benchmark that reflects the best of those authorities with similar ambitions to us**

Part II: Exempt Information

Resolved that under Section 100(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the remaining items of business on the grounds that their presence would involve the likely disclosure of information as described in paragraph 3 of Part I of Schedule 12A to the Act.

Summary of business transacted under Part II of the agenda as required by Section 100C (2) of the Local Government Act 1972

Part II

EXEMPT BUSINESS

The Committee considered matters related to the Leisure Management Contract and Asset Management Plan in closed session

26. LEISURE MANAGEMENT CONTRACT

The Head of City Leisure submitted a report (previously circulated, now appended) concerning the Leisure Management Contract. Lucy Cherry (Leisure Manager) and Councillor Van Coulter (Board Member for Leisure Services) attended the meeting to present the report to the Committee.

Introduction.

Councillor Coulter, introducing the report, explained that there was a 22% reduction in the subsidy paid per user. There was increased participation at the Council's leisure centres, but participation from minority communities had dropped. Lucy Cherry added that Blackbird Leys, Barton and Ferry Leisure Centres, and Hinksey Swimming Pool, had all achieved QUEST (a UK quality award scheme for leisure facility management) accreditation, and it was hoped that the Ice Rink would shortly be joining them.

Carbon management

There has been a 20% overall increase of carbon tonnes across leisure facilities, although at some specific sites it has decreased. The reasons for the change include increased usage of the facilities and aging plant and equipment at some sites. Councillor Coulter informed the Committee that he has made it clear to FUSION that he wishes to see some real improvements in carbon management in the future.

The Committee felt it would be helpful to know the figure for carbon emissions per user.

Participation rates

The Committee was keen to know where services users originated from. FUSION has been asked to map where users live and which facilities they are using.

The Committee was pleased to see increased participation rates by older people and disabled people, and asked if these matched the Council's ambitions for participation. In reply, the Committee was informed that there were targets in the contract for a 5% increase per year in participation by each group

Costs were projected to decrease each year during the final 2 years of the contract. The Council had generous subsidies and concessions for users, and some 30% of users benefited from these. The Committee felt it would be useful to examine costs both with and without concessions at some point in the future.

Resolved:

- (1) To thank Lucy Cherry and Councillor Coulter for their attendance and useful input;
- (2) To note all points made;
- (3) To ask that a report showing costs with and without concessions, and carbon rates per user, be prepared for a future meeting (date to be agreed).

27. COMMITTEE INQUIRY - ASSET MANAGEMENT

The Head of Law and Governance submitted a report (previously circulated, now appended) concerning the progress made to date on the Asset Management Plan. Lead Members on this item, Councillor Van Nooijen and Councillor Gotch, introduced this item to the Committee. Councillor Van Nooijen welcomed Steve Sprason (Head of Corporate Assets) and Richard Hawkes (Corporate Asset Manager) to the meeting. They would answer questions put to them by members of the Committee.

The following questions were then put, and answers given:-

Question 1: Was Steve Sprason pleased with the Asset Management Plan?

Answer: It has progressed well over the last 3 years. He did not believe that the organisation fully appreciated what was the state of its property portfolio three years ago, but it should now have more trust and confidence in the process and in the way in which property was managed. The Council had maintained and improved its investments and income, had a good level of capital receipts, and employed high quality people within the Asset management team. He would, however, like more progress to be made with the investment portfolio.

Question 2: What is the current situation regarding maintenance backlogs?

Answer: Some progress has been made with this. There is a structured programme for investment in leisure facilities and there have been measurable improvements. The backlog has partly been reduced by the disposal of some assets, for example the office buildings at blue Boar Street, and by investment to improve such as that carried out on St Aldate's Chambers. The Council had the sum of £7 million to spend over the next 5-6 years in order to reduce the maintenance backlog. There are example were some investment could result in an increase in rental income – for example, the Council owns an office block which would recoup an investment of £150,000 to carry out improvements quite quickly.

Question 3: What is the current strategy for the best use of car parks?

Answer: There was a desire to retain parking facilities (and thus parking income) but to try to develop around the site, for example at the St Clement's Car Park. This would add value to an asset. There were other opportunities at Diamond Place and Worcester Street car parks, but the aim was to deal with the St Clement's Car park first.

Question 4: What is the current position regarding maintenance on the Covered Market?

Answer: There is a maintenance backlog here, but last year the sum of £100,000 was invested in the Covered Market in order to improve decoration, lighting and other services here. Oxfordshire County Council provided half of this funding. A further amount out of the £7 million referred to above has been earmarked for the Covered Market.

Question 5 on specific corporate targets CA004 and CA006

Answer: Steve Sprason explained that tenants had not been asked about their level of satisfaction with the Council, but he wanted to carry this work out this year with City Centre tenants in order to establish a baseline figure. Similar consultation would take place with tenants from the Covered Market next year. Tenants would be asked what they thought of the Council as a landlord.

There had been a situation, in the past, where properties could be left without rent reviews for a long period, but this situation has now changed. The Council holds properties in order to maximise its income and therefore seeks market rents. If occupiers fulfil a social need, they can obtain a grant towards their costs, but other than this the Council does not pay heed to any social need that the tenant may fulfil. The "tenant mix strategy" is part of this. Tenants are expected to pay a market rent, but at the same time the Council does not wish to see them bankrupted!

There are a number of renewals that fall due each year. Some leases are for a 5 year period and some for 7; all have their own renewal pattern. Rent review is a quasi-judicial process, and there is a need to serve proper notice in good time in order to protect the Council's position.

Question 6: On risk: Is Ramsay House going to raise sufficient funds? Has the work on St Aldate's Chambers and the Town Hall been carried out within budget?

Answer: Blue Boar Street was sold for £3.2million, which was more than expected. Negotiations about Ramsay House are still ongoing, but it is anticipated that the required sale price will be achieved. The aim is to vacate Ramsay House by late February/early March 2012.

St Aldate's Chambers are currently on target, despite the fact that the first contractor went broke. Even so, there have been no increases in costs because of this, and it looks as if the project will come in under the budget of £4.3million. The outturn is expected to be approximately £3.8million.

Question 7: Swimming Pool and Westgate Development – does this still present a major risk to the Council? Has the potential loss because of delay to or stoppage of the project been estimated within the risks?

Answer: Unable to give details of any potential loss on the Westgate scheme at this time. However, the rental income from Westgate fell by £100,000 over the last 2 to 3 years. The figure for the last 12 months is awaited. It is felt that uncertainty over the future of the project has led to a modest drop in income.

It is more likely than not that the Westgate scheme will proceed as planned. The current developers (Crown Estates and Land Securities) are premier developers who have carried out some significant work over the past few years. The Council would be in a position to instruct solicitors to prepare formal documents in a few weeks' time. It was in discussions with Oxfordshire County Council about bus and transportation issues as well.

Steve Sprason indicated he would send details on the above to Councillors.

Regarding the swimming pool project, some work on service diversions had started here. The Council was seeking to resolve issues around the application for Town Green status on the land designated for the new pool in Blackbird Leys. Once that is resolved, work could begin quite quickly.

Question 8: Does the corporate risk register adequately reflect the risks associated with the management of our assets? How big a risk is commercial property income to achieving a balanced budget? What is the situation concerning vacant properties?

Answer: Assets don't normally merit an individual mention because the risk is bound in with the financial risk to the Council as a whole.

There are quite a few vacant properties around the City centre. Christmas 2009 was an especially bleak period as a few companies went into receivership then, losing up to £400,000 rental income. There are still a few void properties, but they are slowly being filled (for example 20 /24 St Michael Street has a conditional agreement for a new hotel there). Some properties have reverted to the Council in poor condition.

Although the Council does own some City centre property, it is not a major landlord. Some premises need considerable work on them, or require planning

consent, or are politically complicated. The capital receipts that the Council hoped for might be more difficult to achieve now.

Regarding rates of return on property, this all depends on what rate the Council wishes to achieve. Richard Hawkes indicated that he had put the sum of 5% in the Asset Plan as a placeholder.

Question 9: What are the implications of restrictive covenants?

Answer: The Council will enforce covenants. The Council does have the discretion to release or not, it can negotiate a release and can negotiate a payment for this

Resolved to:

- (1) Thank Steve Sprason and Richard Hawkes for their attendance at the meeting and useful input into the discussion;
- (2) Welcome the advance sight of the Asset Management Plan;
- (3) Establish a small group that will examine the Asset Management Plan in more detail. This group will comprise Councillor Fooks and Councillor Van Nooijen, with an invitation extended to Councillor Campbell. Other Councillors may wish to join as well and can be invited to do so;
- (4) Make the following recommendations to City Executive Board:-

Recommendation 1

That City Executive Board to agree to affirm their commitment to providing good and sustainable budgets to tackle the maintenance backlog and investment to provide for the most effective use of our assets. To encourage all political parties on the Council to support this within their budget proposals.

Recommendation 2

To welcome the discussion in concrete terms of rates of returns for our asset portfolio and to ask the City Executive Board to set a target for this in the re-refresh of the Asset Framework of 5%.

28. STANDING ITEM: WORK PROGRAMME

The Head of Law and Governance submitted a report (previously circulated and now appended) updating the Committee on the work programme for the current year.

Resolved to note the report.

29. MINUTES

Resolved to approve, as a correct record, the minutes of the meeting held on 12th September 2012.

It was noted that the work on equalities (minute 15 – Work Programme) had not commenced yet, but was expected to do so shortly.

30. DATES OF FUTURE MEETINGS

Resolved to note the following dates:

30th January 2012

26th March 2012

The meeting started at 6.00 pm and ended at 8.50 pm

This page is intentionally left blank

VALUE AND PERFORMANCE SCRUTINY COMMITTEE

Thursday 5 January 2012

COUNCILLORS PRESENT: Councillors Brown (Chair), Seamons (Vice-Chair), Abbasi, Gotch, Humberstone, Keen, Rowley, Royce, Van Nooijen, Williams and Fooks.

OFFICERS PRESENT: Alec Dubberley (Democratic and Electoral Services Officer), Helen Bishop (Head of Customer Services), Karen Tarbox (Customer Services) and Tim Sadler (Executive Director for City Services)

31. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence were received from Councillor McCready with Councillor Fooks attending as substitute.

32. DECLARATIONS OF INTEREST

There were no declarations of interest made.

33. OUT OF HOURS CALL HANDLING CONTRACT

The Chair introduced the item explaining that the decision to grant project approval to award a new contract for the provision of an out of hours call-handling contract had been called-in from the City Executive Board by Councillor Fooks with support from Councillors Wilkinson, Rundle and Campbell. The Committee was required to either agree with the original decision or refer the decision back to the Executive Board with recommendations from this meeting.

Councillor Fooks was asked to explain her reasons for initiating the call-in and highlighted the following concerns:

- There had been a lack of input from members to date and the decision taken by the Executive Board did not allow for any member involvement in future.
- A service based away from Oxford would be detrimental to service provision as the area would not be known by the staff taking the phone calls.
- Concern over the value for money of the contract and what level of service would be provided for the contract price.
- Unsure how the contract could be stopped or modified in the event that the supplier does not perform adequately.

In response to Councillor Fooks' concerns, Councillor Price assured the committee that the out of hours service was an important service to the administration and a high quality service was vital. He said that he regretted that,

due to the cost, an in house service could not be provided. Councillor Price went on to explain that a joint service with other Oxfordshire authorities would save money.

Tim Sadler assured that Committee that officers had taken action to address early teething problems with the current out of hours provision and the service was now performing well.

During the debate the following was covered:

- The calls were currently charged in the region of £2 per call. A new contract would incur an annual flat fee rather than a charge per call.
- Any new contract would be more expensive than the current arrangements as the true cost of the service was not built into the original contract.
- The sustainability policies of the tendering companies would be an important factor when selecting a supplier
- Should the new supplier fail to meet the service standard required by the Council there would be penalty clauses built into the contract. It was however noted that officers would be closely monitoring service performance which should mitigate any risk to a decline in the service.

At the conclusion of the debate the Committee voted by majority on whether or not to make any recommendations back to the City Executive Board. The decision taken at the City Executive Board meeting in December would therefore stand.

Resolved to not refer the decision back to the City Executive Board for reconsideration.

34. DATES OF FUTURE MEETINGS

Noted.

The meeting started at 6.00 pm and ended at 6.47 pm