

# SCRUTINY REPORTS FOR CITY EXECUTIVE BOARD - WEDNESDAY 10 SEPTEMBER 2014

5. **Scrutiny Committee and Finance Panel Reports** (Pages 1 - 10)
- Budget Monitoring 2014-15 Q1
  - Business in the Community
  - Oxfordshire Growth Board
  - Treasury Management Annual Report



INVESTORS  
IN PEOPLE



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**To: City Executive Board**

**Date: 10 September 2014**

**Report of: Scrutiny Finance Panel**

**Title of Report: Budget Monitoring 2014/15 – Quarter 1**

## **Summary and Recommendations**

**Purpose of report:** To report the conclusions and recommendations of the Scrutiny Finance Panel on the Budget Monitoring 2014/15 – Quarter 1 report.

**Key decision? No**

**Scrutiny Lead Member: Councillor Simmons**

**Executive lead member: Councillor Turner**

**Policy Framework: Improving value for money and service performance**

**Recommendations:** For the City Executive Board to say if it agrees or disagrees with the following recommendations:

### **Recommendation 1**

**That urgent action is taken to avoid a loss of subsidy relating to the overpayment of benefits.**

### **Recommendation 2**

**If necessary to avoid slippage, a flexible approach should be taken to spending the £2m investment in Homelessness Property Acquisitions in 2014/2015. This could include investing in social housing instead.**

### **Recommendation 3**

**The premises for the heavy vehicle testing facility should be flexible enough that it can be used for other purposes in the event that the testing facility is not successful.**

### **Recommendation 4**

**The capital programme should be a red risk in performance reports until the new capital gateway process proven to be effective.**

**Introduction**

1. The Scrutiny Finance panel considered the Budget Monitoring 2014/15 – Quarter 1 report. The Panel would like to thank Bill Lewis and Anna Winship for supporting this discussion. The Panel agreed the following conclusions and recommendations.

### **Conclusions and recommendations**

2. The overall financial position is general positive but a £257k overspend relating to the Local Cost of Benefits is a particular concern.

#### **Recommendation 1**

**That urgent action is taken to avoid a loss of subsidy relating to the overpayment of benefits.**

3. High staff turnover is a concern in areas where the Council is losing skilled and experienced staff and the costs of replacing them are significant.
4. The rephrasing of the investment in homelessness property acquisitions is welcome but the possibility of slippage is a concern. The £2m should be spent in the current financial year and a flexible approach should be taken in order to avoid slippage, such as by spending on social housing instead.

#### **Recommendation 2**

**If necessary to avoid slippage, a flexible approach should be taken to spending the £2m investment in Homelessness Property Acquisitions in 2014/2015. This could include investing in social housing instead.**

5. The proposal to invest £160k in a heavy goods testing facility is welcome. The premises should be flexible enough to be used for other purposes in future in the event that the testing facility is not successful.

#### **Recommendation 3**

**The premises for the heavy vehicle testing facility should be flexible enough that it can be used for other purposes in the event that the testing facility is not successful.**

6. The capital programme should be a red risk in performance reports until the new capital gateway process has been implemented and proven to be effective.

#### **Recommendation 4**

**The capital programme should be a red risk in performance reports until the new capital gateway process proven to be effective.**

### **Director and Board Member Comments**

**Name and contact details of author:-**

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**List of background papers: None**

**Version number: 1**

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**To: City Executive Board**

**Date: 10 September 2014**

**Report of: Scrutiny Committee**

**Title of Report: Business in the Community – Working in Partnership**

### **Summary and Recommendations**

**Purpose of report:** To present comments from the Scrutiny Committee on the Business in the Community – Working in Partnership report

**Key decision? No**

**Scrutiny Lead Member: Councillor Simmons**

**Executive lead member: Councillor Price**

**Policy Framework: Corporate Plan 2013-2017 Vibrant, Sustainable Economy**

### **Introduction**

1. The Scrutiny Committee considered the Business in the Community – Working in Partnership report at their public meeting in September. Members were supported in their debate by Simon Howick, and by Chris Price from Cherwell School. The Committee would like to thank them for their time and advice, especially Chris Price for attending on the eve of the new school term.
2. The Committee fully endorsed the Business in the Community scheme and the City Council's involvement in it, and welcomed the progress made to date.
3. Members made and agreed the following substantive comments during their discussion. The Committee received assurances that these points have been considered as part of the scheme.

### **Substantive comments**

4. It is vital to build sustainable links particularly with vulnerable pupils and suggested that pupils should be able to change their mentor if the arrangement is not working for them.

5. High quality careers advice is vital and there should be a strong emphasis on equipping pupils with advice and skills tailored to their needs and the needs of employers before they embark on the world of work. A member also commented that a pupil's talents are varied and they should be channelled towards skills that they can achieve. Academia is not for all.
6. The Committee noted the importance of setting measurable and realisable targets, where possible, from this programme in order to monitor outcomes and ensure value for money.
7. Members sought and received assurances that safeguarding practices are in place and that mentors have been appropriately CRB checked.
8. The Committee received assurances that the benefits of this scheme will spread and that other schools will not be disadvantaged because of it.
9. The developing programme is defining best practice in some areas. Members were keen that this should be shared between mentors and at local cluster meetings.
10. The Committee welcomed assurances that work placements at the different employers involved in this scheme can be arranged for pupils through these cluster meetings.

### **Director and Board Member Comments**

The Board thanks the Committee for these helpful comments; they will be borne in mind as the programme evolves, and will form part of the discussions with the School aimed at ensuring that the aims and objectives of the initiative are achieved.

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**List of background papers: None**  
**Version number: 1**



**To: City Executive Board**

**Date: 10 September 2014**

**Report of: Scrutiny Committee**

**Title of Report: Oxfordshire Growth Board**

### **Summary and Recommendations**

**Purpose of report:** To present the conclusions and recommendation of the Scrutiny Committee on the Oxfordshire Growth Board

**Key decision? No**

**Scrutiny Lead Member: Councillor Simmons**

**Executive lead member: Councillor Price**

**Policy Framework: None**

**Recommendation: For the Terms of Reference to explicitly set out that meeting agendas and minutes will be publicly available and that access to meetings will be possible for Councillors and members of the public.**

### **Introduction**

1. The Scrutiny Committee considered the Oxfordshire Growth Board report at their public meeting in September. The Committee would like to thank Councillor Price and David Edwards for attending the meeting and answering the Committee's questions.
2. The Committee supported the City Council becoming a member of the Oxfordshire Growth Board.
3. The Committee also supported the Leader of the Council being nominated as the City Council's representative on the Board.
4. Members reached and agreed the following conclusions and recommendation.

### **Conclusions and recommendation**

5. The programmes bought together within this Board will spend large amounts of money. The Committee recognised that accountability, good governance and transparency were important. The Committee heard that decisions will continue to be taken by the responsible Authority and the Terms of Reference explicitly set out this point, excluding the Board from making decisions that would bind any of the participating authorities. The Board will be a co-ordinating management structure and no significant powers are being delegated to it.
6. It is important that proposals before the Board can be subject of scrutiny in advance of decisions. The Leader of the Council confirmed that the Board is constituted as a Joint Committee under the Local Government Act. Meeting agendas and minutes will therefore be publicly available and access to Board meetings will be possible for Councillors and members of the public. However, the Committee noted that the Terms of Reference did not explicitly state this and it is therefore recommended that they be amended to make this clear.
7. The Committee agreed that it will monitor agendas published by the Board on an on-going basis to facilitate pre-scrutiny.

**Recommendation: For the Terms of Reference to explicitly set out that meeting agendas and minutes will be publicly available and that access to meetings will be possible for Councillors and members of the public.**

#### **Director and Board Member Comments**

The terms of reference of the Growth Board are for the Board and the constituent bodies to approve. The City Council will seek the agreement of the Board to the proposed amendment.

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**List of background papers: None**

**Version number: 1**

**To: City Executive Board**

**Date: 10 September 2014**

**Report of: Scrutiny Finance Panel**

**Title of Report: Treasury Management**

### **Summary and Recommendations**

**Purpose of report:** To present conclusions and recommendations of the Scrutiny Finance Panel on Treasury Management.

**Key decision? No**

**Scrutiny Lead Member: Councillor Simmons**

**Executive lead member: Councillor Turner**

**Policy Framework: Treasury Management Strategy**

**Recommendation:** For the City Executive Board to say if it agrees or disagrees with the following recommendation:

#### **Recommendation**

**That consideration is given to how the capital process can be made more flexible so that approved projects can be brought forward to mitigate slippage elsewhere in the programme.**

### **Introduction**

1. The Scrutiny Finance panel considered the Treasury Management Annual Report 2013/2014 and Treasury Management Performance 2014/15 – Quarter 1. The Panel would like to thank Anna Winship for supporting this discussion.
2. The Panel was pleased to note that the overall treasury management position remains healthy, with good performance against most prudential indicators. The Panel agreed the following conclusions and recommendation.

### **Conclusions and recommendation**

3. Where financial information was presented as a percentage change, the context should also be provided. Officers agreed to take this point on board.
4. High rates of return from the CCLA fund were welcome although transaction costs are also high. Caution against withdrawal early
5. The policy decision of the Co-operative Bank not to renew contracts with local authority customers was regrettable. The Panel received assurances that ethical policies and strategies were being considered as part of the procurement process for a new banking provider.
6. The extent of capital slippage in 2013/2014 and early indications of further slippage in 2014/2015 was a big concern. The Panel wished to see a more flexible approach to capital where projects can be brought forward to mitigate slippage elsewhere in the programme.
7. The focus on reviewing the capital process was endorsed and the Panel agreed to review progress at its meeting in January 2015.

#### **Recommendation**

**That consideration is given to how the capital process can be made more flexible so that approved projects can be brought forward to mitigate slippage elsewhere in the programme.**

#### **Director and Board Member Comments**

<b>Name and contact details of author:-</b>
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**List of background papers: None**

**Version number: 1**