

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, 8 September 2011.

PRESENT: Councillor D M Tysoe – Chairman.
Councillors S Greenall, R Harrison,
R B Howe, A J Mackender-Lawrence,
P G Mitchell, M F Shellens and A H Williams.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors G J Bull, E R Butler, Mr R Hall and Mrs H Roberts.

29. MINUTES

The Minutes of the meeting held on 7th July 2011 were approved as a correct record and signed by the Chairman.

30. MEMBERS' INTERESTS

No declarations were received.

31. LOCAL GOVERNMENT ACT 2000 - FORWARD PLAN

The Panel considered and noted the current Forward Plan of Key Decisions (a copy of which is appended in the Minute Book) which had been prepared by the Executive Leader of the Council for the period 1st September to 31st December 2011. Members were advised that reports on the 'Cambridgeshire Public Sector Asset Management Strategy' and the 'Draft MTP' would be presented to a future meeting as a matter of course.

The Panel agreed that they did not wish to see the report entitled 'Local Government Finance Act 1988 - Publication of Rural Settlement List' prior to its consideration by the Cabinet in December 2011.

32. CALL CENTRE OPTIONS BEYOND 2012

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

With the assistance of a report by the Head of Information Management (a copy of which is appended in the Minute Book) the Panel considered a range of options for managing the District Council's Call Centre beyond December 2012. By way of introduction, the Head of Customer Services explained that the main IT contracts for the Call Centre ended in December 2012 and the lease for the

Speke House premises was due to expire in June 2013. As a consequence, the Council had been looking at how it would provide a call centre service after these dates and a number of options had been evaluated. Attention having been drawn to the recommendations in section 6 of the report, Members were provided with a revised copy of Appendix 3 (a copy of which is appended in the Minute Book).

In considering the contents of the report, the Panel were of the opinion that the Call Centre continued to provide an excellent service and that the Council should retain a District Council operated and staffed Call Centre beyond December 2012. At the suggestion of Councillor T V Rogers, the Panel discussed the future location of the Call Centre. Although Members were minded in principle to extend the lease of space and facilities at Speke House, the Panel agreed, that given the potential for sub-letting was likely to be reduced in the current economic climate, further consideration should be given to utilising the District Council's own property portfolio. With this in mind, it was agreed that further information should be provided at a future meeting of the Panel on the options available for the location of the Call Centre. It was also suggested that any negotiations with the County Council concerning the premises at Speke House should include the option to secure a 12 month rolling lease to enable the situation to be reviewed on a regular basis.

With regard to the proposals to procure a Customer Relationship Management System and in response to a question by a Member, the Panel's attention was drawn to the price comparison data which had been compiled in May / June 2011. Members were informed that the County Council had indicated that there would be a reduction in the cost of the current package. It was suggested that the decision by South Cambridgeshire District Council to end their current arrangements with Cambridgeshire Direct might provide Huntingdonshire District Council an opportunity to negotiate a better agreement with the County Council. Members were advised that the indicative prices would not be affected if the District Council did not collaborate with South Cambridgeshire or Fenland District Councils. With regards to the cost of any additional investment, it was suggested that a more rigorous approach should be adopted to analysing their financial implications. Whereupon and having regard to the fact that the lease at Speke House did not expire for a further 18 months, it was

RESOLVED

- (i) that the Cabinet be recommended to
 - a) retain a District Council operated and staffed Call Centre beyond December 2012;
 - b) authorise the Project Team (supported by Legal / Estates and Facilities as required) to initiate negotiations with Cambridgeshire County Council to extend the lease of space / facilities at Speke House for 3 years on the basis of a 12 month rolling lease subject to further consideration being given to utilising the District Council's own property portfolio;

- c) authorise the Project Team to commence a formal procurement process for a replacement CRM system, subject to a more rigorous approach being adopted to analysing the financial implications of the available options;
 - d) authorise the Project Team to continue discussions with South Cambridgeshire and Fenland District Councils regarding any possible collaboration on the procurement of or sharing of technology;
 - e) request the Project Team to communicate with Cambridgeshire County Council and monitor that authority's position prior to the final decision being taken;
 - f) delegate the final decision on the future CRM options to the Managing Director (Resources) after consultation with the Executive Councillor for Resources and Customer Services, on the understanding that the cost is anticipated to be cost neutral; and
 - g) retain and extend the agreements for the use of the County Council's Avaya Automated Call Distribution telephony system; and
- ii) that the Head of Customer Services be requested to submit a further report on the location of the Call Centre to a future meeting.

33. DISABLED FACILITIES GRANT BUDGET

(Councillor N J Guyatt, Executive Councillor for Strategic Planning & Housing was in attendance for this item.)

With the assistance of a report by the Head of Housing Services (a copy of which is appended in the Minute Book) the Panel were acquainted with the implications for the Council's Budget of an increase in demand for Disabled Facilities Grants (DFGs) and the options which were available to meet that demand. Councillor N J Guyatt reminded Members that the Cabinet had previously agreed that applications for DFGs should be dealt with as expeditiously as possible. He went on to state that there were now insufficient funds to progress a number of cases in the current year. It was estimated that to maintain the current level of service, an increase of £1.116m would be required to the 2011/12 budget.

Having been acquainted with the reasons for the increased demand and cost of adaptations, Members were reminded that the Council was required to set a budget that could meet demand for DFGs. Members were also advised that authorities could defer payment of approved cases for up to 12 months but this could not be used to limit

demand or reduce expenditure and would merely defer the payment to the following year. With this in mind and having considered the options which were available, Members concluded that any delay in providing DFGs could have a detrimental impact on the quality of life of those who required adaptations and that the Council should continue with its current policy of dealing with applications as expeditiously as possible.

In response to a specific question by a Member regarding labour costs in the current economic climate, the Head of Housing Services explained the process by which quotations for works were obtained and assured the Panel that the contracts for works completed under the DFG scheme were competitive. Whereupon it was

RESOLVED

that the Cabinet be recommended to approve a supplementary capital estimate so that there are no delays in applicants receiving adaptations to their homes.

34. FINANCIAL FORECAST

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

(Councillors J D Ablewhite, I C Bates, M Banerjee, N J Guyatt and P J Downes also were in attendance for this item).

Consideration was given to a report by the Head of Financial Services (a copy of which is appended in the Minute Book) in relation to the Council's financial forecast for the period to 2024/25. By way of introduction, the Head of Financial Services acquainted Members with detailed aspects of the report including the potential for variations in a number of sources of income and other factors that could affect the Council's financial position. The Panel also received an update on progress made to-date in the achievement of savings and has noted the uncertainty surrounding the forecast and a number of assumptions which would be clarified over the next few months.

In considering the contents of the report and in response to a number of questions, the Head of Financial Services explained that the Government had not yet announced whether it would impose a limit on Council tax increases for next year. The Managing Director (Resources) outlined the savings which had been accrued to-date or were expected as a result of the reorganisation of senior managers.

Discussion then ensued on the approach the Council might take to setting the Council Tax for 2012/13. Following a suggestion that an analysis should be undertaken of the implications of not increasing the Council Tax next year, the Panel agreed that this should be included in the range of options under consideration. Members noted that it would require an increase of 30% for Huntingdonshire to reach the current average level of Council Tax for District Councils.. The

Head of Financial Services explained that there had been no indication that there would be any financial incentive for authorities to retain their current Council Tax levels for the forthcoming year. Having received a comment by a Member that an increase of 5% would cover the lower end of the unidentified savings, the Panel concluded that all council tax options should be considered during the budget setting process.

In response to a question on the implications of the transfer of housing benefit to the Department of Work and Pensions, the Executive Councillor for Resources and Customer Services explained that the timetable for the establishment of a universal credit system was ambitious and the impact of the transfer on the Council's budget was still unclear. Members were also informed that the transfer would affect the Council's Fraud Team.

With regard to the Council's planned savings through changes to employees' pay and allowances, the Panel noted that the introduction of a revised salary scale would make savings significantly greater than those included in the budget. On the current consultation process with employees, comment was made by a Member on the need to ensure that the changes applied to all levels of employees to demonstrate equity and leadership in this matter. The Executive Leader explained that the current pay proposals were designed to replace an antiquated and inequitable system and that the changes would apply to the whole establishment. It was then suggested by a Member that there would be a need to monitor the effect of budget savings on services provided to the public.

The Panel discussion then ensued on the savings which had been achieved and those that had been identified in the forecast. It was put forward that the Council should take into account whether front-line or support services were involved when saving were being planned. Members were reminded that the Panel's review of the Council's support services would commence shortly. It was then suggested that the Council should review its existing plans, adopt a flexible approach and be more rigorous in its identification and analysis of options for changes to the way services were delivered.

With regards to CCTV, Members were informed that the future of the service was currently the subject of investigations into its funding options and this, together with the outcome of the review into grants for voluntary services, would be reported to Members to enable them to take the findings into account during the budget setting process. It was also explained that there were a number of potential additional savings which could not be confirmed until the outcome of further investigations was known. The view was expressed that the Council should examine the opportunities to make savings amongst those functions which had not already had their budgets reduced.

Other comments made during the Panel's deliberations included the expression of a view that as a non-statutory function the leisure service should make greater savings than those currently planned and that the Council should not assume it would get the full benefit of the New Homes Bonus as parishes would expect to have a say in how it was used. Whereupon, and having noted that their comments would be conveyed to the Cabinet for their consideration, the Panel

RESOLVED

- a) that the contents of the report be noted; and
- b) that the recommendations that the Council should continue to use the annuity basis for the calculation of Minimum Revenue Provision as outlined in Annex E to the report now submitted be endorsed.

35. 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 Council's Overview and Scrutiny Panels. In so doing, Members received an update on the deliberations of the Working Group, which had been established to review the performance of One Leisure and noted that the study of Visitor Development and Town Centre vibrancy was currently on hold.

In considering the areas which had been identified for future investigation, Members were advised that a scoping report on the Council's support services would be submitted to their meeting in November. A presentation on the establishment of a local enterprise zone at the former Alconbury Airfield site would also be given at that meeting. A report on the proposed changes to Business Rates would be prepared for Member consideration once the Government's plans in this respect had been announced.

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

The Panel received and noted a report by the Head of Legal and Democratic Services (a copy of which is appended in the Minute Book) reviewing progress on matters that had previously been discussed by the Panel. In so doing and having regard to the recent review of the Huntingdonshire Strategic Partnership, the Panel agreed to give further consideration to the mechanisms that would be used to scrutinise partnerships at a future meeting.

37. SCRUTINY

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

Chairman