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| To: | Shareholder and Joint Venture Group |
| Date: | **17 March 2020** |
| Report of: | Companies Scrutiny Panel |
| Title of Report:  | **Scrutiny Response to agenda item 5 – Oxford Direct Services Q3 and Year to Date Report**  |

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| Summary and recommendations |
| Purpose of report: | To present Companies Scrutiny Panel recommendations concerning the Oxford Direct Services Q3 and Year to Date report |
| Recommendation: The Shareholder and Joint Venture Group is asked to |
|  | state whether it agrees or disagrees with the recommendation in the body of this report. |

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| Appendices |
| None |  |

# Introduction and overview

1. At its meeting on 13 March 2020, the Companies Scrutiny Panel considered performance report from Oxford Direct Services on Q3 and year to date performance.
2. The Panel would like to thank Simon Howick, ODS Managing Director, for compiling the reports, Lindsay Cane, Company Secretary, Tim Sadler, ODS Company Director, and Emily Anrude, ODS Senior Accounting Manager, for supporting the meeting. The Panel would also like to thank Nigel Kennedy, Head of Financial Services, and Anita Bradley, Monitoring Officer for attending as advisors to the Shareholder and Joint Venture Group.

**Summary and recommendation**

1. Oxford Direct Services Managing Director, Simon Howick, introduced the report. Due to the item having been held in confidential session the majority of the discussion is not recounted in this report but will be available in the minutes of the meeting.
2. Having heard the presentation of the report the Panel made recommendations around two particular areas: public toilets, and identifying the most useful performance measures.
3. The Panel makes three recommendations.

**Public Toilets**

1. In its consideration of Appendix 2 of the report, the customer service update of the Street Scene section of the company, the Panel noted the relative underperformance of the public toilets in comparison to the other areas of the Street Scene operation. The Panel were informed of a number of steps taken to improve that area, particularly increasing the number of attendants, and prioritising the cleaning and checking of the most used toilets. Increased cover had not only improved the cleanliness of the toilets, but had also reduced anti-social behaviour taking place as well.
2. The Panel welcomed the steps being taken. However, it was suggested that the provision of toilet facilities need not be solely the responsibility of the Council, and that a better service for residents and visitors may be possible through opening up toilets in shops. Such a scheme had been implemented in the City Centre previously, and without financial inducement shops and cafés had discovered that by making their toilets available they attracted greater trade. The scheme, however, was not currently being promoted, although it was said to be still in operation.
3. It is the view of the Panel that a reinvigoration of such a scheme would be beneficial and deliverable at low cost. Although primarily an activity for the Council’s City Centre Manager, it is felt that ODS would need to work with the City Centre Manger to ensure the maximum benefit is extracted from wider toilet availability.

**Recommendation 1: That the Shareholder and Joint Venture Group tasks ODS to coordinate with the City Centre Manager to reinvigorate and republicise its previous scheme for allowing members of the public to use shop toilets in the City Centre.**

**Performance Measures**

1. The Panel welcomed the inclusion of Appendix 3 to the report, the performance dashboard. It was suggested by the Panel that this demonstrated a positive focus by the company on identifying its success rate in tendering for business, and its ability to discern between contracts worth bidding for and not worth bidding for. The Panel were informed that this had been a particular focus of the non-executive directors and had been a real benefit to the Company.
2. Whilst the dashboard is worthwhile and valuable, a number of changes were suggested to improve the precision of the learning arising from it. First, measuring the number of contracts won, lost or declined is felt to be less useful than the value of such contracts. The Panel notes that there is currently a substantial difference between the conclusions to be drawn from the two alternative measures of performance.
3. Second, it would be of use to track the outcomes of different service areas to be able to gauge the company’s success at a service area level.
4. Third, the Council forms a major component of the company’s contracts, both by number and by value. In terms of the shareholder’s ability to understand the success of the company in growing the business, the Council-related figures are felt possibly to crowd out these messages. It is felt that the shareholder would get more valuable learning from stripping those figures out to focus on external business.

**Recommendation 2: That the Shareholder and Joint Venture Group continues with its dashboard reporting, but with the following changes: i) to report on the outcome of bids by value rather than number, ii) to disaggregate the figures by ODS service area, and iii) to add another metric to the dashboard reports by presenting the results when Council contracts are excluded.**

1. The Panel also discussed the amount of trade that was going through the TECKAL company, and that going through the Trading Company. Real growth of ODS would be through its ability to secure external work, which would be expected to be managed through the trading company. As such, rather than reporting on ODS as a whole, it would be helpful to see figures presented on the value of work managed by each part of the business, in order to trace the balance between business-as-usual, Council work, and growth-delivering external work. The Panel considers that this metric would be a valuable inclusion within the reporting dashboard.

**Recommendation 3: That the Shareholder and Joint Venture Group seeks ODS to report each quarter on the value of work undertaken by the TECKAL company, and the Trading Company.**

1. A further comment was that the Panel suggests that as partnership opportunities develop, for example around the Oxfordshire Growth Deal, the shareholder should receive information on their progress as part of their update reports.

**Further Consideration**

It is not anticipated that the Panel will seek to consider these specific issues further.

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**Shareholder response to recommendations of the Companies Scrutiny Panel made on 12/03/2020 concerning the ODS Q3 and year to date performance report**

**Provided by Councillor Nigel Chapman, Shareholder and Joint Venture Group member with responsibility for the Oxford Direct Services**

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| ***Recommendation*** | ***Agree?***  | ***Comment*** |
| 1. **That the Council tasks the City Centre Manager to reinvigorate and republicise its previous scheme for allowing members of the public to use shop toilets in the City Centre and the Shareholder and Joint Venture Group requires ODS to coordinate with these efforts and capitalise on any benefits accordingly.**
 | Yes | Whilst the recommendation does make requirements of ODS it should be noted that this recommendation is primarily aimed at the Council as ODS client, not ODS itself. ODS is happy to work with the City Centre Manager on any reinvigorated scheme.It is also important to stress that the focus of ODS continues to be on improving user experience through providing more attendants to ensure cleaner toilets and reduced anti-social behaviour, and that any City Centre toilet scheme should be in addition to, rather than a substitute for, current facilities. |
| 1. **That the Shareholder and Joint Venture Group continues with its dashboard reporting, but with the following changes: i i) to report on the outcome of bids by value rather than number, ii) to disaggregate the figures by ODS service area, and iii) to add another metric to the dashboard reports by presenting the results when Council contracts are excluded.**
 | Yes | Happy to accept this recommendation |
| 1. **That the Shareholder and Joint Venture Group seeks ODS to report each quarter on the value of work undertaken by the TECKAL company, and the Trading Company.**
 | Yes | This is a worthwhile suggestion and can be accommodated |