

## ***Delegated Decisions by Deputy Leader of the Council***

***Tuesday, 18 October 2011 at 4.00 pm following Cabinet and on the rising of the Cabinet Member Delegated Decisions for Police & Policy Coordination, whichever is the later County Hall, New Road, Oxford***

### ***Items for Decision***

The items for decision under individual Cabinet Members' delegated powers are listed overleaf, with indicative timings, and the related reports are attached. Decisions taken will become effective at the end of the working day on Wednesday 26 October 2011 unless called in by that date for review by the appropriate Scrutiny Committee.

Copies of the reports are circulated (by e-mail) to all members of the County Council.

**These proceedings are open to the public**



Peter G. Clark  
County Solicitor

October 2011

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Note: Date of next meeting: 15 November 2011

**If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named on the front page, but please give as much notice as possible before the meeting.**

## Items for Decision

1. **Declarations of Interest**
2. **Questions from County Councillors**

Any county councillor may, by giving notice to the Proper Officer by 9 am on the working day before the meeting, ask a question on any matter in respect of the Cabinet Member's delegated powers.

The number of questions which may be asked by any councillor at any one meeting is limited to two (or one question with notice and a supplementary question at the meeting) and the time for questions will be limited to 30 minutes in total. As with questions at Council, any questions which remain unanswered at the end of this item will receive a written response.

Questions submitted prior to the agenda being despatched are shown below and will be the subject of a response from the appropriate Cabinet Member or such other councillor or officer as is determined by the Cabinet Member, and shall not be the subject of further debate at this meeting. Questions received after the despatch of the agenda, but before the deadline, will be shown on the Schedule of Addenda circulated at the meeting, together with any written response which is available at that time.

3. **Petitions and Public Address**
4. **Services to Third Parties, including Academies** (Pages 1 - 4)

*Forward Plan Ref:* 2011/171

*Contact:* Paul Gerrish, Interim Deputy Director (Oxfordshire Customer Services) Tel: (01865) 797228

Report by Director for Environment & Economy (**CMDDL4**).

The Constitution states that Cabinet approval must be obtained before work can be undertaken for third parties. A number of schools have either converted to academies or are likely to convert to academies. In addition other council services may be externalised in future. This places a risk on the the cost and quality of services to the remaining internal services.

In order to mitigate the risk of reducing income levels, approval is sought to undertaking work for any academy or free school or organisations where the relevant services were previously provided directly by the County Council.

This will not fully protect income levels because some academies for example will seek their support services from elsewhere. In order to further mitigate against the risk of reducing income, it is proposed that work is undertaken for similar organisations, academies and free schools where support services were previously undertaken by an adjacent authority.

**The Deputy Leader of the Council is RECOMMENDED to adopt the following policy in order to protect the cost and quality of internal services:**

**i. work may be undertaken for:**

- (a) Previously maintained schools which have converted to academies;**
- (b) New academies, Free Schools or University Technical Colleges in Oxfordshire;**
- (c) Other educational institutions in Oxfordshire;**
- (d) Any organisation in Oxfordshire providing services for children and vulnerable adults, including work to cover safeguarding issues;**
- (e) Any organisation in Oxfordshire that is providing services that were previously provided directly by the County Council;**
- (f) Any public body in Oxfordshire.**

**ii. the charges for undertaking such work shall be reviewed each year as part of the Fees and Charges report to the Cabinet; and**

**iii. work may be undertaken to the same organisations in i. above that are operating in:**

- (a) Buckinghamshire;**
- (b) Milton Keynes; or**
- (c) Other neighbouring local authority areas.**

**subject to working with the knowledge of and in reasonable co-operation with the relevant local authority, rather than against their wishes.**

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Division(s):N/A

## **CABINET MEMBER DELEGATED DECISIONS FOR DEPUTY LEADER OF THE COUNCIL**

### **WORK UNDERTAKEN FOR THIRD PARTIES, INCLUDING ACADEMIES**

#### **Report by the Deputy Director Oxfordshire Customer Services**

#### **Background**

1. The Education White Paper and Education Bill have expanded the forms of School Organisation that are and will affect Oxfordshire Schools. School's are able to apply for or have conferred on them Academy Status. Free Schools are a new type of school that can be applied for within communities where a demand is established for them. Other initiatives also include University Technical Colleges (UTCs) and there may be other future initiatives associated with the Education Bill. In addition, there is an increasing possibility that other Council services could be externalised in future.
2. There is an increased possibility that some Schools would wish to continue to buy services from Oxfordshire County Council. Schools already have the opportunity to purchase services through our Quest package of support. As increasing numbers of Schools and indeed other services may be more independent from the Council there is a possibility that the viability of some existing services within E&E and CEF could be affected.
3. One way to reduce the risk of this happening would be to continue to provide services to these organisations and academies after they have become independent of the County Council. Services could also be offered to other newly created academies, Free Schools or UTC's.
4. Some schools have already become academies and a few others will become academies in the next few months. Oxfordshire Customer Services and CEF have been in discussion with these schools about continuing to provide services to them. These discussions have been relatively fruitful and some, but not all, academies are asking us to continue to provide services to them. As Free Schools etc open, they too may approach the Council for the provision of services.
5. By attempting to maintain income levels in this way, we can endeavour to maintain unit costs and also the viability and capacity of services provided to the County Council and currently offered to Oxfordshire Schools. Although we can offer to provide services in this way, inevitably not all will want to take up our offer. Therefore, income levels are still likely to drop, albeit not as far as they would otherwise.

6. In addition CEF has identified that some other Council's do not offer some of the services that we are able to offer to converting academies, for example payroll services. OCS has supported an additional investment to enable the SAP system to be used for one of Oxfordshire's Academies and this investment could be recovered if we were able to offer that service to other academies. For example one of our neighbouring authorities does not offer that service to their academies and therefore we would now be able to offer those academies this service with relative ease.

### **The Constitution**

7. The Council's Constitution states:

Directors are required to make appropriate arrangements for keeping officers and councillors informed about any negotiations about working for third parties. Cabinet approval must be obtained before any negotiations are concluded about working for third parties.

8. The reason for the wording of the Constitution is to ensure that any work undertaken for third parties is not undertaken to the detriment of the services the Council is providing.
9. If the Council were to provide services to academies and other third parties then as things stand, every time a service negotiates with an academy, the Director would need to seek approval from Cabinet before concluding those negotiations. This is likely to be unworkable if services in future are to be provided through third parties or academies.

### **Proposed Solution**

10. What we are trying to achieve is to continue to provide services at the same or increased volume. The clear purpose of this proposal is to protect the cost and quality of services to our existing customers by maintaining as far as possible our income levels.
11. This could be achieved by adopting the following policy:

Work may be undertaken for:

- (a) Previously maintained schools which have converted to academies
- (b) New academies, Free Schools or University Technical Colleges in Oxfordshire;
- (c) Other educational institutions in Oxfordshire;
- (d) Any organisation in Oxfordshire providing services for children or vulnerable adults, including work to cover safeguarding issues;
- (e) Any organisation in Oxfordshire that is providing services that were previously provided directly by the County Council;
- (f) Any public body in Oxfordshire.

The charges for undertaking such work shall be reviewed each year as part of the Fees and Charges report to the Cabinet.

12. This policy would apply to services provided by the Directorates and the Chief Executive's Office alike.

### **Potential Extension of the Proposed Solution**

13. Clearly other local authorities will be experiencing similar issues in their own authorities. There is an opportunity should the need arise for Oxfordshire to provide services across its borders into neighbouring authorities.
14. Bearing in mind that the Council is unlikely to be asked to provide support services to all services and academies that are externalised, this may be an opportunity to replace that income in order to further protect services.
15. It is proposed therefore that:

Work may be undertaken to the same organisations listed in paragraph 10 above that are operating in:

- (a) Buckinghamshire;
- (b) Milton Keynes; or
- (c) Other neighbouring LA areas;

subject to working with the knowledge of and in reasonable co-operation with the relevant local authority, rather than against their wishes.

### **Provision of Service to Other Public Bodies**

16. If approved, the policy proposed above would not give authority for specific services, or indeed support service generally, to be provided to other local authorities or other public bodies. Such decision would still need to be taken on an individual basis by the Cabinet. This is necessary to continue to ensure work provided to third parties is not undertaken to the detriment of County Council services.

### **Financial Implications**

17. There are financial implications of providing some services to third parties. In particular there has been a need for Oxfordshire Customer Services to undertake some development work on SAP to enable Financial and Payroll Services to be provided to Academies. In total the overall initial set up cost is £172,000. There will be a further set up cost of £6,250 per new academy.
18. To cover this cost, the initial agreement with academies is for them to be charged an initial 'joining' fee to cover their set up cost and to make a contribution to the initial set up cost. The expectation is that the initial set up cost will be recovered once we have signed up about 40 academies.
19. In relation to ongoing costs, OCS has negotiated with academies on the basis that we will charge them the same as we would charge our existing schools, unless there are costs as a direct result of them being academies, in which case we will charge them additional costs we have incurred.

- 20.** In relation to Legal Services, the Solicitors Regulation Authority has a legal practice requirement that in house lawyers require a waiver in order to undertake and charge for legal work for certain outside bodies including academies. The County Council has applied for such a waiver and it is expected to be granted shortly.

**RECOMMENDATION**

- 21.** The Deputy Leader of the Council is **RECOMMENDED** to adopt the following policy in order to protect the cost and quality of internal services:
- i.** Work may be undertaken for:
    - (a)** Previously maintained schools which have converted to academies;
    - (b)** New academies, Free Schools or University Technical Colleges in Oxfordshire;
    - (c)** Other educational institutions in Oxfordshire;
    - (d)** Any organisation in Oxfordshire providing services for children and vulnerable adults, including work to cover safeguarding issues;
    - (e)** Any organisation in Oxfordshire that is providing services that were previously provided directly by the County Council;
    - (f)** Any public body in Oxfordshire.
  - ii.** The charges for undertaking such work shall be reviewed each year as part of the Fees and Charges report to the Cabinet.
  - iii.** Work may be undertaken to the same organisations in i. above that are operating in:
    - (a)** Buckinghamshire;
    - (b)** Milton Keynes; or
    - (c)** Other neighbouring local authority areas.

**subject to working with the knowledge of and in reasonable co-operation with the relevant local authority, rather than against their wishes.**

PAUL GERRISH  
Deputy Director Oxfordshire Customer Services

Background papers: None  
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[Sept 2011]