

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) held in CIVIC SUITE CVSO.1A, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN on Thursday, 5 January 2012.

PRESENT: Councillor T V Rogers – Chairman.

Councillors G J Bull, E R Butler, S Greenall, Hall, R Harrison, P G Mitchell, Roberts, M F Shellens and A H Williams.

Mr R Hall and Mrs H Roberts.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors R B Howe and A J Mackender-Lawrence.

69. MINUTES

The Minutes of the meeting held on 1st December 2011 were approved as a correct record and signed by the Chairman.

70. MEMBERS' INTERESTS

Councillor R Harrison declared a personal interest in Minute No. 80 as an employee of the Highways Agency.

71. 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). In so doing, the Chairman reported that the item on the Location of the Call Centre was likely to be considered by the Panel at their meeting in February 2012.

72. CABINET FEEDBACK - DRAFT BUDGET 2012/13 AND MTP

(Councillor N J Guyatt, Deputy Leader of the Council, was in attendance for this item).

The Panel received and noted a report from the Cabinet (a copy of which is appended in the Minute Book) on its response to their comments on the draft Budget 2012/2013 and the Medium Term Plan. In reply to a question about the latest figure for the New Homes Bonus, the Head of Financial Services reported that this was £37,000 higher than the projected figure. Having noted that the Cabinet had discussed the benefits and risks of increasing the Council's general reserves provision, the Deputy Leader explained it was intended to recommend to the full Council that it was set at £4M and that it would not be possible to achieve a higher level in the current year.

Councillor P G Mitchell commented on the supplementary capital estimate which had been approved to enable the Huntingdon multi-storey car park scheme to proceed and suggested that this warranted further investigation. Having noted that this was part of a long term plan for the development of the town which had previously been considered by the Panel, it was agreed that this was not required.

73. VOLUNTARY SECTOR REVIEW (INDICATIVE FUNDING)

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

Consideration was given to a report by the Head of Environmental and Community Health Services (a copy of which is appended in the Minute Book) seeking an indicative budget for voluntary sector support for the 2013/14 financial year and outlining options for the distribution of the funds.

The Executive Councillor for Healthy and Active Communities drew attention to the main elements and recommendations within the report and, in particular, to the proposals to establish a mixed grant system as opposed to a commissioning approach for the allocation of future funds and to introduce a Community Chest for organisations who required small grants.

The Head of Environmental and Community Services explained that the District Council currently provided funding to six organisations: Huntingdonshire Citizens Advice Bureaux, Hunts Forum, Huntingdonshire Volunteer Centre, Shopmobility, St Barnabus Community Learning Centre and Disability Information Services Huntingdonshire. This was achieved through five-year Service Level Agreements which would expire in 2013. The report had been prepared to enable negotiations to commence with the voluntary organisations on future funding arrangements. The Overview and Scrutiny Panel (Social Well-Being) had discussed the report at a recent meeting and had endorsed the recommendations.

In considering the proposal to establish an indicative budget for 2013/14 of £273,000, Members questioned how this figure had been arrived at and where alternative savings would be made in the Council's Budget. Having been informed that the figure was based on the requirements of current service providers, Members questioned whether the methodology used was valid, particularly as an important part of the rationale for the change was that the existing beneficiaries of funding were not certain to receive it in the future.

A greater reduction in funding for the voluntary sector had originally been proposed. However, the Executive Councillor for Healthy and Active Communities explained that research had indicated that any reduction of more than 20% would have significant implications for the Council in terms of the additional demand for services it would create. In response to a question on the impact on voluntary sector organisations of a reduction of this size, the Head of Environmental and Community Services explained that most of the current recipients of funding had offered coping strategies that would enable them to continue to operate with no reduction in the level of services they provided. Following comment that it would have been useful to see a

comparison of the impact of varying levels of funding reduction on the voluntary sector, the Head of Environmental and Community Services undertook to circulate this information after the meeting.

With regard to the level of the indicative budget sought, Members questioned whether consideration had been given to requiring recipients of funding to obtain match funding. They also discussed the extent to which approval of the indicative budget would influence voluntary sector organisations' attempts to secure alternative methods of funding and investigate opportunities for shared accommodation. Comment having been made that a number of organisations had become too reliant on Council funding, Members queried whether the voluntary sector was responding to the changing economic climate and exploring opportunities, for example, to share services / facilities and raise funds. A suggestion was made that the indicative budget could alternatively be used to provide Council services directly and, therefore, replace some of the recent service reductions within the Council. The Council should clarify its priorities in this respect

The Panel discussed the proposed delivery methods for providing future financial support to the voluntary sector. Members established that as the Council was moving away from commissioning, a mix of distribution methods would not be used as is stated in the report. They then queried the rationale behind the proposal to return to the grant process and how the Council would ensure that the organisations met the objectives for which the grant was awarded. In response the Head of Environmental and Community Health Services explained that grants would be awarded for a maximum of three years and any performance issues could be addressed through the indicative budget for the following year. Applications for grants would be determined by the Executive Councillors for Resources and for Healthy and Active Communities.

The Panel discussed in detail the proposal to establish a Community Chest to create an accessible source of funds to help local community projects on a rolling programme throughout the year. The Head of Environmental and Community Services explained that the initiative had been devised in response to a number of requests for small sums of monies to help with local projects. A number of views were expressed as to whether Towns and Parishes should be able to apply to the Community Chest. Although some members were supportive of the approach, others suggested that these organisations already had the opportunity to obtain funding via their precepts. Another Member suggested that this opportunity could be valuable to smaller parishes who were often unable to raise funds for local projects. With regard to the administration of the process, it was suggested that, given the small sums involved, it should be straightforward and flexible. Having reiterated their concerns about how the indicative figure had been determined and where alternative savings would be made in the Council's Budget, it was

RESOLVED

that the Cabinet be recommended to

- a) suggest an indicative voluntary sector budget for

2013/14 of £273,000;

- b) agree to adopt a mix of methods of allocating funds, the method to involve a level of bureaucracy proportionate to the level of funding required, and
- c) agree to the establishment of a modest 'Community Chest' to create an 'accessible' source of funds to help very local community projects.

74. HOUSING BENEFIT CHANGES AND THE POTENTIAL IMPACT ON HUNTINGDONSHIRE

(Councillors B S Chapman, Executive Councillor for Customer Services, and N J Guyatt, Deputy Leader of the Council, were in attendance for this item).

The Panel gave consideration to a joint report by the Heads of Customer Services and of Housing Services (a copy of which is appended in the Minute Book) on the impact of changes to the Housing Benefit system on Huntingdonshire residents. The Executive Councillor for Customer Services reported that the changes largely affected the Local Housing Allowance paid to households that were assessed as being eligible for help with their rent in the private sector. The effect of the changes had resulted in a reduction of £370,000 per annum in the amount that was paid to existing benefit claimants. This equated to a reduction in benefit entitlement of between £3 and £70 per week and would start to take effect from January 2012, which could potentially result in households falling into rent arrears and facing the threat of eviction and/or homelessness. Having drawn attention to other changes which would be introduced in the period to April 2013 as part of the Government's welfare reform programme, Councillor Chapman invited Panel Members to comment on the information provided.

In considering the contents of the report, Members queried whether an assessment had been made of the local impact of the changes in housing benefit. The Panel was advised that it was difficult to assess the exact impact at this stage. Although the changes had been introduced in April 2011 there had been a nine-month protection period which was now due to come to an end and so the effects were just starting to emerge. The Council had written to those who were affected by the changes to advise them to seek advice at an early stage. It was also reported that there had already been a reduction in the number of available private sector properties for rent and Members commented on the increase in cost of rents that would result if this trend continued. Councillor M F Shellens suggested that it would be useful to receive regular reports on these matters.

In response to a question by a Member on whether the changes would have an impact on the cost to the Council of providing the homeless with temporary bed and breakfast accommodation, the Panel was advised that this was likely to be the case and that the Council was reliant on a small number of providers of this type of accommodation. The New Build Programme had helped the situation during the last few years but this would not be the case in the future. Discussions were currently ongoing with the Housing Associations to

identify alternatives to bed and breakfast accommodation.

Further on the use of bed and breakfast accommodation, the Panel was advised that the Council primarily dealt with two providers and that there were currently 11 households in this type of accommodation in the District. Having been advised of the cost of an average double room, the Panel was informed that the Council often had to take action at short notice and sought to do so in the best and most cost effective manner. Councillor S Greenall requested a breakdown of the average cost per night of this type of accommodation for 2010 and 2011.

There was no indication at this stage of the level of budget which was likely to be required to meet the expected increase in homelessness in the future. Consequently there was currently no provision within the 2012/13 Budget for an increase in homelessness, though reference was made to the impact of the various benefit changes in the text. Members queried whether the Council should seek to increase the budget estimate for homelessness at this stage; however, the Head of Financial Services explained that in the absence of an accurate estimate of the impact it was not practical to do so. Given that the Council was likely to increase its level of reserves, he was not unduly concerned about the situation for the forthcoming financial year. Having requested an update on this subject on a quarterly basis when there was likely to be a better indication of the impact on Huntingdonshire residents, it was

RESOLVED

- a) that the report now submitted be noted;
- b) that 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, and
- c) that further reports on rental levels and rent costs be submitted to the Panel on a quarterly basis.

75. EXCLUSION OF THE PUBLIC

RESOLVED

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

76. ONE LEISURE FINANCE

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

With the assistance of a report by the One Leisure Working Group (a copy of which is appended in the annex to the Minute Book) the Panel was acquainted with the outcome of the deliberations of the Working Group. The Working Group had been established to review the financial performance of One Leisure and to make recommendations

on the services' future strategic direction.

Attention was drawn to an update which was circulated at the meeting that incorporated the latest financial position as reflected in the Council's Medium Term Plan. In considering the revisions to the financial information, Members queried whether the revenue projection for 2012/13 was robust given that there was no proposal to increase prices in the current year. In response the Head of Financial Services stated that a cautious approach would be taken to maintenance and that income following developments at Huntingdon and St Neots had been higher than expected. It was also envisaged that income would further improve following planned development at One Leisure St Ives. The General Manager, One Leisure indicated that he was comfortable with the revised figures.

Mr R Hall drew attention to the section of the report on Alternative Delivery Models. He reported that the majority of Councils had moved away from in-house delivery. He referred to a report prepared by Improvement East in March 2011 which indicated that almost 75% of Councils in the East of England had externalised their leisure services. It also identified five preferred alternative models, which could be considered for the operation of the service. The Working Group had recommended that investigations should be undertaken to establish the most appropriate business model for the service.

Comment was made on the significant cost of the Council's crèche facilities. It was pointed out that the Working Group had looked at this area but had deliberately avoided micromanaging the service and the recommendations relating to the establishment of a business plan would cover such matters. Having noted that all the centres would be included in the business plan, the General Manager reported that it was unlikely that the centres at Ramsey and Sawtry would generate a profit in the longer term. Whereupon and subject to the incorporation of the revised figures into the report, it was

RESOLVED

that the Working Group's report and recommendations be endorsed for submission to the Cabinet.

77. RE-ADMITTANCE OF THE PUBLIC

RESOLVED

that the public be re-admitted to the meeting.

78. BROADBAND DELIVERY PROJECT

The Panel received a presentation by Mrs S Bedlow, Economic Development Manager, on the Broadband Delivery Project. The Panel was informed that the Government's objective through the Project was to establish the best superfast network in Europe by 2015 and that Local Enterprise Partnerships were required to draw up a Broadband Strategy for their areas. The Cambridgeshire and Peterborough Broadband Delivery Project had been allocated £6.75m for this purpose and had adopted the objectives of ensuring that 100% of businesses and 90% of homes had access to superfast

broadband by 2015. On a question which had been raised at a previous meeting, Members were provided with a definition of superfast broadband.

The Panel discussed a range of matters relating to the Project's objectives, including whether businesses required broadband speeds of 25 Mbps. Comment was also made that the target for businesses was unattainable as a growing number of businesses were now operating from home. In response, Mrs Bedlow explained that the Project was currently considering how it would define "business" for this purpose.

Members were advised that the Government's funding could only be used to provide broadband in areas not covered by commercial providers. Efforts were being made to encourage the market to meet demand; however, a number of commercial providers had been disappointed with the take up of high speed broadband. Members then discussed the mechanisms which would be used to establish demand and were informed that a comprehensive survey would be undertaken and a campaign website established. In response to a question on the implications of not taking part in the Project, the Economic Development Manager explained that research had demonstrated the benefits of superfast broadband in terms for productivity and economic growth and that failure to undertake the Project would result in the District being at a competitive disadvantage.

Following a question on the Alconbury Enterprise Zone, Mrs Bedlow reported the Government had announced that all Enterprise Zones would have superfast broadband. It was likely that the number of houses and businesses within the area would make it commercially viable and, therefore, demand would be met by the market.

The Chairman thanked Mrs Bedlow for her attendance at the meeting.

79. 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. In so doing, a Member queried when the guidance was expected on future provision requirements for gypsies and travellers.

With regard to the item on CCTV it was agreed that the Panel should receive an update on progress of negotiations with the Town Councils. Mrs H Roberts queried whether the review of waste collection and recycling policies would include the financial performance of the service. It was suggested that this information would be produced through the development of the RECAP Advanced Waste Partnership and could be submitted to the Panel. It was also suggested that the savings which had been achieved following the departure of a number of senior Officers could be considered as part of the report on the Budget at the Panel's next meeting.

80. 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 been previously been discussed by the Panel.

81. 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 response to a question from a Panel Member, Councillor E R Butler reported that the 2010/11 Accounts would be signed off by the end of the month.

Having noted that there had been a number of recent changes to the Council's Risk Management Strategy, the Scrutiny and Review Manager undertook to provide Mrs H Roberts with a revised copy of the Strategy.

Chairman