

Agenda Item 4

Value and Performance Scrutiny Committee

Results of recommendations made between June and November 2012

Financial Out turn 2011/2012			
Recommendations from the committee meeting – 25th. June			
Scrutiny Recommendation	Response	Considered by	Date
All carry forward requests are supported noting the comments in paragraph 4 of the report.	Noted	City Executive Board	4 th . July
To request that the £0.5m surplus is placed in reserves and its use considered during the up and coming budgetary process rather than earmarking it at this stage for capital.	Agreed with amendment. This money will be placed in an earmarked capital reserve. All reserves are reviewed as part of the yearly budgeting process.	City Executive Board	4 th . July
To ask Board Members and Senior Officers to consider the effects of delays in recruitment on services and plans and allow for any “catch up” required within future planning.	Agreed with amendment All service pressures have been considered. The effects of delayed recruitment are being considered as part of workforce planning.	City Executive Board	4 th . July

Treasury Management Performance 2011/2012			
Recommendations from the committee meeting – 25th. June			
Scrutiny Recommendation	Response	Considered by	Date
The Committee agree with the proposed changes to the Treasury Management Strategy for 2012/2013 to: <ul style="list-style-type: none"> • Increase the limit invested in MMFs to £20m. • Add Police Authorities to the counterparty list. 	Noted	City Executive Board	4 th . July
For the City Executive Board to keep under active review the effects of “Right to Buy” within the HRA Business Plan. In particular: <ul style="list-style-type: none"> • Income streams. • Our ability to be flexible within the funding of the capital programme to allow us to use all capital receipts from sales. 	Agreed	City Executive Board	4 th . July
Fusion Leisure Contract – 2011/2012 Performance against target			
Recommendations from the committee meeting – 25th. June			
Scrutiny Recommendation	Response	Considered by	Date
To seek confirmation via the Partnership Board that the living wage is being paid to staff and confirmation when it will also be paid to any sub-contractors working in Fusions run sites in Oxford.	Confirmation received.	Board Member for Leisure	24 th October
To see the subsidy position for each leisure centre including capital investments made.	Not agreed. See full response.	Board Member for Leisure	24 th October

To seek clarification of what share of the £1.3m surplus made by Fusion would be re-invested in the Oxford City Contract and how this would be used within leisure centres and/or services.	Not provided. See full response.	Board Member for Leisure	24 th October
To see the ideas and proposals from the Partnership Board to further increase participation with a particular emphasis on outreach work within target groups.	Provided in the Annual Service Plan.	Board Member for Leisure	24 th October
To see Fusion's suggestions on encouraging better utilisation of our centres.	Provided in the Annual Service Plan.	Board Member for Leisure	24 th October
To request that for the future participation is also shown as a percentage of the population in each postcode area and if possible to include all visitors to allow for a more meaningful comparison of the figures.	Agreed.	Board Member for Leisure	24 th October
To provide information on the various outreach projects across: <ul style="list-style-type: none"> • Cost • Objectives • Targets • Outcomes 	Agreed. Available at the yearly review by scrutiny.	Board Member for Leisure	24 th October
To request further information on the methodology used for measuring satisfaction and the process for auditing and checking the quality of the results.	Agreed with amendment. Under review at present.	Board Member for Leisure	24 th October
To raise the issue of repairs and maintenance at the Partnership Board and for standards to be monitored. To report back on how monitoring is to happen.	Agreed. See response in full text.	Board Member for Leisure	24 th October

Request that the Board Member respond to the local Ward Member for Marston on what the Council's leisure offer for residents in his ward.	Agreed.	Board Member for Leisure	24 th October
Changes to Business Rates			
Recommendations from the Finance and Performance Panel – 28th. August			
Scrutiny Recommendation	Response	Considered by	Date
The Finance and Performance Panel of the Value and Performance Scrutiny Committee felt that the levy being 82% was too high and noted that this would form part of the City Council's response to the current Government consultation.	Noted	City Executive Board	12 th . September
April to June 2012/13 – Quarter 1 Corporate Plan Performance			
Recommendations from the Finance and Performance Panel – 28th. August			
Scrutiny Recommendation	Response	Considered by	Date
To request that the indicators for a Vibrant and Sustainable economy be reviewed as the Panel felt that it was not clear if the Council's policies were sufficient enough to fully capture a vibrant and sustainable economy as it felt that only have 3 indicators were not sufficient.	Agreed	City Executive Board	12 th . September

Asset Management Plan			
Recommendations from the Asset Panel – 24th. August			
Scrutiny Recommendation	Response	Considered by	Date
Welcomed the inclusion of most of the recommendations highlighted to the Deputy Leader in March 2012 and that the latest version was clearer due to improved formatting. However it was felt that some sections did not require the amount of detail included;	Noted	City Executive Board	12 th . September
That it was not necessary to detail all of the previous achievements going back to 2009;	Refused. This was included as a response to a scrutiny recommendation and has merit as it is to show the journey taken.	City Executive Board	12 th . September
A list highlighting the changes made following the end of the consultation would be beneficial;	This is included as a list.	City Executive Board	12 th . September
The design of the document allowed for improved navigation and was presented in a professional way.	Noted	City Executive Board	12 th . September
Foreward – Page 5, final paragraph – Clarification is required on the delivery of the 112 affordable homes, how these homes will be funded and the numbers to be delivered for each of the next three years;	Agreed with amendment. Clarification on wording given.	City Executive Board	12 th . September
Section 1 – Review of 2009 Asset Management Plan, Pages 8, 9 and 10 – These are not necessary and should be removed as these relate to the previous plan;	Refused. This was included as a response to a scrutiny recommendation and has merit as	City Executive Board	12 th . September

	it is to show the journey taken.		
Section 2 – Portfolio Objectives and Overview, Page 11 – Objective 2 – The wording is unclear and would read better as “We want all our property to be efficiently managed”;	Agreed with amendment Clarification on wording given.	City Executive Board	12 th . September
Section 2, pages 11 and 12 – The tables showing Operational assets ranked by condition do not make sense and so should be removed;	Refused This is required for benchmarking	City Executive Board	12 th . September
Section 4 – Asset Strategy – A separate asset class is required to cover ‘countryside’ assets, including Port Meadow, the other SSSI’s and parks which should also be included. There is no mention of these assets in either class 4.1 or 4.10;	Agreed with amendment No change now but will consider as part on a coming asst class review.	City Executive Board	12 th . September
Section 4 – Asset Strategy – 4.2 Allotments – The first paragraph should be amended to include at the end ‘ <i>and further details will be found in the emerging Green Space Strategy</i> ’; the second paragraph should be deleted as the Green Space Strategy has not been agreed;	Agreed with amendment. Clarification provided.	City Executive Board	12 th . September
Section 4 – Asset Strategy – 4.5 Community Centres – Amend the fifth paragraph to read ‘ <i>The Council will establish occupational leases with community groups to formalise responsibilities. These leases will typically be between one and three years, noting that none size will not fit all and the Council will consider granting Community Association long-leasehold interests (or asset transfers) where the following criteria are met:</i> ’	Refused	City Executive Board	12 th . September

<p>Section 6 – Capital Programme, Page 31 – further clarification is required with regard to the paragraph titled ‘Homes and Communities Agency Affordable Homes Programme’ and S106 Planning Obligations requirement to contribute to affordable housing as this is in the process of being changed;</p>	<p>Agreed with amendment.</p> <p>Slight clarification provided.</p>	<p>City Executive Board</p>	<p>12th. September</p>
<p>Appendix 3, point 17.2 – should be amended to read <i>‘Where the Council implements rent reviews and lease renewals, it will seek to establish the highest market rental value supported by comparable evidence, to preserve the capital value and income flow of the portfolio subject to other relevant requirements of the Asset Management Strategy such as maintaining the agreed balance of uses of the Covered Market’</i>;</p>	<p>Refused</p>	<p>City Executive Board</p>	<p>12th. September</p>
<p>Appendix 3, point 19, page 51 - Tenant Associations – This should be deleted in its entirety as the meaning of the section is unclear and appears to cut across the responsibilities of the Neighbourhoods and Communities Team;</p>	<p>Agreed with amendment.</p> <p>Clarification provided on the direction of this point to Commercial Tenants</p>	<p>City Executive Board</p>	<p>12th. September</p>
<p>The following typographical errors require correcting:</p> <p>(i) Section 6, page 32 – last line of the second paragraph, delete ‘a’ and insert ‘an’ before the word amount and delete the full stop at the end of the final bullet point;</p> <p>(ii) Section 7, page 33, point 7.1 – In the final line the word ‘city’ needs correcting to ‘City’;</p>	<p>Agreed</p>	<p>City Executive Board</p>	<p>12th. September</p>

(iii) Appendix 1, page 38 – too many m’s in Emissions.			
Youth Ambition Programme Recommendations from the Youth Ambition Panel meeting 10th. September			
Scrutiny Recommendation	Response	Considered by	Date
That a clear outcome framework for this programme is set now. This should include long term aims and short term measures and targets towards those aims. This framework should provide for links to each investment made through both expectations for the individuals involved and overall.	Agreed	City Executive Board	12 th . September
That the steering arrangements for the project are concluded as a matter of urgency to allow for clear focus.	Agreed	City Executive Board	12 th . September
A minimum of a three year programme is set that has a mixture of sustainable provision and space for one off activities linked to clear need and outcomes. These principles should be pass ported into the consideration of all matched or grant funded activities that are commissioned.	Agreed	City Executive Board	12 th . September
To have robust and clear commissioning processes that ensure programme providers share our ambitions, have the skills to deliver and can demonstrate they have the pathways and trust of the communities and individuals we want them to work with.	Agreed	City Executive Board	12 th . September

Parking in Parks – Signage and Monitoring			
Recommendations from Committee 5th. November			
(1) Allocate additional funding to allow for improved signage at the car parks adjacent to parks, better explaining the charges:	Refused	City Executive Board	5 th December
(2) Continue to monitor the charges and to undertake a review within the next six months.			
Integrated report Qtr.2			
Recommendations from the Finance and Performance Panel 26th. November			
Report and comments from Director and Board Member at Appendix 1			
Scrutiny Recommendation	Response	Considered by	Date
That a review of service over spending is conducted as part of the coming budget. In particular to consider the ability of services to deliver within budget targets. If this has already been done for this information to be presented to the Panel as part of the budget review process.	Inform the Finance and Performance Panel that, should it wish to make further comments about pressures from this year as part of its scrutiny of the budget process, that it would be appreciated.	City Executive Board	5 th December
Procurement Strategy			
Recommendations from Committee 27th. November			
Report and comments from Director and Board Member at Appendix 2			
Scrutiny Recommendation	Response	Considered by	Date
(a) In order to meet the requirements of the Social Value Act 2012 the Council should	Agreed	City Executive Board	5 th December

review all new tender opportunities and include within all tender evaluation criteria a range of criteria that meets the requirements within this Act to encourage a more diverse range of organisations to be able to successfully win Council business.			
(b) That a more formal and robust environmental assessment of the impact of products and services procured by the Council should be required as part of the tender process.	Refused	City Executive Board	5 th December
(c) That the strategy as a living document should be kept under frequent review.	Agreed	City Executive Board	5 th December
Treasury Management mid year review			
Recommendations from the Finance and Performance Panel 26th . November			
Report and comments from Director and Board Member at Appendix 3			
Scrutiny Recommendation	Response	Considered by	Date
That the counterparty list and investment periods are reviewed now rather than waiting for the 2013/2014 strategy.	Noted	City Executive Board	5 th December
That the Council should have an open mind to local investments where risk could be assessed to the levels required within our strategy.	Noted	City Executive Board	5 th December

<p>Local Council Tax Support Scheme</p> <p>Recommendation from Committee 27th. November.</p> <p>Report at Appendix 4</p>			
Scrutiny Recommendation	Response	Considered by	Date
That Council notes that the Value and Performance Scrutiny Committee supported the principle of the document and in particular not reducing benefits and that overall it represented a good package going forward into the budget process.	Noted.	Full Council	17 th December

To: City Executive Board

Date: 5th. December 2012

Report of: Finance and Performance Panel

Title of Report: Integrated Report 2nd. Qtr. 2012/2013

Summary and Recommendations

Purpose of report: To present comments from the Finance and Performance Panel

Key decision? No

Scrutiny Lead Member: Councillor Rowley

Executive lead member: Councillor Turner

Policy Framework: Improve value for money and service performance.

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

That a review of service over spending is conducted as part of the coming budget. In particular to consider the ability of services to deliver within budget targets. If this has already been done for this information to be presented to the Panel as part of the budget review process.

Introduction

1. The Scrutiny Finance and Performance Panel considered the Integrated Performance Report at their meeting on the 26th. November 2012. The Panel found this new style of reporting bringing together risk, performance and spending to be both helpful and informative.

2. The Panel discussed both format and content and have passed comments on the former to report authors. The Panel would like to congratulate officers on this initiative and look forward to seeing future iterations and developments.

Conclusions and Recommendations

3. The Panel was pleased to see the improvement in the overall budget position since the last quarter but noted that this is largely as a result of 2 one-off events. Service spending is over budget in some areas and this is worrying given the continued need for efficiency savings for the future. In the commentary on the overall position officers comment that “several services are overspending and are unlikely to turn this around by the end of the year” and then a little later say “efficiency savings are currently forecast to be £233k below target but it is anticipated that this will be made up over the coming months and will be delivered on target”. This seems to paint a picture of some services struggling with their budget targets without resolution and others responding flexibly to make up short falls.
4. Panel members discussed the position of the under spend produced by employees in Direct Services not joining the Pension Scheme and the longer terms consequences of this for them. The Panel has asked for further information on this.

Recommendation

That a review of service over spending is conducted as part of the coming budget. In particular to consider the ability of services to deliver within budget targets. If this has already been done for this information to be presented to the Panel as part of the budget review process.

Board Member and Director Comments

5. Comments will be made at the meeting.

Name and contact details of author:-

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Principal Scrutiny Officer
Law and Governance
Tel: 01865 252191 e-mail: phjones@oxford.gov.uk

List of background papers:

Version number: 1

City Executive Board – 5th December 2012

Integrated Report 2nd Quarter 2012/2013

Board Member and Director Comments

The latest budgeted position, as at the end of Quarter 2, is showing a favourable variance of £745k for the General Fund and £730k for the HRA.

The Council's budget monitoring process looks at the underlying causes of budget variations. Where these variations are considered to be ongoing they are included within the annual refresh of the Medium Term Financial Plan. Variations identified within the current years monitoring that have been factored into the MTFP refresh include:

- Legal services - shortfall in base budget for employee costs.
- Human Resources and Facilities Management - unachievable Town Hall income target.
- Corporate Assets - Additional investment property income.
- HRA – lower than anticipated debt financing costs.

Other variations are considered to be either one off in nature or are subject to mitigating action plans being put in place.

However, should Scrutiny as part of its review of the budget process in the New Year; wish to make comments about pressures from this year that are not taken account of in the budget and which they feel should have been, that will be appreciated.

To: City Executive Board

Date: 5th December 2012

Report of: Head of Law and Governance

Title of Report: Procurement Strategy 2013-16

Summary and Recommendations

Purpose of report: To present comments and recommendations from the Value and Performance Scrutiny Committee.

Key decision? No

Scrutiny Lead Member: Councillor Mark Mills

Executive lead member: Councillor Ed Turner

Policy Framework: Efficient and Effective Council

Report approved by:

Recommendation(s): For the City Executive Board to say if it agrees or disagrees with the following recommendations set out below:

- (a) In order to meet the requirements of the Social Value Act 2012 the Council should review **all** new tender opportunities and include within all tender evaluation criteria a range of criteria that meets the requirements within this Act to encourage a more diverse range of organisations to be able to successfully win Council business.
- (b) That a more formal and robust environmental assessment of the impact of products and services procured by the Council should be required as part of the tender process.
- (c) That the strategy as a living document should be kept under frequent review.

Introduction

- (1) The Value and Performance Scrutiny Committee at its meeting on 27th November 2012 considered the Procurement Strategy 2013-16 and were supported in the debate by Jane Lubbock, Head of Business Improvement and Technology and Nicky Atkins, Procurement Manager.

Conclusions and Recommendations

- (2) The Committee during the debate heard how the Councils large capital programme could help support local businesses, and how the strategy further added to the positive work already undertaken in reducing the Councils carbon footprint, ensuring contractors paid the living wage and increasing the number of apprenticeships offered to young people in the City. However the Committee felt that a more formal environmental assessment of the impact of products and services procured by the Council was required as part of the tender process and that as the strategy was a living document, it should be kept under frequent review.

Recommendations

- (a) In order to meet the requirements of the Social Value Act 2012 the Council should review **all** new tender opportunities and include within all tender evaluation criteria a range of criteria that meets the requirements within this Act to encourage a more diverse range of organisations to be able to successfully win Council business.
- (b) That a more formal and robust environmental assessment of the impact of products and services procured by the Council should be required as part of the tender process.
- (c) That the strategy as a living document should be kept under frequent review.

Director and Board Member Comments

Jacqueline Yates – Comments will be made at the meeting.

Councillor Ed Turner – Comments will be made at the meeting

Name and contact details of author:-

Mathew Metcalfe, Democratic and Electoral Services Officers Tel: 01865 252214 e-mail: mmetcalfe@oxford.gov.uk
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List of background papers: None

Version number: 1

City Executive Board - 5th December 2012.

Procurement Strategy 2013 – 2016

Board Member and Director Comments

Recommendation (a)

The wording of recommendation (a) is agreed.

Recommendation (b)

It would be difficult to do an environmental assessment for every product and service we procure through a new contract. We do already take into account a range of environmental criteria as part of the evaluation to enable the tender evaluation panel to judge the full proposal. For products this is simpler and for many commodities we can and already do request suppliers also offer environmental alternatives.

Recommendation (c)

The strategy will be reviewed annually and updated as required to take account of any new priorities and / or legislative changes.

To: City Executive Board

Date: 5th. December 2012

Report of: Finance and Performance Panel

Title of Report: Treasury Management Mid Year Review

Summary and Recommendations

Purpose of report: To present comments from the Finance and Performance Panel

Key decision? No

Scrutiny Lead Member: Councillor Rowley

Executive lead member: Councillor Turner

Policy Framework: Sustaining Financial Stability

Recommendation(s): For the City Executive Board to say if it agrees or disagrees with the following recommendations

Recommendation 1

That the counterparty list and investment periods are reviewed now rather than waiting for the 2013/2014 strategy.

Recommendation 2

That the Council should have an open mind to local investments where risk could be assessed to the levels required within our strategy.

Introduction

6. The Scrutiny Finance and Performance Panel considered the Treasury Management Mid Year Review at their meeting on the 26th. November 2012.

7. The Panel noted the continuing difficult economic conditions and the effects of this on investment returns. Despite this the Panel was pleased to see that the budget target is forecast to be achieved.

Conclusions and Recommendations

8. The situation is difficult and is likely to remain so into the medium term. The only adjustments available to the Council to get best value from the investment pot is to have active and on-going consideration of the counterparty list and investment periods.

Recommendation 1

That the counterparty list and investment periods are reviewed now rather than waiting for the 2013/2014 strategy.

9. The Panel discussed opportunities for local investments and how these might prove more profitable than larger institutions. There was recognition of the difficulties in assessing the risk and potential profitability of these but nevertheless thought that the Council's mind should not be closed to these opportunities.

Recommendation 2

That the Council should have an open mind to local investments where risk could be assessed to the levels required within our strategy.

Board Member and Director Comments

10. Comments will be made at the meeting.

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List of background papers:

Version number: 1

City Executive Board – 5th December 2012.

Response to comments from the Finance and Performance Panel.

Treasury Management Mid Year Review

Board Member and Director Comments

In accordance with the current Treasury Management Strategy the treasury team review the counterparty list on a daily basis, using credit rating information provided by Sector, the Council's treasury management advisors. The Treasury Team also utilise an operational strategy which allows for the temporary suspension or reduction in the amounts placed with specific counterparties, following a downgrading or warning on their credit rating. This ensures that all counterparties meet the specified limits and that counterparty risk is mitigated when investment decisions are made.

On a monthly basis a review of the operational strategy and counterparties is undertaken with the Executive Director, Organisational Development and Corporate Services and the Section 151 Officer as part of the consideration of action to be taken on maturities arising in the next month.

In light of current market conditions, officers are minded to make proposals to Council in February; as part of the Strategy review; to consider investing a proportion of the Council's core cash in property, subject to an agreed rate of return being achieved. If Scrutiny is minded to recommend other types of investments it would be helpful to have these specified in order that they can be considered in terms of their Security, Liquidity and Yield.

To: Council

Date: 17th December 2012

Report of: Head of Law and Governance

**Title of Report: Council Tax Benefit Changes – Update – Scrutiny
Comments**

Summary and Recommendations

Purpose of report: To report to Council the comments of the Value and Performance Scrutiny Committee held on 27th November 2012.

Key decision? No

Scrutiny Lead Member: Councillor Mark Mills

Executive lead members: Councillors Val Smith and Ed Turner

Report approved by:

**Legal: Jeremy Thomas
Finance: Nigel Kennedy**

Recommendation(s):

That Council notes that the Value and Performance Scrutiny Committee supported the principle of the document and in particular not reducing benefits and that overall it represented a good package going forward into the budget process.

Introduction

- (1) The Value and Performance Scrutiny Committee at its meeting on 27th November 2012 received a report “Local Council Tax Support Scheme” from the Head of Customer Services along with an update on the modelling used to structure the new scheme and the exemptions offered by other local authorities in Oxfordshire.

Conclusions and Recommendations

- (2) The Committee raised concerns on possible cuts in benefits from any proposed new scheme and supported the principle of the document, in particular the effort to structure a scheme that would not reduce benefits. The Committee felt that the scheme represented a good package going forward into the budget process.

Recommendations

That Council notes that the Value and Performance Scrutiny Committee supported the principle of the document, and in particular not reducing benefits and that overall it represented a good package going forward into the budget process.

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List of background papers: None

Version number: 1