

## 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 December 2010.

- PRESENT: Councillor J D Ablewhite – Chairman.
- Councillors J T Bell, E R Butler, S Greenall, N J Guyatt, M F Shellens, G S E Thorpe and D M Tysoe.
- Mr R Hall and Mrs H Roberts
- APOLOGY: An apology for absence from the meeting was submitted on behalf of Councillor Mrs J A Dew.
- IN ATTENDANCE: Councillor D B Dew.

### **59. MINUTES**

The Minutes of the meeting of the Panel held on 11<sup>th</sup> November 2010 were approved as a correct record and signed by the Chairman.

### **60. MEMBERS' INTERESTS**

No interests were declared.

### **61. 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 1<sup>st</sup> December 2010 to 31<sup>st</sup> March 2011.

### **62. CABINET FEEDBACK - DRAFT BUDGET 2011/12 AND MTP 2012/16**

The Panel received and noted a report from the Cabinet (a copy of which is appended in the Minute Book) on its response to the Panel's comments on the draft Budget 2011/2012 and the Medium Term Plan 2012/2016. In response to a question about the Council's financial position, the Head of Financial Services explained that subject to any significant changes following consultation, the new reward grant for housing development was expected to have a beneficial effect on the Council and could help to reduce the level of savings that would be required as part of the second phase of the deficit reduction plans next year. An announcement on the Revenue Support Grant was expected the following week.

With regard to the CCTV Service, the Panel requested information on the options that were currently being investigated for the service and

which partners were involved. The Scrutiny and Review Manager reported that the Social Well-Being Panel would be considering this matter at their meeting in January 2011 and it was likely that they would pose similar questions as part of their study. The Chairman suggested that the CCTV budget should be incorporated into the Social Well-Being Panel's investigations.

Councillor N J Guyatt commented on the absence of a response to his proposal that the Council should investigate placing the Leisure Centres into a trust.

The Panel were advised that a further report on the budget would be presented to their February meeting at which point the Government's decision on the Council's Revenue Support Grant and the availability of other sources of funding would be known as would the outcome of the deliberations of Executive Councillors.

### **63. THE COUNCIL'S USE OF CONSULTANTS**

*(Councillor D B Dew, Executive Councillor for Planning Strategy & Transportation was in attendance for this item).*

The Chairman welcomed Councillor D B Dew, Executive Councillor for Planning Strategy and Transportation and Mr S Ingram, Head of Planning Services, who had been invited to the meeting to discuss the use of consultants by Planning Services.

By way of introduction, Councillor Dew informed the Panel that in recognition of the Division's significant expenditure on consultants and likely changes to future funding arrangements, a discussion paper had been prepared earlier in the year for consideration at a meeting of Executive Councillors, the Chief Executive and Directors. Councillor Dew explained that the District Council, in its role as the Local Planning Authority, had statutory duties imposed upon it to prepare a Development Plan for the District and to deal with all planning proposals, all types of applications, other forms of proposals and all related appeals or other challenges against the decisions of the Council. Because of the wide range of the potential work areas involved and the inherent complexity of many of the areas, those working in Planning required particular expertise. It was an area where the applicable legislation required decisions to be supported by sound evidence and they could be subject to challenge via appeal or other channels. It was for these reasons that the service needed to make appropriate use of various, targeted consultancy inputs.

Attention was then drawn to the work which was undertaken by expert consultants on behalf of the Planning Services Division. Members were informed that consultants were used primarily to provide the Council with the information needed to underpin its strategic plans, to assess and determine planning proposals and to argue the Council's case at appeals. The range of work undertaken extended to those areas in which the Council did not have the necessary 'in-house' experience or expertise and included:-

- the production of an extensive range of evidence required to support the production of Development Plan documents;
- the undertaking of Environmental Impact Assessment Audits;

- independent and expert scrutiny of planning application information; and
- helping to sustain and uphold the Council's position in respect of planning and other appeals.

Councillor Dew explained that the Planning Services base budget contained limited provision of £203,000 for the retention of consultants. In addition, it was an established principle that planning fees received in respect of a large and complex application could be used to help meet the costs associated with determining that particular proposal. Although the 2009/10 figures for expenditure indicated that Planning Services had spent £710,000 on consultants, the success of the Council in bidding for monies from Cambridgeshire Horizons and similar bodies meant that only £235,000 of consultancy costs were directly funded from the base budget.

The Panel were advised of the process through which consultants were employed by the Planning Division and noted that such employment only occurred when it was considered that their use would be advantageous to the Council's position. Legal assistance was typically based on long standing and well established working relationships with Chambers. All consultancy inputs were appropriately managed within the applicable case or project management frameworks by relevant Officers and colleagues in Law, Property and Governance. During consideration of alternative options to the use of consultants, the risks associated with all cases were assessed and the necessity for targeted consultancy inputs determined. An input from an external consultant was only sought when it was considered that it would address a deficit in the experience and skills base of the Division.

By way of conclusion, Councillor Dew re-iterated that the Council was committed to dealing with planning and development matters in a professional way. The processes involved would continue to require appropriate targeted consultancy inputs; however, it was recognised that the availability of previously exploited external funding sources would be reduced and a consequential reduction was expected in the overall amount that was spent on consultants. Planning Services would continue to scrutinise all its proposed consultancy spending in order to ensure that it represented the most appropriate and expedient way of proceeding.

To support the presentation by the Executive Councillor, the Head of Planning Services explained that the work undertaken by the Planning Services Division was by its nature cyclical and a key issue for the Division was to ensure that requirements to complete strategic work were anticipated and planned for. He referred to the preparation of the Core Strategy which had generated significant costs because of the requirement for it to incorporate specific evidence bases from experts in the field. He also reminded Members that the implications and requirements for Local Authorities of the Localism Bill were not yet known.

Having thanked the Executive Councillor for the information he had provided, Members discussed the classification of expenditure within financial reports. It was suggested that some of the expenditure on

consultants might be better classified as legal services and a request was made for a further breakdown of the types of employment the budgets covered.

In response to a question about the procedures in place for authorizing the use of consultants and monitoring their performance and associated expenditure, the Head of Planning Services informed Members that the employment of any consultant needed to be approved by the Planning Management Group. The Group were aware of the requirements of the service and the skills of the relevant teams. The Panel also noted that best practice procedures, professional judgements and project management techniques were used when consultants were employed. The Head of Planning Services explained that the outcome of an appeal case was not measured simply on whether it was won or lost. Success could also be gauged by the award of costs. The Panel noted that it was rare for the costs of a planning appeal to be awarded against the Council.

The Panel discussed the likely reduction in the availability of external funding to employ planning consultants, the way in which the shortfall might be met in future years and whether the criteria for planning appeals would need to be modified in light of the availability of funding. The Executive Councillor explained that the intentions of the Coalition Government with regard to funding for the current planning cycle were not yet known and that the Council would be required to make value judgements on future appeal cases. Members were also advised that the Executive Councillor met regularly with Planning Officers and that emerging issues would be brought to Members' attention. A report detailing the outcome of recent appeal decisions was submitted to the Development Management Panel on a monthly basis.

The Panel discussed the potential scope for sharing expert consultancy services with other authorities. The Head of Planning Services expressed the view that, in the past, use had been made of the same counsel as South Cambridgeshire District Council because he was already familiar with the planning issues affecting the immediate area. However, in general the scope for sharing consultants was limited, particularly if an application was submitted on a border area where the Authorities in question could have a difference of opinion on the issue. There had, however, previously been a joint approach, for example, to archaeology.

In concluding their deliberations, the Panel requested a more detailed breakdown of the Planning Division's expenditure on consultants. The Head of Financial Services also stated that, in light of the Panel's discussions, he would prepare a note for consideration by the Working Party which had been established at the previous meeting.

**64. GREATER CAMBRIDGE AND GREATER PETERBOROUGH LOCAL ENTERPRISE PARTNERSHIP**

*(Councillor K J Churchill, Executive Councillor for Resources and Policy was in attendance for this item).*

The Panel received a joint presentation by the Executive Councillor for Resources and Policy, the Director of Environmental and

Community Services, the Economic Development Manager and the Head of People, Performance and Partnerships on the development of the Greater Cambridge – Greater Peterborough Local Enterprise Partnership (LEP).

Following an introduction by Councillor K J Churchill, the Economic Development Manager outlined the background to the development of LEPs, which were intended to replace the current regional arrangements. Members were advised that LEPs were intended to provide strategic leadership in their areas and to influence local economic priorities. It was also envisaged that they would have a role in promoting economic development, local transport, employment, strategic planning and housing, enterprise and business start ups and funding opportunities. Details of the functional economic geographical area covered by the Greater Cambridge – Greater Peterborough Partnership were provided, together with details of emerging themes that had already been identified on which it would focus. It was anticipated that a Chairman would be in post by January and a shadow board established by March 2011.

In considering the content of the presentation, Members queried why the Partnership area did not include Bedfordshire and how the Greater Cambridge – Greater Peterborough LEP would liaise with the 24 other partnerships, which had been established across the country. In response, the Panel noted that whilst Bedfordshire was not formally part of the Partnership, it had been agreed with them that opportunities for collaborative working would be pursued where possible. Members were also advised that the success of the Partnership would depend on securing active involvement from the private sector. Through it the private sector would have a vehicle to influence public policy. With regard to the appointment of a Chairman, Councillor N J Guyatt suggested that an individual should be sought who had previous experience of and success in obtaining money from the Government. Comment was also made on the inherent difficulties associated with establishing joint arrangements, which involved a number of partners.

The Panel discussed the proposed funding arrangements for the Greater Cambridge – Greater Peterborough Partnership. In doing so, the Director of Environmental and Community Services explained that the District Council would contribute £25,000 by way of start up costs and it was anticipated that there would be some additional funding by way of a legacy from former regional organisations. The District Council's contributions would be transferred from funds previously ear-marked for Cambridgeshire Horizons and the Greater Cambridgeshire Partnership. In addition the Panel noted that the District Council's Economic Development Manager had been seconded to help with the development of the Partnership for one day per week until March 2011. Members were also advised of the potential benefits of the District Council's involvement at an early stage of its development. In particular, there was a need for an organisation of this type to secure benefits from the European Union and other new funding streams.

In response to a question on the cost to the District Council of the LEP in terms of officer time, Members were advised that work had been undertaken by both the Director of Environmental and

Community Services and the Economic Development Manager throughout the summer. The Executive Councillor explained that he recognised the need for the District Council to secure value for money and that he would not wish to see a significant ongoing involvement by the District Council after April 2011. In response to a question on the involvement of the District Council during a period in which spending cuts were required, it was explained that in the longer term the Partnership would become self-funding. Members were informed that the work, which was currently being undertaken, would be required in another form if it was not being undertaken as part of this joint venture. In addition, the Director of Environmental and Community Services suggested that, in the longer term, the Partnership could provide a forum for the development of shared services, was the mechanism by which Government intended to communicate with local areas above local authority level and was likely to become an important means of obtaining funding for the Region.

With regard to arrangements for scrutinising the activities of the Partnership, Members were advised that it was envisaged that appropriate arrangements would be put in place. The Leader of the Council had indicated that these should encompass existing scrutiny arrangements and that an additional layer of bureaucracy would not be created. Concerns were expressed over the source of the Partnership's authority and the need to ensure that the LEP was not dominated by Cambridge and Peterborough. Having noted that regular meetings were being held to review progress, it was agreed that further updates should be submitted to the Panel as appropriate.

## **65. 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 30<sup>th</sup> September 2010. Attention was drawn to the matters raised at the meeting of the Corporate Plan Working Group and, in relation to the measure to "maintain expenditure in budget" in the Leisure Centres, the Scrutiny and Review Manager reported that savings on premises and supplies of 20% and 21% respectively had been achieved through centralised procurement, better contract management and fewer building repairs being undertaken.

With regard to the measure for the "% of new employees still in post after 12 months", the Panel suggested that this should be regarded as "green" because the two leavers were recruited on fixed term contracts, which had expired in the reporting period. In response to a question on the Council's decision to use fixed term appointments in preference to making permanent appointments, the Head of People, Performance and Partnerships explained that this reflected the current economic climate and the potential need to reduce the size of the establishment. Councillor G S E Thorpe undertook to raise the monitoring and reporting of the Council's employment priorities at a future meeting of the Corporate Plan Working Group.

Comment was made with regard to the "% of bids which attract funding" in the current year to-date and the Panel has noted that the

External Funding Officer had now returned from maternity leave. It was suggested that the employment of maternity cover might have been self-funding had all the bids for external funding during the period been successful.

**66. 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 of matters that had previously been discussed. The Chairman reported that a presentation would be made to the January meeting on proposed savings in the customer services budget. Members were also advised that in light of the part-time secondment of the Economic Development Manager to assist with the development of the Local Enterprise Partnership, a further report on visitor development would be deferred until after March 2011.

With regard to the proposals which had been submitted by the Liberal Democrat Group for amendments to the 2010/11 Budget, attention was drawn to the changes being introduced to the format of the Council's publications by the Design and Project Support Officer, which were intended to reduce printing costs.

**67. WORK PLAN STUDIES REPORT**

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. Members were advised that a report on the implications to the local economy of the decision not to proceed with the A14 improvements would be submitted to the Panel's meeting in January 2011.

With reference to the study into the health implications of the night-time economy and having regard to an interest expressed by a Member of the Overview and Scrutiny Panel (Social Well-Being) in the matter, Members agreed that the Social Well-Being Panel might be invited to consider whether it had the capacity to incorporate this study into its own programme of studies.

**68. SCRUTINY**

The Panel received and noted the latest edition of the Council's Decision Digest. In response to comments on the Draft Budget 2011/12 and MTP, Councillor D B Dew reported that work on car parking charges was currently being undertaken and a report would be produced on this subject in due course.

Chairman