

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) held in CIVIC SUITE 0.1A, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN on Thursday, 8 January 2015.

PRESENT: Councillor R Harrison – Chairman.

Councillors P L E Bucknell, G J Bull,
E R Butler, Mrs A Dickinson, Gardener,
D Harty, T Hayward, P G Mitchell,
M F Shellens and R J West.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors B Hyland and P D Reeve.

IN ATTENDANCE: Councillors J D Ablewhite, B S Chapman and J A Gray.

70. MINUTES

The Minutes of the meeting of the Panel held on 4th December 2014 were approved as a correct record and signed by the Chairman.

71. MEMBERS INTERESTS

No declarations of interests were received.

72. NOTICE OF KEY EXECUTIVE DECISIONS

The Panel considered and noted the current Notice of Key Executive Decisions (a copy of which is appended in the Minute Book).

73. 2015/16 DRAFT BUDGET AND MEDIUM TERM FINANCIAL STRATEGY (MTFS)

(Executive Councillors J D Ablewhite, B S Chapman and J A Gray were in attendance for the discussion on this item).

Consideration was given to a report by the Head of Resources (a copy of which is appended in the Minute Book) on the draft 2015/16 Revenue Budget and Medium Term Financial Strategy (MTFS) 2016/17 to 2019/20.

The Panel welcomed the new format of the report and supported the Executive Councillor for Resources' expression of gratitude for the work of the Resources section in preparing the Budget. Members further recognised the significant milestone that producing a Budget surplus represented.

The Panel was acquainted with the provisions made and trends in various areas and questioned Executive Councillors about the saving

they had made, what their plans were for the future and what impact any changes would have on the public. Members noted:

- the portfolio for Customer Services had identified in the order of £500k in savings. This was in addition to £2m in savings in recent years. Further areas of potential savings were being investigated;
- the portfolio for Resources had identified approximately £450k in savings. This portfolio would make significant investments in the next few years to generate income, and
- the Executive Leader referred to his intention to pursue an overall strategy of investment in assets to produce income coupled with a more commercial approach to appropriate services. He would challenge Officers to achieve savings targets earlier than indicated in the report and stressed that, where changes were to be made to services, Overview and Scrutiny would be involved in assessing their impact on residents.

The aim was for the Council to produce a surplus each year and capital investments were a key way that this would be achieved. The current report did not contain figures for asset investments. Generally, it was expected that for every £13m invested, £1m of income would be produced. The Council could potentially borrow £60m and it was planned to introduce a framework to enable investment decisions to be made. Members supported this approach and asked for regular monitoring reports on progress.

The Panel was made aware that future government grant was likely to change if there was a change in Government. There was a possibility that the eligibility criteria would change from a performance basis to a needs basis. The Panel noted that the District would still qualify for grant if the latter was introduced. The other way that income from the Government might vary was through changes to the New Homes Bonus. However, it was likely that if it was removed, this income would be received in another form.

All areas of the Council would be defining their service standards and levels over the next year. The Panel was of the view that the impact of any changes should be assessed. A comment was made that benchmarking should take place; in which case, some areas could potentially experience an increase in their standards.

On the question of Council Tax, the Panel noted that increasing it over the period of the MTFS would not achieve the order of savings the Council had to make. Members supported the alternative approach of investing in capital assets to produce a surplus so that the Council was self-reliant. Whereupon, it was

RESOLVED

- that the information presented in the report by the Head of Resources be noted;
- that the general intention not to use reserves be supported. Given future uncertainty, it is recommended that the position

should be reviewed next year but that reserves should not fall below £3m. Their use should be justified by the value they achieve for the Council;

- that the proposal to freeze Council Tax for 2015/16 and the intention to freeze Council Tax over the period of the MTFS be endorsed, and
- that the work to be undertaken over the coming year to define service levels and standards is subject to an assessment of the impact of any changes on the public.

(At 8.30pm during this item Councillor G Bull left the meeting).

(At 8.45pm during this item Councillor M F Shellens joined the meeting).

74. WORKPLAN

A report containing details of studies that were being undertaken by the Overview and Scrutiny Panels for Social and Environmental Well-Being was received and noted. A copy of the report is appended in the Minute Book.

75. OVERVIEW AND SCRUTINY (ECONOMIC WELL-BEING) - PROGRESS

The Panel received and noted a report (a copy of which is appended in the Minute Book) outlining the progress that had been made on matters, which had previously been discussed.

76. SCRUTINY

The Panel received the latest edition of the Decision Digest (a copy of which is appended in the Minute Book).

Chairman