

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, 6 SEPTEMBER 2012** 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 12<sup>th</sup> July 2012.

**Mrs C Bulman  
388234**

**2. MEMBERS' INTERESTS**

To receive from Members declarations as to disclosable pecuniary, non-disclosable pecuniary or non pecuniary interests in relation to any Agenda item. See Notes below.

**3. LOCAL GOVERNMENT ACT 2000 - FORWARD PLAN (Pages 9 - 14)**

A copy of the current Forward Plan is attached. Members are invited to note the Plan and to comment as appropriate on any items contained therein.

**Mrs H Taylor  
388006**

**4. FINANCIAL FORECAST (Pages 15 - 26)**

To consider and comment on a report by the Head of Financial Services prior its submission to the Cabinet.

**S Couper  
388103**

*(All Members of the Council have been invited to attend for the discussion on this item).*

**5. THE TECHNICAL REFORM OF COUNCIL TAX (Pages 27 - 30)**

To consider a report by the Head of Customer Services on the Government's proposals to reform Council Tax.

**J Barber  
388105**

*(Members of the Overview & Scrutiny Panel (Social Well-Being) have been invited to attend for the discussion on this item).*

**6. COUNCIL TAX SUPPORT FROM 1ST APRIL 2013 (Pages 31 - 34)**

To consider a report on the new local Council Tax Support Scheme.

**J Barber  
388105**

*Members of the Overview & Scrutiny Panel (Social Well-Being) have been invited to attend for the discussion on this item).*

7. **WORKPLAN STUDIES** (Pages 35 - 40)

To consider with the aid of a report by the Head of Legal and Democratic Services, the programme of studies.

**Mrs C Bulman**  
**388234**

8. **OVERVIEW & SCRUTINY (ECONOMIC WELL-BEING) - PROGRESS** (Pages 41 - 46)

To consider a report by the Head of Legal and Democratic Services.

**Mrs C Bulman**  
**388234**

9. **SCRUTINY** (Pages 47 - 54)

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

Dated this 29 day of August 2012



Head of Paid Service

**Notes**

**A. Disclosable Pecuniary Interests**

- (1) *Members are required to declare any disclosable pecuniary interests and unless you have obtained dispensation, cannot discuss or vote on the matter at the meeting and must also leave the room whilst the matter is being debated or voted on.*
- (2) *A Member has a disclosable pecuniary interest if it*
  - (a) *relates to you, or*
  - (b) *is an interest of -*
    - (i) *your spouse or civil partner; or*
    - (ii) *a person with whom you are living as husband and wife; or*
    - (iii) *a person with whom you are living as if you were civil partners*

*and you are aware that the other person has the interest.*
- (3) *Disclosable pecuniary interests includes -*
  - (a) *any employment or profession carried out for profit or gain;*
  - (b) *any financial benefit received by the Member in respect of expenses incurred carrying out his or her duties as a Member (except from the Council);*
  - (c) *any current contracts with the Council;*
  - (d) *any beneficial interest in land/property within the Council's area;*
  - (e) *any licence for a month or longer to occupy land in the Council's area;*
  - (f) *any tenancy where the Council is landlord and the Member (or person in (2)(b) above) has a beneficial interest; or*
  - (g) *a beneficial interest (above the specified level) in the shares of any body which has a place of business or land in the Council's area.*

**B. Other Interests**

(4) If a Member has a non-disclosable pecuniary interest or a non-pecuniary interest then you are required to declare that interest, but may remain to discuss and vote.

(5) A Member has a non-disclosable pecuniary interest or a non-pecuniary interest where -

(a) a decision in relation to the business being considered might reasonably be regarded as affecting the well-being or financial standing of you or a member of your family or a person with whom you have a close association to a greater extent than it would affect the majority of the council tax payers, rate payers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the authority's administrative area, or

(b) it relates to or is likely to affect any of the descriptions referred to above, but in respect of a member of your family (other than specified in (2)(b) above) or a person with whom you have a close association

and that interest is not a disclosable pecuniary interest.

**Please contact Mrs Claire Bulman, Democratic Services Officer, Tel 01480 388234 / email [Claire.Bulman@huntingdonshire.gov.uk](mailto:Claire.Bulman@huntingdonshire.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 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](http://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.*

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# Agenda Item 1

## HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) held in CVSO.0.1A, CIVIC SUITE, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN on Thursday, 12 July 2012.

PRESENT: Councillor G J Bull – Vice Chairman.  
Councillors E R Butler, S Greenall, R B Howe, P G Mitchell, M F Shellens and A H Williams.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillor R Harrison, Mr R Hall and Mrs H Roberts.

### 14. MINUTES

The Minutes of the meeting held on 14<sup>th</sup> June 2012 were approved as a correct record and signed by the Chairman.

### 15. MEMBERS' INTERESTS

No declarations were received.

### 16. LOCAL GOVERNMENT ACT 2000 - FORWARD PLAN

The Panel considered and noted the current Forward of Key Decision (a copy of which is appended in the Minute Book). The Chairman explained that a report on Technical Reforms to Council Tax would be considered by their Panel at its meeting in September 2012.

### 17. CUSTOMER SERVICES - REVIEW OF CHANGES AT RAMSEY & YAXLEY

*(Councillor B S Chapman, Executive Councillor for Customer Services, was in attendance for this item).*

Pursuant to Minute Number 11/72, the Panel gave consideration to a report by the Head of Customer Services (a copy of which is appended in the Minute Book) outlining the impact of changes to the opening hours at the Ramsey and Yaxley Customer Services Centres after a 12 month period. Members were informed that it had been a difficult year for the service, which had been disrupted by a number of unforeseen circumstances. It was intended to continue to monitor the impact of the changes as part of the Panel's normal reporting arrangements.

In considering the contents of the report, Members noted that despite an initial increase in complaints, these had now reduced as customers had become used to the new service arrangements and alternative ways to access services. Members queried whether local residents perceived the reduction in opening hours as a retrograde step and Ward Councillors were also invited to provide their own feedback. The Head of Customer Services reported that local residents appeared to have accepted the changes and that the number of partner sessions at the facilities had been maintained.

With regard to the figures for transactions at the Yaxley Centre, the Head of Customer Services explained that the apparent reduction in 2010 was the result of a recording error. Comment was made on the significant budgetary savings which had been achieved in Ramsey. Members were informed that this was a direct result of the service moving into the library facilities.

Councillor P G Mitchell suggested that the removal of the local bus service to Huntingdon might generate an increase in demand for the services at the Yaxley Customer Service Centre. In response, the Head of Customer Services indicated that she would monitor the situation.

Having noted that the lease for the current premises in Yaxley was scheduled to expire in July 2013, Councillor N J Guyatt reported that discussions were ongoing to develop a 'community hub' within the village. Members were advised that it was the intention of the, Customer Services Manager to review the available accommodation options during the course of the financial year with a view to making further budgetary reductions.

Whereupon, and having congratulated the Head of Customer Services on the implementation of these changes without any significant impact on customer satisfaction levels, it was

#### RESOLVED

- (a) that the continued operation of the Customer Service Centres at Ramsey and Yaxley for two days per week be supported; and
- (b) that the Head of Customer Services be requested to report back on any further developments as part of the usual six monthly report to the Panel.

### **18. CUSTOMER SERVICES MONITORING REPORT**

*(Councillor B S Chapman, Executive Councillor for Customer Services, was in attendance for this item).*

The Panel gave consideration to the Customer Services Quarterly Performance Report for the period January to March 2012 (a copy of which is appended in the Minute Book) which outlined the levels of performance and standards achieved by the Service. Attention was drawn to the significant issues which had emerged since the last

report and the issues that the service would face in the forthcoming quarter. Having noted that customer satisfaction levels remained high, it was

RESOLVED

- (a) that the contents of the report be noted; and
- (b) that further reports continue to be submitted on a biennial basis.

## **19. PRIVATE SECTOR RENT LEVELS**

*(Councillor B S Chapman, Executive Councillor for Customer Services, was in attendance for this item).*

Further to Minute Number 11/74, the Panel considered a report by the Head of Customer Services (a copy of which is appended in the Minute Book) providing an update on rent levels in Huntingdonshire. Members were informed that there was currently no evidence to suggest that landlords were adjusting their rents downwards as a result of the changes to the Housing Benefit System and that the situation in Huntingdonshire was similar to that being experienced by other Councils across the Country.

Having acknowledged that many of the effects of changes in Housing Benefit had not yet materialised, Members questioned whether there were variations between different areas of the District. In response they received an explanation of the Broad Rental Market Areas. With regard to the impact of the Government's welfare reforms more generally, the Head of Customer Services reported that there had been an increase in the number of potentially homeless people and the District Council was taking steps to encourage householders to seek advice at an early stage.

In terms of the proposed future reporting arrangements, Members were informed that it was unlikely that quarterly reports would be able to demonstrate significant movements in rent levels. However, Members were mindful of the need to continue to monitor the situation in the current economic climate. With this in mind, it was

RESOLVED

- (a) that the contents of the report be noted; and
- (b) that further reports be submitted on a biennial basis.

## **20. LEADERSHIP DIRECTION**

With the assistance of a report by the Executive Leader and Deputy Executive Leader (a copy of which is appended in the Minute Book) the Panel gave consideration to the Council's Leadership Direction. Members attention was drawn to the Notes of the Corporate Plan Working Group which had discussed the document at its meeting on 28<sup>th</sup> June 2012.

By way of introduction the Deputy Executive Leader, Councillor N J Guyatt, explained that Leadership Direction set out the intended direction of travel and key aims that would lead to the achievement of a vision for the Council. It had been presented to all Members at the Council meeting earlier in the month.

In considering the contents of the report, Members commented on a range of issues relating to the themes and aims within the document. Specifically, concerns were expressed about the number of aims which the Council sought to achieve and the references to balancing the Council's budget without any acknowledgement of the need to use the Council's reserves.

With regard to the aim to 'Build the One Leisure' Business', Councillor Guyatt outlined the Leadership's aspirations to develop the leisure centre service so that it was able to reach a 'break-even' position before any decision was made about its future management. On this point, following comments by Councillor S Greenall regarding the study on the One Leisure business model, Councillor Guyatt agreed to speak to Councillor Greenall outside of the meeting.

RESOLVED

that the contents of the Leadership Direction be noted.

## **21. USE OF CONSULTANTS**

The Panel considered a report by the Head of Financial Services (a copy of which is appended in the Minute Book) outlining the progress which had been made on agreeing, modifying and implementing the Panel's previous recommendations. Following completion of the study into the Council's use of consultants, the report indicated that the majority of the recommendations had been accepted in some form.

Members' attention was then drawn to Annex C to the report, which provided details of the Council's outturn expenditure on consultants, hired and temporary staff during 2011/12. Having reviewed the information presented they were informed that it was difficult to compare the costs with those in previous years because a number of the definitions employed had been changed. In terms of the items listed, the Head of Financial Services was asked to provide a breakdown of the consultancy costs associated with the Huntingdon Western Relief Road and further information on the Water Cycle Strategy. Members were informed that it was

With regard to the budget for specialist advice for the A14 improvements, the Head of Financial Services explained that this sum had been removed from the Medium Term Plan but could be reinstated as a Supplementary Capital Estimate if it was required. Clarification was then sought with regard to the definition of 'hired' as opposed to 'temporary' staff. Having received a response concern was expressed about a specific instance in which a member of hired staff had been retained for a prolonged period. The Head of Financial Services undertook to circulate further details to Members.



RESOLVED

- (a) that a report detailing expenditure on consultants, hired and temporary staff be submitted to the Panel on an annual basis; and
- (b) that future reports should include a breakdown of revenue and capital charges.

## **22. LOCALISATION OF BUSINESS RATES**

With the assistance of a report by the Head of Financial Services (a copy of which is appended in the Minute Book) the Panel was acquainted with details of proposals for the localisation of business rates, which would come into effect in April 2013. Information was also provided on the opportunities for local authorities to combine to pool their business rates income and the benefits which the Government envisage that this would present.

Although the legislation had not yet been passed, the Head of Financial Services explained that the information within the report reflected that which was currently available. He then drew attention to a number of specific aspects of the proposals that would need to be taken into account when the Council took a decision on whether to form a local pool for business rates income. Members noted that business rate income from the Enterprise Zone was not included in these proposals and that this income would be distributed throughout the Local Enterprise Partnership area.

During discussion on the proposals for pooling business rates income, Members were informed that it would operate on the principle that none of the authorities that were party to the agreement would be in a worse-off position than they would otherwise have been. There would then have to be agreement on what to do with any remaining money, which would require negotiation with the other authorities. Members noted that where there was growth, there were clear benefits of pooling, however, it could not be assumed that income from business would not go down and this might result in a significant overall reduction in Councils' income levels.

It was reported that the County Council had modelled a number of different scenarios to identify the range of effects of pooling. Members were informed that this would include the impact of growth in one area of the County and a decline in another. Having noted that there would be an opportunity to withdraw from any pooling arrangements once the draft Local Governance Finance Report was published, it was

RESOLVED

that the Cabinet should be recommended

- (a) to note the planned basis for the localisation of Business Rates; and

- (b) to express to the Department for Communities and Local Government, the Council's interest in pooling with the County Council and other Cambridgeshire Districts on the understanding that the governance arrangements will be based on no authority losing from pooling, and noting that there will be the opportunity to review that decision later in the year.

## **23. THE RATIONALE FOR RESERVES**

Councillor M F Shellens introduced a briefing paper (a copy of which is appended in the Minute Book) which had been prepared to facilitate a discussion on the Council's approach to the setting of its reserves. He hoped that this would enable the Panel to reach a considered and united view on the factors that should be used to establish a desirable level for the Council's future reserves.

In considering the contents of the briefing paper, Councillor R B Howe referred to a graph which had been previously submitted as part of the Panel's discussions on the Council Budget for 2012/13. The graph had provided an illustration of the level of reserves held by District Councils in March 2012. Councillor Howe suggested that it would be useful to obtain further information to enable Members to determine whether the Council was over or under reserved for an authority of its size. Whilst it was generally acknowledged that the level of reserves set by a local authority was subjective and in many cases historic, the Head of Financial Services undertook to obtain further information. Whereupon, it was

### **RESOLVED**

that a working group be established comprising Councillors R B Howe, P G Mitchell, T V Rogers and M F Shellens to

- (a) identify the combination of co-incident risks against which the Council wishes to insure by having reserves; and
- (b) benchmark the Council's level of reserves against other appropriate authorities.

## **24. 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. The Chairman reported on his attendance at a recent meeting of the Overview and Scrutiny Panel (Social Well-Being) to participate in the discussions on the distribution of voluntary sector funding for 2013/14 onwards.

Members received an update on the outcome of the review of

Neighbourhood Forums which had been undertaken by the Overview and Scrutiny Panel (Social Well-Being). Having noted that the proposals would be presented to the Cabinet at its meeting on 19<sup>th</sup> July 2012, a number of Members expressed their concerns about them.

## **25. OVERVIEW & 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 list of future studies, the Chairman reported that the Corporate Governance Panel had established a working group to investigate the fraud risks faced by the Council and the resources that the Fraud Team would require in the future. A copy of their report would be considered by the Panel in due course.

Councillor P G Mitchell informed Members that he had met with the consultant who had been engaged to develop a Commercial Plan for the Great Fen Project. He would be attending a further meeting in due course.

## **26. 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). In so doing, a Member requested an update on the current position with regard to the finalisation of the Council's 2012/11 Accounts. The Head of Financial Services explained that the Accounts were currently with the District Council's External Auditors and were expected to be signed off imminently. The finalisation of the 2011/12 accounts appeared to be going to plan and there were not envisaged to be any problems in this respect.

Chairman

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### FORWARD PLAN OF KEY DECISIONS

**Prepared by**  
**Date of Publication:**  
**For Period:**

**Councillor J D Ablewhite**  
**16 August 2012**  
**1 September 2012 to 31 December 2012**

Membership of the Cabinet is as follows:-

Councillor J D Ablewhite	- Executive Leader of the Council, with responsibility for Strategic Economic Development	3 Pettis Road St. Ives Huntingdon PE27 6SR  Tel: 01480 466941 E-mail: <a href="mailto:Jason.Ablewhite@huntingdonshire.gov.uk">Jason.Ablewhite@huntingdonshire.gov.uk</a>
Councillor N J Guyatt	- Deputy Executive Leader of the Council with responsibility for Strategic Planning and Housing	6 Church Lane Stibbington Cambs PE8 6LP  Tel: 01780 782827 E-mail: <a href="mailto:Nick.Guyatt@huntingdonshire.gov.uk">Nick.Guyatt@huntingdonshire.gov.uk</a>
Councillor B S Chapman	- Executive Councillor for Customer Services	6 Kipling Place St. Neots Huntingdon PE19 7RG  Tel: 01480 212540 E-mail: <a href="mailto:Barry.Chapman@huntingdonshire.gov.uk">Barry.Chapman@huntingdonshire.gov.uk</a>
Councillor J A Gray	- Executive Councillor for Resources	Shufflewick Cottage Station Row Tilbrook PE28 OJY  Tel: 01480 861941 E-mail: <a href="mailto:Jonathan.Gray@huntingdonshire.gov.uk">Jonathan.Gray@huntingdonshire.gov.uk</a>
Councillor D M Tysoe	- Executive Councillor for Environment	Grove Cottage Maltings Lane Ellington Huntingdon PE28 OAA  Tel: 01480 388310 E-mail: <a href="mailto:Darren.Tysoe@huntingdonshire.gov.uk">Darren.Tysoe@huntingdonshire.gov.uk</a>
Councillor T D Sanderson	- Executive Councillor for Healthy and Active Communities	29 Burmoor Close Stukeley Meadows Huntingdon PE29 6GE  Tel: 01480 412135 E-mail: <a href="mailto:Tom.Sanderson@huntingdonshire.gov.uk">Tom.Sanderson@huntingdonshire.gov.uk</a>

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](mailto: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.

Colin Meadowcroft  
Head of Legal and Democratic Services

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
Council Tax Support***	Cabinet	13 Sep 2012	None.	Julia Barber, Head of Customer Services Tel No. 01480 388105 or email <a href="mailto:Julia.Barber@huntingdonshire.gov.uk">Julia.Barber@huntingdonshire.gov.uk</a>	Overview & Scrutiny (Economic Well-Being).	J A Gray	Economic Well-Being
Joint Strategic Planning***	Cabinet	13 Sep 2012	None.	Paul Bland, Planning Service Manager (Policy) Tel No. 01480 388430 or email <a href="mailto:Paul.Bland@huntingdonshire.gov.uk">Paul.Bland@huntingdonshire.gov.uk</a>		N J Guyatt	Environmental Well-Being
Fixed Penalty Notice - Section 46 Waste Offences	Cabinet	13 Sep 2012	None.	Sonia Hansen, Streetscene Manager 01480 388630 or email <a href="mailto:Sonia.Hansen@huntingdonshire.gov.uk">Sonia.Hansen@huntingdonshire.gov.uk</a>	Overview and Scrutiny Panel (Environmental Well-Being)	D M Tysoe	Environmental Well-Being
Leadership Direction	Cabinet	13 Sep 2012	None	Helen Donnellan, Corporate Team Manager Tel No 01480 388263 or email <a href="mailto:Helen.Donnellan@huntingdonshire.gov.uk">Helen.Donnellan@huntingdonshire.gov.uk</a>	Overview & Scrutiny Panels and Corporate Plan Working Group	J D Ablewhite/ N J Guyatt	All O&S Panels

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
Charging for Second Green Bin	Cabinet	13 Sep 2012	None	Eric Kendall, Head of Operations Tel No. 01480 388635 or email Eric.Kendall@huntingdonshire.gov.uk	None	D M Tysoe	Environmental Well-Being
Bearcroft Farm Urban Design Framework	Cabinet	13 Sep 2012	None.	Paul Bland, Planning Service Manager (Policy) Tel No. 01480 388430 or email Paul.Bland@huntingdonshire.gov.uk	Adopt as Council policy.	N J Guyatt	Environmental Well-Being
Technical Reforms of Council Tax	Cabinet	13 Sep 2012	None	Julia Barber, Head of Customer Services Tel No 01480 388105 or email Julia.Barber@huntingdonshire.gov.uk	None	B S Chapman	Economic Well-Being
Financial Strategy	Cabinet	13 Sep 2012	None	Steve Couper, Head of Financial Services Tel No 01480 388103 or email Steve.Couper@huntingdonshire.gov.uk	Overview & Scrutiny (Economic Well-Being)	J A Gray	Economic (Well-Being)
Business Plan One Leisure - Quarterly Performance Reports***	Cabinet	18 Oct 2012	None	Simon Bell, General Manager, One Leisure Tel No. 01480 388049 or email Simon.Bell@huntingdonshire.gov.uk	Overview and Scrutiny Panel (Economic Well-Being).	T D Sanderson	Economic Well-Being
Community Right to Challenge***	Cabinet	18 Oct 2012	None.	Colin Meadowcroft, Head of Legal and Democratic Services Tel No. 01480 388021 or email Colin.Meadowcroft@huntingdonshire.gov.uk		N J Guyatt	Economic Well-Being
Risk Based Verification in Housing Benefits***	Cabinet	18 Oct 2012	None.	Julia Barber, Head of Customer Services Tel No. 01480 388105 or email Julia.Barber@huntingdonshire.gov.uk		J A Gray	Economic 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
Town and Parish Council Charter***	Cabinet	18 Oct 2012	None.	Dan Smith, Community Health Manager Tel No. 01480 388377 or email Dan.Smith@huntingdonshire.gov.uk		N J Guyatt	Social Well-Being
Houghton & Wyton Conservation Area Boundary Review	Cabinet	18 Oct 2012	Consultation Outcomes	Paul Bland, Planning Service Manager (Policy) Tel No. 01480 388430 or email Paul.Bland@huntingdonshire.gov.uk	Approve new Conservation Area Boundary	N J Guyatt	Environmental Well-Being
Housing Strategy 2012-2015 - to include Tenancy Strategy	Cabinet	18 Oct 2012	Previous Housing Strategy 2006-2012 and Strategic Housing Market Assessment (SHMA)	Jo Emmerton, Housing Strategy Manager Tel No. 01480 388203 or email Jo.Emmerton@huntingdonshire.gov.uk	Housing Associations and Partners	N J Guyatt	Social Well-Being
A14	Cabinet	18 Oct 2012	None.	Steve Ingram, Head of Planning Services 01480 388400 or email Steve.Ingram@huntingdonshire.gov.uk		N J Guyatt	Environmental Well-Being
CIL Governance Principles	Cabinet	18 Oct 2012	None.	Steve Ingram, Head of Planning Services Tel No. 01480 388400 or email Steve.Ingram@huntingdonshire.gov.uk	Endorse Governance Principles.	N J Guyatt	Economic Well-Being
Planning for Sustainable Drainage Systems (SuDs)	Cabinet	18 Oct 2012	Consultation Outcomes	Paul Bland, Planning Service Manager (Policy) Tel No. 01480 388430 or email Paul.Bland@huntingdonshire.gov.uk	Approve new Conservation Area Boundary.	N J Guyatt	Environmental Well-Being
Gambling Act - Revised Statement of Principles	Cabinet	22 Nov 2012	None	Christine Allison, Licensing Manager Tel No 01480 388010 or email Christine.Allison@huntingdonshire.gov.uk	None	T D Sanderson	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
St. Neots Town Centre Urban Design Framework***	Cabinet	13 Dec 2012	None.	Paul Bland, Planning Service Manager (Policy) Tel No. 01480 3888430 or email Paul.Bland@huntingdonshire.gov.uk		N J Guyatt	Environmental Well-Being

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CABINET

13TH SEPTEMBER 2012

## FINANCIAL FORECAST (Report by the Head of Financial Services)

### 1 PURPOSE

1.1 This report is the start of the process leading to the formal approval of the 2013/14 budget and Medium Term Plan (MTP) next February. It provides Members with updates on :

- the financial plans approved in February,
- progress on identifying and delivering savings
- areas where there are new or continuing uncertainties.

1.2 The report also seeks approval for the basis on which the Minimum Revenue Provision (MRP) will be calculated (see Annex B).

### 2 SUMMARY

2.1 The forecast only takes account of some specific changes, mainly flowing from last year's outturn. Other items will be refined or decisions made over the coming months while a range of items should become much clearer at the end of the calendar year e.g. government funding, New Homes Bonus for 2013/14.

2.2 The table below compares the use of reserves and unidentified savings required in the approved MTP with what might now be possible. It is though, very important that the results are treated with caution for the reasons above.

IMPACT OF CHANGES	BUDGET	MTP			
	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000
<b>CURRENT MTP</b>					
Use of revenue reserves	-2,547	-1,954	-1,909	-1,122	0
<i>Remaining revenue reserves EOY</i>	<b>9,485</b>	<b>7,531</b>	<b>5,622</b>	<b>4,500</b>	<b>4,500</b>
<b>Unidentified Spending Reductions</b>	<b>0</b>	<b>-337</b>	<b>-550</b>	<b>-616</b>	<b>-891</b>
<b>DRAFT FORECAST</b>					
Use of revenue reserves	-3,032	-1,954	-1,909	-1,122	0
<i>Remaining revenue reserves EOY</i>	<b>10,431</b>	<b>8,477</b>	<b>6,568</b>	<b>5,446</b>	<b>5,446</b>
<b>Unidentified Spending Reductions</b>	<b>0</b>	<b>-166</b>	<b>-285</b>	<b>-398</b>	<b>-595</b>

2.3 What these figures do clearly establish is that, for the areas adjusted, the net benefit is a clear improvement in the Council's financial position but that work must still continue on identifying additional savings.

### 3. STARTING POINT

3.1 The budget/MTP report approved in February contained the following key points which form the starting point for this year's process.

BUDGET/MTP	FORECAST	BUDGET	MTP			
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	£000	£000	£000	£000	£000	£000
<b>FORECAST SPENDING</b>	<b>21,435</b>	<b>21,722</b>	<b>22,299</b>	<b>22,842</b>	<b>23,611</b>	<b>24,365</b>
<b>FUNDING</b>						
Use of revenue reserves	-2,409	-2,547	-1,954	-1,909	-1,122	0
<b>Remaining revenue reserves EOY</b>	<b>12,032</b>	<b>9,485</b>	<b>7,531</b>	<b>5,622</b>	<b>4,500</b>	<b>4,500</b>
New Homes Bonus	-832	-1,913	-2,857	-3,704	-4,845	-6,095
Special Council Tax Grant 2011/12	-184	-184	-184	-184	0	0
Formula Grant (RSG)	-10,522	-9,288	-9,235	-8,630	-8,846	-9,067
Collection Fund Adjustment	-105	-63	0	0	0	0
Council Tax	-7,383	-7,727	-8,068	-8,415	-8,797	-9,202
<b>COUNCIL TAX LEVEL</b>	<b>£124.17</b>	<b>£128.51</b>	<b>£133.01</b>	<b>£137.66</b>	<b>£142.48</b>	<b>£147.47</b>
£ increase	<b>£0.00</b>	<b>£4.34</b>	<b>£4.50</b>	<b>£4.66</b>	<b>£4.82</b>	<b>£4.99</b>
<b>Unidentified Spending Reductions</b>	<b>0</b>	<b>0</b>	<b>-337</b>	<b>-550</b>	<b>-616</b>	<b>-891</b>
<b>EXTRA savings if higher risks</b>		<b>-100</b>	<b>-800</b>	<b>-1,000</b>	<b>-1,600</b>	<b>-2,100</b>

3.2 Thus, based on the lower risk assumptions, **£0.9M** of additional savings were forecast to be required by 2016/17 or as much as **£3M** if the higher risk assumptions turn out to be valid.

### 4. UPDATE

4.1 There are some specific areas where the position can be updated but much uncertainty remains in a number of areas and these are dealt with later in this report.

#### 4.2 2011/12 Outturn

The forecast outturn used for the MTP was £21.4M requiring £2.4M to be used from general reserves which would leave £12M available to create a permanent provision of £4.5M with the remainder being used as a temporary buffer to allow savings to be identified and implemented over the next 4 years (lower risk assumptions).

The actual outturn was £20.1M and £1.0 M was used from reserves leaving £13.5M available but this also has to fund a slightly higher level of delayed projects.

The additional reserves provide additional flexibility as we enter a period of significant uncertainty. However, Overview and Scrutiny (Economic Well-Being) believe there may be arguments for higher levels of reserves and have set up a working group to discuss this. If a higher minimum level were to be agreed, any necessary savings would need to be implemented more speedily.

Capital expenditure was £5.4M net, slightly above the £5.3M assumed in the MTP and this has an impact on the MRP, the sum that the Council has to fund from revenue to provide for repayment of borrowing. The impact is actually a reduction of £82k in the current year due to a higher level of capital receipts, which is used first to fund the shorter life assets.

#### **4.3 Progress on planned savings**

Brief comments on individual savings are provided by category:

##### **POSSIBILITY OF OVER ACHIEVEMENT**

###### **Back Office Reorganisation**

Expected to exceed target but amount is dependent on the solution adopted for managing Estates.

###### **Pay Review**

The MTP is based on a 3.5% increase per year to cover cost of living and any increments. There is no assumption of any savings from the current pay review. It is anticipated that there will be some but it is too early to make any assumptions on the value or timing.

##### **UNCERTAIN**

###### **Document Centre**

Further savings from 2014/15 onwards not yet certain.

###### **Building Efficiency Improvements (Salix Grant)**

Uncertain until schemes identified for future years

###### **Rental of office space in PFH.**

Likelihood of achieving part of the extra £44k required but some uncertainty on timing and attainment of the whole sum.

###### **Environmental and Community Health**

Savings target of £75 from 2013/14. Detail of full sum not yet determined.

###### **Doubtful Debts Provision**

Proposed gradual reduction in future years. Will depend on experience.

###### **New Industrial Units**

The forecast increase in income (£28k) in 2013/14 is uncertain.

###### **One Leisure**

**Ramsey LC Development** is dependent on the detail and formal approval of a business case. **Leisure Overperformance** relies on maintaining income levels and it is too soon in the year to make a reliable forecast on this.

##### **DELAYED**

###### **Refuse Round reorganisation**

Deferred to February giving an extra cost in 2012/13 of £65k.

### **Huntingdon Multi-storey Car Park**

There has been slippage, so initial savings in capital costs but then delay before enhanced car park income comes on stream.

### **St Ivo Leisure Centre**

The scheme has been delayed which will defer the net benefit that the project is forecast to provide.

## **UNLIKELY TO MEET TARGET**

### **Car Parking**

This year's increase unlikely to be achieved until at least January 2013 at an extra cost of over £110k. This will have a knock-on impact to the timing of further required increases for which there is some provision in the risk contingency. The MTP is based on a 10% increase per year up to and including 2015/16 (over £150k per year) and the strategy for achieving this is not finalised.

### **Countryside**

Extra £50k from 2013/14 unlikely to be achieved.

### **Allowances**

Potential shortfall of £42k per year.

### **Licensing**

Additional fees from 2013/14 unlikely to be achieved due to savings in running costs and fees statutorily limited to break-even.

#### **4.4 Council Tax increase limits**

The MTP is based on Council Tax rises of 3.5% per year. There is no certainty that the Secretary of State will maintain the Referendum Limit at this level.

It will maximise the Council's ability to preserve services if the tax increase is set at the referendum limit each year.

#### **4.5 Inflation and Interest Rates**

The inflation calculation has been adjusted for the actual split of items included in the 2012/13 detailed budget. This creates reductions due to a lower proportion of staff related costs. Interest rates have also been reviewed.

#### **4.6 2012/13 Forecast**

The Forecast is currently £22,206k against a budget of £21,722k. Variations include the impact of the delay in the Government approving increases in planning fees (assumed April but will now be much later in the year), delays in finalising the rescheduling of refuse/recycling rounds and delays in introducing the 2012/13 increases in parking fees.

There are also clear signs of increasing volumes of people with housing and financial difficulties which will need further extra spending to ensure they receive an adequate service.

## 4. RISKS

- 4.1 Annex A gives a full list of the risks identified in February together with the items where provision was included in the budget. This section provides any later information that has subsequently emerged.

### **New Homes Bonus**

The most significant assumption within the MTP is the continued major growth in New Homes Bonus as shown below:

<b>NEW HOMES BONUS</b>	<b>FORECAST</b>	<b>BUDGET</b>	<b>MTP</b>			
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	£000	£000	£000	£000	£000	£000
New Homes Bonus	-832	-1,913	-2,857	-3,704	-4,845	-6,095

The increase for 2013/14 is based on a net increase in properties of 747 Band D equivalent properties of which 216 are “affordable”. After 8 months the increase was around 500 so if the trend continues the forecast bonus should be achieved. We are reliant on the DCLG for the data on “affordable” increases so it is not possible to forecast the position on that element at this stage but last year 416 were achieved.

The risk contingency for non-achievement (£0.1M) may not be needed for 2013/14 but there will continue to be uncertainty as to the size in the offsetting reduction in formula grant until December. The risk contingency allows £0.2M for this.

The increase in new homes will also increase service pressures e.g. refuse and recycling and collection of council tax. A risk contingency is included for this.

### **Localisation of Business Rates**

Further information has been published by the Government that makes it clear that the Council would only get a small share of any increase in NNDR collected. This could be mitigated by entering into a pooling arrangement with the County Council and other Districts but there is insufficient data, at present, to reliably calculate the impact. Pooling would not be beneficial if there were reductions in Business Rates and it is very difficult to forecast future levels of growth given the existence of the Enterprise Zone (which is excluded from the calculation) and the impact of eurozone volatility.

There are significant concerns that the base from which the new system will commence will be lower than assumed in the MTP, even after taking account of the risk provision.

There is no reliable data on which to forecast future variations in business rates and hence the Council’s funding from this source.

### **Localisation of Council Tax Benefits and Changes in Council Tax allowances**

The information so far released makes it clear that the Council (and precepting bodies) will have to fund the impact of the Government reduction in funding.

This is due to four factors:

- Reduced benefits means that residents with limited means will have to pay a larger share of their Council Tax. This will be challenging for many of them and so it would be foolhardy to assume that these increases will all be collectable.
- The cost of extra staffing to maximise the collection of the extra sums.
- Potential loss of the element of Government subsidy provided to administer the current national scheme though this may be covered by “new burdens” funding,
- Loss of the reward grant for identifying overpayments.

In order to offset the impact of the Benefit changes for this Council and precepting bodies it is proposed that the Council takes advantage of the Government’s localisation of the decisions on certain allowances against Council Tax. The main item is the 6 month Council Tax relief for empty properties and the proposal will be to significantly reduce this period.

Assuming that the Council can agree a scheme that broadly balances the impact on Council Tax levels there will still be a net cost for this Council in relation to the extra costs of collection and the loss of reward grant that might amount to £150k per year.

The Council must consult on the changes and will need to formally approve its scheme in December.

### **Municipal Mutual Insurance (MMI)**

In the early 1990’s MMI (a local authority owned mutual company) ran into financial difficulties and technically became insolvent in 1992. Local authorities moved their insurance to other providers and a scheme of arrangement was entered into whereby any subsequent claims, relating to the insurance periods up until they ceased trading, that exceeded the reserves held would have to be met pro rata by the authorities (as creditors of MMI).

There has been a recent Supreme Court decision relating to mesothelioma which determined that the insurance liability relates to the period where the claimant came into contact with the asbestos rather than when they were initially diagnosed. This will increase the level of liability for MMI and hence the proportion of claims that relevant Local Authorities will not be able to recover.

Historically the potential liability has been covered by a “contingent liability” note in the accounts but, due to the Court decision, an initial sum of £200k was provided in the draft 2011/12 accounts.

There will be a potential need to provide further sums but the amounts and timing are not yet clear.

## **5. ADDITIONAL SAVINGS**



- 5.1 Cabinet Members are discussing additional savings areas with officers to ensure that the Council will have a sound plan to achieve a balanced budget whilst maintaining an acceptable minimum level of reserves.
- 5.2 An update on these will be included in the draft budget/MTP in December, with those being required for 2013/14 being formally agreed in the final report in February.

## 6. CONCLUSION

- 6.1 Savings in 2011/12 have provided extra flexibility which is welcomed, particularly due to the major areas of uncertainty that currently exist. Adjustments have also been made to inflation and interest rates.
- 6.2 The base funding from the Government, the detail of the Localisation of the Business Rates, the detail of the Localisation of Council Tax Benefits, changes to Council Tax allowances and the New Homes Bonus for 2013/14 will emerge later in the year before the budget is finalised. Officers are also working on reviewing all of the MTP bids and their existing budgets so that there will be increased clarity in the draft Budget/MTP report in December.
- 6.3 Given the remaining significant uncertainties and the continued requirement for further savings, as shown in paragraph 2.2, it is important for the Cabinet and officers to maintain their search for further cost reductions.

## 7. RECOMMENDATION

### **Cabinet is requested to:**

- **Approve** the annuity basis for the calculation of Minimum Revenue Provision as outlined in Annex B.
- **Note** the significant level of outstanding risks and that a number of significant items should be resolved or partially resolved before the budget is formally approved in February.
- **Make any appropriate comments and recommendations** to the Council on this year's budget process.

### **ACCESS TO INFORMATION ACT 1985**

Source Documents:

1. Working papers in Financial Services
2. 2011/12 Outturn Report to Cabinet, 2012/13 Revenue Budget and MTP.

### **Contact Officer:**

**Steve Couper**, Head of Financial Services, 01480 388103

## **ANNEXS**

- A Risks and Risk Provision (extract from 2012/13 Budget and MTP Report)**  
**B Basis for calculating MRP**

**ANNEX A**

**RISKS**

The most fundamental issue continues to be the economic impact of the various international financial issues. There continues to be major uncertainty on the scale of the problems ahead for the UK and the eurozone. If there are financial impacts on the UK this may result in problems for the Council due to:

- Lower income from planning fees, building control fees and leisure charges.
- Lower New Homes Bonus
- More applicants for housing and council tax benefit
- Higher homelessness
- Reductions in Government Grant

Other issues include:

- Delivery of the items contained in identified savings
- Identification and delivery of unidentified savings in future years.
- Levels of pay awards, inflation and interest rates
- Ability to maintain income levels
- Grant changes for 2013/14 onwards
- Impact of growth in Business Rates
- Impact of slower home building on New Homes Bonus
- Loss of Formula Grant (or Localised Business Rates) to fund New Homes Bonus
- Costs of demographic growth
- Change in Pension Fund contributions
- Impact of changes to the benefits systems on homelessness levels and the ability to collect Council Tax.
- High priority service developments not already in the MTP and any unavoidable spending requirements not referred to in this report emerging (e.g. planning appeals)
- The potential for costs relating to “orphan” contaminated land sites
- Repayment of past land charge fees
- Low demand for office property in Huntingdon e.g. assumed sale of Castle Hill House.

## RISK RANGES

The Low end assumption is included in the Budget/MTP.

LOW END ASSUMPTION Risk Provision in MTP	Extra savings needed (+) ##:					HIGH END ASSUMPTION	Extra savings needed (+) ##:				
	12/13	13/14	14/15	15/16	16/17		12/13	13/14	14/15	15/16	16/17
	£M	£M	£M	£M	£M		£M	£M	£M	£M	£M
<b>Extra reduction in Government Grant in 2013/14</b>											
2%		0.2	0.2	0.2	0.2	2%		0.2	0.2	0.2	0.2
<b>Extra reduction in Government Grant in 2015/6 and 2016/17</b>											
						0.9% per year accumulated				0.1	0.2
<b>Growth per year in funding from Business Rates growth</b>											
1% per year			-0.1	-0.2	-0.3	2% per year			-0.2	-0.3	-0.5
<b>Reduction in New Homes Bonus grant due to slower housing completions from 2013/14</b>											
10% lower		0.1	0.2	0.3	0.4	20% lower		0.2	0.4	0.6	0.8
<b>Reduction in Government Grant due to insufficient New Homes Bonus funding</b>											
All bodies share loss		0.2	0.3	0.4	0.5	Local Authorities share loss		0.3	0.5	0.6	0.8
<b>Increase in net spending every year to cover cost of increased population. There is no provision for demographic growth in the forecast.</b>											
0.425%		0.1	0.2	0.3	0.4	0.85%		0.2	0.4	0.6	0.8
<b>Potential reduction in tax base from non-collectable Council Tax following localisation reductions</b>											
Based on 8.4% of £900k		0.1	0.1	0.1	0.1	Based on 8.4% of £900k		0.1	0.1	0.1	0.1
<b>Increase in pay award:</b>											
						1% per year		0.2	0.4	0.7	0.9
<b>Loss of income in 2012/13 and 2013/14 excluding leisure</b>											
						2.5%	0.2	0.2			
<b>No leisure price increase</b>											
						in 2013/14		0.2	0.2	0.2	0.2
	0.0	0.7	0.9	1.1	1.3		0.2	1.6	2.0	2.8	3.5
<b>Savings Items</b>						<b>Savings Items</b>					
						CCTV – further savings	-0.1	-0.1	-0.1	-0.1	-0.1
Countryside savings			-0.1	-0.1	-0.1	Countryside savings			-0.1	-0.1	-0.1
Lower increase in car park charges		0.1	0.2	0.3	0.3	Lower increase in car park charges		0.1	0.2	0.3	0.3
	0.0	0.1	0.1	0.2	0.2		-0.1	0.0	0.0	0.1	0.1
<b>PROPOSED RANGE FROM . .</b>						<b>TO....</b>					
	0.0	0.8	1.0	1.3	1.5	<b>Extra cost of high end assumption</b>	0.1	0.8	1.0	1.6	2.1

NOT INCLUDED IN EITHER ASSUMPTION	Extra savings needed (+) ##:				
	12/13	13/14	14/15	15/16	16/17
	£M	£M	£M	£M	£M
1% increase in non-pay inflation if fees and charges adjusted appropriately each year&&	0	0	0	0.1	0.1
2% change in Pension Fund contributions from 2013/14		0.3	0.3	0.3	0.3
1% increase in all interest rates from 2012/13 onwards		0.1	0.1	0.1	0.1
Increase Council Tax rise to 5% from 2013/14 onwards		-0.1	-0.2	-0.4	-0.5

*&& Excludes income items where above inflation increases already assumed*

## **ANNUAL MINIMUM REVENUE PROVISION POLICY 2011/12**

When a Council finances capital expenditure from borrowing, the resulting costs are charged to the Council Taxpayers over the whole life of the asset so that those who benefit from the asset share the cost. There are two elements to the cost – the interest on the borrowing is charged in the year it is payable, whilst the money to repay the sum borrowed is charged as a “minimum revenue provision” (MRP) to the revenue account each year, starting with the year after the borrowing takes place. Once money is in the MRP it can only be used for repaying borrowing.

The Department for Communities and Local Government (DCLG) has issued guidance on what constitutes prudent provision and this requires the Council to determine an approach and publish this each year.

There are three options for the calculation of the MRP:

### **Equal annual installments**

This is the easiest and simplest approach but the combination of the equal installments of principal and the reducing interest makes the cost high to start with but then reducing year by year.

### **Depreciation basis**

The Depreciation basis is the most complex. It starts by mirroring the equal annual installments method but also requires adjustments every time the life of an asset is varied.

### **Annuity basis**

By setting the rate for the annuity equal to the expected long term borrowing rate the cost is the same for each year like a conventional mortgage. It is only marginally more work than the equal installments approach. This was the basis agreed in previous years.

**The Annuity basis is, by far, the most equitable approach and it is therefore proposed that it continues to be the Council’s MRP policy.**

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COMT  
Overview & Scrutiny (Economic)  
CABINET

17 August 2012  
6 September 2012  
13 September 2012

## **The Technical Reform of Council Tax (Report by the Head of Customer Services)**

### **1 FINANCIAL IMPACT**

- 1.1 If members approve this change, then we can expect to collect an additional £724k pa in Council Tax from 2013 onwards.

### **2. INTRODUCTION**

- 2.1 To inform Cabinet of the Government's proposals to reform Council Tax with effect from 1 April 2013, including the use of certain discretionary powers placed with the Billing Authority.

### **3. BACKGROUND**

- 3.1 The Government started the consultation process on 31 October 2011 with all responses required by 31 December 2011. A response report was published on 28 May 2012, and officers and professional institutions have continued to lobby for more reasoned and effective changes to those proposed for empty properties.
- 3.2 We have achieved some success in this regard as the Government has announced on 27 July 2012 that it now proposes to allow councils complete discretion over the level of discount and the time limits employed.

### **4. THE CURRENT POSITION AND POLICY**

- 4.1 Since the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 came into force on 1<sup>st</sup> April 2004 this authority has granted the minimum levels of discount to both "long term empty properties" and "second homes" i.e. 0% and 10% respectively.
- 4.2 There are provisions however for "job related" second homes where people are required to live in property provided by their employers for the requirements of their employment including service personnel, ministers of religion, managers of licensed premises etc. The discount is prescribed as 50% in those cases and will continue to be so under the new regime.
- 4.3 The effect of any decision to reduce the level of discounts is to increase the Tax Base and the income derived by all preceptors proportionately to the amount of their precept. In simple terms, as the District Council only accounts for 8.5% of the aggregated council tax charge in 2012/13 that is how much more it would benefit in respect of any increased charge (due to reduced discounts).

## 5. THE GOVERNMENTS PROPOSALS ON DISCOUNTS

- 5.1 The Local Government finance bill is progressing through parliament, and is expected to receive Royal Assent in the autumn. Guidance has been issued by CLG to enable Billing Authorities and software providers to commence work on the implementation of the following provisions.
- 5.3 Unoccupied and substantially unfurnished domestic properties are currently totally exempt from charge under Class C of the Council Tax (Exempt Dwellings) Order 1992 for up to six months. It is proposed that this exemption class is revoked and replaced by a locally defined discount with the billing authority having complete discretion to remove or amend the discount.
- 5.4 Likewise uninhabitable domestic property that requires or is undergoing major repair or structural alteration is exempt (Class A) for up to twelve months. Again the billing authority will have complete discretion over the level and period of the discount.
- 5.5 Furnished domestic property that is not one's main residence, commonly referred to as "second homes" (and not job related) currently receive the minimum 10% discount. From 1 April 2013 the billing authority will have complete discretion and could remove the discount.
- 5.6 The Government were also considering giving the same discretion over "Mortgagees in Possession" (Class L) but having received representations from a number of financial institutions they are currently re-considering that particular proposal. The number and amount of these current exemptions are relatively low but we will monitor the Government's intention and report as necessary.

## 6. FINANCIAL IMPLICATIONS OF DISCOUNT POLICY

- 6.1 It is never possible to accurately forecast the amount of income generated by a change of policy for future years as factors such as the housing market and number of long or short term empty properties will change. There will be an inevitable risk of "avoidance" and many small and irrecoverable debts caused by an aggressive policy, which would also cause administrative inefficiencies and appeals over liability for example, who was the "owner" on the date of the bill, and property developers challenging the validity of "completion notices". The financial modelling software is not currently available but should be soon.
- 6.2 We can say that the level of Exemptions/Discounts granted in the past year (2011/12) has been approximately:

Type:	£
Class C (Unoccupied and substantially unfurnished)	1,250,000
Class A (Uninhabitable)	135,000
"Second Home"	39,000



- 6.3 The most straightforward and efficient change is to remove the second home discount as, whilst there will be some small element of avoidance (a single occupant will, and currently does, pay less than for a second home) the administration and monitoring costs will be largely removed and the 10% extra charge is unlikely to be an excessive burden for a second home.
- 6.4 With regards to unoccupied and substantially unfurnished properties we can confidently say that any move to charge council tax from “Day 1” would cause significant complications. Allowing a one month void period would allow most residents and landlords to hand over their property to the next occupant. Using 2011/12 figures, our best estimates of extra income (to be shared by each preceptor) is £724k pa from 2013 onwards .
- 6.5 Any Registered Social Landlord who is also a registered charity would be eligible to claim exemption for up to six months under the “Class B” (charitable) provisions. No suggestion has been made to vary the level of the discount as it is believed that this would add further complication and uncertainty of yield.
- 6.6 There appears to be merit in continuing with the Class A (uninhabitable) exiting arrangements at least initially to encourage necessary improvement to housing stock and to return it to occupation.

## **7. OTHER GOVERNMENT PROPOSALS**

- 7.1 In line with its policy the Government’s statement of intent supports the idea that a billing authority should have the option to levy an empty premium on properties left vacant for over two years. The suggested value of the premium is 50% meaning that 150% of the full council tax liability could be charged in such cases.
- 7.2 It is not possible to forecast the yield from this scheme owing to the vagaries of the housing and the likelihood that some long term empty properties awaiting demolition will just be “knocked down” quicker. For example, we currently have 148 properties that have been empty for longer than two years, and 59 of those are owned by Luminus.
- 7.3 If the caseload was to stay constant and there was no wholesale “avoidance” a simplistic calculation could yield an additional £90,000, but of course, this would immediately cease if the policy was successful in bringing the property back in to use. Owing to the likelihood of this scheme not delivering this sum, it is excluded from the financial impact shown at 1.1 above.
- 7.4 The Government has proposed that taxpayers have the right to request twelve instalments at the start of the year, but if they do not then the default scheme remains as now at ten instalments.
- 7.5 The Council Tax (Demand Notices) (England) Regulations 2011 currently prescribe what information must contained within, or accompany, a council tax bill but the Government now proposes that all that additional information can be published on line. There will however, be an obligation to send it all in hardcopy to those taxpayers who request it. Huntingdonshire have for a number of years worked in collaboration with the other billing authorities in Cambridgeshire (excluding the unitary Peterborough City) plus the County, Fire and Police Authorities to publish a 48 page joint document, including a webpage version,

which incorporates many other corporate messages and projects for a very economical £2,500.

## **8. RECOMMENDATIONS**

- 8.1 It is recommended that, subject to the enactment of the relevant legislation:
- 8.1.1. Unoccupied and unfurnished (Class C) properties be granted 100% discount for 1 month and then 0% thereafter.
  - 8.1.2 Second Home Discount is reduced to 0%.
  - 8.1.3 Uninhabitable properties (Class A) be granted 100% discount for a maximum of 12 months (no change).
  - 8.1.4 Empty Homes Premium be levied after two years at 50% in addition to the 100% charge currently made.
  - 8.1.5 Monthly instalments continue to be due on the 15<sup>th</sup> day of each month (extended to those requesting 12 monthly instalments) but managers be permitted to include an additional later instalment date purely as an incentive for those opting to pay by direct debit.
  - 8.1.6 Huntingdonshire District Council continue to work in partnership with other Cambridgeshire local authorities to publish the 48 page Council Tax Booklet (which includes the on line publication).

## **BACKGROUND INFORMATION:**

Background Papers:

- Technical reform for Council Tax: Summary of responses report
- Council Tax Information Letter 2/2012

**Contact Officer: Julia Barber**  
**Head of Customer Services**  
**☎ 01480 388105**

**COMT**

**17 AUGUST 2012**

**OVERVIEW & SCRUTINY PANEL  
(ECONOMIC WELL-BEING)**

**6 SEPTEMBER 2012**

**CABINET**

**13 SEPTEMBER 2012**

**COUNCIL TAX SUPPORT FROM 1 APRIL 2013  
(Report by the Head of Customer Services)**

**1. INTRODUCTION**

- 1.1 The current national Council Tax Benefit scheme is being abolished on 31 March 2013 and will be replaced by a local Council Tax Support scheme on 1 April 2013.
- 1.2 The Local Government Finance Bill is still going through the Parliamentary process but a set of draft regulations and a Statement of Intent produced by the Department for Communities and Local Government (CLG) sets out the principles of the scheme.
- 1.3 The scheme must be in place by 31 January 2013 and have received full Council approval.
- 1.4 There will be at least a 10% cut in funding which equates to approximately £1.3m in 2013/14 across HDC, County, Fire and Police.
- 1.5 Pensioners must be protected from any changes and receive the same amount of support that they would under the current Council Tax Benefit scheme.
- 1.6 The Bill stipulates that before adopting a scheme, the Council must consult their major precepting authorities, publish a draft scheme and carry out a consultation exercise with stakeholders and interested parties.

**2. CONSIDERATIONS**

- 2.1 HDC currently awards approximately £8.1m (net of adjustments) per annum in Council Tax Benefit to around 9,400 claimants. Approximately half of these are pensioners who must be protected from any changes resulting from the abolition of Council Tax Benefit. This means that if we chose to meet the whole of the £1.3m funding shortfall through a reduction in Council Tax rebates, it would fall on around 5,000 working age claimants.
- 2.2 CLG is also undertaking a reform of some of the Council Tax exemptions that can be applied to empty properties. These changes could generate

an income to potentially offset some of the costs of the new Council Tax Support scheme, and there is a report elsewhere on this agenda.

- 2.3 HDC proposes to use a combination of the Council Tax technical reform changes along with reducing the amount of Council Tax Support awarded to meet the £1.3m funding shortfall.

### **3. SCHEME DETAILS**

- 3.1 The following principles were at the core of designing the HDC draft Council Tax Support scheme:

- everyone of working age should pay something towards their Council Tax (except for the most vulnerable)
- the scheme should provide some protection for the most vulnerable in society
- the scheme should incentivise and support people moving into work and help those on low paid work.

- 3.2 Council Tax Support for pensioners will be worked out using a set of prescribed regulations which in effect mirrors the current Council Tax Benefit regulations.

- 3.3 Although within certain parameters, we can draft our own scheme for working age people, we intend to base the scheme on the current Council Tax Benefit regulations with some amendments. This means that Council Tax Support entitlement will be means tested and the amount awarded will depend on the particular circumstances of the claimant and their household.

- 3.4 In order to make the necessary savings and to be able to provide some protection for the most vulnerable claimants, the scheme for working age people will mean that the majority of claimants will have their Council Tax Support entitlement based on 80% of the Council Tax charge. Households containing a child under the age of 5 will have their entitlement based on 85% of the charge and people in receipt of the Severe Disability or Disabled Child Premium will have their Council Tax Support based on the full charge.

- 3.5 This means that a large number of people who currently don't have to pay anything towards the Council Tax will now have to; this includes unemployed people on Income Support, Jobseeker's Allowance or Employment Support Allowance.

- 3.6 An analysis of the Council Tax Benefit caseload gives a breakdown of where the effects of the changes are likely to be felt. (Appendix A)

#### **4. CONSULTATION**

- 4.1 An initial consultation has been carried out with the major preceptors. Responses were received from County and the Police.
- County – welcome reassurance that the scheme will be designed to minimise the impact on the County and be cost neutral to major preceptors. Urge billing authorities to deliver in excess of the estimated requirements to provide a safety margin to cover losses in collection and increases in caseload
  - Police – have built potential liability into forecast.
  - Fire – no response
- 4.2 A major consultation exercise with customers and stakeholders is now underway and will finish on 14 October 2012.
- 4.3 The consultation is being undertaken by way of an on-line questionnaire supplemented by drop-in sessions at various council offices around the district.

#### **5. POST CONSULTATION**

- 5.1 The draft scheme takes account of the CLG Statement of Intent and draft legislation. Any changes to these documents following the Welfare Reform Bill receiving Royal Assent will be reflected in the final scheme.
- 5.2 In addition, the results of the consultation will be analysed to help finalise the scheme that will go to full Council in December 2012.

#### **6. RECOMMENDATION**

- 6.1 The Panel is asked to note the contents of this report and the attached appendix.

Background papers : [www.Huntingdonshire.gov.uk/benefitchanges](http://www.Huntingdonshire.gov.uk/benefitchanges)

**Contact  
Officer:**

**Julia Barber**

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## Analysis of Benefits Caseload

<b>CTB caseload</b>	<b>Number of claims</b>	<b>Annual Benefit Award</b>
Pensioner claims	4600	£4.0m
Working age claims	4800	£4.2m
<b>Total</b>	<b>9400</b>	<b>£8.1m</b>

<b>Working Age Claimants</b>	<b>Number of claims</b>	<b>Annual Benefit Award</b>
Working	1600	£1.2m
Other*	3200	£3.0m

<b>Working Age Claimants</b>	<b>Number of claims</b>
With a Severe Disability Premium**	49
With a Disabled Child Premium**	79
With a child(ren) under the age of 5	1203

\* includes people on Jobseeker's Allowance/Income Support/Employment Support Allowance

\*\* Our benefits database does not show whether a claimant on a passported benefit such as Jobseeker's Allowance/Income Support/Income Related Employment Support Allowance receives a Severe Disability Premium or Disabled Child Premium. We will undertake a manual exercise to identify these claims.

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

**4TH SEPTEMBER 2012**  
**6TH SEPTEMBER 2012**  
**11TH SEPTEMBER 2012**

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

**1. INTRODUCTION**

1.1 The purpose of this report is to inform Members 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 Overview and Scrutiny remits. Details of ongoing studies being undertaken by the two other Panels are set out in the attached Appendix.

2.3 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.

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**01480 388006**

**Mrs J Walker, Democratic Services Assistant**  
**01480 387049**

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**01480 388234**

## ONGOING STUDIES

STUDY	OBJECTIVES	PANEL	STATUS	TYPE
Gypsy & Traveller Welfare	To examine existing gypsy and traveller sites in the District with a view to informing any future Planning Policy on sites.	Social Well-Being	Report requested for submission to a future meeting. Following consultation with the Chairman, agreed that the study would proceed once Government guidance has been issued on future provision requirements.	To be determined.
Leisure Centre Financial Performance and Employment Structure	To consider the future business model for "One Leisure" and the development of a methodology for the quantification of Social Value.	Economic Well-Being and Social Well-Being	Working Group met on 28 <sup>th</sup> February 2012. Agreed to split into two sub groups to investigate each area.  Sub-Group looking at the 'Social Methodology' met on 2nd August 2012.  The Working Group looking at the Business Model will provide an update to the September meeting of the Overview & Scrutiny Panel (Economic Well-Being).	Joint Working Group
CCTV Provision within the District	To review the impact of the Council's proposal to cease the CCTV service with effect from April 2012.	Social Well-Being	A report on changes to the CCTV service in 2012/13 will be submitted to the Panel in November 2012.	Whole Panel Study.



Consultation Processes	To assist the Corporate Team with its review of the Council's Consultation and Engagement Strategy.	Social Well-Being	Meeting of the Working Group to be held on 5th September 2012.	Working Group.
Tree Strategy	To form a strategy in conjunction with the Tree Officers for the retention and planting of trees.	Environmental Well-Being	The draft tree strategy is being prepared for the Working Group to view.	Working Group.
The Council's Relationship with the Voluntary Sector	To examine the proposed future relationship between the Council and the Voluntary Sector.	Social Well-Being.	Panel to determine how to proceed with their investigations at a future meeting.	To be determined.
Land Use for Agricultural Purposes 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	An interim report has been produced to meet the deadlines for the Local Plan production. The Working Group will go on to examine the Council's procedure for dealing with applications where agriculture is a feature of the proposals.	Working Group.
Rural Transport	To review the provision of transportation in rural areas.	Environmental Well-Being	Transport for Cambridgeshire report received in July 2011. Comments conveyed to Cabinet. Final report expected in due course.	To be determined.
Review of Neighbourhood Forums in Huntingdonshire	To undertake a review of the Neighbourhood Forums in Huntingdonshire.	Social Well-Being	Consultation summary report presented to Cabinet in July. Cabinet agreed to hold a pilot in the Norman	Working Group

			Cross County Division. The outcome of Cabinet's deliberations will be reported to the Panel at its September meeting.	
Maintenance of Water Courses	To receive a presentation on the maintenance arrangements in place for Water Courses within the District.	Environmental Well-Being	<p>Following the consideration of the St Neots Surface Water Management Plan and subsequent discussions on widespread drainage problems within the District, a working group was convened to engage with Anglian Water in order to establish their general powers, responsibilities and the limitations on its ability to prevent flooding.</p> <p>Two meetings have been held with representatives from Anglian Water and the Environment Agency. The Working Group is producing a report on its findings.</p>	Working Group
Design Principles for Future Developments	To examine issues that have arisen at Loves Farm, St Neots and to make recommendations to inform future developments.	Environmental Well-Being	The Working Group has produced a report detailing its findings to date. The Working Group will now focus on detailed aspects of the design guide.	Working Group.
Equality Framework for Local Government	To review the action plan arising from the Equality Framework for Local Government peer assessment.	Social Well-Being	Working Group meeting held on 29th August 2012.	Working Group

Corporate Plan	To assist the Corporate Office with the development of a new Corporate Plan.	All O&S Panels	Meetings held on 1st and 28th August 2012.	Working Group
Waste Collection	To identify options for improving the Council's waste collection and recycling arrangements and for enhancing public satisfaction with the service.	Environmental Well-Being	Meetings have been held with the Head of Operations and South Cambridgeshire's Environment Operations Manager. The Working Group has decided to focus on how best to engage with residents as to what should be placed in which bin. The Group may go on to study waste collection procedures in more detail, this is dependent on the work of RECAP.	Working Group

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## Progress Report

<b>13/05/09</b>	<p><b><u>Customer Services</u></b></p> <p>Quarterly performance reports to be circulated informally to the Panel twice per year and formally twice per year.</p>	<p>Latest report considered in July 2012.</p>	<p>Next report due January 2013.</p>	<b>04/01/13</b>
<b>16/05/12</b>	<p><b><u>Leadership Direction</u></b></p> <p>Councillors T V Rogers and G J Bull have been appointed to the Corporate Plan Working Group.</p>	<p>Leadership Direction Document considered at Panel's July Meeting.</p>	<p>The Corporate Plan Working Group has been meeting throughout the summer to help the Corporate Office to produce the Council Service Plan which will outline the key activities that contribute to the aims in the Leadership Direction. Quarterly / bi-monthly performance reports will then be produced for consideration by each of the Overview and Scrutiny Panels.</p>	<b>04/10/12</b>
<b>02/11/11</b>	<p><b><u>Scrutiny of Partnerships</u></b></p> <p>Following a review of the Strategic Partnership, the Overview &amp; Scrutiny Chairmen and Vice Chairman agreed that responsibilities should be divided as follows:-</p> <p>Social Well Being</p> <ul style="list-style-type: none"> <li>❖ Community Safety</li> <li>❖ Children &amp; Young People</li> <li>❖ Health &amp; Well-Being</li> </ul> <p>Environmental Well Being</p> <ul style="list-style-type: none"> <li>❖ Growth &amp; Infrastructure</li> </ul> <p>Economic Well Being</p> <ul style="list-style-type: none"> <li>❖ Local Enterprise Partnership</li> </ul>		<p>The Panel has already received two presentations on the Local Enterprise Partnership. A presentation on the Local Enterprise Zone was given to the Panel's November meeting.</p> <p>Work is ongoing to develop a LEP wide scrutiny function. It is envisaged that a Countywide seminar will be arranged shortly.</p>	

<p><b>05/01/12</b></p>	<p><b><u>Leisure Centres</u></b></p> <p>Working Group's report approved for submission to the Cabinet meeting on 19<sup>th</sup> January 2012.</p>	<p>Endorsed by the Cabinet at their meeting on 19<sup>th</sup> January 2012. Working Group to continue its investigations into the future business model and a methodology for the quantification of social value.</p>	<p>Working Group met on 28<sup>th</sup> February 2012. Agreed to divide their work between two sub-groups. Members of the Overview &amp; Scrutiny Panel (Social Well Being) are investigating the development of a methodology for the quantification of social value.</p> <p>The Working Group investigating the development of a methodology for the quantification of social value met on 2<sup>nd</sup> August.</p> <p><b>Working Group Members to provide update.</b></p>	
<p><b>07/07/11</b></p> <p><b>02/02/11</b></p>	<p><b><u>A14 Improvements</u></b></p> <p>Agreed that a representative of the Highways Agency should be invited to a future meeting to discuss their plans in the event of an interruption to traffic flow.</p> <p>Agreed to receive further updates on progress by email.</p> <p>In view of the difficulties in obtaining a representative from the Highways Agency to attend a future meeting, agreed that a presentation on A14 developments should be given to the whole Council, when this is appropriate.</p>	<p>Invitation sent to Highways Agency.</p>	<p>The Secretary of State for Transport has recently announced plans to improve the A14 between Milton and Huntingdon as part of a major drive on infrastructure investment</p> <p>Matter has been raised with Head of Planning Services and Transportation Team Leader and a presentation will be arranged at an appropriate time.</p>	

## Progress Report

<p><b>07/07/11</b></p>	<p><b><u>District Council Support Services</u></b></p> <p>Agreed to establish a Working Group to review the Document Centre and its costs to form a view on its efficiency and cost effectiveness.</p> <p>Councillors Bull, Greenall, Howe, Mackender-Lawrence, Rogers and Williams volunteered for the Group.</p>		<p>Working Group has formed two sub groups to consider:-</p> <p style="padding-left: 40px;">a) the financial cost of the service; and b) the operation of the service.</p> <p>Last meeting held on 25<sup>th</sup> April 2012.</p> <p><b>Working Group Members to provide an update.</b></p>	
<p><b>06/10/11</b></p>	<p><b><u>Cambridgeshire Public Sector Asset Management Strategy</u></b></p> <p>Requested a report outlining the progress made on the Huntingdonshire projects in six months time.</p>	<p>Progress report submitted to June 2012 meeting.</p>	<p>Managing Director (CPP) to report back at a future meeting on the development of the business case methodology.</p>	
<p><b>03/11/11</b></p> <p><b>08/03/12</b></p> <p><b>05/04/12</b></p>	<p><b><u>Community Infrastructure Levy</u></b></p> <p>Informal Discussion held at the conclusion of the meeting. Agreed that Managing Director (CPP) would report back when it was appropriate.</p> <p>Councillor M F Shellens suggested that the Panel should discuss</p> <ul style="list-style-type: none"> <li>❖ the priorities for CIL funding at a future meeting.</li> <li>❖ the implications of planning social housing requirements on Community Infrastructure Levy Income and the housing waiting list.</li> </ul>		<p>Report on future governance and spending arrangements to be submitted to a future meeting. Members of the Social and Environmental Well-Being Panels will be invited to attend.</p> <p>Added to the Work Programme for the forthcoming year. Managing Director (Communities, Partnerships &amp; Projects) to discuss the issue with Councillor M F Shellens directly.</p>	<p><b>04/10/12</b></p>

## Progress Report

<p><b>05/01/12</b></p> <p><b>12/07/12</b></p>	<p><b><u>Housing Benefit Changes</u></b></p> <p>Agreed to receive a further report drawing together the wider housing policy implications for the Council arising from the Government's Welfare Reform Bill be submitted to a future meeting of the Panel.</p> <p>Requested that a report on rental rates and rent costs be submitted to the Panel on a quarterly basis.</p>	<p>First quarterly report submitted to July meeting.</p>	<p>Report considered by the Overview &amp; Scrutiny Panel (Social Well-Being) at their meeting on 12<sup>th</sup> June 2012. Further reports to be submitted on a quarterly basis and Members of the Panel will be invited to attend.</p> <p>Agreed that future reports should be presented every six months.</p>	<p><b>04/09/12</b></p> <p><b>08/01/13</b></p>
<p><b>01/12/11</b></p>	<p><b><u>Great Fen Project</u></b></p> <p>Councillor P G Mitchell suggested that it would be useful to see the details of the Commercial Plan which was being developed for the Great Fen Project.</p>		<p>A draft report on the socio – economic impact of the Great Fen Project has been produced. This will be considered at a workshop in September with a view to establishing an Action Plan. This will be delivered by the partners of the Great Fen Project.</p>	<p><b>09/12</b></p>
<p><b>08/03/12</b></p>	<p><b><u>Council's Use of Reserves</u></b></p> <p>Agreed that a discussion on the level and use of the Council's reserves should be held at their June meeting. Councillors Mitchell and Shellens asked to prepare a short introduction for consideration at this time.</p>		<p>Agreed to establish a working group comprising Councillors R B Howe, P G Mitchell, T V Rogers and M F Shellens to:-</p> <ul style="list-style-type: none"> <li>❖ identify the combination of co-incident risks against which the Council wishes to insure by having reserves</li> <li>❖ benchmark the Council's level of reserves against other appropriate authorities.</li> </ul> <p>First meeting held on Tuesday 4<sup>th</sup> September 2012.</p>	



## Progress Report

<p><b>14/06/12</b></p>	<p><b><u>Economic Development</u></b></p> <p>Agreed that the update of the Council's Economic Strategy should be submitted to a future meeting and Mrs H Roberts be invited to provide details of those particular aspects which she felt ought to be considered.</p> <p>Agreed that a briefing paper on the Supporting People Back to Work programme should be submitted to a future meeting.</p>		<p>The new Strategy is scheduled for completion at the end of the year. Work is currently taking place to develop a robust evidence base for the new Strategy. As part of this process, all Members will be given the opportunity to participate in the consultation. The Economic Development Manager will attend the November Panel meeting.</p> <p>To be included on a future Agenda.</p>	<p><b>08/11/12</b></p> <p><b>04/10/12</b></p>
<p><b>14/06/12</b></p>	<p><b><u>Fraud Prevention</u></b></p> <p>Agreed that this should be added to the work programme for the forthcoming year.</p>	<p>Corporate Governance Panel have agreed to establish a working group to consider fraud risks, current and future approach and single fraud issues. Councillors Mitchell, Butler and Churchill have been appointed to this group.</p>	<p>The report of the Working Group is expected to be available for the Panel's October meeting.</p>	<p><b>04/10/12</b></p>

## Progress Report

<b>12/07/12</b>	<b><u>Use of Consultants</u></b> Received a report outlining the progress which had been made on agreeing, modifying and implementing the Panel's previous recommendations.	Agreed that further reports detailing expenditure on consultants, hired and temporary staff should be submitted to the Panel on an annual basis. This report should include a breakdown of revenue and capital.	Next report due July 2013.	<b>07/13</b>
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## Decision Digest

Edition 126

**Monthly summary of the decisions taken at meetings of the Council, Cabinet, Overview & Scrutiny and other Panels for the period 2nd to 31st July 2012.**

### **UPDATE ON REDESIGN OF MENTAL HEALTH SERVICES**

The Overview and Scrutiny Panel (Social Well-Being) received an update on the redesign of mental health services across Cambridgeshire and Peterborough. Matters discussed included the transportation arrangements for both patients and their carers, the care in the community services available, the role of the Crisis Resolution Home Treatment Team, the reasons for the closure of Acer Ward, together with the community services available from the Newtown Centre, Huntingdon, the availability of specialist mental health assessments at Hinchingsbrooke Hospital and the development of the Advice and Referral Centre.

### **VOLUNTARY SECTOR FUNDING 2013/14 ONWARDS**

The allocation of funding to support the voluntary sector in Huntingdonshire was considered by the Overview and Scrutiny Panel (Social Well-Being). The future funding model will now be a grant based system which is intended to be more flexible than the previous commissioning model.

A proposal to link future financial support to a tapering process has been considered by Members. This is intended to encourage voluntary organisations to match fund any grant that they receive from the Council over a three year period and will enable the

budget set by the Council to stretch further. Members expressed reservations over the tapering process which is regarded as being prescriptive on the voluntary organisations' part. The Panel suggested that alternative ways of supporting the voluntary sector should be explored by the Council such as assisting organisations behind the scenes in their search for match funding opportunities.

In considering the key components of the Community Chest award scheme, the Cabinet has reiterated their view that the process should be straight forward and applications limited to local organisations that require a small injection of revenue up to £5,000. Having acknowledged the work of the voluntary sector, the Cabinet has –

- supported a move to a three year period for funding voluntary sector organisations;
- agreed that the determination of grant applications should remain with the Executive Councillors for Healthy and Active Communities and Resources;
- agreed that provision be made to allow some applicants to make presentations in support of their submissions;
- supported the introduction of a simple bid/check/allocation process for Community Chest Funding;
- agreed that those in receipt of funds via the Community Chest scheme should not be eligible

for reconsideration for a period of two years;

- Supported the introduction of a tapering process and a requirement for match funding; and
- Agreed to set a level of Community Chest funding at a maximum level of £5,000 per application.

### **JOINT STRATEGIC NEEDS ASSESSMENT – AWARENESS RAISING**

The Phase 6 Summary Report for the Cambridgeshire Joint Strategic Needs Assessment was received by the Overview and Scrutiny Panel (Social Well-Being). The report plays an integral part in the development of the draft Cambridgeshire Health and Wellbeing Strategy and identifies key information about the health and wellbeing needs of the Cambridgeshire population, together with information about local health inequalities for specific population groups.

### **DRAFT CAMBRIDGESHIRE HEALTH AND WELLBEING STRATEGY 2012-17**

The Overview and Scrutiny Panel (Social Well-Being) has appointed Councillors S J Criswell, M Oliver and J Pethard, together with Mr R Coxhead, onto a Working Group to formulate the Panel's response to the draft Cambridgeshire Health and Wellbeing Strategy 2012-17. The consultation period closes on 17th September 2012 and the draft response will be submitted to the Panel at its September 2012 meeting.

The consultation seeks views on the terms of the proposed priorities identified by the Shadow Health and Wellbeing Board and Network as being important for local people and outlines

how Partners will work together effectively to address them.

Matters discussed by the Panel included the need for enhanced levels of community involvement on health and wellbeing matters, the involvement of NHS Cambridgeshire on infrastructure planning for large scale developments, the level of resources required to meet the needs of the Strategy, the number of county and district-wide strategies utilised to assist the development of the draft Health and Wellbeing Strategy and the methods of communication adopted to generate awareness of the consultation.

### **NEIGHBOURHOOD FORUMS – PROPOSALS TO ESTABLISH LOCAL JOINT COMMITTEES IN HUNTINGDONSHIRE – CONSULTATION RESPONSES**

The outcome of a consultation on the proposed establishment of Local Joint Committees (LJC's) in Huntingdonshire was reported to the Overview and Scrutiny Panel (Social Well-Being). The Working Group appointed by the Panel to undertake the review has responded to each of the consultation responses received.

Matters discussed by the Panel include how the communities views would be represented at meetings, the likely administrative and Officer costs associated with the proposals and a proposal to undertake a review of the Local Joint Committees after 12 months.

A meeting between the District and County Councils was held on 6th July 2012 to discuss the proposals in advance of its consideration by the Cabinet.

Subsequently, the Cabinet has considered the responses received to the consultation and the views of the

Working Group. In adopting the constitution for the LJC's, Executive Councillors have endorsed the trial of a pilot Local Joint Committee in the Norman Cross County division for a 12 month period and requested that the County Council and relevant Parish Councils involved in the scheme be consulted on adopting the constitution. The Cabinet were of the opinion that limiting the trial to a small area rather than the suggested nine LJC's areas would be more manageable. With regard to the existing Neighbourhood Forums, the Cabinet has authorised the Executive Deputy Leader to review urgently their format with a view to them continuing during the trial in those areas that have expressed a wish that they remain. Finally, the Cabinet has requested the Overview and Scrutiny Panel (Social Well Being) to undertake a review of the pilot scheme during its twelve months of operation.

### **CUSTOMER SERVICES – REVIEW OF CHANGES AT RAMSEY & YAXLEY**

The outcome of a review of the impact of the Council's previous decision to reduce the opening hours at the Ramsey & Yaxley Customer Service Centres has been considered by the Overview & Scrutiny Panel (Economic Well-Being). The Panel was of the view that the Customer Services Centres at Ramsey and Yaxley should continue to operate for two days per week at each location.

The Panel has also asked the Head of Customer Services to report on the impact of the changes as part of their normal six monthly monitoring reports.

### **CUSTOMER SERVICES MONITORING QUARTERLY REPORT**

The Overview & Scrutiny Panel (Economic Well-Being) have considered the Customer Service

Quarterly Performance Report for the period January to March 2012. The report sets out the standards of service that have been achieved and the issues the service will face in the forthcoming quarter.

### **PRIVATE SECTOR RENT LEVELS**

Following a request for further information at a previous meeting, the Overview & Scrutiny Panel (Economic Well-Being) has received an update on rent levels in Huntingdonshire. There is currently no evidence to suggest that landlords were adjusting their rents downwards as a result of changes to the Housing Benefit System.

Having acknowledged that it was still very early days and that it was unlikely that quarterly reports would be able to demonstrate significant movements in rent levels, Members were of the view that it was important to continue to monitor the situation in the current economic climate. With this in mind, the Panel has agreed to receive further reports on a biennial basis.

### **LEADERSHIP DIRECTION**

The Overview & Scrutiny Panels for Economic Well-Being and Environmental Well-Being have considered the content of "Leadership Direction" which has been prepared by the Executive and Deputy Executive Leader to set out their direction of travel and key milestones over the next few years. The Economic Well-Being Panel has commented on a number of the themes and aims within the document. A Member of the Environmental Well-Being Panel has suggested that residents ought to be given the opportunity to influence the Direction so that it reflects needs identified by the community.

### USE OF CONSULTANTS

The Overview and Scrutiny Panel (Economic Well-Being) has received an update outlining the progress which has been made on agreeing, modifying and implementing their previous recommendations. Members have been pleased to note that the majority of their recommendations had been accepted in some form.

The Panel has also been provided with details of the District Council's expenditure on Consultants, Hired and Temporary Staff during 2011/12. Having sought clarification on a number of items within the expenditure, the Panel has agreed that further reports should be submitted on an annual basis.

### LOCALISATION OF BUSINESS RATES

The Overview & Scrutiny Panel (Economic Well-Being) and Cabinet have been acquainted with the background to the introduction of a rates retention scheme localisation of business rates which will come into effect in April 2013. The scheme is designed to encourage Councils to be self-sufficient and to help them to support local jobs, growth and protect the most vulnerable places.

Members were advised that there was an option in the scheme for local authorities to come together to form local pools for business rates income. Having noted the benefits of forming a local pool with the County Council and other Cambridgeshire districts, the Cabinet has requested that the Department for Communities and Local Government be advised of the Council's interest in pooling on the understanding that the governance arrangements will be based on no authority losing from pooling and that

there would be the opportunity to review the decision later in the year.

### THE RATIONALE FOR RESERVES

A working group comprising Councillors R B Howe, P G Mitchell, T V Rogers and M F Shellens has been established by the Overview & Scrutiny Panel (Economic Well-Being) to:-

- (a) identify the combination of co-incident risks against which the Council wishes to insure by having reserves; and
- (b) to benchmark the Council's level of reserves against other appropriate Authorities.

### REVENUE BUDGET AND CAPITAL MONITORING: 2011/12 OUTTURN AND 2012/13 BUDGET

The Cabinet has noted the final outturn for revenue and expenditure in 2011/12 and variations already identified in the current year. Executive Councillors were pleased to note that as a result of under spending the Council has been successful in saving an additional £2.5 million in reserves.

Executive Councillors also have been apprised of variations in the capital programme in the current year and adjustments in the 2012/13 budget.

### RISK REGISTER

In line with the Council's Risk Management Strategy, the Cabinet has noted the options available to manage six risks identified as very high or red in the Corporate Risk Register. The risks relate to various activities including IT business continuity plans, ICT security and changes in Government funding

## **POLICE AND CRIME PANEL**

The establishment of a Cambridgeshire Police and Crime Panel as a Joint Committee of the local authorities has been supported by the Cabinet. The Panel will have an important role in scrutinising the new Police and Crime Commissioner. It will be made up of representatives from the seven Cambridgeshire Local Authorities plus one co-optee. The Cabinet has appointed the Executive Leader as the District Council's representative on the Panel with the Chairman of the Overview and Scrutiny Panel (Social Well-Being) as his substitute.

With regard to the Panel arrangements and associated terms of reference, the Cabinet has endorsed their substance and have authorised the Head of Legal and Democratic Services to finalise the precise wording as necessary.

## **BEARSCROFT FARM URBAN DESIGN FRAMEWORK**

The Overview and Scrutiny Panel (Environmental Well-Being) has received the Draft Urban Design Framework (UDF) for land at Bearscroft Farm, Godmanchester. The UDF is intended to provide constructive guidance to future developers of the area to the maximum advantage and minimum disadvantage to local residents. A Member has expressed the view that Godmanchester does not have the infrastructure to serve a large scale development. Furthermore, the A1198 could be negatively affected by the proposed development. Members have been advised that the UDF was the subject of consultation which has enabled residents to have input into the design of development.

Having considered the options within the UDF, several Members have expressed a preference for Idea 5 which proposes that a new road is

constructed around the southern edge of the development. This will allow for a greater developed area and enable the football pitch and other green spaces to be completely integrated with the rest of the development. Members have expressed concerns at the UDFs lack of provision of a secondary school and highlighted the need to ensure there is a safe route for pupils to take to their chosen school. In its role as a consultee, the Development Management Panel has formulated a series of comments on the draft UDF which will be endorsed by the Panel at its meeting in August for submission to the Cabinet.

## **GROWING AWARENESS – A PLAN FOR OUR ENVIRONMENT**

Both the Cabinet and Overview and Scrutiny Panel (Environmental Well-Being) have considered the Council's Plan for making continual, measurable progress in reducing its own resource use and for stimulating environmental improvements in the wider district. The Panel has also reviewed the Council's progress against targets so far and noted that energy usage has decreased by 18% across the Council's portfolio.

Members were acquainted with the details of the Green Deal, which is due to be launched in the coming months. As Councils will be best placed to promote the scheme Members have stressed the importance of ensuring that the Council provides the best value options for householders. The Panel has also recommended that, as far as possible, local traders should be used to deliver installations.

Attention has been drawn to the fact that the Council has not achieved its target of a 9.5% reduction in the cubic metres of water consumed by Council buildings. Members have been assured that this will become a priority of the Environment Team and will continue to



be carefully monitored. Specific reference has also been made to the increase in the percentage of Council employees travelling to work by car and the slow progress in reducing the amount of waste recycled from the Council's headquarters. This has highlighted that continual efforts need to be made to reinforce the activities designed to achieve targets. In particular, reference has been made to the need to promote the Council's home working policy and its travel plan.

### WASTE COLLECTION POLICIES

The updated Waste Collection Policies have been received by the Overview and Scrutiny Panel (Environmental Well-Being). The Policies have been co-ordinated and some changes have been suggested. The Waste Collection Policies are intended to provide clarity to residents as to the type and extent of service that they can expect. Members have welcomed the fact that the Council's Waste Collection Policies are now available in a single document.

The Panel has endorsed the proposal to provide paper sacks for food/green waste to properties currently receiving weekly bag collections, so that they can be collected fortnightly to fit in with the normal collections and save on additional vehicles and crew having to collect every other week. Members have also supported the proposal to collect non-hazardous clinical waste with the normal grey bin collection, which will result in further savings. The Panel has recommended that the Council should provide and publicise guidance on how items, which are prohibited from wheeled bin and sacks, should be disposed of. With regard to Policy 22, which prohibits stickers on wheeled bins, Members have expressed a view that these stickers could provide an opportunity to convey messages, such as local speed restrictions. This approach is taken by

South Cambridgeshire District Council and is supported by the Police. Having noted that a pilot initiative is taking place in Huntingdonshire, the Panel has recommended that, subject to feedback from the local community, this practice should be adopted in Huntingdonshire.

The Panel has discussed the feasibility of removing the purple stickers on wheeled bins which identify residents who require assistance. Members have raised concerns that this practice identifies vulnerable residents and could potentially create a crime hazard.

Having been advised of the Panel's views, the Cabinet has endorsed the content of the document. With regard to the prohibition of stickers on bins, Executive Councillors reiterated that they were not in favour of notices being attached to bins. On the issue of purple stickers, the Cabinet was of the opinion that there was no evidence that this identifies vulnerable residents and referred to developments in technology which will soon enable collection crews to identify such properties using equipment in their cabs.

### NEW HUNTINGDONSHIRE LOCAL PLAN CONSULTATION AND ENGAGEMENT PROCESS

Both the Overview and Scrutiny Panel (Environmental Well-Being) and Cabinet have received a report on the consultation and engagement process for the preparation of a new Huntingdonshire Local Plan to 2036. Members have been advised that the Local Plan presents them with an opportunity to influence how land will be allocated and have noted the next steps in the consultation and plan making process.

In welcoming an extended strategy and policy consultation period the Cabinet has authorised Officers to proceed to the Strategy and Consultation Stage,



using appropriate consultation material, the content of which to be agreed by the Head of Planning and Housing Strategy after consultation with the Executive Councillor for Strategic Planning and Housing.

## **PLANNING IMPLICATIONS OF THE ENTERPRISE ZONE**

The Overview and Scrutiny Panel (Environmental Well-Being) has received a presentation by Mr P Mumford, Special Projects Manager (Alconbury) on the planning implications of the Enterprise Zone. The consultation process for development at the site will be extensive and exceed the standard consultation requirements. Members have been advised that the Local Enterprise Partnership will be looking to provide 'transformational employment' at the site. Subsequently there is a possibility that commuting patterns across the District will change as traffic towards Cambridge and London could be reduced. The Head of Planning & Housing Strategy has acknowledged that traffic management on the site will be a key factor in ensuring its success.

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