

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, 10 February 2011.

PRESENT: Councillor J D Ablewhite – Chairman.
Councillors J T Bell, S Greenall, N J Guyatt, Roberts, M F Shellens and G S E Thorpe.
Mrs H Roberts.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors Mrs J A Dew and D M Tysoe and Mr R Hall.

78. MINUTES

Subject to the insertion of the words “and a suggestion was made that variable speed restriction measures should be introduced as an interim measure on the A14” at the conclusion of paragraph 2 in Minute No. 74, the Minutes of the meeting of the Panel held on 13th January 2011 were approved as a correct record and signed by the Chairman.

79. MEMBERS' INTERESTS

Councillor N J Guyatt declared an interest in Minute No. 82 as a member of Cambridgeshire County Council and a Trustee of a Corporate Pension Fund.

80. 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 February to 31st May 2011.

81. CUSTOMER SERVICES

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

Pursuant to Minute No. 72 and with the assistance of a report by the Head of Customer Services (a copy of which is appended in the Minute Book) the Panel considered the outcome of further investigations into the options that are available for the delivery of the Council's services through Customer Service Centres.

Analysis of service demand had indicated that it would not be possible to reduce employee levels at Huntingdon Customer Service Centre. However, it was reported that by transferring resources from St Neots during lower periods of demand, it would be possible to

maintain a presence in Ramsey and Yaxley on two days per week. Members were of the view that this proposal should be adopted. Accordingly, it was

RESOLVED

- a) that it be recommended that Option B as outlined in the report now submitted be adopted; and
- b) that the Head of Customer Services be requested to submit a further report after a period of 12 months reviewing the impact of the changes to Customer Services.

82. BUDGET 2011/12 AND MEDIUM TERM PLAN 2012 TO 2016

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

(Councillors W D Clough, S J Criswell, P J Downes, C R Hyams, P G Mitchell and P D Reeve also were in attendance for this item).

In advance of their detailed discussions on the Budget, to assist them with their deliberations, the Chairman invited Mr D Morgan, Treasurer of Hunts Forum of Voluntary Organisations to address the Panel. As part of his presentation, Mr Morgan outlined the value of the activities of voluntary organisations in terms of the income they generated for the District in the context of the funding the Council provided for them through commissioning agreements. He also referred to the likely impact of proposed reductions in the funding in future years. The Panel discussed spending by voluntary organisations and the measures they were taking to reduce their own costs and their staffing costs. Councillor S Greenall also commented on the valuable role performed by the voluntary sector in the local community and emphasised the need to find ways to mitigate the proposed reduction in grant funding.

With the aid of a report by the Head of Financial Services (a copy of which is appended in the Minute Book) the Panel reviewed the Financial Strategy, Medium Term Plan (MTP) 2012 – 2016 and the Budget and level of Council Tax for 2011/12 in advance of their consideration by the Cabinet and final determination by the Council. Copies of comments made by the Overview and Scrutiny Panel (Social Well-Being) on the CCTV service were also tabled for the Panel's consideration.

By way of introduction to the report, the Panel were acquainted with the changes that had been made to the Budget and MTP since they endorsed the draft Strategy at a previous meeting. Members were advised that the updated Plan identified savings of £6.6m in the period to 2015/16 and, although the draft Budget 2011/12 did not specify a need for further savings to be made, the MTP contained a requirement to find additional savings amounting to £2m. The Budget took into account lower than expected Government grant which, it was anticipated, would be offset by the New Homes Grant. Attention was drawn to the risks and sensitivity associated with the Financial Plan in the longer term, issues relating to employer's pension

contributions and proposed savings which were still being discussed. Members were reminded that if they wished to propose changes to the draft Budget, they should identify alternative options for the delivery of savings. They then discussed the costs of deferred savings and the assumptions which had been made for future Council Tax levels.

Members queried the current situation with regard to the items on which they had commented when previously considering the draft Budget. In response, it was reported that the operating costs for CCTV had been reduced and now amounted to £300k per annum for a basic service. Discussions with users would take place in the coming year on how the service would be funded in future years and a report on future options would be submitted to the Overview and Scrutiny Panel (Social Well-Being) later in the year. With regard to grants to the District's voluntary organisations, Members were advised that the Council could not continue to fund these organisations to the extent that it had previously and alternative arrangements would be needed. Councillor Rogers explained that he had asked Officers to consider other funding options including involving other partners and emphasised that the proposed reductions would not come into place until two years' time. Members also noted the intention of the Social Well-Being Panel to investigate alternative ways of sustaining their functions once their existing commissioning arrangements had expired. Members were content with the revised proposals for Customer Services which had been outlined earlier in the meeting.

With regard to the risks associated with various elements in the Financial Plan and in response to a question by Councillor M F Shellens, Members noted that for the purpose of incorporating the impact in the MTP of the New Homes Grant, a cautious approach has been taken to predicting the number of houses that would be constructed in the District in the next four years. It was expected that the Government would make an announcement on the precise terms of the Grant in advance of the Council meeting on 23rd February 2011. A similarly prudent approach had been taken to providing for the Council's future pension liability. In response to a question on the willingness of Town and Parish Councils to assist the District Council in delivering its budget savings, the Panel noted that discussions had been undertaken with a number of these Councils and letters would be sent to them setting out the District Council's intention once the Budget had been approved.

In response to comments made about the potential for an increase in illegal off-street parking as a result of the proposed increase in car parking charges, Members were advised that work would need to be undertaken with the County Council and Cambridgeshire Constabulary to minimise such an effect.

Councillor P J Downes asked a question on the actions that had been taken on the proposals that had previously been made by the Liberal Democrat Group for financial savings in the current and previous year's budget setting process. In response, the Executive Councillor for Finance and Customer Services reported on the progress which had been made in entering into agreements with other local authorities to share services, to sub-let Council premises, in unifying

the collection of Council tax and transferring the Leisure Centres into a Trust. He also reported that Councillor Churchill was currently reviewing the Council's political structure. Members were further advised of the assumptions that had been made about Members' allowances and future levels of Council Tax. On the proposals to reduce its funding for voluntary organisations, Councillor Downes commented that such organisations required a certain degree of stability and were not in a position to respond quickly to changes in funding arrangements.

Discussion then ensued on the process by which expenditure was monitored. The Head of Financial Services reported that monthly monitoring reports were provided to all Heads of Service and quarterly reports submitted to Management Team and the Cabinet. He explained that he was confident that any significant variations would be brought to his attention.

On the subject of the District Council's Leisure Centres and having regard to the need to identify savings to mitigate reductions in grants to voluntary organisations, a suggestion was made that an increase in income might be made by charging non-residents of the District a higher rate to use the Council's Leisure centres. It was agreed that this should be referred to the One Leisure Working Group for further consideration. Councillor M F Shellens indicated that he would be prepared to join in any discussions on this subject. Following a comment by a Member the Director of Commerce and Technology explained that he was examining the potential impact on the Leisure Centres' income of changes in the County Council budget for infant swimming. He also reported that there was some uncertainty over Secondary School funding in future years.

At the conclusion of their deliberations Members commended the fact that in the order of £650k additional savings had been identified since December 2010. Having been assured by the Executive Councillor that the MTP could be revised as work on it proceeded, it was

RESOLVED

that the Cabinet be informed of the Panel's support for

- a) the proposed Budget, MTP and Financial Plan as submitted; and
- b) no increase in Council Tax for 2011/12.

(Councillors S Greenall, M F Shellens and G S E Thorpe abstained from voting on this item).

83. 2011/12 TREASURY MANAGEMENT STRATEGY

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

In accordance with their responsibility for scrutinising Treasury Management and with the assistance of a report by the Head of Financial Services (a copy of which is appended in the Minute Book) the Panel reviewed the Treasury Management Strategy for 2011/12 and the Treasury Management and Prudential Indicators for the same

period.

Members noted that they would be provided with further training on this subject in the next Municipal Year. Having received clarification of the Council's use of capital reserves, it was

RESOLVED

that the Cabinet be recommended to endorse the Treasury Management Strategy 2011/12 and the Treasury Management and Prudential Indicators for 2011/12 for submission to the Council.

84. ASSET MANAGEMENT PLAN

The Panel considered the Annual Report by the Head of Law, Property and Governance (a copy of which is appended in the Minute Book) summarising the performance of the Council's assets against a range of criteria and drawing attention to a range of related asset management issues. Having noted that there had been continued improvement in performance over the previous year, which demonstrated that the Council's assets were provided and maintained in a fit and proper manner for the effective delivery of services, it was

RESOLVED

that the Cabinet be recommended to approve the Annual Report on the Asset Management Plan.

85. 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 the study on the use of consultants was drawing to a close and the final report would be submitted to a future meeting.

Councillor M F Shellens outlined his concerns with regard to the proposed construction of a multi-storey car park in Huntingdon town centre and requested sight of the business case which had been prepared to justify the Council's investment in it. Having been advised that relevant information had previously been presented to the Economic Well-Being Panel and to the Cabinet, Councillor Shellens agreed to review this information before making a suggestion on whether further consideration of this matter was required.

86. 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 by the Panel. Members noted the steps that were being taken in conjunction with other relevant authorities to lobby the Government on the need to up-grade the A14.

With regard to the report that had previously been requested on the effectiveness of District-Wide, in view of the Council's budget proposals reported earlier in the meeting, it was agreed that this matter could be deleted from the Panel's workplan.

87. SCRUTINY

The Panel received and noted the latest edition of the Council's Decision Digest.

Chairman