

PERFORMANCE & CORPORATE SERVICES OVERVIEW & SCRUTINY COMMITTEE

MINUTES of the meeting held on Friday, 19 January 2024 commencing at 10.00 am and finishing at 2.15 pm

Present:

Voting Members: Councillor Eddie Reeves – in the Chair

Councillor Brad Baines (Deputy Chair)

Councillor Donna Ford

Councillor Damian Haywood

Councillor Bob Johnston

Councillor Kieron Mallon

Councillor Ian Middleton

Councillor Calum Miller

Councillor Glynis Phillips

Other Members in Attendance:

Councillor Liz Leffman, Leader of the Council

Councillor Fawcett, Cabinet Member for Community and Corporate Services

Councillor Kate Gregory, Cabinet Member for SEND Improvement

Councillor John Howson, Cabinet Member for Children, Education & Young People's Services

Councillor Dan Levy, Cabinet Member for Finance

Officers:

Martin Reeves, Chief Executive Officer

Lorna Baxter, Executive Director of Resources

Bill Cotton, Corporate Director for Environment and Place

Kerry Middleton, Head of Comms Marketing and Engagement

Carole Stow, Engagement Consultation Manager

Vic Kurzeja, Director of Property Services

Chris Dyer, Operational Manager, Senior Project Lead, Property Investment and Community Facilities Management

Michael Smedley, Head of Estates, Assets, and Investments

Susmita Dave, National Management Trainee

The Scrutiny Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting [, together with a schedule of addenda tabled at the meeting/the following additional documents:] and agreed as set out below. Copies of the agenda and reports [agenda, reports and schedule/additional documents] are attached to the signed Minutes.

1/24 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

(Agenda No. 1)

None.

2/24 DECLARATION OF INTERESTS - SEE GUIDANCE NOTE ON THE BACK PAGE

(Agenda No. 2)

None.

3/24 MINUTES

(Agenda No. 3)

The minutes of the 08 December 2023 were **AGREED** as a true and accurate record.

4/24 PETITIONS AND PUBLIC ADDRESS

(Agenda No. 4)

None.

5/24 BUDGET PROPOSALS 2024/25 TO 2026/27

(Agenda No. 5)

Cllrs Liz Leffman, Leader of the Council, Dan Levy, Cabinet Member for Finance, and Lorna Baxter, Executive Director of Resources, were invited to lead the presentation of the Council's updated Budget Proposals for 2024/25 to 2026/27. The majority of the Cabinet and Strategic Leadership Team were also in attendance.

The Leader of the Council opened by stating the budget that was to be presented was very different from the previous meeting as a result of work made towards reducing the previous budget gap. This work was ongoing. There had been a significant response from the public to the budget, with a positive consultation and significant use of the budget simulator. The Leader spoke to an all-staff meeting, where the need for reorganisation over the coming 18 months, which had been built into the budget, was explained to a positive staff response. A meeting with the unions had been organised. The Cabinet Member for Finance elaborated on this with the need to make the organisation more efficient, through intelligent delayering, to deliver the best service.

While the settlement received from central government was not as generous as hoped, officers had worked hard to reduce and almost close the budget gap. Any recommendations and suggestions from the Committee were appreciated. The Council's work was two-fold, being fiscally prudent while protecting the services delivered to the most vulnerable in our community, especially children and Adult Services.

Kerry Middleton, Head of Comms Marketing and Engagement, and Carole Stow, Engagement Consultation Manager, assisted the presentation. The approach taken on consultation and engagement for the 2024/25 budget, was a two-phased

approach. Phase 2 was a multifaceted approach, including a budget simulator tool. The standard of the qualitative feedback, which accompanied deliberations made on the budget simulator tool, was praised. The feedback from the simulator demonstrated support for funding within the budget for children and SEND services.

The Executive Director continued the presentation. Oxfordshire saw a settlement from central government of a 6.9% increase in funding for local government. The increase assumed the maximum Council tax increase of 4.99%, it also included the increase in social care grants. Nothing new in terms of funding was made available to local authorities. Since the December meeting there had been a reduction in the Services Grant. Fire service pensions was also rolled into the funding settlement. Owing to these there were further pressures of £2.1m, updating the funding gap to £11.2m. The Executive Director described an increase of £3.5m in Council Tax funding. Much of this increase came from the County Council's share of council tax collection fund surpluses.

In response the Committee raised questions over the following:

- Did the budget take account of the McCloud judgement, which could potentially further increase the cost of pensions? The Committee was informed that this budget did not account for this.
- Clarity over the increase in Business rates Indexation Section 31 grant. The increase was due to greater compensation for the loss of business rates by Section 31.

Cllr Levy reported that £3.5m, in pressures, had been removed in Adult Services. This was due to demographic growth and changes in demand, as well as the good work being done in this area.

The Committee raised several questions:

- Why these pressures had not been removed from the original budget? The Oxfordshire Way exceeded August expectations, the impact of the reablement service and the discharge hubs all meant fewer people needed help and support than expected. The removal of these pressures in the Adult Services budget was a show of confidence in the long-term plans and work of those within Adult Services.
- Whether children with severe learning disabilities fell into Continuing Healthcare (CHC) funding more often than into Childrens Services funding, and whether this had an impact on costs. The answer to this was yes, to both questions. Once either an adult or a child became eligible for healthcare funding the majority of their support was funded by the NHS. However, there was less clarity around this funding for children as there was for adults, which was why the funding remained in the budget for Children services but not Adults Services.
- How confident was Adult Services in its assessments of potential uplifts, and that problems were not simply being passed on. The Committee was assured that while the report assumed an average uplift of 6%, the work that had already been done made this a credible saving. While it was not without risk, the Council worked closely with providers to understand these risks and opportunities. A contingency existed should the risk materialise.

- Was it possible to reduce agency costs, around staffing costs related to central government's new immigration policies and the higher-than-expected rise in minimum wage, while maintaining service standards and meet targets? Stephen Chandler, Executive Director (People), praised the work done with the voluntary and community centres, as well as the Customer Service centre meaning fewer people required Council help. Good work had also been done within the social care team around planning to minimise the need for high levels of support, which had led to a reduction on the waiting list for care despite pressures. The Executive Director also expressed confidence about reducing reliance of agency staff, following work done by Childrens Services in this area. A joint workforce strategy with providers had meant there was a small reliance on overseas recruitment, and Adult Services had not seen an impact from the governments changes to migration policies.
- Was the 6% increase in average costs of care packages overly generous, with the CPI at 4% and expected to be reduced? It was believed that 6% was prudent, stabilising the marketplace and benefitting relationships with providers. The increase was also a combination of the national living wage increase and CPI. However, revisions were constantly made. A fair cost of care exercise had been done to provide the Council with a strong foundation and relationship with providers.

Cllr John Howson, Cabinet Member for Children, Education & Young People's Services, addressed the changes to pressures in Children's Services. The most significant of these pressures was Home to School Transport, of £0.5m. This increase was due to a multi-year contract renewal, and the impact of inflation since previous renewal. The post-16 discretionary fund for Home to School transport for SEND cases was praised, and its uniqueness amongst councils noted. The potential for a future issue concerning non-teaching staff pay, who had not been given a pay rise akin to that given to teaching staff, was raised. An added pressure of £0.5m was created by the government taking away the School Improvement Gant. Cllr Howson praised the work of some long-term agency staff, but signposted the scheme to grow the Councils own social workers which had been encouraging. Savings were also made in opening four new small children's homes, partly funded by DFE grants, reducing the expensive cost of housing children in unregistered places. Significant pressures were reduced by delayering staff structures and costs. Cllr Kate Gregory, Cabinet Member for SEND Improvement, explained how £1m was to be used for additional STEM service capacity addressing growing demand and the increase in high needs deficit. These funds sat alongside additional funding to implement OFSTED recommendations. This investment was to prevent escalation and promote early intervention.

The Committee raised the following concerns:

- Whether the £0.5m forecast increase to school transport was attributable to the Education, Health and Care Plans (EHCPs) making the Council become liable for the transport. The issue of a major transport supplier going bankrupt earlier in the year, which forced emergency contracts which came at a higher price. In view of this rationale behind a four-year contract for transport was also questioned. EHCPs were being processed faster and did bring with them a transport element adding to an overspend.

- Was it possible to meet Council targets concerning SEND individuals and EHCPs, considering the budget proposals and pressures? Cllr Howson suggested that if children with EHCPs could be kept in mainstream education, and the system was less reliant on sending those with EHCPs to special education facilities, then costs could be reduced. The difficulties in quantifying the impact of EHCPs was laid out, especially surrounding the situation SEND services found itself in.
- As the potential costs of EHCPs could not be fully realised from the outset, how confident could the Committee be that these costs would not overrun what was built into the budget proposal? Assurances were made about a more stable workforce in education, the competence of the DCS and Deputy Director, as well as the confidence of the Head of SEND who were working with stakeholders to stop the reliance on EHCPs, which previously existed.
- That the proposed savings were high and whether the impact on the service provided to the children had been factored in. The Committee was assured that the savings in the budget were found in early support, but the Children's Services budget was increased by 12% to approximately £200m.
- Clarity over the reduction in school meals, whether it was parents or schools being charged. Clarity over the reduction was found by increasing the charge for school meals and a reduction in the cost of provisioning the meals. The challenge faced was reducing costs without reducing quality or quantity provided.
- Clarification was sought over what the funding for the county workforce strategy was for. The Committee was assured that the funding was for more than writing and production of the strategy but also the implementation of the envisioned changes.
- How Children's services hoped to ensure that their budget would not continue to increase over the following years. Guarantees were made to the Committee that robust internal control measures were in place. These ensured financial transparency with a weekly panel process, which included the Director and Deputy Director, for every significant expenditure. The financial strategy in Children's services displayed a credible reduction in expenditure, which promoted high levels of confidence.
- The Committee sought to clarify the matter of whether a high needs block reserve existed on the budget. Officers confirmed there was a high needs block reserve going directly into an active reserve. This was however, not within this budget and kept separate. It was acknowledged that this off-balance sheet expenditure reduced the Council's ability to scrutinise.

Bill Cotton, Corporate Director for Environment and Place, addressed the workplace Parking Levy, which was due to be implemented in two years' time. The business community, the universities, and health service had all been engaged with conversations working through details of the plan. These discussions demonstrated support for the plan from major employers, in order to gain Secretary of State approval. However, it was noted that the NHS was not at that time supportive of the Parking Levy. The Secretary of State did not wish to approve the levy until the NHS did support such a levy.

Cllr Ford questioned the financial impact of policies which failed to raise money. The Executive Director of Resources responded that no income was built into the Medium

Term Financial Strategy (MTFS) that that point for such schemes to allow the schemes to develop. The assumption was that investment costs would be met with future incomes.

The topic of the Sheperd Project was raised by the Committee with questions, as follows:

- What governance had changed because of the project, and what was the risk liability for similar small projects. The Corporate Director acknowledged that a lesson learnt from the project was making sure there was clear governance with a clear project owner with the project spanning multiple directorates, not allowing such projects to fall through cracks. The Shepherd project in particular required greater governance due to the high level of savings anticipated. Martin Reeves, Chief Executive Officer, confirmed to Committee that the tracking and governance of this projects was not what it was before. Regardless of threshold all projects go through a cost-benefit analysis, including through the Strategic Transformation Board and necessary Strategic Capital Boards with appropriate governance.
- The Committee expressed a desire in knowing who signed off the project and who was to be accountable for the project. While an answer could not be provided in precise detail, the point was reiterated for greater oversight of projects spanning multiple directorates.

The Committee took this opportunity to ask of Cllr Fawcett, Cabinet Member for Community and Corporate Services, about the planning and timelines of the staff delayering including what consultation had been made with the unions. The Committee was informed that at that stage no specific plans or existed. The need for this Council, and Council's around the country, to reduce the organisation size was highlighted. This included identifying ways to slim the way to deliver services and management structures. Proper consultation with trade unions and the staff would be made when definite proposals were made. However, there was regular meetings between senior members of the leadership group and unions.

The successes of reducing agency staff costs were praised, with many agency staff becoming permanent, which represented a healthy saving for the Council. Reassurances were made about the figures concerning savings in the delayering process and timeframe. These figures had been created with a balance of ambition and realism. Assurances were made that the process of delayering did not necessarily involve redundancies, with staff changes, managing vacancies, and natural staff turnover.

Concerns were raised about the funding for Fire Service vehicle renewals. Assurances were made to the Committee that the funding in the budget was a top up of the £800,000 annual contribution to the reserve, which had been building up. The proposed budget included funding to cover increasing costs and inflation.

The Committee queried how funding was prioritised for capital programmes, such as libraries. It was explained that funding was in the budget for projects with a clear idea around deliverability. Further details for investment in libraries could be found in the Library Capital programme which featured a large review of library projects.

Further information was sought of the £4m of funding for the NW Bicester A4095, such as where the funding for the project came from. The Corporate Director of Environment and Place confirmed the funding was to allow the House Lane development to happen. Work was being done closely with Homes England, the Cherwell District Council, and the developers to make up the difference for the £20m scheme. The £4m in the budget stood as a marker of intent.

The Committee **AGREED** on the following actions:

- Stephen Chandler send over data gathered concerning other South-East council uplift payments in accordance to CPI.
- Bill Cotton to provide a list of projects to see the new governance mechanism, in relation to the cost-benefit analysis, working.
- Lorna Baxter to provide a written briefing on the financial impact for the Cherwell divorce.

The Committee made no formal recommendation to Cabinet.

6/24 CITY CENTRE ACCOMMODATION STRATEGY

(Agenda No. 6)

Cllr Dan Levy, Cabinet Member for Finance, Lorna Baxter, Executive Director of Resources, Vic Kurzeja, Director of Property Services, Chris Dyer, Operational Manager, Senior Project Lead, Property Investment and Community Facilities Management, and Michael Smedley, Head of Estates, Assets, and Investments were invited to present a report on the City Centre Accommodation Strategy prior to its consideration at Cabinet.

Topics explored by the Committee included whether a City Centre location did represent value for money, the likely uses of County Hall after any disposal, flexibilities and restrictions over social value and market value taken together with the Council's legal obligations in this respect within the context of place-shaping objectives, potential practical requirements for Speedwell House, risks of the planning process, and timings and costings.

7/24 DRAFT CUSTOMER EXPERIENCE STRATEGY

(Agenda No. 7)

Cllr Fawcett, Cabinet Member for Community and Corporate Services, introduced the draft strategy as the Council's means to level up the approach to customer service when interacting with residents via the Council's many services across the county. It intended to learn from and build on those areas providing good service in order to drive improvements and provide a consistently good level of service across the entire Council. An area of particular strength was the level of satisfaction recorded by those using the Customer Service Centre. Less successful with the public was the Council's Fix My Street platform. Investment in the training and development of staff would be key.

Susmita Dave, National Management Trainee, provided further detail. The draft strategy was intended to be run over a three-year period with the express vision of 'put[ting] the customer at the heart of our service delivery'. The need for such a

strategy was driven by multiple factors. New groups of people were interacting with the Council owing to technological development, which had also raised expectations of how frictionless interactions with an organisation should be; there was a need to assure customers that standards of service existed; more positive interactions with the public would underpin the morale of staff. Feedback from the Residents' Survey, budget consultation and other sources indicated that in some areas trust with residents had been dented. Tackling this successfully would rely both on political support and officer prioritisation.

The Strategy sought to use national data, resident survey information and mapping of customer data, profiles and interactions against customer service levels to focus on making the greatest difference.

The four key pillars of the Strategy focused on the following: 1) Embedding a customer ethos within the Council's culture 2) Developing a better understanding of the Council's customers and what they want, 3) Optimising access to customer services, particularly through new technology, whilst protecting the access of those for whom such technology would prove a barrier, and 4) Designing an excellent end to end customer experience so that more complex cases - drawing on input from multiple areas of the Council - could receive the same high standard of service as simpler interactions.

An important element of the Strategy was that it should be flexible to respond to new data. The Council intended to encourage feedback from its staff, service users as well as continuing to reference and engage with information gleaned from local and national data-sets.

The Committee raised the following queries following the presentation:

- Why had it taken so long for a customer service strategy to be formulated given the risks laid out in the strategy were so urgent? The important aspect of this strategy was that customer service was a big focus of the new Chief Executive Officer. It was important that every customer was dealt with efficiently and in a manner matching Council values. This was an opportunity to reflect and review the Customer Service Charter, and to be more productive and collaborative in the future.
- Was a fifth pillar required in the strategy for how customer complaints were dealt with and what that process involved? It was agreed that this did require more focus as an important part of the customer experience with the Council. There was a lot to be learnt from customer dissatisfaction in this area, as it was an area where it was important to get right first time. This would be made more visible to the public and organisation.
- Whether any work had been done with District and City colleagues to ensure there was the same sort of customer service there as with the County Council. The Town Parish Charter was highlighted as a to show the work being done to work closely with Councils around Oxfordshire together online.

The Committee **AGREED** to make recommendations on the following themes:

- Include subcontractors as part of our standards.
- Customers are not the same as collectively paid for services and do we need corporate view on how we refer to residents.

- To align the strategy more closely with management of and prevention of complaints.
- Work with district and city councils concerning a complaints and issues handling mechanism.
- To include more socio-economic groups, including those for whom English is a second language to consulting lists.

8/24 COMMITTEE ACTION AND RECOMMENDATION TRACKER
(Agenda No. 8)

The action and recommendation tracker was **NOTED**.

9/24 COMMITTEE FORWARD WORK PLAN
(Agenda No. 9)

The Committee **AGREED** the proposed work programme subject to the following additions:

- An item on the soft-marketing of County Hall
- Consideration of the Local Enterprise Partnership Integration
- An item on Advice Centres

..... in the Chair

Date of signing 200