

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, 3 November 2011.

PRESENT: Councillor – T V Chairman.

Councillors G J Bull, E R Butler, 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 Mr R Hall and Mrs H Roberts.

50. MINUTES

The Minutes of the meeting of the Panel held on 6th October 2011 were approved as a correct record and signed by the Chairman.

51. MEMBERS' INTERESTS

No declarations were received.

52. 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 November to 28th February 2012. Members were advised that the 'Draft MTP' would be presented to the Panel's December meeting and a report on the 'Location of the Call Centre' would be submitted in January 2012. In response to a question with regard to the item on 'Gypsy & Traveller Policy Issues,' the Head of Planning Services reported on the background documents which were currently available.

Following discussion on the process through which items on the Forward Plan were allocated to Overview and Scrutiny Panels, the Chairman stated his intention to request that items were included on the Panel's Agenda which were of a financial nature or which were submitted outside of the budget process. In this respect and in response to a suggestion that the Community Infrastructure Levy should be considered by the Panel, it was agreed that this should be discussed informally outside of the meeting.

53. UPDATE ON LOCAL ENTERPRISE ZONE IN ALCONBURY

(Councillor J D Ablewhite, Executive Leader of the Council, was in attendance for this item).

The Panel received a presentation by the Managing Director (Communities, Partnerships and Projects) and the Corporate Team Manager on Alconbury Enterprise Zone. By way of introduction the Managing Director reminded the Panel of the geographical area covered by Alconbury Airfield and the location of the Enterprise Zone which was predominately to the north of the site. Discussions were ongoing with Urban and Civic about defining the boundaries for the zone and the Panel were informed that the negotiations with Government about using the whole airfield site were unlikely to be successful. Greater Cambridge and Greater Peterborough Local Enterprise Partnership (LEP) were the promoters of the Enterprise Zone and would have responsibility for distributing retained business rates throughout the LEP area. Details of the benefits which would be available to businesses who relocated to the area were provided together with the simplified planning arrangements which would be put in place for the site.

Members' attention was drawn to the governance arrangements for the Zone and the timetable for its development. The LEP was required to submit an Implementation Plan to Government by 11th November 2011. An enabling application was expected in November / December 2011 and other developments thereafter. It was expected that business rates discounts would be applied from 1st April 2012.

The Corporate Team Manager explained the steps, which would be taken to encourage business to occupy the site. Work was currently ongoing to establish a Memorandum of Understanding between the LEP, Urban and Civic and the District Council to address a range of issues. She then explained the work, which would be undertaken with existing business on the site and the opportunities which would be available for business off site. Members were informed that the aim was to establish 8,000 new jobs by 2027 and that the development was expected to bring improvements to the infrastructure in the area.

In considering the contents of the presentation, comment was made about the planning processes which would be adopted for the Enterprise Zone. The Managing Director (Communities, Partnerships and Projects) explained that if adopted, a Local Development Order would set the parameters for development on the site and would avoid the necessity to go through the formal planning process. Applications for development in the area would be assessed against specified criteria. The Order would have to be adopted by the Development Management Panel.

In response to a question on the infrastructure for the site, the Managing Director explained that the existing road structure would support the development and there was no reason that the existing public transportation network could not be enhanced. In the longer term and subject to completion of the necessary formalities there were other access arrangements and initiatives which could be implemented.

Discussion then ensued on a range of issues including the size of the site and the decision to target start up businesses. Comment was made about the potential for the District Council to lose business rate revenue if business were to relocate to the airfield site, however Members were informed that it was not expected that the development would generate significant gaps in existing areas of employment. In response to questions by Members, the Corporate Team Manager explained that the District Council had already established effective University links to develop appropriate employment skills and that connections were being made with housing associations and the housing market to promote the area as a full package. She also explained that the Enterprise Zone would seek to target the research and development expertise and prototyping in Cambridge and link with the green technology being developed locally.

With regard to the improvements in broadband which were to be associated with the development of the site, Members asked for a definition of “superfast” broadband. Having noted that current provision was patchy, the Corporate Team Manager undertook to circulate this information outside of the meeting. Attention having been drawn to the Government’s Broadband Delivery Project, it was agreed that a briefing on broadband should be provided at a future meeting of the Panel.

Having noted that the LEP would have responsibility for distributing the retained business rates within the LEP area, Members queried the costs which had been borne by the District Council in relation to the establishment of the Partnership and the Enterprise Zone. In response, the Managing Director explained that some legacy funding had been secured from Cambridgeshire Horizons. In addition he would be suggesting that the District Council should receive compensation for the expenses it had incurred to date.

At the conclusion of the presentation, the Chairman thanked the Managing Director (Communities, Partnerships and Projects) and the Corporate Team Manager for their attendance at the meeting.

54. EXCLUSION OF THE PUBLIC

RESOLVED

that the public be excluded from the meeting because the business to be transacted contains exempt information relating to the financial or business affairs of the authority.

55. FUNDING FOR CCTV

With the assistance of a report by the Head of Operations (a copy of which is appended in the annex to the Minute Book) the Panel received a report updating Members on the options for the future operation of the CCTV Service.

The Chairman explained that the report had been considered by the Overview and Scrutiny Panel (Social Well-Being) at their meeting

earlier in the week and the outcome had been tabled for Members information. He then invited the Panel to comment on the financial implications of the proposals as set out in the report now submitted.

The Head of Operations updated Members on the current budgetary position of the CCTV service and the options which had been explored for generating additional income and savings. Reference was made to the ongoing discussions which were taking place with other local authorities and the options which were being explored for joint working and the future of the service. In so doing, Members noted that there would be significant costs associated with "mothballing" the CCTV system.

In considering the contents of the report, the Panel discussed whether introducing an alternative means of image transmission might reduce the cost of using fibre optic cables to transmit images from CCTV cameras to the control room. However Members were informed that owing to the costs that would be incurred, it would not be possible to make such a change until the longer term future of the service had been determined.

The Panel discussed the current position on securing funding from partners to maintain the CCTV Service. Members were informed that discussions were continuing with various bodies. With regard to outsourcing the CCTV function, Members noted that it would take at least 18 months to frame a specification and evaluation criteria and proceed through the European Union procurement process. This could enable a private company to upgrade the CCTV systems and sell services as part of their operation which might reduce the cost and, therefore, the Council's contribution to the service.

Having noted that the current proposal would maintain the service and enable the Council to complete its investigations into and negotiations on its future operation and funding, it was

RESOLVED

that subject to the Cabinet being able to identify alternative savings to meet the additional cost of funding the service in 2012/13, the recommendations as set out in the report now submitted be endorsed.

56. RE-ADMITTANCE OF THE PUBLIC

RESOLVED

that the public be re-admitted to the meeting.

57. TREASURY MANAGEMENT - REVIEW OF PERFORMANCE

(Councillor J A Gray, Executive Councillor for Resources, was 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) containing details of

the Council's Investments for the period 1st April to 30th September 2011. The Head of Financial Services reported that the financial market remained uncertain and reminded the Panel that the current strategy sought to invest any surplus funds in a manner that balanced low risk of default by the borrower with a fair rate of interest.

Members' attention was drawn to the Council's investment of £5M with Skipton Building Society who had recently been identified by Moody's, one of the leading credit Agencies, as one of the societies which they considered would be unlikely to receive Government Support if it got into difficulties. The Head of Financial Services was of the opinion that the Building Society Industry was sufficiently robust and was inclined to protect investors' interests so that there was no immediate need to change this investment

With regard to the measures which were used to gauge certain treasury management risks, the Head of Financial Services explained the thinking behind the proposal to combine the indicators for 'Cash flow borrowing' and 'Borrowing to fund capital schemes' as set out in paragraph 7.3 of the report. It had been suggested because of the difficulty of differentiating cash flow borrowing when it was in the Council's interest to use its own funds from borrowing short to cover capital expenditure. The Panel supported the change.

Members were informed of the Council's Investments as at 30 September 2011 and received an explanation of the role of the Capital Receipts Advisory Group. They noted that the Membership of this Group would need to be reviewed.

Arising from a question on the Council's net assets, Members noted that net cash was likely to fall. Details of the net position over the next few years would be presented as part of the report on the Council's budget in February 2012. Forward borrowing would be considered in light of market conditions. Whereupon, it was

RESOLVED

that the Cabinet be requested to

- a) approve the revised table and targets in paragraph 7.3 of the report now submitted; and
- b) recommend the Council to note the contents of the report by the Head of Financial Services on Treasury Management – Review of Performance.

58. REVIEW OF SUPPORT SERVICES

Further to Minute No. 26, consideration was given to a report by the Head of Financial Services (a copy of which is appended in the Minute Book) which had been prepared to assist the Panel in undertaking a review of the Council's Support Services. Members were reminded that they had previously commented on the practice of recharging between Council services and had expressed an interest

in reviewing it. It had been suggested that the best way to do this would be to consider each support service with a view to forming an opinion on its efficiency and cost effectiveness. A report outlining the details of thirteen support services had been prepared for this purpose.

In considering the contents of the report, Members discussed those areas where it might be appropriate to conduct a pilot review. In doing so, Members were advised that it might not be opportune to consider Human Resources and Payroll Services, Facilities Management and Internal Audit at the current time. Having noted that the figures within the report related to the Budget for 2011/12 and that there had been significant variations in some areas, it was suggested that the figures for the current year should be obtained before any subsequent areas for review were selected for review. Comment was also made on the need to establish benchmarking figures to enable Members to make an informed judgement on services. In response, the Head of Financial Services explained that this would present a difficulty as many authorities adopted different approaches to the provision of a particular service. However, it might be possible to join a benchmarking club.

Having regard to Members' desire to undertake a review of a manageable size within a reasonable timescale that would establish a methodology for future reviews, it was

RESOLVED

- (a) that the Document Centre be selected for the pilot review; and
- (b) that Councillors G Bull, S Greenall, R Howe, A MacKender-Lawrence, T V Rogers, and A Williams be appointed to a working group to review the service's costs and to form a view on its efficiency and cost effectiveness.

59. 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 Scrutiny and Review Manager reported on the recent discussions by the Social Well-Being Panel on the health implications of the night time economy. This matter had been referred to them by the Economic Well-Being Panel. Members noted that the Panel would not conduct an in-depth review but would continue to monitor the situation through their scrutiny of the Community Safety Partnership.

With regard to the study on homelessness' which was to be undertaken by the Overview and Scrutiny Panel (Social Well-Being), it was suggested that the Members of the Economic Well-Being Panel might have an interest in this area and should consider attending relevant meetings. The Head of Financial Services suggested that it would be useful for the Panel to receive a briefing paper on Government proposals for Housing Benefit.

60. 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. The Chairman reported that the Corporate Plan Working Group would consider the Council's performance management arrangements once the Corporate Office had been formally established and a report on the location of the Call Centre would be submitted in January 2012. . A response was still awaited from the Highways Agency regarding their attendance at a future meeting.

Pursuant to Minute No. 44, Members' attention was drawn to the forthcoming Council projects that had a value of more that £2. It was agreed that the Panel would consider whether to conduct a more detailed review of project management as the necessity arose.

61. 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