Public Document Pack

OXFORDSHIRE
COUNTY COUNCIL

To: Members of the Cabinet

Notice of a Meeting of the Cabinet

Tuesday, 16 September 2014 at 2.00 pm

County Hall, Oxford, OX1 1ND

Joanna Simons

Joanna Simons
Chief Executive

September 2014

Contact Officer: **Sue Whitehead**
Tel: (01865) 810262; E-Mail: sue.whitehead@oxfordshire.gov.uk

Membership

Councillors

Ian Hudspeth	Leader of the Council
Rodney Rose	Deputy Leader of the Council
Mrs Judith Heathcoat	Cabinet Member for Adult Social Care
Nick Carter	Cabinet Member for Business & Customer Services
Melinda Tilley	Cabinet Member for Children, Education & Families
Lorraine Lindsay-Gale	Cabinet Member for Cultural & Community Services
David Nimmo Smith	Cabinet Member for Environment
Lawrie Stratford	Cabinet Member for Finance
Hilary Hibbert-Biles	Cabinet Member for Public Health & the Voluntary Sector

*The Agenda is attached. Decisions taken at the meeting
will become effective at the end of the working day on Wednesday 24 September 2014
unless called in by that date for review by the appropriate Scrutiny Committee.
Copies of this Notice, Agenda and supporting papers are circulated
to all Members of the County Council.*

Date of next meeting: 21 October 2014

Declarations of Interest

The duty to declare…..
Under the Localism Act 2011 it is a criminal offence to
(a) fail to register a disclosable pecuniary interest within 28 days of election or co-option (or re-election or re-appointment), or
(b) provide false or misleading information on registration, or
(c) participate in discussion or voting in a meeting on a matter in which the member or co-opted member has a disclosable pecuniary interest.

Whose Interests must be included?
The Act provides that the interests which must be notified are those of a member or co-opted member of the authority, **or**
- those of a spouse or civil partner of the member or co-opted member;
- those of a person with whom the member or co-opted member is living as husband/wife
- those of a person with whom the member or co-opted member is living as if they were civil partners.

(in each case where the member or co-opted member is aware that the other person has the interest).

What if I remember that I have a Disclosable Pecuniary Interest during the Meeting?.
The Code requires that, at a meeting, where a member or co-opted member has a disclosable interest (of which they are aware) in any matter being considered, they disclose that interest to the meeting. The Council will continue to include an appropriate item on agendas for all meetings, to facilitate this.

Although not explicitly required by the legislation or by the code, it is recommended that in the interests of transparency and for the benefit of all in attendance at the meeting (including members of the public) the nature as well as the existence of the interest is disclosed.

A member or co-opted member who has disclosed a pecuniary interest at a meeting must not participate (or participate further) in any discussion of the matter; and must not participate in any vote or further vote taken; and must withdraw from the room.

Members are asked to continue to pay regard to the following provisions in the code that *"You must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself"* or *"You must not place yourself in situations where your honesty and integrity may be questioned…..".*

Please seek advice from the Monitoring Officer prior to the meeting should you have any doubt about your approach.

List of Disclosable Pecuniary Interests:
Employment (includes*"any employment, office, trade, profession or vocation carried on for profit or gain*".), **Sponsorship, Contracts, Land, Licences, Corporate Tenancies, Securities.**

For a full list of Disclosable Pecuniary Interests and further Guidance on this matter please see the Guide to the New Code of Conduct and Register of Interests at Members' conduct guidelines. http://intranet.oxfordshire.gov.uk/wps/wcm/connect/occ/Insite/Elected+members/ or contact Glenn Watson on (01865) 815270 or glenn.watson@oxfordshire.gov.uk for a hard copy of the document.

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.

AGENDA

♲ recycled paper

1.   Apologies for Absence

2.   Declarations of Interest

- guidance note opposite

3.   Minutes (Pages 1 - 16)

To approve the minutes of the meeting held on 15 July 2014 (**CA3**) and to receive information arising from them.

4.   Questions from County Councillors

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

5.   Petitions and Public Address

6.   Service & Resource Planning Report 2015/16 - September 2014 (Pages 17 - 74)

Cabinet Member: Finance
Forward Plan Ref: 2014/053
Contact: Stephanie Skivington, Corporate Finance Manager Tel: (01865) 323995

Report by Chief Finance Officer (**CA6**).

This report is the first in a series on the Service & Resource Planning process for

2015/16, providing councillors with information on budget issues for the next financial year and the medium term. The report presents the assumptions on which the existing Medium Term Financial Plan (MTFP) is based, the financial strategy that informs the budget setting process, known and potential financial issues for 2015/16 and beyond which impact on the existing MTFP, and proposes a process for Service & Resource Planning for 2015/16 including a timetable of events.

The Cabinet is RECOMMENDED to:

(a)   note the report;

(b)   approve the Service and Resource Planning process for 2015/16; and

(c)   approve the updated Financial Strategy set out at Annex 3a.

7.   Ofsted Inspection of Children's Services (Pages 75 - 116)

Cabinet Member: Children, Education & Families
Forward Plan Ref: 2014/093
Contact: Lucy Butler, Deputy Director for Children's Social Care & YOS Tel: (01865) 815165

Report by Director for Children's Services (**CA7**).

To note and to seek endorsement of the Council's response to the recent Ofsted Inspection of Children's Services.

Cabinet is Recommended to:

(a)   approve the Action Plan for submission to Ofsted; and

(b)   request the Performance Scrutiny Committee to undertake a 6 monthly review of progress.

8.   Strategic Economic Plan and the Local Growth Deal(SEP) Update (Pages 117 - 134)

Cabinet Member: Leader
Forward Plan Ref: 2014/108
Contact: Richard Byard, Service Manager – Economy and Skills Tel: 07584 909508

Report by Director for Environment & Economy (**CA8**).

The purpose of the report is to provide Cabinet with an update on Oxfordshire's recently announced Local Growth Fund (LGF) allocation to 2021 and the process for future LGF funding rounds. The report also seeks approval to further develop the approved schemes and to support match-funding being identified in the Council's capital programme for 2015/16.

The Cabinet is Recommended to agree that County Council lead schemes noted in paragraphs 10 and 11 of this report are brought forward as part of the 2015/16 capital programme to ensure proper revenue and resource planning can be undertaken.

9. **Highways Asset Management Plan** (Pages 135 - 166)

Cabinet Member: Environment
Forward Plan Ref: 2014/119
Contact: Steve Smith, Service Manager – Network & Asset Management Tel: (01865) 810435

Report by Director for Environment & Economy (**CA9**).

Officers have produced an updated strategy for maintenance of the public highway in the form of a Highway Asset Management Plan. The draft document is submitted to Cabinet for consideration and adoption as Council policy.

The Cabinet is RECOMMENDED to approve the Highways Asset Management Policy and Strategy.

10. **Outcome Based Contracting for Mental Health and Older People Services** (Pages 167 - 176)

Cabinet Member: Adult Social Care
Forward Plan Ref: 2014/091
Contact: Benedict Leigh, Strategic Commissioner – Adults Tel: (01865) 323577

Report by Director for Adult Social Services (**CA10**).

Outcomes Based Contracting is an NHS priority as a way of managing spending and activity by making health care providers responsible for delivering outcomes, rather than paying them for activity. The substantial and ongoing pressures on health and social care services, and large activity pressures with acute (hospital) care mean that there needs to be action to manage costs and activity over the medium term.

The total budget going in to outcomes based contracting from Oxfordshire County Council is £11.2m. This is 4.1% of the total of the two pooled budgets (£281m). It is 10% of the total outcomes based contracting budget of £111.6m. £62m (55%) from pooled budgets, the remainder from Oxfordshire Clinical Commissioning Group.

Cabinet is recommended to:
(a) ***Support the transition of the NHS to focus on outcomes rather than activities as the right direction for the benefit of the health of people in Oxfordshire; to recognise that the change is essential if the NHS in Oxfordshire is to be able to manage with the resources available and that the NHS managing within the resources is crucial to securing the resources of £8m from the Better Care Fund to protect Adult Social Care services and to secure resources to pay for the costs of the new Care Act.***

(b) *delegate authority to negotiate Oxfordshire County Council's engagement with these two OBC contracts to the Director of Adult Social Services with certain conditions namely:*

(i) *that this is limited to adult social care services for people with mental health problems and reablement and intermediate care services for older people;*

(ii) *that there are specific outcome measures for both reablement and intermediate care that relate to our strategy of limiting demand for health and social care;*

(iii) *that there is a genuine pooling of resources for mental health; and*

(iv) *that the final negotiated position is subject to the prior agreement of the County Solicitor as to compliance with proper procurement requirements.*

11. Deprivation of Liberty Safeguards Resource Implications following Supreme Court Judgment in March 2014 (Pages 177 - 184)

Cabinet Member: Adult Social Care
Forward Plan Ref: 2014/111
Contact: Kate Terroni, Area Service Manager – District Team Service Area Central Tel: (01865) 815792

Report by Director of Adult Social Services (**CA11**).

The Cheshire West judgment was handed down by the Supreme Court on 19th March 2014. This judgment has had a significant impact on the workload to meet the Deprivation of Liberty Safeguards (DoLS) due to the increased scope of the definition of 'deprivation of liberty' and consequently the number of service users that are now within the remit of Deprivation of Liberty Safeguarids who are placed within care homes and hospitals.

This report provides an understanding of the Deprivation of Liberty Safeguards, the context to this judgment and the operational impact of responding to the judgment in Oxfordshire. The report considers the risks to Oxfordshire County Council and how these are being addressed and managed and the need to consider how to meet the additional responsibilities on the Department.

The Cabinet is RECOMMENDED to note the impact of the Cheshire West judgement on the Authority due to the significant increase in requests in order to meet our statutory requirements, through increased staffing and financial resources and note the actions taken to manage these impacts.

12. Governance and Constitution Review 2014 - September (Pages 185 - 208)

Cabinet Member: Leader
Forward Plan Ref: 2014/080
Contact: Peter Clark, County Solicitor & Monitoring Officer Tel: (01865) 323907

Report by County Solicitor & Monitoring Officer (**CA12**).

In April 2013, the Council adopted new governance arrangements which came into effect following the May 2013 elections. The Council asked its Monitoring Officer to review the effectiveness of these decision-making arrangements a year after their coming into operation, along with the underlying Constitution. His recommendations will be considered by Full Council on 9 December. This report therefore summarises the emerging issues from the Monitoring Officer's review.

Cabinet is RECOMMENDED to consider and endorse the direction of travel of the review.

13.   Staffing Report - Quarter 1 - 2014 (Pages 209 - 214)

Cabinet Member: Deputy Leader
Forward Plan Ref: 2014/054
Contact: Sue Corrigan, Strategic HR Manager Tel: (01865) 810280

Report by Chief Human Resources Officer(**CA13**).

The report provides an update on staffing numbers and related activity during the period 1 April 2014 to 30 June 2014. Progress is also tracked on staffing numbers since 31 March 2014 as we continue to implement our Business Strategy.

The Cabinet is RECOMMENDED to:

(a)   note the report; and

(b)   confirm that the Staffing Report meets the requirements in reporting and managing staffing numbers.

14.   Forward Plan and Future Business (Pages 215 - 218)

Cabinet Member: All
Contact Officer: Sue Whitehead, Committee Services Manager (01865 810262)

The Cabinet Procedure Rules provide that the business of each meeting at the Cabinet is to include "updating of the Forward Plan and proposals for business to be conducted at the following meeting".   Items from the Forward Plan for the immediately forthcoming meetings of the Cabinet appear in the Schedule at **CA14.** This includes any updated information relating to the business for those meetings that has already been identified for inclusion in the next Forward Plan update.

The Schedule is for noting, but Cabinet Members may also wish to take this opportunity to identify any further changes they would wish to be incorporated in the next Forward Plan update.

The Cabinet is RECOMMENDED to note the items currently identified for

forthcoming meetings.

15. Exempt Item

In the event that any Member or Officer wishes to discuss the information set out in Appendix C to Annex 1 and in Annex 2 to Item 16, the Cabinet will be invited to resolve to exclude the public for the consideration of those Annexes by passing a resolution in relation to that item in the following terms:

"that the public be excluded during the consideration of the Annexes since it is likely that if they were present during that discussion there would be a disclosure of "exempt" information as described in Part I of Schedule 12A to the Local Government Act, 1972 and specified below the item in the Agenda".

NOTE: The report does not contain exempt information and is available to the public. The exempt information is contained in the confidential appendix and annex.

THE APPENDIX AND ANNEX TO THE ITEM NAMED HAVE NOT BEEN MADE PUBLIC AND SHOULD BE REGARDED AS 'CONFIDENTIAL' BY MEMBERS AND OFFICERS ENTITLED TO RECEIVE THEM.

THIS IS FOR REASONS OF COMMERCIAL SENSITIVITY.

THIS ALSO MEANS THAT THE CONTENTS SHOULD NOT BE DISCUSSED WITH OTHERS AND NO COPIES SHOULD BE MADE.

16. A34 Major Improvement Schemes (Pages 219 - 242)

Cabinet Member: Environment
Forward Plan Ref: 2014/116
Contact: Jeremy Hollard, Commercial Delivery Manager Tel: 07765 906891

Report by Director for Environment & Economy (**CA16**).

The information contained in the annex is exempt in that it falls within the following prescribed category:

3.   Information relating to the financial or business affairs of any particular person (including the authority holding that information)

and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that where a tender or bidding process is in progress disclosure would distort the proper process of open competition and would prejudice the position of the authority in the process of the transaction and the Council's standing generally in relation to such transactions in future, to the detriment of the Council's ability properly to discharge its fiduciary and other duties as a public authority.

Cabinet is asked to:

> *(a)* ***approve the Stage 2 – Full Business Case for the Milton Interchange scheme.***
>
> *(b)* ***give delegated authority to the Director for Environment and Economy in consultation with the Leader to Award the contract for construction once tender assessment is complete and provided the costs are within the budget envelope***

17. Better Care Fund (Pages 243 - 246)

Cabinet Member: Adult Social Care
Forward Plan Ref: 2014/133
Contact: Ben Threadgold, Service Manager – Policy & Performance Tel: (01865) 328219

Report by Director for Adult Social Services Services (**CA17**).

The purpose of this paper is to seek agreement on the proposed use of the Better Care Fund in Oxfordshire, prior to submission to NHS England by 19 September 2014. This is an update to the plan previously agreed by Cabinet and the Health and Wellbeing Board in March 2014, to reflect updated Government guidance and requirements issued in July and August 2014.

It is a Government requirement that plans are agreed by the Health and Wellbeing Board prior to submission, as well as the County Council and Oxfordshire Clinical Commissioning Group.

The Cabinet is RECOMMENDED to:

Agree the Better Care Fund Plan for Oxfordshire for submission to NHS England by 19th September 2014, subject to the inclusion of any necessary changes which may be required following consideration by the Health and Wellbeing Board and Clinical Commissioning Group Governing Body as agreed by Chairman (Leader of the Council) and Vice Chairman (Clinical Chair of the Clinical Commissioning Group) of the Health and Wellbeing Board.

This page is intentionally left blank

CABINET

MINUTES of the meeting held on Tuesday, 15 July 2014 commencing at 2.00 pm and finishing at 4.16 pm

Present:

Voting Members: Councillor Ian Hudspeth – in the Chair
Councillor Rodney Rose
Councillor Mrs Judith Heathcoat
Councillor Nick Carter
Councillor Melinda Tilley
Councillor Lorraine Lindsay-Gale
Councillor David Nimmo Smith
Councillor Arash Fatemian
Councillor Louise Chapman
Councillor Hilary Hibbert-Biles

Other Members in Attendance:

Officers:

Whole of meeting	Joanna Simons (Chief Executive); Sue Whitehead (Chief Executive's Office)
Part of meeting	
Item	Name
6	Lewis Gosling (Treasury Management & Pension Fund Investment)
8	Jonathan McWilliam, Director of Public Health
9	Jim Leivers, Director for Children, Education & Families; Janet Johnson, Children with SEN Manager
10	Chris Kenneford, Service Manager - Planning Regulation; Peter Day (Minerals & Waste Policy Team)
11	Lorna Baxter, Chief Finance Officer; Steve Munn, Chief HR Officer; Graham Shaw, Deputy Director – Oxfordshire Customer Services
12	Diane Cameron, School Organisation Officer
13	Diane Cameron, School Organisation Officer
15	Maggie Scott, Head of Policy

The 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, and decided as set out below. Except insofar as otherwise specified, the reasons for the decisions are contained in the agenda, reports and schedule, copies of which are attached to the signed Minutes.

60/14 MINUTES
(Agenda Item. 3)

The minutes of the meeting held on 16 June 2014 were approved and signed.

61/14 QUESTIONS FROM COUNTY COUNCILLORS
(Agenda Item. 4)

Councillor Howson had given notice of the following question to Councillor Melinda Tilley:

"In view of the comments in paragraph 66 of the Treasury Management Outturn for 2013/14 about the total level of revenue balances held by schools, will the Cabinet member identify those primary schools that have held more than 8% of their annual budget in reserves at the end of all of the last three financial years, in order that an explanation may be made of what success there has been in persuading such schools to spend this money on the education of the children that currently attend the school?"

Councillor Tilley replied:

"Members will note that this matter is the subject of a paper that will be discussed at Education Scrutiny later this week, and that the Deputy Director for Education and Early Intervention will challenge the use of balances with schools identified as having consistently held excess balances. Work is on-going to scrutinise and challenge the balances held by individual schools, where excess balances have been held consistently over a number of years. Based on this work, a number of schools will be invited to meet with the Deputy Director and discuss their proposed use of balances to support the education of pupils currently attending the school.

A list of Primary school balances is available on the web site (and attached as an annex to the minutes) for the last 4 financial years, based on DfE published schools outturn information, and including the provisional figures for 2013-14 which are still subject to audit.

The 2013-14 original revenue funding column was compiled on a different basis from the total revenue funding used in the final outturn data published by the DfE. The 2013-14 column includes only the schools' main budget share and does not include pupil premium or other school generated income such as lettings. The impact is to overstate the % of the revenue balance for 2013-14 compared to previous years. Further work is being done to refine these calculations for 2013-14. This will allow attention to be focussed on those schools that have consistently held excess balances where there does not appear to be an acceptable reason for holding those balances. 32 Primary schools have initially been identified as holding excess balances at the end of the last 4 years.

It may be reasonable, for example, for a school to have held balances to meet the costs of an approved scheme within the capital programme e.g furnishing a new classroom or other significant project. "

Supplementary: In response to a question from Councillor Howson querying how given the level of revenue balances Councillor Tilley justified the County Council remaining a member of the F40 Group of local authorities arguing that they were underfunded, Councillor Tilley replied that the two things were not connected

Councillor Roz Smith had given notice of the following question to Councillor Nick Carter:

"Which school capital projects, due to provide space for additional pupils in September 2014, are currently so far behind schedule they will not be ready at least one week before schools re-open in September?"

Councillor Carter replied:

"In the 2014/15 Basic Need Programme, there are 12 projects which require the delivery of new space for extra pupils in September 2014. Four of these are behind schedule (because of unforeseen ground conditions, third-party works, etc).

The four projects are St Gregory the Great, Botley Primary, Cowley St Christopher and Bletchington Primary. In each case, alternative arrangements have been made to accommodate the delay."

Supplementary: Councillor Roz Smith queried what alternative arrangements were in place for Windmill School should the works not be completed. Councillor Carter gave assurances that in general terms if there was a danger of slippage there would always be adequate alternative arrangements and he undertook to provide Councillor Smith with a detailed answer.

Councillor Pressel had given notice of the following questions to Councillor Hilary Hibbert Biles:

"ITEM 8 –

There are 4 groups of people in Oxfordshire who are particularly likely to suffer poor health. I'd like to know, please, what the Cabinet intends to do about this?

1) People in poverty

Although it is possible to live a healthy life on a low income, it is much more difficult. We have seen the rich grow richer and the poor grow poorer in the last 4 years. Please can you lobby the government to say that it is unfair to make poor people in our country pay the price for the bankers' greed?"

Councillor Hibbert Biles replied:

"Through Public health initiatives we target those groups with the worst outcomes – though these are not necessarily always those on low incomes as other inequalities arise from poor access to services, such as in rural areas or because of language or cultural barriers. Examples include:

- Breaking the Cycle of Deprivation work in Oxford and Banbury e.g. targeting smoking cessation work, mental wellbeing initiatives,

- Focussing on young mothers to support them in breastfeeding their babies

- Making sure access to drugs and alcohol treatment is spread across the county.

Other Council initiatives which target inequalities and poor outcomes (regardless of income) might include:

- reducing the number of young people not in Employment Education and Training - through the Early Intervention Service

- support for young carers"

"2) People in some ethnic minority groups.

The reason this currently escapes much attention is because, astonishingly, GPs are not required to record the ethnicity of their patients. There is some national data (e.g. it is thought that women of Pakistani and Bangladeshi origin are 3 times more likely than white women to commit suicide), but it is not possible to say whether this also applies to Oxfordshire. Please will the Cabinet press our GPs to change their practice? The government should act on a national level."

Councillor Hibbert Biles replied:

"The recording in GP systems is set out in the national GP contract. There is little chance that this can be changed locally.

Members of the Council may be interested to know that the whole of the Public Health Surveillance Dashboard is now available as a public resource. It can be found on the County Council public website and comprises analysis and interpretation of over 100 measures of the population's health."

 "3) People who are or have been dependent on drugs or alcohol

Your page 102 shows that we are going to be addressing this well, but something more fundamental is required: the "war on drugs" is not working.

Please join other groups in pressing the government to come up with a new approach."

Councillor Hibbert Biles replied:

"Thank you for acknowledging the work being carried out to address Drug & Alcohol recovery. Public Health England (PHE) is the lead agency for advising on national policy with regard to drugs and alcohol, the public health team in the Local Authority works closely with PHE colleagues in ensuring that all avenues are pursued in tackling drug problems."

"4) People who are obese

Some action is taking place (your page 97), but this is far from enough. Almost all health professionals agree that the government needs to act. We need either regulation of the amount of fat and sugar in our food (and voluntary regulation is not working anything like well enough) or a tax on junk food and drinks or both. Please add your voice to the voices in the NHS which are calling for this. It will save money and lives."

Councillor Hibbert Biles replied:

"Ensuring that the people of Oxfordshire achieve and maintain a healthy weight is a priority for the Public Health directorate. We have recently developed a healthy weight strategy that acknowledges the complex factors that are contributing to the rising rates of obesity in both adults and children. At a local level, as well as successful weight loss programmes, we are focusing on working with a diverse range of partners to address some of the environmental and cultural barriers people face when trying to achieve and maintain a healthy weight. For example, we are developing a working strategy with planning and transport colleagues to encourage active transport choices wherever possible for people's everyday journeys to work, school and local infrastructure.

We are also very aware of the fact that unhealthy food choices often develop in childhood and our EatWell, MoveMore summer campaign is taking the EatWell plate in to schools and out to playday activities and other festivals around the County. The EatWell plate is an excellent visual resource and activity developed by nutritionists and public health experts, which allows children to easily understand what is meant by a balanced diet. We also plan to develop a programme of work in conjunction with the oral health promotion team to address children's consumption of fizzy drinks in the County.

For National issues such as taxation and reducing sugar and fat content in food products, we work closely with our colleagues in Public Health England (PHE). PHE are our National representatives and are responsible for effecting change at this level, as well as supporting our efforts locally."

62/14 PETITIONS AND PUBLIC ADDRESS
(Agenda Item. 5)

The following requests to address the meeting had been agreed:

Item 6 – Councillor Nick Hards, Shadow Cabinet Member for Finance

Item 7 – Councillor Nick Hards, Shadow Cabinet Member for Finance

Item 8 – Councillor Glynis Phillips, Shadow Cabinet Member for Public Health & the Voluntary Sector

Item 9 – Councillor Gill Sanders, Shadow Cabinet Member for Children, Education & Families;
Councillor John Howson, Local councillor

Item 10 – Councillor John Sanders, Shadow Cabinet Member for Environment

Item 11 – Councillor Liz Brighouse, Opposition Leader in the absence of Councillor Christie as Opposition Deputy Leader;
Councillor John Howson; local councillor
Councillor Michael Waine, local councillor
Ian Jones, Secretary of the Council of Oxfordshire Teachers' Organisations (COTO);
Ms Catharine Darnton, Headteacher, Gillotts School

63/14 TREASURY MANAGEMENT OUTTURN 2013/14
(Agenda Item. 6)

Cabinet considered the report setting out the Treasury Management activity undertaken in the financial year 2013/14 in compliance with the CIPFA Code of Practice. The report included Debt and Investment activity, Prudential Indicator Outturn, changes in Strategy, and interest receivable and payable for the financial year.

Councillor Hards speaking as Shadow Cabinet Member for Finance commented that some people found it surprising that the council has on average £349m of surplus cash alongside debt of £388m as the complexities of running a Local Authority the size of Oxfordshire were all too often underestimated. He highlighted that with growth in the county there was a need to secure infrastructure ranging from roads to broadband to schools. He also referred to the need to develop facilities for looking after vulnerable children and make provision for adults with learning difficulties and very elderly people who can no longer look after themselves. There will always need to be capital investments with democratic accountability for the management of those investments. He referred to additional other factors that all combined to make the council's Treasury Management a complicated

exercise. He indicated that he was impressed with the skill and dedication of the staff concerned.

He highlighted a number of areas where there was a need to exercise particular caution including with credit ratings and lending to other local authorities. He asked that there be sufficient staff in the team with the skills and time to do the job properly. He further sought assurance that the County Council's lending to other authorities is carefully scrutinised at all times and that no undue risks are involved in particular with regard to Scottish authorities in the light of the independence referendum.

Councillor Fatemian paid tribute to the hard work and dedication of the team. He highlighted that the Council was living within its means with no new borrowing as referred to in paragraph 17. He added that a line had now been drawn with regard to Landsbanki with 95% of the money recovered. Councillor Fatemian thanked Councillor Hards for his efforts through the year and gave an assurance that there was continual scrutiny with all lending closely monitored. Lewis Gosling explained the approach to lending to Scottish authorities.

RESOLVED: to note the report and to **RECOMMEND** Council to note the Council's Treasury Management Activity in 2013/14.

64/14 2014/15 FINANCIAL MONITORING & BUSINESS STRATEGY DELIVERY REPORT - MAY 2014
(Agenda Item. 7)

Cabinet had before them a report that focussed on the delivery of the Directorate Business Strategies that were agreed as part of the Service and Resource Planning Process for 2014/15 – 2017/18. Parts 1 and 2 included projections for revenue, reserves and balances as at the end of May 2014. Capital Programme monitoring and update is included at Part 3 and Part 4 sets out a change to un-ringfenced grant funding in 2014/15. Changes to Fees and Charges are included at Part 5.

Councillor Hards, Shadow Cabinet Member for Finance highlighted the main problem areas: the Children, Education & Families (CEF) budget and the Social & Community Services (S&CS) budget. Although accepting that it was early in the year he doubted if all the hoped for savings would be realised and was worried that staff savings in the CEO and E&E budgets would be used to meet the targets. He expressed concern for staff and referred to a duty of care owed to all staff.

Councillor Hards highlighted one or two of the pressures on costs in CEF, including the home to school transport; the trend in the number of independent foster agency support days. He added that the forecast overspend in the 'All Rights Exhausted' budget, where the achievement of a £150k saving is in doubt, might provoke complaints but he was satisfied with the explanation provided to him by Kathy Wilcox on the nature of the process and its inherent uncertainty. It might however be necessary to look for those

savings elsewhere. Councillor Hudspeth agreed that that was the challenge throughout the budget process and it was a difficult thing to manage.

Cabinet Members responded to the individual points made and in particular the Cabinet Member for Adult Social Care stressed that staff were valued and she appreciated the work of the staff in Adult Social Care. The Cabinet Member for Children, Education & Families noted that home to school transport was expected to deliver savings. Councillor Fatemian in introducing the contents of the report thanked Councillor Hards for some of his comments and endorsed comments about the value placed on staff. He stated that it was early in the year and was showing the worst case scenario. He agreed that there were some underlying concerns and that it would be a challenge to see how those pressures were resolved.

RESOLVED: to:
(a)   note the report;
(b)   approve the virement requests and changes related to unringfenced grants set out in Annex 2a and Part 4;
(c)   approve the supplementary estimate request in Annex 2e;
(d)   note the Treasury Management lending list at Annex 3;
(e)   approve the updated Capital Programme at Annex 8 and the associated changes to the programme in Annex 7c;
(f)   approve the contribution of £1.7m of developer contributions funding to the Cheney Academy to expand the school by an additional class in each year;
(g)   authorise the Director for Children, Education & Families and the Chief Finance Officer to enter into a funding agreement with Cheney Academy to transfer £1.7m of developer funding in stages;
(h)   approve the use of the £1.120m grant to implement the Universal Infant Free School Meal programme and the addition of the scheme to the Capital Programme;
(i)   approve the fees and charges as set out in Part 5 and Annex 9.

65/14 PUBLIC HEALTH ANNUAL REPORT
(Agenda Item. 8)

Cabinet considered the seventh Director of Public Health Annual Report.

As well as reporting on the overall state of health and wellbeing of the county, the paper:

- Reported on the Public Health services that the county council is now responsible for as set out in legislation.
- Reflected on the opportunities afforded by the return of Public Health to Local Government and sketch out some of what the future may hold.

The report analysed these opportunities and included sections reporting on services, important issues and progress in the following chapters:

1.   The Best Start in Life
2.   Improving Quality of Life for All
3.   Reducing Inequalities in Health
4.   Infectious and Communicable Diseases

Glynis Phillips, Shadow Cabinet Member for Public Health and the Voluntary Sector commented on the report. She highlighted the good news on the Thriving families programme, welcomed the innovation around trainees, the support for young carers and for moving services into the workplace and community. She would have preferred to see more outcome-based evidence in the content and noted the duplication in the introduction. She commented that there were missed opportunities in the report such as the lack of reference to smoking cessation and air quality.

Councillor Biles responded to the points made noting that the Council had worked for many years with District Councils over air quality. She stressed that this was an independent report and that the content was determined by the Director for Public Health. On smoking cessation the County Council were doing quite well and she confirmed that school nurses would be picking the issue up. In introducing the report Councillor Hibbert Biles praised the hard work of the Team and referred to the work on commissioning integrated health services which was seen as an exemplar.

Jonathan McWilliam, presented the contents of the report and thanked members for their input including consideration by the Oxfordshire Health Overview & Scrutiny Committee. He highlighted the 6 challenges within the report around mental health, workplaces, smoking quitters, drugs and alcohol, uptake of health checks and working with the University Hospital Trust. He indicated that he saw opportunities in terms of reducing inequalities and the need to shape services to meet the needs of a diverse range of people.

During discussion Councillor Hudspeth noted the comments of the Oxfordshire Health Overview & Scrutiny Committee set out on the addenda. Members generally welcomed the report.

RESOLVED: to **RECOMMEND** Council to receive the report and note its recommendations.

66/14 SEND (SPECIAL EDUCATIONAL NEEDS & DISABILITIES) REFORMS
(Agenda Item. 9)

The Children and Families Act (March, 2014) introduced significant changes affecting children and young people, aged 0 - 25, with special educational needs (SEN) and disabilities. These, in turn, have implications for a number of public bodies, including the Council. The principle changes which impact on the role of the Council include the requirement to publish a 'Local Offer'; the replacement of Statements of SEN with Education, Health and Care

Plans; and personal budgets. Cabinet considered the report that summarised the key issues, their implications and how the Council is responding.

Councillor Gill Sanders welcomed the report but expressed concern over the timetable for implementation from Government and the impact on already overburdened staff.

RESOLVED: to be aware of the significant changes to SEN and disabilities and the challenges facing the Council over the coming years as set out in the report.

67/14 OXFORDSHIRE MINERALS AND WASTE LOCAL PLAN - REVIEW OF STATEMENT OF COMMUNITY INVOLVEMENT
(Agenda Item. 10)

The County Council has a statutory duty to prepare a Statement of Community Involvement (SCI). Cabinet considered a report that set out how the Council will involve the community (consultees, stakeholders and other interested parties) in: preparing and reviewing the Minerals and Waste Local Plan; and making decisions on planning applications for minerals, waste and County Council developments. The Council must comply with its SCI in preparing the Local Plan.

Councillor John Sanders, Shadow Cabinet Member for Environment asked what criteria was used to decide on the statutory consultees, noting that there was not a comprehensive list of Council parishes. He also queried what measures had been taken to consult the general public. Councillor Nimmo Smith replied that all 63 Councillors knew that this was happening and they should be making people aware. Peter Day added that consultation included all Parish and Town Councils in Oxfordshire and they relied on the Councils and established Action Groups to get word out.

Following comments from Councillor Lindsay Gale it was agreed to amend paragraph 5.15 on the review of old mineral permissions to reflect that the process would be similar to that for planning permissions.

RESOLVED*:*   to

(a)   agree the draft revised Oxfordshire Statement of Community Involvement at Annex 1, subject to final detailed amendment, updating and editing, including the change to paragraph 5.15, as a draft for public consultation ;

(b)   authorise the Deputy Director for Environment & Economy (Strategy & Infrastructure Planning) to:

(i)   carry out final detailed amendment, updating and editing of the draft revised Oxfordshire Statement of Community Involvement, in consultation with the Cabinet Member for Environment;

68/14   EXTERNALISATION   OF   BACK   OFFICE/SCHOOL   FACING SERVICES - NEXT STEPS
(Agenda Item. 11)

This report provides an update and next steps in the externalisation of corporate facing HR and Finance back office services and the joint venture proposal to cover school back office and schools learning and foundation years.

Councillor Liz Brighouse, Opposition Leader, stated that the Labour Group supported the public/public partnership as proposed but that there were some issues of concern. There was a risk that people would leave in advance of externalisation and this would need to be managed. There had been a lot of hard work with trade unions to avoid major conflict around human resources such as staff relations: there was a need to ensure that people we need to continue to work sensitively with schools are based in Oxfordshire and available to schools to avoid escalation of issues.

Councillor Howson, speaking as a local councillor, welcomed paragraph 6 but queried if there was any condition on the level of buy in. He expressed concern at the transition cost and asked how the IT funding was to be spent. He was concerned about incompatibility issues between systems. He also expressed concern with regard to education improvement which he hoped would continue to be delivered within the County and that the work of Education Scrutiny would not be downgraded.

Councillor Waine, speaking as a local councillor broadly supported the proposals. He knew that all efforts were being taken to keep schools and governors informed and this was important going forward. Schools were the customers and without their buy in there would be no service. Schools would be looking for value for money, efficiency and accessibility. He queried whether work was being done to ensure the QUEST offers were a local service and requested that schools be totally involved in performance monitoring.

Ian Jones, COTO, stated that following initial fears they were heartened by the proposals. Personal contact was vital and he detailed a number of individual concerns including querying where staff direction would lie. Councillor Tilley thanked Mr Jones and other Trades Union members for their support.

Ms Darnton, speaking as a representative of the Schools Forum, noted the improvement in the proposal from the early stages. She shared concern about the reality of the partnership and the potential for the loss of control which was a key point of negotiations going forward. Named contacts were currently much valued. The change in the period for buy in from 1 year with

Oxfordshire to 3 years for the partnership was a concern and could affect take up.

Councillor Rose, in moving the recommendations commented on the points made and confirmed that efforts had been made to keep all involved. The Council valued its relationship with Trades Unions and policy would remain with Oxfordshire. He noted the requests to keep various aspects local but recognised that it was not possible to keep everything in house and still achieve the savings. Lorna Baxter added that the transition costs included the cost of aligning IT with Hampshire. Steve Munn confirmed that HR policy and strategy remained with Oxfordshire County Council. Graham Shaw added that with regard to the 3 year contracts that 1 year contracts were hard to sustain and 3 years was the norm.

RESOLVED: to:

(a)   agree to join the Hampshire partnership as an operational partner for the provision of back office support services with an expected go-live date of 1st July 2015.

(b)   note that a report will be brought to Cabinet in September 2014 setting out the progress made towards a business case for a second partnership with Hampshire concerning a range of school improvement and support services.

69/14 MODIFICATION TO APPROVED ALTERATION OF AGE RANGE AT ST EDBURG'S CE (VA) PRIMARY SCHOOL, BICESTER
(Agenda Item. 12)

In July 2012, Cabinet approved the proposal for St Edburg's CE (VA) Primary School in Bicester to alter its age range in order to establish a Nursery class. The alteration is linked to the future relocation and expansion of the school to a new building in the Kingsmere housing development.

The relocation of the school is delayed and so the original implementation date cannot be met and must be postponed until the school is in its new building. Under the Guidance that the original approval was given, a change of implementation date must be approved by the same Decision Maker (Cabinet). Cabinet had before them a report seeking approval of the modified implementation date.

Michael Waine, speaking as a local councillor commented that he had worked with the school on the project since its inception. He was aware of the problems that had beset it and in supporting the project he asked that every effort be taken to expedite matters to ensure the school was ready for September 2015.

Councillor Tilley in moving the recommendation proposed that in future such procedural reports come to her delegated decision making meetings rather than Cabinet unless there were exceptional circumstances.

RESOLVED: to:

(a)   approve the modification to the implementation date of the approved alteration of age range at Edburg's CE (A) Primary School, Bicester; and

(b)   agree that future alteration of age ranges and similar proposals on school organisation be determined by the Cabinet Member for Children, Education & Families at delegated decision making sessions rather than Cabinet unless there are exceptional circumstances.

70/14 RECOMMENDED SPONSOR FOR THE NEW PRIMARY SCHOOL FOR BARTON, OXFORD - REPORT ON THE SELECTION PROCESS FOR APPROVED PROVIDERS AND APPROVAL OF PREFERRED OPTION
(Agenda Item. 13)

The Cabinet meeting of 4 September 2012 approved a process for the identification of sponsors for new academies to meet the needs of population growth such as this which requires a new primary school for 2015.

This process has been followed for a new primary school for Barton, Oxford and Cabinet considered a report seeking approval to the recommended provider which will be submitted to the Secretary of State for Education for a final decision.

Glynis Phillips, speaking as a local councillor, supported the recommendations.

RESOLVED: to approve the Cheney School Academy Trust as the preferred provider to be submitted to the Secretary of State for Education for final agreement.

71/14 RECOMMENDED SPONSOR FOR THE FIRST NEW PRIMARY SCHOOL FOR NW BICESTER - REPORT ON SELECTION PROCESS FOR POTENTIAL PROVIDERS AND APPROVAL OF PREFERRED OPTION
(Agenda Item. 14)

The Cabinet meeting of 4 September 2012 approved a process for the identification of sponsors for new academies to meet the needs of population growth such as this which requires a new primary school for 2015.

This process has been followed and Cabinet considered a report seeking approval of the preferred provider which will be submitted to the Secretary of State for Education for a final decision.

In addition the Cabinet was asked to consider whether similar decisions on further schools should be made by the Lead Cabinet Member unless there are exceptional circumstances. Councillor Gill Sanders, Shadow Cabinet Member for Children, Education & Families supported the proposals but felt that it would be better if similar recommendations came to Cabinet for transparency to allow councillors to be involved thus strengthening the recommendation to the Secretary of State for Education. The Leader clarified that the Cabinet Member would take such decisions at her delegated decision making sessions which were public meetings.

RESOLVED: to agree

(a)   the White Horse Federation as the recommended provider to be submitted to the Secretary of State for Education for final agreement; and

(b)   that in future the preferred provider for a new school should be approved by the Lead Cabinet Member with responsibility for Children, Education & Families in a delegated decision meeting rather than Cabinet, unless there are exceptional circumstances.

72/14   CABINET BUSINESS MONITORING REPORT FOR QUARTER 4
(Agenda Item. 15)

Cabinet had before them a report that provided details of performance for quarter four for the Cabinet to consider. The report is required so that the Cabinet can monitor the performance of the Council in key service areas and be assured that progress is being made to improve areas where performance is below the expected level.

Councillor Liz Brighouse, Chairman of the Performance Scrutiny Committee informed Cabinet of the approach The Performance Scrutiny Committee had taken and noted that it was for them to work effectively to focus in depth on particular performance indicators. At the last meeting they had looked at adult social care and she thanked Councillor Heathcoat and John Jackson, Director for Social & Community Services for their attendance. They had also looked at Children, Education & Families and in particular had focussed on NEETs.

Following discussion:

RESOLVED: to note the performance reported in the dashboards.

73/14   FORWARD PLAN AND FUTURE BUSINESS
(Agenda Item. 16)

The Cabinet considered a list of items for the immediately forthcoming meetings of the Cabinet.

RESOLVED: to note the items currently identified for forthcoming meetings.

74/14 DELEGATED POWERS OF THE CHIEF EXECUTIVE - JULY 2014
(Agenda Item. 17)

RESOLVED: to note the following executive decisions taken by the Chief Executive under the specific powers and functions delegated to her under the terms of Part 7.3 of the Council's Constitution – Paragraph 6.3.1(A)(c)(i).

Date	Subject	Decision	Reasons for Urgency
7 February 2014	Provision of Drug & Alcohol Education in Secondary Schools	Approved a contract award for the provision of drug and alcohol education in secondary schools to "The Training Effect" for two years with an option to extend for up to a further 24 months at a total value of £521,240	To ensure continuity of service provision of a statutory service following transfer of functions from Public Health to local authority.

75/14 EXEMPT ITEM
(Agenda Item. 18)

RESOLVED: that the public be excluded during the consideration of the Annex to Item 19 since it is likely that if they were present during that discussion there would be a disclosure of "exempt" information as described in Part I of Schedule 12A to the Local Government Act, 1972 and specified below the item in the Agenda.

76/14 DIDCOT GREAT WESTERN PARK - PRIMARY SCHOOL
(Agenda Item. 19)

The information contained in the annex to the report is exempt in that it falls within the following prescribed category:

3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)
and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that where a tender or bidding process is in progress disclosure would distort the proper process of open competition and

....

would prejudice the position of the authority in the process of the transaction and the Council's standing generally in relation to such transactions in future, to the detriment of the Council's ability properly to discharge its fiduciary and other duties as a public authority.

As a consequence of a new 3,300 unit housing development at Great Western Park, Didcot, there is an immediate need to provide a 420 pupil Primary school within the development for September 2015. Outline Planning consent has been gained for the overall development (housing and schools etc.) by the developer; associated with which is a S106 agreement securing land and contributions towards various infrastructure, including the proposed primary school. Work to complete this new school project commenced in June 2013 and the Cabinet considered a report setting out actions so far and the planned approach to enable detailed design to be completed in order to enable construction to start in October 2014, with completion in time to enable pupils to begin school in September 2015.

RESOLVED: to:

(a)   endorse the progress to date

(b)   delegate to the Chief Finance Officer and Director for Environment & Economy in consultation with the Leader and the local councillor the authority to approve the Stage 2 Full Business Case and the award of the construction contract.

.... in the Chair

Date of signing   2014

Division(s): N/A

CABINET – 16 SEPTEMBER 2014

Service & Resource Planning
2015/16

Report by the Chief Finance Officer

Introduction

1. This report is the first in a series on the Service & Resource Planning process for 2015/16, providing councillors with information on budget issues for the next financial year and the medium term. The report presents the assumptions on which the existing Medium Term Financial Plan (MTFP) is based, the financial strategy that informs the budget setting process, known and potential financial issues for 2015/16 and beyond which impact on the existing MTFP, and proposes a process for Service & Resource Planning for 2015/16 including a timetable of events.

2. Sustained reductions in Government funding combined with pressure to restrict Council Tax increases have resulted in a significant squeeze on Council resources over recent years, at a time when demand for services has been increasing. This financial squeeze is being addressed through new directorate business strategies for the period 2014/15 to 2017/18 agreed by Council in February 2014 and reflected in the MTFP, which build on the previous strategies agreed in 2011. Over the period 2010/11 to 2017/18 the Council plans to save £265m to offset funding reductions and to meet additional expenditure pressures.

3. The following annexes are attached to this report:

    Annex 1a: Review of assumptions in the existing MTFP
    Annex 1b: Previously agreed budget changes 2015/16 – 2017/18
    Annex 2:   Service & Resource Planning timetable for 2015/16
    Annex 3a: Financial Strategy 2014/15 – 2017/18 – refreshed 2015/16
    Annex 3b: Treasury Management Strategy – Interest Rates
    Annex 3c: Corporate Charging Policy
    Annex 4:   Government consultations and announcements

Assumptions in the existing Medium Term Financial Plan

4. The 2014/15 – 2017/18 Medium Term Financial Plan (MTFP) agreed by Council in February 2014 provides for 1% pay inflation, up to 3% contract inflation, 2% income inflation and nothing for general price inflation in 2015/16, with increased provision for pay inflation in later years.

5. The MTFP includes an additional £8m of on-going funding for demographic and other directorate expenditure pressures added over the period 2015/16 – 2017/18, together with £52m of on-going directorate savings and £9m corporate savings to be delivered over the same period.

6. The MTFP assumes £18m general balances and £64m earmarked reserves at the start of 2015/16. The latest financial monitoring report forecasts £12m general balances and £99m earmarked reserves at the end of 2014/15. The Budget Reserve is being used to manage the cash flow implications of the MTFP. It is forecast to go into £6m deficit in 2015/16, rising to £15m in 2016/17. Any temporary use of other reserves or other balances to manage the position would need to be replaced in a subsequent year.

7. General funding (excluding council tax) is estimated to reduce by £18m between 2015/16 and 2017/18 to £111m a year by 2017/18, a reduction of 24% compared to 2014/15. Council tax increases of 1.99% in 2015/16 and 3.0% in each of the following two years are assumed in the MTFP. Total income from Council Tax (including collection surpluses) is estimated to be £309m a year by 2017/18.

8. Further details on the assumptions in the existing MTFP are provided in Annex 1a, and details of previously agreed directorate budget changes (pressures and savings) for 2015/16 - 2017/18 are set out in Annex 1b.

Service & Resource Planning Process

9. Given the uncertainties over future levels of government funding due to the forthcoming General Election, with no government departmental expenditure limits set beyond 2015/16 and a date for the next spending review unknown, it is proposed not to extend the medium term planning period beyond 2017/18. This timeframe also reflects the period of this administration. Limited adjustments will be made to the existing MTFP to reflect any changes to spending and funding assumptions.

10. 2015/16 is the second year of the four-year directorate business strategies approved by Council in February 2014. Directorates will need to identify proposals to meet on-going expenditure pressures highlighted in the Financial Monitoring report to Cabinet and any new expenditure pressures emerging during this planning round and refresh their strategies accordingly.

11. The Performance Scrutiny Committee will meet to consider detailed budget proposals in mid-December 2014 and capital proposals in early January 2015.

12. The draft Local Government Finance Settlement is expected to be announced in mid/late December 2014 with the final settlement expected in early February 2015. This will confirm the general funding available to the Council for 2015/16 and the Council Tax referendum limit to be applied.

13. The District Councils are required to provide Council Tax bases, Council Tax collection surpluses/deficits and business rate forecasts by the end of January 2015. Provisional figures are expected in December 2014.

14. The Council meeting to agree the 2015/16 revenue budget, medium term financial plan and capital programme will take place on 17 February 2015.

15. A timetable for the Service & Resource Planning process is attached at Annex 2.

Relevant Policies and Strategies

Financial Strategy

16. The Financial Strategy sets out how the Council intends to finance its services and priorities and the principles upon which the medium term financial plan and the capital programme are based.

17. A refreshed Financial Strategy for 2015/16 is attached at Annex 3a, following on from a full revision and update in the last service & resource planning round.

Treasury Management – Interest Rates

18. The current MTFP includes the following target rates of return on deposits for the period 2014/15 to 2017/18:

   - 2014/15   0.80%
   - 2015/16   0.80%
   - 2016/17   0.80%
   - 2017/18   1.00%

19. Based on the latest advice from the Council's advisors, past performance on rates achieved on deposits, the current portfolio and market rates, the Treasury Management Strategy Team proposes the strategic measures budget estimates will be based on the following:

   - 2015/16   1.0%
   - 2016/17   1.5%
   - 2017/18   1.9%

20. Further details are provided in Annex 3b.

Corporate Charging Policy

21. The Cabinet agreed an updated Corporate Charging Policy at its meeting on 17 December 2013. The policy is required to be reviewed annually as part of the Service & Resource Planning process.

22. The revised Corporate Charging Policy is attached at Annex 3c. Following last year's full update, only minor changes have been made to the policy this year. Service Managers should have regard to this revised policy in completing the review of charges to be considered by the Cabinet at its meeting in December 2014.

Government consultations and announcements and other developments

23. The Government has initiated a number of consultations and made announcements which have financial implications for the Council. These consultations and announcements, together with other developments, are summarised below, with more details provided in Annex 4.

Finance settlement technical issues

24. The Government is currently consulting on a limited number of technical issues relating to the 2015/16 Local Government Finance Settlement.

25. The increase in the small business rates multiplier for 2014/15 was capped at 2% rather than increasing with the Retail Price Index (3.2%). In 2014/15 local authorities have been compensated for the loss in business rates income[1] through a grant. The Government propose to compensate local authorities in the same way for 2015/16. The Council's estimated compensation in 2014/15 for the cap on the business rates multiplier and additional business rate reliefs announced in the 2013 Autumn Statement is £1.5m. The MTFP assumes that this funding will continue.

26. Some local authorities (including the Council) no longer meet the threshold required to participate in the Carbon Reduction Commitment (CRC) scheme following the Government's withdrawal of all state funded English schools from the scheme. The Government intends to recoup the loss in tax revenue from these local authorities by deducting an amount from their 2015/16 settlement. The Council will lose £0.1m as a result of this deduction.

Business rate pooling

27. The Government has published a revised Business Rates Retention Pooling Prospectus. This updates and replaces the existing Prospectus and provides a timetable for the 2015/16 process.

28. Under the Business Rates Retention Scheme, local authorities can formally seek designation as a pool. This allows the pool members to be treated as if they were a single entity for the purposes of calculating tariffs, top-ups, levies and safety net payments.

---

[1] The compensation relates to both the Council's local share of retained business rates and the business rates top-up grant, both of which would normally increase in line with the September RPI

29. The County Council is part of the North Oxfordshire Business Rates Pool, along with Cherwell District Council and West Oxfordshire District Council. Under this arrangement the County Council gets a 7.5% share of any retained levies, estimated to be £0.1m for 2014/15.

30. Pools that have previously been designated will continue in existence. Any proposed changes to pools must be notified to the Department for Communities and Local Government (DCLG) by 31 October 2014.

Adult Social Care Funding

31. In July 2014 the Government published a consultation on the funding formulae for implementation of the Care Act in 2015/16. This covers the allocations for additional assessments for the cap on care costs, universal deferred payment agreements and social care in prisons. The indicative total revenue grant allocation for the Council is between £3.6m and £3.7m, depending on which options are chosen. The Department of Health has also announced that it will be asking each upper-tier local authority to estimate the cost it faces implementing Care Act reforms amid growing concern the measures will prove unaffordable.

32. The Local Government Association and NHS England have issued updated guidance on the Better Care Fund. The £1bn pay-for-performance framework has been revised so that the proportion that is now linked to performance is dependent solely on an area's scale of ambition in setting a planned level of reduction in total emergency admissions. Better Care Fund Plans are required to be re-submitted by 19 September 2014.

33. A Supreme Court ruling earlier this year is likely to result in a significant increase in the number of Deprivation of Liberty Safeguards assessments required to be made by local authorities and applications to the Court of Protection. Initial work undertaken by the Association of Directors of Adult Social Services suggests that referrals for assessments/applications will increase ten-fold, costing an additional £88m nationally. A separate report on the resource implications for the Council is elsewhere on this agenda.

Education and Schools Funding

34. In March 2014 the Department for Education (DfE) published a consultation on fairer schools funding for 2015/16 and the allocation of an additional £350m nationally to increase the per-pupil budgets for the least fairly funded local areas. National minimum funding levels for five pupil characteristics and two school characteristics will be used to determine a minimum per pupil funding threshold for each local authority, with Dedicated Schools Grant allocations being topped-up where necessary to meet the threshold. In response to the consultation the DfE has increased the top-up funding to £390m. The additional indicative amount expected for Oxfordshire schools is £3.5m.

35. The DfE published a consultation in June 2014 on the introduction of an Early Years Pupil Premium (EYPP) from April 2015 and on moving to participation funding for the early education entitlement for two year olds from 2015/16. An EYPP of £300 a year per full entitlement take-up is proposed. £50m has been allocated nationally for EYPP and Oxfordshire's indicative allocation is £0.4m. Funding for free early education for the least advantaged two year olds is currently based on estimated eligible two year olds. From 2015/16 the DfE intends to allocate funding according to the actual number of hours funded, to mirror the approach used for three and four year old entitlements.

36. In the 2013 Spending Round, the Government announced that the national total for Education Services Grant (ESG) will be reduced by 20% from 2015/16. Having consulted on ways to make savings earlier this year, in July 2014 the DfE published the final arrangements for 2015/16. The retained duties element of the grant[2] will remain at £15 per pupil and the general funding rate[3] will reduce to £87 per pupil (a 23% reduction). There will be no top-up rate for academies in the 2015/16 academic year, however there will be revised tapered protection arrangements to protect academies from large budget reductions. The Council's current MTFP assumes a £1.4m reduction in ESG in 2015/16. Based on the final arrangements the estimated reduction is £1.6m.

Environment

37. The Government is consulting on implementation of the sustainable drainage systems (SuDS) provisions of the Flood and Water Management Act 2010. Under the Act the County Council will be a SuDS Approving Body, with responsibility for approving proposed drainage systems in new developments or redevelopments. The cost of administering the approval process is likely to be funded through fee generation. There will be additional duties for adopting and maintaining SuDS which serve more than one property, together with a continuing duty as a highway authority for SuDS maintenance in public roads. There is uncertainty as to how maintenance costs will be funded in the short-term, however in the longer term these will be fee based.

Public Health

38. From 1 October 2015, the Government intends local authorities take over responsibility from NHS England for commissioning public health services for children aged 0-5. Local authorities already have responsibility for commissioning public health services for children and young people aged 5-19, so this transfer will enable joined up commissioning from 0-19 years old. For 2015/16 the amount being spent by NHS England area teams on 0-5 services will transfer to local authorities at the point of transfer. From

---

[2] The Education Services Grant retained duties rate is paid to local authorities for every pupil, both at maintained schools and academies

[3] The Education Services Grant general funding rate is paid to local authorities for pupils in maintained schools and to academies for their pupils

2016/17 onwards, the 0-5 baseline will be added to existing public health grant allocations.

<u>Pensions</u>

39. The employer contribution rate for the Teachers' Pension Scheme will increase from the current rate of 14.1% of pensionable pay to 16.4% with effect from 1 September 2015, following actuarial valuation of the combined existing scheme and new career average revalued earnings (CARE) scheme being introduced on 1 April 2015. The employer contribution rate is expected to be reassessed at the actuarial valuation to be carried out as at 31 March 2016 and the next revision of the employer contribution rate is expected to take effect from 1 April 2019. The estimated full-year additional cost is £1.8m for current maintained schools and £0.1m for directorates. Schools have been alerted to this additional expenditure pressure which will need to be met from existing delegated budgets.

<u>Insurance</u>

40. The Council's insurance contract is due for renewal in June 2015, and the market is hardening. Other local authorities are experiencing a sharp increase in insurance premiums on retendering of contracts, for example of the order of between 50% - 400%. Within the Council's current long-term agreement the cost of premiums has increased moderately year-on-year, however there have been larger increases in the amount of self-insured risk that the insurers are requiring. These increases reflect the additional perceived risk by the insurers based on the Council's claim history. This position is not likely to improve under the new contract, as tenders will take into account claims history, with further pressure arising from an expected increase in future claims. The level of self-insured cover is expected to continue to increase significantly, estimated at £1m for 2015/16 based on current trends. It is anticipated that premiums will continue to increase at around £0.1m per annum over the term of the next contract. There is a further pressure of £0.4m to cover the perceived risk of claims incurred but not yet received.

41. Taking all of these factors into account, for 2015/16 the estimated budgetary pressure to continue with the same level of insurance is of the order of £1.0m to £1.5m, with a further £0.1m in each subsequent year for increases in insurance premiums.

Capital Programme Planning

42. The Capital Strategy section of the Financial Strategy provides the framework for determining capital spending plans and the effective use of the Council's limited capital resources.

43. The Property Asset Management Plan and Highways Asset Management Plan underpin the Capital Strategy.   The Property Asset Management Plan sets out the role of the Council's property assets in meeting strategic

objectives and the directorate business strategies. The Highways Asset Management Plan sets out the prioritisation for investment in highway infrastructure. An updated Highways Asset Management Plan is elsewhere on this agenda. The Property Asset Management Plan will be updated as part of the capital planning process and the Highways Asset Management Plan will be updated to include a list of proposed schemes.

44. The Council considers the capital investment and programming activity as an integral part of the Council's Service & Resource Planning process. This ensures that the creation of a new asset or investment in the existing assets and infrastructure network is justified through detailed business strategies and delivery models for the service, and implications for the medium term financial plan are clearly identified.

45. In view of the delivery period for significant programmes, such as those relating to the Local Growth Deal, it is proposed to extend the capital planning period a further year to cover the period 2014/15 to 2018/19. This will provide an additional year of funding in the capital programme.

46. New capital investment pressures are currently emerging. Proposals will be brought forward in September/October 2014 to inform the capital planning process. The £18m reduction in the Children, Education & Families programme required due to the shortfall in Basic Need funding highlighted in the 2014/15 to 2017/18 capital programme will also need to be addressed.

47. Councillors will have an opportunity to contribute to capital prioritisation decisions through the January 2015 Performance Scrutiny Committee meeting.

Equality and Inclusion Implications

48. The Equality Act 2010 imposes a duty on local authorities that, when making decisions of a strategic nature, decision makers must exercise 'due regard to the need to eliminate unlawful discrimination… advance equality of opportunity… and foster good relations.'

49. There are no equality and inclusion implications arising directly from this report. Where any significant changes to services are proposed as part of the 2015/16 Service and Resource Planning process, a general assessment of the broad impact of new budget proposals will be undertaken ahead of the budget being set in February 2015, together with initial service-level assessments for all significant changes.

Financial and Legal Implications

50. This report is mostly concerned with finance and the implications are set out in the main body of the report. The Council is required under the Localism Act 2011 to set a council tax requirement for the authority. This report provides information which, when taken together with the future reports up

to January 2015, will lead to the council tax requirement being agreed in February 2015, together with a budget for 2015/16, updated medium term financial plan and capital programme.

RECOMMENDATION

51. **The Cabinet is RECOMMENDED to:**

   (a) note the report;
   (b) approve the Service and Resource Planning process for 2015/16; and
   (c) approve the updated Financial Strategy set out at Annex 3a.

LORNA BAXTER
Chief Finance Officer

Contact Officer:
Stephanie Skivington: Corporate Finance Manager; Tel: (01865) 323995

September 2014

This page is intentionally left blank

Review of Assumptions in the 2014/15 – 2017/18 Medium Term Financial Plan (MTFP)

Inflation

1. The table below sets out the inflation assumptions built into the current MTFP.

Year	Pay	Prices	Contracts (up to)	Income	In MTFP
2015/16	1.0%	0.0%	3.0%	2.0%	£4.750m
2016/17	2.5%	0.0%	3.0%	2.0%	£7.300m
2017/18	2.5%	0.0%	3.0%	2.0%	£7.400m

2. Under the new Oxfordshire Local Agreement consultations on staff pay awards (other than for teachers, youth workers and firefighters) will take place locally. The Council has guaranteed a 1% cost of living pay rise on 1 April each year and if the national negotiations agree more the Council will match this for 2014/15 and 2015/16.

3. Consumer Price Inflation (CPI) was 1.6% in July 2014, down from 1.9% in June 2014. The Office for Budget Responsibility's forecast for CPI[1] remains at 2% over the medium term.

Previously Agreed Directorate Budget Changes

4. The MTFP includes funding for demographic and other agreed directorate pressures and savings which were approved by Council in February 2014. Details are set out in annex 1b.

Funding for demographic and other agreed pressures[2]	2015/16 £m	2016/17 £m	2017/18 £m	Total £m
Children, Education & Families		0.420	0.238	0.658
Social & Community Services	0.850	4.600	3.450	8.900
Environment & Economy	-1.866	1.111	-1.106	-1.861
Chief Executive's Office				0
Public Health				0
TOTAL	**-1.016**	**6.131**	**2.582**	**7.697**

Savings	2015/16 £m	2016/17 £m	2017/18 £m	Total £m
Children, Education & Families	-0.994	-2.690	-3.420	-7.104
Social & Community Services	-12.099	-5.285	-5.456	-22.840
Environment & Economy	-8.262	-4.298	-6.170	-18.730
Chief Executive's Office	-0.210	-0.361	-0.096	-0.667
Public Health		-1.250	-1.250	-2.500
TOTAL	**-21.565**	**-13.884**	**-16.392**	**-51.841**

5. In addition there are £9.471m of corporate savings over the same period, mainly through reduced inflation provision.

---

[1] Published in the Budget 2014

[2] Where a negative is shown the figure relates to previous years' funding falling out.

Balances and Reserves

6. The MTFP assumes general balances at the start of 2015/16 will be £18.4m and maintained at that level over the medium term. In the first financial monitoring report to Cabinet for 2014/15 on 15 July 2014, general balances are forecast to be £11.9m at the end of this financial year, after taking into account the £9.1m forecast overspend.

7. The table below sets out the estimates for earmarked reserves included in the MTFP.

MTFP Estimates	2015/16 £m	2016/17 £m	2017/18 £m
Estimated school reserves at start of year	16.0	5.7	5.7
Estimated reserves at start of year	47.6	35.9	23.4
Estimated total reserves at start of year	**63.6**	**41.6**	**29.1**
Estimated use of (-)/additions to (+) school reserves in year	-10.3	0	0
Estimated use of (-)/additions to (+) reserves in year	-11.7	-12.5	-16.5
Estimated school reserves at end of year	5.7	5.7	5.7
Estimated reserves at end of year	35.9	23.4	6.9
Estimated total reserves at end of year	**41.6**	**29.1**	**12.6**

8. The Budget Reserve is being used to manage the cash flow implications arising from a different profile of pressures and savings in the MTFP. The Reserve is forecast to go into £5.6m deficit in 2015/16, rising to £15.3m deficit in 2016/17. Temporary use of other reserves or other balances, such as developer contributions, may be needed to manage the cash flow position, as the Council cannot hold a deficit reserve. Any temporary use of other reserves or other balances would need to be replaced in a subsequent year.

9. Earmarked reserves at the start of 2014/15 were £27.2m higher than assumed in the MTFP, with the largest differences relating to school reserves (£4.8m) and the grants and contributions reserve (£11.1m), the latter primarily relating to increased underspends on the Dedicated Schools Grant and Public Health Grant. The latest forecast (reported to Cabinet on 15 July 2014) indicates that earmarked reserves will fall to £98.6m by the end of this financial year and this does not take into account any reductions in schools reserves at this stage or use of Pooled Budget Reserves by Social & Community Services.

General Funding

10. The Council's general funding, other than from Council Tax (see below), comprises Revenue Support Grant, Business Rates Top-Up and a 10% share of Business Rates collected by the District Councils. The MTFP assumes that Business Rates Top-Up and our local share of Business Rates both increase with inflation (Retail Price Index), whereas Revenue Support Grant (RSG) reduces over the medium term. For planning purposes, Business Rates Top-Up and Revenue Support Grant estimates for 2015/16 are based on indicative figures announced by the Government in February 2014. Estimates for future

years' reductions in general funding are broadly consistent with the level of reductions seen over the last few years.

11. The following table shows the estimates for general funding (excluding Council Tax) included in the MTFP.

MTFP Estimates	2015/16	2016/17	2017/18
Business Rates Top-Up (£m)	37.394	38.553	39.748
Business Rates from District Councils (£m)	30.212[3]	31.130	32.076
Business Rates Total (£m)	67.606	69.683	71.824
Percentage change from previous year	4.0%	3.1%	3.1%
Revenue Support Grant (£m)	61.747	50.278	39.486
Percentage change from previous year	-23.4%	-18.6%	-21.5%
Total Business Rates + RSG (£m)	**129.353**	**119.961**	**111.310**
Percentage change from previous year	**-11.2%**	**-7.3%**	**-7.2%**

Council Tax

12. The MTFP is based on Council Tax increases of 1.99% in 2015/16 and 3.0% in each of the following two years. A 1% change in Council Tax equates to £2.8m, with a small residual effect in subsequent years.

13. The MTFP assumes growth in the taxbase of 0.75% in each of the remaining three years of the MTFP. A variation of +/-0.25% results in a gain/loss of £0.7m.

14. Surpluses on Council Tax collection are estimated to be £2.0m in each remaining year of the MTFP. This is based on a prudent position, reflecting that previous years' surpluses were around that level or below in five out of the last ten years, however for 2014/15 the estimated Council Tax collection surpluses were £6.9m.

15. The table below sets out the estimates for Council Tax included in the MTFP.

MTFP Estimates	2015/16	2016/17	2017/18
Council Tax Requirement (£m)	285.387	296.154	307.326
Council Tax Base	231,558	233,294	235,044
Council Tax (Band D equivalent) (£)	1,232.47	1,269.44	1,307.53
Increase in Council Tax (Band D)	1.99%	3.00%	3.00%
Council Tax collection surpluses (£m)	2.000	2.000	2.000
Percentage change from previous year	-71.1%	0%	0%
Total Council Tax Income (£m)	**287.387**	**298.154**	**309.326**
Percentage change from previous year	**1.0%**	**3.7%**	**3.7%**

---

[3] Includes estimated additional business rates from the Energy from Waste facility

This page is intentionally left blank

Previously Agreed Directorate Budget Changes Summary 2015/16 - 2017/18

Directorate	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Pressures				
Children, Education & Families	0	420	238	658
Social & Community Services	850	4,600	3,450	8,900
Environment & Economy	-1,866	1,111	-1,106	-1,861
Chief Executive's Office	0	0	0	0
Public Health	0	0	0	0
Subtotal Previously Agreed Pressures	**-1,016**	**6,131**	**2,582**	**7,697**
Savings				
Children, Education & Families	-994	-2,690	-3,420	-7,104
Social & Community Services	-12,099	-5,285	-5,456	-22,840
Environment & Economy	-8,262	-4,298	-6,170	-18,730
Chief Executive's Office	-210	-361	-96	-667
Public Health	0	-1,250	-1,250	-2,500
Subtotal Previously Agreed Savings	**-21,565**	**-13,884**	**-16,392**	**-51,841**
Total of Previously Agreed Budget Changes	**-22,581**	**-7,753**	**-13,810**	**-44,144**

Children, Education & Families - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
			Education & Early Intervention				
			Early Intervention				
CEF1-32	15CEF1	NS	On-going effect of rephasing previous savings CEF10c and 14CEF4 relating to Children's Centres	-499			-499
			Subtotal Early Intervention	-499	0	0	-499
			Education				
CEF1-41	15CEF3	NS	Make Music Service self financing by increasing income and reducing free tuition.	-70	-70	-182	-322
CEF1-41	15CEF5	NS	On-going effect of reducing Attendance service from Sept 2014	-100			-100
CEF1-41	15CEF6	NS	Further reduce staffing of School Improvement services	-75			-75
			Subtotal Education	-245	-70	-182	-497
			Total Education & Early Intervention	**-744**	**-70**	**-182**	**-996**
			Children's Social Care				
CEF2-1	15CEF7	NS	Savings anticipated by further increasing close co-operation with partner agencies such as the police, the health service, schools and others	-250			-250
			Subtotal Management & Central Costs	-250	0	0	-250
CEF2-2	15CEF8	NP	Children's Homes - borrowing costs to fund 4 new homes in Oxfordshire		420	238	658
CEF2-2	15CEF9	NS	Children's Homes Savings - from building Children's Homes in the county which reduces the number of high cost out of county placements		-420	-238	-658
			Subtotal Corporate Parenting	0	0	0	0
			Total Children's Social Care	**-250**	**0**	**0**	**-250**

Children, Education & Families - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
			Children, Education & Families (CEF) Cross Directorate				
CEF1/CEF2	15CEF2	NS	Development of an integrated adolescent service and early childhood service			-3,000	-3,000
CEF1-1/CEF2-1/CEF3-1	15CEF10	NS	Reduce administration support in line with reductions in directorate services, seek efficiency improvements.		-500		-500
CEF1-21/CEF2-5	15CEF11	NS	Develop more integrated management across Special Educational Needs (SEN) & Disability. Challenge costs of 16+ SEN responsibilities transferred into OCC from Education Funding Agency, obtaining savings within Disabled Schools Grant (DSG) funded SEN services that enable a larger DSG contribution to the educational cost of placements.		-1,200		-1,200
CEF3-3	15CEF12	NS	Reduce support services from joint commissioning team in line with other service reductions. Reduce non-statutory public engagement activities.		-500		-500
			Total Children, Education & Families (CEF) Cross Directorate	**0**	**-2,200**	**-3,000**	**-5,200**
			Total Children, Education & Families	**-994**	**-2,270**	**-3,182**	**-6,446**

Type of Budget Change

O - Previously agreed one-off investment

P - Previously agreed pressure

S - Previously agreed saving

NS - New saving agreed February 2014

NP - New pressure agreed February 2014

Social & Community Services - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
			Adult Social Care				
SCS1-1A	14SCS2	P	Care Homes - on-going effect of additional placements made in 2012 falls out in 2015/16.	-2,200			-2,200
SCS1-1A	14SCS7	S	Greater use of assistive technology to enable more people to remain in their homes for longer and reduce the need for home support	-250	-250		-500
SCS1-1A	14SCS8	S	Provide prevention services that encourage older or vulnerable people to remain independent and reduce their need for more expensive care services.	-500	-500		-1,000
SCS1-1A	14SCS5	S	Adjustment to Older People's Pool meeting own pressures.	2,200			2,200
SCS1-1A	14SCS21	S	Review of Older People's day services	-300			-300
SCS1-1C	15SCS1	NS	Resources from the Better Care Fund to protect adult social care services	-8,000			-8,000
SCS1-1A	15SCS2	NS	Working closely with providers to generate efficiencies in contracted services	-400	-400	-400	-1,200
SCS1-1A	15SCS3	NS	Supporting our staff to work more efficiently, reducing bureaucracy and streamlining process – establishing efficiency savings in preparation for increased demand generated by funding reform, which we expect will be funded by central government		-1,500		-1,500
SCS1-1A	15SCS4	NS	Seeking alternatives to the current brokerage service	-600			-600
SCS1-1A	15SCS5	NS	Stop subsidising shopping and meals service. Continue to provide a subsidised laundry service for people who suffer from incontinence.	-140			-140
SCS1-1A	15SCS6	NS	Continuing to fund information and advice for people who may need or are eligible for social services, but reducing support for mainstream welfare rights advice and advocacy. A review of information and advice services will be undertaken.	-100			-100
SCS1-1A	15SCS7	NS	Continued work to identify this saving over the four-year period			-2,800	-2,800
SCS1-1A	15SCS8	NP	£10.000m investment in 2014/15 to help meet increased demand for social care reduces from 2015/16 (also see additional demography under 'All Client Groups')	-2,400	-1,100	-1,600	-5,100
SCS1-1A	15SCS44	NP	Create a more personalised approach to home support which will include removing short visits for personal care for older people	400			400
			Subtotal Older People	-12,290	-3,750	-4,800	-20,840

Social & Community Services - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
			Learning Disabilities				
SCS1-2C	14SCS16	S	More efficient delivery of care leading to reduced cost of Learning Disabilities Resource Allocation System	-1,000	-1,000		-2,000
SCS1-2C	15SCS9	NS	Close working with learning disability service users to find new ways of working whilst ensuring assessed needs continue to be met	-500	-400	-1,800	-2,700
			Subtotal Learning Disabilities	-1,500	-1,400	-1,800	-4,700
			Physical Disabilities				
SCS1-5A	14SCS12	S	More efficient delivery of care leading to reduced cost of Physical Disabilities Resource Allocation System	-100	-200		-300
			Subtotal Physical Disabilities	-100	-200	0	-300
			All Client Groups				
Cross Service	14SCS6	S	Closer working with Health, generating efficiencies by pooling budgets and integrating care.	-1,000			-1,000
Cross Services		P	Demography	5,000			5,000
Cross Service	15SCS10	NP	Demography		5,000	5,000	10,000
SCS1-4I	15SCS11	NS	Phased reduction in line with central government reductions in Supporting People funding for Housing Related Support	-1,000	-500		-1,500
			Subtotal All Client Groups	3,000	4,500	5,000	12,500
			Total Adult Social Care	-10,890	-850	-1,600	-13,340

Social & Community Services - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
			Community Safety				
SCS2-1	15SCS16	NS	Cessation of dedicated Community Safety coordination work through the Safer Communities Unit	-194			-194
SCS2-3	15SCS17	NS	Increased income from business support services and new specialist training service (Trading Standards)	-20			-20
SCS2-3	15SCS18	NS	Reduction in livestock welfare enforcement work and refocus of remaining animal health activity on animal health and disease control (Trading Standards)	-30			-30
			Total Community Safety	**-244**	**0**	**0**	**-244**
			Fire and Rescue & Emergency Planning				
SCS4-1	15SCS19	NP	Change of staffing to support county-wide Emergency Cover - Bicester Fire Station - potential staffing model change from fully on-call (2 appliances) to 1 appliance on-call and 1 appliance Day Crewed. (This will require an additional 10 firefighters plus 4 supervisory managers)		700		700
SCS4-1	15SCS22	NP	Development of established staffing model to support emergency cover - Increase in on-call firefighters in the West Oxford District Council & Carterton area			50	50
SCS4-1	15SCS23	NP	New Provision of Staff to meet changing emergency cover needs - Additional on-call crewing to strengthen second appliance response in Wantage / Science Vale area	50			50
SCS4-1	15SCS26	NS	Emergency Planning - Restructure and alignment with Oxfordshire Fire & Rescue in relation to business continuity management.		-20		-20
SCS4-1	15SCS27	NS	Agile Working - Full review of administration and support function following the introduction of agile working arrangements			-60	-60
SCS4-1	15SCS28	NS	Development of Commercial Training Unit (Income Generation)	-25	-25	-25	-75
SCS4-1	15SCS29	NS	Collaboration Efficiencies - Revenue reductions associated with implementation of Thames Valley Fire Control Service (TVFCS)	-75	-25	-25	-125
SCS4-1	15SCS30	NS	Collaboration Efficiencies - reconfiguration of Oxfordshire Fire & Rescue's Technical Communications Team following the implementation of TVFCS		-25		-25

Social & Community Services - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
SCS4-1	15SCS31	NS	Collaboration Efficiencies - Benefits realisation of collaborative approach to training delivery, leading to the reduction in staffing costs.		-50		-50
SCS4-1	15SCS32	NS	Collaboration Efficiencies - Benefits realisation of collaborative approach to training support, leading to reconfiguration of training administration resources			-50	-50
SCS4-1	15SCS33	NS	Senior Management Restructure and Collaboration - amend operational rota		-30		-30
SCS4-1	15SCS34	NS	Charging and Fees Efficiencies - Review of current charges including revisiting Fire and Rescue Services Act 2004 Section 13/16 arrangements	-25			-25
SCS4-1	15SCS35	NS	Middle Management Review - Road Safety function	-40			-40
SCS4-1	15SCS36	NS	Large/Major Incident Command Review - review OFRS resources in conjunction with the other Thames Valley fire & rescue services.			-30	-30
SCS4-1	15SCS39	NS	Change of Staffing to Support County-wide Emergency Cover - Reduction in staffing for one on-call appliance at Bicester - covered by Day Crewed personnel (see 15SCS19)			-50	-50
SCS4-1	15SCS42	NS	Change of Staffing to Support County-wide Emergency Cover - Banbury Fire Station - staffing model change from 1 appliance full time 24/7 and one on-call appliance to 1 appliance Day Crewed and one on-call (release 10 Firefighters plus 4 Supervisory Managers)		-360		-360
SCS4-1	15SCS43	NS	Reduction in Full-time Firefighter Support - for new Carterton emergency cover arrangements (see 15SCS21)			-216	-216
			Total Fire and Rescue & Emergency Planning	**-115**	**165**	**-406**	**-356**
			Total Fire & Rescue and Community Safety	**-359**	**165**	**-406**	**-600**
			Total Social & Community Services	**-11,249**	**-685**	**-2,006**	**-13,940**

Type of Budget Change

O - Previously agreed one-off investment

P - Previously agreed pressure

S - Previously agreed saving

NS - New saving agreed February 2014

NP - New pressure agreed February 2014

Environment & Economy - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			Strategy and Infrastructure				
EE1-1 to EE1-5	14EE32	S	Asset Rationalisation Savings - Further rationalisation of our property portfolio dependent on capital investment.	-200	-250		-450
EE1-1 to EE1-5	15EE1	NS	Carbon Reduction Tax - Council no longer part of government scheme (below threshold)	-290			-290
EE1-1 to EE1-5	15EE2	NS	Merger of Energy, Natural Environment and Waste Strategy Teams	-120			-120
EE1-1 to EE1-5	15EE5	NS	Unidentified Savings within Strategy - Delivery being planned		-150		-150
EE1-1 to EE1-5	15EE6	NS	Move to a self funding position for travel planning		-75		-75
EE1-1 to EE1-5	15EE8	NS	Reduce Travel Behaviour and Energy non-staffing budgets	-240			-240
EE1-1 to EE1-5	15EE10	NS	Asset Rationalisation - Agile working - Over and above the medium term plan target			-640	-640
EE1-1 to EE1-5	15EE11	NP	Asset Reduction Implementation - Change in profile of additional funding	-477	711	-756	-522
EE1-1 to EE1-5	14EE16	O	Economic Development & Growth - £0.100m additional funding to gather business intelligence and help address barriers to growth was provided in 2013/14. This falls out in 2016/17.		-100		-100
EE1-1 to EE1-5	15EE7	NS	Move to a self funding position for Invest in Oxfordshire		-125		-125
			Total Strategy & Infrastructure	**-1,327**	**11**	**-1,396**	**-2,712**

Environment & Economy - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			Commercial Services				
			Miscellaneous				
EE2-1	15EE13	NS	Unidentified Saving- within Commercial Services delivery being planned			-535	-535
			Subtotal Miscellaneous	0	0	-535	-535
			Property & Facilities Management				
EE2-22	14EE5	S	Estimated facilities management contract savings	-100	-20		-120
EE2-22	14EE26	S	Further savings from Facilities Management contract dependent on experience of phase 1 of contract		-175		-175
EE2-22	14EE34	S	Reintroduce maintenance 'holiday' to non-school property - suspension of non-statutory property maintenance work	-200	-707		-907
EE2-22	14EE15	O	Asset Rationalisation Savings	-250			-250
EE2-22	15EE18	NS	Property and Facilities staffing including - reduce facilities management structure/Property & Facilities service stream/Property and Facilities staffing		-60	-400	-460
EE2-22	15EE19	NS	Reduce size of property portfolio therefore reducing the overall size of contract	-200	-100	-100	-400
EE2-22	15EE20	NS	Reduce planned Property Repairs and Maintenance			-400	-400
EE2-22	15EE12	NS	Other staff/staffing facilities reduction	-10	-50		-60
			Subtotal Property & Facilities Management	-760	-1,112	-900	-2,772
			Waste Management				
			Waste Disposal				
EE2-24A	15EE22	NP	Increased Waste Tonnage - linked to the economic up turn and increase in number of households	500	500		1,000
			Waste Treatment Procurement				
EE2-24A	14EE14	O	Savings arising from the implementation of the Waste Treatment Facility - slipped from 2014/15	-489			-489

Environment & Economy - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
EE2-24A	14EE8	S	Reduce Bulking and Haulage contract costs - resulting from planned opening of the new waste management facility	-300			-300
EE2-24A	15EE23	NS	Commercial Waste & Electrical energy from waste - 3rd Party Income			-1,300	-1,300
			Waste Recycling Centre Strategy				
EE2-24A	15EE24	NP	Household Waste Recycling Centres - additional pressure from increased Redbridge Rent and unachieved savings; new strategy for future savings to be developed			-350	-350
			Oxfordshire Waste Partnership				
EE2-24A	14EE3	S	Oxfordshire Waste Partnership -phased withdrawal of non-statutory waste incentives	-232	-213		0
EE2-24A	15EE25	NS	Withdraw contribution to Oxfordshire Waste Partnership	-138			0
			Subtotal Waste Management	-659	287	-1,650	-1,439
			Supported Transport				
EE2-24B	14SCS17	O	Transport for Day Services	-400			-400
EE2-24B	15EE14	NS	Supported Transport Project savings which includes review of: transport contract management, Dial a Ride, bus subsidies, home to school transports including Special Educational Needs (SEN)	-425	-750	-1,700	-2,875
			Subtotal Supported Transport	-825	-750	-1,700	-3,275

Environment & Economy - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			Highways & Transport Contract & Performance Management				
EE2-25	14EE6	S	Highways contract management savings	-80			-80
EE2-25	15EE15	NS	Highways Contract process efficiency	-20		-118	-138
			Subtotal Highways & Transport Contract & Performance Management	-100	0	-118	-218
			Network & Asset Management				
EE2-31 to EE2-35	14EE10	S	Reduction in road patching work and pre-planned surface maintenance schemes	-700	-310		-1,010
EE2-31 to EE2-35	15EE26	NS	Reduce the support for street works and events management	-30			-30
EE2-31 to EE2-35	15EE27	NS	Reduce Road Survey Budget/other network maintenance/Network management general restructure/joint workings/Further other network maintenance	-100	-102	-281	-483
EE2-31 to EE2-35	15EE28	NS	Street Lighting -Energy Saving plus reduction in inspection frequencies and cleaning regimes		-390	-30	-420
EE2-31 to EE2-35	15EE16	NS	Withdraw contributions to Bus Stop infrastructure information	-58		-57	-115
EE2-31 to EE2-35	15EE35	NS	Reduction in non-essential tree maintenance	-90			-90
			Network & Asset Management Continued				
EE2-36	15EE30	NS	Income generated through sponsorship and providing other services	-230	-100	-400	-730
			Subtotal Network & Asset Management	-1,208	-902	-768	-2,878

Environment & Economy - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			Highways & Transport Operations Delivery				
EE2-4	15EE31	NS	Reorganisation of Area Stewardship and locality working staff	-145			-145
EE2-4	15EE32	NS	Reduce Grass Cutting	-689			-689
EE2-4	15EE33	NS	Alternative defect repairs	-200			-200
EE2-4	15EE34	NS	Significant defect correction lines/signs			-175	-175
EE2-4	15EE36	NS	Other Highways Savings	-92	-88		-180
EE2-4	15EE37	NP	Additional investment in highways defects following increased volumes	700			700
EE2-4	15EE41	NP	Additional investment in highways (locality based) - £0.2m reduction to £1m added in 2014/15	-200			-200
			Subtotal Highways & Transport Operations Delivery	-626	-88	-175	-889
			Total Commercial Services	**-4,178**	**-2,565**	**-5,846**	**-12,006**
			Oxfordshire Customer Services				
			Management Team				
EE3-1	14EE24	S	Reduce Human Resources & Finance staff in line with projected downsizing of organisation	-300			-300
EE3-1	14EE30	S	Externalise or cease non-mandatory Human Resources/Finance activities - staff reductions	-145			-145
EE3-1	15EE38	NS	Oxfordshire Customer Services externalisation	-2,055			-2,055
			Subtotal Management Team	-2,500	0	0	-2,500

Environment & Economy - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			ICT				
EE3-3	14EE22	S	Removing/ rationalising ICT applications which reduces maintenance costs	-150	-150		-300
EE3-3	14EE28	S	Removal and recycling of ICT Hardware		-50		-50
EE3-3	14EE29	S	ICT reductions associated with data centre - Movement to "Cloud" allows reductions in staff and maintenance	-290			-290
EE3-3	14EE33	S	ICT reductions based on property rationalisation	-400			-400
EE3-3	14EE35	O	OCC Data Centre - £0.350m Investment in 2014/15 to secure the transition to Cloud delivering savings from 2015/16	-500			-500
EE3-3	15EE39	NS	ICT Rationalisation - including implementation of new telephony technology		-400		-400
			Subtotal ICT	-1,340	-600	0	-1,940
			Business Development				
EE3-4	15CEO13c	NS	Remove 4fte (vacant posts) and reduce Communications spend (Business Development share)	-33	-33	-34	-100
EE3-4	14EE34	O	Procurement costs of externalisation of customer services - one off funding in 2014/15 falls out in 2015/16.	-750			-750
			Subtotal Business Development	-783	-33	-34	-850
			Total Oxfordshire Customer Services	**-4,623**	**-633**	**-34**	**-5,290**
			Total Environment & Economy	**-10,128**	**-3,187**	**-7,276**	**-20,008**

Type of Budget Change

O - Previously agreed one-off investment   NP - New pressure agreed February 2014

P - Previously agreed pressure

S - Previously agreed saving

NS - New saving agreed February 2014

Chief Executive's Office - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			Chief Executive's Office & Business Support				
CEO1	14CEO7a	S	Reduce staffing and office costs from CEO Office	-100	-100		-200
			Total Chief Executive's Office & Business Support	**-100**	**-100**	**0**	**-200**
			Human Resources				
CEO2	15CEO3	NS	Reduce Human Resources Establishment by 2fte		-42		-42
			Total Human Resources	**0**	**-42**	**0**	**-42**
			Law and Culture				
CEO4-5	15CEO9	NS	Withdrawal of grant to the Mill Arts Centre (£80k)			-80	-80
CEO4-5	15CEO10	NS	Increased efficiencies to be achieved by Library Service through further review of management support, book procurement, supplies and services	-63	-187		-250
			Total Law and Culture	**-63**	**-187**	**-80**	**-330**
			Policy				
CEO5	15CEO13b	NS	Remove 4fte (vacant posts) and reduce Communications spend	-17	-17	-16	-50
CEO5	15CEO14	NS	Take out military and local grants (Locality Grant to Choose Abingdon and Refugee Resource Grant)	-30	-15		-45
			Total Policy	**-47**	**-32**	**-16**	**-95**
			Total Chief Executive's Office	**-210**	**-361**	**-96**	**-667**

Type of Budget Change

O - Previously agreed one-off investment

P - Previously agreed pressure

S - Previously agreed saving

NS - New saving agreed February 2014

NP - New pressure agreed February 2014

Public Health - Previously Agreed Budget Changes

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			Grant				
Cross Directorate	15PH1	NS	More efficient contract negotiations		-1,250	-1,250	-2,500
			Total Chief Executive's Office & Business Support	**0**	**-1,250**	**-1,250**	**-2,500**

Type of Budget Change

O - Previously agreed one-off investment

P - Previously agreed pressure

S - Previously agreed saving

NS - New saving agreed February 2014

NP - New pressure agreed February 2014

This page is intentionally left blank

Service & Resource Planning Timetable 2015/16

Month	Day	Date	For/From	Action/Event
September	Fri	12th September	All Councillors	Briefing on the Service & Resource Planning process
	Tue	16th September	Cabinet	Service & Resource Planning Report providing an update on the latest information and proposing a process for 2015/16
December		Early/Mid December	District Councils	Notification of draft Council Taxbases and draft Business Rates Forecasts
		Early December		Chancellor's Autumn Statement
	Wed	10th December	All Councillors	Briefing on budget proposals to be considered by the Performance Scrutiny Committee
		Mid/Late December	Communities & Local Government	Provisional Local Government Finance Settlement
	Tue	16th December	Cabinet	Service & Resource Planning Report to Cabinet, providing the review of charges, an update on the latest financial position and draft budget proposals
	Thu	18th December	Performance Scrutiny Committee	Consider draft budget proposals and provide advice to the Cabinet
January	Thu	8th January	Performance Scrutiny Committee	Consider draft capital proposals and provide advice to the Cabinet
	Fri	23rd January	All Councillors	Briefing on the Cabinet's proposed budget, medium term financial plan and capital programme
	Mon	26th January	District Councils	Notification of Council Tax surpluses or deficits
	Tue	27th January	Cabinet	Cabinet proposes 2015/16 revenue budget, MTFP and capital programme for recommendation to Council in light of comments from the Performance Scrutiny Committee
	Fri	30th January	District Councils	Notification of Council Taxbases, Business Rate Forecasts and Business Rate surpluses or deficits
February		Early February	Communities & Local Government	Final Local Government Finance Settlement
	Wed	4th February	Cabinet/Opposition and Other Group Leaders /CCMT/Chief Finance Officer	Deadline for Cabinet, Opposition and other groups to submit full budget papers to Committee Services
	Fri	6th February	Committee Services	Publication of Council agenda and Cabinet, Opposition & other groups full budgets, including the Chief Finance Officer's statutory report
	Wed	11th February	Opposition & Other Group Leaders	Deadline for amendments to Cabinet budget by Opposition and other groups to Committee Services (By 9am)
	Wed	11th February	Committee Services	Publication of amendments to Cabinet budget by Opposition and other groups
	Tue	17th February	Council	Agrees Revenue Budget 2015/16; Capital Programme 2014/15 - 2018/19; MTFP 2015/16-2017/18; Corporate Plan 2015/16-2017/18 (to be confirmed)

This page is intentionally left blank

Financial Strategy 2014/15 – 2017/18
Refreshed for 2015/16

1.   Introduction

The Financial Strategy sets out how the Council intends to finance its services and priorities and the principles upon which the medium term financial plan and the capital programme are based.

The Financial Strategy was fully revised and updated during the 2014/15 Service & Resource Planning round to coincide with the new administration and to incorporate the Capital Strategy, previously treated as a separate document. Given the proposal to continue with the existing medium term financial plan, making limited adjustments where necessary, the existing Financial Strategy has been refreshed.

2.   Corporate Plan

The Service & Resource Planning process ensures the medium term financial plan (MTFP), capital programme and directorate business strategies reflect the Council's objectives and priorities set out in the corporate plan.

The corporate plan is revised every year and the current version for 2014/15 to 2017/18 was agreed by Council in April 2014. It outlines our overall goal of achieving a 'Thriving Oxfordshire' and sets out how we are working towards that goal.

3.   Financial Planning

The medium term financial plan aligns available revenue funding with the delivery of services through the Service & Resource Planning process. Our financial planning reflects:

- The reducing level of financial support from Government and consequential revenue savings required over the medium term
- The allocation of resources to meet statutory service requirements and key strategic priorities
- The use of one-off income to meet one-off pressures or priorities, or to help address an adverse cash flow position in the MTFP (where planned pressures exceed planned savings in the short-term)
- Our commitment to council tax payers
- Our on-going commitment to achieve efficiencies to ensure improved value for money

4.   Use of grant funding

- The use of general grant funding for both revenue and capital will be maximised.
- Where grant bids are required, these need to demonstrate how they meet the Council's key objectives and priorities.
- Exit strategies are required for grant bids and time-limited grants.

- Directorates will be required to meet any reductions in ring-fenced grant funding, through cessation of projects/services or additional savings.

5. Balance sheet management

The Council actively manages its debtors and creditors position to reduce the demand for working capital using the following targets:

- Debtors – we will clear 97% of non-care debtors and unsecured care debtors within 90 days. Days revenue outstanding for non-care debts will be kept to 33 days or below, with a target of 62 days for care debts.
- Creditors – we will pay 97.5% of all undisputed invoices within their normal payment terms. The Council's standard payment terms are 14 days for small and medium size enterprises (SMEs), otherwise 28 days.

6. Balances and Reserves

- Balances will be maintained at a level commensurate with identified risks, based on an annual risk assessment. The risks reflect unforeseen overspendings, unexpected events and emergencies such as severe weather, potential liabilities and uncertainties over the future level of funding.
- Any income which is fortuitous to the Council will be used to meet priorities, help address an adverse cash flow position in the MTFP or otherwise be added to balances.
- Revenue reserves will be held for specified purposes only and reviewed on an annual basis as part of the Service & Resource Planning process.
- New revenue reserves require approval by the Cabinet.

7. Capital Strategy

The capital strategy provides a framework for the development of the capital programme and ensures that the use of limited capital resources accords with the Council's objectives and priorities as set out in the Corporate Plan. The latter is achieved by having asset management plans for the two main areas of asset holding:

- The Asset Management Plan sets out the future direction for managing the Council's property assets and provides a strategic approach to securing operational and financial benefits of the property estate. It reflects the changing needs of the property portfolio as the Council moves from being a service provider to a commissioner of services.
- The Transport Asset Management Plan sets out the prioritisation for investment in highway infrastructure including roads, footways, bridges, street lighting and drainage, based on an assessment of need, and incorporates the Local Transport Plan.

The Council's limited capital resources are managed effectively by:

- Allocating capital resources in line with corporate objectives and priorities and considering what outcomes can be achieved by a particular project and how effectively it uses corporate capital resources.
- Using capital resources prudently and flexibly in line with the agreed capital funding strategies to ensure their affordability, longevity and sustainability.
- Providing contingencies across the capital programme to manage the resources pressure arising from housing growth and uncertainties related to on-going service transformations.

Our principles for prioritising capital investment are to:
- comply with our statutory duties;
- improve the efficient and effective delivery of our services; and
- promote economic growth.

This gives the following **capital investment priorities**:

Priority 1: projects which enable compliance with our legal/ statutory duties including projects which address any infrastructure deficits related to statutory compliance.

Priority 2: projects which maximise leverage from external partnerships and bodies (e.g. Local Growth Board) in order to deliver agreed infrastructure priorities.

Priority 3: projects where a major proportion is funded from developer contributions, Community Infrastructure Levy, grant or revenue contributions.

Priority 4: projects that facilitate economic development and housing growth but require the majority of funding to be met from the Council.

Priority 5: projects that address cross-cutting issues, facilitate joint-working with partners or generate new/ additional income.

Priority 6: other projects.

Invest to save schemes which generate sufficient revenue savings to cover the cost of capital within at least 10 years, or are self-financed through prudential borrowing will be considered on a case by case basis alongside other bids which are subject to prioritisation.

Schemes below a certain financial threshold value will be assessed as part of an overall programme rather than individually.

Capital resource allocations are considered corporately on the following basis:

- Central government capital allocations and grants issued as "not ring-fenced" will be allocated in line with the Council's priorities based on this capital strategy and the underpinning asset management plans. Ring-fenced or earmarked funding received from central government will be used for the purposes for which it is issued in line with grant/allocation conditions.

- Capital receipts will be treated as a corporate resource and not ring-fenced to the originating service. The Council seeks to maximise capital receipts from the disposal of surplus land and buildings, unless another option gives greater overall benefit.

- Prudential borrowing will be used to fund invest-to-save schemes, where the cost of borrowing is met from future revenue savings by services; or capital investment where the Council has a significant unmet capital need, in which case the cost of borrowing is met corporately. The application of prudential borrowing must be in line with the requirements of the Prudential Code.

- The Council will try wherever possible to influence investment through the targeted use of its limited capital resources to lever in external funding and project specific grants where these meet the Council's priorities and objectives. Any external resources, once secured, will be used for the purposes for which they are issued as per the guidance and conditions determined by funding providers. The Council will evaluate long-term implications of accepting any external funding provision, in particular any impact on the revenue budget and such projects only proceed if they are affordable and demonstrate value for money. This includes working within the broader context (such as the Local Growth Board) to align available funding streams.

- The Council will be proactive in ensuring, as far as possible, that all additional capital investment needs arising from new developments are funded from developer contributions, however it is recognised that this is unlikely to meet the scale of infrastructure investment provision needed to respond to the identified level of growth.

- The Community Infrastructure Levy (CIL) is likely to come into full operation across Oxfordshire from April 2015. This levy based mechanism is a contribution from all new development towards the cost of infrastructure. Developer contributions will still apply for site specific infrastructure required to mitigate the impact of a specific development. As the Charging Authorities will be the District Councils in Oxfordshire, the County Council will need to seek an agreement with each Charging Authority the contribution from CIL towards the cost of services and infrastructure which it provides.

- The Council will consider alternative funding models (such as Public Private Partnerships, Private Finance Initiative, Local Asset Backed Vehicles, Tax Increment Financing and Local Authority Bonds) to address potential future funding requirements, subject to full evaluation of requirements.

In financing the capital programme the first calls on capital resources will be external funding (including developer contributions). This is followed by grants & contributions, supported borrowing and capital receipts and reserves. The final calls, where necessary, will be on prudential borrowing.

In order to respond effectively to unforeseen capital pressures and to accommodate possible changes in the capital resources position, a 3% **contingency** is built into capital programme planning assumptions. This provision and other capital programme contingencies are managed corporately

and reviewed on a regular basis based on the risks associated with the overall programme.

8. Managing our Resources Effectively

- Financial management roles and responsibilities are transparent and embedded across Directorates.
- Financial literacy is actively promoted throughout the organisation.
- Appropriate systems and processes are in place to ensure effective in-year financial monitoring of revenue and capital and delivery of business strategies.
- Effective financial controls are in place in all areas of financial management, risk management and asset control.
- Financial Procedure Rules, Contract Procedure Rules and Financial Regulations are regularly reviewed and updated, providing a sound basis for financial governance.

9. Arrangements for carrying forward revenue budget under/overspends

- Revenue overspends will be the first call against any underspends within a directorate. Where overspends cannot be offset by underspends, they will be carried forward into the following year and a clear plan for their recovery will be required.
- Revenue underspends not needed to offset overspends will be placed in corporate reserves to support the MTFP.
- The Cabinet may agree to the carry forward of a revenue underspend for a specific purpose on an exceptional basis.

10. Related Strategies

The Financial Strategy is underpinned by more detailed strategies for particular areas, including the Treasury Management Strategy, the Annual Investment Strategy and the Procurement Strategy.

- The Treasury Management Strategy sets out the Council's strategy for borrowing to ensure its capital investment plans are affordable, prudent and sustainable.

- The Annual Investment Strategy sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

- The Procurement Strategy sets out how we achieve value for money and efficiencies in our procurement of goods and services, supplier relationship management and contract management.

This page is intentionally left blank

Treasury Management Strategy – Interest Rates

Current Medium Term Financial Plan

1.   The strategy for 2014/15 approved by Council in February 2014 set out forecast interest rates over the medium term. The forecast was for an average bank rate of:

   - 2014/15   0.50%
   - 2015/16   0.50%
   - 2016/17   0.75%
   - 2017/18   1.00%

2.   The rates achieved on deposits were forecast to be 0.3% higher than the average bank rate for 2014/15 and 2015/16, reducing to 0.05% above base rate in 2016/17 and at base rate in 2017/18. The target return rates included in the current MTFP are:

   - 2014/15   0.80%
   - 2015/16   0.80%
   - 2016/17   0.80%
   - 2017/18   1.00%

Economic Outlook

3.   UK economic recovery has continued during 2014 and appears more sustainable. GDP growth has continued and financial markets have remained relatively resilient despite a number of significant geopolitical and economic events, tensions in Russia and Ukraine, and in the Middle East, and public support for a large Portuguese bank.

4.   The Bank of England alerted markets to the risk that interest rates may rise sooner than expected if economic data releases continued to show stronger results than anticipated. Financial market prices suggest expectations of a 0.25% increase in the Bank Rate in the first quarter of 2015.

5.   At its meeting in August, the Bank of England Monetary Policy Committee voted to keep the bank's base rate at 0.5%. Whilst employment and output growth had remained firm, wages growth remained weak and for the majority of MPC members there was insufficient evidence of inflationary pressures to justify an increase in the Bank Rate. Inflation had eased again to 1.6% in July, dropping further than expected after the spike to 1.9% in June.

6.   There were concerns that an increase in Base Rate ahead of wage growth risked increasing vulnerability of highly indebted households. However, two members of the committee voted for a 0.25% rise in the Bank Rate, noting that the continuing fall in unemployment alongside evidence of tightening in the labour market created a prospect that wage growth would pick up. The Bank Rate is likely to

remain materially below its pre-crisis average for some time and anticipated increases over the next 3 years are expected to be gradual.

Updated Forecast

7.   The Council uses the services of Arlingclose Limited to provide investment advice to the Council, as part of this service they help the Council formulate a view on interest rates. Arlingclose's current view on interest rates is that the average Bank Rate will remain at 0.5% until the 3rd quarter of 2015. Inflationary pressure is currently low and likely to remain so in the short-term. Arlingclose believes that spare capacity in the labour market and the lack of wage and inflationary pressures will continue to cause debate in the MPC and expect the first rise in official rates to be slightly later than market sentiment indicates.

8.   Arlingclose also provide upside and downside risks to their forecast. The upside risk given for base rates ranges from 0.25% in Q3 2014 to 1% in Q2 2017. Downside risks range from 0.25% in Q3 2015 to 1% in Q1 2017.

9.   The Council's Treasury Management Strategy Team, taking into account the advice from Arlingclose, and the current economic outlook, has determined the average bank rate forecasts over the medium term:

   - 2015/16   0.9%
   - 2016/17   1.5%
   - 2017/18   1.9%

10. Based on past performance on rates achieved on deposits, the current portfolio and market rates, the Treasury Management Strategy Team proposes the target rate of return should be 0.1% higher than the average bank rate for 2015/16 and 0% for 2016/17 and 2017/18. The reduction in the target outperformance reflects the rising interest rate environment. The strategic measures budget estimates will be based on the following:

   - 2015/16   1.0%
   - 2016/17   1.5%
   - 2017/18   1.9%

11. The budget for 2014/15 assumed an average cash balance of £300m. This figure has now been revised to £360m as a result of higher than forecast balances at the start of the previous financial year, and an increase in the estimate of the impact of early grant receipts.

Oxfordshire's Corporate Charging Policy

CONTENTS

- Foreword
- The Power of the Council to charge for Services
- When Charges will be Made
- The Level of Charge
- Concessions
- Review of Charges
- Consultation
- Roles and Responsibilities
- Data Protection Act Model Consent Form

FOREWORD

Both the Audit Commission and the Government have emphasised the importance to local government finance of the ability of local authorities to charge for a number of the services that they carry out. In addition, charges can be used as an instrument of policy - congestion charges are one example of this.

The County Council currently levies charges for a wide range of its services. The policy contained in this document is designed to ensure that:

- charges are levied on a clear and consistent basis across the Council's services.
- the level of charges is both consistent and fair, and takes proper account of the ability of customers to afford the services. That level of charges will reflect true cost plus a return, where this is legal and possible, for the Council's expertise.
- where concessions are given, they are offered in a consistent way across the Council's services.
- the services for which charges are made, and the level of charge, are annually reviewed.
- the views of customers are sought and taken into account when setting charges over which the Council has control.
- recovery of charges is carried out efficiently and effectively.
- charges are imposed and implemented lawfully and in line with the Council's corporate objectives.

Specific policies are shown highlighted in bold.

While consistency is important, uniformity cannot be imposed rigidly. There will be cases where it is right for a particular service to depart from the guidelines contained in this policy. Where a departure is justified, however, it will only be implemented following the procedures contained in this policy. This will ensure that a corporate approach is taken to all the charges made by the Council.

This policy will be reviewed on an annual basis as part of the Service and Resource Planning process. This will enable the Council to review its performance and to revise the policy as necessary to reflect changing circumstances and experience gained.

THE POWER OF THE COUNCIL TO CHARGE FOR SERVICES

This policy document does not cover cases where the Council charges other local authorities and certain other public bodies for services that we provide. The Council has wide powers to charge (cost recovery) and trade (cost recovery plus profit) with such bodies under s 1 Local Government (Goods and Services) Act 1973.

There are two legal options for charging for services, these are recovery of costs or trading to make a profit.

The rules on charging where only cost recovery is permitted are that as long as:

(i)   the Council has a statutory power to engage in the activity;

(ii)   there is no other specific legislation dealing with it; and

(iii)   the Council is not under a mandatory duty to perform the activity;

(iv)   then a charge can be levied (cost recovery only). Note that cost recovery is defined very widely and covers all reasonable costs including administrative charges and so forth.

The rules on charging relating to trading (cost recovery plus making a profit) are that the Council can trade with other local authorities or certain public bodies defined by statute. For all other trading the Council can only trade as long as:

(i)   the Council has a statutory power to engage in the activity;

(ii)   there is no other specific legislation dealing with it;

(iii)   the Council is not under a mandatory duty to perform the activity; and

(iv)   trading is undertaken through a trading company set up for this purpose.

These are the legal restrictions. The Council may also impose further rules on itself to manage spending and control activities.

WHEN CHARGES WILL BE MADE

It is the Council's policy to make charges whenever it is lawful for it to do so.

Charges will be made in all cases where there is an express statutory duty or power to charge for a service. In the absence of an express power, it is not always straightforward to decide whether the ability to charge for a service can be implied from an Act of Parliament. **Accordingly, unless there is an express power to charge, no charge will be levied without confirmation from the Council's Legal Services that the charge is lawful.**

In all cases where a charge is made, the objectives of the charge will be set out in the plan produced for the service in question. The plan will also include targets based on usage levels, revenue or some other quantifiable aspect of the service.

In cases where the service for which a charge is possible fulfils an important social function, the Council may decide not to impose a charge. The Council does, however, have a fiduciary duty to its inhabitants to be prudent with regard to its finances. Accordingly, no departure from the normal policy to levy a charge will be made unless the reasons for the departure are given in the relevant service's plan and approved by elected members.

Where commercial organisations are receiving the Council's services with a view to profit, those services may be charged for at a commercial rate through a trading company. Otherwise only costs can be recovered.

THE LEVEL OF CHARGE

The level of some charges is prescribed by central government. **Where the Council has discretion as to the level, charges will be set at a level designed to recover the full cost of providing the service in question.** The cost to be reflected in the charge will include, in addition to the direct cost of providing the service, indirect costs such as a fair and appropriate proportion of the cost of premises, central services and other overheads.

Departures from this policy will only be approved where:

- The service provides an important social benefit. In these cases charges, where made, may be set at a level below that needed for full cost recovery.

- The service is of a purely commercial nature (e.g. letting out Council premises and land for hire or rental, or carrying out work for other public bodies). In these cases charges will be set at a proper commercial level, designed to maximise income, and will be invoiced at the earliest opportunity.

- The charge relates to services provided through a trading company. In these cases charges will be set to support a breakeven position as a minimum and in consideration of market factors.

- The charge is designed to achieve a particular policy objective by encouraging alternative behaviour (e.g. congestion charges or charges for certain types of waste handling). In these cases charges will be set at a level designed to achieve the policy objective in question. This will not necessarily mean that income maximisation will be pursued, as the charge may be set at a higher level, designed to deter people from adopting a particular course of action and incurring the charge.

In all instances where a departure from the normal cost-recovery policy is considered justified, the reasons must be given in the service's plan.

Charges set other than at a level designed to recover full costs will not be implemented without the specific approval in each case of elected members, or in the case of services provided through a trading company, approval of a framework for determining charges for the activity. In each such case the rationale for setting the charge at the level proposed will be set out.

CONCESSIONS

Concessions may be given in the case of services fulfilling an important social benefit or in the case of charges designed to achieve a particular policy objective.

Concessions will not be given for services of a commercial nature. All users of such services will be expected to pay the full charge.

Where concessions are considered appropriate, they will be given to the following groups:

- **Group 1 - children under 16 and others in full-time education** (proof of age and, if appropriate, a student card or other proof of qualification will be required in order to claim the concession)

- **Group 2 - People unable to work through disability** (proof of entitlement to disability allowance or incapacity benefit required)

- **Group 3 - retired men and women if over the women's state pension age** (proof of age and retirement required)

- **Group 4 - those on low incomes** (proof of income support, housing benefit, council tax support, tax credits, jobseekers' allowance or universal credit required).

Concessions will normally be at the rate of one-half the standard charge. Concessions may be set at a different rate, whether higher or lower, or a full exemption from the charge given in appropriate cases. No departures from the normal half rate policy will be made without the specific approval of Cabinet, other than in exceptional circumstances in which case the relevant director or deputy director can approve a departure from the normal half rate policy.

In order to ensure compliance with the Data Protection Act, no use will be made of personal data held by the Council in order to establish an entitlement to a concession unless the claimant agrees in writing.

REVIEW OF CHARGES

All services must consider, as part of the annual service and resource planning process, all the activities which make up the delivery of that service, and assess which of them may be made the subject of a charge, seeking Legal Services advice if necessary.

A report on the review of charges for all services will be considered annually by the Cabinet. This will set out:

- those aspects for which charges are required by law
- those aspects for which charges may be imposed at the discretion of the Council

Where charges are mandatory or permissible, the report will set out whether the level of charges is prescribed by law or is at the Council's discretion.

Where an activity is chargeable but no charge is proposed to be made, the reason will be explained in the report.

The report will set out, for each proposed charge, whether the activity being charged for fulfils a useful social purpose, is commercial in nature or is an instrument of policy.

Where charges are proposed at a level other than a full cost recovery basis, the reasons will be explained.

Details of concessions shall be given. If the concession scheme for any charge differs from that contained in this policy, reasons will be given.

Targets based on usage levels, income or other quantifiable aspect of the service shall be given. Achievement of these shall be monitored throughout the year.

The activities for which charges are made, the level of charges and concessions and the income produced shall, at a maximum interval of three years, be compared to those of other authorities or other appropriate organisations in order to demonstrate the achievement of value for money.

CONSULTATION

The Council is committed to listening to all members of the community and to involving local people and organisations in service planning and delivery.

The Council's approach to consultation is set out in its "Consultation Strategy". The making and level of charges will be included within the principles of that strategy.

SERVICE AND COMMUNITY IMPACT ASSESSMENT

Impacts must be considered when setting charges. The Council needs to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic, and those who do not.

The Council needs to:

- Remove or minimise disadvantages which are connected to a relevant protected characteristic (which are set out in the following list) and which are suffered by persons who share that characteristic,
- Take steps to meet the needs of persons who share a relevant protected characteristic and which are different from the needs other people, and
- Encourage those who share a relevant characteristic to take part in public life or in any other activity in which participation by such people is disproportionately low.
- Take steps to meet the needs of disabled people which are different from the needs of people who are not disabled and include steps to take account of a person's disabilities.

Protected characteristics are:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race – this includes ethnic or national origins, colour or nationality
- Religion or belief – this includes lack of belief
- Sex
- Sexual orientation
- Marriage and civil partnership

More details are given on the 'Service and Community Impact Assessments' on the Intranet, currently on the following page:

http://intranet.oxfordshire.gov.uk/cms/content/service-and-community-impact-assessment-guidance

A Service and Community Impact Assessment must be considered if a new charge is introduced or if there are significant changes to existing charges that the Council can control.

ROLES AND RESPONSIBILITIES

Officers

Service managers are responsible for undertaking the review of charges set out above and proposing the charges for their area(s) of service for consideration by Cabinet. This review must be completed annually in line with the service and resource planning timetable.

If a change to an existing charge or new charge is required outside of the annual review process, the service manager must ensure the proposed change or new charge is included in the directorate's Financial Monitoring report.

Elected Members

Cabinet is responsible for considering and approving the annual review of charges and any changes to charges or new charges that are recommended through the Financial Monitoring report.

On an exceptional basis, if changes to charges or new charges are needed for business reasons at short notice and there is no Financial Monitoring report to Cabinet that month, the relevant Cabinet portfolio holder is responsible for considering and approving this through a delegated decision. Delegated decisions on charges made by Cabinet portfolio holders will be reported to Cabinet in the next Financial Monitoring report.

This page is intentionally left blank

Government consultations and announcements

Finance settlement technical issues

1. On 22 July 2014 the Government initiated a consultation on a limited number of issues concerning the 2015/16 Local Government Finance Settlement. The closing date of the consultation is 24 September 2014.

2. There are five areas on which the Government is consulting:

   - Compensation for the 2% cap on the small business rates multiplier
   - Rolling the 2014/15 Council Tax Freeze Grant into the Settlement
   - Rolling the 2014/15 Efficiency Support Grant into the Settlement
   - Rolling the 2014/15 Rural Services Delivery Grant into the Settlement
   - Adjustments to funding for those local authorities who are no longer in the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme

   Only the first and last proposals directly affect the Council.

   <u>Compensation for the cap on the business rates multiplier</u>

3. The 2013 Autumn Statement announced that the 2014/15 small business rates multiplier would be capped at 2%, rather than increase with the September 2013 Retail Price Index (3.2%).

4. Under the Business Rates Retention Scheme, the business rates top-up and baseline funding level are indexed each year by the change in the small business rates multiplier. The cap on the multiplier reduced the baseline funding level, business rates top-up and the amount of locally retained business rates.

5. The 2014/15 settlement compensated local authorities for this loss in business rates income through a section 31 grant on the basis of the estimated reduction to retained business rates income adjusted to account for lower tariffs and top-ups, based on business rates forecasts submitted by billing authorities in February 2013. Adjustments may be made to the grant based on actual retained income from data due to be supplied in May 2015. The Department for Communities and Local Government (DCLG) propose to pay compensation for the loss of income in 2015/16 on the same basis as for 2014/15.

6. The Council's estimated compensation in 2014/15 for the cap on the business rates multiplier and additional business rate reliefs announced in the 2013 Autumn Statement is £1.5m. The MTFP assumes that this funding will continue.

   <u>CRC Scheme adjustments to funding</u>

7. As part of the Government's simplification of the Carbon Reduction Commitment Energy Efficiency Scheme all state funded English schools have been withdrawn from participating in Phase 2 of the Scheme. Some local authorities (including the Council) have become too small to participate in the Scheme.

8. HM Treasury wish to recoup the loss in tax revenue due to local authorities falling below the threshold for participation in the scheme. It is proposed to adjust the DCLG and Department for Education departmental expenditure limits to compensate for this loss in relation to non-schools and schools emissions respectively. DCLG intend to make a negative allocation in the 2015/16 settlement equal to the tax which would have been due on the total emissions (excluding schools) for that authority. The Council's settlement funding assessment would be reduced by £0.143m as a result of this adjustment.

Other matters

9. The consultation document confirms that other aspects of the proposed 2015/16 settlement remain as set out in the consultation on the provisional 2014/15 settlement:

- A £1bn hold back to fund the New Homes Bonus
- A £50m holdback for the rates retention safety net
- Protection for grant rolled in to the start-up funding assessment in April 2013 from the full 10% reduction announced in the 2013 Spending Round by extending the trajectories set in the 2010 spending review (this means that certain grants rolled in will remain unchanged in cash terms from their original amounts and a lower than 10% reduction will be applied to others)

10. It also gives a number of updates to other areas of local government funding, including:

- The Department for Health will be formally consulting over the coming months on the development of the formula for funding deferred payments for adult social care and assessment for the cap on payment for care, following the Care Act 2014 (see paragraph 21 below)
- The Government has commissioned research on whether rural authorities face additional unavoidable costs in service delivery compared to urban authorities. The research will involve the Local Government Association and the Rural Services Network as well as a range of rural and urban authorities and is expected to report in the autumn

Business rate pooling

11. The Government has published a revised Business Rates Retention Pooling Prospectus. This updates and replaces the existing Prospectus and provides a timetable for the 2015/16 process.

12. Under the Business Rate Retention Scheme, authorities whose local share of business rates is more than their assessed need pay a 'tariff' and those whose local share of business rates is less than their assessed need receive a 'top-up'. Tariff authorities also pay a levy (up to a maximum of 50%) on their growth in business rates income above the baseline. This levy goes towards meeting safety net payments to authorities experiencing a significant decline in business rates income.

13. As part of the Scheme, authorities can formally seek designation as a pool. This allows the pool members to be treated as if they were a single entity for the purposes of calculating tariffs, top-ups, levies and safety net payments.

14. The County Council is part of the North Oxfordshire Business Rates Pool, along with Cherwell District Council and West Oxfordshire District Council. Cherwell District Council is the lead authority in this arrangement. The levy rate for the pool as a whole is zero (the zero levy rate for the County Council more than offsets the 50% levy rates for the two district councils) and means that the pool members will keep the levy on business rates income from growth above the baseline that would have otherwise been payable to DCLG. The County Council gets a 7.5% share of any retained levies (after allowing for administrative costs) estimated to be £0.133m for 2014/15.

15. Any proposals for new pools (including expansions or reductions to existing pools) must be made to DCLG by 31 October 2014. Existing pools do not need to re-confirm their intention to pool for 2015/16. Each of the pools that were designated for 2014/15 will continue to exist for 2015/16, unless one, or more, of the pool authorities notify DCLG that they wish to withdraw from the pool. The Government would then dissolve the pool by revoking the designation by which it was set up. Local authorities can withdraw from a designated pool before the pool comes into effect, if after seeing the draft Local Government Finance Report, they no longer believe pooling is beneficial. To exercise this option a local authority must write to DCLG within 28 days of the publication of the draft Report and before the final Report is laid before the House of Commons.

Administration of business rates

16. In April 2014 the Government published a discussion paper seeking ideas and potential solutions to reform the administration of business rates in England. The paper asked for views on the following areas:

- How is property valued
- How often property is valued
- How rates bills are set
- How business rates are collected
- How information about ratepayers and business rates is used

17. The consultation closed in June 2014. A joint team from HM Treasury, DCLG and the Valuation Office Agency will consider the written submissions and research provided by respondents over the coming months.

18. As local authorities now receive part of their funding directly from their local rate payers under the Business Rates Retention Scheme, any changes to the administration of business rates could have an impact on the predictability and stability of this source of funding.

Independent Commission on Local Government Finance

19. The Local Government Association and the Chartered Institute of Public Finance have set up the Independent Commission on Local Government Finance to impartially examine:

- The current position of the local government finance system
- A potential new system that enables better public services and encourages economic growth
- Practical options for changing the system that could be implemented by an incoming government

20. The Commission put out a call for written evidence at the beginning of July 2014 with a closing date of mid-August 2014. Interim findings will be published in the Autumn with the final report expected to be published in early 2015.

Adult Social Care Funding

Care Act

21. On 31 July 2014 the Department of Health (DoH) published a consultation on the funding formulae for implementation of the Care Act in 2015/16. This covers the allocations for additional assessments for the cap on care costs, universal deferred payment agreements and social care in prisons. The closing date for responses is 9 October 2014.

22. Additional assessments towards the care cap will be funded by a revenue grant from the Department of Communities and Local Government (DCLG). £175m will be provided nationally for this new duty. The consultation models two options for allocating the funding based on survey, census and local authority data and the indicative amounts for the Council are £2.228m or £2.313m.

23. Universal deferred payments will be funded by a DCLG revenue grant, £108.5m nationally. Using indicators of future use of deferred payments, modelling indicates the Council would be allocated £1.174m. However, the DoH are consulting on two options as to how existing deferred payment agreement activity is taken into account (nationally or locally) which could result in a different allocation.

24. Allocations for social care in prisons will only be paid to the 58 local authorities that contain prisons. This will be funded by DoH revenue grant, £11.2m nationally for 2015/16. A formula has been developed based on a limited pilot survey and the Council's indicative allocation is £0.183m.

25. The DoH has set aside £470m in total to fund local authorities' Care Act costs in 2015/16, with funding for the remaining new local authority duties coming through the Better Care Fund. Longer-term funding will not be determined until the next spending review.

26. The DoH has also announced that it will be asking each upper-tier local authority to estimate the cost it faces implementing Care Act reforms amid growing concern the measures will prove unaffordable. This will focus on the cost of early assessments towards the cap for self-funders, and the cost of assessments and support to carers.

Better Care Fund

27. The Government announced the £3.8bn Better Care Fund (formerly the Integration Transformation Fund) in the 2013 Spending Round. This set out that £1bn of the £3.8bn would be linked to achieving outcomes, with half of the pay-for-performance element contingent on the local health and wellbeing board adopting a plan that meets the national conditions by April 2014 and on the basis of 2014/15 performance, and the remainder on the basis of performance during 2015/16.

28. Following submission of Better Care Fund Plans in April 2014, updated guidance has now been issued by the Local Government Association and NHS England. This replaces and supersedes the guidance that was issued in December 2013. Some changes to the policy framework underpinning the Better Care Fund have been made. The previous £1bn pay-for-performance framework has been revised so that the proportion that is now linked to performance is dependent solely on an area's scale of ambition in setting a planned level of reduction in total emergency admissions. If the assumed (3.5%) reduction is achieved, it would equate to a national payment of circa £300m. The remaining £700m would be available up front in 2015/16 to be invested in NHS commissioned out-of-hospital services. Due to the additional work that may be required in some areas to revise and develop their plans, an extended planning timetable has been agreed, with plans to be resubmitted by 19 September 2014. The revised planning process also requires greater engagement with local acute providers.

Deprivation of Liberty Safeguards

29. The Deprivation of Liberty Safeguards (DoLS) form part of the Mental Capacity Act 2005. They aim to make sure that people in care homes, hospitals and supported living are looked after in a way that does not inappropriately restrict their freedom. The safeguards apply to vulnerable adults who have a mental condition and who do not have the mental capacity to make decisions about their care or treatment.

30. A Supreme Court ruling earlier this year means that if a person is subject to both continuous supervision and control and not free to leave they are considered to be deprived of their liberty. This is likely to result in a significant increase in the number of DoLS assessments required to be made by local authorities for people in care home placements and applications to the Court of Protection for those in supported living. Initial work undertaken by the Association of Directors of Adult Social Services suggests that referrals for assessments/applications will increase ten-fold, costing an additional £88m nationally. A separate report on the resource implications for the Council is elsewhere on this agenda.

Education and Schools Funding

31. In the 2013 Spending Round, the government said it would consult on the introduction of a national funding formula for schools in 2015/16, intended to address the unfair differences in funding between schools in different local authorities. However in March 2014 the Department for Education published a consultation on fairer schools funding in 2015/16, which fell someway short of a national funding formula, limited to the allocation of an additional £350m in 2015/16 to increase the per-pupil budgets for the least fairly funded local areas.

32. The consultation proposed funding local authorities at no lower than the same cash level per pupil as in 2014/15, with national minimum funding levels for five pupil characteristics and two school characteristics used to determine a minimum per-pupil funding threshold for each local authority. If the local authority's original 2015/16 Dedicated Schools Grant (DSG) allocation is below the threshold the authority will be topped-up from the £350m being made available nationally, otherwise their allocation will stay the same. Based on indicative data and 2014/15 pupil numbers Oxfordshire would receive £0.5m of the £350m.

33. The consultation also confirmed that the DfE do not propose making changes to the factors local authorities are allowed to use in their local formula in 2015/16 except minor changes to the sparsity factor. Also, the minimum funding guarantee will be retained at -1.5% meaning funding per-pupil cannot drop by more than that percentage.

34. In response to the consultation the DfE has increased the 'top-up' funding to £390m and used the methodology as proposed to calculate minimum thresholds. The additional indicative amount expected for Oxfordshire schools has been increased to £3.5m, increasing the basic per pupil amounts by 1.1% from £4,274 to £4,320, before the carbon reduction commitment top-slice of £7.51 per pupil.

35. The DfE have said they need to do more work to understand how the need for high needs and early years funding varies between different areas before they reform the rest of DSG funding. They will be starting a substantial research project in the Autumn looking at potential formulae for distributing high needs funding and hope to have conclusions by Spring 2015. In the meantime no significant changes are proposed to high needs funding arrangements for 2015/16.

36. The Department for Education (DfE) published a consultation on 25 June 2014 seeking views on the introduction of an Early Years Pupil Premium for all disadvantaged three and four year olds from April 2015, and on moving to participation funding for the early education entitlement for two year olds from 2015/16. The consultation closed on 22 August 2014.

37. Three and four year olds are currently entitled to 15 hours of free early education. This applies for 38 weeks of the year (570 hours in total). Pupil Premium funding

is currently only paid for eligible school-age children who have claimed Free School Meals (low income families), looked after children and service children. This consultation proposes the introduction of a new Early Years Pupil Premium (EYPP) for three and four year olds of £300 a year for every eligible child who takes up the full 570 hours of free education entitlement (equating to an hourly rate of 53p per child per hour). The funding will follow the child and go to all providers that are delivering the funded early education entitlement.

38. The Government has allocated £50m in 2015/16 to fund the EYPP, of which Oxfordshire's indicative allocation is £0.404m. The DfE does not have individual child level data on the number of eligible children in each local authority. For 2015/16 initial allocations to local authorities will be based on an estimate of the number of disadvantaged three and four year olds in each area who meet the eligibility for the EYPP. These indicative allocations will be updated in autumn 2015 following a survey of local authorities in October 2015 regarding take-up and eligibility. From January 2016 the data will be collected in the Early Years and Schools censuses.

39. From September 2013 20% of the least advantaged two year olds will be entitled to free early education, this figure will increase to 40% in September 2014. These children will include those whose families are on a low income, who have special educational needs, disabilities or who have been adopted from care. Currently local authorities are funded according to the estimated number of eligible two year olds. The DfE intends that from 2015/16 this funding will be distributed according to actual number of hours funded. The move to participation based funding will mirror the way that the three and four year old entitlements are funded. For 2015/16 there will be two data collection exercises (the second voluntary) to allow for take up levels increasing after the normal January 2015 census count.

Education Services Grant

40. The Education Services Grant is an un-ringfenced grant for centrally provided schools' services introduced in 2013/14 to provide funding to both local authority maintained schools and academies on the same basis, with transitional protection arrangements for academies. There are two elements to the grant: a retained duties rate (paid to local authorities for every pupil, both at maintained schools and academies) which was set at £15 per pupil for both 2013/14 and 2014/15, and a general funding rate (paid to local authorities for pupils in maintained schools and to academies for their pupils) set at £116 per pupil for 2013/14 and reduced to £113 per pupil for 2014/15. The academy transitional top-up rate was £34 per pupil in 2013/14 and £27 per pupil in 2014/15.

41. In the 2013 Spending Round, the Government announced that the national total for Education Services Grant (ESG) will be reduced by 20% (around £200m) from 2015/16. On 27 March 2014 the DfE published a consultation on savings to the ESG, which closed in June 2014. The consultation explored local authorities' planned spend on ESG relevant services/costs in 2013/14 and scope for making savings in the eight areas which relate to ESG: school improvement, statutory and regulatory duties, education welfare services, central support services, asset

management, premature retirement costs/redundancy costs, therapies and other health-related services and monitoring national curriculum assessment.

42. On 22 July 2014 the DfE published a response to the consultation and a statement of final arrangements for 2015/16. The retained duties rate will remain at £15 per pupil and the general funding rate will reduce to £87 per pupil in 2015/16 (a 23% reduction). There will be no top-up rate for academies in the 2015/16 academic year, however there will be revised tapered protection arrangements for academies against large budget reductions. The Council's current MTFP assumes a £1.4m reduction in ESG in 2015/16. Based on the consultation response the estimated reduction is £1.6m.

Children's Social Care

43. Between 17 April and 30 May 2014 the Government consulted on a set of draft regulations that would extend the range of children's social care functions that local authorities can delegate to third party providers. The majority of responses raised concerns with the proposals and the most common theme was an objection to "privatisation" or "profit making" in children's services. The Government response acknowledges this and has amended the draft regulations so that the extended range of functions can only be delegated to non-profit making organisations. The Government intends to lay the amended regulations before Parliament in the summer of 2014.

Environment

44. Surface water flooding is a serious problem and 55,000 properties were damaged in the summer of 2007, with two-thirds flooded by surface runoff overloading the drainage systems. A sustainable drainage system (SuDS) approach uses different techniques to help manage the rainwater at source, storing and then releasing water slowly reducing the flood risk and improving water quality.

45. The Government is consulting on implementation of the sustainable drainage systems (SuDS) provisions of the Flood and Water Management Act 2010. The Act establishes SuDS Approving Bodies (SABs) at county or unitary level, with responsibility for approving proposed drainage systems in new developments and redevelopments before construction can commence. The County Council will be the SAB for Oxfordshire. The cost of administering the approval process is likely to be funded through fee generation.

46. SABs will take on a new requirement for adopting and maintaining all SuDS which serve more than one property, whether on public or private land, with highways authorities continuing to be responsible for SuDS maintenance in public roads. The funding of the maintenance programme forms part of the consultation and there is still an element of uncertainty as to how maintenance costs will be funded in the short-term, however in the longer term will be fee based attached to the property owner.

Public Health

47. From 1 October 2015, the Government intends local authorities take over responsibility from NHS England for commissioning (i.e. planning and paying for) public health services for children aged 0-5. This includes health visiting and Family Nurse Partnership targeted services for teenage mothers, but not Child Health Information Systems or the 6-8 week GP check. Only the commissioning responsibility is being transferred. Health visitors will continue to be employed by their current provider – in most cases this is the NHS. Local authorities already have responsibility for commissioning public health services for children and young people aged 5-19, so this transfer will enable joined up commissioning from 0-19 years old. Certain universal elements of the Healthy Child Programme will be mandatory. Work is already on-going with local authorities and NHS England area teams to develop plans for a smooth transfer of commissioning. This will continue until the transfer happens in October 2015.

48. The Department of Health has stated that it does not intend to place unfunded new burdens on local government as a result of this transfer. For 2015/16, the transfer of commissioning responsibilities will be a 'lift and shift' arrangement – the amount transferred to local authorities should be what NHS England area teams are expecting to contract and spend on 0-5 services at the point of transfer. From 2016/17 onwards, the 0-5 baseline will be added to existing public health grant allocations and the public health grant allocation formula will be amended to take account of the 0-5 transfer.

This page is intentionally left blank

CABINET – 16 SEPTEMBER 2014

Ofsted Inspection of Services for Children in Need of Help and Protection, Children Looked After and Care Leavers

Report of the Director for Children's Services

Introduction

1. In May 2014 Ofsted undertook a comprehensive inspection of Oxfordshire County Council's provision for children in need of help and protection, children looked after and care leavers.

2. This was a very thorough and wide-ranging inspection which lasted some four weeks. Over that time the inspectors looked at about 180 individual cases across all areas of our work. The inspectors observed dozens of practice meetings, met colleagues responsible for delivering our services, 27 young people, 11 parents and 2 carers as well as representatives of a significant number of partner organisations.

3. The outcome of the inspection was published on 30 June 2014 and the report was subject to a presentation to the full Council on 01 July .

4. The outcome of the inspection was that services were judged to be good in all areas.

5. As with all inspections however, some areas were identified by Ofsted as requiring change or improvement .

6. The Action Plan (see Annex) has been prepared with staff and key partners. The plan details those areas identified by Ofsted as requiring action , the actions to be taken in response to them and the time by which they will be completed.

7. As part of our reporting arrangements we are required to report back to Ofsted, within 70 days of the publication date (ie on or before 6 October 2014), how we intend, through our action plan, to address the issues raised.

RECOMMENDATIONS

8.   Cabinet is Recommended to:

    (a)   approve the Action Plan for submission to Ofsted; and

    (b)   request the Performance Scrutiny Committee to undertake a 6 monthly review of progress.

JIM LEIVERS
Director of Children's Services
27 August 2014

Contact Officer:
Lucy Butler, Deputy Director Children's Social Care & YOS; Tel: 01865 815165

Ofsted Inspection Action Plan   July 2014

This action plan is designed to address the 'Areas for improvement' identified within the Ofsted single inspection of children's services published on 30th June 2014.

The plan is divided in to the judgement areas as outlined by Ofsted within the inspection report.

The actions have been developed by the Principal Social Worker in consultation with senior managers and Tier 4 managers within Children's Social Care and Education. In compiling these actions account has been taken of the judgement 'Good' made by Ofsted and the need to now progress Oxfordshire services for children to a standard that achieves' Outstanding' outcomes.

DLT will act as the board agreeing, overseeing and monitoring progress against the overall plan.
CMT will monitor progress against CSC actions

Officers Responsible for the overall co-ordination and implementation of this plan are:

Shaun Hanks- Principal Social Worker
Clare Rowntree- Strategy Manager

Inspection Action Plan   2014

Experiences and progress of children who need help and protection	Actions	Outcome	Lead	By
• Undertake a review of all children subject to child protection and looked after procedures and ensure that children are not necessarily subject to both processes (1)	• Develop 'one- process' and criteria for when both systems are viewed as necessary. • Run Fwi report 1/4ly • 1/4ly case consideration meeting by Safeguarding Manager-with SM Safeguarding &QA; Corporate Parenting manager of all cases subject of this approach. • Roll out multi-agency training in new system to re-assure other professionals of the rigour in oversight.	• One process is clearly agreed to manage those cases in two or more systems. • Frequent senior manager oversight of these cases, to ensure a dual approach is required. • Families and Professionals are working to One Plan and the child is safeguarded effectively.	HF (HC/JM/ME)	17/9/14
• Ensure that Children and young people who are looked after or who receive a child protection service are able to have an independent advocate to represent their views if they wish. (9)	• Review current advocacy service ability to provide for CP cases as well as LAC. • Approach local Health and Social Work colleges to train/ provide volunteers for this advocacy offer. • Safer recruitment and support to advocates is supported effectively by the advocacy service. • Explore with children and young people how we can best encourage the use of advocates for children.	• Capacity to provide an advocate for CP cases is sufficient and there is no waiting list. • Recruitment and training of advocates from colleges provides a high quality pool of volunteers. • Better ways of encouraging children and young people to take up Advocates have been learnt and	HC Volunteer Co-ordinator	19/11/14

Experiences and progress of children looked after and achieving permanence.	Actions	Outcome	Lead	By
	• If the volunteer/ advocacy capacity is sufficient then consider expanding this to all CiN.	developed in consultation with young people. • Any additional capacity to extend to other CiN cases.		
• Recruit more foster carers within Oxfordshire so that looked after children can be placed in or near their own communities unless there is a specific need for a placement further afield. (2)	• Refresh Recruitment strategy for attracting local long term carers and identify local carers for adolescents. Consider younger foster carers. • Engage CiCC and Care leavers in developing training in relation to caring for adolescents for foster carers and supervising social workers. • Expand the support available from MTFC to be available 24/7 for foster carers to call upon.	• Greater pool of local foster carers available for matching long term and adolescent placements. • Foster carers have the skills and support available to care for adolescents. • Fewer breakdowns and placement moves for adolescents.	TR	19/11/14
• Ensure Life story work is carried out with all looked after children for whom the plan is a permanent alternative family, and not just those moving towards adoption. (3)	• Corporate agreements as to what constitutes 'Life Story Work' and the role of the Later Life Letter within this to be agreed. • Training in life story work to be commissioned. • Support systems from Admin. and IT in completing and presenting LSW to be agreed and developed. • Expectation on all carers that a photo album of their time in placement/ care will be provided for all children Looked After. • IRO to ensure all current permanent placements have life	• Clarity over what Oxfordshire expects to be covered within Life Story Work agreed. • Appropriate training in LSW provided. • Appropriate support and time available for Social Workers to complete Life Story Work. • All children will have a photographic record of their childhood while in care.	**ME** SH L&D ST TR	31/10/14 March 2015

3

Experiences and progress of children looked after and achieving permanence.	Actions	Outcome	Lead	By
	• story work completed. • Permanence Panel to ensure that Life Story Work is completed as part of process for all new permanent placements. • developed.	• Systems in place to ensure that Life Story Work is undertaken for all children in permanent placements.	JM-IRO JV-panel	
• Ensure that when children are placed with relatives or friends, all necessary assessments are completed and presented to fostering panel within the required timescales. (4)	• Tracking System to ensure that TMs and ASMs are aware of reg24 placements and monitor progress. • Fostering Panel date to be booked within 5 working days of ADM agreement to a Reg 24 placement-Booked by the ADM and communicated to the Team Manager & Social Worker. • ADM Fostering/ Fostering Panel Advisor to monitor performance and report to area managers. • Stretching target of 12 weeks to complete assessment to be implemented. • DBS checks to be commenced the same day that a Reg24 placement is made. • Health colleagues to improve speed with which Health Information is provided for Reg24 assessments.	• Robust notification, booking and tracking system is in place that ensures the deadline for panel is clear and achieved. • DBS and Health checks do not prevent timely presentation/ agreement at panel.	HC/SL/ JV	31/10/14

Experiences and progress of children looked after	Actions	Outcome	Lead	By
• Strengthen the role of the virtual headteacher in challenging and supporting school leaders at all stages of education so that the attainment of looked after children improves to at least the expected level of their age. (5)	• The remit of the Virtual Head teacher is expanded so that they have a responsibility for tracking and supporting educational attainment for children in need as 'vulnerable learners'. • The 'Young Carers' model of working within schools is mainstreamed for CiN by the Virtual School. • Poor attendance and exclusions from school are monitored within CSC for CiN as well as LAC. • Strategic direction is integrated between CSC and Education in relation to improving educational outcomes for CIN / LAC/CL and agreeing what is 'aspirational'. • Pupil Premium is used to support attainment	• Key Stage 2&4 meet at least the national average. • Proportion 'Exceeding' expectations in reading and mathematics to be above the average • Explicit statement and monitoring of the High Aspiration for Looked after Children's Education by Local Authority and Partner agencies.	VM/ SB/ MD /LB	30/11/14
• Ensure that all foster carers receive regular supervision that is properly recorded. (7)	• Frequency of Supervision of Foster Carers is included in the performance reporting. • 6 weekly visits between 'Supervision' visits to be strengthened so that they can be recorded as supervision. • Recording template and performance reporting in FWi to be adjusted accordingly. • Training in 'good' recording of reflective supervision to be provided to Supervising Social Workers. • Foster Carer's Supervision records are quality assured in line with the QA Framework	• Reported frequency of Foster Carer supervision accurately reflects practice and improves. • Recording of reflective supervision with Foster Carers is consistently of a high standard as measured by the QA audits.	TR	30/11/14

5

Experience and Progress of care leavers	Actions	Outcome	Lead	By
• Develop and implement an ambitious strategy to ensure that care leavers engage in education, training or employment that is commensurate with their ability and potential.(6)	• Develop Strategy & Tracking system for care leavers so that their employment, education, and training are monitored by the Virtual Head. • Compared with national statistics agree an ambitious target for NEET figures within Oxfordshire. Ensure that the joint strategy between CSC and Education uses this target to drive improvement. • Through a sounding board learn from high achieving care leavers "what made a difference" for them. • Provide career training/ life coaching for care leavers.	• An 'ambitious' strategy and target is in place to improve the NEET outcomes. • Learn 'what works' from care Leavers and implement any changes required. • Enhance the focus upon NEET with a joint strategy between CSC and Education. • The Virtual Head is able to effectively track the longer term outcomes for care leavers and NEET.	CR VM/ SB/ MD/LB SL/SW	31/10/14

Leadership management and Governance	Actions	Outcome	Lead	By
• Establish effective governance arrangements between the Health & Wellbeing Board, Children and Young People's Board and the Oxfordshire Safeguarding Children Board (OSCB) to ensure a robust framework for safeguarding children and young people (8)	• JL & PC meet to agree governance framework. • Framework agreed between boards and with Chief Executive.	• Statutory Guidance is adhered to (Roles & responsibilities of DCS & Lead member) • Senior Leadership understands frontline issues (Performance, Quality, Workforce Development & Emerging need) • Strategy and Commissioning of services to meet need is	JL/PC	31/10/14

		• joined up across Boards. • Full engagement by agencies across partnerships. • Role & accountability of Chief Exec/ DCS/ OSCB Chair/ Board Chairs is clear and understood		
• Ensure that all children and young people have information appropriate to their age so that they understand how to complain. (10)	• Develop a 'customer feedback' approach to obtain children's views of the services they have received. • Improve the use of social media/ app. technology in obtaining children's feedback (e.g. Survey Monkey used by ATTACH) • Produce Complaints leaflets and online resource relevant to each key stage level (1,2,3,4) • Distribute leaflets and contact information via Reviews/ Assessment/ Schools/ Awareness Raising/ Online presence.	• Greater return rates and use of children's 'feedback' in developing services and identifying gaps/ poor or good practice. • Age appropriate 'complaints' information widely available and accessible. • A wider age range of children are submitting feedback/ complaints/ compliments.	TA	30/11/14

Additional Actions (Not outlined as areas for improvement, but referred to in the body of the report)

Experiences and progress of children looked after and achieving permanence.	Actions	Outcome	Lead	By
3 monthly visiting pattern for looked after children is not sufficient (para 48)	IROs and LAC Managers agree target for visiting pattern	More frequent LAC visits	JS	31/10/14
Also noted planned contacts with care leavers was set at three months and some care leavers did not feel they saw their SW or PA as often as they would like.	PAs and LAC managers agree target for visiting patterns	More frequent LC visits	SC	31/10/14
Adoption				
Did note that neither Fostering to Adopt nor parallel planning is embedded.	Strategic plan/decision regarding parallel planning within Oxfordshire		TR/CR	30/11/14
Experiences and progress of children who need help and protection	Actions	Outcome	Lead	By
Assessments *do not routinely consider children's identity needs fully, for example ethnicity, and this limits their value in some respects.*	• *Training workshops and resources in relation to 'Identity' to be provided for SW staff.*	Future Audits indicate improvement.	SH	30/11/14
*A small minority of **child protection plans were over-complicated** and did not enable parents to understand the changes they needed to make.*	• *Moderation exercise to be undertaken by the CP chairs to agree extent of detail to be provided in an outline plan.*		HC	30/11/14
*Child protection **chairs quality assurance function is not yet fully developed**, though plans are in place to develop this aspect of their role.*	• *QA Plan to be presented to ECMT* • *QA Plan to progress*		HC/JM	30/11/14

Oxfordshire County Council

Inspection of services for children in need of help and protection, children looked after and care leavers

and

Review of the effectiveness of the local safeguarding children board[1]

Inspection date: 29 April 2014 – 21 May 2014

Report published: 30 June 2014

The overall judgement is **good.**	
The local authority leads effective services that meet the requirements for good.	
It is Ofsted's expectation that, as a minimum, all children and young people receive good help, care and protection.	

1. Children who need help and protection		**Good**
2. Children looked after and achieving permanence		**Good**
	2.1 Adoption performance	**Good**
	2.2 Experiences and progress of care leavers	**Good**
3. Leadership, management and governance		**Good**

The effectiveness of the Local Safeguarding Children Board (LSCB) is **good.**
The LSCB coordinates the activity of statutory partners and has mechanisms in place to monitor the effectiveness of local arrangements.

---

[1] Ofsted produces this report under its power to combine reports in accordance with section 152 of the Education and Inspections Act 2006. This report includes the report of the inspection of local authority functions carried out under section 136 of the Education and Inspection Act 2006 and the report of the review of the Local Safeguarding Children Board carried out under the Local Safeguarding Children Boards (Review) Regulations 2013.

Contents

Section 1: the local authority

Summary of key findings

This local authority is good because

1. When agencies are concerned about children, they know how to get the right level of help for them. Thresholds for the different levels of help, including social care, are clear and understood by professionals.

2. Agencies work well together. Early help services are well coordinated and have clear thresholds for support. The Troubled Families programme, Thriving Families, is well targeted and responsive, with good take-up by those families in most need. When children are referred to children's social care they almost always receive a prompt response and the right help. The large majority of social work assessments are good. Children are always seen and asked about their life and what they need to improve it. Assessments analyse risk carefully and what needs to be done to reduce it. Hospital-based social workers complete good assessments that result in effective planning and discharge arrangements for newborn babies who may be in need of help or protection.

3. The large majority of child protection enquiries are carefully planned by children's social care with the police and other agencies and investigated thoroughly. Social work action to protect children when they need it is decisive and proportionate.

4. Consultation and advice are readily available to professionals who are concerned about possible child sexual exploitation. The Kingfisher team provides a consistent service for children identified as at risk of sexual exploitation. Their work is clearly focused on reducing risks as well as on meeting children's and young people's wider needs.

5. A stable workforce in children's social care means that most children experience consistency of social worker and say they have a significant, sustained relationship with them.

6. Decisions about whether children should become or remain looked after are timely and based on evidence about the child's needs. When necessary, care proceedings are initiated quickly to ensure that children are not exposed to harm for extended periods.

7. The Family Placement Support Service is a particular strength. It works effectively with families to prevent the need for children to become looked after. It also supports families when a child returns home after being looked after.

8. Long-term planning to secure stable futures for children is given a high priority. The search for suitable alternative families starts at the earliest

possible stage. The contribution made by the adoption service is good. The number of children placed for adoption has increased over the last two years and includes improved adoption rates for older children.

9. Young people are well supported when they leave care. The quality of most pathway plans is good and, whilst some lack detail, most reflect clear and timely actions to help young people make the transition to independence. Most care leavers feel well supported by their social workers and describe effective and consistent relationships that enable them to develop trusting relationships.

10. A 'Staying Put' scheme has enabled a growing number of care leavers to remain with their carers beyond the age of 18. This is bringing demonstrable improvements to the life chances of most care leavers, for example in increased emotional stability as well as a secure base while in education.

11. Services for children and families are given a high priority by senior leaders and elected members. The local authority knows its strengths and weaknesses well. Strategic priorities are identified and informed by feedback from children, young people, parents, carers and staff. Leadership is strong and effective and services make a demonstrable difference in improving the life chances of some of the most vulnerable children in Oxfordshire.

12. Elected members have high aspirations for looked after children and young people in Oxfordshire and have prioritised continued investment, for example in additional social worker and team manager posts. They hold senior officers to account for the quality of services.

13. Management oversight of practice is good. Performance data are used effectively to inform change and drive improvement. This learning culture is further supported by the effective identification and dissemination of lessons from audits and serious case reviews.

What does the local authority need to improve?

Areas for Improvement

14. Undertake a review of all children subject to child protection and looked after procedures and ensure that children are not unnecessarily subject to both processes.

15. Recruit more foster carers within Oxfordshire so that looked after children can be placed in or near their own communities unless there is a specific need for a placement further afield.

16. Ensure that life story work is carried out with all looked after children for whom the plan is a permanent alternative family, and not just those moving towards adoption.

17. Ensure that when children are placed with relatives or friends, all necessary assessments are completed and presented to fostering panel within the required timescales.

18. Strengthen the role of the virtual head teacher in challenging and supporting school leaders at all stages of education so that the attainment of looked after children improves to at least the expected level for their age.

19. Develop and implement an ambitious strategy to ensure that care leavers engage in education, training or employment that is commensurate with their ability and potential.

20. Ensure that all foster carers receive regular supervision that is properly recorded.

21. Establish effective governance arrangements between the Health and Well-Being Board, Children and Young People's Partnership Board and the Oxfordshire Safeguarding Children Board (OSCB) to ensure a robust framework for safeguarding children and young people.

22. Ensure that children and young people who are looked after or who receive a child protection service are able to have an independent advocate to represent their views if they wish.

23. Ensure that all children and young people have information appropriate to their age so that they understand how to complain.

Information about this inspection

Inspectors have looked closely at the experiences of children and young people who have needed or still need help and/or protection. This also includes children and young people who are looked after and young people who are leaving care and starting their lives as young adults.

Inspectors considered the quality of work and the difference adults make to the lives of children, young people and families. They read case files, watched how professional staff work with families and each other and discussed the effectiveness of help and care given to children and young people. Wherever possible, they talked to children, young people and their families. In addition the inspectors have tried to understand what the local authority knows about how well it is performing, how well it is doing and what difference it is making for the people who it is trying to help, protect and look after.

The inspection of the local authority was carried out under section 136 of the Education and Inspections Act 2006.

The review of the Local Safeguarding Children Board was carried out under section 15A of the Children Act 2004.

Ofsted produces this report of the inspection of local authority functions and the review of the local safeguarding children board under its power to combine reports in accordance with section 152 of the Education and Inspections Act 2006.

The inspection team consisted of six of Her Majesty's Inspectors (HMI) from Ofsted and one contracted inspector.

The inspection team

Lead inspector: Emmy Tomsett HMI

Team inspectors: Fiona Millns HMI, Sean Tarpey HMI, Pauline Turner HMI, Aelwyn Pugh HMI, Stephanie Murray HMI, Paul Johnston

Information about this local authority area[2]

Children living in this area

- Approximately 138,000 children and young people under the age of 18 years live in Oxfordshire. This is 21.1% of the total population in the area.

- Approximately 12.7% of the local authority's children under 16 are living in poverty.

- The proportion of children entitled to free school meals:

    - in primary schools is 11% (the national average is 18%)

    - in secondary schools is 9% (the national average is 15%).

- Children and young people from minority ethnic groups account for 13.5% of all children living in the area, compared with 21% in the country as a whole.

- The largest minority ethnic groups of children and young people in the area are Asian/Asian British (5.8%) and people from Mixed/Multiple Ethnic groups (4.9%).

- The proportion of children and young people with English as an additional language:

    - in primary schools is 11% (the national average is 18%).

    - in secondary schools is 9% (the national average is 14%).

- Children of non-white ethnicity follow the same pattern of distribution in the county as adults, predominantly living in Oxford City and Banbury. At ward level, the highest proportion of non-white ethnicity among children under 18 was 58% in Cowley Marsh in Oxford City.

Child protection in this area

- At 31 March 2014, 3,151 children had been identified through assessment as being formally in need of a specialist children's service. This is a reduction from 3,471 at 31 March 2013.

- At 31 March 2014, 512 children and young people were the subject of a child protection plan. This is an increase from 430 at 31 March 2013.

- At 31 March 2013, 34 children lived in a privately arranged fostering placement. This is a decrease from 37 at 31 March 2012 (the 2014 submission is not yet available).

---

[2] The local authority was given the opportunity to review this section of the report and has updated it with local invalidated data where this was available.

Children looked after in this area

- At 31 March 2014, 467 children are being looked after by the local authority (a rate of 33.7 per 10,000 children). This is an increase from 416 (30.0 per 10,000 children) at 31 March 2013. Of this number:

    - 125 (26.8%) live outside the local authority area

    - 61 live in residential children's homes, of whom 57.3% live out of the authority area

    - 9 live in residential special schools[3], of whom 44.4% live out of the authority area

    - 327 live with foster families, of whom 25.0% live out of the authority area

    - 13 live with parents, of whom 7.7% live out of the authority area

    - 20 children are unaccompanied asylum-seeking children.

- In the last 12 months:

    - there have been 44 adoptions

    - 28 children became subjects of special guardianship orders

    - 257 children have ceased to be looked after, of whom 6.6% subsequently returned to be looked after

    - 22 children and young people have ceased to be looked after and moved on to independent living

    - the number of children and young people who have ceased to be looked after and are now living in houses of multiple occupation is not available at this time.

Other Ofsted inspections

- The local authority operates 2 children's homes. Both were judged to be good or outstanding in their most recent Ofsted inspection.

- The previous inspection of Oxfordshire's safeguarding arrangements / arrangements for the protection of children was in March 2011. The local authority was judged to be Grade 2 (Good).

- The previous inspection of Oxfordshire's services for looked after children was in March 2011. The local authority was judged to be Grade 2 (Good).

---

[3] These are residential special schools that look after children for fewer than 295 days.

Other information about this area

- The Director of Children's Services has been in post since October 2011 in an interim capacity and April 2012 as substantive.

- The interim chair of the LSCB has been in post since October 2013.

- In May 2013, following a joint police and local authority investigation in Oxfordshire, seven men were convicted of child sexual exploitation. The OSCB initiated a serious case review but has not yet completed its investigations. In response to the investigation, and prior to the convictions, the local authority and its partners, including police, health and district councils, worked collaboratively to provide services to protect and support vulnerable children and young people. This has included setting up the dedicated Kingfisher Multi-Agency Team in November 2012, and creating a wider awareness about young people who are victims of sexual exploitation. Extensive training for staff across the partnerships has been delivered and the local authority recently hosted a national conference on child sexual exploitation.

Inspection judgements about the local authority

The experiences and progress of children who need help and protection are good

24. Early help assessments are completed by a wide range of agencies to identify what needs to change to improve a child's life. These also inform subsequent intervention, which is supported by regular 'team around the child' meetings to monitor progress. The 'Thriving Families' scheme is well focused on those most in need of support. It is intensive, well organised and cost-effective, and has led to clear improvements in the lives of particular families.

25. The Early Intervention Service (EIS) supports a wide range of families at early help stages. This includes help for children and young people in those families where there is drug and alcohol misuse by parents or carers. EIS help continues to be available if cases escalate to children's social care. It also supports an increasing number of children and families when social care intervention ends. This helps to reduce the risk of concerns re-emerging. The EIS introduced the 'Family Star' model in January 2014. This is beginning to provide evidence that early help is making a difference and improving outcomes for children.

26. Thresholds for the different levels of intervention are well understood and applied across the partnership. Excellent arrangements are in place to ensure that social work advice is available to support professionals from partner agencies. Locality senior practitioners and social workers based across all Children's Social Care teams including the hospital provide prompt advice and consultation to a wide range of professionals about actions they should take on cases. Social workers are linked to all children's centres and schools and provide regular formal consultation sessions. Advice is clearly recorded and reviewed by the locality senior practitioner and is of sound quality. This is an area of particularly good practice.

27. When safeguarding and child protection concerns are identified, they receive a prompt and proportionate response from children's social care. This includes when concerns arise out of normal office hours. Good arrangements are in place with the police to undertake child protection investigations where there is a risk of significant harm. Minutes of strategy discussions to plan and coordinate investigations include clear details of the next steps to be taken. Inspectors found no cases where children were left at risk.

28. Information sharing between professionals is usually timely and is bounded by excellent arrangements to secure informed consent from families in need of early help and lower level interventions from children's social care.

29. The large majority of Children's Social Care assessments identify risks and protective factors well and provide a robust analysis. They include a number of key elements that combine to produce a good understanding of the child's

experience. For example, they are informed by chronologies and so take into account historical factors when considering current needs and risks. Children are routinely involved in assessments and their experiences are central to them. The voice of the child is well reflected in the large majority of assessments. Assessments include consideration of fathers, even when they are absent. Social workers use a specific tool to assess the nature and impact of neglect on children. This enables them to tailor interventions to meet the particular needs of these children and to help them overcome the harm they have suffered. Overall, assessments provide a good platform for planning and intervention. However, they do not routinely consider children's identity needs fully, for example in relation to ethnicity, and this limits their value in some respects.

30. The single assessment has been recently introduced in Oxfordshire. Assessments are comprehensive and lead to the development of well-informed child protection and child in need plans. These are mostly outcome-focused, with specific actions to reduce risk and meet needs. More recent child protection plans make it clear to parents what they have to change and how they will be supported in doing so. This is reinforced by child protection conference chairs, who ensure that parents understand plans before they leave conferences. Parents told inspectors that they are aware of professional expectations of them.

31. Core group meetings are regular and well attended by professionals. They are effective in monitoring the progress of families where children are on a child protection plan and in holding parents and professionals to account. In the majority of cases, core groups are instrumental in driving effective action to progress plans swiftly, leading to improved or improving outcomes for children. Arrangements for considering child protection issues for children with disabilities are effective, with co-working arrangements in place between the assessment teams and disability social workers. This ensures that the protection needs of the child are fully considered as well as those relating to their disability.

32. Child in need plans are afforded the same priority as child protection plans. They are increasingly valuable in ensuring that children's needs are met. They are used well to shape continuing support for children and families who previously had child protection plans. This helps families to sustain the positive changes they have made. However, a small minority of child protection plans were over-complicated and did not enable parents to understand the changes they needed to make.

33. A small minority of children are currently subject to both child protection and looked after arrangements. This means that some parents and children unnecessarily experience additional meetings and processes. The local authority has recognised this and is reviewing all these cases to ensure this issue is rectified.

34. Child protection chairs are passionate and committed. They recognise the need to develop more outcome-focused protection plans. Their quality assurance function is not yet fully developed, though plans are in place to develop this aspect of their role.

35. The number of children subject to a child protection plan continues to rise in Oxfordshire. This is due in part to improvements in the targeting of intervention, better decision-making and more robust management oversight. Core group meetings take place regularly, and there is evidence that most are effective in developing the outline protection plan into an effective working tool and in monitoring progress.

36. Management oversight of casework is evident in case files and supervision records. It is effective in providing both quality assurance and clear direction to work done with children and families. Staff report that they are well supported by managers.

37. Children benefit from a stable workforce which affords children consistency of workers. Social workers know their children well and it is clear that they have meaningful discussions with them about their experiences and advocate well for them. Independent advocacy services are not frequently used by young people. The local authority recognises the need to promote these services more effectively.

38. Work done by the Kingfisher service, a specialist team working with young people who have suffered or are at risk of child sexual exploitation (CSE), is of high quality. It focuses both on reducing risks and meeting wider needs for young people, as well as providing good consideration of the young person's holistic needs. Large numbers of professionals have been effectively trained to identify potential indicators of child sexual exploitation. The consistently high use of a child sexual exploitation screening tool by professionals who are concerned about possible CSE is leading to more young people being helped earlier. The Kingfisher team provides good quality consultation and advice to a wide range of professionals on child sexual exploitation. Excellent awareness-raising activity takes place with young people on a continual cycle and is now taking place with parents and carers.

39. Good arrangements are in place to respond when children go missing from home and care. The police undertake a 'safe and well' visit when children return home and provide very prompt reports to the local authority. Social workers visit promptly after each missing episode of a child known to the service. They complete a return interview with the young person to understand the reasons for the missing episode. All missing episodes are effectively recorded and risk assessed, with appropriate plans to reduce the risk of future missing episodes. The authority has effective systems for identifying, monitoring and responding to those children who are missing from education and those who are educated at home. Officers provide support and,

where necessary, challenge to ensure the quality of the education provided in this way.

40.   Sound arrangements are in place to assess and meet the needs of 16 and 17 year-olds who become homeless. The local authority takes good steps to identify appropriate housing for young people, including in emergencies. Continuing support is available to young people through children in need plans when they choose not to become looked after. Two young people were in temporary bed and breakfast accommodation at the time of the inspection. Their situations have been fully risk assessed and appropriate action is being taken to secure more permanent accommodation.

41.   Good arrangements are in place for privately fostered children. Awareness raising work across Oxfordshire, and particularly with local language schools, has been successful in increasing the number of referrals overall.

42.   The Local Authority Designated Officer (LADO) arrangements for managing and responding to allegations of abuse or mistreatment of children by professionals and carers are effective. Allegations are investigated thoroughly to ensure that risk to children is identified and prompt actions taken to reduce it.

43.   Multi-agency risk assessment conferences (MARAC) are chaired by a senior police officer and well attended by relevant partner agencies. This process increases the protection of children and young people who are at risk of harm caused by domestic abuse. Referrals to MARAC are appropriate and timely. Similarly, multi-agency public protection arrangements (MAPPA) demonstrate a coordinated multi-agency response and shared understanding that reduces risk to children.

The experiences and progress of children looked after and achieving permanence are good

44.   Children and young people in Oxfordshire who are on the edge of care are well supported to remain with their families where this is appropriate.

45.   Decisions about children coming into care are consistently made by senior managers and are proportionate and timely. The Public Law Outline is well understood and legal advice is clear. Decisions made about thresholds for proceedings take account of family history, the motivation of parents to change and the impact of adult need and behaviour on children.

46.   In Oxfordshire care proceedings are being concluded swiftly. The current average timescale is 27 weeks, which is better than the national average. While the quality of assessments and reports is variable, most are good. Social workers thoroughly explore all support options to help birth families care for their children safely. Where this is not possible, they give a high priority to securing alternative permananent arrangements. Social workers speak authoritatively and warmly about children and young people who are

looked after. They understand their histories, work hard to make sure they live within homes that meet their needs and think carefully about their long term outcomes. The vast majority of young people who spoke to inspectors made positive comments about their social workers and one said, 'My social worker never left me, she stayed by my side'.

47. In the large majority of cases, children and young people are settled and thriving in their current placement, with improved outcomes in all or most areas of their lives. Most children looked after experience great stability in their short- and long-term placements. The vast majority of children placed out of area are well supported and are not adversely affected by the fact they do not live in Oxford.

48. In the majority of cases, looked after children are seen regularly by their social workers. However, the ability of young people and their social workers to make and sustain meaningful relationships is reduced in a small minority of cases where visits take place every three months. Whilst this visiting pattern had been agreed by the child, this is not a sufficient monitoring frequency.

49. The clinical psychologists, family therapist and specialist senior practitioner within Oxfordshire's ATTACH Team (Attaining Therapeutic Attachments for Children) provide effective therapeutic intervention to children. This work has been successful in reducing the number of children entering the care system as well as preventing placement breakdown

50. Independent Reviewing Officers (IROs) provide consistent and rigorous scrutiny of care plans for looked after children and young people. They challenge decisions and plans effectively where appropriate and stay in touch with young people, particularly during times of change or uncertainty. Although they routinely see children a few days before their review, and clearly know them well, they do not consistently have face-to-face contact with young people between their reviews.

51. The recruitment of foster carers is well targeted and the number of carers approved has increased. Despite this recent increase in approvals, there is still a shortage of carers for older teenagers and children requiring long-term care. This is having an adverse impact on the local authority's ability to match children and young people immediately to appropriate in-house placements.

52. The Multi-dimensional Treatment Programme (MTFC) provides 14 specialist therapeutic placements to children and young people aged 3 to 16, with 58 children being placed to date. Children placed within the programme benefit from the involvement of a strong and responsive team of professionals, leading to a better understanding of their needs. Targeted therapeutic intervention is making a difference to the lives and futures of most children and young people seen. The programme has seen positive outcomes for children including their return to their family, adoption and permanent placements under Special Guardianship Orders.

53. Careful thought is given to the suitability of extended family members and other connected persons when thinking about long-term options for children of all ages. However, social workers are not consistently ensuring that friends and family assessments are completed and presented to fostering panel within the required 16 weeks and therefore unnecessary delay has occurred in a minority of cases.

54. Most children who are unable to return to live with their families say that their social workers have explained to them clearly the reasons. Social workers routinely help children to make sense of what is happening to them. Inspectors saw examples of social workers using play with trains on a track to help children understand their journey towards a 'forever family'. Older looked after young people reported to inspectors that their social workers had really helped them to understand their lives so far. Children with a plan for adoption are routinely engaged in life story work, but for children with plans for other forms of permanent alternative family it is not always done early enough. The vast majority of care plans and reviews are up to date and comprehensive. Most plans reflect clear arrangements for looked after children, as well as the views and wishes of the child or young person. Educational progress is consistently explored, with recognition of the young person's progress and achievements, together with targeted actions to address any concerns about attendance, behaviour or attainment.

55. The quality of looked after reviews is good. Young people and their families are encouraged to be involved and in the vast majority of cases children participate fully in the discussion and planning stages. The needs of young people are well reflected on written records, with important events, achievements and challenges all given equal emphasis.

56. Looked after children's health needs are effectively monitored. Social workers routinely notify looked after children's nurses of new admissions to care. They arrange initial assessments within two days and this ensures that children's health needs are understood early. Strength and Difficulties Questionnaires (SDQs) are completed routinely for all looked after children by their carers as part of the annual health check undertaken by the looked after children nurses. The results of these questionnaires enable health professionals to identify individual needs and ensure advice and support is effectively targeted to meet this need.

57. Looked after children and young people who are at risk of emotional harm are well supported by the Child and Adolescent Mental Health Services (CAMHS). A pre-CAMHS service offers a single point of entry and looked after children are prioritised through direct referral and effective triage processes. CAMHS services are further strengthened through the provision of an outreach support and crisis assessment team (OSCA). This service provides good support for children living out of area and within a two hour drive of Oxford. To ensure that looked after children and young people are receiving health services that meet their specific needs, the designated doctor undertakes

regular visits to those children with high risk, complex needs who live in specialist placements.

58. The young people's drug and alcohol service provides treatment and support for young people aged up to 19 years, including looked after children. The service also offers support to those affected by a parent's or family member's substance misuse. There is an increasing number of looked after young people accessing support from this early intervention service and this has led to improved emotional stability in most cases. Offending rates among looked after children are low at 3.6%. When children go missing from care there is a well-defined reporting process which means that the social worker, team manager and IRO are immediately informed. Return interviews are timely and include thoughtful discussions with young people about why they went missing and what they did when they were away from their placement.

59. Looked after children and young people are encouraged and supported to pursue leisure activities. Looked after children receive leisure passes giving free entry to some leisure facilities within Oxford. The local authority organises innovative events for its children. For example a ball was attended by 100 looked after children and care leavers, and young people spoken to as part of the inspection report that this was a great success.

60. The Children in Care Council is a well-led, passionate and highly effective group of young people who are making a tangible difference to the experiences of all children who are looked after in Oxfordshire. For example, the CICC has effectively reviewed the Pledge as well as reviewed strategies to ensure children placed out of area are well included in both events and communication processes. Their views are well considered by senior managers. The group is helping the local authority to understand what makes a good social worker, and is assisting it in recruiting those who are most likely to fit this profile.

61. Foster carers are well supported by their supervising social workers and are helped to develop skills and expertise through a range of training opportunities. While formal supervision is of good quality, records suggest that it is not always frequent enough.

62. The great majority of looked after children have an up-to-date Personal Education Plan (PEP). These plans are reviewed regularly and focus on their attainment and progress, as well as their personal, social and emotional development. However, they do not always set out actions and success criteria clearly enough. All the plans showed that pupil premium funding was being used appropriately but none of them included success criteria to measure the impact of this investment on the children's attainment and progress.

63. The virtual school is well led. Its staff have worked hard to establish close relationships with schools and to challenge as well as support them. There is

evidence that the virtual school is engaged in children looked after reviews and their contribution is leading to detailed and helpful discussions and plans relating to children and young people's attendance, attainment and goals.

64. Absence from school rates for looked after children have improved, partly as a result of daily monitoring of those placed outside Oxfordshire, as well as within the authority. Those with high absence rates receive a range of additional support, including a programme to help them re-engage with education. A small minority of looked after children attend schools that are less than good. Where a school has been judged inadequate, education officers closely monitor education arrangements and scrutinise impact on individual looked after children.

65. For over five years, no child looked after by the authority has been permanently excluded from school. Whilst the rate of fixed-term exclusions is improving, it remains worse than for all looked after children nationally. The authority has identified schools where the rate of multiple exclusions is very high and has worked to help them improve the situation, for example by revising the care plans for children.

66. Attainment at the end of Key Stages 2 and 4 is well below the averages for all pupils in the county and nationally. The proportion of looked after children who make expected progress in mathematics and reading is higher than for all pupils nationally and locally but the proportion *exceeding* expectations is below average. Overall, the educational attainment of looked after children in Oxfordshire does not indicate sufficient aspiration for them by the local authority and its partners.

The graded judgment for adoption performance is good.

67. Oxfordshire's adoption service operates with a clear emphasis on quality and timeliness. It uses the National Register to identify potential placements and has increased the number of family finding staff. It has a knowledgeable, committed and enthusiastic workforce. These factors contribute to good outcomes for children.

68. Oxfordshire places a high priority on securing permanent homes for children. The drive to increase the number of adoptive placements has proved effective. In 2013–2014, Adoption Orders were made for 44 children. This is an increase of 38% on the previous year. The local authority has identified the need to increase the number of adoptions of children over 5 years and, as a result of effective targeting and recruitment, 13 adoptive placements were made in 2013–2014 for children aged 5 years and over.

69. Where there are potential delays in the adoption process they are carefully monitored, and the reasons understood. Most such cases are of children with particularly complex needs. The local authority prioritises the need to find the

right placement for children with complex needs even when this impacts upon overall timeliness statistics.

70. The improved timeliness of court proceedings in Oxfordshire at 27 weeks is helping to ensure that children are placed with adopters more quickly. The Adoption Scorecard shows that Oxfordshire is performing well, achieving an average of 450 days from the time a child enters care to being placed with an adoptive family. This is 30% better than the national average. The time between receiving the placement order and deciding on a match is 114 days, which is 45% better than the national average. In 2012–2013 the number of placement disruptions prior to the final adoption order being made was very small.

71. Monthly Permanency Planning meetings are held in each of the area social work teams. These are routinely attended by social workers and adoption team staff. Legal support, IRO input, and other contributions are provided where required. The key purpose of the meetings is to identify and begin to track prospective adoption cases at an early stage. They ensure that in most cases decisions to begin the process of family finding for a child are taken promptly.

72. Although the local authority demonstrates urgency and care in all adoption work, and there is some use of fostering to adopt and parallel planning, neither approach is fully embedded. As a result, a small number of children experience delay in achieving permanence. However action is now being taken to implement more effective parallel planning arrangements where this is deemed to be in the best interests of children.

73. The recruitment, preparation, assessment, training and support of adopters are good. Existing adopters are involved in preparation training for future adopters. This work has enabled potential adopters to understand better the implications of adopting sibling groups. As a result, more sibling groups have been adopted over the past year. In addition, this work has been particularly effective in leading to a small increase in adoptions of children with complex needs.

74. There are three agency decision makers, who have the knowledge and experience to undertake their role effectively. They all understand the need to ensure that they are not involved in making decisions about cases for which they have direct accountability. The independent adoption panel chair services three Panels, each of which has its own vice-chair. This ensures consistency in relation to both process and decision-making. Panels are always quorate, and can be quickly convened when urgent decisions are required, for example to meet legal deadlines. This flexibility contributes to the avoidance of delay for children.

75. Legal and medical advice to adoption panels is readily available and of good quality. Training for panel members is regular and relevant. Recent training

events have involved adopters describing the process to panel members from their perspective and discussions on the issue of diversity.

76. An annual adoption report is submitted to the Corporate Parenting Panel. Management information on adoption is prepared every six months for discussion by the senior management team, ensuring that the local authority has an effective managerial overview of the service provided.

77. Support for adopters is comprehensive. The adoption service includes social workers whose specialism is providing support to adoptive parents. Parenting courses are provided and adopters are able to access some of the courses run by the learning and development team. Effective support is also provided by the ATTACH team through specialist therapeutic interventions.

78. The adoption service maintains a list of all adopters and ensures that they receive newsletters and information. The quarterly Oxfordshire Adoption Support Newsletter is a good source of professionally produced material for adopters. This includes information about legislative changes, training and support opportunities and events aimed at assisting adopters to form their own networks.

79. A buddying system enables new adopters to benefit from the knowledge of more experienced adopters who have been trained to offer one-to-one support. This ensures that adopters are well supported and their expectations are clear, and helps limit the number of placement breakdowns.

80. The adoption service also provides good support to birth relatives through the process of adoption and beyond. A dedicated worker, independent of the decision-making processes for adoption, has initiated a group for birth mothers whose children have been adopted, and is in the process of setting up a similar group for birth grandparents.

The graded judgement for the experiences and progress of care leavers is good

81. Care leavers told inspectors that they feel safe in their accommodation and in their local community. They feel well supported by their social workers and personal advisers, who are good at helping them become independent. Examples of this include financial advice, cooking and healthy eating.

82. Pathway plans are of good quality and are in place for all care leavers. Case recording is up to date and demonstrates regular and effective work with care leavers. There is a clear focus in pathway plans on preparation for independence. All plans include clear evidence of management oversight. They clearly identify the specific needs of the young person, including contact arrangements with family and friends, issues with regard to identity and, where necessary, health and safety.

83. Care leavers know how to contact their social worker and personal adviser. However, the frequency of planned contacts with care leavers was often set at three monthly. While this minimum frequency is often amended in light of emerging needs, a small minority of care leavers don't see their social worker or personal adviser as often as they would wish. This reduces the scope for early help in any problems that may arise.

84. Care leavers are able to remain in their foster placements beyond the age of 18. This opportunity is welcomed by most care leavers and ensures that undue pressure is not placed upon them to move before they are ready. It also enables them to make the transition to further or higher education, employment and training from a stable home life, and this increases the chances of success.

85. A very small number of care leavers were in bed and breakfast accommodation at the time of the inspection. These are cases where the young people have refused to accept alternative accommodation offered. The local authority has completed comprehensive risk assessments to minimise the adverse effect of this accommodation. Management scrutiny of the welfare of these young people is frequent and challenging and ensures that suitable alternatives are actively sought.

86. Bespoke support services are provided to unaccompanied asylum seeking children. An independent provider has been commissioned to provide semi-independent accommodation specifically for unaccompanied asylum seekers and high quality support is provided in relation to their legal status, communication and other issues.

87. Effective commissioning arrangements are in place for some types of accommodation for care leavers, for example supported lodgings schemes. All contracts now include a 12-week notice period so that, in all but the most serious of situations, sufficient time is made available to allow for negotiation with the young person and the provider and, when required, for an alternative plan to be put in place. This ensures that the number of placement disruptions is minimised.

88. The health needs of care leavers are routinely monitored and addressed through the pathway plan. All care leavers have a health passport. Care leavers report that their health is well promoted and they are encouraged to live a healthy lifestyle. Most care leavers know how to access their health records should they wish to do so.

89. The proportion of care leavers who are not in education, employment or training (NEET) has increased and is significantly higher than the proportion for all young people in Oxfordshire. There are currently 70 care leavers at college, and 32 at university, and it is not clear how the progress of this group of care leavers is monitored by the local authority. The colleges do complete NEET support plans for those young people who are not attending but,

although these are shared with social workers and personal advisers, the virtual head is not made aware of them routinely. This adversely impacts on effective scrutiny and tracking of individual care leavers.

90. A number of care leavers are involved in CiCC. Many have made helpful contributions by describing their care experiences, and it provides an additional source of support and advice for young people as they move towards independence. Officers working to support the CiCC speak warmly of the achievements of many care leavers, there are good relationships between care leavers and these staff.

91. Financial support packages are available for care leavers, and in most cases entitlements are clearly explained. However, care leavers who were consulted had variable levels of understanding about some of the details, especially in relation to support into further or higher education.

Leadership, management and governance are good

92. Effective and resolute leadership in Oxfordshire has resulted in improving services and outcomes for children and young people. The local authority knows its strengths and weaknesses well. Its own assessment of its services for children and young people is comprehensive, and identifies strengths and priorities for development. Feedback from children, young people, parents, carers, staff and stakeholders in Oxfordshire is central to identifying strategic priorities and informing service development.

93. The key priorities for Oxfordshire Children, Education and Families are identified and reported through the children and young people's plan. This aligns with the Joint Strategic Needs Assessment (JSNA) and the priorities of the Health and Well-Being Board. The priorities are reflected in the Business Strategy, Early Intervention Strategy, threshold matrix, commissioning strategy, and placement strategy.

94. Clear lines of accountability and scrutiny between political leaders, strategic directors and operational staff ensure that key issues, challenges and strengths in services for children are well understood. The DCS has effective working relationships with the chief executive, political leaders and OSCB chair. He demonstrates clear ambitions for children and young people and has developed a culture of learning. He works well and has developed strong and effective links with partners in both statutory and voluntary sectors.

95. Despite the significant work and commitment to planning and service development, the Children and Young People's Partnership Board (part of the Health and Well-Being Board) has not yet established effective governance arrangements with the OSCB to ensure a robust framework for safeguarding children and young people. While the local authority recognises the need to ensure governance arrangements are strengthened, it is evident that current arrangements have not had an adverse effect on the work of the OSCB.

96. The local authority, through its placement strategy, has identified and is responding to the need to develop a wider choice of services for children and young people across Oxfordshire. Working closely with partners, especially health services, it is securing additional provision within the county to improve outcomes for children and keep the 'riskiest closest'. The placement strategy is aligned to other key priorities aimed at ensuring a sufficient supply of adopters, foster carers, edge of care services and supported housing. However, the number of foster carers needed, particularly for older looked after children, remains insufficient for the local demand. Following consultation with parents, carers and children, a new jointly-commissioned residential academy for children and young people with autism has been commissioned and is opening in September 2014.

97. Commissioning is largely effective, though the failure to recruit enough foster carers within the county boundary means that too many children are placed away from their own communities. Commissioning priorities derive form the JSNA, Health and Well-being Board and Young People's Partnership Board. They are informed by learning from serious case reviews and the views of children, young people, parents and carers. This ensures that provision such as early help is well targeted. Contracts with providers are subject to robust quality assurance that includes routine monitoring and review. For example, clear procedures are followed by social workers when a children's home or fostering agency is judged to require improvement or to be inadequate. This ensures that necessary steps are taken to ensure children are safe and their needs met.

98. Corporate parenting panel members are enthusiastic and committed to looked after children in Oxfordshire. The CiCC have dedicated agenda time to meet with the panel and discuss their issues. To enable them to have a clearer understanding of issues and to drive improvement, the corporate parenting panel has requested additional information on matters such as children missing from care, the role and effectiveness of the virtual school and supported housing for care leavers. The panel members maintain a high profile across the local authority and have effective links with district councils, as well as regular contact with the local authority's children's homes, children's centres and early intervention hubs.

99. Children and young people are actively consulted and their views considered in the development of services, staff recruitment and training processes. They have influence through their strategic representation on the Children and Young People's Partnership Board. They are regularly involved in recruitment of social workers and have provided an 'expert by experience' view to conferences, for example the OSCB conference on risky behaviours. The views of children and young people have also informed service development and redesign, for example in relation to advocacy and independent visiting.

100. The influence of the Principal Social Worker, appointed in December 2013, is developing and beginning to demonstrate improvements in service

development and outcomes for children and young people. The role, in line with the expectations of the College of Social Work, has sufficient status to influence the corporate management team but maintains an effective link with frontline services through performance management and quality auditing. Findings from 'listening events' led by the principal social worker in all three area social work offices have informed recent developments. These include caseload reductions for social workers, increased use of administrative support to improve efficiency, enhanced training for all staff and the introduction of action learning sets to meet the training needs of senior practitioners.

101. Performance management arrangements are well established with good reporting to senior managers and area teams. This contributes to improvements in practice in frontline services. Quality auditing is undertaken routinely across frontline services. Audits consider practice and casework issues and have resulted in improvements, for example in the quality of supervision and of assessment work. Thematic audits are commissioned by senior management in response to issues arising from performance data, complaints and serious case reviews. The team recently audited the quality of work for care proceedings and permanency planning.

102. Management oversight of practice is good, with effective use of performance data and an improving application of learning from audits and serious case reviews. Staff routinely receive supervision from managers. The quality of supervision is improving and inspectors found evidence of some good reflective supervision. This is strengthened by the introduction of 'signs of safety' meetings, providing effective oversight of casework to prevent drift and to focus on outcomes for children and young people.

103. In 2013–2014 only a very small number of young people made a formal complaint to the local authority. Children and young people in the CiCC were clear about their right to complain and felt confident in approaching senior managers if their informal 'grumbles' were not addressed. However, among all children and young people receiving a service who were surveyed by the, CICC, only 62% knew how to complain and 7% of these were reluctant to complain in case of any repercussion. The CiCC has produced a 'contact card' to advise looked after children on how to complain, and there are clear criteria within the 'Oxford Pledge', but this information is not in an appropriate format to help younger children understand how to complain.

104. Learning from complaints is used effectively to inform practice and service development. For example, effective learning from case auditing and complaints resulted in specific training for staff in working with fathers. This has led to an increase in the number of fathers actively involved in work under child protection processes. Consequently, the number of complaints about this issue has reduced. The corporate parenting panel routinely consider themes from complaints as part of their learning and development strategy.

105. Effective relationships between the Children and Family Court Advisory and Support Service (Cafcass), the local Family Justice Board and the local authority legal team have resulted in care proceedings now being dealt with within 27 weeks (better than the national average and almost meeting the government target of 26 weeks). This, along with improvements in the quality of assessments, contributes to the avoidance of delay in resolving children's progress towards secure, permanent arrangements.

106. Children and young people in Oxfordshire benefit from a stable workforce with low use of agency social workers. Staff report that this is because of a culture of effective support, reducing caseloads and a good living and working environment. The rate of social work staff turnover is 9%, with national levels at 15%. The use of agency staff is currently at 5.5% (approximately three full time staff), significantly better than that for comparable authorities and the national figure of 12%. Average staff sickness rates are 8 days per annum with a target of 7 days, again below that of similar authorities and England as a whole (10 days and 11 days respectively).

107. Oxfordshire's workforce strategy is linked closely to the social work reform board and employer standards. It includes clear actions to build a stable and competent workforce. Following a recent review, the local authority invested £1.4 million to reduce social worker caseloads, introduce an assistant team manager role to strengthen first line management, increase starting salaries for new social workers and develop a clear staff progression framework. Work is underway to develop a 'professional capabilities and competence' framework that is linked to progression and pay.

108. Children, young people and families are supported by staff who have appropriate skills and are suitably experienced. Training needs are identified well and often as a result of quality assurance findings, learning from complaints and serious case reviews. A comprehensive range of in-house training, including mandatory training, is provided. There are good opportunities through the use of devolved budgets for individual teams to commission specific training and resources, for example, team exercises, a central on-line assessment tool, conferences and development days.

What the inspection judgements mean: the local authority

An **outstanding** local authority leads highly effective services that contribute to significantly improved outcomes for children and young people who need help and protection and care. Their progress exceeds expectations and is sustained over time.

A **good** local authority leads effective services that help, protect and care for children and young people and those who are looked after and care leavers have their welfare safeguarded and promoted.

In a local authority that **requires improvement**, there are no widespread or serious failures that create or leave children being harmed or at risk of harm. The welfare of looked after children is safeguarded and promoted. Minimum requirements are in place, however, the authority is not yet delivering good protection, help and care for children, young people and families.

A local authority that is **inadequate** is providing services where there are widespread or serious failures that create or leave children being harmed or at risk of harm or result in children looked after or care leavers not having their welfare safeguarded and promoted.

Section 2: The effectiveness of the Local Safeguarding Children Board

The effectiveness of the LSCB is good.

Areas for improvement:

109. Increase the influence of the Board by clarifying and strengthening the relationship with other key strategic groups, particularly the Children and Young People's Partnership.

110. Ensure that the OSCB annual report has a closer focus on the child's experiences of safeguarding services.

111. Further develop work to ensure that the experiences of children, young people and their families contribute to improvement of services and training, and in particular, provide feedback to them to show how their contribution has influenced service development.

112. Improve the evaluation of multi-agency safeguarding training, particularly of its longer term impact on the quality of practice in partner agencies.

113. Accelerate the development and implementation of a strategy in relation to female genital mutilation.

Key strengths and weaknesses of the OSCB

114. The Board is appropriately constituted and fulfils its statutory duties. Its terms of reference are clear. It is compliant with the expectations set out in Working Together 2013 to submit an annual report to the Health and Well-Being Board. It is generally well attended by members, including two lay members who demonstrate independent challenge to the work of the Board. Members are of sufficient seniority in their own organisations to be able to commit resources to support the work of the Board.

115. A number of sub-groups are constituted alongside three Area Safeguarding Groups. These provide avenues for communication between strategic managers and practitioners. In addition, the safeguarding needs of vulnerable groups, including children and young people with disabilities, can be considered in greater depth.

116. Governance arrangements between the OSCB, its independent chair, the local authority's Chief Executive, the DCS and Lead Member are sound. However, links with other key partnerships such as the Children and Young People's Partnership and the Health and Well-Being Board are less mature and require further strengthening and formalisation.

117. The Board has until very recently been led by an interim independent chair who is held in high regard by partners. Despite the temporary nature of his

stewardship he has demonstrated constructive and robust challenge and has established a strong basis for continued progress. A new permanent chair has now taken over the role.

118. The Board has maintained progress in addressing the priorities within the current Business Plan (2013–15). Priorities have been informed by the JSNA as well as learning from serious case reviews, the comprehensive auditing programme and findings from the routine consideration of an extensive suite of performance information.

119. Progress is rigorously reviewed by the Board. Completed actions are closed down and remaining ones re-prioritised to meet objectives. This has led to tangible improvements in practice, including better attendance of relevant agencies at child protection conferences and core groups. Similarly, work is underway to develop a coordinated approach to tackling female genital mutilation.

120. Safeguarding is clearly a priority for the OSCB. Board members are well motivated and committed, and their desire to secure better outcomes for children, young people and their families is well evidenced by the progress of work within the sub-groups. For example, the 2012–13 audit of complex cases informed the planning of placements for looked after children and contributed to the multi-agency development of the overall looked after children placement strategy.

121. The Board maintains effective links with the Children in Care Council, actively seeking the views of looked after children and young people to improve the coordination and effectiveness of services. This includes advocating on their behalf to ensure the commitments within the Pledge are met.

122. The Board commissioned an external review of its effectiveness in July 2013. This led to a range of measures to improve its functioning, including improved representation from schools and colleges. As a result, the Board has strengthened its support and challenge to schools to provide effective safeguarding services.

123. Safeguarding audits are undertaken to ensure partner agencies comply with statutory requirements. These have identified a need for some agencies to be more rigorous in applying safe recruitment practices. Learning from these audits has been augmented by a very effective peer challenge event for partners, including the five District Councils. This year a questionnaire was added for practitioners to complete to test their safeguarding knowledge and skills.

124. The OSCB has ensured that there is a comprehensive range of up-to-date policies and procedures in place to help professionals understand and respond to safeguarding and child protection concerns. These offer clear explanations of, for example, the continuum of need from early help to child protection and

consent issues in information sharing. In January 2014, the Board published a revised thresholds document to help professionals refer children to the right services for their needs.

125. The views of children and young people have informed business planning and priority-setting, for example at the annual OSCB development day. An example was the decision to give a higher priority to e-on-line safety, which is now a major theme in the Risky Behaviours training programme. The OSCB offers an appropriate, range of training that is informed by messages from serious case reviews, emerging best practice and case file auditing. For example, the audit of working with male care givers led to the development of a new training course that has been launched very recently. Attendance is monitored and evaluation returns indicate that the training is valued and of high quality. However, there is little evaluation of the long term impact of training on standards of safeguarding practice and management, so its contribution to improvement is not evidenced. Such training is complemented by safeguarding bulletins and a newsletter distributed widely across the County and available on a bespoke and informative OSCB website.

126. SCRs and learning reviews are initiated appropriately by the standing Case Review and Governance Panel. The Quality Assurance sub-group works effectively to disseminate learning from SCRs undertaken following local concerns. Most notably this has led to the creation of the Kingfisher Team that works highly effectively to consider the individual needs of young people as well as wider issues for those at risk of child sexual exploitation.

127. Analysis of learning from SCRs nationally has led to the commendable practice of sharing with schools all police domestic abuse reports where there are children over five years of age. This enables school staff to understand and respond to the situations faced by these children and young people. A newly created learning and improvement officer post within the OSCB will further support dissemination of learning and best practice across agencies.

128. The OSCB Annual Report provides a rigorous assessment of safeguarding services in Oxfordshire, including consideration of private fostering and LADO Activity. However, it does not always focus enough on its impact on the experience of children who receive safeguarding or child protection help.

129. The Board has brought a focus to shaping strategy, policy and practice across the partnership, including on domestic violence. The development of toolkits to support the identification of cases of neglect and child sexual exploitation has been highly effective. These are now used extensively by almost all agencies.

130. The Board liaises effectively with Oxfordshire's Child Death Overview Panel (CDOP). This has a membership of appropriate professionals, is well attended and has clear terms of reference. Reports are made to the Board that have led to consideration of broad public health concerns. For example, there has

been a recent awareness-raising campaign on the risks of parents 'co-sleeping' with infants. All expectant parents have been given a room thermometer that incorporates messages about the dangers of this practice.

131. In the previous three years there have been seven serious incident notifications; of these, two notifications are awaiting a decision to go to serious case review and five are in the process of being evaluated. Lessons learned from local and national serious case reviews are effectively disseminated and contribute to improvements in practice.

What the inspection judgements mean: the LSCB

An **outstanding** LSCB is highly influential in improving the care and protection of children. Their evaluation of performance is exceptional and helps the local authority and its partners to understand the difference that services make and where they need to improve. The LSCB creates and fosters an effective learning culture.

An LSCB that is **good** coordinates the activity of statutory partners and monitors the effectiveness of local arrangements. Multi-agency training in the protection and care of children is effective and evaluated regularly for impact. The LSCB provides robust and rigorous evaluation and analysis of local performance that identifies areas for improvement and influences the planning and delivery of high-quality services.

An LSCB **requires improvement** if it does not yet demonstrate the characteristics of good.

An LSCB that is **inadequate** does not demonstrate that it has effective arrangements in place and the required skills to discharge its statutory functions. It does not understand the experiences of children and young people locally and fails to identify where improvements can be made.

Any complaints about the inspection or the report should be made following the procedures set out in the guidance 'raising concerns and making complaints about Ofsted', which is available from Ofsted's website: www.ofsted.gov.uk. If you would like Ofsted to send you a copy of the guidance, please telephone 0300123 4234, or email enquiries@ofsted.gov.uk.

The Office for Standards in Education, Children's Services and Skills (Ofsted) regulates and inspects to achieve excellence in the care of children and young people, and in education and skills for learners of all ages. It regulates and inspects childcare and children's social care, and inspects the Children and Family Court Advisory and Support Service (Cafcass), schools, colleges, initial teacher training, workbased learning and skills training, adult and community learning, and education and training in prisons and other secure establishments. It inspects services for looked after children and child protection.

If you would like a copy of this document in a different format, such as large print or Braille, please telephone 0300 123 4234, or email enquiries@ofsted.gov.uk.

You may copy all or parts of this document for non-commercial educational purposes, as long as you give details of the source and date of publication and do not alter the information in any way.

To receive regular email alerts about new publications please visit our website and go to 'Subscribe'.

This page is intentionally left blank

Division(s):

CABINET– 16 SEPTEMBER 2014

The Strategic Economic Plan and the Local Growth Deal - update

Report by Director for Environment & Economy

Introduction

1. Government has set a clear path for greater devolution of decision-making to a local level, enabling those who know what works best in their localities to deliver jobs and drive growth, with the 39 English Local Enterprise Partnerships (LEPs) at the heart of this approach.

2. LEPs and their partners were encouraged by government to produce Strategic Economic Plans (SEP) for their areas, with the strength and ambition of the SEP determining the area's allocation from the competitive £2bn Local Growth Fund (LGF) through Growth Deals.

3. Growth Deals represent a paradigm shift in how government funds localities – with funding streams previously awarded direct to local authorities now rolled into the competitive LGF pot. The Growth fund is not new money; it is the bringing together of a number of existing funds, initially transport and skills capital streams.

4. Strategic Economic Plans should set out:
-   Vision for the local area to 2030
-   Strategic objectives required to deliver the vision
-   Opportunities for growth – diagnosis, evidence and support (based on local understanding of the area's competitive advantage, and unique combination of strengths and challenges)
-   Area barriers to growth – (market failures) – diagnosis, evidence and support required
-   Evidence – that proposed interventions are appropriate to address market failure based on a clear evidence base and logical chain
-   Explanation – of why the proposed solutions are optimal; consideration of alternatives

5. Cabinet approved the Oxfordshire SEP submission in March, which articulated a growth ambition totalling c£2bn to 2030 (including match) across 56 projects within the four SEP themes of;

    -   Innovative Enterprise - Innovation led growth is at the heart of our strategy, underpinned by the strength of our University research and development capacity, business collaboration and supply chain potential
    -   Innovative Place - providing both the quality environment and choice of homes needed to support growth whilst capitalising upon the

exceptional quality of life, vibrant economy and the dynamic urban and rural communities of our county

- Innovative People - delivering and attracting specialist and flexible skills at all levels, across all sectors, as required by our businesses, with full, inclusive employment and fulfilling jobs
- Innovative Connectivity - allowing people to move freely, connect easily and providing the services, environment and facilities needed by a dynamic, growing and dispersed economy

6. Post submission the SEP core team including the County's Director of Environment & Economy and Service Manager Economy & Skills were tasked by our 'growth team', (civil servants from BIS, Cabinet Office and Treasury aligned to LEPs) with reviewing the long list against the government's key criteria of:
   a. availability of match funding
   b. deliverability in 15/16
   c. value for money
   d. jobs created/safeguarded
   e. strategic fit

before arriving at a 'top priority' list of schemes to be taken forward for further negotiation for 15/16 LGF consideration.

The Oxfordshire Growth Deal

7. On 07 July 2014, the Government announced that the Oxfordshire LEP had secured £108.5m from the Government's Local Growth Fund to support economic growth in the area – with £9.2m of new funding confirmed for 2015/16 and £53.7m for 2016/17 to 2021. This includes:

   o As part of the Government's on-going commitment to the Oxfordshire LEP a provisional award of a further £35.0m of funding for projects starting in 2016 and beyond; and

   o £10.6m of funding which the Government has previously committed as part of Local Growth Deal funding to the area.

LGF breakdown			
OxLEP LGF	2015/16	2016 onwards	Total
LGF award	9.2m	53.7m	62.9m
Previously committed funding	6.5m	4.1m	10.6m
Provisional allocation to projects starting in 2016/17 and beyond	-	35.0m	35.0m
Total	15.7m	92.8m	108.5m

8. This investment from Government will bring forward at least £100m of additional investment from local partners and the private sector. Combined

together this will create a total new investment package of £208.5m for the Oxfordshire LEP. By 2021, the Deal will facilitate the creation of at least 6,000 jobs and allow 4,000 homes to be built.

9. Our £108.5m Growth Deal alongside Oxfordshire's recently agreed £55.5m City Deal and our c£20m European Structural Investment Funds allocation sees a total of £184m being invested locally to 20/21 to support our growth ambition. Our full LGF agreement can be found at annex A.

10. OxLEP and the Government have agreed to co-invest in the following jointly-agreed priorities to start in 2015:

- **Headington Phase 1 and Eastern Arc Transport Improvements** – a package of junction and local road improvements to support growth in Headington which is a centre for medical research and the location of the bio-escalator at Oxford University Old Road campus, which was part funded by the Oxford City Deal.
  Lead: Oxfordshire County Council
  Total project value: £12.5m
  Total LGF allocation: £8.2m
  2015/16 LGF budget allocation: £0.96m
  Source/value of match: Private -CIL/S106/£4.3m

- **Oxfordshire Flood Risk Management Scheme and Upstream Flood Storage at Northway** – a comprehensive package of measures to mitigate the risk of damage to homes, businesses and transport connections caused by excessive flooding such as that experienced in the county earlier in 2014.
  Lead: Environment Agency
  Total project value: £126.9m
  Total LGF allocation: £26.15m

- **Centre for Applied Superconductivity** – a new centre of innovation to coordinate the interaction between key industry players, Oxford University, cryogenics companies, and the end users (including SMEs) on the Harwell campus and at the Culham Centre for Fusion Research Campus.
  Lead: Oxford University
  Total project value: £6.5m
  Total LGF allocation: £4.49m
  2015/16 budget allocation: £0.88m
  Source/value of match: Private/£2.01m

- **Science Vale Cycle Network Improvements** - a sustainable transport scheme providing greater connectivity between Science Vale and the newly improved Didcot train station by bicycle.
  Lead: Oxfordshire County Council
  Total project value: £4.9m
  Total allocation: £4.52m
  2015/16 budget Allocation: £0.84m
  Source/value of match: Public – LGF/LSTB/£0.4m

- **Oxford Centre for Technology and Innovation** – development of a centre in Oxford to address skills shortages across engineering, electrical, design and emerging technologies
  Lead: City of Oxford College
  Total project value: £7.9m
  Total allocation: £4.5m
  2015/16 allocation: £3.5m
  Source/value of match: City of Oxford College/£3.4m

- **Didcot Station Car Park Expansion (Foxhall Road)** – packages of measures for car park expansion including construction of a deck access car park on the existing Foxhall Road car park. Part of the expansion and improvement of Didcot station as a key gateway to Science Vale high technology cluster and the Enterprise Zone.
  Lead: Network Rail
  Total project value: £23m
  Total allocation: £9.5m
  2015/16 allocation: £0.62m
  Source/value of match: Private/13.35m
  Oxfordshire County Council/£0.15m

- **Bicester London Road – Level Crossing** – a pedestrian/cycle crossing to provide sustainable access into Bicester town centre, required for the more intensive train service as part of the East West Rail project.
  Lead: Oxfordshire County Council
  Total project value: £3.6m
  Total LGF allocation: £ 1.3m
  2015/16 LGF allocation: £0.83m
  Source/value of match: Oxfordshire County Council – LTB / £2.3m

11. Government has agreed provisional allocations for the following projects starting in 2016/17 and beyond:

- **Advanced Engineering and Technology Skills** Centre – a collaboration with Abingdon & Witney College, the centre will address local, regional and national skills shortages in science, technology, engineering and maths (STEM) subject areas.

  Lead: Abingdon & Witney College
  Total project value: £5.9m
  Total provisional allocation: £4m
  Provisional 16/17 allocation: £2m
  Source/value of match: Abingdon & Witney college/£1.9m

- **Oxford Science Transit Scheme** – Local Growth Fund support will be used to expand the integrated public transport system along the Knowledge Spine, delivering major enhancements to the A40 strategic route between Oxford, Northern Gateway and Witney and connecting centres of innovation and economic growth with Oxfordshire's universities.
  Lead: Oxfordshire County Council

Total project value: £40m
Total provisional allocation: £35m
Provisional 2017/18 allocation: £1.75m (to pick up where City Deal funding ends)
Source/value of match: Private – CIL/S106 /£5m

12. Funding for projects starting in 2016/17 will be subject to conditions that Government will discuss with OxLEP, along with establishing the best timetable for the projects, taking into account practicalities and affordability.

13. It should be noted that local development decisions for specific proposals will be required to go through the normal planning process and be guided by Local Plans taking into account all material considerations.

Financial, Staff Implications and Risk

14. At £678.4m our total LGF ask to 2021 was the third largest highlighting Oxfordshire's economic ambition. Our overall 15/16 settlement figure of £15.7m represented 10% of the total 15/16 ask – the lowest in England, however our overall £108.5m settlement to 2021 was the 8th largest per capita at £163.

15. LGF awards were made to the LEPs, which as the accountable body for OxLEP means that the funding agreement will be between government and the county council, on behalf of OxLEP. Whilst the agreement has yet to be finalised it has been confirmed that Growth Deal funds will be received quarterly in advance to maximise delivery.

16. Government has set the following indicative funding profile to 2021. While the annual funding profile is fixed there is flexibility to transfer allocations between schemes in year, allowing us flexibility to accelerate delivery where practical.

15/16	16/17	17/18	18/19	19/20	20/21
9.23m	17.75m	13.28m	11.25m	37.70m	8.75m

17. Environment & Economy is already responding to pressures arising from the City Deal and the current growth activity across the county. The Growth Deal represents a great opportunity but one which needs to be mapped against appropriate resource. The directorate is currently reviewing resource capacity and has identified the need to increase capacity in areas such as transport planning to ensure the directorate has the correct level of skills and experience to deliver against the priorities. In addition to this it is working closely with its commercial partners to ensure there is capacity within the market to deliver the schemes. It's envisaged that these pressures will be managed within the directorate and will be incorporated in its business strategy 2015/16 onwards.

18. Oversight of LGF and City Deal programme delivery and risk management will be the responsibility of the emerging Oxfordshire Growth Board, with risk being managed using well established local authority processes. Firstly, a risk

register will be established, identifying and categorising risks in different parts of the programme, and setting out mitigations which will be built into programme design. This will be established in detail as part of the final LGF agreement with government, and will be regularly reviewed and updated as the programme progresses.

The second key component will be strategic oversight of programme risks and responses by the LEP board, which will receive at a minimum a detailed annual risk report, setting out the extent to which identified risks have come to pass and responses, along with identification of emerging threats and evolving responses. Key risks include the impact of non-delivery on future OCC capital programme and any shortfall of other funding sources e.g. projected Enterprise Zone business rate funding.

Future LGF/Growth Deal allocations

19. Negotiations for the 16/17 LGF round are expected to commence in September 2014 with the focus being on further developing schemes from the existing long list. It is envisaged that negotiations will continue through to early January with 16/17 LGF awards being announced in early 2015, pre- election.

20. Whilst new schemes and priorities will undoubtedly emerge it is not envisaged that schemes outside of the previously agreed long list will be negotiated for the 16/17 LGF round, unless a highly credible and persuasive case is made. Opportunities to reflect new priorities will emerge in later LGF rounds (c17/18 onwards) - not least as new Government departmental funding streams are potentially included in the LGF process moving forward.

Equalities Implications

21. Facilitating the provision of around 6,000 new jobs will provide opportunities for local people both through the construction of new buildings and employment at end user stage in a variety of jobs at all levels. The new facilities delivered through LGF will provide jobs not only for highly skilled staff in the science and technology sectors, but also for those with lower level skills and for whom service sector roles may appeal.

22. Facilitating the development of 4,000 new homes will provide a proportion of affordable homes for social rent and other tenures such as shared ownership, helping to ease the housing affordability issue currently faced by many households in Oxfordshire and will provide local people with construction job and training opportunities.

23. To ensure that local people are aware of, and have access to, these training and job opportunities, the Economy & Skills Team will be issuing regular Labour Market Intelligence (LMI) bulletins for use by career advisors and other practitioners engaged in supporting Oxfordshire's residents.

24. To maximise the opportunities arising from growth for all residents the team is also working through the Growth Board to encourage local planning

authorities to embed the requirement for employment and skills plans (ESP) in strategic development sites. ESPs set out how the developer will work with local partners to ensure local people have access to the training and job opportunities presented by their development and be enforceable through planning agreements.

RECOMMENDATION

25. The Cabinet is **Recommended** to agree that County Council lead schemes noted in paragraphs 10 and 11 of this report are brought forward as part of the 2015/16 capital programme to ensure proper revenue and resource planning can be undertaken.

SUE SCANE
Director for Environment & Economy

Contact Officer: Richard Byard, Service Manager Economy & Skills; Tel: 07584 909508

September 2014

This page is intentionally left blank

OXFORDSHIRE GROWTH DEAL

The Oxfordshire Growth Deal aims to drive economic growth through innovation to meet the needs of the area's science and knowledge-rich economy, and to place Oxfordshire at the forefront of the UK's global innovation ambitions. Building on the successful Oxfordshire City Deal, announced in January 2014, the Deal seeks to drive investment in key sectors – including life sciences, electronics, telecoms and IT – by strengthening the business-critical infrastructure around the Oxfordshire 'Knowledge Spine' stretching from Bicester in the north through Oxford City centre to Science Vale Enterprise Zone in the south of the county.

The Growth Deal, subject to a satisfactory conclusion of the funding agreement, will bring together local, national and private funding as well as new freedoms and flexibilities to focus on four key priority areas as identified in the LEP's Strategic Economic Plan:

- **Innovative Connectivity** – allowing people and knowledge to move freely along the 'Knowledge Spine' and around the county by improving physical (transport) and service (broadband) connectivity
- **Innovative Place** - providing the quality environment needed to support growth
- **Innovative Enterprise** – building on the strength of Oxfordshire's university and industry research and development capacity to develop business collaboration and supply chain potential.
- **Innovative People** – delivering and attracting specialist skills at all levels and across sectors to meet business need

The Oxfordshire LEP has secured **£108.5m from the Government's Local Growth Fund to support economic growth in the area – with £9.2m of new funding confirmed for 2015/16 and £53.7m** for 2016/17 to 2021. This includes:

- As part of the Government's ongoing commitment to the Oxfordshire LEP a provisional award of a further £35.0m of funding for projects starting in 2016 and beyond; and

- £10.6m of funding which the Government has previously committed as part of Local Growth Deal funding to the area.

This substantial investment from Government will **bring forward at least £100m of additional investment from local partners and the private sector. Combined together this will create a total new investment package of £208.5m for the Oxfordshire LEP.**

By 2021, this Deal will create at least 6,000 jobs and allow 4,000 homes to be built.

The Oxfordshire Local Enterprise Partnership brings together local business leaders, business representation organisations (including the FSB and the Chamber of Commerce), Oxfordshire further and higher education institutions, together with Oxfordshire County Council, Oxford City Council and the districts of South Oxfordshire, West Oxfordshire, Vale of the White Horse, and Cherwell.

Summary of Oxfordshire Growth Deal projects and funding

This Growth Deal brings together different funding streams designed to support local growth, and with a share of the new Local Growth Fund, gives local partners the backing to focus on local priorities

Page 125

LEP Local Growth Fund breakdown (£m)			
	2015/6	2016 onwards	Total
Local Growth Fund award	9.2	53.7	62.9
Previously committed funding	6.5	4.1	10.6
Provisional allocation to projects starting in 2016/17 and beyond	-	35.0	35.0
Total	15.7	92.8	108.5

These totals exclude match funding for European Social Fund (ESF) skills activities. The total amount of ESF skills activity LEPs have planned in their draft strategies over the 7 year programme is currently just over 1 billion euros. Actual skills ESF match will be used on the basis of the skills activity which is delivered at LEP level according to their final strategies

The Oxfordshire Local Enterprise Partnership and Central Government have agreed to co-invest in the following jointly-agreed priorities:

- **Headington Phase 1 & Eastern Arc Transport Improvements -** a package of junction and local road improvements to support growth in the Headington area of Oxford - a centre for medical research and the location of the bio-escalator at Oxford University Old Road campus, which was part-funded via the Oxford City Deal.

- **Oxfordshire Flood Risk Management Scheme and Upstream Flood Storage at Northway -** a comprehensive package of measures to mitigate the risks of damage to homes, businesses and transport connections caused by excessive flooding.

- **Centre for Applied Superconductivity -** a new centre of innovation to coordinate the interaction between key industry players, Oxford University, cryogenics companies, and end users (including SMEs) on the Harwell campus and at the Culham Centre for Fusion Research Campus.

- **Science Vale Cycle Network improvements -** a sustainable transport scheme providing greater connectivity between Science Vale and the newly improved Didcot station by bike.

- **Oxfordshire Centre for Technology and Innovation -** development of a Technology and Innovation Training Centre in Oxford to address skills shortages across engineering, electrical, design, and emerging technologies.

- **Didcot Station Car Park Expansion (Foxhall Rd) -** packages of measures for car park expansion including construction of a deck access car park on the existing Foxhall Road car park. Part of the expansion and improvement of Didcot station as a key gateway to Science Vale high tech cluster and the Enterprise Zone.

- **Bicester London Road – Level Crossing -** a pedestrian / cycle crossing to provide sustainable access into Bicester town centre, required for the more intensive train service as part of the East West Rail project.

Government has agreed provisional allocations for the following projects starting 16/17 and beyond:

- **Advanced Engineering and Technology Skills Centre -** a collaboration with Abingdon and Witney college, the centre will address local, regional and national skills shortages in Science Technology Engineering and Maths subject areas by supplying skilled technicians at Harwell Oxford and elsewhere in Oxfordshire; and deploying the unique expertise and facilities available at and around Harwell Oxford as a learning resource for the rest of the UK, Europe and the world.

- **Oxford Science Transit Scheme -** Local Growth Fund support will be used to expand the integrated public transport system along the Knowledge Spine, delivering major enhancements to the A40 strategic route between Oxford, Northern Gateway and Witney and connecting centres of innovation and economic growth with Oxfordshire's universities.

Local flexibility over Growth Deal programme: The Government recognises the significant steps that the Oxfordshire LEP have taken to deliver a successful and achievable Local Growth Deal and that the programme agreed in this Growth Deal represents a step up in the ambition of, and therefore expectations on, the LEP. The LEP will be expected to drive the delivery of all the projects in the Deal document and to achieve this the Government will disburse funds to the LEP quarterly in advance – with any changes to projects agreed each quarter. The Cities & Local Growth Unit will work closely with the LEP to resolve any outstanding concerns that will allow the Oxfordshire LEP to achieve increased flexibility ahead of the first payments in April 2015.

The Growth Deal does not amount to an endorsement of everything in the submitted strategic Economic Plan. Local development decisions for specific proposals must go through the normal planning process and be guided by local plans taking into account all material considerations.

Funding for projects starting in 2016/17 will be subject to conditions that Government will discuss with the LEP over the next few weeks and months, along with establishing the best timetable for the project, taking into account practicalities and affordability.

The Government commits to opening discussions with the LEP right away on its priorities for the next round of Growth Deals.

The investment secured by the Deal will be focused on four key areas to deliver transformative growth:

Innovative Connectivity: the Deal will allow people and knowledge to move freely along the 'Knowledge Spine' and around the county by improving physical (transport) and service (broadband) connectivity. The transport package includes significant investment into the Headington area of Oxford, providing enhanced connectivity to Oxford's medical, science and research cluster — and also includes a provisional allocation towards Phase 2 of the transformational Science Transit integrated transport scheme. This major scheme will enhance the A40 strategic route between Oxford, Witney and the Northern Gateway innovation area, enabling the delivery of homes and jobs across West Oxfordshire, supporting innovative growth while promoting sustainability.

Together with a package of sustainable transport interventions and enhancements at key growth and modal hubs, these measures will improve access to key employment and research centres, and improve local public and sustainable transport connectivity.

The Deal will also see local partners taking steps to improve service (broadband) connectivity.

Oxfordshire LEP commitments	Central Government commitments
• Invest £4.3m in Headington Phase 1 & Eastern Arc Transport Improvements	• Invest £8.2m in Headington Phase 1 & Eastern Arc Transport Improvements (£1.0m 2015/16)
• Invest £0.4m in Science Vale Cycle Network improvements	• Invest £4.5m in Science Vale Cycle Network improvements (£0.8m 2015/16)
• Invest £13.5m in the Didcot Station Car Park Expansion (Foxhall Rd)	• Invest £9.5m in the Didcot Station Car Park Expansion (Foxhall Rd) (£0.6m 2015/16)
• Invest £2.3m in the Bicester London Road Level Crossing	• Invest £1.3m in Bicester London Road Level Crossing (£0.8 2015/16)
• Invest £5m in the Oxford Science Transit Phase 2 Scheme starting in 2017/18	• Provisionally allocate £35m to the Oxford Science Transit Phase 2 pipeline project, starting in 2017/18.
• Progress on the development and delivery of the priority transport schemes identified by the Oxfordshire Local Transport Body that are fundable within available pre-allocated Local Growth Fund resources.	• The Government is committed to the construction of a new rail link from the Great Western Main Line east of Slough to London Heathrow Airport (Terminal 5) to enhance access to Heathrow airport from Thames Valley and the West. Investment is subject to a satisfactory business case and the conclusion of a satisfactory agreement with partners including the aviation industry at London Heathrow Airport. Construction is programmed to commence during Control Period 5 (2014-19). Network Rail's provisional programme is to start construction in April 2017 with completion by December 2021
• LEP and Oxford City Council will commit to boosting SME voucher take-up as part of the Superconnected Cities Programme.	
• Support extension of superfast broadband coverage to 90% of UK premises by 2016, via existing broadband projects, the LEP will	• The Department for Transport and Network Rail commit to more proactive engagement of the Local Enterprise Partnership in the long-term rail planning process (e.g. Route Studies) and in rail franchise

commit to work with local partners and BT to support delivery. • To support extension of superfast broadband coverage to 95% of UK premises by 2017, the Oxfordshire LEP will also work with local partners to help ensure match funding is in place for the next round of projects. .	specification through targeted local engagement of the Local Enterprise Partnership as part of an enhanced consultation process. The Department for Transport also commits to encourage bidders for franchises to identify and take into account the priorities of Local Enterprise Partnerships and other key local stakeholders as part of the franchising process, and will also encourage Train Operating Companies to continue with, and enhance where possible, their engagement with LEPs as key local stakeholders. • The Highways Agency commits to developing a more proactive and collaborative approaches to promoting national and local growth and commits to continue building strong relationships and working arrangements with Local Enterprise Partnerships and the Local Enterprise Partnership Network, in the same way as with Local and Combined Authorities and the Local Government Association. Through its Route Strategies, the Highways Agency will engage the Local Enterprise Partnership in better understanding the challenges and opportunities associated with the network and to develop evidence based long-term plans to bring about much needed local economic growth and development, and commits to providing each Local Enterprise Partnership with a named contact, generally the relevant regional director. The Highways Agency commits to forming a Growth and Economic Development Group to support Local Enterprise Partnerships at a national and sub-national level, and a draft license published on 23rd June 2014 for the new Highway Agency company includes a requirement to co-operate, which will underpin the arrangements described above.

Innovative Place: the Deal will provide the quality environment needed to support growth. The Deal includes substantial measures to reduce the risk of flooding, including, investment in delivery of the Oxford Flood Risk Management Strategy (OFRMS), a critical piece of enabling infrastructure that will keep key transport links clear, businesses open and a workforce able to concentrate on work rather than the recovery of their property from flood damage. Looking to the future, the Government Property Unit will work with the LEP to examine the potential for land held by Government departments and/or Government owned companies to be released for development.

Oxfordshire LEP commitments	Central Government commitments
• Invest £62.5m in the delivery of the Oxfordshire Flooding Risk Management Scheme, working closely with the Environment Agency.	• Invest £25.9m in the Oxfordshire Flooding Risk Management Scheme (£1.0m 2015/16)
• Invest an additional £1.3m in a smaller flood relief	• Invest an additional £0.6m

scheme in Oxford City, the upstream flood storage project at Northway. • The LEP and local planning authorities commit to working together to deliver the housing provided for in Local Plans. The LEP recognises the potential role it can play in supporting local planning authorities to deliver growth through local plans. Given the position on local plan-making in the area and the challenges relating to effective strategic cross boundary working, the LEP commits to supporting the five local planning authorities in its area to ensure they positively engage with the Duty to Cooperate to deliver strategic planning priorities and update their local plans in accordance with the timetable submitted as part of the LEP monitoring framework.	(2015/16) in a smaller flood relief scheme in Oxford City, the upstream flood storage project at Northway. • The Government Property Unit (GPU) will engage with the LEP to examine the potential to release government land and property to promote local economic growth and / or housing development.

Innovative Enterprise: The Deal will build on the strength of Oxfordshire's university and industry research and development capacity to develop business collaboration and supply chain potential. In particular, the Government will invest in a new Applied Centre for Superconductivity, subject to a strengthened business case being produced with an emphasis on managing down the risks to the project. The new innovation centre will coordinate the interaction between key industry players, Oxford University, cryogenics companies, and end users (including small and medium sized enterprises) on the Harwell campus at Science Vale and at the Culham Centre for Fusion Research Campus, capitalising on the global reputation of Oxfordshire's knowledge base and translating academic and research excellence into business growth, wealth generation and inward investment.

The Growth Deal also includes revenue funding to strengthen the Oxfordshire Growth Hub.

Oxfordshire LEP commitments	Central Government commitments
• Invest £2m in a new Applied Centre for Superconductivity. • Provide £740,000 of public and private match funding in 2015/16 to support the development and delivery of the local Growth Hub. • Provide a clear model for coordinating and simplifying business support so that it joins up national, local, public and private support and creates a seamless customer experience for businesses, which makes it easy for them to get the right support at the right time.	• Invest £4.5m (£0.9m 2015/16) in a new Applied Centre for Superconductivity, subject to the production of a comprehensive risk management plan as part of a worked up business case. • Provide £250,000 funding to the LEP for Growth Hub business support coordination, subject to the Growth Hub meeting minimum conditions that reflect the position agreed by the Government review on business support and services. • UKTI will commit to effectively communicating its strategic priorities to LEPs and where possible help them access relevant opportunities. UKTI has doubled the number of Partnership Managers to 16. This will ensure that UKTI can work more closely with LEPs and help build their capability to secure more inward investment.

	The Technology Strategy Board recognises the important and valuable role that LEPs are playing in promoting and supporting innovation, and is committed to developing strong and effective relationships with LEPs both individually and collectively to build on this. The Technology Strategy Board is committed to supporting LEPs in developing the emerging Growth Hubs and in exploring how LEPs can help drive up local business awareness and engagement in Technology Strategy Board programmes and initiatives.

Innovative People: The Deal will deliver and attract specialist skills at all levels and across sectors to meet business need and tackle unemployment. Local partners and Government will co-invest in two new skills centres to tackle science, technology, engineering and maths shortages, in order to help develop a 'world class' Oxfordshire skills and learning eco-system that is better able to support the local growth ambition, world class sectors and communities.

Improving skills levels is a key factor in stimulating local growth and taking advantage of new economic opportunities. Government is committed to ensuring that adult skills provision is increasingly responsive to the needs of business, supports local economic growth and jobs.

The LEP will work with Government to improve the quality of education facilities to drive growth in Science Technology Engineering and Maths apprenticeships.

Oxfordshire LEP commitments	Central Government commitments
• Invest £3.4m in a new Oxfordshire Centre for Technology and Innovation. • Invest £1.9m in a new Advanced Engineering and Technology Skills Centre. • Deliver 45 direct jobs across these two projects. • Align £8m European Social Funds to improving socio-economic inclusion, improved skills and better employment. • The Government expects the Oxfordshire LEP to open up new jobs associated with the Local Growth Fund to local unemployed and long-term unemployed people working closely with local and national back to work initiatives. This would be part of a wider expectation that local areas use the Social Value Act, drawing on best practice across local councils and central expertise in	• Invest £4.5m (£3.5m 2015/16) in a new Oxfordshire Centre for Technology and Innovation. • Provisionally allocate £4m to a new Advanced Engineering and Technology Skills Centre, with build starting in 2016/17. • Government commits to working with the Oxfordshire Local Enterprise Partnership to help ensure that local employer priorities are fed into the operations of the new NCS providers in Oxfordshire. • Government, through the Skills Funding Agency, will support the process to ensure that provision meets local priorities and that increasing responsiveness is delivered through a three-pronged approach:

maximising social value.

Local Enterprise Partnerships are well-positioned to enhance the current Careers Information, Advice and Guidance offer by influencing the shape of provision so that it meets the needs of the local economy. Moreover, they have the ability to link. employers with education providers; can have strategic influence over skills supply; and have the ability to coordinate local services towards a shared goal. To achieve this, the Oxfordshire LEP will:

Facilitate stronger linkage between education providers and local businesses, through the creation of 'Opportunities to Inspire' part-funded through the Oxfordshire City Deal. We will also work with relevant local stakeholders to communicate our priorities and align our offer to the National Careers Service (NCS) providers ahead of the new service's roll-out in October 2014 in order to augment the service.

- Consider skills implications as part of decision taking on growth strategies.

- Clearly articulate and evidence their skills priorities in the light of strategic national and local growth opportunities and communicate them to the FE and skills sector.

- Positively engage the FE and skills sector in key strategic partnerships via the Oxfordshire Skills Board.

- Recognise where the private sector has a responsibility to invest in skills provision and work with business and the skills system to realise that investment

o Procurement of new provision: LEPs will be involved throughout the process and providers' track records against LEP requirements will be considered as part of this assessment.

o Accountability: Providers will be required through their funding agreements with the Agency to explain to LEPs details of their provision and planning and we are testing ways in which they can be most effectively held to account for being responsive to local economic priorities. The Skills Funding Agency is trialling Skills Incentives Pilots from 2014/15 in Stoke and Staffordshire, the North East and West of England, designed to explore the mechanisms through which providers will account to LEPs for delivery.

o Allocations and Intervention: In future years providers' records in delivering to LEP requirements will be taken into account when setting allocations and triggering interventions. From 2015/16 the Skills Funding Agency will take into account the outcomes of the Skills Incentive Pilots in Stoke and Staffordshire, the North East and West of England, in making allocations to those providers in scope; subject to evaluation of the pilots, these mechanisms will be rolled out to other LEPs in future years.

- Government will set out revised information for LEPs on how they can take advantage of this approach and options for seeking advice if provision is not responsive to their needs. The Skills Funding Agency will publish information during summer 2014 on how LEPs can influence the use of all skills budgets in their localities, and the steps they can take if they are dissatisfied with the pattern of delivery.

- Government will seek to improve the provision of skills data for LEPs and will develop and publish new reports that will quantify and assess responsiveness to local skills needs. In the summer of 2014 the Skills Funding Agency will provide all LEPs with a data set that updates them on the provision delivered in their areas.

As part of the deal, the LEP will:

- **Strengthen governance** by implementing and consolidating their Joint Committee arrangements, streamlining their sub-groups, and putting in place codified, transparent arrangements to ensure continuous Board refreshment. The LEP will work with the constituent local authorities to review and strengthen the supporting local authority partnership arrangements

- **Ensure implementation and demonstrate success**, by accepting the funding agreement, and by tracking progress against milestones and agreed core metrics and outcomes in line with a monitoring and evaluation framework. This will include agreeing monitoring metrics and reporting arrangements with the Government by September 2014. The LEP will also produce an evaluation plan for the projects contained in the Deal before April 2015.

- **Communicate the ongoing outputs and outcomes of the Deal to the local community and stakeholders** by publishing the Growth Deal and reporting regularly, and publically, on their progress to implement the strategy, ensuring that local people understand how Government money is being spent via the Growth Deal, and what the benefits are for them and the area. The Cities and Local Growth Unit will continue to work with the LEPs on communications activities, and help make the links with other Government communications teams.

- **Ensure value for money** by developing robust processes that will guide local decision-making. This will include agreeing an assurance framework with the Government by September 2014, building on existing local and national frameworks

Funding for projects starting in 2016/17 will be subject to conditions that Government will discuss with the LEP over the next few weeks and months, along with establishing the best timetable for the project, taking into account practicalities and affordability.

The Government commits to opening discussions with the LEP right away on its priorities for the next round of Growth Deals.

This page is intentionally left blank

Division(s): All

CABINET – 16 SEPTEMBER 2014

Highway Asset Management Plan

Report by Director for Environment and Economy

Introduction

1. In order to clearly demonstrate the County Councils approach to highway maintenance, officers, in liaison with a Transport Advisory Panel working group, have produced an updated Highway Asset Management Plan.

2. The Council is currently managing a highway asset that is in a state of decline. Good practice suggests that carriageways are resurfaced or reconstructed every 30 years. Budgets over the last twenty years have been such that the rate of resurfacing that the service is actually able to undertake across the whole network would be every 255 years.

Background

3. The recent Annual Local Authority Road Maintenance (ALARM) survey shows that most highway authorities in the country are managing a highway network in decline with 18% of the national road network managed by Local Authorities considered to be in poor condition. A copy of the ALARM survey can be found on the web site as a background document.

4. Authorities are reporting an average of £5 million annual under investment in maintenance to enable them to maintain current condition levels and as such carriageways are deteriorating at a faster rate than can be maintained.

5. This national problem has recently prompted the Government to make an additional £168m available to authorities through a Pot Hole Fund to address this problem. It is however estimated that an average of £90m per authority would be required in a one off investment to bring the pot hole problem under control and as such this additional investment alone will not resolve the problem.

6. Oxfordshire aligns with the national picture with the highway network deteriorating at a faster rate than it is able to maintain. The condition of our network is considerably better than the national average however with only 11% of our network considered to be in poor condition despite a significantly longer length of road in the County than the national average.

7. Public satisfaction with the condition of the highway in Oxfordshire however is below average when compared with similar authorities and the County is placed 14th out of 21 of such authorities. Generally though, there would seem to be recognition that highway condition is a broader issue than just

Oxfordshire as satisfaction with the way the Council undertakes highway maintenance is above average and the Council is placed 9th out of 21 similar authorities *[source. Annex 3 - National Highway & Transport Public Satisfaction Survey 2013]*

8. Recent severe weather events have exacerbated the local situation and whilst the County have bucked the national trend and maintained, and indeed slightly increased, its budgets for highway maintenance, as a result of increasing materials and disposals costs the length of network able to be maintained each year for those budgets has decreased.

9. It is becoming apparent that future government funding for highway maintenance will be linked to an authorities ability to demonstrate that it is able to make the best use of the budgets that it has available. It is felt that the proposed document will assist the Council in successfully bidding for future monies as is evidenced by the relatively high allocation that the County Council received from the recent DfT Pot Hole Fund based on this proposed approach.

10. Following the implementation of the County's first Highway Asset Management Plan in 2008, Oxfordshire was seen as one of the leaders in good practice and indeed the approach to maintenance it took aligns with good practice currently being promoted by the Department for Transport and the Local Government Association.

11. Notwithstanding this, the document itself is a technical document, some 154 pages long, and whilst available on the public website is primarily written to support officers. It has therefore been difficult at times to clearly communicate to members, the public and the Government the strategy that the service is seeking to implement.

12. As part of the Councils engagement with the Highways Maintenance Efficiency Programme, a sector-led transformation programme designed to maximise returns from highways investment and deliver efficient and effective services sponsored by the Department for Transport, officers have had the opportunity to identify current good examples of more recently published plans.

13. The Transport Advisory Panel, which was set up by the Cabinet Member for the Environment, formed a cross party Highway Asset Management Plan (HAMP) Working Group to work with officers in the development of new documentation. The role of the Group was to support and critique the work of the officers in the development of the draft Highways Asset Management Plan.

Proposed Approach

14. Highway infrastructure comprises many different types of components which are categorised in over a dozen main asset groups the largest of which are

carriageways, footways, bridges, drainage and street lighting which attract the largest works budgets. The previous Asset Management Plan considered only carriageways and footways.

15.   Prior to 2008 the approach to repair and maintenance of the highway infrastructure, and currently with other highway assets, had been to address those assets in the worst condition first and thereby allowing other parts of the highway to deteriorate.

16.   A shift to a proactive maintenance approach for carriageways was advocated in the previous Asset Management Plan which promoted a significant proportion of the maintenance budget to be targeted at maintaining roads before they showed signs of deterioration and therefore significantly extending the life of the road at a relatively cheap investment. Works undertaken at this stage often cost in the region of five to thirty five times less than works required once a roads condition has passed this intervention point.
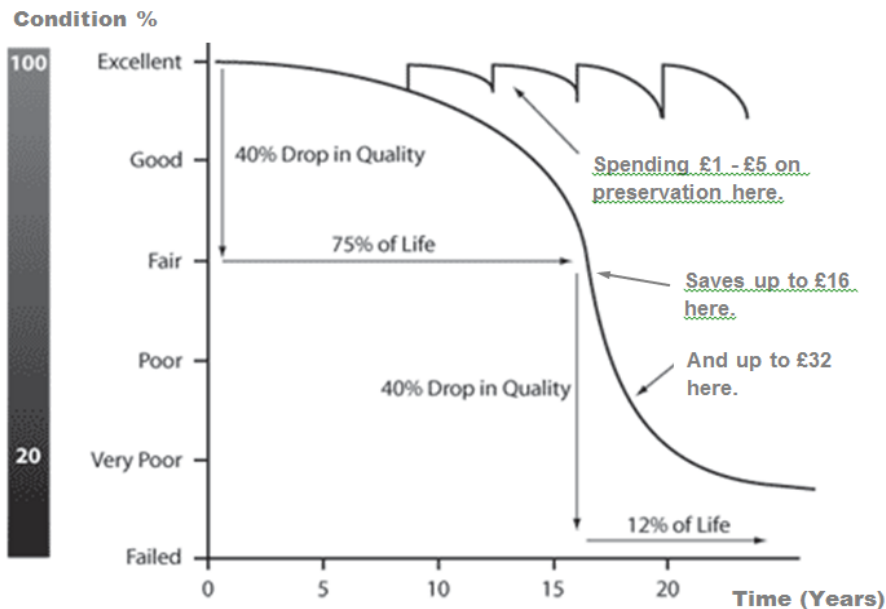
Based on typical treatment costs

Proactive treatments to seal the surface and repair the surface of the road

Surface Dressing   - £25k/ km
Patching/ overlay   - £125k/ km

Reactive treatments to replace the structural layers of the road

Resurfacing   - £425k/ km
Reconstruction   - £875k/ km

17.   In practice however there has been an overwhelming public and member pressure to address roads in the poorest condition and as such the authority

has often taken a diluted approach to the strategy. Initially the service was able to undertake this approach and maintain the network condition at a steady state however, the impact of the severe winters in the last few years has resulted in a rapid deterioration of the network and means that this approach will no longer enable the authority to maintain the road even at its current state with the budgets available.

18.   The proposed document therefore continues to promote a proactive approach although recognises that it is essential that strategic routes (i.e. bus and cycle routes) which are currently in a poor condition still need to be brought back to a high standard of repair. A scoring system has therefore been developed with the working group to ensure that schemes are prioritised to reflect the value derived from investment and the strategic significance of the route to ensure an effective balance between proactive and reactive schemes is maintained.

19.   Notwithstanding this, the approach would still enable members to influence the selection of schemes of similar scoring within their locality to reflect the priorities of the community.

20.   The draft document proposes a similar approach to be undertaken with the other highway asset groups (i.e. bridges, drainage, street lighting etc) to enable decisions in those areas to be more objective. Many of the asset groups have a direct impact on other assets and therefore to allow any one group to deteriorate can have a direct impact on other assets.

21.   Surveys and works to gather the improved inventory and condition information for these other assets, required for this approach, are on-going and therefore the benefits of this approach are unlikely to be begin to be realised in the next two annual programme cycles.

22.   To better explain this approach the working group has developed the new highways asset management plan to be far more accessible to members and the public and the revised document is now formed in three parts namely:

        i.   Highways Asset Management Plan Policy Statement (attached as Annex 1)
        ii.   Highways Asset Management Plan Strategic document (attached as Annex 2)
        iii. Highways Asset Management Plan technical Annexes (technical documents not included).

The first two of these documents are intended to be public facing and the third document targeted at officers.

23.   The Policy Statement and Strategy identify the principles of the approach to be taken. These will be supported by the technical annexes which define how they will be implemented. The existing technical annexes remain relevant and therefore it is not proposed to undertake a wholesale review of these,

however they will continue to be reviewed and updated over the life of the plan to ensure that they reflect contemporary good practice and innovation.

24. The Policy Statement (Attached as Annex 1) has been developed from the Highways Maintenance Efficiency Programme template and references the corporate priorities. This has been debated, amended and endorsed by the Highways Asset Management Plan working Group and the Transport Advisory Panel.

25. The Highways Asset Management Plan 2014 (Strategy Document) is developed from Highways Maintenance Efficiency Programme guidance and is intended to be concise. It sets out the vision and the case for an Asset Management approach, and introduces Service Standards for each Asset group and provides optimum life cycle plans and other asset information. This is attached as Annex 2.

Financial and Staff Implications

26. Significant savings can be realised from a well planned investment programme. In the last four years the service has worked hard to identify a three year rolling programme for capital investment. This has enabled savings by achieving significantly improved resource utilisation, coordination of works maintenance/ improvement schemes and those of third parties and also enabled effective investigatory work to be undertaken in a timely manner to improve confidence in budget and programme management.

27. The level of capital funding on highways assets has a direct correlation on revenue pressures (i.e. the amount needed for pothole repairs and other reactive maintenance). A well planned capital investment strategy, alongside an effective regime of condition monitoring will provide a better understanding of future revenue pressures and enable informed decision to be taken to influence the trend.

28. The asset management approach advocates maintenance intervention prior to road failure which extends the life of the asset, saves on costly construction costs of replacing the asset and minimises reactive spend on potholes over the long term. This is recognised as best practice and offers the best value for money. This approach could double the life expectancy for a road for the same level of investment over its life and is likely to reduce the length of carriageway on the highway network deteriorating into poor condition over the next 10 years by over 350km.

29. The Highways Asset Management Plan does not set the overall budget for highway maintenance but does enable informed decisions about budget to be made. The HAMP sets out the principles on how budgets will be used and creates the most efficient way in which to use it. It also provides a framework for identifying annual programmes of work through an objective scoring system.

30.   At present budgets for highway maintenance are predominantly split between the main asset groups to reflect the total asset value. The proposed approach however would look to split the highway maintenance budgets to better reflect the maintenance backlog for each asset to ensure that no one group is allowed to deteriorate at an accelerated rate compared to others. This approach is likely to reflect an increase in budgets to bridges and drainage at the expense of carriageways in the future. Effective coordination and reduced costs would not mean a detrimental impact in carriageway condition however.

31.   There are no staffing implications as result of this proposal.

RECOMMENDATION

32.   **The Cabinet is RECOMMENDED to approve the Highways Asset Management Policy and Strategy.**

SUE SCANE
Director for Environment and Economy

Background papers:

Background papers: ALARM Survey

Annexes   Annex 1 – HAMP Policy
                            Annex 2 – HAMP Strategy
                            Annex 4 – NHT Public Satisfaction Survey (extract)

Contact Officer: Steve Smith, Service Manager Network & Asset Managemt; Tel: (01865) 0435

July 2014

Oxfordshire County Council

Policy for Highway Asset Management

Oxfordshire County Council considers effective asset management to be one of the key factors to creating 'A Thriving Oxfordshire' and enable the delivery of the corporate priorities, namely:

- Building a world-class economy
- Supporting healthy and thriving communities
- Enhancing the environment

Highway Asset Management is widely accepted as a means to deliver a more efficient and effective approach to the infrastructure assets through longer term planning. This is essential, as a good transport network is vital to the economic, social and environmental wellbeing of Oxfordshire. The roads provide access to jobs, services, schools, allow for the delivery of goods to shops and make the most of our free time and leisure activities. Our local roads have a key role to play in ensuring that transport in Oxfordshire delivers the services our residents need and provide local character. In order that the transport network meets this need, the council will:

- Deliver efficient public services
- Provide leadership and enabling partnership working

Oxfordshire's policy on Asset Management will meet the following aims and objectives:

1. **Keep Oxfordshire Moving**
   To provide a safe, well managed, maintained and more resilient highway network for all who use it. We will make every effort to understand current and future requirements for the highway infrastructure and its contribution to creating a world class economy. In order to deliver this, we will continue to understand our stakeholders needs, promote levels of service and maintenance priorities for our highways. *(Our adoption of an Asset Management approach will take a long term view in making informed maintenance and investment decisions).*

2. **Improve the safety and condition of local roads, footways and cycleways, including resilience to climate change.**
   We will improve and maintain the condition of roads and highway related assets with systematic prioritisation where there are safety related issues, premium bus routes and high pedestrian and cycle usage whilst still maintaining the network as a whole. We will maintain the drainage and associated structures to prevent flooding on and from the highway network.

3. **Provide a sustainable approach**
   We will make the best use of our natural mineral resources, making sure that we plan for Oxfordshire's long term minerals need whilst minimising waste going to landfill. We will invest in energy reducing technology for street lighting and associated electrical apparatus.

This page is intentionally left blank

HIGHWAYS ASSET
MANAGEMENT PLAN

Oxfordshire County Council
Highways Asset Management Plan 2014 - 2019

The strategy for managing highway assets in Oxfordshire

September 2014

The strategy for Managing Highway Assets in Oxfordshire

	Red	High Amber	Amber	Green
Classified Roads (all A, B & C Roads)	Roads that require urgent maintenance	Roads that will become 'Red' within 4 years	Roads that will become 'Red' within 4 to 9 years	Roads in a good state of repair
Example Photographs				

	Red	Amber		Green
Unclassified Roads	Roads that require urgent maintenance	Roads that require Investigation		Roads in a good state of repair
Example Photographs				

Page 144

Table of Contents

Page 145

Managing Highways in Oxfordshire

1.0 Vision

Oxfordshire County Council is responsible for managing the Council's highway infrastructure (carriageways, footways, bridges, street lighting, etc…). To do this we deliver the service to create 'A Thriving Oxfordshire' and enable the delivery of the corporate priorities, namely:

- Building a world-class economy
- Supporting healthy and thriving communities
- Enhancing the environment

1.1 Building a World Class Economy

We develop processes that allow us to make best use of available funding and resources. To achieve this we undertake investment planning which reconciles long-term performance with short-term spending and prioritises maintenance activities on the highways network accordingly. We will continue to embrace innovation to improve value for money.

1.2 Supporting and developing Healthy and Thriving Communities

Improve the safety and condition of local roads, footways and cycleways, including resilience to severe weather events. We will improve and maintain the condition of roads and highway related assets with systematic prioritisation where there are safety related issues, premium bus routes and high pedestrian and cycle usage whilst still maintaining the network as a whole. We will maintain the drainage and associated infrastructure to minimise flooding on and from the highway network.

1.3 We have developed baseline levels of service which meet our obligations to manage the highway network and contribute to network safety. To this end we collect information that supports effective and informed decision-making, and helps deliver a resilient, fit for purpose network. Acknowledging funding constraints, our aim is to maintain the overall road network at a similar condition to that which currently exists (steady state). We will prioritise investment in all other highway assets to manage deterioration using a risk based approach and consider the views of elected members where priorities are of equal importance.

1.4 Enhancing the Environment

We will make the best use of our natural mineral resources, planning for Oxfordshire's long-term minerals need whilst minimising waste going to landfill. We will invest in energy reducing technology for street lighting and associated electrical apparatus.
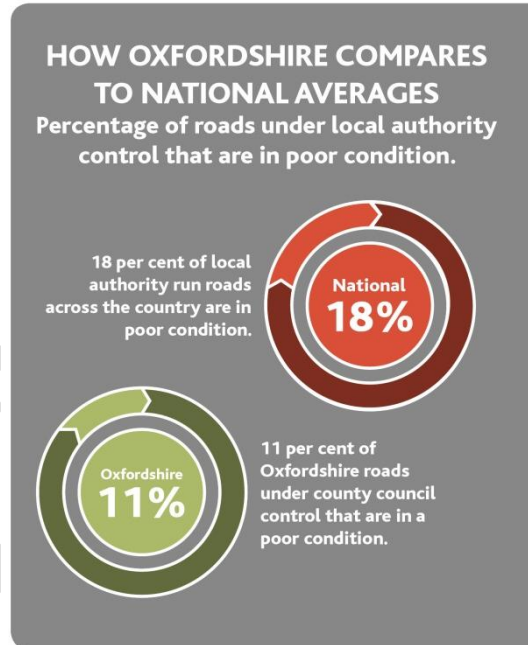
1.5 The Councils approach to maintaining the highway assets will follow the principles of Reduce, Reuse, Replace in its use and disposal of materials. This will be done by reducing the need to transfer waste material to landfill sites by reusing material where possible and by taking a whole life approach to asset management which optimises maintenance requirements.

Page 146

1.6 Oxfordshire, in common with most Highway Authorities, is faced with a growing trend of needing to remove Coal Tar from existing roads, as and when they undergo major repair. Coal Tar was a commonly used material in the 1960's and 70's but is now considered to be carcinogenic and as such defined as hazardous waste requiring specialist disposal. Oxfordshire is leading the way in its approach to this problem and has worked closely with the Environment Agency to develop a method of treating removed material to enable it to be reused in certain circumstances and therefore reducing the disposal of such material to landfill to the absolute minimum.

Page 147

2.0 **Why is an Asset Management Plan Needed?**

2.1. Across the country most authorities are maintaining a highway network in steady decline. This is due to a combination of severe weather issues, reducing budgets, increasing costs and increasing traffic levels and loads for which many roads were not originally designed to sustain. Whilst Oxfordshire is in a better position than the national average the County is similarly managing a network in decline and this is likely to continue given current levels of Government funding into Highway Maintenance. It is currently considered that to bring all roads within Oxfordshire alone up to a good state of repair would cost £165 million pound and then an on-going year on year investment of approximately £20m per year to maintain that condition level.

HOW OXFORDSHIRE COMPARES TO NATIONAL AVERAGES
Percentage of roads under local authority control that are in poor condition.

18 per cent of local authority run roads across the country are in poor condition.

National **18%**

Oxfordshire **11%**

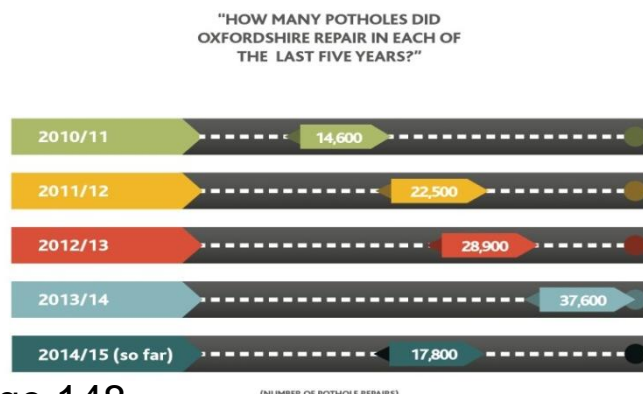11 per cent of Oxfordshire roads under county council control that are in a poor condition.

2.2. The ideal life and funding cycle of a highway asset, using a road as an example, is as follows

- Road is constructed from its foundations providing a life of approximately 40 years (capital investment)
- Planned annual routine and cyclical maintenance is undertaken to clear drains to prevent surface water damaging the road surface, clear the road of ice and snow (revenue budgets)
- Low-cost surface treatment to seal and retexture the road when approximately 10 years old
- As the road ages, reactive maintenance is undertaken to repair pot holes, large cracks and other potentially hazardous defects in the surface of the road soon after they appear. This also helps to prevent water ingress which can further damage the structural layers of the road (revenue budgets – by their nature reactive works are proportionally more expensive to undertake than planned works).
- Major maintenance to replace the surface layers of the road takes place after approximately 20 years to extend the life of the road (Capital investment)
- Low-cost surface treatment to seal and re-texture the road when approximately 10 years old
- Continuation of cyclical and reactive maintenance (revenue budgets)
- Road is resurfaced or reconstructed at the end of its useful life (capital budgets)

Capital budgets are funded from Government grants or from Council reserves. Revenue budgets are funded from the Local Government Settlement or Council tax.

2.3. Oxfordshire maintains over 4500km of road in the County. Funding levels over the last 25 years have been such that roads are able to be rebuilt approximately every 255 years on average, as opposed to the optimal 40 years. As a result the County is experiencing a significant increase in pot holes following a period of

"HOW MANY POTHOLES DID OXFORDSHIRE REPAIR IN EACH OF THE LAST FIVE YEARS?"

	Number of pothole repairs
2010/11	14,600
2011/12	22,500
2012/13	28,900
2013/14	37,600
2014/15 (so far)	17,800

(NUMBER OF POTHOLE REPAIRS)

Page 148

years of severe weather. The level and effectiveness of capital expenditure is therefore paramount to reducing the rate of decline of the highway network and the resultant pressure on revenue budgets.

2.4. Typically the funding directed to highway maintenance capital works is £14 million per annum. The cost of repairing potholes is increasing however and placing pressure on revenue budgets for highway maintenance and diverting funding from more proactive activities.

WHAT HAS BEEN OXFORDSHIRE'S POTHOLE REPAIR BUDGET IN EACH OF THE LAST FIVE YEARS?

Spending

2010/11:	£4.5m
2011/12:	£5.2m
2012/13:	£4.8m
2013/14:	£4.7m

WHAT IS IT TO BE IN THE NEXT FIVE YEARS?

Spending

2014/15:	£6.4m
2015/16:	£6.2m
2016/17:	£5.9m
2017/18:	£5.9m

2011/12 £5.2m includes extra money put in to budget following exceptionally cold winter.
2014/15 £6.4m includes extra money put in to budgets to tackle pot holes by council in its Feb 2013 budget.

2.5. Highway asset management is a way of running the 'business' of operating a highway network. A Highways Asset Management Plan (HAMP) identifies the current assets and develops a framework for Asset Management to enhance existing good practices and improve the management of the network. The 4500km highway network in Oxfordshire comprises a number of diverse assets and all of these need managing. An asset management approach also helps us to understand the value of the highway asset and the costs linked with maintaining that asset to avoid unnecessary deterioration and therefore further building up of maintenance backlogs.

2.6. The Council published its first HAMP in 2008. The first HAMP provided a good overview of the authority's highway asset inventories and an action plan for moving the authority towards a more asset management based approach. The decision to review, revise and publish a more up to date HAMP reflects the significant improvements Oxfordshire has made over the last 6 years and recognises the asset management approach and process that has been adopted.

2.7. The revised HAMP document has been constructed around the most up to date guidance on asset management and follows the Highways Efficiency Maintenance Programme's (HMEP) Asset Management guidance, which has been developed by the Department for Transport in partnership with the Local Government Association, on what should be included in a highways asset management plan. It also recognises the most up to date standards set out in the highway codes of practice and recent national guidance documents on asset management and asset valuation, as well as taking into account local needs.

2.8. The benefits of adopting asset management practices are:

- Formalises and documents standards and processes.
- Helps us provide an informed response to budget pressures.
- Records what assets we have.

Page 149

- Provides an understanding of the condition of the highway asset.
- Allows us to understand how much infrastructure is aged and the risk associated with it.
- Leads to consistency of practices.
- Provides an audit trail.
- Assists with managing and reflecting local expectations and needs.
- Acknowledges that future spending requirements are not always the same as historical ones.
- Maintenance levels reflect overarching local and regional transport needs and priorities.
- Provides evidence of highway management practice for public knowledge and challenge.

2.9. The goals and objectives of the authority guide the development of asset management processes and plans. The strong political and public support for investment in highway maintenance requires an assurance that highway maintenance is integrated with the authority's overall transport policy and is designed to link strategic objectives to operational delivery.

2.10 The revised HAMP has been developed around the following four key aspects of sound highway asset management; Levels of Service, Inventory, Life Cycle Plans and Asset Valuation.

Page 150

3.0 Value for money maintenance

3.1 Carriageways account for more than 70% of the total value of highway assets, as such, managing the maintenance of this asset is crucial. One of the keys to improving value for money in highways maintenance is knowing and understanding when and how to intervene. By considering an asset over a whole life cycle, it is possible to select the best time to intervene. This approach may be applied at a network level or to individual assets. This will determine a known programme of works which will enable the most effective use of resources.

3.2 Typically there are three options for prioritising capital spending on road maintenance:

Worst first – Focusing maintenance on the stretches of road in the poorest condition. This is a high cost approach because more remedial work is required to repair them although this can bring about public satisfaction to users of these particular roads it is not forward thinking as fewer roads are treated overall because of their high repair cost. This approach would result in many more roads reaching a poor condition over the longer term and increase pressure on revenue budgets to fill pot holes and other defects.

Whole-life cost – focusing maintenance to minimise the total maintenance costs over the lifetime of the road (typically analysis period is 15 to 20 years depending on the type of road). This strategy prioritises funding for proactive works and results in not repairing many of those roads already in a poor condition, unless reactive maintenance costs to these poor condition roads become so excessive that making a replacement is a viable solution. This approach is likely to see a deterioration in short term public satisfaction levels as roads in poor condition are seen to be left whilst others in a better condition are repaired. This is necessary, because the maintenance to extend the life of the road is much less at this stage. However, in the longer term, there is likely to be an improvement in public satisfaction as this approach reduces the occurrence of pot holes and other safety defects at a network level. It results in more roads receiving planned treatment at the optimum time whilst reducing pressure on revenue budgets.

Balanced approach – a balanced approach seeks to split monies between a worst first approach and a whole life cost approach to ensure that the backlog of maintenance is slowly reduced but investment in early intervention treatments is still undertaken. This approach is likely to maintain public satisfaction levels in the short to medium term but does not provide the most effective use of budgets.

3.3. It must be recognised that there are already many areas on the network where the road condition is beyond that of cost effective intervention but where their strategic nature either as a result of being a bus route, cycle route or key distributor for businesses or local access means that they cannot be left to deteriorate to an unacceptable level. The County is ambitious in its goals to grow the local economy and confidence in the transport infrastructure plays a vital role in attracting such economic growth. It is recognised therefore that there is a need to adopt a pragmatic view and take a balanced approach to investment in highway maintenance.

3.4. The graph below and Appendix 1 illustrates the financial benefits of intervening at the right time in a roads' life cycle. Roads deteriorate over time depending on the volume of traffic they carry and the environmental conditions they are subject to (weathering). A road can often be cheaply restored

to 'nearly new' condition and its life extended by intervening at the right point in the life cycle. As roads deteriorate further, more expensive interventions may be required to restore the road. Allowing roads to deteriorate below the failure threshold therefore represents poor value for money.

3.5. Oxfordshire needs to prioritise long-term demands over short-term demands, to minimise long term costs and deliver improved value for money. Prior to 2008 the Council had given a greater priority to worst-first which has the biggest immediate impact for road users but with budget limitations, this approach had resulted in continued deterioration of the overall road network. In more recent years evidence has proven that we are able to best manage the network through an asset management approach and this is seen in the graph below.
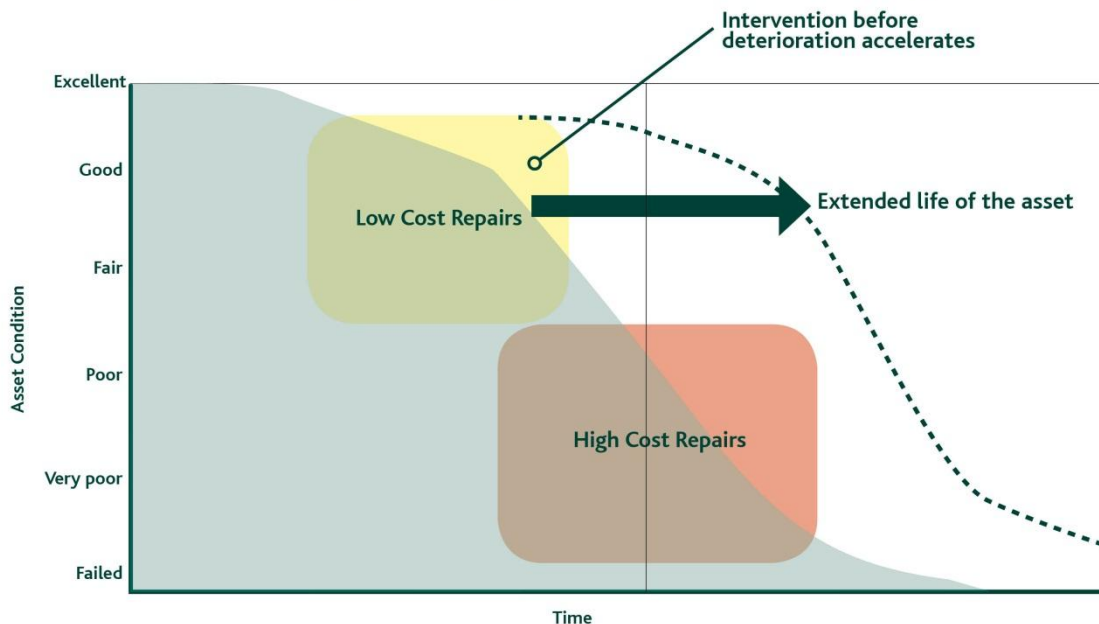
3.6. One of the key aims of this HAMP is to move towards a preventative approach to the maintenance of highway assets by prioritising roads for early treatment that have not yet fallen into the failure threshold. Whilst this may appear to be undertaking maintenance on roads that don't look to be in need of repair, and may seem unnecessary when there are roads in visually worse condition, this will often be the right choice and ultimately deliver the best value for the county in the long-term.

Page 152

4.0 Fit for purpose roads and footways

4.1 Oxfordshire has a wide variety of roads and footways, from high volume dual carriageways, congested urban environments, to single lane rural roads connecting small farms or villages. It is not possible to maintain every road to a high standard, the backlog of deterioration and limited funding available simply make this impossible. However, the travelling public should expect to find a condition which is safe and consistent with the type and location of that particular road or footway.

4.2 A motorist would expect the condition of a Principal Class A road carrying high volumes of traffic at speed to be in a higher standard of repair without safety defects or significant depressions in the running lane; whereas the motorist using an unclassified road in a very rural environment should not be surprised to find a road surface that may have minor potholes, depressions or other deterioration. Therefore, a minor road may have some defects but can still be safe and fit for purpose and expectations for major roads are for a higher standard with few defects and a smooth ride.

4.3 The concept of fit for purpose roads is captured in practice by establishing a carriageway maintenance hierarchy and is key to providing a consistent maintenance strategy. This is found in the technical annex and although based on best practice is tailored for Oxfordshire to reflect the local road network and develop schemes to maintain it in the most effective way for the money available. A review of the current hierarchy has resulted in a new category covering very minor rural roads taking a common sense approach to maintenance.

Page 153

5.0 Levels of Service

5.1 Levels of service describe the standard of services provided. We measure and monitor performance against the service standards in order to determine if the levels of service being provided match up with the customer expectations and are in line with both national and local performance indicators. Therefore, there is a direct link between levels of service, corporate objectives, Local Transport Plan (LTP) priorities and funding levels. In addition, when setting and determining service levels the local authority must also consider its statutory obligations as the Highway Authority. Measuring risk and liability as well as the application of national standards at a local level must be taken into consideration when determining a set of baseline standards.

5.2 The following set of fundamental Service Standards summarises the Council's aims to deliver a road network which is as safe, reliable and as fit for purpose as possible within current funding and resource constraints. These service standards represent a baseline. Where possible and when funds allow, the council will always strive to achieve a higher level of service.

Service Standards

For roads and footway; we will:

- Routinely inspect highways at set frequencies
- Respond to any reported highway defects in line with the Highway Safety Inspection Policy, repairing or making safe any safety defects identified.
- Continue to review our maintenance hierarchy to ensure that the standards of maintenance are fit for purpose with the usage and type of road.
- Use patching and surface dressing treatments where possible which are lower cost to stretch funding and intervene early to avoid costly deterioration of the network and further build-up of backlogs.
- Where cost effective, to adopt practices that minimise the disposal of waste materials to landfill

To contribute to network safety and co-ordination of works on the highway; we will:

- Respond within 2 hours to any occurrence or incident so serious as to render the highway unusable or un-safe.
- Carry out annual investigations of road accident statistics and associated highway data to inform and prioritise the Combined Safety Schemes programme.
- Manage abnormal loads across our network.
- Plan works to minimise disruption where possible.

For winter maintenance; we will:

- Maintain salt stock levels in line with national guidance
- Increase the amount of covered salt storage in the county through the use of capital funds to build salt barns at Deddington and Drayton depots.
- Fully fill the salt bins at the start of the winter season.
- Adopt salt spreading rates in accordance with national guidance and recommendations.

Page 154

- Operate a winter service of precautionary salting and snow clearance on strategic roads and when possible on secondary routes as laid out in our Adverse Weather Plan.

For highway structures (Retaining walls, Embankments, Culverts and Bridges); we will:

- Carry out inspections in accordance with the national code of practice.
- Prioritise routine maintenance works to bridges whilst aiming to keep the deterioration and build-up of backlog maintenance to a minimum.
- Monitor those structures considered to be below standard and deliver a programme of maintenance and improvements through the appropriate funding programme.
- Consider closing, disposing of or applying weight restrictions to some bridges or retaining wall assets where possible, to reduce maintenance liabilities and risk for the future.
- Monitor potentially high risk landslip sites and maximise opportunities to bid for grant funding to repair or maintain these sites to avoid further risk of network closures from landslides.

For drainage and surface water management; we will:

- Adopt a strategic approach to drainage and flood management countywide.
- Investigate reports of highway flooding and damaged or blocked highway drains and take appropriate measures to get water off of the highway, alleviate or mitigate flooding as appropriate.
- Prioritise this work where homes or properties at most risk of flooding.
- Cleanse gullies on risk based approach.
- Carry out more frequent cleansing of drainage assets at locations where the likelihood of ponding, flooding or blockage is higher.
- Collect condition data electronically on all gullies to facilitate repairs and to also inform future changes to gully emptying frequencies.
- Jet drainage systems on a reactive basis as fault are reported or found through inspection.
- Carry out a bi-annual programme of grip cleaning and cutting.
- Facilitate ditch maintenance by adjacent landowners.

For highway environment; we will:

- Carry out verge cutting, highway shrub and tree maintenance in line with the Highway Safety Inspection Policy and the Highway Tree Inspection and Maintenance Guide.
- Amenity grass cutting and annual swathe cuts will be reduced or stopped with funding prioritised to the cutting of visibility splays.
- Continue to work with Parish Councils that wish to carry out their own or enhanced grass cutting as part of helping communities to help themselves.
- Carry out minimal treatment of noxious weeds through reactive spraying and/or weed pulling as funding allows.
- Carry out a planned and reactive programme of highway tree inspections with frequencies of every five years in order to keep road users and pedestrians safe as well as manage the highway tree assets. Maintenance will be prioritised to only those tree defects considered as safety hazards.

Page 155

- Endeavour to use recycled materials in our construction methods and recycle materials where possible to reduce our carbon footprint and meet waste reduction targets, where the use of these methods proves to be best value.
- Disposal of road materials containing coal tar will comply with OCC policy. Where feasible, investigatory testing for the presence of coal tar will be undertaken at scheme locations well in advance of the main works so that the cost implications are known.

For street lighting; we will:

- Inspect any defective streetlight reported to us as not working within 5 working days and repair as appropriate, provided that it is not a power supply failure by the local network operator.
- Carry out regular night time inspections on the strategic road network to identify faults, relying on the public to report faults on non-strategic roads and within residential areas.
- Carry out a planned programme of routine cyclical maintenance to replace lamps on a 3-yearly basis depending on lamp type/specification.
- Carry out an annual programme of non-destructive testing, only replacing those columns at greatest risk of collapse or that come to the end of their serviceable life prior to them collapsing.
- Focus capital spending on column replacement on a 5-year rolling programme.
- Focus capital spending on the use of new energy efficient technologies to expand LED and dimming projects to reduce energy costs.

For traffic signals; we will:

- Carry out an annual regime of inspections and maintenance of traffic signals in order to minimise the number of equipment failures.
- Operate a fault reporting system and respond to emergency faults within 4 hours and non-emergencies within 4 days.
- Carry out a programme of non-LED bulk lamp changes every 6 months to minimise faults.
- Wherever possible, replace signal lamps with LEDs in order to improve energy efficiency.
- Carry out a comprehensive refurbishment programme on older sites to minimise equipment failures.
- Ensure all sites meet the requirement for use by the disabled, promoting mobility and social inclusion.
- Operate an Urban Traffic Management and Control system (UTMC) to identify in real time where signal operation may need intervention to maximise network performance.

For signs and street furniture: we will:

- Annually inspect, clean and maintain all illuminated bollards.
- Carry out a planned programme of routine cyclical maintenance to replace all lamps on a 2-yearly basis.
- Provide new signs or replace damaged signs only where absolutely necessary to keep sign clutter to a minimum.

Page 156

- Street furniture will be maintained in a safe condition and in a manner appropriate to its use and location.
- Redundant or obsolete street furniture will be removed aiming to reduce long term maintenance costs.

For Road Markings, we will:

- Build up a reactive programme of white and yellow line and road stud replacement on an annual basis.
- Provide new lines or studs and renew existing lines or studs only where absolutely necessary on road safety grounds.
- Honour access protection markings ('H' markings) only when they are compliant with current policy and repainting will be at the cost of the requester.

Page 157

6.0 Inventory and Data

6.1 Asset inventory is the foundation stone on which asset management processes should be built. It is only when appropriate inventory and condition data is available that an overall view and consistent management approach can be achieved.

6.2 In recent years Oxfordshire has invested significantly, collecting and managing asset data and filling many of the 'data gaps". This has included video surveys to identify the extent of signs, lines, bollards, footway materials and other highway assets countywide. It has also involved innovative development of a drainage asset data collection database and hand held data capture devices which have been used to survey drainage assets in critical flooding hotspots. In addition, data capture devices used by highway safety inspectors are now enabling better planning and prioritisation of maintenance works.

6.3 Good inventory data is also required for the calculation and reporting of annual valuations of the county highway infrastructure, as set out in national guidance. Highway safety inspectors use data capture devices to accurately record defects condition data and materials.

The following table lists the main highway assets:

ASSET TYPE	ASSET GROUP
CARRIAGEWAYS	Principal, Classified, Unclassified
FOOTWAYS/CYCLETRACKS	Footways, Pedestrian Areas, Footpaths, Cycletracks
STRUCTURES	Bridges, Culverts, Footbridges, Retaining Walls, Embankments
HIGHWAY LIGHTING	Lighting Columns/Units, Heritage Columns, Illuminated Bollards, Illuminated Traffic Signs
STREET FURNITURE	Non-illuminated Traffic Signs, Safety Fences, Non-illuminated Bollards, Pedestrian Barriers, Other Fencing/Barriers, Bus Shelters, Grit Bins, Cattle Grids.
TRAFFIC MANAGEMENT SYSTEMS	Traffic Signals, Pedestrian Signals, Zebra Crossings, Vehicle Activated Signs, Information Systems, Safety Cameras, CCTV Cameras, ANPR Cameras, Real Time Passenger Information, Automatic Traffic Counter Sites
DRAINAGE SYSTEMS	Gullies, Balancing Ponds, Catchpits, Counterfort Drains, Culverts, Filter Drains, Grips, Manholes, Piped Grips, Pumping Stations
ANCILLARY ASSETS	Public Rights of Way & Bridges, Verges, Laybys, Car Parks (Park & Ride Sites)

Page 158

7.0 Life Cycle Plans

7.1 The purpose of a life cycle plan is to document how a particular asset is managed, identify current and future needs in terms of predicted works and anticipated funding need with reference to the level of service required or that can be afforded. Life cycle plans consider the condition of the asset and assess its future performance by considering available monies, agreed risk and investment policies. From this information it is possible to develop the works programmes and strategies that are necessary to achieve the specified levels of service.

7.2 Ideally, life cycle plans present a record, from creation to disposal, of available asset information and cover key work activities used in the management of a highway network:

- Operations and maintenance of the asset: Activities undertaken to ensure the efficient operation and serviceability of the asset, typically referred to as routine maintenance. Routine maintenance activities are revenue funded and are either reactive, such as pothole repair and white line replacement, or cyclical such as gully emptying and grass cutting.

- Renewal or replacement of the asset: Provision for progressive replacement of individual assets that have reached the end of their useful life and cannot be sustained by routine maintenance alone. For carriageways, footways, drainage and bridges these activities are typically referred to as structural maintenance. These activities are funded by capital expenditure and include reconstruction, overlay, resurfacing, patching and surface dressing of carriageways or footways, remedial earth-works and replacement of highway drainage systems, i.e. pipe-work, manholes, etc.., or major repairs to these systems.

7.3 For some of the key assets (carriageways, footways, bridges and highway lighting) the development of the life cycle plan is simply documenting current practice. Life cycle plans for some assets are less developed and will continue to evolve as the HAMP is updated. As the Council faces increasing revenue funding pressures it is important that life cycle plans are adjusted to reflect the impact of reduced revenue expenditure on the long-term planning and potential impacts on capital funding for the future.

8.0 Valuation

8.1 All authorities are required to produce a gross replacement valuation of their highway assets to support the Whole of Governments Accounts process. Initially authorities were required to produce a Gross Replacement Cost (GRC) by 2011, followed by Depreciated Replacement Cost (DRC) and Annual Depreciation (AD) by 2012. Oxfordshire's HAMP has used most current guidance on asset valuation to develop a gross replacement cost estimated at just over £7 billion.

8.2 The highway asset valuation has been completed using the CiPFA guidance criteria and conforms to national reporting requirements. The following diagram illustrates the value of highway assets in Oxfordshire.

Key Facts 1	Asset Information					
Asset Group	Quantity (approx)	unit	Value (approx)	2013/14 budget (capital [c] / revenue [r])	Budget as % of Asset Value	Av Lifespan (if routinely maintained) #
Roads	4,576	Km	£4597.4m	[c] £11.06m	0.24%	50 yrs
Footways	3,170	Km	£563.2m	[c] 1.35m	0.24%	30 yrs
Bridges (OCC)	2,900	No.	£494.6m	[c] 1.64m	0.33%	120 yrs
Lighting Columns	59,600	No.	£74.4m	[c] 0.50m	0.67%	30 yrs
Illuminated Signs	3,733	No.	£74.4m	[c] 0.50m	0.67%	15 yrs
Illuminated Bollards	2,199	No.	£74.4m	[c] 0.50m	0.67%	8 yrs
Signs &	43,949	No.	£14.8m	[r] 0.29m	1.96%	10 yrs (signs)
Lines	3,000	Km				5 yrs (lines)
Gully	105,275	No.	£144m	[r] 1.01m	0.70%	20 yrs
Offlet	13,022	No.				
Catchpit	21,629	No.				
Trees	800,000	No.	£442m	[r] 0.54m	0.12%	30 yrs Urban
						120 yrs Rural
Safety Barrier	116	Km	£35m	[r] 0 .15m	0.44%	25 yrs

Page 160

9.0 What's next for asset management in Oxfordshire?

9.1 The Council is already adopting asset management principles and has developed a strong approach to asset management as evidenced by the robust processes, policies and guidance that have been developed as part of our initial Highways Asset Management Plan. This Strategic HAMP document sets our out baseline service standards that are flexible enough to respond to future pressures.
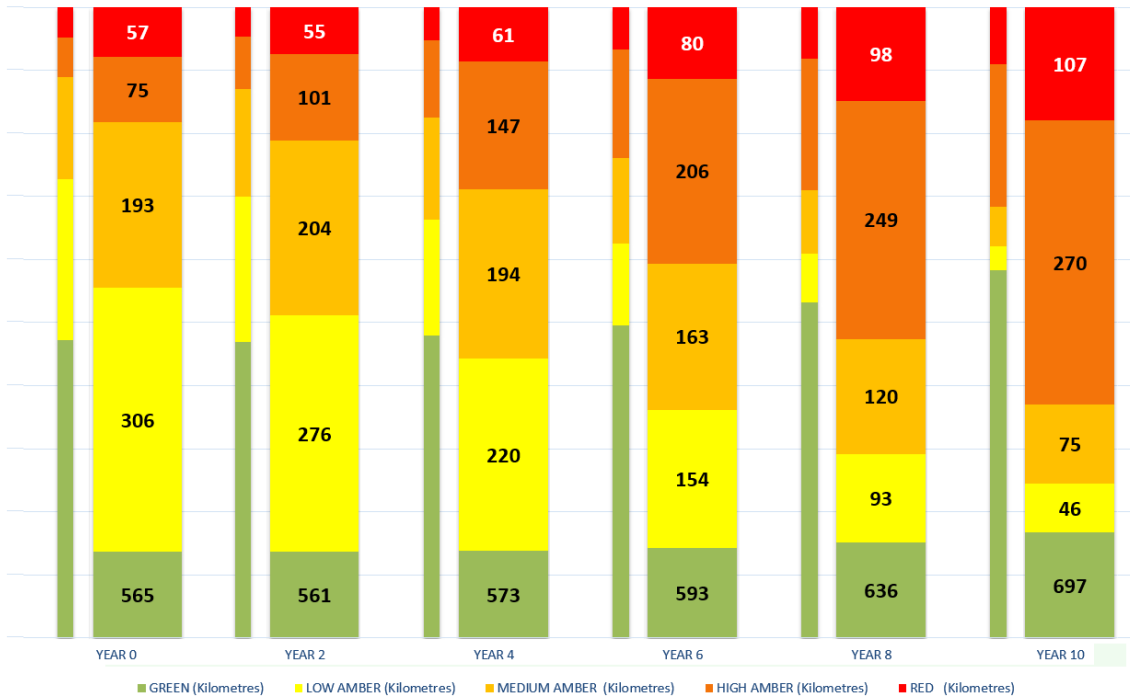
Page 161

APPENDIX 1

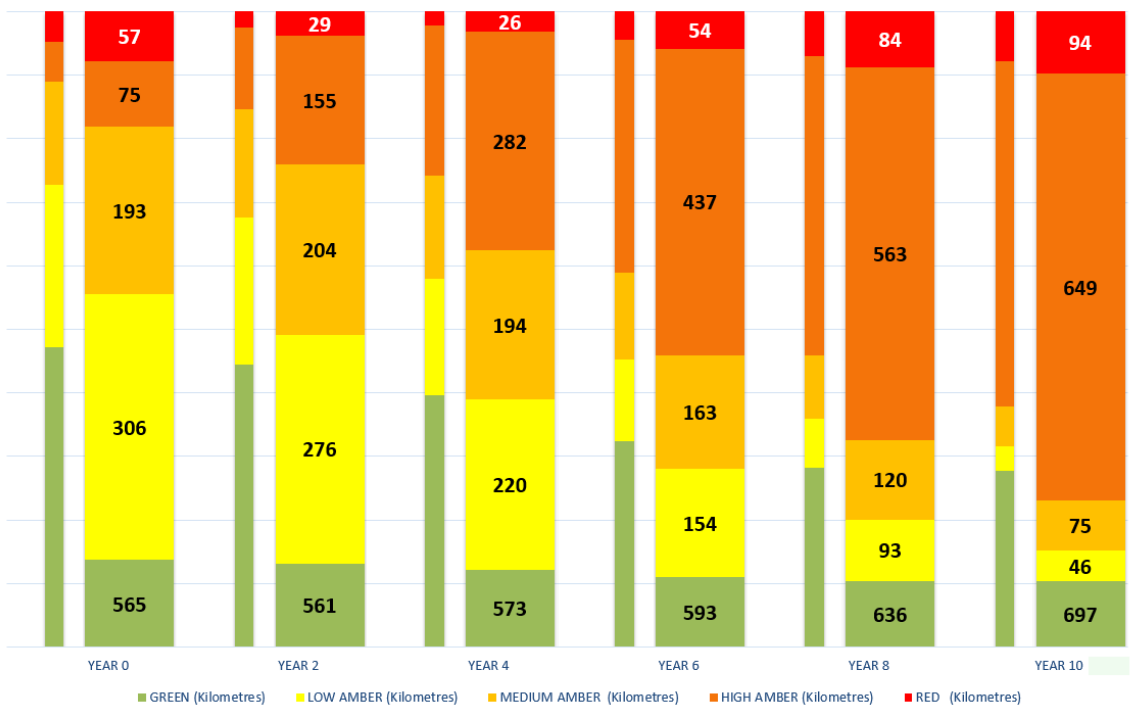## Alternative Road Treatment Strategies (High Amber v Worst First approach)

Scenario A   (High Amber approach)

10 year Scenario - 25% Budget spent on RED CONDITION / 75% Budget spent on HIGH AMBER

	YEAR 0	YEAR 2	YEAR 4	YEAR 6	YEAR 8	YEAR 10
RED	57	55	61	80	98	107
HIGH AMBER	75	101	147	206	249	270
MEDIUM AMBER	193	204	194	163	120	75
LOW AMBER	306	276	220	154	93	46
GREEN	565	561	573	593	636	697

GREEN (Kilometres) LOW AMBER (Kilometres) MEDIUM AMBER (Kilometres) HIGH AMBER (Kilometres) RED (Kilometres)

Scenario B   (Worst First approach)

10 year Scenario - 100% Budget spent on RED CONDITION / 0% Budget spent on HIGH AMBER

	YEAR 0	YEAR 2	YEAR 4	YEAR 6	YEAR 8	YEAR 10
RED	57	29	26	54	84	94
HIGH AMBER	75	155	282	437	563	649
MEDIUM AMBER	193	204	194	163	120	75
LOW AMBER	306	276	220	154	93	46
GREEN	565	561	573	593	636	697

GREEN (Kilometres) LOW AMBER (Kilometres) MEDIUM AMBER (Kilometres) HIGH AMBER (Kilometres) RED (Kilometres)
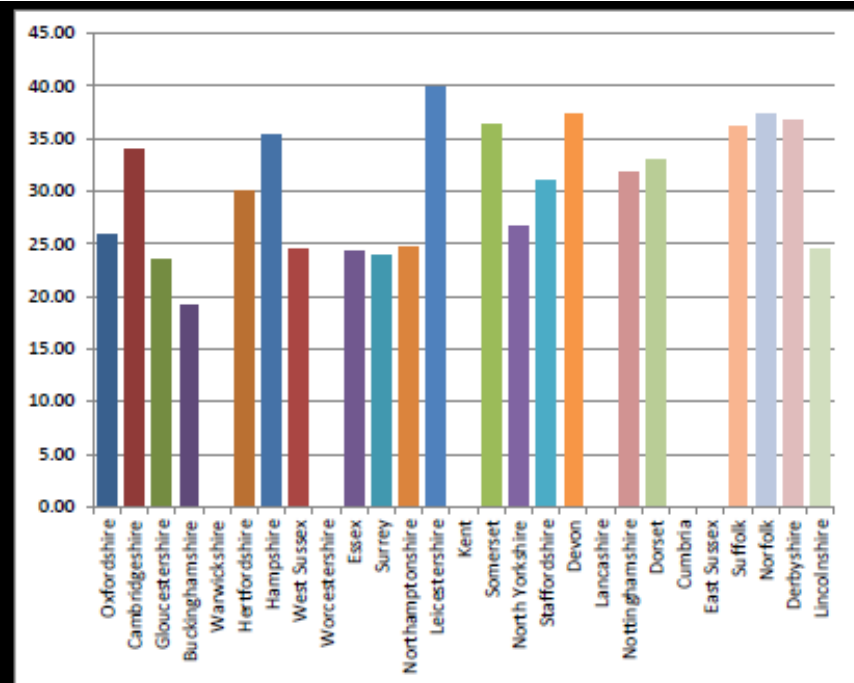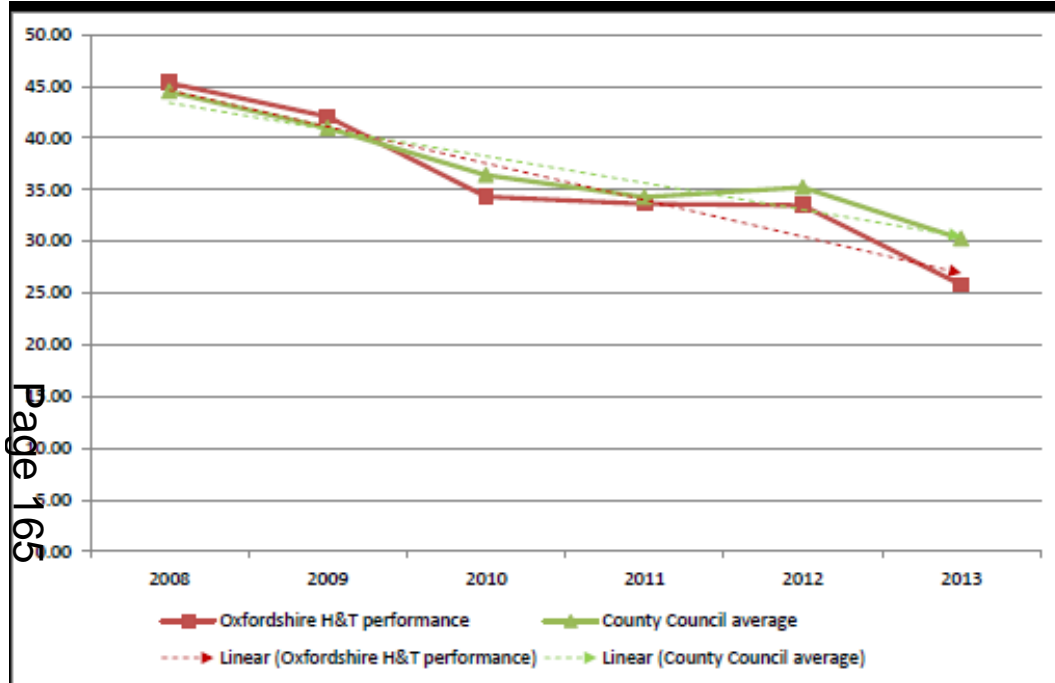
Page 162

Forecast uses current budget allocations for the particular road class. Defective road condition is represented by colour bands (red being worst condition, then high, medium and low amber). The length of defective road in each band is shown in kilometres. [The thin columns indicate the relative proportions]. After 10 years, there are less red roads with the Worst- First approach, but significantly more high amber roads that are about to become red. By contrast, the High Amber approach reduces the future maintenance liability, by improving overall condition and reducing the cost of pothole repairs.

Page 163

This page is intentionally left blank

**Annex 3 – National Highways & Transport Benchmarking Survey**

Public Satisfaction of Condition of Highways

	2008	2009	2010	2011	2012	2013	2014	2015
Oxfordshire rank	7	12	16	12	13	14		
Oxfordshire perf.	45.31%	42.08%	34.33%	33.61%	33.50%	25.80%	0.00%	0.00%
Average perf.	44.49%	40.96%	36.42%	34.27%	35.23%	30.26%	0.00%	0.00%
Counties involved	14	23	24	22	22	21	0	0
	UQ	LQ	LQ	LQ	LQ	LQ	BQ	BQ

Public Satisfaction of Local Authorities Highway Maintenance
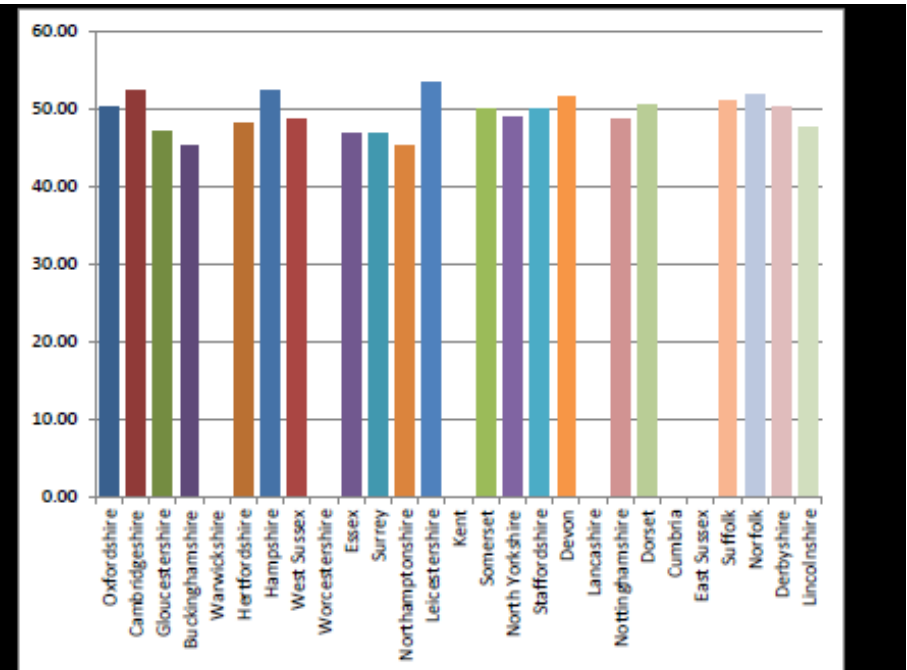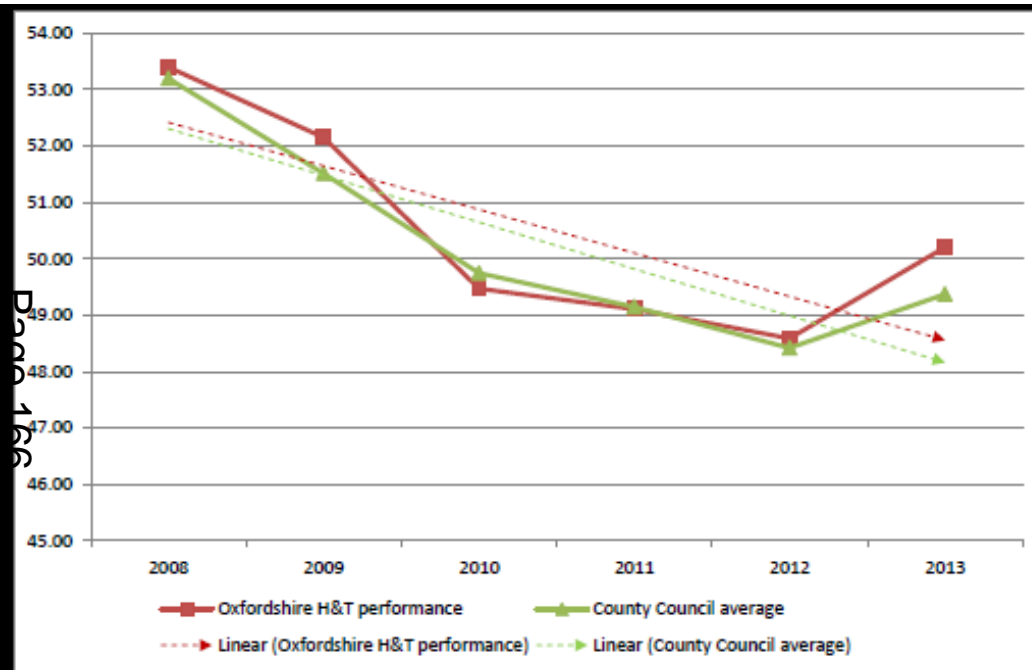
	2008	2009	2010	2011	2012	2013	2014	2015
Oxfordshire rank	10	13	12	12	10	9		
Oxfordshire perf.	53.39%	52.15%	49.47%	49.11%	48.59%	50.20%	0.00%	0.00%
Average perf.	53.19%	51.51%	49.75%	49.14%	48.42%	49.37%	0.00%	0.00%
Counties involved	14	23	24	22	22	21	0	0
	LQ	LQ	UQ	LQ	UQ	UQ	BQ	BQ

Division(s):

CABINET– 16 SEPTEMBER 2014

Outcomes Based Contracting for Mental Health and Older Peoples Services

Report by Director of Adult Social Services

Introduction

1. Outcomes Based Contracting (OBC) is an NHS priority as a way of managing spending and activity by making health care providers responsible for delivering outcomes, rather than paying them for activity. The substantial and ongoing pressures on health and social care services, and large activity pressures with acute (hospital) care mean that there needs to be action to manage costs and activity over the medium term.

2. Outcomes based contracting presents opportunities for Oxfordshire County Council, especially in services for older adults. More joined up services and a greater focus on outcomes has the potential to enable older people to stay independent for longer.

3. The impact of outcomes based contracting in practice on the performance of health and social care is dependent on the ability of providers to change the systems and structures to focus on delivering outcomes that matter to people. In order for us to ensure that the benefits are delivered we will need to manage the performance against the outcomes closely and support NHS commissioners to do likewise.

4. The overall system pressure, combined with the need for Oxfordshire Clinical Commissioning Group and Oxfordshire County Council to manage costs and shift provider behaviour in a fully pooled budget, the relatively low Oxfordshire County Council costs (4% of the pooled budgets), and the overall impact on joint health and social care provision mean that continuing to engage with the outcomes based contracting process for mental health and older adults is prudent.

5. The total budget going in to outcomes based contracting from Oxfordshire County Council is £11.2m. This is 4.1% of the total of the two pooled budgets (£281m). It is 10% of the total outcomes based contracting budget of £111.6m. £62m (55%) from pooled budgets, the remainder from Oxfordshire Clinical Commissioning Group.

Outcomes Based Contracting

6. Outcomes based contracting identifies a group of clients (for example, people with mental illnesses or frail elderly people) and then identifies the outcomes that the commissioners want for those people. It then funds a single provider or a group of providers to deliver these outcomes for people.

7. This is combined with relatively long contracts (5 years) to give providers incentives for preventative and community based work, cost capped contracts to give providers responsibility for activity costs, and payment attached to outcomes to encourage focus on system wide issues.

8. The NHS has historically focused on measuring service 'inputs' (such as attendances and admissions to hospital) and processes (such as waiting times). Alongside this NHS-funded healthcare has become fragmented and inefficient, with siloes of working and evidence of waste across the system. Financial incentives tend to reward acute hospital activity to the detriment of early intervention and prevention. Examples where joined up care has happened are few and difficult to spread quickly into commonplace practice.

9. One of the benefits of outcomes based contracts is that it supports groups of providers to create single clear pathways for patients. This is often accompanied by vertical integration – where services from the community to the hospital and back again become part of one single management structure and accounting framework.

10. The advantages of community and acute health providers working together is that they focus on the final outcome for the patient rather than just what happens whilst they are responsible for their care. The disadvantages are lack of choice for people who need to use the service, lack of market resilience and significant barriers to entry for new innovative providers. Risks for commissioners are that organisation failure (either in performance terms or in financial terms) is more problematic than in fragmented markets where there are more provider options and shifting providers for smaller portions of services is possible.

11. Providers are likely to focus their, necessarily limited, management attention on incentivised outcomes. There is a risk that choosing the wrong set of incentivised outcomes could mean that resource is shifted inappropriately – so, for example, if one of the incentivised outcomes was about reducing delayed transfers of care, but transfer to a care home was just a monitored outcome, this would create a financial incentive for the provider to discharge to a care home. This will require detailed attention to the outcomes, their weighting, and the incentivised outcomes.

12. The overall shift (particularly for the NHS) is away from paying for hospital activity (where providers retain substantial ability to create that activity) towards a system of paying for agreed outcomes.

Background

13. Historically there have been significant pressures on budgets within health in the acute sector (hospitals). This is partly due to payment structures which have encouraged a focus on delivering activity within hospitals, partly on the increasing ability to treat a range of conditions and a subsequent cost increase, and partly due to the balance of power between professional groups involved in the care of people (with hospital based doctors having more influence of resource allocation).

14. This has been compounded by on-going structural weaknesses in health commissioning across the country, as provider trusts are substantially better resourced than commissioners and have significant control over activity datasets, resulting in activity pressures being funded without clear risk sharing agreements.

15. Within Oxfordshire there has been longstanding NHS interest in developing new ways of commissioning based on outcomes. In March 2012, the Clinical Commissioning Group decided to change how it commissioned a range of services by introducing an outcomes orientated approach to commissioning and contracting.

16. In October 2012 Oxfordshire Clinical Commissioning Group retained some external consultancy support, through Solutions for Public Health, to provide additional capacity and skills to work around Outcomes Based Contracting.

17. This resulted in the production of the Phase 1 Outcomes Based Contracting report published in January 2013. A full procurement process was undertaken to secure external support for Phase 2 and Phase 3 work. The Cobic Consortium were the successful bidders.

18. Oxfordshire Clinical Commissioning Group and the Cobic consortium led a number of public engagement events which helped to develop the outcomes being used for the new model. Work continued through 2013 and this culminated in three Outline Business Cases being produced for consideration by the Oxfordshire Clinical Commissioning Group.

19. At the meeting of the Oxfordshire Clinical Commissioning Group Governing Body in November 2013, the three Outline Business Cases were considered, covering maternity, mental health and older peoples services. A number of concerns were raised about the business cases and some further work was requested to enable the Governing Body to make an informed decision at their next meeting, at the end of January 2014.

20. An NHS Gateway review was carried out in January 2014 and reported on 20th January 2014. This found that there was a broad consensus of support for the principles of Outcome Based Contracting and the benefits this could bring to patients but that there was not however a consistent view within the Oxfordshire Clinical Commissioning Group about how Outcomes Based

Contracting should be taken forward and a lack of support for the current approach to implementation from key external stakeholders.

Current Activity

21.   Outcomes based contracting is now being considered for two current areas. These are Mental Health and Older People. These are both already commissioned via pooled budgets between Oxfordshire County Council and Oxfordshire Clinical Commissioning Group.

22.   These areas are being procured via a most capable provider assessment. This assesses existing providers against set criteria. The contract detail (final budget, amount incentivised, detailed outcomes and activity measures) will be negotiated after award of most capable provider status.

23.   About 20% of the budget (approximately £22m across both contracts) will be paid on successful achievement of those outcomes that commissioners have incentivised.

Contracting and Legal Implications

24.   There will be two contracts for these services; one for Mental Health and one for Older People. The contract for Mental Health will be between Oxfordshire Clinical Commissioning Group and Oxford Health, while the other will be between Oxfordshire Clinical Commissioning Group and Oxford University Hospital.

25.   The contracts will be based on the NHS England Standard Contract. This contract is structured into a number of sections, most of which are standard and cannot be varied. There is, however, a 'Particulars' section at the beginning of the contract that can be varied which will include a description of the services, the outcomes required, the outcomes metrics and any other requirements of the Council.

26.   A meeting has been held between the Council's legal services and Oxfordshire Clinical Commissioning Group's lawyers to discuss the contract. A number of issues have been identified that need to be included in the 'Particulars' including TUPE and pensions.

27.   As the contracts will be held by the Oxford Clinical Commissioning Group, the Council will need to ensure that all its information requirements are incorporated so that it can make the necessary statutory returns and ensure that information on the outcomes are provided routinely.

28.   The contracts will be for five years, with an option to extent for another two years. The term of the contract is much longer than other NHS contracts as the intention is bring about significant change through using incentivised outcomes. The contract can be partly of fully terminated for poor performance and either party can terminate the contract on 12 months' notice. Early

termination, for no reason, may result in the party that issued the notice paying compensation to the other party.

29.   Oxfordshire Clinical Commissioning Group has received legal advice that these contracts can be exempted from tendering under the EU Public Procurement Directives as they are health services. The Council's legal team will review the legal advice received by Oxfordshire Clinical Commissioning Group to ensure that the contracting arrangements are legally compliant.

Financial and Staff Implications

30.   The total budget proposed from Oxfordshire County Council going in to the outcomes based contracting is £11.2m. This is all from currently pooled budgets and is 10% of the total outcomes based contracting budget.

31.   This is for a contract for five years, potentially extendable to seven. This is capped at the current cash value for the life of the contract and there is no commitment to demographic or inflationary increases – which will be managed by providers within the total financial envelope.

32.   The length of the contract would prevent corporate savings being sought from these budgets. However achieving outcomes specified in the contracts will drive better value for money across all services and should reduce demand in other parts of the system. The commitment from providers to managing inflationary increases and demographic pressures whilst still achieving outcomes also mitigates this risk.

33.   The total budget being proposed for outcomes based contracting is £111.6m. Being part of outcomes based contracting offers the County Council the opportunity to influence £100m of NHS spend and ensure that the focus of providers' (particularly in relationship to older adults) moves from hospital based activities to outcomes for people.

34.   £62m (55%) of the total being proposed for outcomes based contracts comes from budgets that are pooled between Oxfordshire Clinical Commissioning Group and Oxfordshire County Council.

Mental Health Finances

35. The overall budget being considered for mental health is £35m (£4m from Oxfordshire County Council and £31m from Oxfordshire Clinical Commissioning Group). This would mean that about 70% of the pooled budget would be in an outcomes based contracting arrangement.
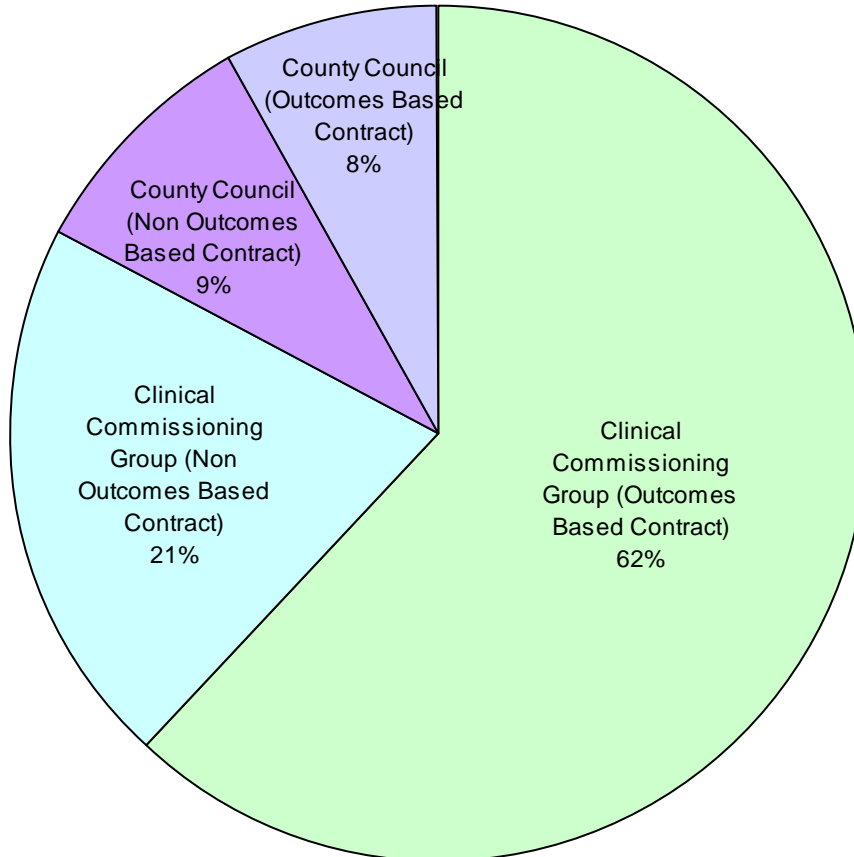
36. Currently the mental health pooled budget is not completely risk shared. Oxfordshire County Council carries the risk of any overspend in social care costs. In practice this related to the costs of housing (the Support into Independent Living pathway). A move towards outcomes based commissioning in mental health will need to be combined with a fully pooled and risk shared budget as one of the main ways costs are likely to move across the budget is a shift from hospital based care to supported housing. This shift would be in the interests of patients, and would reduce the overall costs against the pool. It would, however, increase social care costs. A fully risk shared budget is therefore essential.

Older People Finances

37.   The overall budget being considered for older people is £76.6m (£7.2m from Oxfordshire County Council and £69.4m from Oxfordshire Clinical Commissioning Group)..
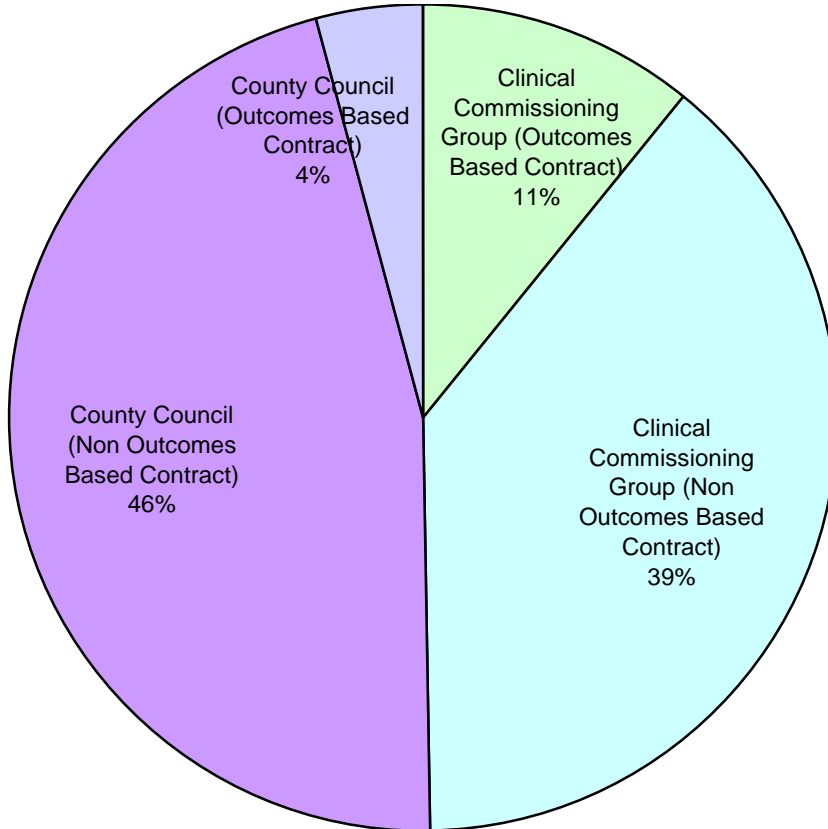
38.   £47m in the older peoples outcomes based contract comes from Clinical Commissioning Group budgets (primarily for A&E and emergency care for people over 65) rather than the Pooled Budget. The balance of £22.4m comes from the Clinical Commissioning Group Pooled Budget Contribution.

Risks

Risk	Mitigation
39. **Outcomes based commissioning on this scale is untried**	This can only be managed through careful specification by commissioners on how it will work and careful monitoring. The results will be reported to the Joint Management Groups and through them should be reported to the Health and Wellbeing Board. We will also need to work closely with other areas who are exploring this. A meeting is being arranged with Croydon
40. **National policy developments are uncertain**	All three major political parties appear to be supporting this approach. We should manage it through the same way that we manage the fact that it is untried.
41. **Longer contracts**	The total exposure of the County Council to this risk

	may restrict the ability of Oxfordshire County Council and Oxfordshire Clinical Commissioning Group to make savings against and to move resources to as policy and population need shifts.	is small and it is within a known context of expanding need and demographic pressure. The benefit of cost capped longer term contracts is that providers are incentivised to manage activity and focus on outcomes for people. We should be cautious about significantly expanding this approach to other areas of procurement or increasing the proportion of our spending committed to longer term contracts.
42.	**Providers are likely to focus their, necessarily limited, management attention on incentivised outcomes**	This will require detailed attention to the outcomes, their weighting, and the incentivised outcomes. We have an internal task and finish group collectively reviewing proposals and ensuring they align with our operational and strategic needs. The results will be reported to the Joint Management Groups and through them should be reported to the Health and Wellbeing Board.
43.	**Measuring short term targets**	This is a key part of the specification. We have to know if this is working. However, it is likely that there will be national requirements such as reducing admissions to hospital which will help (see recent developments concerning the Better Care Fund)
44.	**Ensuring that socal care services like reablement work well**	We have already made clear that there must be specific measures for this service. We need to consider whether there are specific measures that we will require for mental health services and intermediate care. The internal task and finish group is reviewing these.
45.	**Outcomes based contracts may not appropriate for the vast bulk of adult social care services which are purchased by the service user**	We will make clear to the NHS that these cannot be included and will not be in the future.
46.	**These proposals are unlikely to develop the adult social market**	This is a possible loss. We should monitor this carefully and review at the end of the five year period.
47.	**Loss of flexibility and the ability to respond quickly**	We are constrained currently by the time it takes to change services and go through a procurement process. This can take up to a year for adult social care.
48.	**NHS will be the senior partner**	They already are when it comes to mental health. However, in the case of frail older people, the County Council will still be the accountable body for the Older People Joint Management Group.

Recommendations

Cabinet is recommended to:

(a)   Support the transition of the NHS to focus on outcomes rather than activities as the right direction for the benefit of the health of people in Oxfordshire; to recognise that the change is essential if the NHS in Oxfordshire is to be able to manage with the resources available and that the NHS managing within the resources is crucial to securing the resources of £8m from the Better Care Fund to protect Adult Social Care services and to secure resources to pay for the costs of the new Care Act.

(b)   delegate authority to negotiate Oxfordshire County Council's engagement with these two OBC contracts to the Director of Adult Social Services w**ith certain conditions namely:**

  (a)   that this is limited to adult social care services for people with mental health problems and reablement and intermediate care services for older people;
  (b)   that there are specific outcome measures for both reablement and intermediate care that relate to our strategy of limiting demand for health and social care;
  (c)   that there is a genuine pooling of resources for mental health; and
  (d)   that the final negotiated position is subject to the prior agreement of the County Solicitor as to compliance with proper procurement requirements.

JOHN JACKSON
Director of Adult Social Services

Contact Officer: Benedict Leigh, Strategic Commissioner – Adults; Tel: (01865) 323548

September 2014

This page is intentionally left blank

Division(s):

CABINET 16 SEPTEMBER 2014

THE DEPRIVATION OF LIBERTY SAFEGUARDS - RESOURCE IMPLICATIONS FOLLOWING A SUPREME COURT JUDGMENT IN MARCH 2014

Report by John Jackson, Director of Adult Social Services

Introduction

National Context

1. The Mental Capacity Act 2005 (MCA) came into force on 1st October 2007 and provides the statutory framework for people who cannot make decisions for themselves, or who have capacity and want to make preparations for a time when they may lack capacity in the future, to make critical decisions about their lives. It contains provisions for assessing whether people have the mental capacity to make decisions for themselves, and provides a legal framework for acting or making decisions on behalf of individuals who lack capacity, and ensures a right for the individual to be protected from harm where they lack the capacity to make decisions themselves.

2. The underlying philosophy of the Mental Capacity Act is that any decision made or action taken, on behalf of someone who lacks capacity to make the decision or act for themselves, must be made in their "Best Interests" This applies to any person acting on the individuals behalf, whether they are a family carer, a paid care worker, an attorney, a court appointed deputy, a health or social care professional. As long as these acts or decisions are in the "Best Interests" of the person who lacks capacity to make the decision themselves, or consent to acts concerned with their care or treatment, then the decision maker or carer will be protected from liability. The Act requires people to follow certain steps to help them work out whether a particular act or decision is in the persons "Best Interests" including following the "Best Interests" checklist.

3. The MCA is supported by a Code of Practice which is an official document that places certain legal duties on social care professionals. It also offers more general guidance and information to anyone caring for someone who may lack capacity to make a decision.

4. The MCA allows restraint and restrictions to be used - but only if it is in a person's best interests and that no other measure can be used to protect them.

5. In April 2009, the Government amended the provisions to of the MCA to incorporate Deprivation of Liberty Safeguards (MCA DOLS) which applies to England and Wales only. This was introduced to prevent deprivations of

liberty without the proper safeguards being in place and ensure that the care or treatment of individuals without capacity receive, is in their "Best Interests"

6. Deprivation of Liberty Safeguards is only applicable to people who reside within a care home or hospital. In other settings, for example supported living, the Court of Protection can be asked if a person can be deprived of their liberty.

7. Care Homes or Hospitals must ask the Local Authority if they can deprive a person in their care of their liberty. This is called a Standard Authorisation.

8. There is a process of six different assessments which have to take place before a Standard Authorisation can be granted. These are to determine whether the person meets the qualifying requirements for Deprivation of Liberty Safeguards regarding age; mental health; mental capacity; no refusals (would a DOLS conflict with any other decisions eg Lasting Power of Attorney), eligibility and best interests.

9. If a Standard Authorisation is granted, one of the most important safeguards is that the person has someone appointed with legal powers to represent them. This is called the relevant persons representative and this will usually be a family member or a friend and where this is not in place independent advocacy will be provided.

10. Other safeguarding of the legislation include rights to challenge authorisations in the Court of Protection without incurring costs for the service user and access to independent advocates called Independent Mental Capacity Advocates. (IMCA's)

11. On 19th March 2014 the application of DOLS was brought into question and resulted in the decision of the Supreme Court, "The Cheshire West judgment" (P –v- Cheshire West and Chester Council and another; P and Q –v- Surrey County Council 2014 UKSC 19). This judgment was a result of appeals in two situations about the application of the criteria for judging the living arrangements made for individuals who lacked capacity, and whether this amounted to a deprivation of liberty. The Court found that it did, and the 'acid test' that was set out in that judgment broadens the number of individuals who would now come under the jurisdiction of DOLS

Local Context

12. In 2007 Oxfordshire County Council established a team and prepared the Local Authority to become a Supervisory Body. A requirement was to ensure that staff were equipped to act under the legislative powers. Training for medical assessors, Best Interest assessors and authorisers was completed. The team also delivered training to Residential, Nursing Homes and Hospitals about the implications of this Act and worked closely with the Primary Care Trust (replaced by the Clinical Commissioning Group in 2013).

13. Oxfordshire County Council was in the fortunate position to have Rachel Griffiths managing the team and who left us to join the Social Care Institute for Excellence (SCIE) a national organisation on MCA and DOLS.

14. The Team has continued to develop and manage the workload effectively. A rota system of Best Interest Assessors, who have completed the Post Qualification training to undertake the role, is in place..

15. Following the Cheshire West judgment handed down by the Supreme Court on 19^t March 2014 the impact has been significant for all Local Authorities including Oxfordshire County Council. This is due to the increased scope of the definition of "deprivation of liberty" and consequently the number of individuals that now fall within the remit of DOLS and are residents in care homes or are in a hospitals environment.

16. It is important to note that the issue about whether DOLS applies to Supported Living environments (whereby individuals receive personal care, sometimes over a 24 hour period) is still at this stage not resolved. The current situation is that deprivations of liberty in supported living settings must be authorised by the Court of Protection. However, it is anticipated that the legislation will be amended to include supported living settings within the next few years. In the meantime, this means there are approximately 650 service users who would need to be reviewed to ascertain whether they lack capacity to make decisions in regard to their care and accommodation needs and meet the criteria for deprivation of liberty as set out in the Cheshire West judgment.

17. Of these service users, Court applications would be needed to the Court of Protection for any of the individuals who meet the deprivation of liberty "acid test" in order for proper authorisation to be provided.

Impact of Cheshire West judgment in Oxfordshire

18. Following the Cheshire West judgment the DOLS team has seen a significant increase in the number of requests for DOLS authorisations. The numbers have increased six fold in Oxfordshire, in comparison to the national estimate, which is a tenfold increase.

19. The number of requests received from April to August 2013 was 82. Following the Cheshire West Judgement for the same period in 2014, 486 requests have been received.

20. See Appendix 1 for monthly request data from April 2009 to date.

21. There are currently 250 requests waiting to be assessed. 52 of these are deemed as urgent authorisations, 25 have a Best Interest Assessor allocated to undertake the work and are all at various stages of completion. 19 of the 52 are Out of County placements which results in increased resources due to the need to travel and negotiate with other local authority supervisory bodies. The previous reciprocal arrangements in place to undertake DOLS for other Local Authorises are under great strain due to the necessity to meet home

demands and pressures across the country of the increases in workloads and challenges for meeting the legislative requirements. As cases are completed further requests are allocated to endeavour to manage the high volume of cases.

22. It is difficult to equate the average number of hours required to undertake a request as some are fairly complex and involve a number of visits to complete the necessary work.

23. Authorisers, who are Area Service Managers and Deputy Directors in Oxfordshire, are required to scrutinise the Standard Authorisation and only authorise if they are satisfied that the requirements of the legislation have been met and that deprivation of liberty is the least restrictive measure that can be used. This system works effectively but the demand for the task places additional resources on managers to work as authorisers to tight legislative timescales.

24. Oxfordshire currently have 30 cases termed urgent authorisations which are outside of the 14 day deadline for completion and are dealing with these as soon as capacity is available but it of concern that we are not able to meet the statutory requirements. The DOLS Manager reviews these applications daily to ensure that individuals are as safe as possible and that homes/hospitals are ensuring there are no safeguarding issues as a result of this delay.

25. The wellbeing of the individual concerned is not affected by a delay in the DOLS authorisation being granted, because the DOLS regime is confirming the legality of a situation currently in place or planned to be implemented. The individual's wellbeing would come into consideration if the DOLS authorisation could not be granted because the situation was found not to be in the individual's best interests. These situations are rare. In these circumstances a safeguarding alert is raised and relevant procedures followed to ensure that the unauthorised deprivation of liberty ceases, the DOLS are a human right protection for individuals.

26. The DOLS team are currently granting between 12-18 authorisations per week. This means on the current activity we will not clear the workload today until February 2015.

27. Oxfordshire is identifying Social Workers and Occupational Therapists who are able to train to complete the DOLS applications however this is not a quick resolution but will set us up to respond in the longer term. We are looking to explore sessional workers qualified to undertake the task and free up more time for those who are trained however this is being balanced with the work within the Areas to meet Assessment requirements.

28. Legal Services is seeking to ensure that it can deal with the various applications required to the Court. As much as possible a standard application pack is being put together to ensure that Legal Services can expedite the process as much as possible. There is the potential that legal challenges could be made against all relevant councils for failure to obtain the

necessary Court authorisations with claims for compensation for unlawful detention, hence the need to expedite the applications where possible. Similarly if deadlines are missed by relevant councils as Supervisory Bodies then this could result in challenges or complaints to the Ombudsman.

Risk Management

29. The main risks are Oxfordshire County Councils ability to meet its statutory requirements under the Act given the increase in workload since the Cheshire West Judgement and ensuring that any individuals awaiting an assessment are safe and cared for in accordance with best practice and high standards of care.

30. The referrals are continuing to be prioritised in line with current Association of Directors of Adults Services (ADASS) guidance which provides a framework for us to manage the increase in requests. We are prioritising our workload as follows:

- Urgent authorisations with longest period of unauthorised deprivation of liberty
- Hospital requests
- Requests which pose greatest risk to the individuals and/or OCC based on:
- Nature of mental health disorder
- Complex cases known to supervisory body
- Known objection by the client
- Family dispute or objection
- Safeguarding concerns
- Independent Mental Capacity Advocate required

31. The DOLS Manager has been working with Oxfordshire County Council's Head of Law and Governance, County Solicitor and Monitoring Officer to identify and mitigate the risks of the increased workload and the risk to the authority of not meeting authorisation deadlines.

32. The Adult Social Care Leadership Team approved a proposal on 6 August 2014 to ensure that those on the current assessor rota are meeting the increase in demands on their time. The DOLS team now have additional administrative support and have had agreement for some temporary additional staffing.

Financial implications

33. The current budget for the DOLS service is £258k. This includes staffing, medical assessments and training.

34. The Department is currently estimating an overspend on the DOLS budget of £120k. This is based on the significant increase in requests, payment for medical assessors, increased numbers of staff that are completing the best

interest training and additional staffing costs, such as overtime. This overspend will not impact on the delivery of any other services.

35. An application to the Court of Protection is currently £400 for each application. If there are 650 applications required, this would be an extra cost of £260k. Legal Services has a budget for ordinary expenditure for Court fees but this would be an exceptional call on that budget and not sustainable by Legal Services.

36. The Directorate is seeking to manage the pressure and is not at this stage seeking a supplementary estimate.

Equalities Implications

37. An Equality Impact Assessment was completed on 3 September 2014

38. Each individual's rights are upheld through the DOLS process. Each individual is assessed on a case by case basis based on the level of presenting risk.

RECOMMENDATION

39. **The Cabinet is RECOMMENDED to note the impact of the Cheshire West judgement on the Authority due to the significant increase in requests in order to meet our statutory requirements, through increased staffing and financial resources and note the actions taken to manage these impacts**

JOHN JACKSON
Director of Adult Social Services

Contact Officer: Kate Terroni, Area Service Manager; Tel: (01865) 815792

August 2014

ANNEX 1 - REQUESTS RECEIVED BY SUPERVISORY BODY

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
April	2	14	16	17	13	64
May	1	11	17	23	17	93
June	4	16	22	21	17	126
July	1	25	26	21	19	116
August	4	12	13	12	14	92
September	6	18	21	10	23	n/a
October	12	22	18	22	21	n/a
November	6	16	26	18	21	n/a
December	7	15	14	17	16	n/a
January	14	22	34	22	25	n/a
February	15	20	19	18	19	n/a
March	16	17	18	17	27	n/a
TOTAL	**88**	**208**	**244**	**218**	**232**	**491**

This page is intentionally left blank

Division(s): NA

CABINET - 16 SEPTEMBER 2014

GOVERNANCE AND CONSTITUTION REVIEW

Report by County Solicitor and Monitoring Officer

Introduction

1. In April 2013, the Council adopted new governance arrangements which came into effect following the May 2013 elections. The Council asked its Monitoring Officer to review the effectiveness of these decision-making arrangements a year after their coming into operation, along with the underlying Constitution. His recommendations will be considered by Full Council on 9 December. This report therefore summarises the emerging issues from the Monitoring Officer's review.

2. The governance and constitution reviews are of course related. In both instances, while the Council cannot increase its resources and would not wish to extend its bureaucracy, it can maximise the use of its existing resources to better effect; particularly, for instance, with regard to scrutiny.

Background

3. The new arrangements, following the elections, were made to involve members further in policy development ahead of decision-making and to improve decision making generally. For instance:

    -   Scrutiny: the aim being to tie scrutiny more closely to the business and priorities of the Council
    -   Cabinet Advisory Groups: the aim being to enhance decision making through effective prior involvement of members in policy development
    -   Locality meetings: the aim being to assist councillors in representing their communities through a more focused flow of information and to enable decision-making to benefit further from councillor perspectives of services 'on the ground'

4. The changes had involved:

    -   Reducing the number of scrutiny committees from six to three: Performance, Education and Joint Health Overview and Scrutiny
    -   Creating the option to hold task-and-finish Cabinet Advisory Groups to support the Cabinet in policy development
    -   Creating a standing Transport Advisory Panel
    -   Creating 9 locality meetings to integrate member perspectives more fully into the decision-making of the Council and to ensure better information to and from the local level

5. To inform the review, the Monitoring Officer consulted a cross-party Sounding Board of members established by the Audit & Governance Committee which itself has a watching brief over the review. As a result, the Monitoring Officer formally consulted all councillors, co-opted members and senior managers to obtain their views about each aspect of the governance. Agenda and outcomes reviews, consultation with political group leaders, cabinet members and scrutiny chairmen were also undertaken.

6. Views were also sought about the supporting Constitution. A section-by-section review was undertaken of it, particularly those key sections such as the Council, Cabinet, Scrutiny, Contract and Financial Procedure Rules, with a view to updating, clarifying and improving the rules which underpin the Council's decision-making arrangements.

7. A copy of the summary of the members' survey is included as **Annex 1** and a schedule of potential changes to the Constitution is included as **Annex 2.**

Emerging Issues

Governance

8. The governance changes are considered to have been beneficial in engaging members further and achieving a closer focus on the business of the Council. There is a consensus that the arrangements should be allowed to bed down and that no major changes are necessary although greater clarity as to the roles/remits around decision-making and information would be welcome. Co-opted members are equally satisfied, on the whole, that they feel engaged and that the arrangements work well for them. The headline issues arising from the governance review:

- **Locality Meetings**: these have been very successful and are perceived by councillors and officers to be working well, engaging and informing councillors more fully in the interests of their community and the delivery of council services. The challenge is to build on this and achieve greater engagement with wider service- and policy development.
- **Cabinet Advisory Groups (CAGs)**: CAGs are regarded as a useful aspect of the Council's governance, informing service and policy development with the benefit of wider member experience. The challenge is to continue to raise their profile among members and ensure they are contributing effectively and visibly. Improved public awareness is already being facilitated (on the website) about CAGs and the outcomes of their work.
- **Keeping members informed**: an encouraging outcome has been that members consider they are generally being kept more informed about issues affecting their area. Well-informed councillors are crucial to effective democracy, representation and decision-making. It is encouraging that councillors are positive about their access to information.
- **Council:** the emphasis here is to improve the procedures to streamline effective debate and decision-making to improve decision-making and

debate. For example, motions alternating between groups; questions and motions limited to 3 per person.

- **Cabinet:** the Leader wishes to engage local members more fully in terms of receiving their views and hearing their questions
- **Scrutiny:** no real demand for change has been expressed; rather it is the view that the arrangements should be allowed to bed down and that more emphasis should be given towards continuing to develop a more targeted focus on key issues and performance. This might, for example, involve the use of councillor briefings to increase specialist knowledge and the carrying out reviews of specific areas of concern.

9. Most of these issues can be taken forward resolved through a greater emphasis on communication and engagement; and the alignment of the Constitution.

Constitution

10. Clearly any decisions arising from the governance review which affect the governance structure itself will require constitutional changes. However, many of the Constitutional changes would effectively be 'tidy up' measures to:

- Streamline county council business by providing further clarity or less bureaucracy.
- Reduce the number of sections within the Constitution or otherwise to make the use of it easier, e.g. through potential inclusion of an index (as some authorities do).
- Update legislation and post roles.

11. However, some potential changes raise issues of principle. These include:

- **Council Meetings**: provisions for making these meetings more effective
- **Cabinet Meetings**: facilitating members' engagement with Cabinet in giving views and asking question
- **Scheme of delegation**: revisions to achieve greater clarity over senior officer responsibilities e.g. directors
- **Contract Procedure Rules**:
  - clarity over the thresholds for triggering tendering (if the amount exceeds EU threshold then tender necessary; if below then Directors to determine having regard to the achievement of best value/value for money
- **Contract Procedure Rules (CPRs):** Legislative changes, affecting the procurement regime, will be forthcoming later this year. This will require a fundamental review of the CPRs and will revise thresholds, contract clauses, division of contracts into lots and include currently excluded contracts such as those for CEF, S&CS and Public Health. The legislative changes will be the result of the UK Public Procurement Regulations implementing an EU directive.
- **Petition Scheme**: the Petition Scheme is little used and is no longer a statutory requirement. The Council Procedure Rules already contain the most often used provisions for making and presenting petitions.

- **Locality Meetings**: given the success of these meetings and the consensus to continue them, it is suggested that the Constitution sections on the roles of members should include reference to Locality Meetings.

Financial, staff and legal implications

12.   Given that it is not intended to amend the governance arrangements significantly, there would be no material financial or staffing implications. The Constitution is, in any case, updated in line with new legislation whenever this occurs and the currently envisaged amendments would accord with this.

Conclusion

13.   The Governance Review has raised no significant concerns either from councillors, co-opted members or senior managers. The key issues are: enabling the arrangements to bed down, raising members' awareness of them and achieving a focus (in scrutiny) on priority areas. The Constitution Review, while necessarily reflecting the Governance Review, can also achieve a greater clarity on various procedures, assisting in improving efficiency.

14.   The Audit and Governance Committee and the Performance Scrutiny Committee will also be informed of these emerging issues, prior to Council's consideration of the Monitoring Officer's final recommendations on 9 December.

RECOMMENDATION

15.   **Cabinet is RECOMMENDED to consider and endorse the direction of travel of the review.**

PETER CLARK
County Solicitor and Monitoring Officer

Contact Officer: Peter G Clark, County Solicitor; Tel: (01865) 323907

September 2014

Governance Review 2014
Summary of member survey responses

Overview

The survey of councillors showed an overall satisfaction with the governance arrangements and that the changes are considered to have been beneficial in engaging members further and achieving a closer focus on the business of the Council. There is a consensus that the arrangements should be allowed to bed down and that no major changes are necessary. Key points:

- Locality Meetings: the big success of the new governance arrangements, Locality Meetings are perceived to be working very well; the challenge now being to ensure that they achieve greater level of engagement with service and policy development
- Cabinet Advisory Groups (CAGs): CAGs are regarded as a useful aspect of the Council's governance; the challenge now being to raise their profile among members and ensure they are contributing effectively and visibly
- Keeping members informed: an encouraging outcome has been that members feel they are generally being kept informed about issues affecting their area
- Cabinet: overall satisfaction; the challenge now being how to action the Leader's willingness to engage members more fully
- Scrutiny: overall satisfaction with arrangements and an aspiration to achieve a more targeted focus on key issues and performance
- Council: the challenge is to improve the efficiency of Council business (e.g. through clarification of the procedure rules)

Member Survey - responses

Response rate:
64% of councillors responded (40 out of 63 responses).

Includes:
- 9 cabinet members
- 12 participants in CAGs
- 23 scrutiny members
- 40 locality meeting comments

Overview
Members were presented with several 'ratings questions' and then were invited to comment. More councillors responded to the 'ratings' than gave comments.

Therefore, what follows indicates the overall response. Responses to the ratings questions have been shown as % of councillors responding to the question.

Comments, being more subjective, have been given simply as 'the numbers of councillors making the point'. They serve as illustration only. In some cases, given the low numbers making the point, the issue cannot reliably be seen as representative of a particular issue or concern.

Locality Meetings
90% (36 out of 40) respondents answered the ratings questions.

- 89% of those responding to this question agreed or strongly agreed that the Locality Meetings are a useful addition to the governance arrangements
- 3% disagreed or strongly disagreed that Locality Meetings were a useful addition
- 8% had no view as to their usefulness

- 86% agreed or strongly agreed that the Locality Meetings provided a useful way of hearing and sharing views about issues of importance to their constituency
- 11% disagreed or strongly disagreed that they are useful in hearing/sharing constituency views
- 3% had no view

Comments summary
- Useful addition and a good forum for sharing views and hearing about the locality (7 members)
- Perhaps need to be more frequent and/or a little longer (8 members)
- Early days as to whether the locality meetings tie in to the wider governance arrangements (6 members)
- Chairmanship crucial to keep meetings useful and prevent them from being a talking shop/sidelining some divisions (2 members)

Council
80% (32 out of 40) of respondents answered the ratings questions.

- 26% of those responding to this question agreed that Council is an effective means of debating/delivering Council business
- 42% disagreed or strongly disagreed that Council is effective means of debating/delivering Council business
- 32% were neutral as to the effectiveness of Council

- 84% agreed strongly agreed that changes should be made to improve debate and decision-making

- 3% disagreed that changes should be made
- 13% were neutral as to whether changes should be made

Comments summary
- Too many motions (5 members)
- Too many cabinet-related questions that should remain in cabinet (3 members)
- Potentially limit the number of motions per councillor (2 members)
- Council should finish later than 3.30 (i.e. at 4 or 5 pm) – particularly mentioned by Lib Dems (and Green) (5 members)
- Not enough time for debate (linked to previous point) (2 members)
- Too much use of 'move to vote' by the Administration, curtailing debate (2 members
- Meetings should be webcast (2 members)

Cabinet
73% (29 out of 40) of respondents answered the ratings questions

- 21% of those responding to this question agreed that Cabinet engages effectively with wider member views and opinion
- 59% disagreed or strongly disagreed that Cabinet engages effectively with member views/opinion
- 21% were neutral that it engaged effectively with member views/opinion

Comments summary
- Sense that Cabinet does not seek or listen to other councillor views (2 members)
- Debate insufficient:
    o Other groups, not just Opposition, should have opportunity to speak (particularly mentioned by Lib Dems) (6 members)
    o Done deal – no real debate (4 members
    o Little input from other members (4 members*)*
    o Councillors don't take opportunity to raise questions (4 members*)*
    o Scrutiny should have greater pre-consideration (2 members)

Cabinet Advisory Groups
58% (23 out of 40) respondents answered the ratings questions

- 56% of those responding to this question agreed or strongly agreed that CAGs had been a useful addition to governance arrangements
- 21% disagreed or strongly disagreed that CAGs had been a useful addition
- 22% had no view whether CAGs had been a useful addition

- 37% agreed or strongly agreed that CAGs had addressed the right issues
- 18% disagreed or strongly disagreed that CAGs had addressed the right issues
- 45% had no view on whether CAGs had addressed the right issues

Comments summary
- Need for more info and visibility on what these are, how appointed, how they operate and outcomes (11 members)
- Usefulness/effectiveness not fully established and needs bedding down (especially in relation to impact on policy development) (3 members)
- More of a means of informing members than delivering policy development (2 members)

Transport Advisory Panel
40% (16 out of 40) of respondents answered the ratings questions

- 44% of those responding to this question agreed or strongly agreed that the TAP had been a useful addition to the governance arrangements
- 31% disagreed that the TAP had been useful
- 25% had no view as to whether the TAP was useful

- 81% thought that some changes should be made to the way TAP operates
- 13% did not think changes should be made to TAP
- 6% had no view as to whether changes should be made to TAP

Comments summary
- Need for more info and visibility on what these are, how appointed, how they operate and outcomes (7 members)

Scrutiny – Generally
86% (32 out of 40) of respondents answered the ratings questions

- 31% of those responding to this question agreed or strongly agreed that current arrangements are working well
- 47% disagreed that the arrangements were working well
- 22% had no view as to whether the arrangements were working well

- 65% thought that some changes should be made to how Scrutiny operates
- 26% did not think that changes should be made
- 10% had no view as to whether changes should be made

Comments summary
- Adult Scrutiny Committee should be reintroduced (cross party view) (8 members)
- Scrutiny seems to have reduced too much – more time and resource needed for it to be effective (3 members)
- Challenge to the executive appears diminished (2 members)

Performance Scrutiny

70% (28 out of 40) respondents answered the ratings questions

- 46% of those responding to this question agreed or strongly agreed that the committee provided an effective means of performance management
- 31% of respondents disagreed or strongly disagreed with that the committee provided an effective means of performance management
- 18% had no view on the effectiveness of the committee

Comments summary
- Perhaps covers too much – too broad and not sufficiently holding the executive to account (5 members)
- Primacy of this committee masks importance of other subject areas worthy of scrutiny (3 members)

Education Scrutiny

65% (26 out of 40) respondents answered the ratings questions

- 61% of those responding to this question agreed or strongly agreed that the committee provided an effective means of reviewing educational issues
- 12% disagreed or strongly disagreed
- 27% had no view on this

Comments summary
- Role is evolving alongside Oxon CC's role in education (2 members)
- Purpose and efficacy not sufficiently bedded down (5 members)
- Some queries as to whether the social care side of children's services should be more prominently represented in scrutiny (2 members)

Joint Health Overview & Scrutiny

50% (20 out of 40) respondents answered the ratings questions

- 52% of those responding to this question agreed or strongly agreed that JHOSC provided an effective means of reviewing health issues
- 19% disagreed or strongly disagreed
- 30% had no view

Comments summary
- Prominence increased with return of public health function to Oxon CC (2 members)
- Maintaining the effectiveness of JHOSC is important to delivery of public health (2 members)

Health and Wellbeing Board
50% (20 out of 40) of respondents answered the ratings questions

- 35% of those responding to this question agreed or strongly agreed that the HAWB was an effective means of promoting health and wellbeing
- 20% disagreed or strongly disagreed
- 45% had no view

Comments summary
- Important area of work but still finding its feet (5 members)
- More info needed for councillors on role and effectiveness (4 members)

Audit and Governance Committee
40% (16 out of 40) respondents answered the ratings questions

- 62% of those responding to this question agreed or strongly agreed that A&G provides an effective means of reviewing the council's governance and ethical standards
- 6% disagreed or strongly disagreed
- 31% had no view

Comments summary
- Greater clarity needed between this and Performance Scrutiny (3 members)
- Generally effective (4 members)

Planning and Regulation Committee
35% (14 out of 40) respondents answered the ratings questions

- 71% of those responding to this question agreed or strongly agreed that P&R was effective
- 14% disagreed or strongly disagreed
- 14% had no view

Remuneration Committee
38% (15 out of 40) respondents answered the ratings questions

- 80% of those responding to this question agreed or strongly agreed that the Remuneration Committee provided an effective means of managing the council's pay policy etc
- 20% had no view

Information for councillors
95% (38 out of 40) respondents answered the ratings questions.

- 76% of those responding to this question agreed or strongly agreed that they were satisfied with the level of communication they receive about the council and its services
- 11% disagreed or strongly disagreed that they were satisfied with the level of communication
- 13% had no view

- 67% agreed or strongly agreed that the format of reports (length, content, ease of reading) was about right
- 22% disagreed or strongly disagreed
- 11% had no view

- 70% agreed or strongly agreed that they were satisfied with the information available about who to contact in the council
- 22% disagreed or strongly disagreed
- 8% had no view

- 60% agreed or strongly agreed that they received a timely reply from officers when asked for information
- 29% disagreed or strongly disagreed
- 11% had no view

Comments summary
- Reports useful but too long; perhaps introduce one-page summaries; plainer English (3 members)
- Most officers very helpful – but can take too long to get replies to queries; perhaps standard upper limit response time (5 members)
- Knowing who to contact still a challenge for some (2 members)
- Welcome Handbook well received but contacts list should be regularly/more frequently updated (2 members)

Constitution and rules/protocols
95% (38 out of 40) respondents answered the ratings questions.

- 77% of those responding to this question agreed or strongly agreed that they understood their rights to information under the Constitution
- 8% agreed or strongly disagreed that they understood their rights
- 16% had no view

- 87% agreed or strongly agreed that they knew how to raise issues for consideration at the Council's formal meetings
- 3% disagreed that they knew how to raise issues at formal meetings
- 11% had no view

- 54% agreed or strongly agreed that their views about issues in their constituency were listened to by the Council
- 30% disagreed or strongly disagreed
- 16% had no view

Comments summary
- No common views on the Constitutional rules

END

Constitution Review

Overview

This report summarises the key issues and potential changes that have been raised as part of the comprehensive Constitution Review. It follows the structure of the Constitution and itemises the issues/potential changes under each.

Summary:

Any decisions arising from the governance review might also require Constitutional changes. In addition, consideration by officers has identified a range of potential Constitution changes, set out in more detail below. These will require further sifting and consideration. Most are being suggested to:

- Streamline county council business by providing further clarity or less bureaucracy.
- Reduce the number of sections within the Constitution or otherwise to make use of it easier, e.g. through potential inclusion of an index (as some authorities do).
- Reflect legislation and post roles

Key potential changes include:

- Council Meetings: provisions for making these meetings more effective (page 5-6).
- Cabinet Meetings: Leader's wish to 'relax' the rules of members' addressing the meeting (page 6).
- Scrutiny: how best to take forward Health Scrutiny (either as a joint committee or as a formal committee only of this Council; this point is receiving further legal research and attention. (page 4).
- Scheme of delegation: revisions to achieve greater clarity over roles e.g. which posts are intended have 'director' status etc. (page 8).
- Contract Procedure Rules:
  - clarity over the thresholds for triggering tendering (if the amount exceeds EU threshold then tender necessary; if below then Directors to determine having regard to the achievement of best value/value for money.
  - certain changes can be made now to simply the requirements for demonstrating competition necessary above EU thresholds that require tender; and otherwise simply to demonstrate best value (see pages 9-10)
- Contract Procedure Rules (CPRs): Legislative changes, affecting the procurement regime, will be forthcoming later this year. This will require a fundamental review of the CPRs and will revise thresholds, contract clauses, division of contracts

into lots and include currently excluded contracts such as those for CEF, S&CS and Public Health. The legislative changes will be the result of the UK Public Procurement Regulations implementing an EU directive (see pages 9-10).

- Petition Scheme: to be discontinued; no longer a statutory requirement); its wider provisions have been very infrequently used and the thresholds for achieving a debate or holding an officer to account have never remotely been reached; whereas the more regularly used provisions (of presenting petitions at Council meetings) are part of the Council Procedure Rules in any case (see page 12).
- o Localities: given the success of these meetings and the consensus to continue them, it is suggested that their purpose should be mentioned in the Constitution's Articles Annex (see page 12).

Part 1 – Summary and explanation

- Key decisions: to review and clarify the Council's meaning of what a 'key decision' should be, under the Constitution.

Part 2 – Articles

Structure
- Suggest that there could be fewer articles:
  - o Three relate to the Constitution itself (1, 14 and 15) and so could be merged
  - o Merge CAGs (Article 6A) and Transport Advisory Panel (6B) under a generic 'Cabinet Advisory Groups' article

Clarity
- Certain minor changes to amend typos and make certain points clearer

Articles – in substance

Article 4: Full Council
- Policy framework: do Corporate Plans need to go to Full Council?

Article 6: Cabinet

- Cabinet committees referenced in Article 6 but detail is in the Cabinet Procedure Rules – potential for cross-referencing of the sections to improve clarity.
- Para 7(c) – This to be deleted: it specifies that the Leader/Cabinet member may form 'groups' (of officers/cllrs etc.) to assist them in providing advice to Cabinet: not needed now CAGs are in place.

Article 6A: Cabinet Advisory Groups
- No suggested changes save…
- Para 2 (ix) clarify that "nevertheless…. Groups may **not** wish to meet in public".

Article 7: Overview and Scrutiny
- Para 1 – Terms of reference – make it clearer that the membership is appointed by the Council and that Chairman and Deputy Chairman appointed by Committee as the first item of business each municipal year.
- Para 1 - Clarify what rules the Health O&S Committee use to conduct their business – own Constitution and Rules 6.2 if moot.
- Para 4 – Education Transformation Board – doesn't exists and so points (a) and (b) need amending to remove references.

Article 8: Committees
- Corporate Parenting Group – on balance this Corporate Parenting Group is happy to remain informal; no constitutional inclusion needed.

Article 8A: Health and Wellbeing Board
- Amendments to update accuracy:
  - Names of organisations, number and of type of sub-boards
- Addition of the role of JMGs (with Adult Partnership Board being abolished)
- Para 4: amend 'chairmanship' paragraph to: "Meetings of the Board will be chaired by the Leader of the Council and the Vice-Chairman will be its Clinical Chair as notified to the Monitoring Officer of Oxfordshire County Council"
- Para.10 - need to clarify expectations re: the frequency of meeting e.g. that it's for the Board to determine 'but in public at least 3 times a year etc.'

Article 10: Agency, Joint and Partnership Arrangements
Partnership:

- Add a section here about the principles of Partnership working and add a light touch reference to the LEP/City Deal (but not to the extent of expressing their terms of reference etc.) and how these report back to the Council

Growth Board:

- Add the Growth Board as a joint committee of the Council

Article 11: Officers

- Terminology – need to achieve greater clarity over the terminology of the titles used. Delete the term 'Chief officers. Make clear that the term 'director' (and the delegation accruing to that post) includes the Chief Executive, Directors, the Chief Fire Office and the three statutory posts of Monitoring Officer, Chief Finance Officer (Section 151) and Chief Internal Auditor. Then dovetail this with Part 7.3 Scheme of Delegation
- Part 1 – Director of Public Health:
  - insert section on services covered by Director of Public Health
  - Chief Medical Adviser – add footnote to specify that Director of Public Health is the Council's Chief Medical Adviser within the terms of the Mental Health Act 1983

Article 12: – Decision making

- Para 1 - responsibility for decision making: last sentence states that the record of responsibility for who-decides-what 'is set out in this Constitution'. This suggests a separate specific document. Better to cross-refer to scheme of delegation.
- Para 3 - key decisions taken by officers need to be in the Forward Plan. Need to be clearer about what we expect with regard to officer executive decision making to bring this into line with Exec Arrangement Regs. Need to add section in this Article, as we have for other decision makers, from Rule 4 onwards.
- Forward Plan: suggestion of not including non-key executive decisions in the Forward Plan. Notwithstanding any political decision on that, if they remain in Forward Plan it should be made clear that is a (non-statutory) requirement of our Constitution

Part 3 – Council

Council Procedure Rules

- Taking of advice: consider absolute right for Chairman of the Council to adjourn Full Council for the taking of advice
- Signing of minutes: inconsistency between Para. 18.1 signing of minutes (no discussion other than accuracy) and 1.1.2(iv) which allows for 'receiving of any info arising from them'
- Chairman's discretion:
  - Cabinet questions: give consideration to the adding discretion of the Chairman to redirect questions for a local response by a Cabinet Member where the question has a particularly local focus (some recent examples)
  - Rights to speak: to make it clear that the Chairman has discretion to limit the number of persons who may speak on an issue and the order of speaking; and otherwise to have discretion generally to determine if and how persons should speak, in the best interests of the efficiency of the meeting
- Themed debates: Growing feeling that perhaps there should be a return to themed debates so that might need to be added as a possible option to Political Group Leaders
- Time of meeting: Green Group wish for council meetings to continue beyond 3.30 as needed
- Motions: Green Party request to be added as a fourth group to the priority on Motions (Cllr Williams); all the motions to Council alternating between the Groups (Cllr Pressel)
- Motions – time-wasting: need for a provision about preventing irrelevant or time-wasting motions?
- Motions – number: limit needed on the number of motions and questions a Member can put forwardon written notification?
- Petitions and speaking: make it clear that a petitioner's right to speak is predicated on the presentation of a petition – and the right to speak is forfeit if one not presented.
- Members/members of the public: clarify that the word member means 'member of the council'
- Voting: it is permissible for a vote to be recognised on the basis of a 'clear majority' rather than taking a formal count; if this was adopted, it would also be prudent to have a safeguard whereby a member (or perhaps 3?) has a right to request a formal count (separate from 'named vote' which is already provided-for in any case)

Para 12 – questions on notice:

- Currently no restrictions on number of questions by a single member at a Council meeting and nothing about multi part questions. Has led to some uncertainty around what is acceptable.

<u>Para 17 – recorded vote:</u>
- Amend numbering: references at 17.4.3 should be 17.4.1 and 17.1.2, I think. Council must have deleted a Rule and this has been missed in the re-numbering.

Budget and policy framework rules
- No changes

Virement rules
- No changes

Local choice functions
- No changes

Part 4 – Cabinet

Part 4.2 and 4.3: Cabinet Procedure Rules and Cabinet Committees
- Some consideration that answers to questions to Cabinet members should be published in advance in an Addenda
- Speakers: Cllr Hudspeth has given a clear steer that he wants to relax the 'speaking' rules. He has used his discretion as Chairman to invite Cllrs to speak where they otherwise have no specific rights.
- Right to speak: Suggest an overhaul of Cllrs right to speak at Cabinet, Cabinet Cttee and delegated decision meetings
- Answers to question: answers to questions to Cabinet members should be published in advance of the Addenda published before the meeting

Part 4.4: Delegated Decisions – Individual Cabinet Members
- Speakers – see above re: Cllr Hudspeth's preferences s to speaking rights
- Consideration to spelling out that Cabinet Member is the appropriate decision maker except where stated - to bolster use of delegated decisions

Part 5 – Committees and sub committees

- Clarify which roles require appointment by Full Council or simply notification to Full Council; clarity needed on these rights to appoint.
- Updated as needed – when memberships change

Part 6 – Scrutiny

Scrutiny procedure rules

- Rule (1) – suggest cross reference to spell out how they conduct their proceedings i.e. which parts of Council Procedure Rules apply.
- Rule (2)(b) – clarification of voting rights for Co-opted members. Education Scrutiny Committee deals solely with education functions – not the wider Children's Services that has been the case in the past. There was an argument in Committee as to whether co-opted members could vote on whether a Working Group should be set up or the matter dealt with by Committee as whole. Some Members argued that co-opted members did not have a vote as this was *part of process* of committee and *not about education function*. Clarification of extent of voting rights to be achieved.
- Rule (8) on quorum. Easier to just state the rule rather than need to find it in Council Procedure Rules.
- Rule (9) on agenda items. Whilst wanting to uphold the aim of this rule to allow members to get issues aired, there is concern that currently it could prove resource intensive, particularly (a), (b) and (d). Suggest bring these rules into line with the rules for committees and sub-committees which initially commit to an oral report if less than 20 days' notice given. See Part 9.3 Protocol on Members Rights and Responsibilities – Rule 7 Rights of Members to Place Items on Agendas, para (d).
- Rule (11) about reports from Scrutiny Committee – current wording reflects a time when there were far more formal scrutiny review reports. It is sensible to keep it in so that when needed the process is there but it is not appropriate that all outcomes from Scrutiny go by this formal route. Suggest tweaking by changing "will" to "may" to reflect actual current practice.
- Rule (11). Nothing in Constitution refers to tracking the outcomes from Scrutiny Reviews. Suggest adding an extra para here closing the circle.
- Part 6.3 – Protocol on public participation (scrutiny context): update to remove out of date references.

Part 7 – Scheme of delegation

<u>Sections</u>
- Remove section 7.2 (not in use in any case)

<u>Part 7.1 Management structure</u>
- Update post titles and consider inclusion of wider management structure (i.e. "top three levels of the organisation" – consistent with the publicity requirements of the *Code on Data Transparency 2014*).

<u>Part 7.3 Scheme of Delegation</u>
- Unpaid leave – mechanism for approval (beyond 12 months): request for a period of unpaid leave exceeding 12 months was a responsibility of former Democracy and Organisation Committee that passed to Remuneration Committee, although not perhaps explicit. HR have also used the route of the Leader and Chief Executive to get this leave authorised which seems heavy handed. HR propose that unpaid leave beyond 12 months and any other exceptional request for any sort of leave over and above the limits specified in Part 7.3 section 4 are delegated to agreement by the Director, Chief HR Officer and Chief Finance Officer. That would cover the service, HR policy and financial / pension implications.
- Para 1: Terminology - clarify the Council's understanding of the range of roles that are to be regarded as 'directors' within the terms of this section and others (e.g. contract and financial rules); also whether there is significance to the term 'officers' (as encompassing Chief Exec, Directors and other chief officers')
- Para 2: is it intended that the 'principles of delegation' only apply to 'chief executive and directors' and not to any of the other persons? This section *specifies* that the principles (only) apply to chief exec and directors; and so others (county solicitor, chief fire officer, chief finance officer) are excluded from them. Decision needed to achieve clarity.
- Para 2: specify that all directors are official deputies for the Chief Executive and how deputisation will follow rotational pattern etc.
- Para 6: Chief Executive's authorisations - "any exercise of these functions shall be reported to the Cabinet or other relevant committee or sub-committee". The reporting is currently done on a quarterly basis. With the new regs will have to reflect that a record of the decision should be published on the web site as soon as possible

Part 8 – Procedure rules

Access to information
- No main changes

Financial Procedure Rules
- Loan schemes: reflect that Full Council needs to agree loan schemes
- Minor format/amendment changes (ditto associated Financial Regulations)
- Rule 45: transfer of property assets – discussion needed on how the transfer of property assets to be determined (since the ending of Capital Investment Board).
- Rule 59: update section on Directors' Responsibilities in line with the new Accounting Code
- Rule 60: Reflect updated Audit and Account Regulations (2011)

Contract Procedure Rules

Now - simplification:
- Contract Procedure Rules: certain changes should be made now to simply the requirements for demonstrating competition necessary above EU thresholds that require tender; and otherwise simply to demonstrate best value
- Key decisions – revert to the statutory definition of key decisions
- Thresholds – if contract value is above the EU tender threshold then a tender should be undertaken; if below it, then determination lies with the Director so long as this achieves/demonstrates best value/value for money

Forthcoming – legislative changes
- Contract Procedure Rules (CPRs): Legislative changes, affecting the procurement regime, will be forthcoming later this year. This will require a fundamental review of the CPRs and will revise thresholds, contract clauses, division of contracts into lots and include currently excluded contracts such as those for CEF, S&CS and Public Health. The legislative changes will be the result of the UK Public Procurement Regulations implementing an EU directive

The major legislative changes will be occurring later this year which will require substantial changes to the Council's approach to procurement and therefore to the Contract Procedure Rules. Some structural and other minor changes could be made now and it may be beneficial to achieve clarity around thresholds. Key question:

Legislative changes – in summary
New UK Public Procurement Regulations (reflecting the new EU Procurement Directive) are expected to be in force later this year/early next year (and must be in force by April 2016 in any event). They will:
- Introduce additional threshold values
- Introduce obligatory contract clauses that may need to be covered
- Introduce obligations in maintaining procurement records that may need to be covered
- Introduce obligations on whether to divide requirements into lots that may need to be covered
- Require changes to Children, Education & Families, Social & Community Services and Public Health Services Joint Commissioning/Procurement Procedures after the abolition of the Part A and Part B service differentiation
- Not exclude many of the contracts for CEF, S&CS and Public Health as is the case at present
- Affect pre-qualification requirements, as it is possible that there may be provisions restricting our ability to use pre-qualification questionnaires to only invite a limited number of suppliers to tender for lower value contracts
- Change the definitions of elements that otherwise remain as before

Interim structural & clarification proposals – see Annex 1 (summary from Legal Services) and Annex 2 (track change version of re-ordered/clarified CPRs)
Reordering the document more closely to align with the chronology of a procurement process and we suggest the use of chapters to make it easier to find relevant provisions, the proposed chapters are:
1. Introduction
2. Pre-procurement
3. The procurement process
4. Contract award
5. Post-award
6. General

Officer employment procedure rules
- Changes only to update job and committee titles

Part 9 – Codes and protocols

Members code of conduct

- Principles of public conduct: make it clear that the principles at the beginning of the Code are 'the basic principles to inform behaviour; the requirements of the Code are however as follows'; this provides a clear break to clarify what can be the subject of a complaint i.e. the requirements of the Code and not the principles.
- Gifts and hospitality: while the requirement to have specific gifts and hospitality register has gone, the an Annex to the Code should nevertheless contain guidance/advice to members that gifts and hospitality should be registered in any event to protect members and promote transparency.

Protocol on members' rights and responsibilities

- Part 9.3 (para 8): take out the rights for Councillors to receive papers copies on request? Not suggesting that members of relevant Cttees not get copies but print budget under pressure and may be helpful to cut out the additional copies to non-members of committees?

Members' planning code

- Issue an updated code based on existing code and in comparison with the Lawyers for Local Government Model Code
- Addition of a protocol on *Bias and Predetermination* reflecting recent government guidance, best practice and legal case law
- Each discussed with District Council Monitoring Officers; and while non-standard format, key principles are agreed
- Addition of an annex re: bias and predetermination

Protocol on member/officer relations

- Part 9.3: where Cabinet considers a matter 'directly relates to an *Electoral Divisions'* (para. 9(f)): Councillors tend to misunderstand the 'division specific' item. They tend to take this to mean that there are impacts for their local area even where it is a wider matter as opposed to (possibly due to the phrase 'any matter which directly relates' as opposed to the 'directly relates'). Refine the wording to make the meaning clearer.

__Officer code of conduct__
- No changes proposed.

Part 10 – Members' allowances

- Retain existing format and structure. However…
- Revise the definitions of 'approved duties' to make more plain what can/cannot be claimed under travel and subsistence
- Insert outcomes of the Autumn 2014 Allowances Review

Part 11 – Petition Scheme

- Not a legal requirement – to be deleted. Hardly ever used and the thresholds never remotely reached for triggering debate at council or holding officer to account; most common usage is petitions at meetings (e.g. Council) the principles for which are in the Constitution in any case (e.g. Council Procedure Rules).

Other Issues - new sections

__Localities__
Include a reference to the purpose of the Locality Meetings in the 'roles of members' section of the Constitution (Article 2).

__Index__
Ease of use likely to be facilitated by introducing an index; better to facilitate cross-referencing. This would require an additional section to be updated when changes are made elsewhere but will probably facilitate use by the public, members and officers.

<u>END</u>

CABINET – 16 SEPTEMBER 2014

STAFFING REPORT – Quarter 1 2014/15

Report by Chief HR Officer

Introduction

1. This report provides an update on staffing numbers and related activity during the period 1 April 2014 to 30 June 2014. Progress is also tracked on staffing numbers since 31 March 2014 as we continue to implement our Business Strategy.

Current numbers

2. The establishment and staffing numbers (FTE) as at 30 June 2014 are 4207.79 establishment; 3915.31 employed in post. These figures exclude the school bloc.

3. We continue to monitor the balance between full time and part time workers to ensure that the best interests of the Council and the taxpayer are served. For information, the numbers as at 30 June 2014 were as follows - Full time 2795 and Part time 2370. This equates to the total of 3915.31 FTE employed in post.

4. The changes in both establishment and staffing numbers since 31 March 2014 are shown in the table below. A breakdown of movements by directorate for this financial year is provided at Appendix 1.

	FTE Employed	Establishment FTE
Reported Figures at 31 March 2014 – Non-Schools	3966.53	4361.10
Changes	-51.22	-153.31
Reported Figures at 30 June 2014 – Non-Schools	3915.31	4207.79

Quarter 1 Update

5. We remain committed to redeploying displaced staff wherever possible via our Career Transitions Service. This is getting more difficult as staffing numbers reduce across the Council and there were no redeployments this quarter.

6. We recognise that operational services are critical and cannot be left without any cover. Prudent use of agency staff is therefore deployed to ensure continuity of service. In common with all employers, the council deploys agency staff as cover for instances of maternity leave, illness and short-terms gaps in recruitment when a permanent member of staff has left the council and their permanent replacement is not due to arrive until sometime after. The cost of agency staff this quarter has reduced compared to last quarter to £1,108,414. A breakdown of spend on agency staff by service area is attached at Appendix 2.

7. A vacancy freeze was implemented from Q3 2013-14 to assist with redeployment for those who are at risk of redundancy given the potential for significant job losses due to the impact of the cuts.

8. We will continue to track progress from 31 March 14 during the year ahead. As at 30 June 2014 the position is as below:

- ***Establishment FTE*** down from 4361 to 4208 – 3.5% reduction

- ***Staff employed FTE*** down from 3966 to 3915 – 1.29% reduction

9. Although the reductions in Q1 are relatively moderate, there have been significant reductions in staffing numbers whilst implementing our Business Strategy since its launch in 2010. Reductions from 1 April 2010 to 30 June 2014 are as follows:

- ***Establishment FTE*** down from 5836 to 4208 – 27.9% reduction

- ***Staff employed FTE*** down from 5284 to 3915 – 25.9% reduction.

Accountability

10. Staffing numbers continue to be monitored rigorously. All new posts are reviewed by the Chief HR Officer on a weekly basis and Deputy Directors are required to check and confirm staffing data for their services on a quarterly basis with appropriate challenge provided by the relevant HR Business Partner.
.

RECOMMENDATION

11. The Cabinet is RECOMMENDED to:
    (a)   note the report; and

    (b)   confirm that the Staffing Report meets the requirements in reporting and managing staffing numbers.

STEVE MUNN
Chief HR Officer

Contact Officer: Sue James, HR Officer, 01865 815465.   August 2014

DIRECTORATE	Total Established Posts at 30 June 2014	Changes to Establishment since 31 March 2014	FTE Employed at 30 June 2014	Changes in FTE Employed since 31 March 2014	Vacancies at 30 June 2014	Cost of Agency Staff * £
CHILDREN, EDUCATION & FAMILIES	1388.04	-28.73	1290.58	-1.34	73.16	391,345
PUBLIC HEALTH	24.88	-1.00	22.91	0.00	1.00	-4,817
SOCIAL & COMMUNITY SERVICES	786.47	-25.91	732.02	-1.49	35.29	108,819
COMMUNITY SAFETY	388.46	-7.48	377.03	-10.56	10.58	25,852
ENVIRONMENT & ECONOMY	510.28	-6.67	469.83	-8.62	33.90	433,197
OXFORDSHIRE CUSTOMER SERVICES	659.72	-70.39	585.08	-25.69	46.33	120,542
CHIEF EXECUTIVE'S OFFICE	217.53	-5.72	211.48	-0.17	4.14	28,200
CULTURAL SERVICES	232.41	-7.41	226.38	-3.35	4.97	5,276
TOTAL	4207.79	-153.31	3915.31	-51.22	209.37	1,108,414

Please note: The vacancies plus the FTE employed will not always be equivalent to the Establishment. Where employees are absent eg on maternity leave or long term sick and have been temporarily replaced, both the absent employee and the temporary employee will have been counted.

* This figure does not necessarily bear a direct relationship with vacant posts.

This page is intentionally left blank

Agency Staff Q1 2014-15		
Directorate	**Service**	**Spend £**
Children, Education & Families	Education & Early Intervention	118,689
Children, Education & Families	Childrens Social Care	272,657
Total Children Education & Families		**391,345**
Public Health	LA Commissioning Responsibilities - Locally defined	-4,817
Total Public Health		**-4,817**
Social & Community Services	Adult Social Care	71394.68
Social & Community Services	Joint Commissioning	37,424
Total Social & Community Services		**108,819**
Social & Community Services	Community Safety	16,257
Social & Community Services	Fire and Rescue & Emergency Planning	9,595
Total Community Safety		**25,852**
Environment & Economy	Strategy & Infrastructure	207,138
Environment & Economy	Commercial	226,059
Total Environment & Economy		**433,197**
Oxfordshire Customer Services	Management Team	1,816
Oxfordshire Customer Services	Education Support Services	10,005
Oxfordshire Customer Services	ICT	875
Oxfordshire Customer Services	Business Development	5,768
Oxfordshire Customer Services	Customer Service Centre	73,694
Oxfordshire Customer Services	HR	12,921
Oxfordshire Customer Services	Operational Finance	11,695
Oxfordshire Customer Services	Pension, Procure to Pay (P2P)	3,768
Total Oxfordshire Customer Services		**120,542**
Chief Executive's Office	Human Resources	7,324
Chief Executive's Office	Corporate Finance & Internal Audit	5,831
Chief Executive's Office	Legal Services	7,208
Chief Executive's Office	Governance	2,040
Chief Executive's Office	Policy	5,796
Total Chief Executive's Office		**28,200**
Chief Executive's Office	Library Service	**5,276**
Total Cultural Services		**5,276**
Grand Total All Directorates		**1,108,414**

This page is intentionally left blank

Division(s): N/A

CABINET – 16 SEPTEMBER 2014

FORWARD PLAN AND FUTURE BUSINESS

Items identified from the Forward Plan for Forthcoming Decision

Topic/Decision	Portfolio/Ref

Cabinet, 21 October 2014

Topic/Decision	Portfolio/Ref
▪ **Delegated Powers of the Chief Executive - October 2014** To report on a quarterly basis any executive decisions taken by the Chief Executive under the specific powers and functions delegated to her under the terms of Part 7.4 of the Council's Constitution – Paragraph 1(A)(c)(i). It is not for scrutiny call in.	Cabinet, Leader 2014/078
▪ **Governance Review 2014 - October** To seek views to give to the Monitoring Officer on his draft recommendations on the Governance Review of the Council's decision-making arrangements, prior to formal submission of the recommendations by the Monitoring Officer to Full Council for decision.	Cabinet, Leader 2014/134
▪ **Flood Risk Management Consultation Responses** To seek approval of the proposed strategy.	Cabinet, Deputy Leader 2014/107
▪ **Cabinet Business Monitoring Report for Quarter 1** To note and seek agreement of the report.	Cabinet, Deputy Leader 2014/077
▪ **Oxfordshire Safeguarding Children Board (OSCB) Annual Report - Relevant Issues** To note the contents of the report.	Cabinet, Children, Education & Families 2014/103
▪ **Changes to Parking Policy** To seek approval to change the policy to allow Districts powers to remove cars from Civil Enforcement Parking Zones.	Cabinet, Environment 2014/118
▪ **Frideswide Square Construction Works** To note the updated design and to seek approval of the relevant Traffic Regulation Orders and the use of some areas of the square to be shared by pedestrians and cyclists.	Cabinet, Environment 2014/129

▪ **A34 Major Improvement Schemes** Stage 2b Business Case Update with i) Agreement ii) Delegated Authority to Leader and Director to award external contract.	Cabinet, Environment 2014/146
▪ **City Deal Schemes** To seek agreement to commit funds to early stage items of land negotiation/purchase and Utility Diversions.	Cabinet, Environment 2014/148
▪ **2014/15 Financial Monitoring & Business Strategy Delivery Report - August 2014** Financial report on revenue and capital spending against budget allocations, including virements between budget heads.	Cabinet, Finance 2014/076

Deputy Leader, 20 October 2014

▪ **Enforcement Policy for Weight Restriction Enforcement in Oxfordshire** To seek approval of the prosecution policy relating to the breaches of weight restrictions in Oxfordshire.	Deputy Leader, 2013/156
▪ **Operational Peer Assessment Audit Action Plan** To seek approval for the strategic objectives in the operational assurance action plan.	Deputy Leader, 2014/104

Cabinet Member for Children, Education & Families, 6 October 2014

▪ **Pre Schools on Maintained School Sites Under Licence or Lease: Proposed New Charging Arrangements** To seek approval.	Cabinet Member for Children, Education & Families, 2014/035

Cabinet Member for Environment, 9 October 2014

▪ **Position Statement on Major Development Proposals for Ground-Mounted Solar PV Arrays**
To seek endorsement of the position statement as the County Council's view on the principle of ground-mounted solar PV development and the issues to be considered when developing planning applications for major solar energy proposals.

Cabinet Member for Environment, 2014/071

▪ **Proposed Puffin Crossing - A417 East Challow**
To seek approval of the proposals.

Cabinet Member for Environment, 2014/065

▪ **Woodstock Town Centre Parking Review**
To seek approval of the proposals.

Cabinet Member for Environment, 2014/085

▪ **Bridge Street, Witney - Proposed Zebra Crossing**
The report highlights objections raised to and seeks approval of a new pedestrian crossing in Bridge Street, Witney, to help pedestrians cross this busy urban street.

Cabinet Member for Environment, 2014/094

▪ **Oxford: Frideswide Square Main Works - Traffic Regulation Orders**
To seek approval of the proposals.

Cabinet Member for Environment, 2014/101

▪ **Proposed Amendment to Speed Limit - A4074 Berinsfield**
To seek approval of the proposals.

Cabinet Member for Environment, 2014/113

▪ **Consideration of Objections to Experimental Traffic Regulation Order - Station Road, Didcot**
To seek approval of the proposal.

Cabinet Member for Environment, 2014/114

▪ **Proposed Pelican Crossings - A415 Marcham Road and Ock Street, Abingdon**
To seek approval to the proposals

Cabinet Member for Environment, 2014/136

▪ **North Wessex Downs Areas of Natural Beauty (AONB) Management Plan**
To seek approval to the council's response to the North Wessex Downs AONB Partnership's request for approval of the plan.

Cabinet Member for Environment, 2014/144

▪ **Chilterns Areas of Natural Beauty (AONB) Management Plan**
To seek approval to the Council's response to the Chilterns AONB Partnership's request for approval of the plan.

Cabinet Member for Environment, 2014/145

- **Procurement Exemption Request for Community Action Group (CAG) Project**   Cabinet Member for Environment, 2014/147

To seek approval of the procurement exemption request.

Cabinet Member for Public Health & the Voluntary Sector, 15 October 2014

- **Chill Out Fund 2014/15 - October 2014**   Cabinet Member for Public Health & the Voluntary Sector, 2014/079

To consider applications (if any) from the Chill Out Fund.

Division(s):

CABINET – 16 SEPTEMBER 2014

A34 Major Improvements Schemes

Report by Director for Environment & Economy

Introduction

1. **Cabinet is asked to:**

    (a) Approve the Stage 2 – Full Business Case for the Milton Interchange scheme.

    (b) Give delegated authority to the Director for Environment and Economy in consultation with the Leader to award the contract for construction once tender assessment is complete and provided the costs are within the budget envelope.

Exempt Information

2. Annex 2 contains commercially sensitive information. The public should therefore be excluded during consideration of the Annex as discussion in public would be likely to lead to the disclosure to members of the public present of information in the following category prescribed by Part I of Schedule 12A to the Local Government Act 1972 (as amended):

    Category 3; *Information relating to the financial or business affairs of any particular person (including the authority holding that information)*

    and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that where a tender or bidding process is in progress disclosure would distort the proper process and would prejudice the position of the authority in the process of the transaction and the Council's standing generally in relation to such transactions in future, to the detriment of the Council's ability properly to discharge its fiduciary and other duties as a public authority.

Background

Science Vale UK context

3. Major growth is proposed across the area to deliver in the order of 16,000 homes and 20,000 jobs by 2029. Harwell Oxford and Milton Park have Enterprise Zone status, aiming to deliver 8,500; Didcot and Wantage/Grove are the key settlements for housing growth.

Milton Interchange

4. In February 2013, an application for Large Project Bid funding of £6.6m was submitted to the Department for Transport (DfT) entitled "Milton Interchange Improvement: Enhancing Science Vale UK (SVUK) Enterprise Zone accessibility" to undertake both detailed design work and subsequent construction of this scheme.

5. This scheme is key to delivering growth and is a priority for the County Council and Local Enterprise Partnership (LEP). Consequently, both parties committed funding towards the project. The County Council is contributing £2.025m from held section 106 funds and the LEP agreed to contribute £2.000m from expected business rate income.

6. £5.0m of Local Pinch Point Funding has been awarded. In order to meet the resulting funding gap the LEP has agreed to contribute a further £1.600m from the Growing Places Fund as a non-repayable grant.

7. One of the criteria for the Local Pinch Point Funding was that Department for Transport funding must not go beyond 2014-15 financial year.

8. The County Council will work in partnership with the Highways Agency to deliver the project. The Highways Agency has responsibility for the operation and maintenance of the A34 and slip roads at Milton Interchange. This scheme will require a new structure under the A34. The Highways Agency will take responsibility for this structure and will play a vital role in ensuring the delivery of this project.

9. This scheme will provide a 'hamburger' link at Milton Interchange for traffic from the westbound A4130 heading onto the northbound A34 towards Oxford. The proposal is also to include widening the Milton Park Link, eastbound A4130 and southbound A34 off-slip approaches to the circulatory to four lanes.

10. The scheme will provide enhanced connectivity of the Science Vale UK Enterprise Zone to the national road network by improving the operation and increasing the capacity at Milton Interchange, the area's gateway to the A34. This will provide confidence and reliability in the transport network to attract and secure business investment in the Enterprise Zone and provide the good accessibility required to attract high-end employees for high-spec jobs.

11. This scheme is also linked to a project to deliver north facing slips at Chilton junction to the south on the A34 to accommodate better access to Harwell Oxford, which is discussed below.

Chilton Slips

12.   In October 2013 an application for Local Pinch Point Funding of £5 million was submitted to the Department for Transport (DfT) as a contribution towards proposed improvements to Chilton Interchange.

13.   The total estimated scheme cost is approximately £11 million. It is proposed that this is funded from two main sources; the Department for Transport Local Pinch Point Funding bid described above and via match funding of £5.7 million from the Local Enterprise Partnership's (LEP) Local Infrastructure Funding from expected Enterprise Zone (EZ) business rates income.

14.   It is important to bring forward this scheme to enable full access to the A34 for Harwell Oxford Campus Enterprise Zone.

15.   Release of £5 million from the Department for Transport is subject to close working with the Highways Agency (HA) in relation to the new north facing slips and extended underpass under the A34.

16.   The Highways Agency will take responsibility for the slips and will play a vital role in ensuring the successful delivery of this project.

17.   Substantial scheme progress should be made by March 2015 to meet the current terms of both funding streams.

Key Issues
Milton Interchange

18.   This update is primarily focused on Milton Interchange and the updated Stage 2 Business Case, which considers the scheme at Tender stage, is attached for approval.

19.   Procurement phase is still active on an OJEU compliant Tender exercise, and Confidential Annex 2 details the current position of this.

20.   As stated in 2. Above, the council has specific spend targets from the Department for Transport associated with this scheme. In order to maximise the opportunity for the council to achieve this target and on the basis the procurement exercise concludes within the current budget expectation, and within the Stage 2 Business Case allowance for the element of the works (before risk/contingency allowance), Cabinet is asked to approve the Delegation for Award of the external contract to the Director of Environment & Economy in consultation with the Leader.

Chilton Slips

21.   There have been three objections to the Draft Slip and Side Road Orders submitted for the Chilton Slip Road. One of these is from Chilton Parish Council (CPC) and as they are a Statutory Consultee, if they are not prepared

to withdraw their objection then a Public Inquiry into the Orders must be held. As a result the Highways Agency has written to Chilton Parish Council confirming they will commence Public Inquiry arrangements

.

22. If the objection is not with-drawn and a Public Inquiry has to be held the scheme will incur significant delays. Current advice from the Planning Inspectorate is that the earliest an Inspector could be assigned to an Inquiry is February 2015. Depending on the complexity of the issues raised, a report could be expected within 5 weeks after the Inquiry. The Secretary of State would then need time to consider the report and issue a written decision, putting the council's ability to achieve the required spend of £5m of Local Pinch Point Funding by March 2015 at risk.

23. The Public Inquiry position is only valid whilst there is a formal Objection in place, and the council are engaging with Chilton Parish Council to identify their Objections and concerns, with the intention of addressing issues without the need for a Public Inquiry. In addition the council is in discussion with both the Highways Agency and the Department for Transport regarding the potential programme and funding implications identified above.

24. Further update will be provided to Cabinet at its meeting on 21st October 2014.

Communications

25. Milton Interchange consultations (Public and Interested Parties) have been undertaken to commence the scheme in November 2014, and release of the Business Case will trigger the final phase of the Communications plan.

26. Further discussion will be held with Chilton Parish Council, the Department for Transport and the Highways Agency to seek to mitigate the impact of the decision of the Parish Council to object to the scheme.

27. The Milton Interchange scheme is due to be awarded at the end September 2014 to meet a 'Site Start' of late October/early November 2014.

28. Agreement to allow the award of the Milton Interchange contract through the Delegated Authority route, minimising programme, and shortening mobilisation phase will allow the council to maximise spend in this financial year.

Financial and Staff Implications

29. The current assessment of the Milton Interchange scheme suggests that it can be awarded within current budget and indications are that spend profiles are compliant with Pinch-point funding commitments.

30. As a result of the statutory objection to the Chilton Slips scheme, further discussions are underway with the Department for Transport regarding the

budget implications for the Pinch Point funding associated with this scheme. An update on the position will be brought to the 21st October 2014 Cabinet meeting.

Equalities Implications

31.   N/A

RECOMMENDATION

The Cabinet is RECOMMENDED to

(a)   approve the Stage 2 – Full Business Case for the Milton Interchange scheme; and

(b)   pass delegated authority to the Director for Environment and Economy in consultation with the Leader to award the contract for construction once tender assessment is complete and provided the costs are within the budget envelope.

SUE SCANE
Director for Environment & Economy

Contact Officer: Jeremy Hollard, Strategic Manager; Tel: 07765 906 891

September 2014

OXFORDSHIRE
COUNTY COUNCIL

Full Business Case (Stage 2 Commit to Construct)

Project/Programme Name:	Science Vale UK A34 Milton Interchange Improvements
Total Capital Budget:	£10.625m
Divisions Affected:	Chilton, Didcot, Harwell, Milton
Purpose of this report:	This report requests to contractually commit to construction of this project.
Approval No:	H304

Sign-off & Approval

In preparing this report input must be obtained from the following:

Responsible Owner	Name	Date
Service Manager/ Client / Project Sponsor (Contributor)	Pat Mulvihill	29/8/14
Delivery Team Representative / Project Lead (Author)	Nigel Day	29/8/14
Service Finance Business Partner or Senior Financial Adviser (Contributor)	Rob Finlayson/Matt Barlow	
The Capital Finance Team (Contributor)	Kathryn Goldsby-West / Bill Evershed	29/8/14
Other Contributors as applicable - E&E senior management	Mark Kemp Sue Scane	MK 29/8/14

Final approval as per the Financial Procedure Rules must be obtained from:

Approval Level Required	Name	Date
Over £5m - Cabinet/ On behalf of Cabinet (Leader of the Council])	Cabinet	

.

OXFORDSHIRE COUNTY COUNCIL

1   Description & Objectives of the Proposal / Desired Outcomes & Business Benefits

The Milton Interchange scheme will provide enhanced connectivity of the Science Vale UK Enterprise Zone to the national road network by improving the operation and increasing capacity at Milton Interchange, the area's gateway to the A34. This will provide confidence and reliability in the transport network to secure business investment in the Enterprise Zone. The direct effects of increased junction capacity and reduced delay will bring indirect benefits through improving investor confidence which will result in employment and housing developments in the local area.

Economic benefits

The transport user benefits associated with changes in travel times, and operating costs for private vehicles between modelled scenarios (with and without the scheme) have been calculated. These calculations were undertaken using time and distance matrix summaries from the Central Oxfordshire Transport Model (COTM).

The scheme benefits have been assumed for 60 years. Then benefits were discounted to create a Present Value of Benefits (PVB). It has been assumed that the benefits accrued in the peak hours represent the benefits for throughout the day. This is because the scheme itself does not provide additional route choice; rather it offers users benefits when the junction is reaching capacity.

The costs of the scheme were adjusted to calculate a Present Value of Costs. From this, Net Present Value, (NPV = PVB-PVC) and Benefit to Cost Ratio, (BCR = PVB/PVC) for the scheme was calculated. The results of this appraisal are:

Present Value of Costs (PVC)	£8,945,000
Present Value of Benefits (PVB)	£19,447,000
Net Present Value (NPV)	£10,502,000
Benefit to Cost Ratio (BCR)	2.17

2   Updated Project/Programme Scope

No changes have been made to the project scope since submission of the stage 1 business case (approved by Cabinet in October 2013).

The intention is still to provide a hamburger junction for traffic from the westbound A4130 heading onto the northbound A34 towards Oxford, including widening the Milton Park Link, eastbound A4130 and southbound A34 off-slip approaches to the circulatory to four lanes. Existing routes through the junction for non-motorised users will be maintained and improved, including the footway/cycleway around the eastern half of the central island. See appendix A for the scheme drawing.

The construction programme, subject to updates from the successful tenderer, is still planned as a 12 month construction programme.

3 Estimated Cost & Proposed Funding Plan

Tender returns were received at the end of August and are now being evaluated, but confirm that the total budget required for this project remains as previously estimated at £10.625m.

	Stage 1 £000	Stage 2 £000
A: Cost of feasibility and preliminary design (previously released at Stage 0b)	*n/a - revenue*	n/a - revenue
B: Estimated cost of detailed design, procurement & enabling works (previously released at stage 1)	*590*	1,113
C: Estimated delivery / construction cost (requested to be committed at stage 2)	***9,079***	**8,346**
D: Contingency	*964*	1,166
Total	*10,625*	10,625

The estimated annual expenditure profile for the project is as follows:

Year	Previous Costs	2014/15	2015/16	Contingency
£000	684	5,051	3,724	1,166

See appendix B for the detailed resource appraisal.

4 Project Delivery Timetable & Procurement Plan

The current programme indicates that construction will commence on 27 October 2014 and will continue until 24 November 2015. This assumes a 20 day mobilisation period following the contract being awarded on 26 September 2014.

Activity	Start Date	Finish Date	Milestone/decision point & scheduled technical gateways
Procurement	09/06/14	29/09/14	Approval of Stage 2 BC GW4
Construction	27/10/14	31/10/15	GW5

5   Risks, Constraints, Dependencies and Exclusions

See appendix C for detailed risk register

Constraints

The following factors may affect the successful delivery of the project or achievement of business benefits/ desired outcomes:

- Timescales – The design has been completed in as timely a manner as possible to enable the commencement of construction within the stated financial year. Any programme delay that occurs may have a prejudicial impact on the scheme financial profiling. This has been mitigated by including conditions in the contract to encourage a spend profile which matches the grant conditions imposed by the DfT

- Engineering issues. Ground investigation has taken place and been used to inform the design. However, for any unforeseen condition, the requirement to manage existing traffic flows on the A34 and the limited working space this will yield may mean finding appropriate solutions is more challenging. To facilitate an appropriate spend profile will require the construction activities to commence during winter months where site conditions may be less favourable. There is an associated risk that this could adversely affect the programme and cost.

- Communications – the A34 is a heavily used piece of infrastructure and the works will coincide with other major projects being delivered within Oxfordshire. Outgoing messages will need to be carefully controlled to ensure that the expectations of the travelling public are suitably managed and that the minimum of disruption is caused. The tendered contract has allowed for the provision of a dedicated communications officer to work with OCC in delivering appropriate updates to stakeholders.

Dependencies

The following factors have the ability to influence the delivery of this project:

- The provision of improvements to Milton Interchange will be of maximum benefit if provided in conjunction with north facing slips at Chilton junction, as they will have a knock-on effect of increased demand at this junction. This will be dependent on the final detailed design of the roads and the timescales within which they are planned and constructed. The current programme shows the construction of the Chilton slip roads commencing in November 2014 (subject to confirmation of draft Orders).

Description of areas or sources of risk and impact on project	Mitigation	Owner
Failure to spend allocated DfT funds by stated deadline	Design has been undertaken within a constrained programme to enable start of construction works to be made as soon as possible	OCC
Constrained working area prolongs programme and reduces spend profile	Temporary speed restriction adjacent to works area will enable additional working space to be provided. Impact on A34 modelled and mitigation agreed with HA	Skanska/Atkins
Adverse publicity arises from traffic disruption during work	Appointment of dedicated communications officer included in tender document to manage outgoing information and provide updates to stake holders	OCC

6   Communication & Consultation

The communication plan is in Appendix D of this document.

The Highways Agency (HA) is the authority responsible for the A34 and designers have liaised closely with them throughout. Necessary approvals in principle, design checks and approval of departures from standard where applicable have been sought. The HA have provided input on the various elements of the design to ensure continuity with their network and together with Thames Valley Police provided input on the A34 traffic management proposals.

The stakeholders are identified in the communications plan in Appendix D of this document. It is anticipated that the main source of information from site will be the communications officer appointed to support the scheme and assist OCC in managing information provided to stakeholders.

7   Programme/ Project Governance

The project manager will be supported by the Project Sponsor and the delivery team, comprising OCC, Skanska and Atkins staff.

8   Supporting Documents

Appendix A – Scheme drawing

Attached

Appendix B - Resource Appraisal

Attached

Appendix C - Project Risk Register

Appendix C contains commercially sensitive information. The public should therefore be excluded during consideration of the Appendix as discussion in public would be likely to lead to the disclosure to members of the public present of information in the following category prescribed by Part I of Schedule 12A to the Local Government Act 1972 (as amended):

Category 3; *Information relating to the financial or business affairs of any particular person (including the authority holding that information)*

and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that where a tender or bidding process is in progress disclosure would distort the proper process and would prejudice the position of the authority in the process of the transaction and the Council's standing generally in relation to such transactions in future, to the detriment of the Council's ability properly to discharge its fiduciary and other duties as a public authority.

Appendix D - Communication Plan

Attached.

This page is intentionally left blank

Resource Approval Form

Please talk to a member of the Capital Finance Team if you have any questions about completing this form.

Capital Programme / Project Name:　　Science Vale UK A34 Milton Interchange Impr **Status:**　　Outline Business Ca

Price Base:　　2013　　**Approval Ref:**

Capital Expenditure and Financing

Capital Cost of Project / Programme	Previous Years Actual Expenditure £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	Total £'000
Project / Programme Development (feasibility, outline design)		0	0	0	0	0	0
Purchase of Land & Buildings	0	0	0	0	0	0	0
Construction (pre-tender estimate)	0	0	134	3800	3700	0	7634
Other works (Utilities)	0	0	0	805	0	0	805
Fixtures, Fittings & Furniture	0	0	0	0	0	0	0
Vehicles / Equipment / Plant	0	0	0	0	0	0	0
ICT	0	0	0	0	0	0	0
Consultants fees (Detail Design & Procurement)	0	0	472	389	10	0	871
Other fees (OCC Staff Costs)	0	0	78	57	14	0	149
Other (HA Commuted Sum)	0	0	0	0		76	76
Project / Programme Contingency	0	0	0	0		1090	1090
Total Estimated Capital Cost *	**0**	**0**	**684**	**5051**	**3724**	**1166**	**10625**

The Construction Cost per square metre is

Industry Standard:

New Build .... /m2　　..................... /m2
Refurbishment .... /m2　　..................... /m2

Capital Financing of Project / Programme	Previous Years Actual Financing £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	Total £'000
DfT - LPPF grant			1500	3500	0		5000
LEP - business rates income *			0	400	1600		2000
LEP - Growing Places Fund grant			0	1600	0		1600
OCC - Section 106			0	2025	0		2025
Total Capital Funding	**0**	**0**	**1500**	**7525**	**1600**		**10625**

Service Revenue Implications

Revenue Budget Costs/Savings	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	Total £'000	Full Year Effect £'000
Running Costs:							
Premises (electricity, gas, rates, rents)	0	0	0	0	0	0	
Repairs & Maintenance	0	0	0	0	0	0	
Supplies & Services	0	0	0	0	0	0	
Staffing	0	0	0	0	0	0	
Capital financing (cost of prudential borrowing)	0	0	0	0	0	0	
Income	0	0	0	0	0	0	
Net Cost/(Saving)	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Staffing F.T.E.	2012/13 F.T.E	2013/14 F.T.E	2014/15 F.T.E	2015/16 F.T.E	2016/17 F.T.E	Total F.T.E	Full Year Effect F.T.E
Additions/(Savings) resulting from the project	0	0	0	0	0	0	

*VAT excluded unless otherwise specified in the main report (specialist VAT advice obtained where necessary)

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

OXFORDSHIRE COUNTY COUNCIL

Communication Plan for Local Pinch Point Funding of Milton Interchange Capacity Improvements Project Delivery

Project objectives
What are your overall project objectives?
This is *what* you aim to achieve, not *how* you are going to do it.

If Oxfordshire County Council is successful in securing funding from the Department for Transport (DfT) through the Local Pinch Point Funding bid then the following communication plan would be adopted and followed:

The project is focused on achieving three overarching goals:

- greater access to employment, facilities, and services within Science Vale UK
- releasing pressure on 'pinch points' within the Science Vale UK highway network
- the facilitation of sustainable development and helping to create an effective transport network fit for purpose

The project objective is to deliver capacity improvements at Milton Interchange to enable:

- More effective use of the transport network by reducing traffic congestion at the key pinch point of Milton Interchange.
- Sustainable economic growth to occur and encourage/enable economic growth in the SVUK area, especially at the enterprise zones.
- A comprehensive, safe and attractive highway network within SVUK.

Communications objectives
What do you want to achieve through communications? Again, this is *what* you aim to achieve, not *how* you are going to do it.

It is hoped that the following will be achieved through communications:

- Establish a co-ordinated approach and formal communication channel and procedure for contacting external partnership bodies to ensure a record of all correspondence and effective communication throughout the project period.

- Keep local and Cabinet Members informed on project progress.

- Inform those Oxfordshire County Council officers who are directly involved in the project, as well as provide an opportunity for others across the council to be kept up-to-date on the progress of the project throughout the programme period.

- Keep key Stakeholders and external partnership bodies informed on project progress.

- Inform the general public on the progress of the project and the achievement of key milestones.

- Establish a reporting mechanism/template, using DfT guidance (when available) to communicate the progress, expenditure and monitoring of the project to the DfT on an annual basis.

- Enhance public awareness of the scheme being delivered, especially residents of Didcot and employees of Milton Park and Harwell Oxford Campus by working with our partners.

- Create a project brand to be used consistently on all communication material (e.g. 'Milton Interchange Capacity Improvement Scheme') to enhance awareness and recognition of the project.

Key messages

- Delivering strategic and local transport benefits for all users, including much needed key infrastructure.

- Aiding economic development through unlocking pinch points on the transport network.

- Opportunity to roll out tried and tested innovative approaches ('hamburger configuration').

- Clear explanations of the council's Milton Interchange Capacity Improvements project, why we are dong it, the benefits it will bring and how it fits with wider council goals (e.g. LTP3, LEP SVUK Board).

- Tracking the overall progress of the project against key milestones outlined in the project programme. Reporting on any changes to the programme and the anticipated or actual outcomes of the individual package elements, as well as the benefits of the overall project, linking these back to the objectives.

Key audiences
Who do you need to involve in communications? Who will be affected? Whose input and feedback do you need? What contacts have already been made? Tailor messages.

Key audience:
- General public, through the council's website and e-consult portal.

- Key stakeholders and business in the area, especially those directly affected by the construction works including Milton Park, Harwell Oxford and Milton Interchange Services.

- Oxfordshire Local Economic Partnership.

- Local and Cabinet Members, in particular Cabinet Members for Transport and Growth & Infrastructure.

- Key staff from E&E and other directorates.

- Strategy and Infrastructure Planning Leadership Team.

- Growth & Infrastructure Scrutiny Committee.

- DfT.

Input and feedback required from:

- The Highways Agency
- The LEP
- Milton Park
- Harwell Oxford
- Milton Interchange Services
- Various departments within Oxfordshire County Council, including: Network Management, Traffic Signals, Drainage and Bridges.

Contacts made already

- A close working relationship has been established with the business park site management companies at Milton Park (MEPC) and Harwell Oxford (Goodman). This take place one many different levels through the Science Vale UK board (quarterly), Enterprise Zone delivery group (fortnightly) and Transport liaison meetings (quarterly).

- Working with individual businesses at each business park to discuss opportunities and employee transport requirements.

- Consultation with Oxfordshire Local Enterprise Partnership.

- Consultation with Parish Councils and local Councillors.

- Partnership working with South and Vale District Councils both informally and through formal platforms.

- Early discussions with the Highways Agency.

Methods

What are the most appropriate methods of communication for these audiences? How will you get input from them? How will you respond to comments and questions?

- OCC web pages.
- e-consultation web portal.
- Press releases/news features for the media.
- Local Stakeholder events and utilising regular meetings that already take place.
- News headline on InSite (intranet)/Intranet pages.
- Regular progress meetings with the project team.
- Management / staff briefing sessions.
- Progress reports.

- Newsletters (Produced every 3-6 months)
- Reports/briefing notes

All communication material that is publicly available (e.g. promotional signage, advertising, newsletters, website pages, press releases etc) about the elements of the Milton Interchange Improvement project must give due acknowledgement to DfT for providing funding for the project.

Other issues
What issues are likely to be particularly sensitive? What external factors may affect the communications, or will have a significant impact on your overall project? E.g. budget

Budget – unknown at present, likely to be around value for money and that it would be better spent filling in pot holes. Communications will be tailored depending on query.

Timescales – some milestones for completing key tasks for individual components of the project are very tight, particularly where allocated expenditure is concerned. Communications need to happen in a timely and effective manner to ensure that the overall project timescales are not adversely affected.

Disruption on the roadwork during construction - A number of schemes have taken place over the past few years that have impacted this junction including the closure of Potash Bridge while it was raised due to electrification. To overcome this sensitive issue well thought out traffic management is required and will need to be communicated widely to ensure all users are aware of the works and how long they will take.

Timescale
Clearly identify launch date and assign individual communications deadlines

Please see the detailed Milton Interchange Improvements Programme Plan.

Review
When will you review progress? How will you measure your success?

- Progress will be assessed regularly throughout the programme period through project team meetings and progress reports.

- Progress will be measured against the milestones set out in the programme plan.

- Reporting progress, expenditure and monitoring to the DfT as required.

- The success of the project will be measured through post implementation surveys whereby we will assess the impacts of each of the components, and of the project as a whole, at achieving the desired outcomes.

Document is Restricted

This page is intentionally left blank

Division(s):

CABINET – 16 SEPTEMBER 2014

BETTER CARE FUND

Report by Director of Adult Social Services

Purpose

1. The purpose of this paper is to seek agreement on the proposed use of the Better Care Fund in Oxfordshire, prior to submission to NHS England by 19 September 2014. This is an update to the plan previously agreed by Cabinet and the Health and Wellbeing Board in March 2014, to reflect updated Government guidance and requirements issued in July and August 2014.

2. It is a Government requirement that plans are agreed by the Health and Wellbeing Board prior to submission, as well as the County Council and Oxfordshire Clinical Commissioning Group.

Background to the Fund

3. The Better Care Fund will total approximately £37.5 million in Oxfordshire from 2015/16 onwards, and is not new money as it will be reallocated from within the health and social care system.

4. However, a significant proportion may be newly accessible to adult social care, and can be used to protect services where it can also be demonstrated that there are benefits to health.

5. The remainder of the Better Care Fund includes existing funding for carers breaks, reablement and capital (including Disabled Facilities Grants), and these will be protected. It also includes some elements of funding to meet the impact of changes on adult social care proposed in the Care Bill (approx. £1.35m).

6. The Better Care Fund forms a key element of the Clinical Commissioning Group's planning framework, and links closely to the operational and strategic plan. The proposed plan also aligns closely to the Joint Health and Wellbeing Strategy 2012-2016, Joint Strategic Needs Assessment, Older People's Joint Commissioning Strategy 2013-2017 and the Directorate Business Strategy for Adult Social Care 2014/15-2017/18.

7. It is important to understand that the resources for the Fund have to come from existing spending on health and social care. This will be a significant challenge for the health and social care system in Oxfordshire given the current pressures it faces.

8. There is an element of the Better Care Fund for Oxfordshire that comes from other Clinical Commissioning Groups. This reflects differences in County and

Clinical Commissioning Group boundaries, and includes £353,000 from Swindon Clinical Commissioning Group as Shrivenham is in their area and £424,000 from Aylesbury Vale Clinical Commissioning Group as Thame is in their area. Discussions have been held with both Groups, and proposals in our plans have been aligned with their intentions to ensure that both areas benefit equally and are not adversely affected by falling across more than one Better Care Fund plan.

Updated Approach

9. Oxfordshire previously submitted a proposed Better Care Fund Plan on 4th April 2014, following agreement by County Council Cabinet, Clinical Commissioning Group Governing Body, and the Health and Wellbeing Board.

10. Subsequently, there was much debate nationally about the likely impact of Better Care Fund plans on NHS providers of acute services, and in particular the extent to which they would reduce emergency admissions to hospital.

11. The Department of Health therefore requested updated plans be submitted to more fully address these concerns by 19 September 2014, and issued updated guidance and technical requirements in July and August 2014.

12. The most significant change is the requirement to include a performance-related funding element for achieving a reduction in emergency admissions to hospital during 2015/16. The guidance also retains an emphasis on the need to protect adult social care services, and how the increased costs of implementing the Care Act from April 2015 will be met.

13. The County Council, Clinical Commissioning Group, Oxford Health NHS Foundation Trust and Oxford University Hospitals NHS Trust have worked together to develop an updated Better Care Fund plan in response. This is still being finalised and will be submitted as an addenda in advance of the meeting.

14. We are proposing that the focus of the Better Care Fund is predominantly on meeting the needs of older people, given this is the most significant pressure facing both health and social care in Oxfordshire. However, some cross-cutting initiatives will benefit adults of all ages including people with mental health needs.

15. There are a number of key performance indicators already identified as priorities in Oxfordshire that are required to meet Government guidance on the outcomes the Fund should achieve, and that are included in the Oxfordshire Joint Health and Wellbeing Strategy:

   o Reduce the number of older people per year permanently admitted to a care home Increase proportion of people who complete reablement who need no on-going care
   o Reduce the number of patients delayed for transfer or discharge from hospital so that Oxfordshire's performance is out of the bottom quartile
   o Reduce the number of emergency admissions to hospital for older people aged 60+

- o Achieve above the national average of people very satisfied with the care and support they receive from adult social care
- o Achieve above the national average of people satisfied with their experience of hospital care
- o Achieve above the national average of people 'very satisfied' with their experience of their GP surgery

16. Further detailed work will be required throughout 2014/15 to develop the proposals within the plan further. The plan will also be reviewed and updated to reflect performance in the year, and any emerging pressures and priorities.

17. Progress in implementing the Better Care Fund Plan will be monitored through the outcomes reporting to Health and Wellbeing Board, and through the performance reports presented to the Older People's Joint Management Group on a regular basis. It is also proposed that the plan will be brought back to the Health and Wellbeing Board in March 2015 prior to implementation.

Recommendation

The Cabinet is RECOMMENDED to:

Agree the Better Care Fund Plan for Oxfordshire for submission to NHS England by 19th September 2014, subject to the inclusion of any necessary changes which may be required following consideration by the Health and Wellbeing Board and Clinical Commissioning Group Governing Body as agreed by Chairman (Leader of the Council) and Vice Chairman (Clinical Chair of the Clinical Commissioning Group) of the Health and Wellbeing Board.

JOHN JACKSON
Director of Adult Social Services

Background papers: None

Contact Officer: Ben Threadgold, Policy and Performance Manager, 01865 328219

September 2014

This page is intentionally left blank