

STRATEGY & PARTNERSHIPS SCRUTINY COMMITTEE

MINUTES of the meeting held on Thursday, 26 May 2011 commencing at 10.00 am and finishing at 12.40 pm

Present:

Voting Members: Councillor Nick Carter – in the Chair

Councillor Norman Bolster
Councillor Liz Brighthouse OBE
Councillor Jean Fooks
Councillor Timothy Hallchurch
Councillor Hilary Hibbert-Biles
Councillor A.M. Lovatt (Deputy Chairman)
Councillor Dr Peter Skolar
Councillor David Wilmshurst

Other Members in Attendance: Councillor Keith R Mitchell CBE, Leader of the Council
Councillor Jim Couchman, Cabinet Member for Finance and Property
Councillor David Harvey, Chairman Pension Fund Committee

Officers:

Whole of meeting Guy Swindle (Head of Strategy and Communications)
Claire Phillips (Chief Executive's Office)

Part of meeting Sue Scane (Assistant Chief Executive and Chief Financial Officer)

Agenda Item	Officer Attending
8	Sean Collins (Service Manager - Pensions, Insurance & Money Management)
9	Martin Tugwell (Head of Sustainable Development)
10, 11	Peter Clark (Head of Law and Governance)

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.

19/11 ELECTION OF THE CHAIRMAN FOR THE 2011/12 COUNCIL YEAR (Agenda No. 1)

Councillor Brighthouse proposed and Councillor Fooks seconded that Councillor Fooks be elected Chairman for the 2011/12 Council Year.

Councillor Bolster proposed and Councillor Hibbert-Biles seconded that Councillor Carter be elected Chairman for the 2011/12 Council Year.

By a show of hands it was **RESOLVED** (by seven votes to two) that Councillor Carter be elected Chairman.

20/11 ELECTION OF THE DEPUTY CHAIRMAN FOR THE 2011/12 COUNCIL YEAR

(Agenda No. 2)

RESOLVED: Councillor Carter proposed and Councillor Wilmshurst seconded (and carried nem. con) that Councillor Lovatt be elected Deputy Chairman for the 2011/12 Council Year.

21/11 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

(Agenda No. 3)

Apologies were received from Councillor Sherwood.

22/11 DECLARATIONS OF INTEREST - SEE GUIDANCE NOTE ON THE BACK PAGE

(Agenda No. 4)

The following interests were noted in relation to item 8 Pension Fund Committee;

Councillor Hallchurch – in receipt of an Army pension

Councillor Bolster – in receipt of a pension from an affiliated body

Councillor Fooks – contributing member of the local government pension scheme

Councillor Brighouse - in receipt of a pension (contributions made through an admitted body

Councillor Skolar – in receipt of a public sector pension

Councillor Carter – contributing to the pension scheme

Councillor Hibbert-Biles – in receipt of a pension (contributions made through an affiliated body

Councillor Lovatt – Pension representative for Abingdon Town Council

NB. List amended at meeting on 21 July 2011.

23/11 MINUTES

(Agenda No. 5)

The Minutes of the meeting held on 17 March 2011 were approved and signed.

Minute 12/11 Councillor Fooks asked whether the Public Service Board had met to agree the allocation of remaining LAA reward grant.

24/11 SPEAKING TO OR PETITIONING THE COMMITTEE

(Agenda No. 6)

None

25/11 DIRECTOR'S UPDATE

(Agenda No. 7)

The Assistant Chief Executive and Chief Financial Officer introduced Guy Swindle, the newly appointed Head of Strategy and Communications to the committee.

Sue Scane provided the following update from work areas within the Chief Executive's Office

- Business Strategy – teams across the Chief Executive's Office are supporting delivery of the business strategy
- Human Resources –
 - Involved in restructuring that is happening across the organisation to ensure consistency.
 - Career Transitions (formerly Job Finder Service) is supporting employees facing redundancy
 - Currently in appraisal season, managers are responsible for appraising team members.
- Key areas of work in the Policy Unit at present are
 - Big Society and the first 'wave' of applications to the Fund and locality reviews
 - New approach to equalities
 - Developing relationships with the voluntary sector
- Work with the Military includes the launch of the Military Covenant and repatriations moving to Brize Norton. There was some discussion about the repatriation issue which Sue Scane indicated she was working hard with all partners to handle the matter sensitively.
- Finance are working on
 - the annual account close down process for the end of June which looks likely to show an underspend.
 - The Annual Audit Plan
 - The local government resource review for which the government has recently issued terms of reference. The review is expected to propose significant changes to the way local government is financed.
- Legal and democratic services are working on a number of judicial reviews.

In response to a question about the progress of restructuring Sue Scane indicated that progress varies across the organisation. Some services have already restructured and others entering into it which reflects that the business strategy will be delivered over four years.

26/11 PENSION FUND COMMITTEE - QUESTION & ANSWER SESSION

(Agenda No. 8)

Councillor David Harvey, Chairman of the Oxfordshire Pension Fund Committee and Sean Collins, Service Manager (Pensions, Insurance & Money Management) attended the meeting for a question and answer session.

SYP3

Councillor Harvey provided background to the work of the Pension Committee and responded to questions from members of the scrutiny committee. The session noted the following points,

- Each fund manager is given a target by the Independent Financial Adviser
- In the past decade there have been two significant drops in the market
- The Pension Committee has a detailed briefing before each meeting to build their knowledge and an annual training day with senior level advice about the fund and investments.
- Recently the Pension Fund Committee has requested six-weekly updates on fund performance
- Given the natural performance cycle of peaks and troughs Fund managers are given three years to prove themselves. Changes in performance are raised early
- Fund managers performance is reviewed in terms of cash value as well as % change in value of the Fund which enables the committee to assess managers' ability to make up the value
- Managers methods and philosophy are assessed as well as what they say they can deliver
- The employer is responsible for meeting the costs of early retirement or redundancy not the Pension Fund
- Employers are paying into the fund for past service deficit
- Contributions to the fund are in excess of benefits paid out
- There are a number of potential impacts of the Hutton Review if adopted. These include the impact of increased contributions for the lowest paid which may cause people to opt out of the scheme and Fair Deal whereby employees outsourced to the private sector would no longer be eligible for the Fund which would reduce income
- The aim is to be 100% paid up in 25 years, currently this is 79%.
- Sean Collins undertook to provide the answer to the question about the impact of the recent change to link pension benefits to CPI rather than RPI outside the meeting.

27/11 LOCAL ENTERPRISE PARTNERSHIP UPDATE

(Agenda No. 9)

Councillor Keith R. Mitchell and Martin Tugwell, Head of Sustainable Development attended to give an update on the Local Enterprise Partnership.

It was noted that the Partnership has senior business sector leadership and that the Board will be reviewing itself at the six month point.

Some of the key deliverables of the Partnership are;

- Skills needs assessment to enable providers to plan skills provision; this will be available in the autumn
- Infrastructure framework being developed by the Spatial Planning and Infrastructure Partnership reporting
- Development of the business support and inward investment offer to potential investors

Current activity of the Partnership to develop a bid to government for an Enterprise Zone was discussed. Enterprise Zones offer the potential to stimulate the economy in a specific geographical area by suspending business rates for five years and to retain the growth in rates for 25 years, offer a relaxed approach to planning in the zone.

Bids for Science Vale UK and Bicester will be considered by the Board which will decide which bid to submit to government at the end of June. The bid offers the opportunity to raise the profile of these growth areas and articulate the barriers to economic growth.

The Committee supported the promotion of the wider Oxfordshire economy rather than focus entirely on Oxford.

The Committee supported the focus on skills needs of businesses many of which are for mid-level skills. It was noted that the visits to businesses to discuss work placements are now being used to talk about employers skills needs to enable a bigger picture to be developed.

It was **AGREED** that the Local Enterprise Partnership should be included in the next partnership report to Council.

28/11 ANNUAL UPDATE OF LOCAL CODE OF CORPORATE GOVERNANCE (Agenda No. 10)

The Committee considered the revised code of corporate governance and made a series of specific comments to Peter Clark, Head of Law and Governance to update the code.

The committee requested that acronyms are avoided or explained.

It was noted that the standards committee remains currently but the Localism Bill proposes that this requirement is removed.

It was **AGREED** that the Code be reviewed every two years.

29/11 MEMBERS' COMMUNICATION PROTOCOL (Agenda No. 11)

Peter Clark, Head of Law and Governance presented the report on the member's communication protocol.

The committee requested that the Head of Law and Governance regularly send reminders to directorates about good communications with members.

It was requested that county councillors are informed when officers will be attending local meetings such as parish councils.

The committee suggested that members are made aware that they should raise any issues with communication with the Head of Law and Governance.

30/11 BUSINESS MANAGEMENT

(Agenda No. 12)

Due to time constraints it was agreed to defer this item to the next meeting.

31/11 FORWARD PLAN

(Agenda No. 13)

The following items were suggested for potential consideration by the committee. The Chairman agreed to consider them.

- ICT Strategy
- Partnership Arrangements with the Townlands Hospital
- Oxfordshire 2030 delivery

..... in the Chair

Date of signing