

Question from Caroline Raine:

I note that the Council is proposing awarding its Leisure Services Contract to SERCO.

Overall the company has an appalling record in service delivery, as has been widely reported in national media. This includes dangerous and unethical practices. I am also aware, through long and recent experience as a trade union organiser (albeit I am asking my question in a personal capacity), that SERCO's running of local authority and health services tends to be marked by workforce problems, not least pay disputes. The Council will of course require SERCO to adhere to the Oxford Living Wage, which is welcome, but that does not cover pay scales above the minimum level, nor the conditions of service that SERCO may subsequently impose on new and transferred staff. Should SERCO subsequently fail to adhere to the Oxford Living Wage or get into dispute with unions over wider pay and conditions issues, this will surely be extremely costly for the Council, particularly if it results in any breach of contractual commitments and requires legal action or early termination.

I am further concerned that the SERCO contract the City Council is proposing to commit to promises many benefits to residents but at a low cost compared to other bidders. I wonder how SERCO can achieve the benefits to residents, along with paying the Oxford Living Wage, while also fulfilling its obligations to maximise returns to shareholders. Services such as leisure should be run in the interests of the citizens of Oxford, not distant shareholders. I recognise that until now the City Council has always had a policy of keeping services in-house. I wonder when this policy was debated and changed as I can find no record of it. Award of a significant contract to a private company such as SERCO is a very different matter to running services through arms-length companies or in partnership with charities and it is a deeply concerning shift in direction.

I am also concerned at the cost implications of the significant monitoring this contract will need, surely employing staff resources which could be better spent on direct service provision.

I therefore wish to ask will Cabinet now reconsider the decision to risk awarding the leisure services contract to SERCO?

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