

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) held in CIVIC SUITE CVS01.A, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN on Thursday, 5 April 2012.

PRESENT: Councillor T V Rogers – Chairman.

Councillors G J Bull, E R Butler, S Greenall,
R B Howe, A J Mackender-Lawrence,
M F Shellens and A H Williams.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors R Harrison and P G Mitchell.

111. COUNCILLOR P M D GODFREY

Members observed a few moments silence to mark the passing away of Councillor P M D Godfrey on 2nd April 2012.

112. MINUTES

The Minutes of the meeting held on 8th March 2012 were approved as a correct record and signed by the Chairman.

113. MEMBERS' INTERESTS

No declarations were received.

114. 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). It was noted that the report on Community Infrastructure Levy (CIL) Governance Principles would be considered by the Panel at a future meeting and the Chairman explained that the Inspector's Report on the CIL charging schedule was expected within the next week. A report on Waste Collection Policies would be considered by the Overview and Scrutiny Panel (Environmental Well-Being) at their meeting in June and Members of the Economic Well-Being Panel would be invited to participate in these discussions.

115. EXCLUSION OF THE PUBLIC

RESOLVED

that the public be excluded from the meeting because the business to be transacted contains information relating to the financial or business affairs of any particular person (including the authority holding that information).

116. DEVELOPMENT OF ONE LEISURE, ST IVES

(Councillor T D Sanderson, Executive Councillor for Healthy and Active Communities, was in attendance for this item).

With the assistance of a presentation and a report by the General Manager, One Leisure (a copy of which is appended in the Annex to the Minute Book) the Panel considered the outcome of the tender process for development at the St Ivo Centre. Members were reminded that the proposals for re-development had been previously discussed at their meeting in June 2011 and that the Cabinet had subsequently requested a further report following the final tender evaluation. The Executive Councillor for Healthy and Active Communities then provided a summary of the report.

The Panel discussed whether the development should proceed at the present time. Specific comments were made with regard to current market conditions and the need for a full breakdown of One Leisure's financial position, including a business plan and details of all recharges and capital costs. Taking into account current market conditions, a Member expressed the view that the works should not commence until the leisure market began to improve. However, Members were informed that attendances at St Neots and Huntingdon were now higher than before improvements were carried out and that the development works would enable maintenance works to be completed at a lower cost than would otherwise be the case. Moreover, the money spent on the development would help the local economy.

Having acknowledged that the case for proceeding with the project could not be justified solely on economic grounds, Members suggested that it would be helpful if the cost of the Council's contribution to obtain the additional social benefits that the development would achieve was identified. In response, they were reminded that the One Leisure Finance Group was currently working on a methodology through which such costs might be identified. It was suggested that this Group should identify how far the Council should proceed with projects that had a social impact for a relatively small return.

Attention having been drawn to a letter received from the St Ives District Rifle and Pistol Club, the Panel suggested that the Cabinet should invite the Club to provide a business plan, and subject to the information provided, the Council should consider providing the Club with an interest charged loan.

Having been assured that the successful bidder's standards of work had been examined and were considered to be satisfactory, Members suggested that, in the context of budget reductions elsewhere and an increase in Council Tax, the Council should develop a strategy to manage its communications on this subject. Whereupon, it was

RESOLVED

that the Cabinet be recommended to grant permission for the development, permit the General Manager, One Leisure to let the contract and authorise the development to proceed.

117. HUMAN RESOURCES REVIEW

(Councillor J A Gray, Executive Councillor, Resources, and Councillor J D Ablewhite, Executive Leader, were in attendance for this item).

With the assistance of a report by the Managing Director, Resources (a copy of which is appended in the Annex to the Minute Book) the Panel considered a range of options for the future provision of the Council's Human Resources (HR) and Payroll Service. Following a brief introduction by the Executive Councillor for Resources, the Managing Director, Resources provided an overview of the options that had been identified and suggested a series of criteria against which they might be assessed.

Having been acquainted with the anticipated timescales for the implementation of the options, Members were advised that there was some urgency to reach a decision as this would obviate the requirement to meet the current cost associated with managing the service.

During their deliberations on the report, the Panel discussed the advantages of having in-house expertise, the need for strategic leadership to deliver a high quality HR Service for the authority, the current operating costs, the type of service the Council wished to provide, the potential to generate income from the payroll system and the need to identify and protect the Council's Core Values. Members also discussed the Council's financial viability.

Members were reminded that previous investigations with other local authorities had not resulted in shared services being established. It was argued that the options offered the Council the opportunity to demonstrate commitment to shared services and could lead to savings in other areas in the future. The Panel reviewed the strengths and weaknesses of each of the options and acknowledged that a shared service might improve the resilience of the service and could provide affected employees with career opportunities.

Some Members expressed the view that the current cost of the service might be too high and that the Council ought to benchmark it to ensure that its cost was in-line with the market. In addition, Members suggested that when the terms of any potential agreement were analysed, the Council should take into account the cost of and practical arrangements for contract management and monitoring and ensuring the terms of the agreement were complied with.

If the Council decided to proceed with a shared service, there would be considerable difficulties and challenges for employees. Members recommended that efforts should be put into managing the impact of the changes on Council employees. Having agreed that it was important for the Council to demonstrate its commitment to the principle of shared services and that employees' comments should be considered as part of the deliberations on this matter, it was

RESOLVED

that the Cabinet be recommended to:

- a) pursue a shared service agreement with LGSS to provide a full HR service to the Council including the TUPE transfer of the current Council staff;
- b) benchmark the agreement with the private sector to ensure it represents good value for money;
- c) include the cost of contract management and monitoring and ensuring the terms of the agreement are compiled with in the appraisal of the agreement;
- d) make clear to LGSS that the Council will withdraw from the agreement if it does not receive the level of service it expects; and
- e) authorise the Managing Director, Resources to deliver the agreement after consultation with the appropriate Executive Member and Executive Leader.

118. RE-ADMITTANCE OF THE PUBLIC

RESOLVED

that the public be re-admitted to the meeting.

119. WORKPLAN STUDIES

The Panel received and noted a report by the Head of Legal and Democratic Services (a copy of which is appended in the Minute Book) containing details of studies that were being undertaken by the Overview and Scrutiny Panels for Social and Environmental Well-Being.

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

The Panel received and noted a report by the Head of Legal and Democratic Services (a copy of which is appended in the Minute Book) reviewing progress of matters that had been previously discussed. In considering the contents of the report, the Chairman provided an update on the activities of the Working Group which had been established to review the Council's support services. With regard to the Panel's forthcoming discussions on the Council's approach to its financial reserves, Councillor M F Shellens reported that he would discuss further with Councillor P G Mitchell the preparation of a short introduction to the subject after the May 2012 elections.

With regard to possible future studies, a number of suggestions were made by Members of the Panel including changes to the audit trail for Community Infrastructure Levy and Section 106 monies and the implications of planning social housing requirements on Community Infrastructure Levy income and the housing waiting list. The Chairman undertook to obtain further information and to discuss the latter suggestion directly with Councillor M F Shellens.

A question having been raised about the impact of development at Northstowe on the District's market towns, the Scrutiny and Review Manager undertook to provide a copy of the planning proposal to Mrs H Roberts.

121. SCRUTINY

The Panel considered and noted the latest edition of the Council's Decision Digest (a copy of which is appended in the Minute Book).

Chairman