

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, 10 January 2013.

- PRESENT: Councillor T V Rogers – Chairman.
- Councillors E R Butler, Eacott, S Greenall, Hall, R Harrison, R B Howe, P G Mitchell and M F Shellens.
- Mr R Eacott and Mr R Hall.
- APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors G J Bull, Mrs L A Duffy and A H Williams.
- IN ATTENDANCE: Councillor J D Ablewhite, K J Churchill and D B Dew.

75. MINUTES

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

76. MEMBERS' INTERESTS

No declarations were received.

77. NOTICE OF EXECUTIVE DECISIONS

The Panel considered and noted the current Notice of Executive Decisions (a copy of which is appended in the Minute Book). Members noted that the Budget and MTP and the Treasury Management Strategy and Prudential Indicators would be presented to their next meeting. The Chairman explained that the item on land for sale in Earith would not be considered by the Panel or Cabinet.

The Panel received an update on the Cambridgeshire Pooling Designation and were informed that following the announcement of the Government Grant for 2013/14, further modeling work had indicated that a decision to pool business rates on a Countywide basis would not provide any benefit for the forthcoming year. As a consequence of this, Cambridgeshire Local Authority Chief Executives had agreed not to enter into a pool in 2013/14. However, this would not preclude Cambridgeshire authorities from entering into a pool in future years. A note on the current position would be circulated to all Members shortly.

78. BUDGET & MTP

(Councillor J A Gray, Executive Councillor for Resources, and Councillor P J Downes, Leader of the Liberal Democrat Group, were in attendance for this item).

By way of introduction the Chairman explained that he had invited the Leaders of the Liberal Democrats and the UK Independence Party to address the Panel about their views on next year's Budget and MTP. As Councillor P D Reeve was unable to attend, the Chairman had arranged to meet with him on 22nd January 2013 and he urged other Panel Members to attend if they were available.

The Head of Financial Services provided an update on the Council's current budgetary position following the Government's announcement on the grant for 2013/14. Members were informed that as a result of the level of funding that would be awarded for 2014/15, the Council would need to find an additional £1.7M of savings. In terms of work that was currently ongoing on the Budget, that a review of the risk provisions was currently being undertaken. The figure for additional income from higher car parking charges had been moved into unidentified savings until better information was available. With regard to Council Tax increases, the Government had announced that those District Councils with lower levels of Council Tax would be able to increase their levy by £5 (which equated to 3.9%) if they chose to do so.

Councillor P J Downes, Leader of the Liberal Democrat Group, outlined the views of the Liberal Democrat Group. In terms of Council Tax levels, he reiterated that the overall tax level for the District was too low and that his Group would support increasing Council Tax to lessen the need to reduce services. In making budgetary decisions more generally, he emphasised the importance of distinguishing between reductions in services and cost savings from improved efficiencies. A number of specific short and longer term proposals were then outlined by other Members of the Group as follows:-

- ❖ investigate the potential to reduce the postal costs associated with the issue of poll cards in urban areas through the use of a commercial provider;
- ❖ investigate the potential to unify the way in which elections were run across the County;
- ❖ increase expenditure on car park patrolling and publicity to generate additional income;
- ❖ investigate the new localism provisions to purchase 5 days of yellow lining time to fill in gaps and whether this will generate additional business for the District's Car Parks;
- ❖ introduce a residents only scheme for the Cowper Road, Priory Road, Avenue Road, Priory Grove and Primrose Lane area of Huntingdon to prevent all day parking;
- ❖ introduce a charge for the provision of a second green bin only when there was a change of occupancy;

- ❖ abandon the proposals to develop a multi-storey car park in Huntingdon;
- ❖ give consideration to renting housing in the market towns to assist with the rising costs of homelessness and the provision of bed and breakfast accommodation;
- ❖ take steps to achieve marginal budgetary savings, for example, in paper costs and energy usage;
- ❖ address the issue of fraudulent declarations of Single Person Occupancy by offering an amnesty for previous acts of fraud;
- ❖ investigate the possibility of securing Unitary Status;
- ❖ review Members' travel allowances;
- ❖ identify economies of scale in procurement of stationery etc;
- ❖ introduce a suggestion scheme to engage staff and offer rewards for ideas which resulted in budgetary savings;
- ❖ review expenditure on temporary staff;
- ❖ establish a maximum budget for employee training;
- ❖ investigate whether the existing rental arrangements for providing accommodation for the Shop Mobility service offered the best solution or whether there was a more cost effective way of providing this accommodation, and
- ❖ review the arrangements for publicising job applications, with a view to achieving cost savings by using the Authority's website.

In thanking the Group for their constructive suggestions, Members indicated their support for a number of the ideas, which they considered warranted further review. In doing so, a number of other suggestions were made, including moving towards four yearly elections and offering the voluntary sector accommodation within the headquarters building, which would secure savings in business rates. The Chairman indicated that the suggestions made would be submitted to the Cabinet for consideration by Executive Members; however, if they were adopted, they were not likely to be implemented in 2013/14. Members emphasised the need for feedback from the Cabinet on the suggestions and general recommendations that had been made.

In concluding the discussion, the Executive Councillor thanked the Liberal Democrats and the Panel for their contributions, which would be considered by Cabinet in due course. As part of their future budgetary deliberations and, in response to comments which had been made at the last Council meeting, he invited the Panel to give consideration to the implications of not increasing Council tax levels as a potential policy.

79. FRAUD INVESTIGATION

The Panel received and noted a report by the Head of Customer Services (a copy of which is appended in the Minute Book) on the activities of the Council's Fraud Team, current fraud trends and the planned response to risk following the introduction of a Single Fraud Investigation Service (SFIS) which would become operational before 2015. By way of introduction, the Panel was advised that, in response to a report by the National Fraud Authority on 'Fighting Fraud Locally', the Corporate Governance Panel had established a Working Group to consider the current risks from the introduction of a SFIS and how fraud investigations might be undertaken across the Council from 2015. Members' attention was drawn to the conclusions of the Group who had recommended that the Council should take the opportunity to develop and investigate non-welfare fraud over the next two years and that the information gained during this period would enable an assessment to be made of the requirements for the fraud service from April 2015 onwards. A further report would be presented to the Corporate Governance Panel in December 2014 outlining proposals for the service from April 2015 onwards.

In considering the contents of the report, the Panel received an explanation of the cost of the Fraud Team, the income currently received from the Department of Work and Pensions and the total amount of fraud identified during 2011/12. It was suggested that the level of profit achieved by the service, should be reflected in the report. Members were, however, reminded that the report had been prepared for the purposes of the Corporate Governance Panel and that the effects of fraud identification might be a benefit to Central Government as opposed to a local authority.

In response to a question as to whether there was any potential to generate additional publicity or multi-lingual publicity for the service, the Panel was advised that the District Council currently undertook more publicity than other organisations. However, more work could be done in this respect through the Council's website and by targeting hard to reach minority groups; though inevitably there would be a cost associated with this activity. Work had been undertaken recently to prepare leaflets for tenants in Social Housing Association properties.

The Panel was advised that the National Fraud Authority had been established by the Government Cabinet Office to tackle fraud across central and local government. Experience to date indicated that it would be a supportive and productive organisation, which would help organisations to work together to combat fraudulent behaviour. As a result of the Fraud Team's activities, additional funding had been made available to the Council by the Local Government Association for this purpose. Members noted that the Department for Communities and Local Government was considering funding schemes for particular areas of fraud, for example, the Council Tax Support Scheme.

80. PRIVATE SECTOR RENT LEVELS

Further to Minute No.11/17, the Panel considered a report by the

Head of Customer Services (a copy of which is appended in the Minute Book) containing an update on housing rental levels in Huntingdonshire. Members were informed that, with the exception of 4 bedroom properties, there was no evidence to suggest that landlords were adjusting their rents downwards as a result of changes to the Housing Benefit system. This had reduced the number of households that the Council had been able to prevent from becoming homelessness though assisting them into private sector tenancies.

In considering the contents of the report, questions were raised on a number of matters including whether the Localism Act presented new opportunities for relocating private sector households, the modeling which was being undertaken on welfare reforms and the likely reasons why rents were not falling. With regard to the latter, Members were informed that anecdotal evidence suggested that most landlords had a business model for their property portfolios that contained a point below which it was not viable to reduce rents. In addition, the private sector rental market remained buoyant, which meant that landlords did not need to accept with Housing Benefit claimants. Members were also informed that the Council had two small discretionary budgets for homelessness prevention, which could be used to assist in short term emergencies, for example, by temporarily topping up Housing Benefit.

It was suggested that it would be helpful in future if reports compared rent trend data with the cost of temporary accommodation. Having concluded that the Council needed to look closely at the issue of homelessness, it was

RESOLVED

that the contents of the report be noted.

81. CUSTOMER SERVICES MONITORING REPORT

The Panel gave consideration to the Customer Services Monitoring report for the period July to December 2012 (a copy of which is appended in the Minute Book) which outlined the performance and standards achieved by the Service. Members' attention was drawn to the significant highlights in the period and the issues that the Service would face in the forthcoming quarter.

In considering the contents of the report, comment was made about the significant increase in the sickness levels experienced at the Call Centre since April 2012 and the impact this had had on service levels. In response to a question by a Member about the degree to which sickness was a product of stress, the Panel was informed that stress had only been a factor in two cases of long term sickness absence and that Managers took particular steps to counteract the fact that stress levels were often high in this type of working environment. The Call Centre Manager undertook to provide details of comparative sickness levels in other authorities.

Members were informed that welfare reforms had not yet had a significant impact on Customer Services, though it was expected that there would be an increase in footfall at the Customer Service

Centres and more calls to the Call Centre as the changes took effect from April 2013. Details of the cost of new the Customer Relationship Management (CRM) system and the savings it was expected to generate compared with the previous system were also provided. Reference was made to the reduction in visits to the Ramsey, Yaxley and St Neots Customer Service Centres.

Members discussed the outstanding service levels, which were provided by the Call Centre and whether reduced service levels could achieve savings. In response, the Call Centre Manager explained that there was the potential for savings to be achieved in this way. Moreover work was ongoing to develop channel migration across the Council and it was difficult to do this when the Authority was providing such a high level of service.

Having noted that a new Customer Services Strategy and interrelated Strategy for Channel Migration would be developed over the next few months, the Panel agreed that it would be useful for a small group of Members to have an input to these documents during the formulation stage. The Chairman indicated that interested Members should contact him directly and the membership of the Group would be approved at the next meeting. Whereupon, it was

RESOLVED

that the contents of the report be noted.

82. EXCLUSION OF THE PUBLIC

RESOLVED

that the public be excluded from the meeting because the business to be transacted contains information relating to the financial or business affairs of a particular person (including the authority holding that information) and/or to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matters arising between the authority and office holders.

83. BUSINESS PLAN ONE LEISURE

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

With the assistance of a report by the General Manager, One Leisure (a copy of which is appended in the annex to the Minute Book) the Panel considered the contents of a proposed Business Plan for One Leisure and options for restructuring the existing staffing arrangements. Partway through the discussion, a detailed action plan was circulated outlining a timetable for completion of ten priority actions within the Plan.

Following an introduction by the Executive Councillor, the Panel discussed the contents of the draft Plan in detail. In terms of the objectives within the document, Members were of the view that the Plan's fundamental orientation needed to change so that it reflected

One Leisure's total costs. To this end, Members recommended that the Executive Councillor for Healthy and Active Communities should arrange for the Plan to be developed to include the service's revenue position together with its capital and maintenance costs and the recharges it incurred. Members were of the opinion that the Plan's objectives should be reviewed so that there was a clear financial target and they identified which services were in competition with other providers, those which were solely provided by One Leisure and those which were provided through collaboration or by others.

With regard to the presentation of data, Members commented that the existing figures needed to be revised to ensure that they were consistent. It was suggested that it would also be necessary to produce trading statements for individual / small groups of services, with revenue projections over a longer period of time to reflect the savings which had been identified. Generally, the Plan should include more detailed figures for individual and collective services coupled with defined timescales.

In terms of the contents of the report, questions were raised on a number of matters including the impact of changes to primary school funding arrangements, the need to compete when there were other local providers, whether the Council should establish a set amount of funding for public health initiatives and the level of savings which could be achieved in NNDR from putting the service into a trust. Clarification was also sought on the longer term action required to expand the One Leisure Business and it was suggested that some of the costings did not reflect predicted energy costs.

In terms of the options for the staff structure contained in Appendix A to the report, Members were of the opinion that they were unable to express a view without more detailed job descriptions and that further information was required on both the service impacts of the various options before such a decision was made.

The Panel was of the view that there was considerable scope for savings to be made within the One Leisure Service and that it should make whatever savings it could that did not have an impact on services at the earliest possible opportunity. This work should commence with the 'big ticket' items and include a review of recharges, the outcome of which the Panel would be interested to see. Savings that did have an impact on services should be included in the Business Plan to enable Members to consider them.

In concluding their discussion on the item, Members drew attention to the considerable achievements that had been made in improving controllable income and expenditure and they congratulated the General Manager, One Leisure and his staff on these achievements. However, the Panel did not recommend that the One Leisure Business Plan should be adopted in its current form as further work was required to develop it. This should not preclude work from being undertaken to identify and implement savings that did not have an impact on services at the earliest opportunity.

With regard to the study into the One Leisure business model, the Panel agreed to consider the question of whether to pursue this study

at a future meeting.

RESOLVED

that the Cabinet be invited to consider the comments and suggestions outlined above as part of its deliberations on this item.

84. RE-ADMITTANCE OF THE PUBLIC

RESOLVED

that the public be re-admitted to the meeting.

85. 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.

86. OVERVIEW & SCRUTINY PANEL (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 previously been discussed. In so doing, the Chairman reported that a report on the conclusions arising from the review of the Council's Document Centre would be presented to the next meeting. It was suggested that any further reviews of support services should be selected on the basis of the level of central charge incurred by One Leisure.

In terms of the item on the Community Infrastructure Levy, Members were informed that there had been a Government announcement on the meaningful proportion which would be provided to towns and parishes and further details shortly would be available.

Members were reminded that an informal meeting of the Panel had been arranged for Wednesday 30th January 2013 to discuss the Council's Capital Budget and, at the request of the Chairman, the Head of Financial Services undertook to provide an electronic link to the appraisal forms for the capital bids within the Medium Term Plan.

In terms of possible future study areas, Councillor M F Shellens suggested that consideration should be given to the provision which was made for those residents who did not have ready access to the Council's leisure services. Having noted that this was a matter which might be better considered as part of a review being undertaken by the Overview and Scrutiny Panel (Social Well Being), the Scrutiny and Review Manager undertook to convey the suggestion to that Panel.

87. 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