

# Minutes of a meeting of the COMPANIES SCRUTINY PANEL on Thursday 28 February 2019

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## Committee members:

Councillor Corais

Councillor Landell Mills

Councillor Munkonge

Councillor Howlett

## Officers and Oxford Direct Services Staff:

Nigel Kennedy, Head of Financial Services

Anita Bradley, Monitoring Officer

Simon Howick, Managing Director, Oxford Direct Services

Tim Sadler, Chair of Oxford Direct Services

Stefan Robinson, Scrutiny Officer

## Also present:

Councillor Nigel Chapman, Board Member for Customer Focussed Services

## 52. Apologies for Absence

Apologies for absence were received on behalf of Councillors Fry and Simmons.

In the absence of Councillor Fry, Councillor Munkonge was appointed as Chair for this meeting only.

## 53. Declarations of Interest

There were no declarations of interest.

## 54. Minutes of the previous meeting

The minutes of the previous meeting held on 12 December 2018 were agreed as an accurate record.

## 55. Items to be considered in private - matters exempt from publication

The Panel resolved to move into private session on the grounds that the presence of the public would involve the likely disclosure of exempt information in accordance with Paragraph 3, Part 1 of Schedule 12a of the Local Government Act 1972. A summary of the discussion is provided below for the benefit of the public.

## **56. Oxford Direct Services Quarter 3 Performance Report**

Simon Howick, Managing Director of Oxford Direct Service (ODS), and Tim Sadler, Chair of ODS, gave an overview of the reasons for establishing the Company.

Simon explained that ODS continues to perform well against its key performance indicators, and continued to build its capacity. During discussion, it was emphasised that any profit from the Company would be returned to the Council through a dividend for reinvestment in Council services. In the past year, there had been a particular focus on improving health and safety management and understanding customer satisfaction.

The Panel discussed the customer satisfaction scores in relation to public toilets (an average of 2.74 out of 5). The Panel agreed that the condition of public toilets could be better in the City Centre. However, it was highlighted that these spaces can be a hotspot for anti-social behaviour, which presented challenges for cleanliness and public safety in some circumstances. Discussions were ongoing about how these facilities could be better managed.

The Panel discussed how a shortage of building labourers nationally might affect ODS. It was explained that the Company had ambitions of increasing its throughput of apprentices to help grow and retail their own workforce. There was evidence to suggest that development and retail jobs in Bicester were drawing some people away from working in the City.

In response to questions, it was explained that parking income would not be used as a performance indicator, given that the ambitions of the Council were more aligned to promoting alternative and more sustainable transport options to personal car use. A discussion took place on pricing, and it was clarified that ODS would continue to demonstrate good value, as the Council (the sole Shareholder of the Company) must comply with its best value duties. The Head of Financial Services, Nigel Kennedy, said that various check and balance functions were undertaken in this regard.

The Panel discussed the reasons for slippage in the Seacourt Park and Ride extension, which were expressed to be principally because of delays in receiving planning permission, the complex design due to the flood plain and the new flood relief channel.

Councillor Fry had submitted a number of questions in advance of the meeting. A summary of the responses is set out below.

Aled Bath, ODS Finance Director, said that key targets in the pipeline in the past had been optimistic, and there was now a target of 40% slippage on major projects. The establishment of the Council's project management office was expected to help with reducing slippage. The mix of revenue income was 78% City Council, 2% County Council and 17% external clients. There was still more work to be done on phasing income throughout the year, as a higher level of

income was expected in the final quarter. Income from vehicle auctions, for example, would not be used to provide a sustainable income in future years.

There had been an increase in tipping charges. This was because more recyclable waste was being generated, which had come at a financial cost to ODS. Time series data would be made available on street scene survey feedback once more data had been gathered. Repairs performance remained very good.

One off costs listed in the budget line for staffing were related principally to the appointment of non-executive directors. The target for debt recovery over 90 days (20%) was considered reasonable, but this would be reviewed next year.

## **57. Oxford Direct Services Business Plan - Verbal Update**

Tim Sadler provided the Panel with a brief update on progress with the revised Business Plan. An additional Shareholder meeting would need to be held at the end of March 2019 to consider a report. The Panel asked that they be updated accordingly.

## **58. Future meeting dates**

The Panel noted the dates of future meetings, set out below:

- 17 April 2019 (Oxford City Housing Group Scrutiny)
- 3 July 2019 (Oxford Direct Services Scrutiny)
- 23 July 2019 (Oxford City Housing Group Scrutiny)
- 17 October 2019 (Oxford City Housing Group Scrutiny)
- 19 November 2019 (Oxford Direct Services Scrutiny)

**The meeting ended at 7:50pm**