

Agenda

www.oxford.gov.uk



Value and Performance Scrutiny Committee

Date: **Wednesday 19 September 2012**

Time: **6.00 pm**

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

For any further information please contact:

Pat Jones, Principal Scrutiny Officer

Telephone: 01865 252191

Email: phjones@oxford.gov.uk

Value and Performance Scrutiny Committee

Membership

Chair	Councillor Mark Mills	Holywell;
Vice-Chair	Councillor Mike Rowley	Barton and Sandhills;
	Councillor Mohammed Abbasi	Cowley Marsh;
	Councillor Anne-Marie Canning	Carfax;
	Councillor Jean Fooks	Summertown;
	Councillor James Fry	North;
	Councillor Michael Gotch	Wolvercote;
	Councillor Mick Haines	Marston;
	Councillor Pat Kennedy	Lye Valley;
	Councillor Sajjad Malik	Cowley Marsh;
	Councillor Stuart McCready	Summertown;
	Councillor Craig Simmons	St. Mary's;
	Councillor Oscar Van Nooijen	Hinksey Park;

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 AND SUBSTITUTIONS**
- 2 **DECLARATIONS OF INTEREST**
- 3 **DATES OF FUTURE MEETINGS**

The Committee is asked to consider rearranging the dates of its future meetings to provide a better "fit" with the dates of the City Executive Board.

Original date	Proposed date	CEB link date
Monday 5 th November 2012	Tuesday 27 th November 2012	Wednesday 5 th December 2012
Monday 28 th January 2013	Tuesday 29 th January 2013	Wednesday 6 th February 2013
Monday 25 th March 2013	Thursday 3 rd April 2013	Wednesday 10 th April 2013

4 **STANDING ITEM: WORK PROGRAMME**

1 - 8

Pat Jones, Principal Scrutiny Officer, Tel: (01865) 252191,
Email phjones@oxford.gov.uk;

Mathew Metcalfe, Democratic and Electoral Services Officer, Tel: (01865)
252214,
Email: mmetcalfe@oxford.gov.uk

Background information
At the last meeting the committee considered its work programme for the year 2012/2013. The report attached outlines the results of this debate. The work programme needs to reflect the wishes and interests of the Committee and so will be presented at every meeting to allow members to lead and shape their work.
Why is the item on the agenda?
To allow committee to be updated on progress since the last committee meeting and to agree the lines of inquiry for forthcoming

meetings.
The committee is also asked to agree that Councillor Kennedy joins the Finance and Performance Panel to fill the space left by Councillor Fry.
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.

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

9 - 42

Contact Officer: Mathew Metcalfe, Democratic and Electoral Services Officer
 Tel: (01865) 252214, email: mmetcalfe@oxford.gov.uk

Background information
Committee and its Panels have made a number of recommendations to City Executive Board and officers since the last meeting. This item reports on the outcomes from these.
Why is the item on the agenda?
To present to the committee the full text of reports approved by the Chair and other Lead Members of the committee and the results of the recommendations made. Reports have been presented on: <ul style="list-style-type: none"> • Budget out-turn 2011-2012. • Treasury Management Performance 2011-2012. • Fusion Leisure Contract 2011 – 2012. • Changes to Business Rates. • Quarter 1 Corporate Plan Performance. • Asset Management Plan.
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.

6 ARRANGEMENTS FOR THE LOCAL COUNCIL TAX BENEFIT SCHEME

43 - 50

Contact Officer: Helen Bishop
Tele: 01865 252233, email: hbishop@oxford.gov.uk

Background Information
<p>From April 2013 Local Councils are required to agree their own Council Tax Benefit Scheme. It was agreed in the work programme for 2012/2013 to scrutinise arrangements for this.</p> <p>This report also contains information for the next item on the agenda: Welfare Reform - Universal Credit</p>
Why is it on the agenda?
<p>This report has been produced in response to committees lines of inquiry which are:</p> <ul style="list-style-type: none">• What processes is the Council going through to plan for our scheme.• What does our claimant base look like and what are the largest challenges being faced.• What will the local scheme look like?• Will there be any winners/losers with these arrangements.• What effects will this scheme have on the Councils budgets and in particular the administration costs.• What are neighbouring authorities doing.
Who has been invited to comment?
<p>Helen Bishop (Head of Customer Services) and Councillor Val Smith (Board Member for Customer Services) will be available to answer the Committees questions.</p>
What will happen after the meeting?
<p>Any comments made by the committee will be reported to the City Executive and the requirements for further reporting will be reflected in the Committees work programme.</p>

7 TRANSITION TO THE UNIVERSAL CREDIT

Contact Officer: Helen Bishop, Head of Customer Services
Tele: 01865 252233, email: hbishop@oxford.gov.uk

Background Information
<p>The Welfare Reform Act introduces changes to the benefit system that have been well reported. The Committee asked to scrutinise our preparation for this both financially and in supporting claimants.</p>

Information is presented in the second half of the report on the previous item – Local Council Tax Scheme.
Why is it on the agenda?
Information is presented in response to the committees lines of inquiry: <ul style="list-style-type: none"> • What are the Councils working assumptions and current plans. • How is the Council planning for the funding draw down and budgetary effects? • What is the planning for managing the Customer Service provision such as face to face inquires, telephone inquires and “sign posting” particularly as the administration grant is withdrawn. • How are we working through our partnerships with city Advice Agencies to support residents who need it?
Who has been invited to comment?
Helen Bishop (Head of Customer Services) and Councillor Val Smith (Board Member Customer Services) will be available to answer the committee’s questions.
What will happen after the meeting?
Any comments made by the committee will be reported to the City Executive and the requirements for further reporting will be reflected in the committees work programme.

8 LOCAL PROCUREMENT

Contact Officer: Jane Lubbock, Head of Business Improvement and Technology, Tel: 01865 252218, email: jlubbock@oxford.gov.uk

Background Information
It was agreed in the work programme for 2012/2013 to consider the extent of the Councils local procurement in support of the local economy and the potential to do more.
Why is it on the agenda?
Information is presented in response to the committees of inquiry: <ul style="list-style-type: none"> • What are the Councils policies on local procurement and how does the Council make sure these are delivered. • What procurement does the Council do locally and what is its value. • How much is the value of local procurement by the Council as a proportion of the Councils overall spending. • What is the potential for the Council to do more?
Committee should note that a new Procurement Strategy is scheduled to be presented to the City Executive Board in

December. Details of this are not included here.
Who has been invited to comment?
Jane Lubbock, Head of Business Improvement and Technology will be available to answer the Committee's questions.
What will happen after the meeting?
Any comments made by the committee will be reported to the City Executive and the requirements for further reporting will be reflected in the committees work programme.

9 MINUTES

53 - 60

Minutes of the meeting held on 25th June 2012.

DECLARING INTERESTS

General duty

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed "Declarations of Interest" or as soon as it becomes apparent to you.

What is a disclosable pecuniary interest?

Disclosable pecuniary interests relate to your employment; sponsorship (ie payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licences for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

Declaring an interest

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest.

If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

Members' Code of Conduct and public perception

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member "must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself" and that "you must not place yourself in situations where your honesty and integrity may be questioned". What this means is that the matter of interests must be viewed within the context of the Code as a whole and regard should continue to be paid to the perception of the public.

¹ Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those of the member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

This page is intentionally left blank

Value and Performance Scrutiny Committee Scrutiny

Work programme debate outcomes for 2012/2013

General Principles

After consultation with councillors the committee has agreed its programme. Topics will be considered both inside and outside of “formal committee” meetings and each topic will be led by a small group of councillors.

The focus will be on more detailed Panel work rather than formal committee meetings. The “Select Committee” principles will continue to be developed by councillors for at least one of the available committee meetings. Co-option around themes and issues for debate will be considered to enhance the expertise and views of the committee.

A Finance and Performance Panel has been set to bring together and encourage focus and expertise within the member group.

The programme remains flexible and open to reorganisation by committee. A complete review will be undertaken by the Chair and Vice-Chair in January 2013

The information that follows shows the programme divided between:

- Standing Panels
- Short Term Panels
- Detailed Review Topics
- Inquiries to be conducted at committee meetings including “select committee” style topics.

Each item is supported by interested members of the committee with one of this number taking a lead role.

Value and Performance Scrutiny Committee

Work Programme 2012/2013

Standing Panels

Topic	Area(s) for focus	Progress	Nominated councillors
Finance and Performance Panel	<p>Corporate performance against target</p> <p>Service performance against target</p> <p>Budget spending and achievement of savings</p> <p>Medium Term Financial Strategy</p> <p>Treasury Management – strategy and delivery</p> <p>Business rate changes</p> <p>The Panel will become the budget Review Group</p>	<p>Agreed meeting dates:</p> <ul style="list-style-type: none"> • 28th August at 6.00pm • 27th. November at 5.00pm • 31st. January at 6.00pm 	<p>No substitutions allowed.</p> <p>Cllrs. Mills, Rowley and Simmons</p>

2

Short Term Panels

Topic	Area(s) for focus	Progress	Nominated councillors
Investment in	To consider the City's investment in youth services:	Panel to meet to agree their focus within	No substitutions

Youth Services – focus and outcomes	<ul style="list-style-type: none"> • Spending plans • Opportunities to increase investment through grants and partnership working • Targeted groups, areas and outcomes. • Measures and performance against these 	<p>the guide given by the committee.</p> <p>Report to CEB on 5th. September outlining service proposals.</p>	<p>allowed.</p> <p>Cllrs. Mills, Rowley and Canning</p>
Recycling rates - ambition	The Council's ambition is to increase recycling rates to 52% by 2015/16. Is this ambitious enough. What would be needed to improve on this.	Look at rates and services in other urban authorities and decide if our ambition is the right one for a “great Council”.	<p>No substitutions allowed.</p> <p>Councillor Fry</p>

Detailed Review Topic

ω

Topic	Area(s) for focus	Progress	Nominated councillors
Budget Review	To review the proposals and principles within the Medium Term Financial Strategy and budget for robustness and deliverability.	<p>Review to begin in December.</p> <p>Officer and Board Member interview dates set as:</p> <ul style="list-style-type: none"> • 9th. January 6.00pm • 14th. January 6.00pm • 15th. January 6.00pm 	<p>No substitutions allowed.</p> <p>All members of the Finance and Performance Panel plus Cllr. Fry.</p>

Committee Inquires

Topic	Area(s) for focus	Progress	Nominated councillors
Transition to Universal Credit	<p>Transition begins in October 2013.</p> <p>How are we planning for this in particular:</p> <ul style="list-style-type: none"> • Working assumptions and current plans. • Funding draw down and budgetary affects. • Customer Service provision – face to face inquiries and “sign posting”. • Partnerships with City Advice Agencies 	Scheduled for the September meeting.	All committee
Council Tax Benefit scheme development	<p>What will our local scheme look like.</p> <p>Who are the winners and losers.</p> <p>What effects will this have on our budgets and what are the administration costs likely to be.</p> <p>What are our neighbours proposals.</p>	Scheduled for the September meeting.	All committee
Covered Market – economic health and development	Select committee debate. To consider the “economic health” of the covered market and in particular the effects of rents on the diversity of traders.	Select committee scheduled for January meeting	Cllrs. Fookes and Van Nooijen to prepare and lead select committee debate.
HMO registration progress. Effects of the	<p>Progress on the implementation of the licensing scheme.</p> <p>Committee are particularly interested in:</p> <ul style="list-style-type: none"> • Any effects on the availability or cost of rented 	Scheduled for the November meeting.	All committee

scheme on the supply of rented accommodation	<p>accommodation.</p> <ul style="list-style-type: none"> • Improvements within the privately rented stock. 		
City Council's procurement process and their effects locally	To consider the Council's Procurement Strategy and its outcomes for spending with local companies.	Scheduled for the September meeting	All committee
Work force	<p>How representative is our work force across the equality strands and as a match to the local population.</p> <p>How do we train and promote employees across the equality strands.</p> <p>The committee is particularly interested in the current position, areas for improvement and plans to produce better outcomes.</p>	Scheduled for the November meeting	All committee

Value and Performance Scrutiny Committee Agenda Schedules

In addition to the items listed below each committee will have 3 standing items:

1. The work programme.
2. Report back on recommendations made.
3. Update by lead members on the work of their panels and reviews.

Dates	Slots and Items
19 th . September 2012	1. Local Council Tax Benefit Scheme development. 2. Transition to Universal Credit. 3. Procurement policies and practices and the effects on the local economy. Meeting full
5 th . November 2012	1. Workforce and representation. 2. HMO registration and effects 3. Vacant slot
28 th . January 2012	1. Finance and Performance Panel Budget Review Report 2. Covered Market – Select Committee debate Meeting full
25 th . March 2012	1. Panel Report – Investment in Youth Services 2. Recycling ambitions 3. Vacant slot

Finance and Performance Panel Agenda Schedules

Dates	Slots and Items
28 th . August 2012	<ol style="list-style-type: none"> 1. Qtr. 1 Performance against Service Targets. 2. Qtr. 1 Performance against Corporate Targets. 3. Qtr. 1 Treasury Management Performance. 4. Qtr. 1 Spending and savings 5. Business Rate Changes – likely budgetary effects
27 th . November 2012	<ol style="list-style-type: none"> 1. Qtr. 2 Performance against Service Targets. 2. Qtr. 2 Performance against Corporate Targets. 3. Qtr. 2 Treasury Management Performance 4. Qtr. 2 Spending and savings. 5. Budget prospects 13/14
31 st January 2013	<ol style="list-style-type: none"> 1. Qtr. 3 Performance against Service Targets. 2. Qtr. 3 Performance against Corporate Targets. 3. Qtr. 3 Treasury Management Performance 4. Draft Treasury Management Strategy 13/14 5. Qtr. 3 Spending and saving. 6. Final CEB budget proposals – consultation result

This page is intentionally left blank

Agenda Item 5

Value and Performance Scrutiny Committee

Results of recommendations made between June and September 2012

Financial Out turn 2011/2012			
Recommendations from the committee meeting – 25th. June			
Full report at Appendix 1			
Scrutiny Recommendation	Response	Considered by	Date
All carry forward requests are supported noting the comments in paragraph 4 of the report.	Noted	City Executive Board	4 th . July
To request that the £0.5m surplus is placed in reserves and its use considered during the up and coming budgetary process rather than earmarking it at this stage for capital.	Agreed with amendment. This money will be placed in an earmarked capital reserve. All reserves are reviewed as part of the yearly budgeting process.	City Executive Board	4 th . July
To ask Board Members and Senior Officers to consider the effects of delays in recruitment on services and plans and allow for any “catch up” required within future planning.	Agreed with amendment All service pressures have been considered. The effects of delayed recruitment are being considered as part of workforce planning.	City Executive Board	4 th . July
Treasury Management Performance 2011/2012			
Recommendations from the committee meeting – 25th. June			

Full report at Appendix 2			
Scrutiny Recommendation	Response	Considered by	Date
<p>The Committee agree with the proposed changes to the Treasury Management Strategy for 2012/2013 to:</p> <ul style="list-style-type: none"> • Increase the limit invested in MMFs to £20m. • Add Police Authorities to the counterparty list. 	Noted	City Executive Board	4 th . July
<p>For the City Executive Board to keep under active review the effects of “Right to Buy” within the HRA Business Plan. In particular:</p> <ul style="list-style-type: none"> • Income streams. • Our ability to be flexible within the funding of the capital programme to allow us to use all capital receipts from sales. 	Agreed	City Executive Board	4 th . July
<p>Fusion Leisure Contract – 2011/2012 Performance against target</p> <p>Recommendations from the committee meeting – 25th. June</p> <p>Full report at Appendix 3</p>			
Scrutiny Recommendation	Response	Considered by	Date
To seek confirmation via the Partnership Board that the living wage is being paid to staff and confirmation when it will also be paid to any sub-contractors working in Fusions run sites in Oxford.	Not available To be reported at the meeting	Board Member for Leisure	
To see the subsidy position for each leisure centre including capital investments made.	Not available To be reported at the meeting	Board Member for Leisure	
To seek clarification of what	Not available	Board Member	

share of the £1.3m surplus made by Fusion would be re-invested in the Oxford City Contract and how this would be used within leisure centres and/or services.	To be reported at the meeting	for Leisure	
To see the ideas and proposals from the Partnership Board to further increase participation with a particular emphasis on outreach work within target groups.	Not available To be reported at the meeting	Board Member for Leisure	
To see Fusion's suggestions on encouraging better utilisation of our centres.	Not available To be reported at the meeting	Board Member for Leisure	
To request that for the future participation is also shown as a percentage of the population in each postcode area and if possible to include all visitors to allow for a more meaningful comparison of the figures.	Not available To be reported at the meeting	Board Member for Leisure	
To provide information on the various outreach projects across: <ul style="list-style-type: none"> • Cost • Objectives • Targets • Outcomes 	Not available To be reported at the meeting	Board Member for Leisure	
To request further information on the methodology used for measuring satisfaction and the process for auditing and checking the quality of the results.	Not available To be reported at the meeting	Board Member for Leisure	
To raise the issue of repairs and maintenance at the Partnership Board and for standards to be monitored. To report back on how monitoring is to happen.	Not available To be reported at the meeting	Board Member for Leisure	
Request that the Board Member respond to the local Ward	Not available To be	Board Member for Leisure	

Member for Marston on what the Council's leisure offer for residents in his ward.	reported at the meeting		
<p>Changes to Business Rates</p> <p>Recommendations from the Finance and Performance Panel – 28th. August</p> <p>Full report at Appendix 4</p>			
Scrutiny Recommendation	Response	Considered by	Date
The Finance and Performance Panel of the Value and Performance Scrutiny Committee felt that the levy being 82% was too high and noted that this would form part of the City Council's response to the current Government consultation.	Not available To be reported at the meeting	City Executive Board	12 th . September
<p>April to June 2012/13 – Quarter 1 Corporate Plan Performance</p> <p>Recommendations from the Finance and Performance Panel – 28th. August</p> <p>Full report at Appendix 5</p>			
Scrutiny Recommendation	Response	Considered by	Date
To request that the indicators for a Vibrant and Sustainable economy be reviewed as the Panel felt that it was not clear if the Council's policies were sufficient enough to fully capture a vibrant and sustainable economy as it felt that only have 3 indicators were not sufficient.	Not available To be reported at the meeting	City Executive Board	12 th . September
<p>Asset Management Plan</p> <p>Recommendations from the Asset Panel – 24th. August</p> <p>Full report at Appendix 6</p>			

Scrutiny Recommendation	Response	Considered by	Date
Welcomed the inclusion of most of the recommendations highlighted to the Deputy Leader in March 2012 and that the latest version was clearer due to improved formatting. However it was felt that some sections did not require the amount of detail included;	Not available To be reported at the meeting	City Executive Board	12 th . September
That it was not necessary to detail all of the previous achievements going back to 2009;	Not available To be reported at the meeting	City Executive Board	12 th . September
A list highlighting the changes made following the end of the consultation would be beneficial;	Not available To be reported at the meeting	City Executive Board	12 th . September
The design of the document allowed for improved navigation and was presented in a professional way.	Not available To be reported at the meeting	City Executive Board	12 th . September
Foreward – Page 5, final paragraph – Clarification is required on the delivery of the 112 affordable homes, how these homes will be funded and the numbers to be delivered for each of the next three years;	Not available To be reported at the meeting	City Executive Board	12 th . September
Section 1 – Review of 2009 Asset Management Plan, Pages 8, 9 and 10 – These are not necessary and should be removed as these relate to the previous plan;	Not available To be reported at the meeting	City Executive Board	12 th . September
Section 2 – Portfolio Objectives and Overview, Page 11 – Objective 2 – The wording is unclear and would read better as “We want all our property to be efficiently managed”;	Not available To be reported at the meeting	City Executive Board	12 th . September
Section 2, pages 11 and 12 – The tables showing Operational	Not available To be	City Executive Board	12 th . September

assets ranked by condition do not make sense and so should be removed;	reported at the meeting		
Section 4 – Asset Strategy – A separate asset class is required to cover ‘countryside’ assets, including Port Meadow, the other SSSI’s and parks which should also be included. There is no mention of these assets in either class 4.1 or 4.10;	Not available To be reported at the meeting	City Executive Board	12 th . September
Section 4 – Asset Strategy – 4.2 Allotments – The first paragraph should be amended to include at the end ‘ <i>and further details will be found in the emerging Green Space Strategy</i> ’; the second paragraph should be deleted as the Green Space Strategy has not been agreed;	Not available To be reported at the meeting	City Executive Board	12 th . September
Section 4 – Asset Strategy – 4.5 Community Centres – Amend the fifth paragraph to read ‘ <i>The Council will establish occupational leases with community groups to formalise responsibilities. These leases will typically be between one and three years, noting that none size will not fit all and the Council will consider granting Community Association long-leasehold interests (or asset transfers) where the following criteria are met:</i> ’	Not available To be reported at the meeting	City Executive Board	12 th . September
Section 6 – Capital Programme, Page 31 – further clarification is required with regard to the paragraph titled ‘Homes and Communities Agency Affordable Homes Programme’ and S106 Planning Obligations requirement to contribute to affordable housing as this is in the process of being changed;	Not available To be reported at the meeting	City Executive Board	12 th . September
Appendix 3, point 17.2 – should	Not available	City Executive	12 th .

<p>be amended to read <i>'Where the Council implements rent reviews and lease renewals, it will seek to establish the highest market rental value supported by comparable evidence, to preserve the capital value and income flow of the portfolio subject to other relevant requirements of the Asset Management Strategy such as maintaining the agreed balance of uses of the Covered Market'</i>;</p>	<p>To be reported at the meeting</p>	<p>Board</p>	<p>September</p>
<p>Appendix 3, point 19, page 51 - Tenant Associations – This should be deleted in its entirety as the meaning of the section is unclear and appears to cut across the responsibilities of the Neighbourhoods and Communities Team;</p>	<p>Not available To be reported at the meeting</p>	<p>City Executive Board</p>	<p>12th. September</p>
<p>The following typographical errors require correcting:</p> <p>(i) Section 6, page 32 – last line of the second paragraph, delete 'a' and insert 'an' before the word amount and delete the full stop at the end of the final bullet point;</p> <p>(ii) Section 7, page 33, point 7.1 – In the final line the word 'city' needs correcting to 'City';</p> <p>(iii) Appendix 1, page 38 – too many m's in Emissions.</p>	<p>Not available To be reported at the meeting</p>	<p>City Executive Board</p>	<p>12th. September</p>

To: City Executive Board

Date: 4th. July 2012

Report of: Value and Performance Scrutiny Committee

Title of Report: Financial Out-turn for the year ending 31st. March 2012

Summary and Recommendations

Purpose of report: To present comments from the Value and Performance Scrutiny Committee on the budget out-turn for 2011/2012.

Key decision? No

Scrutiny Lead Member: Councillor Mills

Executive lead member: Councillor Turner

Policy Framework:

Recommendation(s): For the City Executive Board to say if it agrees or disagrees with the following recommendations:

Recommendation 1

All carry forward requests are supported noting the comments in paragraph 4 of the report.

Recommendation 2

To request that the £0.5m surplus is placed in reserves and its use considered during the up and coming budgetary process rather than earmarking it at this stage for capital.

Recommendation 3

To ask Board Members and Senior Officers to consider the effects of delays in recruitment on services and plans and allow for any “catch up” required within future planning.

Introduction

1. The Value and Performance Scrutiny Committee considered the delivery of the 2011/2012 budget and were supported in the debate by Nigel Kennedy. The committee would like to thank him for his time and advice.
2. This report was not received by members until the day of the meeting and many had not had time to read and consider its content. Recommendations are therefore made from a limited scrutiny perspective.

Comments and Recommendations

3. Performance overall is good and the committee would like to congratulate officers for delivering a challenging budget well.
4. The committee considered the carry forward requests and noted that in a couple of service areas had the money been spent as planned in year it would have placed them in a position of overspend. The most significant of these is the museum request from Policy Culture and Communications and brings into sharper relief the under achievement of income in the Town Hall.
5. A number of under spends are attributed to delays in recruitment to posts and members discussed the effects these delays sometimes had on the delivery of services or plans.

Recommendation 1

All carry forward requests are supported noting the comments in paragraph 4 of the report.

Recommendation 2

To request that the £0.5m surplus is placed in reserves and its use considered during the up and coming budgetary process rather than earmarking it at this stage for capital.

Recommendation 3

To ask Board Members and Senior Officers to consider the effects of delays in recruitment on services and plans and allow for any “catch up” required within future planning. Director and Board Member Comments

Director, Finance and Efficiency

6. The £0.5m surplus is being placed in an earmarked reserve for capital financing which is consistent with the current MTFP strategy aimed at minimising debt charges and maximising base revenue funding. All reserves will be reviewed as part of the annual refresh of the MTFP. Earmarked reserves can be reallocated as part of that process if required and the strategy changes.
7. Delays in filling posts are largely a consequence of not being able to attract suitable candidates, some posts having to be advertised several times. The current economic position has had an impact, with people choosing to ‘stay put’ if they are already in employment.

The Council is seeking to address this issue over the longer term as part of its workforce planning arrangements

Board Member, Councillor Turner

8. Decisions on the capital programme and its financing are taken by full council, so ultimately the decision commented on will be for elected members. However, I personally think it would be wiser to spend one-off windfalls such as this on capital or time-limited revenue schemes than ongoing revenue commitments.

Name and contact details of author:-

Pat Jones on behalf of the Value and Performance Scrutiny Committee
Principal Scrutiny Officer
Law and Governance
Tel: 01865 252191 e-mail: phjones@oxford.gov.uk

List of background papers:

Version number: 1

To: City Executive Board

Date: 4th. July 2012

Report of: Value and Performance Scrutiny Committee

Title of Report: Treasury Management Performance 2011/2012

Summary and Recommendations

Purpose of report: To present comments from the scrutiny committee on Treasury Management Performance for 2011/2012.

Key decision? No

Scrutiny Lead Member: Councillor Mills

Executive lead member: Councillor Turner

Policy Framework:

Recommendation(s): For the City Executive Board to say if it agrees or disagrees with the following recommendations:

Recommendation 1

The committee agree with the proposed changes to the Treasury Management Strategy for 2012/2013 to:

- Increase the limit invested in MMFs to £20m.
- Add Police Authorities to the counterparty list.

Recommendation 2

For the City Executive Board to keep under active review the effects of “Right to Buy” within the HRA Business plan. In particular:

- Income streams.

- Our ability to be flexible within the funding of the capital programme to allow us to use all capital receipts from sales.

Introduction

1. The Value and Performance Scrutiny Committee considered performance within the Treasury Management Strategy for 2011/2012 and were supported in the debate by Nigel Kennedy and Anna Winship. The committee would like to thank them for their time and advice.
2. This committee is the “proper scrutiny body” within the CIPFA code and comments are made within that role. For the coming year a Finance and Performance Panel has been set made up of Councillors Fry, Mills, Simmons and Rowley. Future considerations in this area will take place at this Panel.

Comments and Recommendations

3. The committee is please to see improvements in returns on investments and overall good performance within the strategy. Loans required to finance debt repayments within housing self financing have bought a considerable new dimension to the Strategy and the Panel wish to monitor this alongside the Housing Business Plan in the future.
4. The effect of “Right to Buy” on income within the Housing Business Plan and the ability of the Council to keep all capital receipts from this source within Oxford was discussed by the committee. Members expressed concern that large discounts offered are likely to produce a high number of sales and this could affect income levels significantly. The ability to keep the remainder of the capital receipt to repay debt or invest in new social housing (or maybe both) was welcome but funding arrangements within the capital programme needed to be kept flexible to get best advantage from this.

Recommendation 1

The Committee agree with the proposed changes to the Treasury Management Strategy for 2012/2013 to:

- **Increase the limit invested in MMFs to £20m.**
- **Add Police Authorities to the counterparty list.**

Recommendation 2

For the City Executive Board to keep under active review the effects of “Right to Buy” within the HRA Business Plan. In particular:

- **Income streams.**
- **Our ability to be flexible within the funding of the capital programme to allow us to use all capital receipts from sales.**

Director and Board Member Comments

Comments will be made at the meeting.

Name and contact details of author:-

Pat Jones on behalf of the Value and Performance Scrutiny Committee
Principal Scrutiny Officer
Law and Governance
Tel: 01865 252191 e-mail: phjones@oxford.gov.uk

List of background papers: 1

Version number:

Appendix 3

Report of: The Value and Performance Committee - 25th June 2012
To: Councillor Van Coulter, Board Member for Leisure

Fusion Leisure Contract – 2011/2012 Performance against target

The Committee would like to thank Councillor Coulter for attending the meeting and presenting an informative and interesting report. The Committee had a full and constructive debate and would like to highlight the following comments and make the following recommendations. The committee requests that Councillor Coulter respond as soon as possible to the committee Chair – Councillor Mills.

Comments and Recommendations

Finance

- (1) Are all Fusion staff and contractors paid the living wage?

RECOMMENDATION: To seek confirmation via the Partnership Board that the living wage is being paid to staff and confirmation when it will also be paid to any sub-contractors working in Fusions run sites in Oxford.

- (2) Subsidy figures shown do not include capital costs. The committee were interested to know what the outcome for subsidy would be if they were. Views were expressed that the savings in revenue may be taken and replaced by increases in the capital expenditure as required as part of the contract.

RECOMMENDATION: To see the subsidy position for each leisure centre including capital investments made.

- (3) The issue of Fusion's charitable status and its profits were discussed at the meeting along with how any surpluses were ploughed back into the business.

RECOMMENDATION: To seek clarification of what share of the £1.3m surplus made by Fusion would be re-invested in the Oxford City Contract and how this would be used within leisure centres and/or services.

Participation, utilisation and satisfaction of facilities

- (4) Increases in visitor numbers seemed to have reached a plateau. What can be done to encourage more users into the leisure centres or have we gone as far as we can?

RECOMMENDATION: To see the ideas and proposals from the Partnership Board to further increase participation with a particular emphasis on outreach work within target groups.

- (5) Utilisation at our leisure centres is not evenly spread. Some centres are crowded whilst others are under used. What can Fusion do to encourage use of under-utilised centres?

RECOMMENDATION: To see Fusion's suggestions on encouraging better utilisation of our centres.

- (6) The pie charts demonstrating participation by area are a good start but don't give a complete picture on either the representation within the population or the total of visitor numbers.

RECOMMENDATION: To request that for the future participation is also shown as a percentage of the population in each postcode area and if possible to include all visitors to allow for a more meaningful comparison of the figures.

- (7) The effects and success of the various outreach work was not clear. Increases in participation were very obvious across target groups but the links between this increase and outreach schemes was not obvious.

RECOMMENDATION: To provide information on the various outreach projects across:

- Cost
- Objectives
- Targets
- Outcomes

- (8) Satisfaction levels are very high at 97%. Views were expressed that this seemed almost impossibly high. Information was requested on the methodology used to measure satisfaction and how results were audited by the Council.

RECOMMENDATION: To request further information on the methodology used for measuring satisfaction and the process for auditing and checking the quality of the results.

- (9) The majority of repairs and maintenance is delivered by Fusion within the contract. Views were expressed that these are not always done well or in a timely way.

RECOMMENDATION: To raise the issue of repairs and maintenance at the Partnership Board and for standards to be monitored. To report back on how monitoring is to happen.

- (10) The issue of leisure provision in the Marston area was raised.

RECOMMENDATION: Request that the Board Member respond to the local Ward Member for Marston on what the Council's leisure offer for residents in his ward.

Authors: Pat Jones and Mathew Metcalfe on behalf of the Value and Performance Scrutiny Committee

Email: phjones@oxford.gov.uk , mmetcalfe@oxford.gov.uk

Tele: Pat – 01865 252191, Mathew – 01865 252214

To: City Executive Board

Date: 12th September 2012

Report of: Value and Performance Scrutiny Committee

Title of Report: Changes to Business Rates

Summary and Recommendations

Purpose of report: To present comments from the Value and Performance Scrutiny Committee, Finance and Performance Panel on changes to Business Rates.

Key decision? No

Scrutiny Lead Member: Councillor Mike Rowley

Executive lead member: Councillor Ed Turner

Policy Framework:

Recommendation(s): For the City Executive Board to say if it agrees or disagrees with the following comment:

Comment 1

The Finance and Performance Panel of the Value and Performance Scrutiny Committee felt that the levy being 82% was too high and noted that this would form part of the City Council's response to the current Government consultation.

Introduction

1. The Value and Performance Scrutiny Committee, Finance and Performance Panel considered a briefing note on proposed changes to Business Rates and were supported in the Nigel Kennedy. The Panel would like to thank him for his time and advice.

Comment

2. The Finance and Performance Panel of the Value and Performance Scrutiny Committee felt that the levy being 82% was too high and noted that this would form part of the City Council's response to the current Government consultation.

Director and Board Member Comments

Director, Finance and Efficiency

3. Comments will be made at the meeting.

Board Member, Councillor Turner

4. I welcome Scrutiny's support.

Name and contact details of author:-

Mathew Metcalfe on behalf of the Value and Performance Scrutiny Committee, Finance and Performance Panel Democratic and Electoral Services Officer Law and Governance Tel: 01865 252214 e-mail: mmetcalfe@oxford.gov.uk
--

List of background papers:

Version number: 1

To: City Executive Board

Date: 12th September 2012

Report of: Value and Performance Scrutiny Committee, Finance and Performance Panel

Title of Report: April to June 2012/13 – Quarter 1 Corporate Plan Performance Report

Summary and Recommendations

Purpose of report: To present comments from the Value and Performance Scrutiny Committee, Finance and Performance Panel on Corporate Plan Performance, Quarter 1 – April to June 2012

Key decision? No

Scrutiny Lead Member: Councillor Mike Rowley

Executive lead member: Councillor Bob Price

Policy Framework:

Recommendation(s): For the City Executive Board to say if it agrees or disagrees with the following recommendations:

Recommendation 1

To request that the indicators for a Vibrant and Sustainable economy be reviewed as the Panel felt that it was not clear if the Councils policies were sufficient enough to fully capture a vibrant and sustainable economy as it felt that only have 3 indicators were not sufficient.

Introduction

1. The Value and Performance Scrutiny Committee, Finance and Performance Panel considered the Corporate Plan Performance, Quarter 1 report and were supported in the debate by Neil Lawrence. The Panel would like to thank him for his time and advice.

Recommendations

- (1) To request that the indicators for a Vibrant and Sustainable economy be reviewed as the Panel felt that it was not clear if the Councils policies were sufficient enough to fully capture a vibrant and sustainable economy as it felt that only have 3 indicators were not sufficient.

Director and Board Member Comments

Director, Finance and Efficiency – Comments will be made at the meeting.

Board Member, Councillor Price - I welcome the observation which I am happy to accept.

Name and contact details of author:-

Mathew Metcalfe on behalf of the Value and Performance Scrutiny
Committee, Finance and Performance Panel
Democratic and Electoral Services Officer
Law and Governance
Tel: 01865 252214 e-mail: mmetcalfe@oxford.gov.uk

List of background papers:

Version number: 1

To: City Executive Board

Date: 12th September 2012

Report of: Value and Performance Scrutiny Committee, Asset Management Plan

Title of Report: Report of the Asset Management Plan Panel following consideration of the Asset Management Plan 2011-2014

Summary and Recommendations

Purpose of report: To submit comments and recommendations from the Value and Performance Scrutiny Committee, Asset Management Panel to the City Executive Board.

Executive lead member: Councillor Turner

Recommendation(s): For the City Executive Board to say if it agrees or disagrees with the following recommendations:

- (1) A list highlighting the changes made following the end of the consultation would be beneficial;
- (2) Foreward – Page 5, final paragraph – Clarification is required on the delivery of the 112 affordable homes, how these homes will be funded and the numbers to be delivered for each of the next three years;
- (3) Section 1 – Review of 2009 Asset Management Plan, Pages 8, 9 and 10 – These are not necessary and should be removed as these relate to the previous plan;
- (4) Section 2 – Portfolio Objectives and Overview, Page 11 – Objective 2 – The wording is unclear and would read better as “We want all our property to be efficiently managed”;
- (5) Section 2, pages 11 and 12 – The tables showing Operational assets ranked by condition do not make sense and so should be removed;
- (6) Section 4 – Asset Strategy – A separate asset class is required to cover ‘countryside’ assets, including Port Meadow, the other SSSI’s and parks which should also be included. There is no mention of these assets in either class 4.1 or 4.10;

- (7) Section 4 – Asset Strategy – 4.2 Allotments – The first paragraph should be amended to include at the end *‘and further details will be found in the emerging Green Space Strategy’*; the second paragraph should be deleted as the Green Space Strategy has not been agreed;
- (8) Section 4 – Asset Strategy – 4.5 Community Centres – Amend the fifth paragraph to read *‘The Council will establish occupational leases with community groups to formalise responsibilities. These leases will typically be between one and three years, noting that none size will not fit all and the Council will consider granting Community Association long-leasehold interests (or asset transfers) where the following criteria are met:’*
- (9) Section 6 – Capital Programme, Page 31 – further clarification is required with regard to the paragraph titled ‘Homes and Communities Agency Affordable Homes Programme’ and S106 Planning Obligations requirement to contribute to affordable housing as this is in the process of being changed;
- (10) Appendix 3, point 17.2 – should be amended to read *‘Where the Council implements rent reviews and lease renewals, it will seek to establish the highest market rental value supported by comparable evidence, to preserve the capital value and income flow of the portfolio subject to other relevant requirements of the Asset Management Strategy such as maintaining the agreed balance of uses of the Covered Market’*;
- (11) Appendix 3, point 19, page 51 - Tenant Associations – This should be deleted in its entirety as the meaning of the section is unclear and appears to cut across the responsibilities of the Neighbourhoods and Communities Team;
- (12) The following typographical errors require correcting:
- (i) Section 6, page 32 – last line of the second paragraph, delete ‘a’ and insert ‘an’ before the word amount and delete the full stop at the end of the final bullet point;
 - (ii) Section 7, page 33, point 7.1 – In the final line the word ‘city’ needs correcting to ‘City’;
 - (iii) Appendix 1, page 38 – too many m’s in Emissions.

Introduction:

Councillors Jean Fooks and Oscar Van Nooijen met on 24th August 2012 to further consider the content of the Asset Management Plan 2011-2014

following further drafting by Officers at the end of the consultation process, prior to the Plan being submitted to the City Executive Board.

The following comments and recommendations are presented by Councillors Fooks and Van Nooijen on behalf of the Value and Performance Scrutiny Committee. Please note that the final recommendation (12) simply consists of a number of typographical points and all page references relate to the version submitted to the City Executive Board.

Comments:

The Panel in considering the latest draft:

- (1) Welcomed the inclusion of most of the recommendations highlighted to the Deputy Leader in March 2012 and that the latest version was clearer due to improved formatting. However it was felt that some sections did not require the amount of detail included;
- (2) Felt that it was not necessary to detail all of the previous achievements going back to 2009;
- (3) The design of the document allowed for improved navigation and was presented in a professional way.

Recommendations:

- (1) A list highlighting the changes made following the end of the consultation would be beneficial;
- (2) Foreward – Page 5, final paragraph – Clarification is required on the delivery of the 112 affordable homes, how these homes will be funded and the numbers to be delivered for each of the next three years;
- (3) Section 1 – Review of 2009 Asset Management Plan, Pages 8, 9 and 10 – These are not necessary and should be removed as these relate to the previous plan;
- (4) Section 2 – Portfolio Objectives and Overview, Page 11 – Objective 2 – The wording is unclear and would read better as “We want all our property to be efficiently managed”;
- (5) Section 2, pages 11 and 12 – The tables showing Operational assets ranked by condition do not make sense and so should be removed;
- (6) Section 4 – Asset Strategy – A separate asset class is required to cover ‘countryside’ assets, including Port Meadow, the other SSSI’s and parks which should also be included. There is no mention of these assets in either class 4.1 or 4.10;

- (7) Section 4 – Asset Strategy – 4.2 Allotments – The first paragraph should be amended to include at the end *‘and further details will be found in the emerging Green Space Strategy’*; the second paragraph should be deleted as the Green Space Strategy has not been agreed;
- (8) Section 4 – Asset Strategy – 4.5 Community Centres – Amend the fifth paragraph to read *‘The Council will establish occupational leases with community groups to formalise responsibilities. These leases will typically be between one and three years, noting that none size will not fit all and the Council will consider granting Community Association long-leasehold interests (or asset transfers) where the following criteria are met.’*
- (9) Section 6 – Capital Programme, Page 31 – further clarification is required with regard to the paragraph titled ‘Homes and Communities Agency Affordable Homes Programme’ and S106 Planning Obligations requirement to contribute to affordable housing as this is in the process of being changed;
- (10) Appendix 3, point 17.2 – should be amended to read *‘Where the Council implements rent reviews and lease renewals, it will seek to establish the highest market rental value supported by comparable evidence, to preserve the capital value and income flow of the portfolio subject to other relevant requirements of the Asset Management Strategy such as maintaining the agreed balance of uses of the Covered Market’*;
- (11) Appendix 3, point 19, page 51 - Tenant Associations – This should be deleted in its entirety as the meaning of the section is unclear and appears to cut across the responsibilities of the Neighbourhoods and Communities Team;
- (12) The following typographical errors require correcting:
 - (i) Section 6, page 32 – last line of the second paragraph, delete ‘a’ and insert ‘an’ before the word amount and delete the full stop at the end of the final bullet point;
 - (ii) Section 7, page 33, point 7.1 – In the final line the word ‘city’ needs correcting to ‘City’;
 - (ii) Appendix 1, page 38 – too many m’s in Emissions.

Director and Board Member Comments

Joint Board Member and Officer response attached at appendix A.

Name and contact details of author:-

Mathew Metcalfe on behalf of the Value and Performance Scrutiny
Committee, Asset Management Panel
Democratic and Electoral Services Officer
Law and Governance
Tel: 01865 252214 e-mail: mmetcalfe@oxford.gov.uk

List of background papers:

Version number: 1

Appendix A

Response to Scrutiny Comments for CEB 12th September 2012

- (1) List of changes following consultation is attached below pages 3-7 (Post Consultation changes). This includes any changes proposed here in response to Scrutiny's further comments.
- (2) The forward is not the place to cover such matters as funding and programme.

Programme is covered by a target on page 16 although does not specify a year by year programme due to the uncertainties of timing arising from in-scope sites not yet having been finalised and potential impacts of planning and other issues. No change recommended or proposed.

Funding is covered by Capital Programme on pages 31/32 but for clarity we would recommend the addition of the words 'and as allocated in the 30 year HRA Business Plan after the words 'Housing Revenue Account' on page 32

- (3) The introduction of the review of the previous plan was in response to earlier Scrutiny comments and we do believe they are of merit and assist in putting the plan into context and show the journey. Recommend retention.
- (4) We agree with the principle of simplification raised by Scrutiny but this measure was not solely about management but was a broader objective focused on the efficiency of the portfolio. Recommend change to We want all our property (General Fund and Housing Revenue Account) to be well managed and efficient.
- (5) Ranking of condition is a key CIPFA benchmark and format is clear and aligned with CIPFA guidance. Future performance is measured against these. No change recommended.
- (6) Following earlier Scrutiny comments we added additional wording paragraphs 2 and 7 under the Agricultural Asset Class (Section 4.1) to cover the Countryside Assets. We are currently undertaking a review of this whole asset class and will consider appropriateness of introducing a separate asset class as part of this review and if proposed this will form part of the further review of this plan. No further change recommended at this time.
- (7) It is acknowledged that the Green Spaces Strategy is not yet ratified and therefore propose that the second paragraph be amended as follows : 'However, subject to the agreement of the emerging Green Spaces Strategy 2012-26, vacant plots on current sites will be cleared

to reduce this waiting list, rather than investing further in allotment space, other than urgent improvement and repair works.'

- (8) Propose addition of word 'typically' before 'be between one and three years' in paragraph 4 giving some flexibility and which we think adequately captures the one size will not fit all approach. We do not recommend further wording is necessary to amplify and may be counter productive in arriving at agreements in this area.
- (9) This plan is effectively a 'snapshot' at 2011 and reflects policies, standards and strategies at that point in time and hence references to S106 policy on Affordable Housing at that time. However the reference is not necessary within the definition here and for clarity and to avoid future need to update we recommend deletion of 'which would otherwise be sold and are beneath the Section 106 Planning Obligations requirement to contribute to affordable housing (fewer than ten homes)'
- (10) We acknowledge the point scrutiny are making here but believe there is a need to have a clear commercial position stated so as not to in any way undermine or weaken our negotiating position. Believe much of what is referred to by Scrutiny is covered by Sections 3.0 and 8.0 of the protocols and so for clarity would recommend the addition of a further paragraph as follows:
- '17.5 The Council will in agreeing rents and renewal terms have regard to all other relevant protocols and policies'
- (11) This relates to the commercial property portfolio and is a best practice approach in this area and covers such as the Covered Market Tenant Association. As commercially orientated it does not cut across the activities of the Neighbourhoods and Communities teams. For clarity we recommend the addition of the words 'in relation to its commercial property portfolio.'
- (12) Typographical errors agreed.

Post Consultation Changes – Prior to CEB 12th September

Contents Page 3

Word 'Foreward' changed to Forward

Forward – page 5

Heading changed from 'Foreward' to 'Forward'

Final paragraph deleted and replaced with the following:

Our new Asset Management Plan is for the period 2011-2014 and outlines the detail of a strategy which underpins the Councils corporate objectives and our aims to

- deliver better and more efficient use of our property and improvements in its condition
- bring forward major regeneration and housing schemes
- deliver improvements to our capital values, income stream and levels of return

Key measures of success will include commencement of delivery of the Barton housing scheme, promotion of the Westgate retail redevelopment and delivery of 112 affordable homes.

Page 10 Clause 1.2 Column 2 Bullet Point 2

Words ‘,Rose Hill’ removed

Page 11 Objective 2

Replaced with the following wording: ‘ We want all our property (General Fund and Housing Revenue Account) to be well managed and efficient.’

Page 11 Objective 4

Replaced with the following wording: ‘Within the next three years we only want to own and/or occupy the minimum amount of operational property that is needed to fulfil the objectives of the services we provide and the corporate plan’

Page 11 Objective 6

Replaced with the following wording: ‘We shall work in partnership with other service providers/landowners where appropriate’

Page 13 Paragraph below first table

Second sentence replaced with the following: ‘The Council’s target is to achieve 50% in category A & B by December 2013’

Page 15 Target Column Objective 2 Measure 2

Word ‘Assets’ changed to ‘Property’

Page 16 Target Column Objective 2 Measure 2

Word ‘Assets’ changed to ‘Property’

Page 16 Clause 3.2 Column 2 Bullet Point 1

Change of 3% to 5%

Page 17 Property Subsidisation final sentence

Words added to end: 'through its executive board'

Page 20 4.1 Agricultural Properties

Words added 'of agricultural land' after word 'acres' in line 1

Additional paragraph added after paragraph 1 as follows: 'In addition the Council holds circa 1000 acres of countryside property comprising meadow land, nature parks and reserves, woodland, country parks and other countryside amenity land.'

Existing paragraph two changed from 'Agricultural property' to 'Agricultural land'

Additional paragraph added to end of section before Actions

'Countryside properties are held by the Council largely as public assets for the benefit of the community alongside the protection of sites of scientific interest, conservation/ preservation of wildlife, natural habitat and flora and fauna of the area. The Council will seek to manage such sites effectively and efficiently.'

Page 20 4.2 Allotments

Final sentence amended to following: 'However, subject to the agreement of the emerging Green Spaces Strategy 2012-26,....'

Page 21 Community Centres Column 1

Change from 'Localism Bill' to 'Localism Act 2011'

Page 21 Community Centres Column 2

Addition of word 'typically' before 'be between one and three years'

Page 22 4.7 The Covered Market

First part of paragraph 2 down to 'The Council has adopted...' replaced with the following:

'The Covered Market is one of the most important assets within the Council's investment property portfolio. Despite its notional high value in property investment terms, the Council is committed to maintaining ownership of this asset in perpetuity because of its historic and future significance to the wider city community and its contribution to the offering for tourists and other visitors.'

Page 22 Column 2 Paragraph 2

March 2013 changed to March 2012

Words 'in 2012/13' deleted and replaced with 'close to the review date'

Page 23 Column 1 Paragraph 3

Reworded as follows:

'The Depot Review will be progressed further through 2012/13 with business case and options appraisal for consolidation of main depots of Cowley Marsh and Horspath Road together with further due diligence and feasibility work as necessary as matters progress.'

Page 23 Column 2 Bullet Point 1 Barton

Changed from '2013 and 2015' to '2013 and 2020'

Page 24 Clause 4.10 Paragraph 3

Replaced with the following:

'The Council intends to review the future of the existing swimming pools at Blackbird Leys and Temple Cowley which have reached the end of their useful life alongside proposals to construct a new competition standard pool adjoining Blackbird Leys Leisure Centre a project for which funding is in situ.'

Page 26 4.16 Investment properties

Rental income changed to '£6.2M' in paragraph 1

Page 28 Paragraph 1

Replaced with the following:

'The Council has recognised the need to manage its property asset base corporately and has therefore established a structured approach with clear roles and responsibilities and clarity of accountability and control.'

Page 29 Senior Manager for Asset Management

Change from 'Executive Director of City Regeneration' to Executive Director of Organisational Development and Corporate Services

Page 29 The Head of Housing

Replaced with the following:

‘Acts as the Housing Client with responsibility for housing strategy, housing capital programme, housing landlord function, neighbourhood renewal commissioning, HRA Business Plan development and implementation, commissioning housing maintenance programmes, tenant involvement and housing needs and homelessness.’

Page 29/30 Head of Corporate Property

Whole replaced with the following:

‘Responsible for large scale housing estate regeneration projects and development of affordable housing and will support the development of HRA Business Plan in conjunction with the Head of Housing and Head of Oxford Direct Services.’

Page 30 Financial Planning

Words ‘Executive Director of Organisational Development and Corporate Services’ replaced with ‘Head of Finance’

Page 30 Budget Holders for Property Work

Word ‘primary’ added before ‘budget holder’ in line 1

Words ‘and will budget for reactive maintenance’ added to the end of paragraph.

Page 31 Homes and Communities Agency Affordable Homes Programme

Deletion of ‘which would otherwise be sold and are beneath the Section 106 Planning Obligations requirement to contribute to affordable housing (fewer than ten homes)’

Page 32 Affordable Homes Programme

Addition of the words ‘and as allocated in the 30 year HRA Business Plan after the words ‘Housing Revenue Account’

Page 32 Barton Development

Words ‘to 15’ removed from line 3

Page 32 Section 6

Last line of the second paragraph, ‘a’ deleted and ‘an’ inserted before the word amount and the full stop at the end of the final bullet point deleted;

Page 33 7.1 General Fund

Paragraph 1 replaced with the following:

'Following completion of the current works within the 'Office for the Future' and leisure programmes a programme has been prepared which will address an outstanding backlog of maintenance over the coming six years alongside normal cyclical maintenance. Funding for this work is now included in the capital programme, which was approved by city Executive Board on 9th February 2011.'

Page 33 7.1 General Fund

In the final line the word 'city' amended to 'City';

Page 34 Table

Numbers changed as follows:

2012/13 - £8,395,000

2013/14 - £8,375,000

2014/15 - £8,029,000

2015/16 - £7,763,600

Page 36 Appendix 1 Heading

2010/2011 changed to 2010

Page 36 General Fund Performance 1.1

2008/09 changed to 2009

Page 38 Appendix 1

Additional 'm' removed from 'Emmissions' to read 'Emissions'.

Page 43 Appendix 2

Regeneration & development

Added to column 2011/12 - 'Commercial agreement for Barton completed'

Removed from column 2012/13 - 'Barton and'

Removed from column 2013/14 - 'Westgate commercial agreement completed'

Moved from column 2013/14 to column 2012/13 - 'Blackbird Leys regeneration strategy commissioned'

Moved from column 2013/14 to column 2012/13 - 'Oxpens supplementary planning guidance commissioned'

Investment portfolio

All three bullet points moved to 2012/13

Affordable Homes Programme

Bullet point in column 2011/12 moved to column 2012/13 as bullet point 2

Housing Revenue Account business planning

Bullet point 1 in column 2011/12 moved to column 2012/13 as bullet point 3

Appendix 3 Page 49 Clause 11.2

Paragraph replaced with the following:

‘In relation to covenants the Council has imposed, it will seek to enforce such covenants where it is rational, sensible and proportional to do so, or, where no longer required, seek reasonable payment for its release or partial release where lawful to do so.’

Appendix 3 Page 51 Section 17.0

Addition of a further paragraph as follows: ‘17.5 The Council will in agreeing rents and renewal terms have regard to all other relevant protocols and policies’

Note: Items in italics not yet updated in ‘Published Version’ Includes recommended changes in response to Scrutiny comments at CEB

This page is intentionally left blank

To: Value and Performance Scrutiny Committee

Date: 19th September 2012

Report of: Head of Customer Services

Title of Report: Welfare Reform Update

Summary and Recommendations

Purpose of report: To provide an update on the City Council's approach to the Local Council Tax Benefit Scheme and the transition to Universal Credit.

Executive lead member: Councillors Val Smith and Ed Turner

Appendix Numbers

Name and contact details of author:-

Name Helen Bishop
Job title Head of Customer Services
Service Area Customer Services
Tel: 01865 252233 e-mail: hbishop@oxford.gov.uk

INTRODUCTION

1. The Local Government Finance Bill 2012 and Welfare Reform Act 2012 will introduce a wide range of reforms to the benefits and tax credits system. This report provides an update on the City Council's approach to the Local Council Tax Benefit Scheme and the transition to Universal Credit.

LOCAL COUNCIL TAX SUPPORT SCHEME

Background

2. Under existing provisions council tax benefit is paid to eligible claimants by means of a reduction on the council tax charge. The billing authority is paid a subsidy approximately equivalent to the full amount of council tax benefit granted. The current amount is around £10.3 million per annum.
3. From April 2013 Local Authorities are required to implement and administer their own Council Tax Support schemes which will replace Council Tax Benefit. The 'support' will continue to be made in the form of a reduction of the council tax charge but adjusted through changes to the council's tax base thus reducing the amount of council tax income that the council raises. Both the billing authority and major precepting authority will receive a grant to cover the estimated loss of income in the form of a cash grant based on estimated 2012/13 expenditure less 10%.
4. In designing our own scheme the City Council will either need to cover the cost of the 10% reduction and any increase in caseload within our own budgets, or reduce the amount of support provided to customers. Regulations provide that people of pensionable age must receive the same level of support as they do currently. As such any reduction would fall wholly on working age customers.

Planning Oxford City Council's Scheme

5. Officers across all of the Oxfordshire Districts, the County Council and Thames Valley Police Authority have agreed to the principle of a unified County-wide approach to the new Scheme.
6. The proposal is to replicate the provisions of the existing Council Tax Benefit Scheme for 2013/14. This approach was ratified at the Oxfordshire Leaders meeting on 23rd July 2012 and confirmed by single member decision on 16th August to enable full public consultation.
7. West Oxfordshire and Cherwell operate in partnership with Cotswold and South Northants District Councils respectively. They have confirmed that these other authorities are also on board with an Oxfordshire County-wide scheme and would look to follow Oxfordshire's lead in their own areas.
8. It is acknowledged that there are several advantages to a County-wide approach:
 - Border issues do not become a factor. Customers will not find themselves treated differently to their neighbours.

- A single countywide consultation process can be carried out, saving both time and money.
 - There is a greater degree of predictability for the County Council in having a single county wide scheme as compared to five separate schemes.
 - A consistent approach simplifies administration and potential training requirements for our stakeholders, including advice agencies and housing associations, which operate across the County.
9. A joint approach to consultation has been organised across the County to gather feedback regarding the draft scheme. Each district is carrying out a postal survey with a representative sample of 500 council tax payers. This survey is available on-line for other residents who may wish to respond and for stakeholders who have also been invited to participate.
 10. Consultation is between 27th August and 5th October. The results of the consultation and the final scheme proposals are due to be considered on 22nd November, and a recommendation made to Council for approval on 17th December 2012.

Financial Implications

11. Modelling work has been carried out across the Oxfordshire districts to predict the shortfall in income arising from the 10% cut in funding from Central Government associated with the implementation of the Local Council Tax Support Scheme. Based on Council Tax Benefit expenditure from 2011/12, plus an assumed increase in payments of 1.5% due to the continued economic downturn. Oxford City's share of this shortfall is anticipated to be circa £188k in 2013/14. This is shown in Appendix 1 together with the impact for all of the major precepting authorities in Oxfordshire.
12. These figures represent an estimate of the difference between the loss of council tax income from a reduced tax base and the amount of grant that will be paid to us as a precepting authority, which has been notified to us provisionally as £1.535 million.
13. In addition to this the City Council will receive a grant in respect of parishes, which we have been advised is provisionally in the region of £24k. The Government has yet to decide the mechanism for dealing with parishes. As it stands their tax base will reduce. In the absence of the local authority giving them grant support this will result in either a significant increase in Band D council tax or a reduction in their precept to maintain the council tax Band D at the existing level. The Government are currently consulting on this issue and has suggested recently that the Council Tax Base for parishes may be unaltered and parish council tax grant is paid into the authorities 'collection fund'

Potential Income from amendments to the Council Tax Discount and Exemption Schemes

14. The government are introducing regulations to permit Councils to vary the percentage reductions for some discounts and exemptions with effect from 1st April 2013. Although not intrinsically linked this could provide the opportunity to generate additional Council Tax income which could be used to offset the

additional cost of providing Council Tax Support to working age customers. The exemptions and discount classes that can be amended from 1st April 2013 are listed below with their current allowances and associated timescales:

- Exemption Class A – Recently built or uninhabitable due to work (current 100% exemption for a time limit 12 months)
- Exemption Class C – Vacant – empty and unfurnished (current 100% exemption for a time limit of 6 months)
- Exemption Class L – Unoccupied where the mortgagee is in possession (current 100% exemption)
- Second Homes Discount – This would include second homes, holiday homes and properties left empty between tenancies. Oxford City Council currently provides a 10% discount on these properties.

15. However, there are certain risks to this approach, that need to be considered when considering the viability of any changes:

- Reducing the exemption or discount percentages too low may result in small Council Tax Bills which could be difficult and costly to collect.; and
- Further reduction of a second home discount could force more single person discount applications instead, as the benefit of receiving a second home discount is reduced.

16. It was agreed at the Oxfordshire Leaders' meeting on 23rd July that consideration would be given to savings arising from reducing Council Tax discounts and exemptions as part of the budget setting process for 2013/14 that we are now moving into. It should be noted that for the City Council it is unlikely that any reduction in exemptions or discounts for these particular classes will bridge the gap in its entirety.

TRANSITION TO UNIVERSAL CREDIT

Background

17. Universal Credit is a new unified benefit administered by the Department for Work and Pension (DWP) for people who are looking for work or who are on a low income and of working age. The benefit will be made directly from the DWP to the claimant, and will replace a range of benefits including income-based Jobseeker's Allowance; income-related Employment and Support Allowance; Income Support; Child Tax Credits; Working Tax Credits and Housing Benefit.

18. New Universal Credit applications will begin in selected areas from October 2013, and then in all areas from April 2014. Migration will be based on changes in the circumstances of claimants (E.g., losing a job, moving house, birth of a child). At a specific point all remaining claims within an authority will be migrated en masse to Universal Credit. These dates are not known, but the process will continue until 2017. . The financial impact of this migration to Universal Credit has been modelled and included in the medium term financial plan, both in terms of expenditure and administrative grant that is likely to be received. the current plan allows for the following:

	2012/13	2013/14	2014/15	2015/16
	£000's	£000's	£000's	£000's
Admin Grant	(1,021)	(750)	(650)	(450)
Benefit Staff salaries	1,400	1,330	1,150	1,050
Net effect on plan	379	580	300	600

Current Plans

19. The Benefits service has already become more streamlined in readiness for Universal Credit. The service is presently transforming the administration of new claims for Housing and Council Tax Benefit, by adopting risk based verification of claims. This approach is in line with DWP advice, with the objective of increasing the detection of fraud and error. The risk profile of each claimant is assessed, lower risk customers will need to provide minimal evidence to support their claims, allowing more resources to be targeted at the higher risk groups where most of the fraud and error will be. This will reduce the cost of administering claims, as less time will be spent in assessing claims and chasing evidence. The service will be introducing electronic claim forms later in the year, again reducing the administrative costs for the organisation and preparing claimants for universal credit and the way this is likely to be administered.
20. The City Council has been selected as one of only 6 demonstration projects nationally testing the support required when people receive Universal Credit directly. The City Council has the target of migrating 1600 of its council tenants to a direct payment of their housing benefit. This project began in June this year, and already 1,150 of this sample are receiving their benefit directly. Being part of this project has enabled the City to “get ahead of the curve” and educate its tenants to understand what this means, and provide the appropriate support and guidance in terms of money advice and financial training. It has also meant that the advice agencies have been given a preview to the issues that are likely to arise in a controlled way. DWP will underwrite any adverse arrears that the City council incur as a result of the project, providing that we follow agreed processes for moving claims on and off direct payment, and maintain normal arrears chasing activity
21. Oxford City Council has now also been selected as one of the pilots for shaping the delivery of Universal Credit. Councils were asked to submit bids across a number of different areas (including helping people into work, digital inclusion, reducing fraud). Oxford's bid focussed on how we can support people into work, and remove barriers to work by making the best use of available resources both inside the Council and from external partners.
22. It is planned that out reach workers will support people who stand to lose most from the changes to Housing Benefit to try and assist them with moving into work or increasing their hours of work.

23. There will be a variety of interventions including group workshops, one-to-one training and advice. The outreach worker will recommend and arrange support from a range of partner organisations. Please find below a brief summary of the nature of support expected:

- **Job Centre Plus**
 - Assisting job searches
 - Finding appropriate work related activity
 - Employment advice
- **CAB and other advice agencies**
 - Money advice
 - Financial training - Not just coping with debt but being able to manage larger sums of money monthly rather than weekly
- **Oxford City Council Work Club**
 - Preparing people for work, eg CV writing
 - Finding employment opportunities
 - ICT training for using internet for on-line banking, making self service applications, etc
- **Housing advice**
 - Negotiating rent
 - Finding alternative accommodation, helping customers to downsize
 - Helping customers move and assistance with costs

24. Initial soundings from the advice sector have been very positive. They are pleased that the City Council is being proactive in understanding what the issues are likely to be for all stakeholders at an early stage, and involving all parties testing out solutions.

FINANCIAL IMPACT OF LOCAL COUNCIL TAX SUPPORT SCHEME ACROSS OXFORDSHIRE

	Cherwell	Oxford City	South Oxfordshire	Vale of the White Horse	West Oxfordshire	County	Police	All areas
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Existing cost of Benefits and estimated grant funding								
2011/12 spend on Council Tax Support	970	1,722	719	636	448	25,232	3,351	33,078
2011/12 + 1.5% for increased claimants	984	1,747	730	645	455	25,611	3,402	33,574
Billing Authority Collection Percentage	13%	17%	13%	12%	10%			
County Collection Percentage	76%	73%	77%	78%	80%			
Police Collection Percentage	10%	10%	10%	10%	11%			
Exemplified funding	886	1,559	671	578	416	23,112	3,070	30,292
Savings required	-98	-188	-59	-67	-39	-2,499	-332	-3,282
Savings %	10%	11%	8%	10%	8%	10%	10%	-10%
Savings required - District	-98	-188	-59	-67	-39			-451
Savings required - County	-559	-822	-355	-445	-318	-2,499		-2,499
Savings required - Police	-74	-110	-47	-59	-42		-332	-332
Total Savings required	-731	-1,120	-461	-571	-399	-2,499	-332	-3,282

Local Procurement Note for Value & Performance Scrutiny Committee

What are the Councils Policies on Local Procurement & how do we make sure this Happens?

The Council's procurement strategy has just been updated and will go to City Executive Board in December; this sets out the Councils policies in more detail, but in summary:

The Constitutions contract procedure rules state that, when seeking quotations, officers must ensure, where appropriate, that at least one quote is sought from a local supplier. In terms of tendering, which applies to all contracts with a total value of £100,000 or more, it is more difficult to control the locality of where bids come in from because the opportunities are either advertised nationally or in Europe. It is sometimes possible to write the specification so that it appeals more to local organisations and the Council does this wherever possible whilst also ensuring that other suppliers are not prejudiced.

The Procurement Team through their work developing and training local suppliers is able to develop skills in local businesses to bid for and win Council work. The Team targets local organisations and invites them to attend workshops on "How to tender to the Public Sector". The aim of the workshops is to take suppliers through a typical local authority tender document and talk through each section of the document, letting them know what public sector expectations are. The team also uses it as an opportunity to explain the Councils policies regarding payment of a living wage and ensuring that opportunities for apprenticeships are taken advantage of. This service is also available to be delivered on site at the organisation

For the past 3 years the Council has funded, hosted and run a Meet the Buyer event. This event gives local organisations the opportunity to speak to buyers from the public sector (including local councils, NHS Trusts, & the MOD) and find out how and what they buy and what opportunities are coming up in the future. The team sends out a quarterly newsletter informing local businesses about forthcoming opportunities, any legislative changes in the procurement world and appropriate Council information.

The Councils procurement team officers are regularly invited to speak at local business events and have recently attended Chamber of Commerce and the Federation of Small Business run events. In October the Procurement Hub Officer has been invited to present to local businesses about Council procurement at the Experience Business Event.

On the flip side, where appropriate, the procurement team will make contracts available to other local organisations. Two examples of this are the cleaning materials contract that is currently being utilised by a local voluntary organisation and the playground resurfacing contract which is regularly used by a local adventure playground and other parish councils.

How does the Council Define Local?

Local is defined as any organisation with an OX post code.

What procurement do we do locally and what is its value?

The total value across the Council is around £20million. In terms of the Council's top 25 contracts (by value) 14 local suppliers are in this list. This equates to just under £10,000,000 going straight back to local businesses.

Two of the greatest value contracts have been awarded to local businesses, those are; Champion Recruitment Ltd who supply the Council with temporary agency staff and Grafton Merchanting GB Ltd, otherwise known as Buildbase that supply the Council with building materials and plumbing and heating supplies.

How much is this a proportion of our overall spending?

This fluctuates around the 40 – 43% mark. There are occasions when we contract with national organisations who service a contract locally, however the head office and ultimate accounts department reside in other parts of the country. Therefore there may be organisations that are missed by the spend analysis that works out the metrics on local spend for the Council.

What is the Potential to do more?

Oxford City Council also promotes local procurement in the other Oxfordshire Districts through the Procurement Hub. The procurement team is limited by its capacity to immediately deliver more but there is always room for improvement. Additional collaborative working with colleagues in economic regeneration could benefit local businesses and promote the Council further as an influential purchaser in the local economy. When funding permits, the Council could run more events for local businesses. One such event could be aimed at sector specific smaller local organisations, encouraging them to work together in order to bid for larger contracts that they may not be able to deliver on their own. There is also more potential for opening up Council contracts to local organisations, particularly in the voluntary and community sector.

VALUE AND PERFORMANCE SCRUTINY COMMITTEE

Monday 25 June 2012

COUNCILLORS PRESENT: Councillors Mills (Chair), Rowley (Vice-Chair), Canning, Fooks, Fry, Gotch, Haines, Kennedy, Malik, McCready, Simmons, Clack and Darke.

OFFICERS PRESENT: Pat Jones (Principal Scrutiny Officer), Nigel Kennedy (Head of Finance), Neil Lawrence (Performance Improvement Manager), Jane Lubbock (Head of Business Improvement), Mathew Metcalfe (Democratic and Electoral Services) and Anna Winship (Financial Accounting Manager)

1. ELECTION OF COMMITTEE CHAIR 2012/2013

The Committee agreed to elect Councillor Mark Mills as Chair for the Council Year 2012/13.

2. ELECTION OF COMMITTEE VICE-CHAIR 2012/2013

The Committee agreed to elect Councillor Mike Rowley as Vice-Chair for the Council Year 2012/13.

3. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence were received from Councillors Mohammed Niaz Abbasi (councillor Beverley Clack attended as a substitute) and Oscar Van Nooijen (Councillor Roy Darke attended as a substitute).

4. DECLARATIONS OF INTEREST

There were no declarations of interest made.

5. FUSION LEISURE CONTRACT - 2011/2012 PERFORMANCE AGAINST TARGET

The Head of Leisure and Parks submitted a report (previously circulated, now appended) which provided performance updates on the City Council's Leisure Management Contract with Fusion Lifestyle between April 2011 and March 2012. A confidential appendix was also submitted (previously circulated, now appended).

With the permission of the Chair, Nigel Gibson addressed the Committee and said that he wished to make general and specific points. On a general point he said that Fusion was not a charity in the same way that Oxfam. He said that to state it as a charity was a tax scam and that tax avoidance was being used which was not appropriate and the Council should be open on this. He felt that the report did not give enough detail on the capital investment and that the

savings amounted to only £100k per year over a five year period. The report did not show the drop in attendance at the Temple Cowley Pool, which did not surprise him as he said that the facility was now dilapidated where the boiler had been out of action and the air conditioning in the gym had not been repaired. He further added that the report did not say that there were now fewer swimming courses and that Gala's were held at very short notice leading to the Pool being closed at very short notice. He further highlighted issues concerning energy efficiency which had previously been dealt with in the MACE report. Overall he felt that the report was incomplete and misleading.

Councillor Van Coulter, Board Member for Leisure attended the meeting and presented the report. He highlighted that if the annual costs of the Leisure Service were compared, these costs had reduced which was a remarkable achievement. The Ferry Sports Centre and the Ice Rink were now showing an increased surplus which would be used to make further improvements at these two facilities. With regard to the subsidy for the other facilities such as the Barton Leisure Centre, there had been a reduction in the subsidies paid. However he added that there were various maintenance costs which the Council had to bear for the Blackbird Leys Pool and the Temple Cowley Pool, while Fusion bore the maintenance costs of the other facilities. Overall he felt that the contract was working well and driving improvement in the costs of the service.

Councillor Rowley said noted that there had been a significant increase in visits to all the leisure facilities in 2010/11, but since then the number had seemed to reach a plateau. In response Councillor Coulter said that there was still more than could be done with the funds available with regard to outreach work with our target groups.

Councillor Fry made a general comment concerning the pie charts used in the report asking that rather than just the post code being show, population distribution would also help. He also asked if the Oxford Living Wage was paid to sub-contractors. He further commented that the maintenance procedures that Fusion had did not seem to be ideal with some repairs outstanding for some time and while facilities such as the Ferry Leisure Centre were well used all the time, what was Fusion doing to encourage users to use the less utilised facilities. In response to the comments from Councillor Fry, Councillor Coulter said that the Council was working with Fusion on a living wage for sub-contractors, but that staff, were already paid the living wage. On the maintenance procedures he would be raising this at a scheduled meeting with Fusion in the next few days and regarding increasing the use of under utilised facilities, the publicity was being reviewed to encourage users to use these facilities and highlighting such things as free parking.

Councillor Fooks felt that the contract had been a success and was something that the Liberal Democrat Group had promoted for sometime.

Councillor Simmons regarding the user figures asked if the figure was just Slice Card users or users as a whole. In response Councillor Coulter said that the 1.1 million users was for all users.

Councillor Simons felt that the contract should not be making a surplus. In response Councillor Coulter said that the Administration had a clear intention to cross subsidise, and as a result compared to Cherwell District Council, the City's

concession rates were 30% lower. He added that it was not the intention to make a profit, but that policies would be adjusted to encourage inclusion.

Councillor Haines asked what plans existed for the Marston area as he felt that the area lacked adequate accessibility to leisure facilities. In response Councillor Coulter said that he would take on board the concerns of Councillor Haines and raise them with Officers. Councillor Malik also encouraged Councillor Haines to provide any ideas on how the leisure facilities could be improved in the Marston area to Councillor Coulter.

Councillor Malik asked what was in the agreement with Fusion regarding the reinvestment of any surpluses. In response Councillor Coulter said that the Council received a 4% return on capital from Fusion.

Councillor Kennedy asked what was being done to reduce the carbon footprint of the Hinksey outdoor pool. In response Councillor Coulter said that the bottom of the pool had been relined, but it was accepted that being an outdoor pool made any carbon reduction more challenging.

Councillor Mills was interested to hear more on the methodology used to achieve the 97% satisfaction rate and on the outreach work being undertaken. In response Lucy Cherry said that Fusion had an obligation to achieve a target response rate each month and actively worked to achieve this. She said that the targets were based on the Councils key target groups for inclusion in leisure facilities. The outreach work was part of the contract and as such Fusion had already been working with health professionals as part of the well-being programme.

Councillor Simmons asked if the Council was going to continue to invest in the Temple Cowley Pool. In response Councillor Coulter said that invest would continue to keep the facility going.

Committee members felt that it was beneficial to continue to receive update reports, possibly on an annual basis. Lucy Cherry said that the business planning process with Fusion would take place during September/October 2012 and would be happy to submit a report to the Committee following this.

The Committee agreed:

- (a) To thank Councillor Coulter for attending the meeting and presenting the report and to thank Lucy Cherry for answering questions on the report.
- (b) To make the following comments and recommendations to the Board Member for Leisure Services and requests responses as indicated:
 - (1) To seek confirmation via the Partnership Board that the living wage is being paid to staff and confirmation when it will also be paid to any sub-contractors working in Fusions run sites in Oxford.
 - (2) To request that the Value and Performance Scrutiny Committee see the subsidy position for each leisure centre including capital investments made.

- (3) To seek clarification of what share of the £1.3m surplus made by Fusion would be re-invested in the Oxford City Contract and how this would be used within leisure centres and/or services.
- (4) To see the ideas and proposals from the Partnership Board to further increase participation with a particular emphasis on outreach work within target groups.
- (5) To see Fusion's suggestions on encouraging better utilisation of our centres.
- (6) To request that for the future participation is also shown as a percentage of the population in each postcode area and if possible to include all visitors to allow for a more meaningful comparison of the figures.
- (7) To information is provided on the various outreach projects across:
 - Cost
 - Objectives
 - Targets
 - Outcomes
- (8) To request further information on the methodology used for measuring satisfaction and the process for auditing and checking the quality of the results.
- (9) To raise the issue of repairs and maintenance at the Partnership Board and for standards to be monitored. To report back on how monitoring is to happen.
- (10) To Request that the Board Member respond to the local Ward Member for Marston on what the Council's leisure offer for residents in his ward.

6. TREASURY MANAGEMENT ANNUAL REPORT 2011/12 AND REVISED TREASURY MANAGEMENT STRATEGY 2012/13

The Executive Director, Organisational Development and Corporate Services submitted a report (previously circulated, now appended) which set the Council's treasury management activity and performance for 2011/12 and the proposed revision to the Treasury Management Strategy for 2012/13-2015/2016 which would be recommended to the Full Council.

The report would also be submitted to the City Executive Board for consideration at its meeting on 4th July 2012.

Nigel Kennedy, Head of Finance introduced the report and highlighted that the Council had achieved all of this targets for the 2011/12 period. He further highlighted that under the Housing Revenue Account (HRA) self financing, the Council had borrowed £198m. Regarding the Council's capital finance requirement, it stood at £203m at 31st March 2012. This would have been higher

if the new competition pool had been included, but this had slipped to the 2012/13 year.

Councillor Fry asked how underspends should be interpreted. In response Nigel Kennedy said that with the capital programme, these were divided into two categories, underspend and slippage. Underspends where a project came in under budget, slippage was when the cost of the project would be moved to, for example the next year, where the spend would take place.

Anna Winship following questions concerning interest rates said that the Council had a mixture of investments, the majority were on a 3 month basis, but any that were longer would be for a maximum period of a year. All interest was paid in sterling.

Councillors McCready and Simmons asked questions concerning right to buys and loss of rental income. In response Officers explained that the Council as part of the Housing Business Plan had used a figure of 10% of Council homes being bought each year under the RTB scheme. If this figure was greater the financing would have to be looked at again. Under the new self financing arrangements, the Council still gives the discount to the tenant, but part of the sale income still has to be passed to the Government, except where the Council can invest the money in new social housing, when the Council receives the whole RTB receipt.

Councillor Fooks asked what the current position was with the Councils funds in Icelandic Banks. In response Anna Winship said that the Council had received 70% of its funds back from the Heritable Bank with 80% expected in total. Regarding the Glitnir Bank, the Council had received 4 of the 5 currency repayments totalling £1.2m and it was expected that the Council would eventually receive 100% of its holdings back.

Councillor Mills asked if there were additional risks investing in Police Authorities. In response Nigel Kennedy said that the credit rating for Police Authorities was no different to other public organisations.

Nigel Kennedy in response to questions on Money Market Fund Limits said that all of the funds were AAA rated and diversification has taken place. The Council continued to work with advisors and the Council could request any funds back with no notice period required.

The Committee agreed:

- (a) To note the report;
- (b) To support the proposed changes to the Treasury Management Strategy for 2012/13 to:
 - (i) Increase the limit invested in Money Market Funds (MMF) to £20m;
 - (ii) To add the Police Authorities to the Councils counterparty list.
- (c) To request the City Executive Board to keep under review the effects of "Right-to-Buy" within the Housing Revenue Account (HRA) Business Plan with particular regard to income streams, and our ability to be flexible

within the funding of the capital programme so as to allow the Council to use all of the capital receipts from any sales;

- (d) To request the Head of Finance circulate the Housing Revenue Account Business Plan to all Members of the Value and Performance Scrutiny Committee.

7. FINANCIAL OUT-TURN FOR THE YEAR ENDING 31ST MARCH 2012

The Head of Finance submitted a report (previously circulated, now appended) which presented the financial out-turn for the year ending 31st March 2012.

The report would also be submitted to the City Executive Board for consideration at its meeting on 4th July 2012.

Nigel Kennedy, Head of Finance introduced the report and in response to questions explained that the Council had budgeted for employee wage inflation. However due to the freeze in pay rises etc. this money was not spent and so was placed into reserves. The Partnership Payment which was being paid to qualifying employees would come from contingencies. Councillor Rowley added that the level of contingencies would be reviewed as part of the mid term finance strategy.

Councillor Fry asked what was the Insurance Fund for, and did the Council have liabilities on the pension fund. In response Nigel Kennedy said that the Council self-insured and had to cover for hidden liabilities such as asbestos. Regarding the pension liabilities, he said that these had been factored into the Statement of Accounts, but while the fund had a deficit of £92m, there were no immediate liability issues.

Councillor Fooks said that she was concerned that when an employee left and the position was not filled for whatever reason, that the services was not being provided and the post was being labelled as an underspend.

Councillor Simmons felt that it was over prudent to place carry a contingency of £3m.

The Committee agreed to forward the following recommendations to the City Executive Board:

- (a) That all carry forward requests are supported taking into account that the Committee had noted that in some service areas, had the money been spent as planned in year, it would have placed them in a position of overspend. The most significant of these being the Museum request from Policy Culture and Communications and brings into sharper relief the under achievement of income in the Town Hall.
- (b) To request that the £0.5m surplice be placed in reserves and its use considered during the up and coming budgetary process rather than earmarking it at this stage for capital;

- (c) To request Board Members and Senior Officer consider the effects of delays in recruitment on services and plans and to allow for any “catch-up” required within future planning.

8. CORPORATE PLAN PERFORMANCE REPORT - QUARTER 4 REPORT

The Head of Business Improvement and Technology submitted a report (previously circulated, now appended) which provided a final report on the Council's progress against the 20 Corporate Plan Targets for 2011/12 and a wider perspective on performance achievements as set out in the Council's Performance Improvement Framework.

The report would also be submitted to the City Executive Board for consideration at its meeting on 4th July 2012.

Jane Lubbock, Head of Business Improvement and Technology introduced the report.

Councillor Fry asked how would risk assessments be carried out regarding benefits and the proposed changes with direct payments. In response Jane Lubbock said that Officers were working hard to sign up more people paying by direct debit and that the Department for Work and Pensions (DWP) had agreed with Tim Sadler, Executive Director for City Services to underwrite the risk part of the direct payment pilot that the Council was part of.

Neil Lawrence in response to questions concerning the indicators which were being discontinued, said that some indicators had been discontinued at a corporate level, but still remained at a service level and would be monitored and managed there.

Councillor Fooks asked how it had been decided who the top 20 employers were in Oxford with regard to the measurement of satisfaction of businesses. In response Neil Lawrence said that it had been based on the Oxford Times top employer list. Councillor Fooks responded by suggesting that more small and medium sized businesses should be included

In response to further questions from Members, Neil Lawrence said that the targets for the attendance at the Holiday Activity Programme were started a fresh each year.

The Committee agreed to note the progress made against the Corporate Plan targets for 2011/12 and performance improvements made as a result to the Council's commitment to deliver efficient and effective services.

9. WORK PROGRAMME PLANNING 2012/2013

The Head of Law and Governance submitted a report (previously circulated, now appended) which gave Committee Members the opportunity to consider suggestions made for the Work Programme and to begin to plan their work for the coming Council Year.

The Committee agreed:

- (a) To defer consideration of the Work Programme for the 2012/13 Council Year to an informal meeting on Wednesday 18th July 2012 at 6.00pm at the Town Hall;
- (b) To re-appoint the Finance and Performance Scrutiny Standing Panel with a membership consisting of Councillors Mark Mills, Mike Rowley, James Fry and Craig Simmons.

10. MINUTES

The Committee agreed to approve the minutes (previously circulated) of the meeting held on 26th March 2012.

11. DATES OF FUTURE MEETINGS

The Committee agreed to note that it would meet in the Town Hall at 6.00pm on the following dates:

Wednesday 19th September 2012
Monday 5th November 2012
Monday 28th January 2013
Monday 25th March 2013

The meeting started at 6.00 pm and ended at 8.15 pm