

# PERFORMANCE & CORPORATE SERVICES OVERVIEW & SCRUTINY COMMITTEE

**MINUTES** of the meeting held on Friday, 15 November 2024 commencing at 10.00 am and finishing at 11.55 am

**Present:**

**Voting Members:** Councillor Eddie Reeves - in the Chair

Councillor Bob Johnston - Deputy Chair

Councillor Arash Fatemian

Councillor Kieron Mallon

Councillor Ian Middleton

Councillor Calum Miller

Councillor Michael O'Connor

Councillor Glynis Phillips

**Other Members in Attendance:** Councillor Dan Levy, Cabinet Member for Finance

**Officers:** Ian Dyson, Director of Financial and Commercial Services  
Vic Kurzeja, Director of Property and Assets  
Michael Smedley, Head of Estates Asset and Investment  
Emily Urquhart, Policy Officer – Inclusive Economy Lead  
Tom Hudson, Scrutiny Manger

*The Council considered the matters, reports and recommendations contained or referred to in the agenda for the meeting and decided as set out below. Except insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports, copies of which are attached to the signed Minutes.*

## **31/24 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS**

(Agenda No. 1)

There were apologies from Cllr Baines, substituted by Cllr O'Connor, and from Cllr Haywood.

## **32/24 DECLARATION OF INTERESTS**

(Agenda No. 2)

Cllr Johnston declared a non-pecuniary interest in agenda item 6. He was also a member of Kennington Parish Council, which owns the building housing the Kennington Library, and the parish actively supports the library.

### **33/24 MINUTES**

(Agenda No. 3)

The minutes of the meeting held on 19 July 2024 were **AGREED** as a true and accurate record.

### **34/24 PETITIONS AND PUBLIC ADDRESS**

(Agenda No. 4)

There was none.

### **35/24 COMMERCIAL STRATEGY UPDATE**

(Agenda No. 5)

Cllr Dan Levy, Cabinet Member for Finance, and Ian Dyson, Director of Financial and Commercial Services, were invited to present a report on the Commercial Strategy Update.

Cllr Levy highlighted the necessity for a commercial strategy to shift the County Council's approach towards pursuing appropriate, risk-assessed commercial opportunities to enhance revenue for essential resident services.

The Director of Financial and Commercial Services provided an update on the commercial strategy's implementation, noting the completion of a commercial maturity assessment that indicated a low initial level of commercial thinking, but there was a high willingness to engage with such commercial thinking. The primary areas of focus during the implementation included strategic direction and partnerships, governance and performance management, capability, and visibility and insights. However, progress had been slower than expected due to organisational design changes and complexities in required adjustments.

Members noted the lack of examples for commercial strategies and projects in the report, and questioned what kind of commercial activities and structures the Council could take on under the commercial strategy.

The Director of Financial and Commercial Services explained that the Council could explore various commercial activities, including local authority trading companies, joint ventures, and partnership working. Specific examples mentioned were utilising land and building assets more effectively and exploring opportunities in waste management, such as reuse initiatives at housing waste recycling centres.

The strategy emphasised an outcomes-focused approach, looking at what the Council aimed to achieve and identifying the right partners and delivery models to support those goals. The Council needed to consider the most appropriate delivery models for different activities, which could include trading companies, joint ventures, or partnerships. Collaboration with partners was crucial for achieving the desired outcomes and leveraging opportunities.

It was acknowledged that the Council was not yet at a stage where specific commercial opportunities could be presented due to the need to build the

foundational capabilities and improve data and contract management. The strategy emphasised the need to build strong foundations, including improving data management, contract management, and overall commercial acumen within the organisation. This foundational work was essential for enabling the Council to be more commercial and innovative in the future.

Effective contract management was a critical component of the strategy. It involved improving skills, understanding, processes, and reporting to ensure that contracts were managed strategically and delivered value.

It was acknowledged that the report did not offer a clear timescale of commercial thinking examples, but this was reasoned by Officers because of the maturity assessment which emphasised the early stage which the organisation was in. However, concrete examples of the organisations commercial thinking would become clear over the next 12 months.

The Chair questioned whether the example of any other Local Authority was being used as they went about becoming more commercially minded, especially from similar starting point to Oxfordshire.

Coventry Council was highlighted as an example of a local authority that has successfully implemented commercial thinking. The Chief Executive had experience with Coventry Council and was pushing Oxfordshire County Council towards a similar approach of commercial thinking.

There had also been significant interest from other local authorities in how Oxfordshire County Council was approaching the process of becoming more commercial. This suggested that many councils were in a similar position and were looking to learn from each other's experiences.

Members questioned whether as an organisation, the Council was committing enough staff time to negotiating and managing contracts, and whether there was capacity within the organisation to use staff experience and knowledge to discover further efficiencies.

It was acknowledged that the Council needed to allocate more staff time for effective contract negotiation and management, especially for high-value contracts. Current resources allocated were not adequate to drive the best value for money, and a more strategic approach was required.

Big changes to how business planning, and contract management, was approached was suggested. The Council was transitioning from annual service plans to comprehensive four-year business plans to enhance commercial thinking and spending practices. The new organisational design included 12 Directors, each responsible for developing and implementing plans to identify better spending opportunities and drive commercial thinking in their areas. Each of these Directors would work with every member of their teams to discuss and bring forward new money-conscious and commercially minded ideas.

Members enquired about the role of the Innovation Hub in the Commercial Strategy and who was on the Commercial Strategy Board.

The Innovation Hub was crucial to the commercial strategy. Headed by Laura Peacock, the Innovation Hub integrated innovation into the Council's commercial activities. Laura Peacock was also a member of the Commercial Strategy Board, alongside Ian Dyson, Melissa Sage, Paul Grant, Sean Rooney, Charles Butters, and Natalie Crawford. The Board oversaw business cases, spending control, and strategic commercial opportunities within the organisation. As such the board played a significant role shaping commercial policy for the Council.

On the conclusion of the discussion on the Commercial Strategy update, the committee **NOTED** the report making the following observations:

- Frustration over the pace of progress to date, particularly in relation to developing specific commercial proposals.

The Committee **AGREED** to the following recommendations to Cabinet:

- That it develop and share with the committee on a regular basis a more detailed project plan for the Commercial strategy, outlining specific commercial opportunities in development, enabling activity, timelines, targeted savings or expected income generation, risk and RAG ratings.
- That the Council give consideration to seconding staff to exemplars of good commercial practice in the private sector.
- That the future iterations of the Strategy should clarify how it intends to help the Council make money, how money will be used more efficiently, and how it will be used more effectively.
- That the Cabinet invest in greater capacity to undertake strategic and mid-contract management of contracts.
- That representatives of Adult Social Care and Children's Social Care should attend the Commercial Board.

## **36/24 COMMUNITY ASSET TRANSFER POLICY AND LEASES TO THE VOLUNTARY AND COMMUNITY SECTOR TENANTS** (Agenda No. 6)

Cllr Dan Levy, Cabinet Member of Finance, Vic Kurzeja, Director of Property and Assets, Michael Smedley, Head of Estates Asset and Investment, and Emily Urquhart, Policy Officer – Inclusive Economy Lead, were invited to present a report on the Community Asset Transfer (CAT) Policy and Leases to Voluntary and Community Sector Tenants. Ian Dyson, Director of Financial and Commercial Services, was also present to help answer any questions Members had in relation to the CAT report.

The Cabinet Member introduced the report, noting that the relationship with voluntary groups had become unclear, with property management and support for voluntary groups closely connected. The purpose of the recommendations in the report was to align work being undertaken with the VCS and to support this with updated policies that meet the requirement of community organisations.

Members underscored and reaffirmed the significance of social value, especially in the context of community services such as libraries. It was noted that these services offer substantial benefits to the community, including improvements in reading scores within local schools, which were not easily monetised or quantified.

The discussion emphasised that while financial value was important, the non-monetary advantages provided by community services were crucial and should be factored into decision-making processes. It was proposed that local members should participate in discussions regarding community assets to ensure that the social value and communal benefits were thoroughly understood and considered.

The Director of Property and Assets highlighted the necessity of commercial acumen while also stressing the importance of assessing the social value provided by community services. This balanced perspective ensured that decisions were made with consideration of both financial metrics and the broader impact on the community.

Members inquired about the efficacy of balancing social value and financial metrics, particularly given that the report indicated the 92 leases generated an average of only £3,500 per annum. There was concern among members that such leases might be viewed unfavourably within a commercial strategy.

The Director of Property and Assets stressed that being commercially savvy means more than generating income. It involves leveraging Council's spending and ensuring smart investments. Social value from leases, though not easily monetised, was crucial. Each lease was reviewed for both financial and social benefits, with local councillors involved in evaluations. The focus should be on maximising estate use, ensuring properties were well-utilised for commercial, corporate, or community purposes. The aim was to maintain high occupancy and best use of space.

Members noted that several properties had been listed for an extended period as ready for disposal. Therefore, a clear statement regarding the intended timeline for their disposal was essential to address the concerns about the council sitting on unutilised assets.

Officers confirmed that they focused on effectively using the existing portfolio to meet service demands. Nearly all 13 properties on the vacant property list were assigned specific purposes. It was noted that a number of the sites are being held for future disposal once planning consent has been granted. Although waiting for planning permission was time-consuming, it was essential for value-maximisation. This process involved considerable preparation ahead of the application.

Keeping residents informed about vacant properties was vital. Service responses to enquiries about vacant property usage and plans had been slow, but this issue was being addressed via 4-year business plans. These plans aimed to clarify future actions in each service area and property, streamlining decision-making for quicker actions. Additionally, strategic and commercial investment opportunities were evaluated to deliver services effectively within budget.

Members questioned what level of collaboration, with community groups and District/City councils, there was in relation to vacant land and properties owned across the County by the County Council and the Districts. Examples were given of known desires of the Oxfordshire Wildlife Rescue Service and the Hindu community for available sites.

Previously, the Council could not offer properties until service areas declared them surplus. Now, services must cover costs if they do not want to dispose of or lease the property. Over the past two years, the Council had actively addressed vacant property issues, resulting in very few available properties. This meant that despite frequent inquiries from community organisations, there was limited vacant property to offer.

It was acknowledged that more work could be done with sister organisations, such as other local authorities and the NHS to ensure best value for properties was being met across the county. Property moves and bids affected everyone, so awareness and collaboration were crucial. Developing an approach to the inclusive economy partnership could help the County showcase its best practices.

Members concluded by enquiring about the process of how community asset transfers were chosen and the governance involved in decisions to lease properties to certain groups, and what support was offered by the Council to ensure the community, and the council were benefiting from the transfer.

When transferring authority properties, it was crucial to ensure clear benefits for the local community. Historically, transfers often included conditions for new owners to support community development. Asset transfers were seen as opportunities to provide value, not just offload property. Councillors played a key role in these discussions to evaluate the benefits of transfers.

Future support requests were to be assessed on the social benefits identified and will be supported by a business case demonstrating community value. Each charitable organisation was to be required to produce an annual report detailing their finances and activities so their financial health can be reviewed, and the social benefits delivered can be assessed against those promised. This will be to support and justify the County's commitment to community groups and its concessionary arrangements agreed. Where concerns arose, the County could offer early support with its expertise and resources.

The Committee resolved to **AGREE** to make the following observation:

- That the social benefits provided by buildings provided to VCS organisations were difficult to quantify, but nonetheless significant

The Committee also resolved to **AGREE** to make the following recommendations to Cabinet:

- That local members should be involved with next-step discussions with VCS groups and the social value provided by these organisations be considered as part of the discussions.
- That communications around empty properties are improved, including sharing with members a clear statement of the aspiration and timeline for disposing of properties listed for disposal, a quarterly report/update summarising recent events and developments with Council land/property ensuring all parties are kept up to date, and regular updates for those residents neighbouring vacant Council properties to keep them up to date with ongoing developments and plans.
- That a list of available Council land and buildings is shared with Members and sister organisations, to ensure available land is put to best voluntary and community use where possible.
- That processes for sharing lease requests by VCS organisation with sister organisations in the county be developed, land available for VCS leases, and any planned leases.

The following action was also **AGREED**:

- The Oxfordshire-wide Terrier be shared with members of the committee.

### **37/24 COMMITTEE FORWARD WORK PLAN**

(Agenda No. 7)

The Committee **AGREED** to the proposed work plan with the following amendments:

- An update on the City Centre Accommodation for December or January, dependent on the offer process, which commenced following the meeting.

Assurances were made that the budget item would take priority, with Members warned to expect a longer meeting than usual in December.

The Scrutiny Manager would also explore the viability of items on the Local Enterprise Partnership integration and any Devolution white paper to come to the April meeting.

### **38/24 COMMITTEE ACTION AND RECOMMENDATION TRACKER**

(Agenda No. 8)

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

### **39/24 RESPONSES TO SCRUTINY RECOMMENDATIONS**

(Agenda No. 9)

The Committee **NOTED** the Cabinet Response to the report on the Draft Customer Engagement Strategy.

..... in the Chair

Date of signing .....

