

Minutes

of a meeting of the

Joint Scrutiny Committee

held on Thursday, 7 March 2019 at 6.00 pm
at the Meeting Room 1, 135 Eastern Avenue, Milton Park, Milton OX14 4SB

Open to the public, including the press

Present:

Members:

South Oxfordshire District Councillors: David Turner (co-chairman), John Walsh and Ian White.

Vale of White Horse District Councillors: Mike Badcock, Robert Hall, Debby Hallett, (co-chairman in the chair), Anthony Hayward and Chris Palmer

Officers:

Andrew Down, Liz Hayden, William Jacobs, Suzanne Malcolm, Adrianna Partridge and Ron Schrieber

Also present:

South Councillors David Dodds, Paul Harrison and Bill Service

Vale Councillors Roger Cox, Mike Murray, Robert Sharp and Elaine Ware

Sc.40 Apologies for absence

South Councillor David Nimmo-Smith submitted apologies.

Sc.41 Minutes

The minutes of the meeting held on 29 January 2019 were agreed as an accurate record and were signed by the Chairman.

Sc.42 Declarations of interest

None.

Sc.43 Urgent business and chairman's announcements

None.

Sc.44 Public participation

None.

Sc.45 Corporate services brought in house

The committee considered the report of the acting deputy chief executive – partnership and planning, which provided information on elements of the corporate services contracts which had been brought back in house since the contracts commenced on 1 August 2016. The report set out the reasons for bringing services back in house and the financial and other implications of doing so.

Councillor Bill Service, South Cabinet member for partnership and insight, introduced the report. Andrew Down, acting chief executive – partnership and planning, was also present to answer questions on the background to the report and the outsourcing objectives and risks.

In response to members' questions, the committee was informed that:

- Where the report referred to services being brought back in house on a cost-neutral basis, this meant that there was no additional cost to the Councils in providing the existing service.
- As previously reported, the corporate services contracts were not expected to generate the significant savings originally anticipated but were likely to break even at best.
- Whilst a range of risks in outsourcing corporate services had been identified in 2016, the subsequent change in Capita's business model had not been foreseen.

The committee then considered the individual services brought back in house.

Property management and facilities management

Councillors Paul Harrison and Mike Murray, South and Vale Cabinet members for development and regeneration, respectively, introduced this topic. Also present to answer questions was Suzanne Malcolm, head of development and regeneration.

In response to members' questions, the committee was informed that:

- The property management service provided by Arcadis matched that previously provided in house.
- The property management and facilities management services were brought back in house as it became clear that it was not possible for the contracts to deliver the anticipated level of savings.
- Since bringing the services back in house, they had been co-located in one property team.

Licensing

Councillor Elaine Ware, Vale Cabinet member for housing and environment, introduced this topic. Also present to answer questions was Liz Hayden, head of housing and environment.

In response to members' questions, the committee was informed that:

- During the period in which the service was outsourced, the number of enforcement officers fell from 4.4 full time equivalent (fte) to 2.4 fte with a corresponding impact on the scope of the service.
- Since the return of the service, the number of enforcement officers was being increased to four fte, as part of the revised council staffing structure. There was now a greater emphasis on proactive enforcement activity.

Management accountancy and benefits related fraud team

Councillors David Dodds and Robert Sharp, South and Vale Cabinet members for finance, respectively, introduced this topic. Also present to answer questions was William Jacobs, head of finance.

In response to members' questions, the committee was informed that:

- Initially there had been no change in the level of service provided by the outsourced accountancy team. However, Capita's restructuring of the accountancy team in June 2018 did impact upon service delivery.
- The councils' 2017/18 accounts were not signed off by the councils' external auditor (EY) by the statutory deadline. Subsequently EY stated that "Reduction in staff capacity at both the Councils and Capita has had a detrimental effect on the timeliness and quality of the evidence provided for audit".

In response to members' questions about the lessons learned from the outsourcing of corporate services, the committee was advised that:

- The statutory officers (S151 and Monitoring Officer) now had much greater involvement in major projects.
- It was recognised that councillors needed to be provided with as much information as possible before making major decisions.
- The current governance review was intended to embed good governance across all future council projects.

RESOLVED: to note the report.

Sc.46 Work schedule and dates for all South and Vale scrutiny meetings

The committee noted its work programme.

The meeting closed at 7.05 pm