

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) held in CIVIC SUITE 0.1A, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN on Thursday, 4 October 2012.

PRESENT: Councillor T V Rogers – Chairman.
Councillors G J Bull, S Greenall, R B Howe, Roberts, M F Shellens and A H Williams.

Mrs H Roberts.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillor P G Mitchell and Mr R Hall.

37. MINUTES

The Minutes of the meeting held on 6th September 2012 were approved as a correct record and signed by the Chairman.

38. MEMBERS' INTERESTS

Councillor M F Shellens declared a non pecuniary interest in Minute No. 46 as a Member of Brampton Parish Council.

39. LOCALISATION OF BUSINESS RATES

Members were advised that this item had been included on the Agenda to comply with Section 16 of the Council's Access to Information Rules contained within the Council's Constitution. In this respect, it was reported that the Chairman of the Council had agreed to the inclusion of an urgent item of business on the Cabinet Agenda for 13th September 2012 relating to the localisation of Business Rates. An update on this matter had been given to the Panel at its last meeting.

40. LOCAL GOVERNMENT ACT 2000 - FORWARD PLAN

The Panel considered and noted the current Forward Plan of Key Decisions (a copy of which is appended in the Minute Book). Members noted that a report on the proposals to charge residents for the use of a Second Green Bin would be considered by the Overview and Scrutiny Panel (Environmental Well-Being) at its meeting on 9th October 2012. The Chairman indicated that he would attend.

41. EXCLUSION OF PRESS AND PUBLIC

RESOLVED

that the press and public be excluded from the meeting because the business to be transacted contains exempt information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of a crime.

42. HOUSING BENEFIT - INTRODUCTION OF RISK BASED VERIFICATION

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

With the assistance of a report by the Head of Customer Services (a copy of which is appended in the annex to the Minute Book) the Panel considered a proposal to introduce Risk Based Verification of new Housing and Council Tax Benefit claims that were submitted using the online claim facility. By way of introduction, Councillor B S Chapman explained that Risk Based Verification was a more efficient mechanism for the verification of new Housing and Council Benefit claims which were submitted online. Members then received an explanation of the way in which the Risk Based Verification process would operate and noted that the Executive Councillor expected to see a reduction in fraud against the Council as a consequence of its implementation. The Head of Customer Services explained that it was the intention to implement Risk Based Verification for Council Tax Support in due course and a further report would be submitted to the Cabinet for this purpose when the new Local Government Finance Act had received Royal Assent.

Following a question about the cost-benefits of the proposal, Members were informed that a Business Case had been prepared, which showed that the system was not expensive and would produce new savings in terms of the Officer time spent on the processing of claims. Members were also informed that the proposal had been incorporated within the Medium Term Plan as part of the E-Forms project, which was intended to save the cost of two Full Time Equivalents from 2013. With this in mind, Members suggested that it would have been helpful for the Business Case to have been appended to the report to give Members a better indication of the financial implications of the change. The Head of Customer Services agreed to circulate a copy and incorporate a summary of it into the report which would be considered by the Cabinet at its meeting on 18th October.

In response to a question about the process through which claimants advised the Council of changes in their circumstances, the Panel was advised that it was intended to introduce Risk Based Verification in this area in due course. Whereupon, it was

RESOLVED

that the Cabinet be recommended to adopt the Benefits Risk

Based Verification Policy as set out in Appendix A of the report now submitted.

43. RE-ADMITTANCE OF THE PUBLIC

RESOLVED

that the press and public be re-admitted to the meeting.

44. THE CORPORATE OFFICE

The Panel received a presentation by the Corporate Team Manager on the role and functions of the Council's Corporate Office and the work which was being undertaken by the Team to support people back into employment within the District. A copy of the presentation is appended in the Minute Book.

The Panel was informed that the Corporate Office undertook a number of core functions and also provides the lead on, or offers support for, a number of Council projects, details of which were provided. The Corporate Team Manager explained that the projects tended to be those which did not fit within a specific area of the Council's activities.

Members' attention was drawn to the work which was being supported by the Team to help the unemployed back into work. Reference was made to the establishment of the Huntingdon and St Neots Work Clubs, the work which was undertaken with voluntary organisations, the Business Support programme and the Council's involvement in the Cambridgeshire Redundancy Network. Members indicated their support for these types of initiatives, which provided clear examples of the successes which could be achieved from working in partnership with other organisations.

In considering the function of the Corporate Office, Members raised a number of questions about the staffing of the team and its overall workload. In response, the Corporate Team Manager explained that the team reported directly to the Managing Directors and that there were work balance fluctuations depending on the number and nature of the projects that were live at any one time.

In response to a question about the Team's communications function, the Corporate Team Manager stated that activity was concentrated in two areas, namely internal and external communications. One of the priorities for the Corporate Office was to improve internal communications following the significant organisational change which had been recently undertaken. Councillor Howe, reflecting on his recent discussions at the Employment Panel, drew attention to the relationship between the availability of information and the impact on employee welfare and morale. He suggested that there appeared to be a mismatch between the corporate information that was provided and that which was actually required. In response, the Corporate Team Manager expressed the view that there was a need for a cultural shift in communications across the organisation and that there was further work to be done. As a result she was invited to attend a

future meeting to discuss the communications matters in detail.

45. COMMUNITY RIGHT TO CHALLENGE

With the assistance of a report by the Head of Legal and Democratic Services (a copy of which is appended in the Minute Book) the Panel considered the Council's proposed arrangements for the operation of the new Community Right to Challenge. The Right to Challenge had been created by the Localism Act and introduced a right for defined organisations and persons to submit an Expression of Interest in taking over the provision of a service on behalf of the Council.

In considering the contents of the report, Members raised a number of questions about the proposed process for dealing with an Expression of Interest. With regard to the question of whether there was a test for reasonableness which could be applied to an Expression of Interest they were informed that there was no such prescription within the legislation. Members also noted that in the case of an internal application being submitted in competition with an Expression of Interest from elsewhere, it would be judged independently against the criteria which had been defined as part of the procurement process.

In response to a question about the national situation and whether other Authorities had received a significant number of Expressions of Interests, Members were informed that this did not appear to be the case.

In considering the grounds upon which the Council might reject a valid Expression of Interest, Members queried whether the Council should specify the terms on which any interest would be considered vexatious or trivial. The Head of Legal and Democratic Services advised that the wording within the Council's procedure reflected that of the Statutory Instrument and that there had been no Government Guidance published to-date. It would be a matter for the Council to interpret at the appropriate time.

In view of the additional costs which might be incurred by the Council, Members questioned whether any funding was currently included within the Medium Term Plan for dealing with the Community Right to Challenge. It was confirmed that there was currently no provision for this purpose. Comment was made that this was a further example of Central Government passing down responsibilities to Council's without providing them with the necessary additional funding.

In considering the recommendation within the report, Members requested that the matters which were to be delegated and the process leading to a decision should be clarified for the Cabinet meeting. Having noted that the procurement exercise had the potential to be a time consuming and costly exercise for the Council, it was

RESOLVED

that subject to the necessary consultation, the Cabinet be recommended to authorise the Managing Directors to respond to Expressions of Interest on behalf of the Council.

46. PROPOSED CIL GOVERNANCE PRINCIPLES

The Panel considered a report by the Head of Planning Services (a copy of which is appended in the Minute Book) which contained an update on the progress being made with the implementation of the Community Infrastructure Levy (CIL) for Huntingdonshire and seeking comments on a draft framework for the governance of CIL receipts and its related spending. The Head of Planning and Housing Strategy reminded the Panel that the CIL for Huntingdonshire has been in place since 1st May 2012 and that in view of the limited expenditure which was expected in the forthcoming year, the Cabinet had agreed that any monies received during 2012/13 would be banked. Members were informed that the Government was still to provide guidance with regard to the distribution of CIL funding and that the report which had been produced was a step in the process of identifying appropriate governance arrangements.

Councillor M F Shellens, with reference to the re-development of RAF Brampton, commented on the need for the Government to determine a figure for the 'meaningful amount' of receipts which would be allocated to the area in which the development lay. Members were informed that this had been the subject of a Government consultation and it was estimated that there would be a dedicated pot in the region of 5% to be spent on infrastructure to support growth. This would be in addition to any monies from CIL or Section 106 funding for a particular development.

Members questioned what provision there might be for adjacent areas, which were affected by a particular development. In response, the Head of Planning Services reported that the legislation stated that a meaningful proportion of CIL receipts were to be allocated to a particular community. It was, however, recognised that some developments would have broader implications. Members were reminded that with the exception of the meaningful proportion, CIL in general could be spent anywhere and, therefore, it was important to develop a business plan for the needs of the District.

In terms of the proposed governance arrangements set out within the report, Members commented on the need to provide an opportunity for Parish Councils to exert some influence on the process. Although Members were informed that work had been ongoing with local communities to consider the needs in a group of parishes, Members were of the opinion that there should be representation from parishes and the rural areas on the Growth and Infrastructure Thematic Group.

Reference having been made to the existing Section 106 Working Group and the audit trails which were already in place to monitor spending of Section 106 monies, Members enquired about the processes that would be adopted for the CIL. They were reminded that the District Council was responsible for making decisions on the allocation of funding and advised that Service Level Agreements might be used. Expenditure on particular projects would be monitored. In this respect, attention was drawn to recommendation c within the report which further attempted to address this issue and the legal requirement for there to be a robust monitoring and reporting mechanism to account for all CIL funding on an annual basis. Whereupon, it was

RESOLVED

that the Cabinet be recommended to

- (a) approve the proposed CIL governance structure;
- (b) authorise that work progresses with partners through the HSP to further develop the framework and draft business plan to take forward the next stages required in the governance process;
- (c) Request the Head of Planning and Housing Strategy to liaise with the Head of Finance and the Head of Legal to agree draft procedural and management protocols; and
- (d) authorise a further report to come forward to Cabinet in due course

47. THE RATIONALE FOR RESERVES

With the assistance of a report by the Reserves Working Group (a copy of which is appended in the Minute Book) the Panel received an update on the outcome of the Working Group's deliberations on the Council's approach to the setting of its reserves. In introducing the report, Councillor M F Shellens explained that the Working Group had undertaken an exercise to identify the principles which were considered when the level of general reserves was set and the parameters of the Council's approach. He drew attention to the key issues which had been identified as part of the deliberations and indicated that the Group were reasonably happy with the current approach. He did however wish to disassociate himself from the statement within the report that the current figure of £4.5M established for revenue reserves was reasonable.

Councillor Gray, Executive Councillor for Resources, thanked the Working Group for their work and ongoing interest in the subject of reserves. He reminded the Panel that the presentation given to the full Council had highlighted that the Council's reserves were expected to be at £5.4M in 2016/17 and reiterated his view that the Council should be taking appropriate risks and decisions without being overly cautious in seeking to set its general reserves. In terms of the comments made by the Working Group on the potential impact of the future changes to the New Homes Bonus, the Panel were informed that the Cabinet had recently requested an update on housing forecasts and developments on a quarterly basis.

RESOLVED

that the Working Group's recommendations be endorsed.

48. 2011/12 OVERVIEW AND SCRUTINY ANNUAL REPORT

The Panel approved for publication the Overview and Scrutiny Annual Report for 2010/11 (a copy of which is appended in the Minute Book).

49. 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.

At the invitation of the Chairman, Councillor S Greenall updated Members on the current status of the Working Group which had been established to investigate the business model for the One Leisure Service. They were advised that the study had come to a standstill as Cabinet Members did not appear to support work being undertaken on the service's business model. Having discussed the options for a possible way forward, the consensus of the meeting was that the study should proceed. However before doing this it was agreed that the Chairman should speak to the Executive Leader about this, about prioritising the Council's services and more generally about the role of scrutiny.

With regard to the review of the Council's Neighbourhood Forums, Councillor R B Howe expressed his concerns at the absence of any formal mechanism for community engagement in other areas of the District following the recent establishment of the North West Huntingdonshire Local Joint Committee.

50. 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 on matters that had been previously discussed. In considering the contents of the report, the Chairman reported that it was his intention to convene a meeting of the Support Services Working Group shortly to draw together the conclusions of their review of the Council's Document Centre. Members were also informed 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.

Having noted that this would be the last meeting attended by Mrs H Roberts, the Chairman thanked Mrs Roberts for her contribution to the work of the Panel and conveyed his best wishes to her for the future. Members were informed that following an advertisement for the vacant position, two applications had been received and arrangements would now be made to convene a Selection Panel to appoint a new Independent Member. In this regard, it was

RESOLVED

that Councillors G J Bull, S Greenall and A H Williams be

appointed to the Selection Panel to make a recommendation on the appointment of a Co-opted Member.

51. SCRUTINY

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

Chairman