

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, 4 December 2014.

PRESENT: Councillor R Harrison – Chairman.

Councillors P L E Bucknell, G J Bull, S Cawley, I J Curtis, Mrs A Dickinson, D Harty, T Hayward, P G Mitchell, P D Reeve and M F Shellens.

IN ATTENDANCE: Councillors J D Ablewhite, J A Gray and R B Howe.

61. 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.

62. MEMBERS INTERESTS

No declarations of interests were received.

63. 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).

64. ZERO BASED BUDGETING

(Executive Councillors J A Gray and R B Howe 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) containing a detailed description of the Zero Based Budgeting (ZBB) process in preparation for setting the 2015/16 Budget and the Medium Term Financial Strategy. Through ZBB eventually every service area would be examined. To date, savings of £0.916m had been identified; however, this reduced to £0.196m when corporate costs were taken into account. The Panel examined what these costs included and how they appeared in the financial information they received. Members also discussed the discrepancy between the Establishment List maintained by Human Resources and the Salaries Budget. This was the result of posts being held vacant. Measures would be put in place to ensure the two were “in balance” in the future.

The Panel discussed in detail the ZBB process in respect of One Leisure. A strategy had been developed for the service to breakeven next year and a target had been set to achieve a return of 5% by 2016. An important part of this was creating sound turnover and

expenditure predictions. Members were assured that there would be no loss of leisure service provision. More generally it was agreed that the Council could not continue to do everything it always had and the way it did things also would change.

The Cabinet had decided to expedite the ZBB process. It would now be completed two years earlier than originally planned. Additional temporary external resources would be required to achieve this. The Executive Councillor for Resources was confident that this would be cost effective as it would bring forward efficiency savings. An analysis of the value for money of this decision was requested.

The Executive Councillor for Resources expressed the view that the ZBB process was robust, that Executive Councillors had been engaged and that it would help them better to understand their services. Overview and Scrutiny would then be in a position to scrutinise them on their services' operational and financial performance. The outputs and outcomes that resulted from the ZBB process would be reported to the other Overview and Scrutiny Panels as appropriate.

The Panel noted that some services had put considerable work into their star chamber appearances and had achieved savings but that all services had been asked to do further work before their budgets could be put forward for adoption. In addition, an important issue that had arisen during the process was the inability of the Council's information systems to produce management information. An action had been identified to address this.

Members concluded by expressing their satisfaction with the ZBB process. They noted the variance in the Establishment from the Salaries Budget and were satisfied that it had been recognised. The Employment Panel would monitor this going forward. It was anticipated that Executive Councillors would be scrutinised on ZBB shortly when the focus would be on the weaker areas.

Finally, the Panel expressed support for the revised ZBB timetable and requested information on whether the decision to recruit additional temporary external resources achieved value for money.

RESOLVED

that the Cabinet be informed of the Panel's views on the report by the Head of Resources.

65. FACING THE FUTURE - UPDATE

(Executive Councillors J A Gray and R B Howe were in attendance for the discussion on this item).

The Panel received and noted a report by the Corporate Team Manager (a copy of which is appended in the Minute Book) on Facing the Future. The list of ideas identified through the process had been reviewed and assessed for consistency. Financial information on the ideas would be presented to Members in February/March 2015.

66. PROJECT MANAGEMENT UPDATE

(Executive Councillor J A Gray was in attendance for the discussion on this item).

The Panel received a demonstration by Mr J Bedingfield, the Council's Web and Systems Manager, of the Council's programme and project management toolkit. Members examined various aspects of the toolkit and received assurances that the tools contained safeguards to prevent unauthorised amendments to projects. These were augmented by the fact that project boards and the Programme and Project Governance Group would oversee projects at different levels.

Members were informed that the toolkit created an audit trail, which would enable those who were responsible for decisions to be held to account. Having commented on the need for the toolkit to be flexible and for emphasis to be placed on the financial implications of projects and of not completing them as planned, the Panel welcomed the appointment of Ms L Lock as Programme and Project Manager.

Consideration was then given to a study template (a copy of which is appended in the Minute Book), which contained suggested terms of reference and other parameters for the Select Committee investigation. The Panel agreed to:

- review the Council's project management arrangements in the wake of the issues highlighted by the One Leisure St Ives and Huntingdon Multi-Storey Car Park Close Down Report;
- test the robustness of the Council's new project management toolkit and governance arrangements;
- consider how lessons learned had been addressed, and
- determine whether any further improvements were required.

The Select Committee would refer to the information presented during the demonstration. It would also make recommendations on Members' involvement in project management.

67. WORK PLAN

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.

68. OVERVIEW & SCRUTINY PANEL (ECONOMIC WELL-BEING)

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.

69. SCRUTINY

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

Chairman

