

Minutes of a meeting of the Finance and Performance Panel (Panel of the Scrutiny Committee) on Thursday 26 January 2023

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Committee members present:

Councillor Fry (Chair)

Councillor Jarvis

Councillor Latif

Officers present for all or part of the meeting:

Richard Doney, Scrutiny Officer

Nigel Kennedy, Head of Financial Services

Anna Winship, Management Accountancy Manager

Emma Gubbins, Corporate Asset Lead

Jason Munro, Director of Operations

Jane Winfield, Head of Corporate Property

1. Apologies

2. Declarations of interest

3. Finance and Performance Work Plan

The Panel noted its work plan. The Panel was advised that neither the Capital Strategy nor the Treasury Management Strategy were ready to be shared with the Panel at this stage. Given that these strategies were so closely linked to the Budget which Members had scrutinised as the Budget Review Group, the Panel was content not to have sight of them before they were submitted to Cabinet.

4. Notes of previous meeting

The notes of the meeting on Wednesday 07 December 2022 were approved as a true and accurate record.

5. Report on Park and Ride/Car parking income

The Panel was grateful to the Head of Corporate Property for submission of the report on income from car parks and park and ride sites. Emma Gubbins, Corporate Assets

Lead, presented the report and Jason Munro, Head of Managed Services at Oxford Direct Services, attended alongside her to answer the Panel's questions. The Panel had a wide-ranging discussion in which it explored the assumptions made in some detail. The report and the Panel discussion fed into the work of the Budget Review Group and its conclusions and resulted in paragraphs 33-35 of the report submitted to Cabinet on and which read:

The Review Group was grateful for the modelling provided by officers which set out why there was no proposal to increase charges at the Park and Rides. The Review Group accepted that the Council continued to strongly encourage people to use the Park and Rides and that was a key part of its approach to transport in the city. The Review Group also recognised that revenue had still not returned to pre-pandemic levels during the week and, given that large proportions of those who had previously commuted daily were now working with some element of home working, it was difficult to assume that usage figures would return to those seen previously. The Review Group understood therefore the sensitivity of the Council to the risk of discouraging people from using the Park and Ride for any reason. The Review Group was advised that a 10% resistance factor had been built in to the modelling and that even a 1% increase in charges would be likely to lead to an annual net loss of almost £90k.

The Review Group established that there was no data available to show what level of resistance had been seen at Park and Rides when prices had been increased previously because it had not been done. Rather, the data available was from when prices had increased at urban and suburban car parks and resistance of between 4% and 18% had been seen. The Review Group recognised that it would be difficult to accurately project reductions in usage of Park and Rides without an increase being implemented but was not satisfied that a 10% reduction in use for any increase was realistic given the different needs and behaviours of those using Park and Rides. The Review Group considered it overly conservative and had doubts that one in ten would not use the Park and Ride if there were an increase of ten pence on a £2 charge.

The Review Group accepted that Council-owned Park and Ride charges were set in consultation with the County Council, who also own sites, and the bus companies. The Review Group was also aware that the bus companies had recently launched an advertising campaign promoting the current prices. Nonetheless, and recognising the challenges involved in modelling where directly applicable data does not exist, the Review Group considered that it would be appropriate for the Council to re-evaluate its assumptions regarding projected revenue loss were fees to be increased.

Recommendation 9: That the Council re-evaluates its assumptions around reduction in use of park and rides as a result of changes in charges to create a more realistic picture of what both income levels and usage would look like with different fees.

The Panel agreed to amend the agenda and to take Scrutiny Performance Monitoring before the item on the budget.

6. MTFS 2024/25 to 2026/27 and 2023/24 Budget

The Panel passed a resolution in accordance with the provisions of Paragraph 4(2)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012 to exclude the press and members of the public on the grounds that their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Schedule 12A of the Local Government Act 1972.

The Panel discussed the draft report of the Budget Review Group and its recommendations. Discussions were held in private session and the Panel resolved to ask that the Scrutiny Officer edit the report in accordance with the Panel’s direction and to submit it, on approval by the Chair of the Panel, to the Scrutiny Committee for its consideration at its meeting on 01 February 2023.

7. Capital Strategy 2023/24 to 2026/27

The Panel was satisfied that, given the depth of its explorations in its capacity as the Budget Review Group, it was content for the Strategy to go forward to Cabinet without the Panel having sight of the report itself.

8. Treasury Management Strategy

The Panel was satisfied that, given the depth of its explorations in its capacity as the Budget Review Group, it was content for the Strategy to go forward to Cabinet without the Panel having sight of the report itself.

9. Scrutiny Performance Monitoring

The Panel was grateful to see that the performance monitoring for this meeting was of improved quality and welcomed the opportunity to explore the KPIs with officers. The Panel noted that, once again, there was no discretionary funding reported but established that it was hoped this would change in the future.

10. Dates of Future Meetings

The Panel noted that its next meeting was scheduled for 28 March 2023.

The meeting started at 6.00 pm and ended at 7.30 pm

Chair

Date: Thursday 8 June 2023

When decisions take effect:
Cabinet: after the call-in and review period has expired
Planning Committees: after the call-in and review period has expired and the formal decision notice is issued
All other committees: immediately.
Details are in the Council’s Constitution.