

A meeting of the **OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING)** will be held in the **CIVIC SUITE 0.1A, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN** on **THURSDAY, 14 OCTOBER 2010** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

**Contact
(01480)**

APOLOGIES

1. MINUTES (Pages 1 - 8)

To approve as a correct record the Minutes of the meeting held on 9th September 2010.

**Mrs C Bulman
388234**

2. MEMBERS' INTERESTS

To receive from Members declarations as to personal and/or prejudicial interests and the nature of those interests in relation to any Agenda Item. Please see Notes 1 and 2 below.

3. LOCAL GOVERNMENT ACT 2000 - FORWARD PLAN (Pages 9 - 12)

A copy of the current Forward Plan, which was published on 16th September 2010, is attached. Members are invited to note the Plan and to comment as appropriate on any items contained therein.

**H Taylor
388008**

4. EXCLUSION OF THE PUBLIC

To resolve that the public be excluded from the meeting because the business to be transacted contains exempt information relating to the financial or business affairs of the authority.

5. HUNTINGDON TOWN CENTRE RE-DEVELOPMENT (Pages 13 - 22)

To consider a report and presentation by the Director of Environmental and Community Services.

**M Sharp
388300**

6. RE-ADMITTANCE OF THE PUBLIC

To resolve:-

that the public be re-admitted to the meeting.

7. NEW HEADQUARTERS AND OTHER ACCOMMODATION CLOSE REPORT (Pages 23 - 46)

To consider a report by the New Accommodation Project Co-ordinator.

**R Preston
388340**

8. ONE LEISURE FINANCIAL PERFORMANCE 2009/10 (Pages 47 - 52)

To consider a report by the General Manager, One Leisure.

**S Bell
388049**

9. LEISURE CENTRES HOSPITALITY PERFORMANCE AND FUTURE PLANS (Pages 53 - 56)

To consider a report by the General Manager, One Leisure.

**S Bell
388049**

10. OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) - PROGRESS (Pages 57 - 62)

To consider a report by the Head of Democratic & Central Services on the Panel's programme of studies.

**Mrs C Bulman
388234**

11. WORKPLAN (Pages 63 - 68)

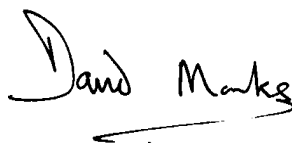
To consider with the aid of a report by the Head of Democratic and Central Services, the current programme of overview and scrutiny studies.

**Mrs C Bulman
388234**

12. SCRUTINY (Pages 69 - 78)

To scrutinise decisions taken since the last meeting as set out in the Decision Digest and to raise any other matters for scrutiny that fall within the remit of the Panel.

Dated this 11 day of October 2010



Chief Executive

Notes

1. *A personal interest exists where a decision on a matter would affect to a greater extent than other people in the District –*
 - (a) *the well-being, financial position, employment or business of the Councillor, their family or any person with whom they had a close association;*
 - (b) *a body employing those persons, any firm in which they are a partner and any company of which they are directors;*

- (c) *any corporate body in which those persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or*
 - (d) *the Councillor's registerable financial and other interests.*
2. *A personal interest becomes a prejudicial interest where a member of the public (who has knowledge of the circumstances) would reasonably regard the Member's personal interest as being so significant that it is likely to prejudice the Councillor's judgement of the public interest.*

Please contact Mrs C Bulman, Democratic Services Officer, Tel 01480 388234 / email Claire.Bulman@huntsdc.gov.uk if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Committee/Panel.

Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.

Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.

Agenda and enclosures can be viewed on the District Council's website – www.huntingdonshire.gov.uk (*under Councils and Democracy*).

If you would like a translation of Agenda/Minutes/Reports or would like a large text version or an audio version please contact the Democratic Services Manager and we will try to accommodate your needs.

Emergency Procedure

In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit.

This page is intentionally left blank

Agenda Item 1

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) held in THE CIVIC SUITE, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN on Thursday, 9 September 2010.

PRESENT: Councillor J D Ablewhite – Chairman.
Councillors J T Bell, E R Butler, S Greenall, Hall, Roberts, M F Shellens, G S E Thorpe and D M Tysoe.

Mr R Hall and Mrs H Roberts.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors Mrs J A Dew and N J Guyatt.

IN ATTENDANCE: Councillor T V Rogers, Executive Councillor for Finance and Customer Services

Councillors M G Baker, Mrs M Banerjee, J W Davies, P J Downes, R S Farrer, P M D Godfrey, C R Hyams, L M Simpson and P R Ward.

30. MINUTES

The Minutes of the meeting of the Panel held on 15th July 2010 were approved as a correct record and signed by the Chairman.

31. MEMBERS' INTERESTS

No declarations were received.

32. LOCAL GOVERNMENT ACT 2000 - FORWARD PLAN

The Panel considered and noted the current Forward Plan of Key Decisions (a copy of which is appended in the Minute Book) which had been prepared by the Leader of the Council for the period 1st September to 31st December 2010. It was agreed that the Asset Management Plan – Annual Report should be considered at a future meeting.

In respect of the item entitled “Sale of Land at Mill Road, Eaton Socon”, the Scrutiny and Review Manager explained that this related to a proposal by a developer to purchase a small area of land which was currently let to the Scouts in the area. The Scouts had no objection to the proposal.

33. FINANCIAL FORECAST

(Councillor T V Rogers, Executive Councillor for Finance and Customer Services was in attendance for this item).

(Councillors M G Baker, Mrs M Banerjee, J W Davies, R S Farrer, P M D Godfrey, C R Hyams, L M Simpson and P R Ward were in attendance for this item)

Consideration was given to a report by the Director of Commerce and Technology (a copy of which is appended in the Minute Book) in relation to the Council's financial forecast for the period to 2018/19. By way of introduction, the Chairman drew attention to the severity of the financial situation facing the Council, the likelihood of a reduction in the funding the Council received from the Government and the need for the Council to consider its future requirements and structure to respond to the current situation. This would require radical decisions to be taken, which were likely to affect most services in some way and the Chairman emphasised the importance of the role of overview and scrutiny in this process.

Councillor T V Rogers, Executive Councillor for Finance explained that the report by the Director of commerce and Technology provided Members with an update on the present financial position and on the adjustments that the Authority would be required to make. He went on to refer to the recent consultation on the budget, which had generated approximately 2000 responses, and to the need shortly for radical decisions to be taken, which were likely to affect all services. The Panel noted the intention of the Executive Councillor to involve the Overview and Scrutiny Panel in this process and that all Members were invited to submit ideas for spending reductions. An announcement by the Government was expected in October on the Revenue Support Grant for 2011/12 following which the Council would prepare the draft budget.

The Director of Commerce and Technology explained that cuts in Government funding were likely to amount to over £3m per annum within 5 years which would create a total budget shortfall of over £8m per annum in 4 years time. The scale of savings needed would require Members to approve substantial changes to the scope and nature of services provided by the Council starting with the current year's budget and Medium Term Plan. The Panel's attention was drawn to the circumstances that would influence the Council when setting the budget and the constraints that were likely to exist in relation to the level of Council Tax, which might provide an opportunity to increase Council Tax to a level closer to the average for District Councils.

Having acknowledged the uncertainty surrounding the current forecast which contained a number of assumptions that would be clarified over the next few months, Members discussed whether the Council should start to take steps in preparation for the anticipated reduction in Government grant. While some Members were of the opinion that decisions could only be made once the level of grant and potential changes in the Council's responsibilities were known, others considered it was imperative that the Council should start to make plans at the earliest opportunity for budget reductions.

Discussion then ensued on the possible devolution of services to towns, parishes or localities. With the recent decision on public conveniences in mind, the Panel recommended that if third tier organisations were to be invited to take on other additional responsibilities, consultation should be undertaken with town and parish councils at the earliest opportunity to enable them to incorporate the need for any additional funding into their budget setting processes. It was suggested that the District Council might also engage with towns and parishes about opportunities for other budgetary savings.

In response to a question regarding the statutory duties and responsibilities of the Council, Members were advised of the difficulties involved in producing this information in a definitive list. However, the Panel were of the view that it was not possible to make recommendations on possible changes in service levels and functions without sufficient knowledge of the Council's statutory responsibilities. Members requested that this information was circulated to them, together with an indication of the number of employees who were currently employed to undertake wholly non statutory functions.

The Panel were advised that the provision of basic statutory functions took only part of the Council's overall budget. In this respect comment was made that that the Council provided some services, which were not classified as statutory under UK Parliamentary Law but nevertheless were subject to other influences arising from, for example, European Union Legislation, such as recycling targets. At the same time attention was drawn to the contractual arrangements and obligations which existed for facilities which were provided on a joint or shared basis with associated difficulties in implementing service reductions in these areas. Reference was made to the need to consider the effect of any changes to services and functions on the Council's reputation. In response to a question whether the Council was reviewing services in comparison with other authorities, the Executive Councillor advised that this was the case.

The Panel discussed the Council's strategic approach to planning changes to its services. Members were of the view that the current challenges provided an opportunity for the Council to refocus on a high-level vision. It was suggested that the Strategy adopted should identify what the Council would do in the future and how it would get there. If the Council knew what it was seeking to achieve it would be possible to identify what positions it would need to retain. This work should be completed before the Voluntary Redundancy Scheme was implemented.

On the question of identifying savings, a Member suggested that a business approach should be adopted and that Heads of Service should be invited to identify ways in which service reductions might be achieved. During the course of the discussions a number of suggestions were then made by individual Members of both the Panel and the Council for potential savings. These included the administration of bus passes for the over 60s, changes to the Management Structure, the rates paid to Members and Officers for travelling on Council business and the establishment of a trust to operate the Leisure Centres. In respect of a proposal to change the

terms and conditions of employees from Inbucon to the National Joint Council scheme, the Panel were advised that the Employment Panel were already considering this. Other suggestions for areas where savings might be achieved included the Great Fen project and the upper tiers of the Officer structure. In addition, a comprehensive review should be undertaken to identify those services that could potentially be delivered through collaborative working or through outsourcing.

With regard to any future proposals that might require a referendum on Council Tax, a Member suggested that this should not be undertaken in conjunction with the County Council as that authority's proportion of the Council Tax represented a much larger element of local taxation. In discussing the recent budget consultation exercise, it was suggested that the results should be analysed by source as this could affect the overall findings.

Councillor M S Shellens asked a number of questions in relation to increases in employer pension contributions, the flexibility of the Council's borrowing arrangements and the assumptions made on future economic trends and on demographic growth in the area. With regard to the likely reduction in Revenue Support Grant, the Panel noted that the authority would be afforded an element of protection as any reductions should be not greater than the average for similar authorities. Comment was then made that a flexible approach should be adopted towards the salary differentials between levels in the Council's organisational structure and that generally, the salary assigned to posts should be reduced as employees left. In that context, concerns were expressed about the availability of enhanced redundancy packages for senior managers and the likely increase in demand on the budget for the Council's statutory homelessness service. A suggestion was made that a zero based budgeting exercise might be undertaken from a statutory perspective over a 5 year period.

Having noted that the Panel would be formally invited to consider proposals for variations in the budget in due course and that Heads of Service had already been invited to identify opportunities for potential service reductions, Members reiterated the need to develop a clear plan containing proposals for reductions. In doing so, the Panel stressed the need for all Members of the Council to be involved in the formulation of any proposals at an early stage. The Executive Councillor for Finance explained that it was his intention to discuss proposals with Members prior to any formal discussion on the proposals at their meeting in November 2011 but it would not be possible to make any decisions before the results of the public consultation had been considered.

Following a question by a Panel Member about the potential sale of Council assets, Members were reminded that this would generate capital rather than revenue receipts and that it was unlikely that any of the Council's Assets would realise significant income for the Authority. It was agreed that a copy of the Asset Register should be circulated to Panel Members in due course.

In concluding their discussions, the Panel recognised the significance of the challenges facing the authority in coming years and the need to

highlight these challenges to all Members of the Council. Having reiterated the importance of the role of Overview and Scrutiny in the development of any financial savings plan, it was

RESOLVED

- a) that the recommendations with regard to the annuity basis for the calculation of Minimum Revenue Provision as outlined in Annex C to the report now submitted be endorsed;
- b) that Cabinet be recommended to undertake consultation at the earliest opportunity with town and parish councils on opportunities for the devolution of services and functions to enable them, if necessary, to include additional provision during their budget setting process;
- c) that the need for a clear vision and strategic approach to any spending reductions / variations be emphasised; and
- d) that details of the Council's the statutory obligations and the number of employees undertaking wholly non statutory functions be submitted to a future meeting.

(Councillor P J Downes left part-way through this item).

34. PERFORMANCE MANAGEMENT

The Panel considered a report by the Head of People, Performance and Partnerships (a copy of which is appended in the Minute Book) containing details of the Council's performance against the priority objectives in the Panel's remit in the quarter to 30th June 2010. Attention was drawn to the matters raised at the meeting of the Corporate Plan Working Group and, in relation to the measure "internal promotions as a percentage of all vacancies filled", the Scrutiny and Review Manager reported that 8 fixed term posts had been advertised in the reporting period.

With regard to the fall in income from hospitality in the previous quarter following the closure of the St Neots bars and catering operation, Members were informed that it had been possible to accrue savings on staff costs, reduced opening hours, better supplier prices and less wastage. This had enabled profit margins to remain on target. Having noted that a further report on performance of the Leisure Centres would be submitted to the October meeting of the Panel, it was suggested that this ought to include details of any returns on the capital investment which had been made at the Leisure Centres in previous years. At the instigation of the Corporate Plan Working Group, Members also were advised that a bid had been submitted to the Government to establish a Local Enterprise Partnership for the Greater Cambridge – Greater Peterborough area.

The Panel discussed a previous request by the Corporate Plan Working Group for an update on the Council's use of external consultants. Having noted that expenditure on consultants had amounted to £1.8 million in the previous year and in the context of the

earlier discussions on the financial forecast, Members agreed that the Cabinet should be recommended to reduce the amount the Council spent on employing external consultants by £1.5m in the current financial year.

The Panel endorsed the recommendations of the Corporate Plan Working Group, which had been designed to enhance the Council's approach to its strategic budget planning and performance management. Whereupon, it was

RESOLVED

that the Cabinet be recommended

- a) to consider the Panels' comments as part of its deliberations on the report by the Head of People, Performance and Partnerships;
- b) to seek contributions from opposition groups, all other Members, employees and the public in the search for the necessary financial savings;
- c) to take fully into account the views expressed by those identified in recommendation (b) above and review the Council's priorities, aims and objectives in the Corporate Plan with the Overview and Scrutiny Panels being involved in the review process;
- d) to develop a clear vision of what services should be retained, delivered differently or withdrawn as a result of recommendation (c) above and use this as a guide in the application of the Council's Redundancy Policy;
- e) to review all internal and external performance indicators to ensure that they are appropriate to the service delivered by or in partnership with the Council with the Corporate Plan Working Group being involved in the review process; and
- f) to reduce the amount of expenditure for the purpose of employing external consultants by £1.5m in the current financial year.

35. WORKPLAN

The Panel received and noted a report by the Head of Democratic and Central Services (a copy of which is appended in the Minute Book) containing details of studies being undertaken by the Council's Overview and Scrutiny Panels. Attention was drawn to a recent article in the Hunts Post regarding the cost of alcohol related treatment at Hinchingbrooke Hospital. Having regard to the Panel's ongoing study on the health implications of the night-time economy, the Scrutiny and Review Manager undertook to liaise with County Council colleagues

to ascertain whether any work on this subject was being undertaken by the Cambridgeshire Adults Wellbeing and Health Scrutiny Committee.

Councillor G S E Thorpe reported that he had received further information with regard to the use of S106 money for transport schemes in St Neots and that he did not intend to pursue this matter any further at this time.

36. OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) - PROGRESS

The Panel received and noted a report by the Head of Democratic and Central Services (a copy of which is appended in the Minute Book) reviewing progress on matters that had previously been discussed.

37. SCRUTINY

The Panel received and noted the latest edition of the Council's Decision Digest. Councillor G S E Thorpe commented that the project management costs associated with the Great Fen Project represented a potential area where savings might be achieved.

Chairman

This page is intentionally left blank

FORWARD PLAN OF KEY DECISIONS

Prepared by
Date of Publication:
For Period:

Councillor I C Bates
16 September 2010
1 October 2010 to 31 January 2011

Membership of the Cabinet is as follows:-

Councillor I C Bates	- Leader of the Council	4 Church End Hilton Huntingdon PE28 9NJ Tel: 01480 830250 E-mail: Ian.Bates@huntsdc.gov.uk
Councillor L M Simpson	- Deputy Leader of the Council with Special Responsibility for HQ/Accommodation	45 Devoke Close Stukeley Meadows Huntingdon Cambs PE29 6XE Tel: 01480 388946 E-mail: Mike.Simpson@huntsdc.gov.uk
Councillor K J Churchill	- Executive Councillor for Resources and Policy	51 Gordon Road Little Paxton St Neots PE19 6NJ Tel: 01480 352040 E-mail: Ken.Churchill@huntsdc.gov.uk
Councillor D B Dew	- Executive Councillor for Planning Strategy and Transport	4 Weir Road Hemingford Grey Huntingdon PE28 9EH Tel: 01480 469814 E-mail: Douglas.Dew@huntsdc.gov.uk
Councillor J A Gray	- Executive Councillor for Environment and Information Technology	Shufflewick Cottage Station Row Tilbrook PE28 OJY Tel: 01480 861941 E-mail: JG@novae.com

Councillor C R Hyams	- Executive Councillor for Operational and Countryside Services	22 Bluegate Godmanchester Huntingdon Cambs PE29 2EZ Tel: 01480 388968 E-mail: Colin.Hyams@huntsdc.gov.uk
Councillor A Hansard	- Executive Councillor for Housing and Public Health	78 Potton Road Eynesbury St Neots PE19 2NN Tel: 01480 388942 E-mail: Andrew.Hansard@huntsdc.gov.uk
Councillor Mrs D C Reynolds	- Executive Councillor for Leisure, Law, Property and Governance	17 Virginia Way St Ives PE27 6SQ Tel: 01480 388935 E-mail: Deborah.Reynolds@huntsdc.gov.uk
Councillor T V Rogers	- Executive Councillor for Finance and Customer Services	Honeysuckle Cottage 34 Meadow Lane Earith Huntingdon PE28 3QE Tel: 01487 840477 E-mail: Terence.Rogers@huntsdc.gov.uk

Any person who wishes to make representations to the decision maker about a decision which is to be made may do so by contacting Mrs Helen Taylor, Senior Democratic Services Officer on 01480 388008 or E-mail: Helen.Taylor@huntsdc.gov.uk not less than 14 days prior to the date when the decision is to be made.

The documents available may be obtained by contacting the relevant officer shown in this plan who will be responsible for preparing the final report to be submitted to the decision maker on the matter in relation to which the decision is to be made. Similarly any enquiries as to the subject or matter to be tabled for decision or on the availability of supporting information or documentation should be directed to the relevant officer.

Roy Reeves
Head of Administration

Notes:- (i) Additions/significant changes from the previous Forward are annotated ***

(ii) For information about how representations about the above decisions may be made please see the Council's Petitions Procedure at <http://www.huntsdc.gov.uk/NR/rdonlyres/3F6CFE28-C5F0-4BA0-9BF2-76EBAE06C89D/0/Petitionsleaflet.pdf> or telephone 01480 388006

Subject/Matter for Decision	Decision/ recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Consultation	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
-----------------------------	--	---------------------------	---------------------	---------------------------------------	--------------	-------------------------------	------------------------------------

Subject/Matter for Decision	Decision/recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Consultation	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Cambridgeshire Local Investment Plan***	Cabinet	21 Oct 2010	None.	Steve Plant, Head of Housing Services Tel No. 01480 388240 or e-mail Steve.Plant@huntsdc.gov.uk		A Hansard	Social Well-Being
Huntingdon Town Centre Development***	Cabinet	21 Oct 2010	None.	Malcolm Sharp, Director of Environmental and Community Services Tel No. 01480 388301 or e-mail Malcolm.Sharp@huntsdc.gov.uk		D B Dew	Economic Well-Being
Homelessness Strategy	Cabinet	18 Nov 2010	None.	Jon Collen, Housing Needs and Resources Manager Tel No. 01480 388220 or e-mail Jon.Collen@huntsdc.gov.uk	Consultation process in preparation.	A Hansard	Social Well-Being
Home Improvement Agency Review - Future Delivery Model Consultation	Cabinet	18 Nov 2010	None	Steve Plant, Head of Housing Services Tel No. 01480 388240 or e-mail Steve.Plant@huntsdc.gov.uk		A Hansard	Social Well-Being
St Neots East Urban Design Framework	Cabinet	18 Nov 2010	Agreed Urban Design Framework	Paul Bland, Planning Service Manager (Policy) Tel No 01480 388430 or e-mail Paul.Bland@huntsdc.gov.uk	Adopt as Council policy	D B Dew	Environmental Well-Being
Environment Strategy Review	Cabinet	18 Nov 2010	None.	Dr Paul Jose, Head of Environmental Management Tel No 01480 388332 or e-mail Paul.Jose@huntsdc.gov.uk		J A Gray	Environmental Well-Being
St. Ivo Leisure Centre - Proposal for Development	Cabinet	18 Nov 2010	None	Simon Bell, General Manager, Leisure Centres Tel No. 01480 388049 or e-mail Simon.Bell@huntsdc.gov.uk		Mrs D C Reynolds	Social Well-Being

Subject/Matter for Decision	Decision/recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Consultation	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Draft MTP	Cabinet	18 Nov 2010	Financial Strategy Previous Year's budget report - Various Annexes	Steve Couper, Head of Financial Services Tel No. 01480 388103 or e-mail Steve.Couper@huntsdc.gov.uk	Overview and Scrutiny (Economic Well-Being)	T V Rogers	Economic Well-Being
Sale of Land at Mill Hill Road, Eaton Socon	Cabinet	18 Nov 2010	Estates File - M/436/1	Keith Phillips, Estates and Property Manager Tel No. 01480 388260 or e-mail Keith.Phillips@huntsdc.gov.uk	Ward Councillors	Mrs D C Reynolds	Economic Well-Being
Local Transport Plan (LTP3)	Cabinet	16 Dec 2010	Draft Local Transport Plan	Paul Bland, Planning Service Manager (Policy) Tel No 01480 388430 or e-mail Paul.Bland@huntsdc.gov.uk	Endorse as Council policy	D B Dew	Environmental Well-Being
Asset Management Plan - Annual Report	Cabinet	16 Dec 2010	Previous Cabinet Reports	Keith Phillips, Estates and Property Manager Tel No. 01480 388260 or e-mail Keith.Phillips@huntsdc.gov.uk		Mrs D C Reynolds	Economic Well-Being

Agenda Item 5

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

**NEW HEADQUARTERS & OTHER ACCOMMODATION
PROJECT CLOSE REPORT
(Report by New Accommodation Project Co-ordinator)**

1. INTRODUCTION

- 1.1 The New Headquarters and Other Accommodation Project has delivered two new built assets, the operations centre (Eastfield House) and headquarters (Pathfinder House), it has worked in conjunction with the Customer First project to deliver the physical environment for face-to-face customer interaction in Huntingdon and has been the catalyst for a number of major business change projects. The latter have included radical changes to the management of mail handling and document production, the move from a plethora of personal PC peripherals to 17 MFD (multi-functional devices) and rationalisation of document storage in association with the implementation of electronic document management.
- 1.2 The new Pathfinder House includes the Civic Suite which has transformed the experience for members of the public wanting to engage with the democratic process by attending meetings of the council and its panels. Also as a venue for planning inquiries and other publicly accessible events its scale and fit-out help local people engage with local decision making.
- 1.3 With both built assets the project has through the selection of sites, design, construction and ongoing operation demonstrated the best principles of sustainable development achieving an excellent BREEAM rating for Pathfinder House and a good rating for Eastfield House.
- 1.4 But this was not a demonstration project. It was born out of the need to replace failing, inefficient and uneconomic buildings. The project's purpose was to provide the council with accommodation that was fit for purpose, flexible enough to respond to the inevitable changes in local government during its 60 year design life and to create assets for the people of Huntingdonshire that have commercial value that could be realised if necessary.
- 1.5 However, in reviewing the project as it draws to a close there are three key questions that need to be considered
 1. was it the right project?
 2. was it delivered effectively?
 3. does it represent value for money?
- 1.6 The Headquarters & Other Accommodation: Project Close Report which is included with the papers for your meeting sets out to answer these questions and highlight lessons learnt that are transferable to the inception, development and delivery of future projects.

2. CONCLUSION

- 2.1 Faced with assets that were no longer fit for purpose the council explored the available options in a rigorous manner before deciding on its preferred option and delivery method. It used the procurement process to appoint a development partner whose tender clearly represented the best value in 2005 and has delivered the entire project in 2010 at a cost below the value of the second lowest tender received in 2005.
- 2.2 By optimising its use of the assets created the council has managed to reduce its headquarters space, releasing both land and buildings for disposal. Unfortunately the state of the economy and its impact on the property market has prevented the early disposal of these redundant assets.
- 2.3 The council has benefited from a development agreement which passed the construction cost risk to the developer, except where variations were ordered by the council. Procurement outside of the scope of the development agreement has been managed to deliver value for money.
- 2.4 The buildings have been designed to be low energy for their type and this has been confirmed by their BREEAM rating and energy performance certification. Although the completed Pathfinder House has not yet been occupied for a full year a preliminary forecast shows that its eventual annual energy consumption is less than that of the headquarters site before it was redeveloped. This is notwithstanding that the new building delivers a vastly improved working environment.
- 2.5 Key to the success of the project were the robust governance arrangements put in place as early as 2003 and in which the cross-party Headquarters and Other Accommodation Members' Advisory Group played an influential role. Whilst the project was primarily concerned with the delivery of built assets it was a catalyst for a raft of business change initiatives and the integrated planning of these was crucial to realising the full benefit of the investment both in the assets and the new arrangements. Throughout the project the council's in-house team have been supported by external advisers with experience of managing the delivery of projects of this scale and without whose support the developer would have had a considerable commercial advantage.
- 2.6 The council now has assets that are fit for purpose and the new Pathfinder House provides a very visible and accessible base for local administration for years to come. The assets are capable of responding to the council's changing needs and if they are not required, in part or whole, have commercial appeal.

Background Papers

Files O4/12/10 to 17 held by New Accommodation Project Co-ordinator.

Contact Officer: Richard Preston, New Accommodation Project Co-ordinator
 **01480 388340**

HEADQUARTERS & OTHER ACCOMMODATION

Project Close Report September 2010



Richard Preston
New Accommodation
Project Co-ordinator
Pathfinder House
St Mary's Street
Huntingdon
PE29 3TN

CONTENTS

	Page
1. Executive Summary	1
2. Project Objectives	3
3. The Right Project?	3
4. Delivered Effectively?	6
5. Value for Money?	8
Annex A: Project Outcomes	13
Annex B: Estimates of Outturn Costs	17

1. EXECUTIVE SUMMARY

Project Objectives

- 1.1 The need to resolve the threat posed by the deteriorating condition of the external walls of Pathfinder House and the difficulty of continuing to provide safe and cost effective operational services from depots in each of the major towns were the two key drivers for the project.
- 1.2 More detailed outcomes and objectives are detailed in Annex A together with a commentary on the delivery against them. But in reviewing the delivery of the project, and deducing lessons learnt, this report seeks to show that it was the right project, delivered effectively, and that it achieved value for money.

The Right Project?

- 1.3 Concern about the poor working conditions provided by Pathfinder House, first identified in 1995, together with the deteriorating state of the envelope of the building initiated a series of accommodation studies leading to the formation of the cross-party Headquarters and Other Accommodation Members' Advisory Group in January 2003. To allow the advisory group time to complete its own investigations protective scaffold was erected around Pathfinder House in 2004.
- 1.4 The limitations of the existing depots had already been identified and the advisory group's deliberations encompassed the concept of a multi-functional operations centre which would replace the depots and also house some activities displaced from the headquarters site. A feasibility study completed early in 2005 concluded that Pathfinder House was beyond economic repair, that there were potentially financial and customer service benefits from redeveloping the existing headquarters' site and that an operations centre on an industrial site in Huntingdon would be cost effective.
- 1.5 The findings, insofar as they related to Pathfinder House, were further and independently tested at the request of the Overview and Scrutiny Panels before the council committed itself to a procurement exercise for a developer to design and build the required accommodation. Notwithstanding the conclusions of the feasibility study developers were invited to bid not only on the basis of redeveloping the existing Pathfinder House site but were invited to offer alternatives sites within Huntingdon.

Delivered Effectively?

- 1.6 A structural engineer's conclusion that major redial works would have to be undertaken during 2010 to keep the existing Pathfinder House safe imposed a finite timescale to the existing building being vacated.
- 1.7 The scale of the project was such that EU competition regulation compliant procurement processes were required. There was a significant risk that a traditional approach of identifying sites, appointing an architect to undertake the design and then tendering the construction separately might not allow the existing Pathfinder House to be vacated before 2010. The adopted route of a procurement leading to a development agreement for the delivery of the whole project on a design-and-build basis mitigated this risk.
- 1.8 The expeditious delivery of the project was further ensured by the robust governance arrangements in which the cross-party Headquarters and Other Accommodation Members' Advisory Group provided a forum where project development and delivery was tested before being submitted to Overview and Scrutiny and eventually Cabinet/Council for approval. High quality legal and property/building advice also ensured that the council's interests were protected through the negotiation and delivery of the development agreement.
- 1.9 Through this process space requirements were optimised, challenging targets for the energy efficiency of the new buildings set and achieved and two highly functional new assets created.

Value for Money?

- 1.10 The forecast outturn cost of the project is £7,369k for Eastfield House and £18,206k for Pathfinder House. These figures include construction, fit out and all costs associated with managing the delivery of the project and some business improvements part funded by service budgets.
- 1.11 External influences including the availability of land and the planning process brought about changes to the shape and cost of the project during its five year life. Notwithstanding this the outturn cost of providing the council with a replacement headquarters building is consistent with the feasibility study estimate from 2005.
- 1.12 The outturn cost of Eastfield House, however, is significantly above the feasibility study estimate and resulted from the specialist nature of the services accommodated and the unusually high office content compared to a similar commercial building.
- 1.13 Effective procurement processes have ensured that value for money has been achieved throughout the life of the project.

2. PROJECT OBJECTIVES

- 2.1 There were two key drivers which initiated the project –
- the rapidly deteriorating structural integrity of the external walls of Pathfinder House; and
 - the management and cost overhead of delivering the council's major operational services from inadequate and inefficient depots located in each of the major towns.
- 2.2 Through project initiation, feasibility study and the development of a specification for the new accommodation these drivers were expanded into a number of required outcomes and objectives which then shaped the project. For completeness these are detailed at Annex A with the associated actions and achievements.
- 2.3 However, in reviewing the project as it draws to a close there are three key questions that need to be considered
1. was it the right project?
 2. was it delivered effectively?
 3. does it represent value for money?
- 2.4 In answering these question the opportunity will be taken to highlight lessons learnt that are transferable to the inception, development and delivery of future projects.

3. THE RIGHT PROJECT?

- 3.1 The history of the project up to the time the council committed to the award of the contract for the delivery of the new buildings was detailed in the report Headquarters & Other Accommodation: Final Tender Evaluation Report. This report detailed the key influences on the scope of the delivered project and these are summarised in the following paragraphs.
- 3.2 A combination of the need to address the poor working conditions in the old Pathfinder House, first acknowledged in 1995, together with the deteriorating external envelope of the building lead to the council commissioning a report, presented in November 2002, from consultants Henry Riley Group on the available options to mitigate these problems. Arising from the consideration of this report £9,600k was committed in the MTP for a 'do minimum' option to give Pathfinder House a further 15 years of life and provide an extension to accommodate a one-stop-shop.

- 3.3 In January 2003 Cabinet appointed the Headquarters and Other Accommodation Members' Advisory Group to review the options both for the headquarters and for other accommodation to provide for the future needs of the council's service delivery.
- 3.4 During 2003 it was discovered that the lift shafts in Pathfinder House would prevent the lifts being made compliant with the Disability Discrimination Act, hence the upper floors could not be made accessible for staff and visitors with some mobility problems. The structural consultants also reported that works were required by summer 2004 to remove the risk of debris falling from the building as concrete components in the external envelope were continuing to deteriorate.
- 3.5 The decision was taken in December 2003 to make minimum repairs to Pathfinder and erect protective scaffolding to allow the Headquarters and Other Accommodation Members' Advisory Group to continue with a detailed study of all future accommodation options.
- 3.6 The possible benefits of moving some activities, viewed as peripheral to the headquarters function, printing and CCTV control room for example, from the headquarters building to more operationally efficient and/or economic accommodation was mooted at this time. Taken together with earlier reviews which had identified the poor condition and the unsuitability of the existing depots for their current operational requirements the potential emerged for a single operations centre.
- 3.7 In order to secure professional advice on their future property strategy and the technical requirements for any replacement built assets the council engaged Lambert Smith Hampton to provide a feasibility study. The outcome of which was reported in March 2005 and its principal conclusions were that–
- the council required 8,223 square metres of headquarters accommodation and that a target price of £17,000k (range £15,300k to £23,000k) should be allowed for the redevelopment of the Pathfinder House site ;
 - there was currently no commercial demand for offices of this size in Huntingdonshire and that to protect its investment the council should require any new building to be capable of division for subletting or part disposal;
 - notwithstanding the growth in communications technologies there would remain a significant proportion of the council's customer base who would require/prefer face-to-face contact;
 - for many customers the public transport serving Huntingdon made this the most convenient location for them to visit;

- more responsive services can be provided where customer service facilities and the back-office function are co-located;
- a new operations centre at a target cost of £2,600k (range £2,000k to £2,800k) close to the trunk road network would reduce the adverse environmental impact of vehicles travelling through residential areas and allow the consolidation of all activity onto a single site releasing existing sites for disposal; and
- much of the existing labour force lived in Huntingdon and this remained the optimum location for any new operation centre.

3.8 The report concluded that there was no financial benefit from upgrading the existing Pathfinder House building and demonstrated that there was little difference in the capital cost of redeveloping the existing site when compared with a development on a number of other potential sites in Huntingdon. It confirmed that the delivery of a new operations centre on an industrial estate was the most cost effective option.

3.9 Following review by the Advisory Group and additional studies undertaken at the request of the joint Overview and Scrutiny Panels, at their meeting in March 2005, the council proceeded to an EU competition regulation compliant procurement exercise seeking delivery on a design-and-build basis, with land acquisition where necessary, of accommodation subject to the following constraints –

- a new headquarters building within the built envelope of Huntingdon –
 - provision on a new site; or
 - provision on the existing Pathfinder House site
- a customer service centre within Huntingdon ring road and within easy walking distance of Huntingdon Bus Station –
 - the customer service centre co-located with the headquarters building if this is sited within the ring road, or
 - the customer service centre provided separately if the headquarters building is outside the ring road
- the construction of an operation centre on a site with easy access to A1/A14 within, or adjacent to, the built envelope of Huntingdon
- disposal of the site of Pathfinder House and Castle Hill House if made surplus by the new provision –
 - design, build and market residential units on the site incorporating the conversion of the Grade II* Castle Hill House; or

- demolish Pathfinder House, clear the site and leave for the council to market

3.10 At this stage the scope of the project was substantially determined. In arriving at this position the possible alternatives had been identified, evaluated and reviewed and compared with the emerging preferred option. The council can have confidence that it pursued the right project.

3.11 The precise form of the project still remained subject to the outcome of the competitive process and the effectiveness of this is examined in the next section of this report.

4. DELIVERED EFFECTIVELY?

4.1 The temporary repairs and provision of scaffold to ensure the safety of the old Pathfinder House had a limited life, confirmed by the structural engineer's annual inspection report in 2005 which advised that further major remedial work would be required by no later than 2010. Alternative procurement strategies to that outlined in paragraph 3.9 above had, therefore, to be assessed against their ability to deliver a solution by 2010.

4.2 In developing the project to the point of procurement the refurbishment, and possible extension, of the existing Pathfinder House had been considered on a number of occasions and had been found not to deliver a suitable office environment nor achieve any significant cost saving. The only alternative approach to the design-and-build option pursued would have required the council to –

- commission consultants to undertake a site identification exercise and then manage the land procurement;
- appoint an architect to undertake the design, including securing planning consents, and tendering of the building contract
- enter into a contract with the building contractor

4.3 Because of their value a separate EU competition regulation compliant procurement exercise would be required to appoint the architect and then a further one for the construction contract. The time required for each of these, typically 6-9 months, would need to be added to the construction period, assumed to be 30-36 months. The risk that this exercise could extend into and beyond 2010 was considered unacceptable and hence the design-and-build solution was pursued.

- 4.4 The decision on the procurement process was the culmination of two years of option generation, evaluation and selection. Governance and management arrangements during this time were pivotal to the effective delivery of the project. The Headquarters and Other Accommodation Members' Advisory Group first met in March 2003 and its subsequent meetings provided the forum for detailed discussion of project options and issues with Members. This cross-party group help shaped the proposals which were escalated to meetings of the Overview and Scrutiny Panels and/or Cabinet for comment and approval.
- 4.5 The new accommodation project ran concurrently with the customer first project and had shared interest in the development and delivery of a number of business change initiatives. At officer level a programme board ensured that these two major work streams were effectively coordinated and this board maintained oversight of the individual work streams.
- 4.6 During the procurement exercise, leading to the eventual execution of the development agreement in November 2006, the project team were supported by solicitors Hewittsons and property/technical specialists Lambert Smith Hampton. Both companies have substantial experience of negotiating agreements of the scale and complexity of the development agreement. These skills were not available in-house and it is important that where major procurements are being undertaken that the council is adequately supported in its dealing with experienced commercial suppliers.
- 4.7 Information on the achievement of the project against the project objectives is given at Annex A. However, the following areas are highlighted to further demonstrate that the project has been delivered effectively.
- 4.8 The project brief identified a requirement for 8,223 square metres of headquarters accommodation. Cabinet subsequently required the area, when compared to the existing space in the old Pathfinder House and Castle Hill House to be no more than 8% greater, equating to 7,152 square metres. The completed Pathfinder House delivers only 6,157 square metres, or a 7% reduction on the previously occupied space.
- 4.9 Noise and atmospheric pollution from the ring road ruled out consideration of a naturally ventilated building for the replacement Pathfinder House. The specification called for a comfort cooled building and required the energy consumption to achieve the 'good practice' benchmarks in the government's 'Best Practice Programme' document Energy Use in Offices: Energy Consumption Guide 19.

- 4.10 The completed building has not yet been occupied for a full year to allow a comprehensive assessment against the benchmarks to be undertaken. However, a preliminary review completed six months after occupation of the final stage indicates that the 'best practice' benchmark will be achieved and the potential exists for further improvements in energy efficiency in the way the building is used. A further review is proposed for May 2011 when a full year's actual energy use figures, for the whole building, will be available.
- 4.11 The recently completed review indicates that the annual energy use will be 1,650,837 kWh. This figure is extrapolated from actual energy use for occupied parts of the building during the exceptionally cold winter of 2009/10 and the summer of 2010, one of the hottest for many years. It represents a 1.6% reduction on the energy used by the headquarters accommodation in 2006/07, the last full year of occupation before the redevelopment of the site commenced. Based on this evidence Pathfinder House delivers a substantially improved working environment whilst using less energy than the old headquarters accommodation.
- 4.12 The energy efficient/low carbon credentials of the new Pathfinder House are further confirmed by it achieving a B rating for its Energy Performance Asset Rating with a score of 32 compared with the government's benchmark of 34.
- 4.13 Most importantly all of these benefits have been delivered in time to allow the old Pathfinder House to be finally vacated in January 2009, before any incidents resulted from the deteriorating fabric of the old building.

5. VALUE FOR MONEY?

- 5.1 The overall net cost of the project is estimated to be £25,575k, of which £18,206k relates to Pathfinder House and £7,369k relates to Eastifeld House. The delivered project differs in a number of ways from that which was originally envisaged. Accordingly, cost comparisons with earlier estimates need careful interpretation.
- 5.2 However, in considering whether or not the outturn cost represents good value a comparison of the final estimate to the tendered cost of construction, is helpful.

Construction only:-

Lowest/accepted tender in 2005	£22,212k
Second lowest tender in 2005	£26,444k

Fully inclusive cost:-

Estimate based on lowest tender 2005	£23,728k
Final outturn at end of construction 2010	£25,575k

- 5.3 The table above shows that the fully inclusive cost of delivery, i.e. after adding all costs incurred directly by the council, is still below the construction costs of the second lowest tender. This suggests that the EU compliant competitive procurement process delivered a project that represents value for money. In assessing if the project delivers good value further comparison of the 2005 estimate of outturn with the forecast final outturn is necessary.
- 5.4 Key changes between the scope of the project at tender stage and the final outturn are set out below –
- the lack of any land other than that being sold by St John's College on the Ermine Business Park resulted in the procurement being taken out of the main contract and dealt with directly by the council;
 - the availability of Centenary House to provide temporary office space and a customer service centre for the duration of the construction of the new Pathfinder House resulted in the renegotiation of the arrangements for decanting;
 - the constraints imposed by English Heritage meant that it was not possible to secure a planning consent for the conversion of Castle Hill House for a residential disposal that could deliver commercial values, resulting in the decision by the council to retain the building;
 - the initial decision to retain Castle Hill House for the council's use allowed some 900 square metres of office space to be deleted reducing the cost of construction and creating a vacant plot (Building A) for disposal;
 - revised space planning of the new Pathfinder House subsequently allowed Castle Hill House to be vacated.
- 5.5 The tables at Annex B show a separate breakdown for Eastfield House and Pathfinder House of the estimated final outturn and compares this with the estimate from 2005, based on the accepted tender. This table shows that the estimated outturn for Pathfinder House is consistent with the £17,000k target in the 2005 feasibility report when the 'abnormals' and staff costs are disregarded. However, it also shows that Eastfield House was significantly more costly than forecast in the feasibility study reflecting the high cost of the land, the significantly greater office content when compared to a similarly sized commercial building and the specialist nature of much of the fit-out.

- 5.6 In the period between the setting of the initial brief in 2005 and eventual occupation, 2007 for Eastfield House and 2009/2010 for Pathfinder House, corporate and service requirements changed and the design had to be adapted to meet these requirements to ensure economic and effective service delivery in the future. This gave rise to £309k and £712k of construction variations ordered by the council for Eastfield House and Pathfinder House respectively. At 5% of the overall construction cost this is well within the usual risk contingency provision on a construction project of this scale.
- 5.7 The extent of the archaeological investigation at the Pathfinder House site was dictated by the county archaeologist and although some provision had been included at tender stage the eventual scope and cost of the study could not have been predicted. The archaeological study, which required a full excavation and documenting of all areas within the footprint of the new buildings, was commissioned following a competitive tendering exercise of companies acceptable to the county archaeologist.
- 5.8 Decanting has been mentioned in paragraph 5.4 above and the timing of Business Link vacating Centenary House was most propitious. It enabled the council to establish and maintain a fully accessible customer service centre throughout the redevelopment of Pathfinder House. The main contractor undertook the fit-out of the building at his cost and the council contributed to the cost of the lease in recognition of the enhanced provision being made available. Lessons learnt from this temporary customer service centre influenced and improved the final design of the facility in the new building and allowed the whole project to be delivered with only one day of face-to-face interaction with customers being lost.
- 5.9 Although Eastfield House is designed to be a simple building that could easily be converted for commercial use it contains a number of activities which are critical to the council's services and which have required substantial investment in equipment. The single most expensive fit-out at £265k was the CCTV control room. This included the migration to digital systems from an analogue system that was rapidly becoming obsolete. Equipment required for the VOSA compliant vehicle maintenance workshop and other fleet operator essentials totalled £207k and this together with document centre fixtures and warehouse fit-out made up the £602k specialist fit-out cost at Eastfield House.
- 5.10 Pathfinder House accommodates the server room at the heart of the council's IT systems and networks. During the five year life of the project server technologies had advanced rapidly as had the associated cost of providing the necessary environment in the server room to ensure business continuity. Audio-visual technologies had also advanced and in seeking to make the Civic Suite as flexible as

possible use has been made of a wireless microphone system and control systems to allow the room to be used in many different configurations. This £413k investment in technologies and the associated infrastructure provides a significant level of future proofing, minimising the potential for further capital expenditure in the immediate future.

- 5.11 Separate competitive procurement exercises, using furniture suppliers from the EU compliant OGC (Office of Government Commerce) standing lists, were used for Eastfield House and Pathfinder House. The furniture was selected to optimise the space planning in the buildings. It was the catalyst for increased occupation at Eastfield House, an uplift of 60% on the initial brief, and bringing all headquarters staff into the new Pathfinder House and being able to vacate Castle Hill House delivering ongoing revenue savings and reinstating the potential for its sale.
- 5.12 The space planning benefits could not have been realised with the existing furniture. Desks in the old buildings were designed for use in conjunction with CRT monitor and required more area per work station. This is graphically demonstrated by the floor area details at paragraph 4.8. The new generic bench-style desk layouts are also consistent with increased hot-desking when the council fully exploits its investment in remote access technologies and seeks to release office space for sub-letting or disposal.
- 5.13 The council did not have the in-house capacity to negotiate the development agreement and provide quality and cost control management during the delivery of the construction phase. Accordingly lawyers and technical/property specialists were appointed, again after competitive tendering processes, to support the in-house project team. At 3.0% of the net land/construction cost the total cost of £791k is consistent with the support costs on a construction project of this scale. The increase from the 2005 estimate reflects the complexity of the land transaction for Eastfield House and of the initial negotiation of the development agreement and the subsequent revisions as the property strategy changed during the life of the project.
- 5.14 In Annex B there are a number of items under the heading of 'Abnormals' in respect of Pathfinder House. Although the cost of these are charged to the project they represent costs that could not have been foreseen when preparing the estimates and/or are outside the scope of most construction projects.
- 5.15 The council initially specified the use of landscaping materials consistent with a non-prestige town centre office development for Pathfinder House and this was provided for in the tendered construction cost. Subsequently, approval of the hard and soft

landscaping was conditioned by the council, as the local planning authority, and as a consequence it was necessary to upgrade the scheme to achieve a planning consent. In the context of the development agreement the planning condition was considered onerous and the additional cost had to be met by the council.

- 5.16 Continued occupation of Castle Hill House required two items of work. It was necessary to make fire escape provision in Castle Hill House to allow its continued occupation following the demolition of the old Pathfinder House boiler house, which had abutted it and which acted as an escape route from the first floor. In addition the building's own boiler failed and had to be replaced. The opportunity was also taken to improve the performance of the heating system.
- 5.17 Although undertaken to facilitate the council's continued occupation of the building both these items of work are necessary if the building is to be sublet and have the potential to be recovered through an increase in the sale price of Castle Hill House when sold.
- 5.18 A considerable amount of work was undertaken by the developer in an attempt to persuade English Heritage to accept a commercially viable conversion and restoration, of Castle Hill House either for residential or office use. The cost of this and of securing an alternative residential planning approval for the vacant plot facing St Mary's Street, together with the marketing exercise completed in 2008, amount to £187k. These costs should be recovered through the proceeds of the sale of the assets.
- 5.19 Following the occupation of Pathfinder House a number of adaptations were made, or are planned, to further improve the functionality of the building. These include the creation of a lobby area to the main staff entrance to improve security and reduce heat loss, restoring the first aid room sacrificed to provide temporary staff accommodation pending the completion of the second stage of the building and adaptations to further improve local control of the heating system to better reflect actual occupation patterns.
- 5.20 The original estimate reflects only the cost of an in-house project team to manage the procurement and delivery of the buildings. As stated previously the building project became a catalyst for a number of significant changes to the council's business processes. Co-ordination of these various projects and their integration with the delivery of the buildings provided major challenges which required substantial input from the project team.

ANNEX A: PROJECT OUTCOMES

Primary Outcome	Objective	Action	Achievement
Improved public access to the democratic process	The provision of appropriate accommodation and delivery of high quality services to local people in a sustainable way. Improvement Plan responding to CPA report in June 2004.	Design of new Civic Suite had regard to the publication 'Re-Inventing the Town Hall (a handbook) by Ben Rogers.	New Pathfinder House provides a meeting space that is visible to the public, one where the public are integrated into the meeting space suitable for a mix of activities with furniture that has a contemporary feel.
Improved facilities for face-to-face interactions with the public	The provision of appropriate accommodation and delivery of high quality services to local people in a sustainable way. Improvement Plan responding to CPA report in June 2004.	Replace single service receptions in existing Pathfinder House by a space accommodating a one-stop-shop.	New Pathfinder House provides a Customer Service Centre accessible directly from the street which has a contemporary and welcoming ambience.
Welfare and safety of visitors ensured	The provision of appropriate accommodation and delivery of high quality services to local people in a sustainable way. Improvement Plan responding to CPA report in June 2004.	Replace old Pathfinder House before 2010 when structural engineers consider that the building envelope will have deteriorated to the extent that there is a hazard of debris falling from the external envelope.	Old Pathfinder House vacated in January 2009 and demolished shortly afterwards.
		Provide an internal environment that meets contemporary standards with regard to heating, ventilation and lighting.	Comfort cooling provided both at Eastfield House and Pathfinder House to deal with high summer temperatures. Ventilation ensures sufficient air changes to limit build up of carbon

Primary Outcome	Objective	Action	Achievement
			dioxide in the offices. Lighting compliant with latest office standards.
Business continuity safeguarded	The new buildings provide the physical space to support the delivery of the council's Corporate Service Recovery Plan.	Main server room provided at Pathfinder House with satellite at Eastfield House with spare capacity for emergency use.	Two data connections provided between building to allow key ICT systems to be provided from either.
		Buildings have facility for connecting emergency generators.	Capacity exists to restore electrical power within the timescale required by the Corporate Service Recovery Plan, including full power to Pathfinder House.
	Move into new accommodation to cause minimum disruption to service delivery.	Decanting and move into final accommodation programmed to ensure no service disrupted for more than four days and emergency service maintained where necessary	Service interruption generally limited to two days with customer service centre only closed for one day.
Safe and efficient operations centre	Consolidate service delivery into a single premise and dispose of redundant assets.	New operations centre with adequate space to accommodate all management and operational activities.	Eastfield House now houses all operational activities. The former Bridge Place, Godmanchester depot is now a public charged car park, Caxton Road, St Ives, depot is being developed as an enterprise centre by the council and Alms Close is still available for disposal.

Primary Outcome	Objective	Action	Achievement
	Built assets limit hazards caused by the operation of machinery and the movement of vehicles.	Replace existing main and satellite depots with building and yard area constructed to the latest health and safety standards.	Space provision allows safe unsupervised manoeuvring of largest vehicles in fleet. Warehouse allows mechanical handling of stores and equipment.
		Provide new VOSA compliant vehicle maintenance workshop	New VOSA compliant vehicle maintenance workshop removes reliance on former 'grandfather rights' which allowed substandard working arrangements.
Best value achieved	Ability to capitalise or secure revenue from whole or part of the assets created if they become redundant.	Select site and adopt design that maximises the potential for future commercial use without compromising the council's operational requirements.	Location of Eastfield House and its design makes it easily convertible for commercial use further supported by removal of restrictive covenant at the time of purchase.
		Pathfinder House could be sublet by floor or divided at atrium for separate leasehold disposal. Civic Suite is free standing from main office building to allow separate tenure.	Space planning optimised and requirement for 900 sm of floor space in Building A deleted from final project. Site of Building A now available for disposal.
	Future running costs.	Secure BREEAM excellent rating in line with government's expectation for new public buildings	Achieved BREEAM excellent rating on main office building.
		Design building fabric and systems to reduce energy demand.	Achieved B rated EPC for Pathfinder House with score of 30 which is better than the national benchmark.

Primary Outcome	Objective	Action	Achievement
		Specification for Pathfinder House required 10% saving on CIBSE benchmark for 'Good' Type 3 building.	The individual building systems have been installed to deliver a low energy building. Until the completed building has been occupied for 12 months (March 2011) it is not possible to confirm that actual performance.
	Impact on the cost and quality of the council's services.	Office spaces designed to be flexible with minimum cost associated with adapting them to meet changes in the organisation.	Large open plan areas with generic furniture layout allowing organisational changes to be achieved by relocating people rather than furniture.
		Building designed to provide spaces with a contemporary environment appropriate to the intended use.	Functionality of spaces confirmed by the majority of users.

ANNEX B: ESTIMATES OF OUTTURN COSTS

(1) Eastfield House

	2005 Estimate £000's	2010 Outturn £000's	
Land Transactions			
Purchase of site	1,800	1,800	
Disposal of Caxton Road Depot	-195	-195	
Disposal of Alms Close	-150	-150	
Construction			
Included in Development Agreement	4,735	4,625	
Variations ordered by Council	440	309	see note 1
Updated technologies and specialist kit	440	602	see note 2
SUB-TOTAL	6,630	6,991	
Furniture	66	122	
Legal, property and construction advisers	70	138	
Staff Costs	80	118	see note 3
GRAND TOTAL	6,846	7,369	

Notes

1. Specification refined and improved as work progressed. The outturn figure represents the uplift in expenditure above the provision already in the Development Agreement.
2. Changes to specialist equipment procured separately by the council outside the scope of the development agreement e.g. VOSA compliant vehicle maintenance workshop.
3. The staff costs included here are those relating to technical staff directly responsible for the delivery of the project. All Operations Division management were involved in planning for and participating in the move to the new building. Non-technical staff costs were funded by a transfer from the revenue budgets which support these staff costs. There was no increase in the council's overall expenditure.

(2) Pathfinder House

	2005 Estimate £000's	2010 Outturn £000's	
Land Transactions			
Disposal of Castle Hill House	-980	-980	
Disposal of site of Building A		-830	
Construction			
Included in Development Agreement	16,656	15,871	
Variations ordered by Council		712	see note 1
Extended archaeological survey		315	see note 1
Improved decanting arrangements		191	see note 1
Updated technologies and specialist kit		413	see note 1 & 2
SUB TOTAL	15,676	15,692	
Furniture	610	700	
Legal, property and construction advisers	356	653	
Abnormals			
Upgrade to landscaping		136	
Works to Castle Hill House		103	see note 3
Studies etc. for Bld A/CHH		187	
Works post occupation		120	
Staff Costs	240	616	see note 4
GRAND TOTAL	16,882	18,206	

Notes

1. The outturn figure represents the uplift in expenditure above the provision already in the Development Agreement where the specification was changed by the council.
2. The outturn figure is the net cost charged to the project after the deduction of provision included in other service budget where this is appropriate.
3. Cost of unavoidable works over and above those funded from the Repairs and Renewals fund.
4. The staff costs included here are those relating to technical staff directly responsible for the delivery of the project. All headquarters staff were involved to a greater or lesser extent in planning for and participating in the move to the new building. Non-technical staff costs were funded by a transfer from the revenue budgets which support these staff costs. There was no increase in the council's overall expenditure.

OVERVIEW & SCRUTINY (ECONOMIC 14TH OCTOBER 2010 WELL-BEING)

ONE LEISURE FINANCIAL PERFORMANCE 2009/10 (Report by General Manager, One Leisure)

1. BACKGROUND

- 1.1 A quarterly report on the Leisure Centres in June 2010 was presented to Overview and Scrutiny and further information regarding the overall performance of One Leisure in 2009/10 was subsequently requested.

2. PERFORMANCE 2009/10

- 2.1 The table below shows the actual financial performance of the leisure centres over the last few years and the latest forecast for our progress this year. During 2007/08 the Council adopted a target to save £1m pa from the MTP forecast for the cost of running the leisure centres by 2010/11. This set a new target for 2010/11 of £2,985,000. We now expect to exceed this target by £200,000.

£k				Actual	Forecast
Income	2006/07	2007/08	2008/09	2009/10	2010/11
Centre	2818	2863	3058	3069	3273
Impressions	1508	1598	1655	1731	1818
Schools	604	541	569	467	500
Total	4930	5002	5282	5267	5591
Expenditure	2006/07	2007/08	2008/09	2009/10	2010/11
Staff	3649	3862	4098	4203	4329
Other	2023	1901	2039	1849	1774
Total	5672	5763	6137	6052	6103
Net	742	761	855	785	512
Other	2006/07	2007/08	2008/09	2009/10	2010/11
NNDR	293	293	314	346	345
M&A	1075	1049	989	937	1000
Capital	1042	788	868	838	899
Total Net	3152	2891	3026	2906	2756

- 2.2 The centre's net position of £785k in 2009/10 is an 8.2% improvement on previous year (08/09) performance. Once all costs are included – M&A, Capital, NNDR – there is an improvement of 4% on the previous year.

Illustrative figures for earlier years are shown. Over the 6 years shown (2005-11) income grows by 28% (Impressions by 40%) and costs increase by 22% (staff by 30%, other costs by 7%). Over the same period revaluation of properties has driven NNDR up by 80%.

- 2.3 The forecast outturn for 2010/11 shows a reduction of centre net spend (by 35%) to £512k. This figure anticipates an increase of £33k on school income (Income in summer term, the first of three terms, is on

target to meet that figure). Net total, including M&A, NNDR and capital, also decreases, by 5%. This anticipates a rise in M&A costs of 6% but it is possible that these could reduce in line with the trends of previous years.

3. INCOME

3.1 Impressions income, on the back of the completed development at One Leisure, Huntingdon, showed an £86k increase, a commendable performance in the current climate. Elsewhere centre growth was less evident:

	2008/09	2009/10	+/-
Impressions	1655	1731	+5%
Swims	528	501	-5%
Swim Lessons	605	668	+10%
Swims Combined	1133	1169	+3%
Hospitality	577	512	-11%
Vending	116	113	-3%
Functions	209	230	+10%
Soft Play	-	68	-
Spa	-	30	-
Indoor Sport	818	744	-9%
Synthetic/Grass	203	201	-1%

3.2 The new Soft Play and Spa facilities, also at Huntingdon, brought in a new income of £98k and these types of in-house areas are currently being replicated at St Neots.

3.3 Swimming (general and public) decreased by 5% but much of this was due to reallocation of time available in the pools to swimming lessons (up 10%) resulting in an overall swimming increase of 3%.

3.4 Functions income at St Ives increased by 10% with a proliferation of conferences and seminars playing a large part.

3.5 Indoor Sports showed a 9% decrease primarily down to reduced demand for holiday activities and this is an area under close observation.

3.6 The decrease in hospitality income, (bars and catering) is referred to in another report but the net cost of the hospitality service registered a small profit (£12K) for the first time.

3.7 Impressions grew by 5% with over 5,000 users now possessing one form of the many pre-paid memberships on offer.

3.8 The revised arrangements with County funding of secondary and primary school sport, notably swimming, has presented problems with a shortfall of £102k on previous year.

Target schools income has been reduced for 2010/11 accordingly.

4. EXPENDITURE

4.1 Strenuous efforts to reduce costs across the board are being made.

	2008/09 £k	2009/10 £k	+/-
Staffing	4098	4203	+5.2%
Premises	898	768	-15%
Operations & Supplies	1139	1080	-5%

4.2 Revision of contracts, reduction in opening hours, better procurement, centralisation of systems, reduction in duplication have all had a significant effect on expenditure. A policy of not automatically filling a vacancy at all levels has been introduced, and generally, even when eventually filled, vacancies have been left open for as long as possible.

4.3 Staff structure is permanently under review. The creation of corporate roles for key individuals has already contributed to the trimming of much unnecessary duplication as systems and procedures become more streamlined across the sites. This, in turn, assists staff when moving from site to site in the knowledge that the vast majority of the operation and procedures will be similar if not identical.

5. PERFORMANCE MONITORING

5.1 Centre and Group performance is analysed fully on a monthly basis by the Centre Managers, General Manager and Finance Team. This is supplemented by a monthly One Leisure Strategy meeting and, for each manager, a quarterly formal meeting with the Director, General Manager, Finance Officer and Executive Councillor. Here performance of the Centre is reviewed and directed.

On a monthly basis, the following key indicators are monitored:

- Income
- Expenditure
- Customer Satisfaction
- Hospitality and Vending Profit
- Live Card Holders
- Live 60+ Card Holders
- Live 13 – 17 Card Holders
- Income Per Visitor
- Expenditure Per Visitor
- Recovery Rate
- Impressions Profit
- Impressions Pre-Paid Membership
- Admissions

5.2 On a 6 monthly basis, reports are made available to the Active Leisure Forum (ALF) comprising a forum of members representing each leisure site, school representatives and delegates from partner organisations. Each centre has an advocate, generally the ex-Management

Committee Chairman, who has an opportunity on a broader forum, to raise comments or concerns about their own centre.

6. STAFF BREAKDOWN

6.1 One Leisure currently employs 78 full time staff across all sites with 75 permanent part-time posts and 8 full time temporary contracts. The majority of staff numbers are on variable/casual hours with around 125,000 hours being worked per annum. The total number of casual staff varies seasonally but peaks at a maximum of about 400. The total number of casual hours worked equates to approximately 74 full time equivalents (FTE). The full and part time posts work approximately 290,000 hours per annum (approximately 150 FTE).

6.2 The total staffing of One Leisure, therefore, can be expressed as 225 FTE. By centres this equates to:

St Ives	69
St Neots	51
Huntingdon	50
Sawtry	28
Ramsey	27
Total	225

7. THE WAY FORWARD

7.1 Reduction in the net deficit is being tackled on all fronts – raising income following investment in facilities, a comprehensive pricing review and excellent marketing - but reduction in costs is equally important – decreasing opening hours, eradication of waste and duplication by further centralisation, and a two-pronged campaign to reduce both the number of staff (FTE) and impose ceilings on earnings at all grades. A target reduction of between 5-10% FTE in two years is considered possible.

8. RETURN ON INVESTMENT – additional information

8.1 The largest recent investment to improve a facility was made at Huntingdon during 2008/09 with substantial completion during April 2009. The scheme, total value £1.5m, was built on the premise of a revenue surplus to HDC with a projected £142k additional income in year one and an annual admissions increase of 45,000.

8.2 Income duly rose to £1.133 m (excluding schools) from £1.013m the previous year. In the newly created areas, Impressions income rose by £62k, new income for the Fun Zone totalled £68k and the Pure Spa realised £30k. Hospitality income increased by £11k. Admissions increased by 51,000 from 364,000 to 415,000. Elsewhere in the centre evidence of economic climate was present with lower income from swimming and other indoor sports.

8.3 Schools income was also affected in 2009/10 with a reduction in income contribution following the devolvement of budgets direct to the secondary schools. Huntingdon received £98k in 2008/09 but only £63k in 2010/11

- 8.4 The net outturn for the centre, however, shows the improvement made to date

	Net
2008/09	£384k
2009/10	£292k
2010/11 forecast	£250k

- 8.5 In summary, the target of £142k additional income was not reached. The new developments actually over-achieved, however, in raising £171k additional income but a decrease in school and swimming revenue reduced the total to £120k. A decrease in expenditure of £42k from the previous year (reductions of £36k on premises, £11k on operations and a 1.1% increase on salaries (from £776k to £785k) meant that net position continued to improve –as shown above. The forecast net spend for 2010/11 will continue this trend.

Contact Officer: Simon Bell, General Manager, One Leisure
☎ 01480 388049

This page is intentionally left blank

OVERVIEW & SCRUTINY (ECONOMIC 14TH OCTOBER 2010 WELL-BEING)

LEISURE CENTRES HOSPITALITY PERFORMANCE AND FUTURE PLANS (Report by General Manager, One Leisure)

1. BACKGROUND

1.1 A report on Burgess Hall performance was presented to Overview & Scrutiny in June 2010 and further information regarding the overall performance of the hospitality section was subsequently requested, along with further developmental plans.

2. CURRENT PERFORMANCE

2.1 In the case of One Leisure, "hospitality" constitutes the bars and catering performance. The canvass upon which our hospitality provision is presented has changed over the years and we aspire to keep abreast of changing tastes and habits.

2.2 The biggest single change has seen a decrease in beer sales. We have recognised this shift and have made significant progress in changing the way we cater for the general public.

2.3 The catering mix, in 2008/09 offered the Sportman's Bar (St Ivo Outdoor), St Ives Indoor Sports Bar, the Burgess Bar and bars at St Neots and Huntingdon. In the following year Huntingdon added Caffé Zest whilst St Neots was closed for the most part during the course of its major re-development (re-opened 2010). Caffé Zest at Huntingdon was an additional outlet to enhance the attraction of the new Leo's Fun Zone, a soft play area to younger children, and targeted these children and their parents with an array of drinks and snacks. The bar remained open at this site.

2.4 Income/expenditure over all sites over the period 2008-2010 (current – 31/7/10) is as follows:

£K		Expenditure			Income				Net +/-
		Staff	Supplies	Total	Bar	Catering	Vending	Total	+/-
St Neots	08/09	62	43	105	28	38	4	70	-35
	09/10	23	21	44	8	11	1	20	-24
	10/11 (4 months)	24	17	41	7	23	2	32	-9
Huntingdon	08/09	90	81	171	42	67	7	116	-54
	09/10	98	68	166	41	77	8	126	-40
	10/11 (4 months)	33	16	49	12	27	2	41	-8

		Expenditure			Income			Net +/-	
£K		Staff	Supplies	Total	Bar	Catering	Vending	Total	+/-
Burgess Bar	08/09	36	74	110	141	33	0	174	+64
	09/10	31	67	98	141	30	0	173	+75
	10/11 (4 months)	10	16	26	47	5	1	53	+27

Sports Bar	08/09	71	83	154	50	51	34	135	-19
	09/10	66	84	150	37	48	47	132	-18
	10/11 (4 months)	23	23	46	12	13	16	41	-5
Outdoor Centre	08/09	24	45	69	63	16	9	88	+19
	09/10	21	42	63	62	12	8	82	+19
	10/11 (4 months)	8	16	24	25	6	3	34	+10
Total All	08/09	283	326	609	324	205	54	583	-26
	09/10	239	281	520	289	178	64	532	+12
	10/11 (4 months)	98	88	186	103	74	24	201	+15
	10/11 projected full year	294	264	558	309	222	72	603	+45

- 2.5 A loss overall in 2008/09 of £26k became a small profit (£12k) in 2009/10 which had become a £15k profit for the first 1/3rd of 2010/11. Expectations are that this growth will continue for the remainder of the year, particularly when the new St Neots re-opens and a £45k profit is expected, a £71k increase in 2 years. It is also recognised that this can be improved and deficiencies in the current set-up are being addressed.
- 2.6 At One Leisure, Huntingdon there is an issue over the simultaneous staffing of two separate outlets, the bar and Caffé Zest. As a result, the bar hours have recently been reduced from 10am–10pm to 11am–2pm and 6.30pm–9.30pm (Caffé Zest remains open 9am–5pm) and a reduction in staff costs will be accrued. At St Ivo Outdoor Centre plans are in motion to close the building to public (schools excepted) from October which will also reduce staff costs.
- 2.7 The future of St Ives Sports Bar has centred around development plans for the Centre as a whole. Whilst these plans are still in their infancy there is an underlying intention to create a Caffé Zest style area adjacent to the main (re-modelled) reception and rid the centre of its out-dated existing provision.

3. MONITORING

- 3.1 The performance of the hospitality section of the centre's is under constant review under the leadership of the St Ives Centre Manager

and Hospitality Co-ordinator. A pro-active approach to streamlining the operation has been taken with a consistent pricing and supplies policy, reduction in opening hours where necessary, and a revision of menu options. An obstacle yet to be successfully negotiated is that of hourly pay for variable hours staff which, at more than £7 per hour, is more than any local competitors..

- 3.2 On a monthly basis, all centre's hospitality income, expenditure and profitability is carefully monitored and action taken or recommended to address any perceived issues.

4. STAFFING

4.1 St Ives has a Bars and Catering Manager who covers all aspects of the 3 bars, co-ordination of any catering or bar requirements for any event or function including numerous weddings. As the senior Bars and Catering Manager in the District, the post-holder also provides leadership and support to the other two outlets and co-ordinates pricing, purchasing, training and stock management. All staff beneath Bars and Catering Manager are on casual, variable hours.

4.2 Elsewhere, Huntingdon has a Hospitality Manager and a Hospitality Supervisor with a collection of casual, variable staff. St Neots does not have a Hospitality Manager but has a Supervisor with a casual, variable team. The position of Hospitality Manager at One Leisure, Huntingdon is currently under review.

5. PERFORMANCE

5.1 Hospitality income did decrease in 2009/10 by £51k on previous year. A disrupted sports programme at St Ivo Outdoor Centre due to adverse weather, and the closure of St Neots were major factors. However, expenditure dropped by £89k in the same period with reduced staff and supply expenditure.

5.2 Related to the income/expense details for hospitality, it should be noted that income for St Ives functions, both centre run and privately booked, rose from £209k in 2008/09 to £230k in 2009/10, an increase of 10% with a proliferation of conferences, seminars and meetings taking place on site albeit with a decrease in larger company events particularly over the Christmas period.

6. SUMMARY

6.1 The performance of the hospitality section of One Leisure has improved greatly over the past 18 months from a £26k loss in 2008/09 to a potential £45k profit in 2010/11. This signifies a major step forward and there are further improvements in place to improve the position.

- Continued reduction of hours
- Streamlining of staff structure
- Reduction in casual hourly rate
- Amendments to menus and bar produce
- Redevelopment of St Ives Sports Bar towards branded Caffe Zest environment
- Scope to close bar at Huntingdon

It is recognised that further success in the longer term is very much dependent on the public acceptance of the new developments. Caffe Zest at St Neots is set to make a significant difference to performance but future results are sensitive to the success of the new format. With the extension to facilities at St Neots due to be completed at the end of September, there is high expectation that profit will continue to increase in the foreseeable future

Contact Officer: Simon Bell, General Manager, One Leisure
☎ 01480 388049

Panel Date	Decision	Action	Response	Date For Future Action
15/07/10	<p><u>Grant Aid</u></p> <p>Annual Report on organisations supported by grants through Service Level Agreements received by Panel.</p>		Next report due July 2011.	07/11
13/05/09	<p><u>Customer Services Monitoring Report</u></p> <p>This item was transferred over from the former Overview and Scrutiny Panel (Service Delivery). Quarterly performance reports to be circulated informally to the Panel twice per year and formally twice per year.</p>	Report to be included on Panel Agenda in July and January.	Next report due January 2011	13/01/11
13/05/09	<p><u>Licensing Act – Impact On Night-time Economy</u></p> <p>This item was transferred over from the former Overview and Scrutiny Panel (Service Support).</p> <p>Agreed to re-visit the study towards the end of the year to review progress made towards achievement of the countywide action plan, the night watch project and the availability of statistics from Hinchingsbrooke Hospital on alcohol related accidents and emergency treatment.</p>		<p>Report received at February 2010 meeting, Panel requested further information on the rate of alcohol specific hospital admissions for the under 18s and qualitative data on alcohol consumption in rural areas.</p> <p>Following publication of article in Hunts Post regarding the cost of drink relate treatment at Hinchingsbrooke Hospital, Scrutiny & Review Manager undertook to liaise with County Council colleagues to ascertain what work was being undertaken by the County Council's Health Scrutiny Committee. Nothing in the programme at present however the work programmes for other scrutiny panels are currently being reviewed.</p>	TBC

Panel Date	Decision	Action	Response	Date For Future Action
19/05/10	<u>Corporate Plan Working Group</u> Councillors J Ablewhite and GSE Thorpe have been appointed to the Corporate Plan Working Group.	Quarterly performance reports to be submitted to all Overview and Scrutiny Panels.	Next Report due December 2011	09/12/10
12/11/09	<u>Local Government Act 2000 – Forward Plan</u> Covert Surveillance Policy review	Received Presentation by Council's Solicitor and Fraud Manager on the operation of current policy (April 2010)	Policy to be reviewed in due course. Await return on Forward Plan.	TBC
09/09/10	Asset Management Plan – Annual Report		Report to be submitted to December meeting.	09/12/10
10/6/10	<u>Visitor Development & Town Centre Vibrancy</u> Received a presentation by the Head of People, Performance & Partnerships and the Sustainable Economic Development Manager. Requested a further report outlining the cost of the service and the benefits it brings to both the Council and the District.		Report to be submitted to future meeting.	TBC

Panel Date	Decision	Action	Response	Date For Future Action
<p>10/6/10</p> <p>09/09/10</p>	<p><u>Performance Management</u></p> <p>Requested further information on the seven bids in the current year which had not been successful in attracting external funding to establish whether there were any common reasons why bids had failed.</p> <p>Requested a further report on the financial performance and future plans of the Leisure Centres Hospitality Service.</p> <p>Requested a future report on the overall financial performance of the Leisure Centres and their employment structure.</p> <p>Suggested that the above reports include details of any returns on the capital investment which had been made at Leisure Centres in previous years.</p> <p>Endorsed a number of recommendations for submission to the Cabinet which were designed to enhance the Council's approach to its strategic budget planning and performance management.</p> <p>Endorsed a recommendation for submission to the Cabinet to reduce the amount the Council spends on employing external consultants by £1.5m in the current financial year.</p>		<p>Information requested from People, Performance and Partnerships division.</p> <p>Item appears elsewhere on the agenda.</p> <p>Item appears elsewhere on the agenda.</p> <p>Information included in report elsewhere on the agenda.</p> <p>Report submitted to Cabinet meeting on 16th September 2010. To be resubmitted on 21st October 2010.</p> <p>Following question at the Council meeting, the report is to be re-considered at Cabinet meeting on 21st October 2010.</p>	<p>14/10/10</p> <p>14/10/10</p> <p>14/10/10</p>
<p>15/0710</p>	<p><u>Scrutiny of Partnerships</u></p> <p>Agreed to consider the Economic Prosperity & Skills Performance Report at a future meeting.</p>			<p>11/11/10</p>

Panel Date	Decision	Action	Response	Date For Future Action
03/06/10	<p><u>Proposed Amendments to the Huntingdonshire District Council Budget 2010/11</u></p> <p>Requested a further report on public perception and the effectiveness of District Wide and on ways of reducing the cost of its production.</p> <p>Officers to investigate ways of altering the format of Council publications to reduce cost.</p>	<p>To be discussed at Document Centre Team Meeting.</p> <p>Work currently ongoing to standardise Council publications – further information to be provided.</p>	Report to be presented to a future meeting.	TBC
	<p><u>Workplan Studies</u></p> <ol style="list-style-type: none"> 1. The employees Performance Development Review process 2. Lessons learned from the headquarters and other accommodation project 		<p>Officers to undertake a full review over the next year. Outcome to be reported once this concluded.</p> <p>Item appears elsewhere on the agenda.</p>	<p>TBC</p> <p>14/10/10</p>

Panel Date	Decision	Action	Response	Date For Future Action
09/09/10	<p><u>Financial Forecast</u></p> <p>Requested more detailed information with regard to the Council's Statutory obligations and the number of employees undertaking wholly non-statutory functions.</p> <p>Agreed to emphasise to the Cabinet the need for a clear vision and strategic approach to any spending reductions / variations.</p> <p>Agreed to recommend to the Cabinet that they undertake a consultation at the earliest opportunity with town and parish councils on opportunities for the devolution of services / functions.</p> <p>Requested details of the Council's Asset Register.</p> <p>Consideration to be given to the need for an additional meeting to discuss the early formulation of any spending proposals.</p>		<p>Report submitted to Cabinet meeting on 16th September 2010.</p> <p>Report submitted to Cabinet meeting on 16th September 2010.</p> <p>Scrutiny & Review Manager to liaise with Chairman and Head of Financial Services on future meeting arrangements.</p>	

This page is intentionally left blank

OVERVIEW AND SCRUTINY PANELS
(SOCIAL WELL-BEING)
(ENVIRONMENTAL WELL-BEING)
(ECONOMIC WELL-BEING)

5TH OCTOBER 2010
12TH OCTOBER 2010
14TH OCTOBER 2010

WORK PLAN STUDIES
(Report by the Head of Democratic and Central Services)

1. INTRODUCTION

- 1.1 The purpose of this report is to allow Members of the Panel to review their programme of studies and to be informed of studies being undertaken by the other Overview and Scrutiny Panels.

2. STUDIES

- 2.1 The Council has a duty to improve the social, environmental and economic well-being of the District. This gives the Overview and Scrutiny Panels a wide remit to examine any issues that affect the District by conducting in-depth studies.
- 2.2 Studies are allocated according to the Council's service areas which have been identified as follows:-

Social Well-Being

Housing
Community
Leisure Centres
Operations (part)
Democratic and Central Services (part)
People, Performance and Partnerships (part)

Environmental Well-Being

Environmental and Technical Services
Planning Services
Environmental Health
Operations (part)

Economic Well-Being

Information Management
Finance
Customer Service and Call Centres
Revenues
Democratic and Central Services (part)
Law, Property and Governance
People, Performance and Partnerships (part)
HQ/Accommodation

- 2.3 Details of ongoing studies are set out in the attached Appendix.

2.4 Members are reminded that if they have a specific interest in any study area which is not being considered by their Panel there are opportunities for involvement in all the studies being undertaken.

3. RECOMMENDATION

3.1 The Panel is requested to note the progress of the studies selected.

BACKGROUND DOCUMENTS

Minutes and Reports from previous meetings of the Overview and Scrutiny Panels.

**Contact Officers: Miss H Ali, Democratic Services Officer
01480 388006**

**Mrs J Walker, Trainee Democratic Services Officer
01480 387049**

**Mrs C Bulman, Democratic Services Officer
01480 388234**

ONGOING STUDIES

STUDY	OBJECTIVES	PANEL	STATUS	TYPE
Car Parking at Hinchingsbrooke Hospital	To investigate the causes of public complaints regarding the provision of parking facilities at the Hospital.	Social Well-Being	Six month review of new pricing structure to be conducted with the Hospital in January / February.	Whole Panel Study
Visitor Development & Town Centre Vibrancy	To consider issues relating to Visitor Development & Town Centre Vibrancy.	Economic Well-Being	Further information requested on the cost of the tourism service and the benefits it brings to both the Council and to the District.	Whole Panel Study
Consultation Processes	To review the Council's current consultation processes.	Social Well-Being	Presentation delivered by Head of People, Performance & Partnerships in September. Further discussions to be held at Panel's October meeting.	Whole Panel Study
Health Implications of the Night Time Economy	To follow up the previous study undertaken by the former Overview and Scrutiny (Service Support)	Economic Well-Being	Further information requested with regards to the rate of alcohol-specific hospital admissions for under 18s and the availability of any available qualitative data on alcohol consumption in rural areas. Scrutiny & Review Manager to liaise with County Council.	Whole Panel Study
Gypsy & Traveller Welfare	To be determined.	Social Well-Being	Report requested for future meeting.	To be determined.

Planning Conservation	To consider & evaluate the role of the Council's Planning Conservation Team in the preservation of Huntingdonshire's built heritage with particular reference to conservation areas and listed buildings.	Environmental Well-Being	Working Group meetings held on 29 th July, 5 th August and 2 nd September 2010. The next meeting of the Working Group is scheduled to be held on 7 th October 2010.	Working Group.
Lessons learned from the Headquarters and other accommodation project.	To review the implementation of the project.	Economic Well-Being	Report to be presented Future Meeting.	To be determined.
Leisure Centre Hospitality Performance & Future Plans.	To review the service provided following the receipt of recent performance management information.	Economic Well-Being	Report to be presented to Future Meeting.	To be determined.
Leisure Centre Financial Performance and Employment Structure	To review the overall financial performance and monitoring arrangements To consider the current Employment Structure.	Economic Well-Being	Report to be presented to Future Meeting.	To be determined.
Tree Strategy	To form a strategy in conjunction with the Tree Officers for the retention and planting of trees.	Environmental Well-Being	Working Group meeting scheduled to be held on 3 rd November 2010.	Working Group.

POSSIBLE FUTURE STUDIES

The Employees Performance Development Review Process	To review the current process.	Economic Well-Being	Outcome of Officer Review to be reported to the Panel when this is concluded.	To be determined.
Land Use for Agricultural Purpose in the context of planning policies and its contribution to the local economy.	To review the lack of promotion and protection of land for this purpose.	Environmental Well-Being	Not being pursued as a study at the current time.	To be determined.
Rural Transport	To review the lack of transportation in rural areas.	Environmental Well-Being	Not being pursued as a study at the current time.	To be determined.
Road Adoption	To review the road adoption process.	Environmental Well-Being	The final report of the Adoption of Roads and Sewers Working Group (from September 2009) has been circulated to the Overview and Scrutiny (Environmental Well-Being) Panel for further consideration.	To be determined.

This page is intentionally left blank

Decision Digest

Edition 107

Monthly summary of the decisions taken at meetings of the Council, Cabinet, Overview & Scrutiny and other Panels for the period Monday, 9th August to Friday 1st October 2010.

HILL RISE PARK, ST IVES

Action taken to address nuisance caused by anti-social drivers late at night in Hill Rise Park, St Ives has been reported to the Overview and Scrutiny Panel (Social Well-Being). The matter was originally raised through a petition signed by local residents which was presented to the Panel at its February 2010 meeting. Members were encouraged to learn that a series of actions had resulted in a very low number of instances occurring in the intervening period. Officers have been asked to report these findings to the next St Ives Neighbourhood Forum meeting and to continue to monitor the situation over the next six months.

ENHANCED CLEANSING SERVICES – PROPOSALS FOR MARKET TOWNS

The Overview and Scrutiny Panel (Social Well-Being) have been updated on the latest position with regard to proposals for enhanced Sunday cleansing services in St Ives, Huntingdon, St Neots, Ramsey and Godmanchester. A cleansing service is now provided on Sundays in the four market towns covering the main shopping areas. As very few complaints have been received about the cleanliness of the towns, the Panel has concluded that there is no need to expand the current Sunday cleansing regime.

Taking into account the current financial position of the authority and anticipated

budget announcements, the Council will reconsider this subject again in the context of the whole cleansing service. The Panel has commented that they would not wish to see service reductions in the future as this would be detrimental to the vibrancy of the town centres and has received assurances that should a review of the cleansing service be undertaken, then appropriate discussions will be held with the Town Councils.

PROVISION OF PLAY FACILITIES IN HUNTINGDONSHIRE

The Overview and Scrutiny Panel (Social Well-Being) has received feedback from the Cabinet on the possibility of the Council investigating the feasibility of co-ordinating on behalf of parish councils a group insurance scheme and combined safety inspections. It was understood that for legal reasons it was not possible for the District Council to organise group insurance for third tier authorities. An analysis of the costs involved and potential savings that might be achieved also indicate that it would not be possible to make any significant reductions in costs to town or parish councils for safety inspections. Although the option of revisiting the study has been discussed, Members have requested details of what the Council spends on such facilities, together with details of where the funds have been allocated before proceeding further.

SINGLE EQUALITY SCHEME

Progress towards the achievement of the Corporate Equality Policy Action Plan has been reported to the Overview and Scrutiny Panel (Social Well-Being). Trends on residents' perceptions on the two outcomes and associated measures identified within the Policy have been discussed and Members were mindful that the data captured reflects individuals' perceptions of all local public services and not just those provided by the District Council.

The Panel was informed of the legislative background to the decision to introduce a Single Equality Scheme, which now brings together all equalities matters into a single framework. Following external assessment, the Council has attained Level 3 of the Equality Standard for Local Government. Other matters that were discussed included the completion of the outstanding Equality Impact Assessments, the impact of potential service reductions on the monitoring of equalities issues and employees attitudes towards equalities matters.

The Cabinet and the Employment Panel has noted progress made to date on the delivery of actions and targets set out in the Corporate Equality Action Plan and approved the content of the Single Equality Scheme. The scheme streamlines the Council's equality scheme and policy into one document.

STUDY: CONSULTATION PROCESSES

The Overview and Scrutiny Panel (Social Well-Being) has identified the Council's consultation processes as an area for investigation, with a view to determining whether the approach taken to consultation is consistent across the authority. The role of the Policy and Research Team in offering advice and guidance to internal service

departments on consultation and research methodologies was noted together with the terms of a Consultation and Engagement Strategy, consultation calendar and database.

The Panel has discussed a number of matters including the cost and role of Market Research UK in assisting the Council with its various consultations, the level of responses to postal surveys, the cost of different survey methods, how results are interpreted, the value of undertaking consultation exercises and public perceptions of the consultation process. The Panel will be pursuing this study as a full Panel investigation and have requested that further information be submitted to a future meeting.

PERFORMANCE MANAGEMENT

The Overview and Scrutiny Panels have reviewed the Council's performance against its priority objectives, which are contained in "Growing Success" – the Corporate Plan. Each of the Panels have endorsed the views of the Corporate Plan Working Group, particularly with regard to objectives where targets have not been achieved and have endorsed suggestions by the Working Group designed to enhance the Council's approach to its strategic budget planning and performance management.

The Panel for Social Well-Being has noted the response to several questions raised by the Corporate Plan Working Group on the number of users visiting Leisure Centres, exercise classes for older people and alternative types of affordable housing.

Responses to questions raised with regards to Leisure Centres hospitality income and internal promotions have been provided to the Panel for

Economic-Well-Being, together with an update on progress being made in respect of the submission of a bid for a Greater Cambridge-Greater Peterborough Local Enterprise Partnership. The Panel has asked for further information as to the returns which had been made on capital investment at the Leisure Centres to be provided at a future meeting.

The Economic Well-Being Panel has also discussed the deliberations of the Corporate Plan Working Group on the Council's use of external consultants and has recommended that the amount the Council spends on employing external consultants should be reduced by £1.5m in the current financial year.

The Environmental Well-Being Panel has requested clarification as to the definition of 'Songbird funding' which has reportedly been downgraded which will result in the re-assessment of broad band projects (to complement BT roll out).

In response to questions raised by the Corporate Plan Working Group, the Panel has been informed that because of the complex nature of the retail and development aspects of certain forthcoming planning applications, it will be necessary, in order to determine these applications and suitably protect community interests, to retain both specialist retail and legal advice. While the costs of retaining that advice will be partially off-set by the planning fee income received, it is likely that some additional costs will be incurred by the Council. However the significant, wider benefits of delivering an enhanced retail opportunities within Huntingdon and facilitating the long-sought after redevelopment of parts of the town centre are considered to justify any additional cost involved.

With regard to the failure to meet the target for the number of energy

efficiency and renewable energy measures carried out as a result of District Council schemes and promotions, the Head of Environmental Management has explained that this was due to an unavoidable delay in appointing contractors for the Cosy Homes Insulation Scheme.

These conclusions have subsequently been referred to the Cabinet who have agreed to consider the Panel's recommendations over the coming months as and when decisions are made on the Budget for 2011/12 onwards and changes to the Corporate Plan, Community Strategy and system of performance management.

CAMBRIDGESHIRE ADULT WELL-BEING AND HEALTH SCRUTINY COMMITTEE

The Overview and Scrutiny Panel (Social Well-Being) has received updates on matters currently being considered by the Cambridgeshire Adult Well-Being and Health Scrutiny Committee, which include Addenbrooke's Hospital nursing staff, the future closure of day services for older people, proposed changes to dermatology services and the Scrutiny Annual Report for 2009/10.

FINANCIAL FORECAST

In conjunction with the Cabinet, the Economic-Wellbeing Panel has been acquainted with the present position in relation to the Council's financial forecast for the period to 2018/19. To assist them in their deliberations, all Members of the Council were invited to attend and take part in the discussions.

Members have been informed of potential variations in a number of sources of income and other factors that could affect the Council's financial position. The Panel has acknowledged

the uncertainty surrounding the current forecast and a number of assumptions which will be clarified over the next few months.

The Panel has acknowledged the severity of the situation facing the Council and the problems created by current economic and political conditions, together with the likely deficit for the year, falling revenue reserves, the emerging prospects for lower government funding and government plans to replace Council Tax capping from 2012/13. Members have also acknowledged that the total shortfall is likely to rise to over £8 million per annum in four years time. As a result, the Panel has recognised that radical decisions will need to be taken by the Council which are likely to affect most services in some way.

Attention having been drawn to the potential for changes in the level of Government grant the Council will receive in the next few years, the Panel has been advised that the forecast has been based on a cash reduction of 25% in grant over 5 years but this could increase to 40% and, importantly, does not include inflation. It is envisaged that the authority will be afforded an element of protection as any reductions should not be greater than the average for similar authorities. Having examined the options and the constraints that are likely to exist in relation to the level of Council Tax, it has been suggested that should proposals which are developed require a referendum, this should not be undertaken in conjunction with the County Council, whose proportion of the Council Tax represents a much larger element of local taxation.

The Panel's attention has been drawn to the recent budget consultation exercise, which has generated almost 2000 responses and will be used to gauge public views on changes in services and what local priorities are.

Members have suggested that they would like to see the responses analysed by source as this could affect the overall findings.

On the subject of the Council's financial planning process, Members have discussed whether the Council should take steps in preparation for the anticipated reduction in Government grant, which is expected to be announced on 22nd October 2010. Some Members are of the opinion that the Council should start to make plans at the earliest opportunity for likely budgetary reductions, while others think that decisions can only be made once the level of grant and the situation with regard to potential changes in the Council's responsibilities are known.

Comment has been made on the possible devolution of services to towns, parishes or localities. With the recent decision on public conveniences in mind, the Panel has recommended that if these organisations are to be invited to take on board other additional responsibilities, consultation should be undertaken with them at the earliest opportunity to enable them to incorporate the need for any additional funding into their budget setting processes. The Panel has further suggested that the District Council might engage with towns and parishes about opportunities for other budgetary savings.

The Panel has discussed the extent to which the Council is statutorily required to provide services. Members have suggested that it is not possible to make recommendations on possible changes in service levels and functions without sufficient knowledge of the Council's statutory responsibilities and the non statutory services it provides. Whilst the Panel has acknowledged the inherent difficulties in producing such information, the Panel has asked for details to be circulated, together with an

indication of the number of employees who are currently employed to undertake wholly non statutory functions.

Having noted that the Council's basic statutory functions are limited, the view has been expressed that the Council's priorities should be taken into account when planning reductions in services. Comment has also been made that the Council provides some services which were not classified as statutory under UK Parliamentary Law but nevertheless are subject to other influences arising from, for example, European Union Legislation, such as recycling targets. At the same time consideration should be given to facilities which are provided on a joint or shared basis and the contractual arrangements and obligations which exist. It will also be necessary to consider the effect of any changes to services and functions on the Council's reputation.

The Panel has strongly recommended that the Council should adopt a strategic approach to planning changes to its services. Members have suggested that the current challenges might provide an opportunity to refocus the Council through an overarching vision. The Strategy should demonstrate what the Council will do in future and how it will get there. Similar concerns have been voiced at a recent meeting of the Corporate Plan Working Group who had suggested that a clear vision of Council services is required in advance of any organisational changes. The Council will need to know what it is seeking to achieve and which positions it will need to retain to do so before it proceeds with implementing the Voluntary Redundancy scheme.

With regard to the need to make savings, a Member has suggested that a business approach should be adopted and Heads of Service invited to identify ways in which savings might

be made as part of an action plan. In addition, a flexible approach should be taken towards the salary differentials between levels in the Council's organisational structure and, generally, the salary assigned to posts should be reduced as employees leave.

The Panel will be formally invited to consider proposals for variations in the budget in due course, Members have emphasised the need to develop a clear plan outlining possible proposals for reductions and to involve all Members of the Council in these discussions at an early stage. It will not be possible to make any decisions before the results of the public consultation has been considered but it is intended to hold initial discussions with Members prior to the formal discussion of proposals for changes at the meeting of the Overview and Scrutiny Panel (Economic Well-Being) in November 2010. The Panel is of the opinion that Overview and Scrutiny has an important role in the development of the financial plan and an additional meeting will be convened for Members to undertake the necessary preparatory work to enable them to fulfil this role.

As part of their deliberations a number of suggestions for possible savings have been made by individual Panel members and other members of the Council in attendance. A list of the suggestions has been submitted to the Cabinet for consideration. The suggestions include the need for a comprehensive approach to reviewing all services that could potentially be delivered through collaborative working, a review of the Council's Management Structure, the introduction of Zero based budgeting from a statutory perspective over 5 years and a review of services in comparison with other authorities.

Having recognised the significant financial challenges which face the

authority in future years, the Panel have emphasised the need to highlight the challenges which need to be addressed over the coming months to all Members of the Council.

The Panel has endorsed the recommendations with regard to the annuity basis for the calculation of Minimum Revenue Provision for submission to the Cabinet.

Subsequently, the Cabinet has acknowledged the need to produce detailed objectives, consult with Towns and Parish Councils and other organisations at the earliest opportunity and to involve the Overview and Scrutiny and Members generally in the process. With this in mind, the report was recommended to Council.

FORMAT OF THE COUNCIL'S EXECUTIVE – THE CHOICE OF EXECUTIVE LEADER OR ELECTED MAYOR

The Local Government and Public Involvement in Health Act 2007 has introduced significant changes to the Leader and Cabinet system and has narrowed the choice of executive arrangements open to local authorities to –

- An elected Mayor and Cabinet appointed by him; or
- An Elected Leader appointed by the Council from its membership and a Cabinet appointed by the Leader.

These executive arrangements have been the subject of a public consultation exercise, which indicated a clear preference for an Executive Leader. The Cabinet has recommended to Council that the proposals for a change in governance arrangements to an Executive Leader and Cabinet Executive be approved.

The Corporate Governance Panel has also endorsed these recommendations.

DEMOCRATIC STRUCTURE WORKING GROUP

The Cabinet has been acquainted with the findings of a review by the Democratic Structure Group on the membership of the Employment Panel and a proposal to introduce the title of Honorary Aldermen and Alderwomen to past members of the members of the Council and Honorary Freemen and Freewomen to local citizens.

The Cabinet has acknowledged that the present arrangements for the Employment Panel and ELAG are cumbersome and offer little opportunity for constructed dialogue. In that respect they have concurred with the Group that they would benefit from a change in scheduling to introduce a period of 4 weeks between the meetings.

Whilst discussing the introduction of honorary titles, the Cabinet has recognised the benefits of such awards and saw no reason why they should not be introduced.

These views have been forwarded to the Corporate Governance Panel who have also endorsed the recommendations of the Democratic Structure Review Working Group for submission to the Council.

THE REVOCATION OF THE REGIONAL SPATIAL STRATEGY – IMPLICATIONS FOR THE HUNTINGDONSHIRE CORE STRATEGY 2009 AND THE JOINT CAMBRIDGESHIRE APPROACH

On 6th July 2010, the Secretary of State for Communities and Local Government announced that Regional Strategies would be revoked with immediate effect. The statement was accompanied

by new planning guidance clarifying the status of adopted Local Development Documents. The guidance strongly advocates that planning authorities should continue to prepare and bring forward appropriate development plan documents (DPDs) and confirms that adopted DPDs will continue to provide the statutory planning framework. In discussing these documents, the Cabinet has noted that the adopted Huntingdonshire Core Strategy 2009 will remain as the Council's primary planning policy document.

Have been made aware of the work undertaken to review the current strategic policy position for Cambridgeshire the Cabinet has endorsed a joint statement made by the Cambridgeshire Authorities which sets out their current position and the effects of the recession on the delivery of key development sites.

Having considered the same issue, the Overview and Scrutiny Panel (Environmental Well-Being) was encouraged to note that the District Council is one of a minority of local planning authorities in the region that has an adopted Core Strategy which sets out a positive and robust framework to deliver sustainable development. The Panel is pleased that the ambitious targets for development in Huntingdonshire mooted by the defunct East of England Regional Assembly for the review of the East of England Plan to 2031 have now been abandoned. However Members have noted that, with guidance from the Secretary of State calling for local planning authorities to identify a fifteen years supply of land for housing, the Core Strategy which extends until 2026 may soon need to be re-visited.

Issues that remain a concern to Members are the need for employment provision to cater for the housing growth and infrastructure improvements

in advance of development taking place. The Panel has welcomed the apparent change in direction over the provision of gypsy and traveller sites which will enable the District Council to assess its own need for additional pitches as opposed to this being determined regionally. Having been informed that further guidance is awaited before progressing with the gypsy and traveller site DPD, the Panel has suggested that the Cabinet should make a public announcement on the present situation having regard to the magnitude of the public response to the recent SHLAA exercise on the identification of potential sites.

COUNCILLOR CALL FOR ACTION

Councillor J W Davies has addressed the Overview and Scrutiny (Environmental Well-Being) Panel on his concerns over the scale and timing of the felling of a large number of trees on the former St. Ives Golf Course and along Houghton Road, St. Ives in advance of the residential development which is to take place on the site. He also drew attention to instances elsewhere where developers have felled trees in advance of obtaining permission.

Having regard to development at St. Ives Golf Course, the Panel has been advised that it was made clear before permission was granted for development at this site that a significant number of trees would be lost, although they should not have been felled in the nesting season. The Head of Planning Services has confirmed that no trees have been removed from the site without prior permission and that re-planting will be required under the planning permission, with other trees protected by conditions attached to the permission. The Panel has accepted that unauthorised works to trees is an issue within Huntingdonshire which is exacerbated

by the smallness of the Team in the Planning Division. The Panel has suggested that a strategy for the retention and planting of trees would be of assistance in raising the profile of this issue and encouraging good practice and public awareness. Having been advised that work on such a strategy had commenced and that Member involvement would be welcome, Councillors Banerjee, Davies and Godfrey have agreed to form a working group to work with the Tree Officers for this purpose.

CARBON MANAGEMENT UPDATE

The Overview and Scrutiny (Environmental Well-Being) Panel has considered a report providing an update on progress against the targets set in the Carbon Management Plan. The Panel has been pleased to note that the District Council is on course to meet the 10:10 Campaign objectives with an 11% reduction in carbon emissions and a 9% reduction in energy costs being achieved over the past year. Although Members have agreed that the progress made against targets in the Carbon Management Plan is encouraging, the Panel has questioned the energy efficiency of Pathfinder House. The Panel has been advised that the Environmental Management Team are assuming responsibility for the management of the premises and a report on the performance of the building is due to be considered by the Overview and Scrutiny (Economic Well-Being) Panel in October.

With regard to the Greenhouse Project, the Panel has been advised that a provisional launch day for the opening of the properties has been set for 29th October 2010 which coincides with National Energy Saving Week. A visit to the properties for members of the Overview and Scrutiny (Environmental Well-Being) Panel will be arranged in due course.

VALUE FOR MONEY CONCLUSION 2009 / 10

The Corporate Governance Panel has considered the results of the Council's Value for Money (VFM) conclusion, which had been undertaken by Grant Thornton LLP, the Council's External Auditors.

Having been acquainted with the key findings and actions required by the Council, the Panel has agreed to adopt an associated action plan which is intended to assist the Council in improving its performance in key areas of its activity.

ANNUAL REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL AUDIT

The outcome of a review of the effectiveness of the system of internal audit has been received by the Corporate Governance Panel which is a requirement of the Accounts and Audit Regulations 2003. To support the four key elements of the review, details of the current risk assessment matrix and the Annual Internal Audit Report have also been provided, together the opinion of the Internal Audit Manager on the overall adequacy and effectiveness of the Council's internal control and governance processes.

The Panel has agreed to take this information into account as part of their deliberations on the Corporate Governance Statement.

GOVERNANCE STATEMENT

The Corporate Governance Panel has approved the Council's Governance Statement which summarises the corporate governance work carried out in 2009/10 and identified matters to be addressed during 2010/11. The Statement has been produced following

the annual review of the Council's Governance arrangements and is an essential element in assuring proper governance practice in the conduct of the Council's business, in safeguarding the use of resources and in engendering confidence in the accountability and integrity of the Council.

APPROVAL FOR PUBLICATION OF THE 2009/10 ACCOUNTS

The Corporate Governance Panel has approved the Council's audited accounts for 2009/10 for publication and the Panel has noted the report of the External Auditor and associated action plan which highlights the key issues arising from the Council financial statements for the year ending 31 March 2010.

As part of this requirement, the Panel has also endorsed the Council's Letter of Representation for submission to the external auditor which sets out the actions taken by the Council to ensure its financial records are accurate.

COUNCIL TAX COMPLAINT: AWARD OF COMPENSATION

The Corporate Governance Panel has been advised of the details of a complaint against the Council by a member of the public and the terms of a compensatory payment approved as a consequence thereof.

STANDARDS FOR ENGLAND - THE FUTURE

The Standards Committee has noted the Government's intention to abolish the Standards Board regime. Indications suggest that the Decentralisation and Localism Bill, to be published at the end of October, will provide for the abolition of not just Standards for England, but of the Code of Conduct for Members and of the

Standards Committee. However, in all likelihood, the draft Bill might not be enacted before Summer 2011 which will mean the Council will retain the duty to continue the ethical standards regime until early 2012.

APPOINTMENT OF PARISH COUNCIL REPRESENTATIVES

Having considered the proposed methodology for appointment to the vacant post of Parish Council representative on the Standards Committee, Members have agreed to approach town and parish councils directly to invite expressions of interest in the post by 20th September. The Chairman, Vice-Chairman, Monitoring Officer and an existing parish council representative will make the final selection.

ANNUAL REPORT 2009/10

The Standards Committee has approved for publication its Annual Report for 2009/10 which will be produced and circulated in a cost effective way using the District Council's website, email and District Wide magazine.

WEBSITE DEVELOPMENT

Work to enhance the standards and conduct pages on the District Council's website has been undertaken. FAQs on the Code of Conduct have been published and the web team are currently engaged in creating an online form to allow for code of conduct complaints to be completed and submitted online.

APPLICATIONS FOR DISPENSATION

The Standards Committee has approved two applications for dispensation from Great and Little Gidding and Southoe and Midloe Parish Councils to allow Members from those

Councils to speak and vote on community matters which have arisen in their parishes, in which they have a personal and prejudicial interest.

TRAINING UPDATE

Although approving a training programme which was to be offered to Parish Councils in the autumn, the Standards Committee has decided to defer undertaking the sessions given the uncertainty over the future of the Standards regime and to reconsider the position at their next meeting in December.

DEVELOPMENT MANAGEMENT PROGRESS REPORT - 1ST APRIL- 30TH JUNE 2010

In its review of the activities of Development Management Services during the quarter, the Development Management Panel has drawn attention to an apparent disparity between an increase in the applications received against a reduction in fee income. The Panel has noted that this position was due largely to the receipt of minor applications or those which do not generate high fee income. It was the expectation that several major applications would be registered in the autumn and that this pattern should not continue.

POLICY REVIEW: REDUNDANCY SCHEME AND VOLUNTARY RELEASE SCHEME

The Employment Panel has adopted the terms of a revised Redundancy Policy and Voluntary Release Scheme subject to minor amendments. Both have been subject to consultation with all staff and Employee Side Representatives. The Panel has discussed the appeals process for both elements of the scheme and the proposed schedule of events for the Voluntary Release Scheme. The latter

will be rolled out in two phases to all eligible staff from 28th September 2010 to 12th January 2011 inclusive which will be supported through a comprehensive communications plan to ensure that communication is maintained at all times with employees.

It is also the intention to extend the remit of the Appointments Panel to include the dismissal of employees in accordance with Officer Employment Procedure Rules. The Panel has authorised Officers to amend the Grievance Policy to include the Chief Executive and Chief Officers and requested Chief Officers and the Chief Executive respectively to instigate any Directorate or cross-Directorate restructuring as a result of the take-up of the Voluntary Release Scheme or application of the Redundancy Policy.

STRESS MANAGEMENT POLICY

The Employment Panel has considered the content of a revised Stress Management Policy which was updated to take into account guidance issued by the Health and Safety Executive together with a number of changes made to organisational procedures since the Policy was initially adopted in 2003. Subject to amendment to the employee and manager self assessment forms contained within the stress management toolkit to include questions relating to an employee's personal circumstances, the Policy was endorsed by the Panel.

REQUESTS TO FILL VACANT POSTS

The Employment the Panel has authorised the Head of People, Performance and Partnerships to recruit to the post of Building Control Officer. Justification why it was necessary to recruit to the post has been received.