

Agenda

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Companies Scrutiny Panel

Date: **Thursday 14 November 2019**

Time: **6.00 pm**

Place: **Judges' Room - Oxford Town Hall**

For any further information please contact:

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If you intend to record the meeting, it would be helpful if you speak to the Committee Services Officer before the start of the meeting.

Companies Scrutiny Panel

Membership

Chair Councillor James Fry

Councillor Tom Landell Mills
Councillor Chewe Munkonge
Councillor Craig Simmons

The quorum for this Committee is two, substitutes are not permitted.

Copies of this agenda

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AGENDA

Pages

1 APOLOGIES AND DECLARATIONS OF INTEREST

2 ITEMS TO BE CONSIDERED IN PRIVATE

Items to be considered in private - matters exempt from publication

If the Panel wishes to exclude the press and the public from the meeting during consideration of any of the items on the exempt from publication part of the agenda or at any other point in the meeting, it will be necessary for the Panel to pass a resolution to that effect.

The Panel may maintain the exemption if and so long as, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

3 MINUTES OF THE PREVIOUS MEETING

5 - 8

Recommendation: That the minutes of the meeting held on 19th September be approved.

4 SHAREHOLDER AND JOINT VENTURE GROUP REPORTS

To consider reports to the Shareholder and Joint Venture Group (reports to follow as a supplement on 11th November)

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.

*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.

Minutes of a meeting of the COMPANIES SCRUTINY PANEL on Thursday 19 September 2019

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Committee members:

Councillor Fry (Chair)

Councillor Munkonge

Councillor Simmons

Councillor Landell Mills

Officers:

Anita Bradley, Monitoring Officer

Nigel Kennedy, Head of Financial Services

Andrew Brown, Committee and Member Services Manager

Tom Hudson, Scrutiny Officer

Also present:

Councillor Mike Rowley, Cabinet Member for Affordable Housing

Councillor Nigel Chapman, Cabinet Member for Safer Communities and Customer Focused Services

Stephen Clarke, Head of Housing Services / Director Housing Companies

Richard Connolly, Interim Managing Director Housing Companies

Alan Wylde, Housing Development & Enabling Manager

David Watt, Finance Business Partner, Housing Companies

Simon Howick, Managing Director, Direct Services Companies

Aled Bath, Finance Director, Direct Services Companies

Tom Bridgman, Executive Director (Development)

Stephen Hing, OXWED Development Director

1. Apologies for absence

Apologies were received from Gordon Mitchell, OxWED Director, Lindsay Cane, Company Secretary: OCHL, ODS and OxWED, Tim Sadler, ODS Director

2. Declarations of interest

None

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

The Panel resolved to move into private sessions 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.

4. Reports from the Council's Group of Housing Companies [Part private]

Councillor Simmons arrived at the commencement of this item.

The Interim Managing Director of OCHL introduced a report on the activity of OCHL, particularly focusing on the strategic direction of OCHL, draft business plan, and project delivery.

Within OCHL the structure of the company was explained to the Panel as comprising the Investment Company, whose primary role was in regards to the purchase of properties on behalf of the Council on the Barton Park development, whilst the Development Company's purpose was the building of social housing for the purpose of purchase by the Council.

The decision by central government to relax significantly the borrowing cap on councils for the building of social housing was identified as the key driver in enabling sufficient scale to deliver the Council's ambitions for OCHL. A ten year draft strategic plan and business plan had been developed to chart how OCHL intended to realise the opportunity afforded to it.

Following the presentation of the report the Panel sought further clarification regarding ensuring a developable land supply, the degree to which OCHL's strategic plan accorded with the Council's own strategic priorities, mitigation against Brexit risks, auditing arrangements, the commercial relationship with other Council-owned companies and the rate of progress made to date.

Strong challenge by the Panel was made in relation to the 70% carbon reduction housing designs in light of the Council's April motion to become carbon neutral by 2030 at the latest. The Panel were reminded of the constraints under which the Company operated in needing to make a commercial return on challenging site whilst maintaining a 50% level affordable housing in developments.

The Panel welcomed the progress made at Rose Hill, Elsfeld, Cumberlege and Between Towns Road but questioned the speed of progress. It was recognised by the Company that there had been delays, which was largely down to the challenges of developing within a medieval city. It was also suggested that the performance of delivery should be judged against the fact that the company had been working from a standing start, whilst it now had a pipeline of work for delivery and had momentum behind it.

Mr Richard Connolly, Mr Alan Wylde and Mr David Watt left the meeting at this point.

5. Barton Park Development Quarterly progress report [Part private]

The City Council's representative on the Barton Oxford LLP (BOLLP), Mr Stephen Clarke, introduced a report updating the activities of BOLLP over the previous quarter, and the progress of housing delivery on the scheme.

It was requested that the names of the Council's other representative on BOLLP be updated, with Jane Winfield being replaced on future reports by Caroline Green.

It was reported that progress had been made with infrastructure on the project, with practical completion having been signed off. Community facilities were also making

progress, with commencement of the school, and with sports facilities already completed. BOLLP was presently looking at how it would market future tranches. Progress was reported with the second tranche, with the developer, Redrow, being on site ahead of schedule.

The Panel welcomed the commencement of the school, but raised questions concerning a number of other issues.

It was asked when a bus link would be established to link the estate to the rest of Oxford. The number of sales to trigger a bus link, it was reported, had not yet been reached and the slowdown in units had made making the case to the County Council more difficult. However, it was recognised that reports of parking problems had begun to arise, which would provide reason to return to the County to request that the bus link be established as quickly as possible, which officers agreed to do. Discussion with Redrow had already begun with regards to ensuring spaces for car sharing parking would be included within the development.

Councillor Rowley and Stephen Clarke left the meeting at this point.

6. Oxford Direct Services (ODS) Board Quarterly update report [Private]

Oxford Direct Services Directors Simon Howick and Aled Bath joined the meeting at this point and introduced a report providing the Panel with an update on the company's activities in the previous quarter. In addition the contents of the report it was passed on that a third non-executive director, Michael Whitwell had been appointed. Overall, the directors expressed satisfaction with progress, with financial targets being met and the Council in its status as client being happy with the services provided.

Councillor Simmons and Anita Bradley left the meeting at this point.

The Panel sought reassurance over mitigation actions taken in light of the negative public relations that had arisen from the way the Company had managed stricter enforcement from recycling processors of contaminated waste rules. The directors recognised that tonally the response in putting stickers on bins without first seeking to educate those caught out on the reasons for the change in approach was mistaken. Quickly after its unpopularity was identified the approach was further modified and would not be a long-term issue.

Simon Howick, Aled Bath and Nigel Kennedy left the meeting at the end of this item.

7. OxWED Quarterly Oxford City Council Shareholder Update [Part private]

Tom Bridgman, Oxford City Council OxWED Company Director, and Stephen Hing, OxWED Development Director, joined the meeting at this point and introduced a report updating the Panel on OxWED's recent activity.

Querying the value of the land owned by the Joint Venture, the Panel questioned how up to date the figures were. It was explained that the land was currently valued in the accounts at its purchase cost, but that revaluations occurred annually. A recent

valuation had been undertaken and would be passed on to the Panel in November. The Panel's concerns over Brexit and its potential near term impacts were addressed by the fact that from getting planning permission, through raising funding, design, build and marketing the total length of time taken could be three years. As such, Brexit impacts were unavoidable and already baked into negotiation considerations.

Tom Bridgman and Stephen Hing left the meeting at the end of this item.

8. Minutes of previous meeting

The minutes of the meeting held on 16 July were approved as an accurate record.

The Chair requested an update on the meta-literature review into current technologies and solutions around zero-carbon housing referenced in minute 71.

9. Dates of future meetings

The dates of future meetings were noted.

The meeting started at 5.00 pm and ended at 6.50 pm

Chair

Date: Thursday 14 November 2019