

## Decision Digest

Edition 122

**Monthly summary of the decisions taken at meetings of the Council, Cabinet, Overview & Scrutiny and other Panels for the period 1<sup>st</sup> to 24<sup>th</sup> February 2012.**

### **BUDGET 2012/13 AND MEDIUM TERM PLAN 2013 TO 2017**

The Overview & Scrutiny Panel (Economic Well-Being) and the Cabinet have reviewed the Medium Term Plan (MTP) 2013 -2017 and the Budget and level of Council Tax for 2012/13. The Panel has thanked the Cabinet for its positive response to its previous recommendations on the draft Budget and MTP.

In considering the proposed level of Council Tax for 2012/13, Members supported an increase of £4.34 for a band D property in order to meet unavoidable inflation and preserve valued services as far as possible both this year and in the future.

The Panel previously has recommended that the Council should identify what services might be retained for any additional income. The proposed increase in Council Tax will generate £100k. Members have suggested that this might, for example, contribute towards the indicative budget for the voluntary sector, which was approved at the Cabinet's last meeting, instead of finding alternative savings.

On the subject of funding for the voluntary sector, the Panel has asked that Overview and Scrutiny be informed of the next steps that will be taken to finalise future arrangements between the sector and the Council. The Cabinet has confirmed that the Social Well-Being Panel will be examining in detail

the policies and mechanisms for the distribution of the funds.

The Panel has discussed at length the Council's future levels of reserves. Members are of the opinion that the Council should seek to increase its reserves and have restated their position that if it is reasonable to do so reserves should be increased to £5M. This position is partly informed by the fact that it is only possible to use reserves for one-off projects. It is acknowledged that the sums put into reserves will not be used to provide services. The Cabinet has confirmed that the level will be reviewed as part of the Council's financial forecast each September.

Having noted that the 2012/13 Budget contains no unidentified savings, the Panel has restated its view that the feasibility of achieving some future years' savings in 2012/13 should be investigated. With reference to a recent example from their study on support services, the Panel has reiterated the need to ensure that previously identified savings are rigorously applied to each section's budget to ensure they are accurate at the start of the year. The Head of Financial Services informed the Cabinet that the latter related to confusion as to whether a saving had been achieved, rather than to whether the budget had been reduced by the relevant savings target. The Cabinet has also been advised that the final phase of the annual budget process, when budgets are disaggregated to a

lower level, will clarify and resolve such issues.

The Panel has discussed whether it is necessary for the Council to consider its strategic approach if its financial position and the economy generally are better than is represented in the report by the Head of Financial Services. While there may be a danger of creating expectations that cannot be met if such plans are developed, it is argued that there is value in preparing for the full range of future changes. The Panel will revisit this matter in September when the forecast is produced.

As the Council's reserves reduce and its borrowings increase, it will be more important to identify clearly interest costs. With this in mind the Panel has suggested that that interest figures and other such "corporate" items should be included separately in the Summary Budget. The Executive Councillor for Resources will discuss this further with the Managing Director (Resources).

Finally, the Panel has commended employees for their contribution to improving the Council's financial position. In particular, Members have expressed their appreciation of:

- the high rates of Council Tax collection that have been achieved;
- the decision by employees to accept no pay increase again in April 2012;
- the continuation of the trend for the budget to be underspent rather than for any spare sums to be used on low priority items; and
- the work undertaken by the Financial Services section to prepare the

MTP, Budget and Financial Plan.

At the conclusion of their deliberations, the Panel has endorsed the report to Cabinet. Subsequently, the Cabinet has recommended to Council that the proposed Budget, Medium Term Plan and Financial Plan be approved and that Council Tax for 2012/13 be increased by £4.34 per year (a Band D charge of £128.51).

### **TREASURY STRATEGY**

### **MANAGEMENT**

In accordance with its responsibility for scrutinising Treasury Management, the Overview and Scrutiny Panel (Economic Well-Being) has reviewed and endorsed the Treasury Management Policy and Strategy for 2012/13 and the Prudential Indicators for submission to the Cabinet and Council.

Subsequently, the Cabinet has recommended the adoption of the Strategy to Council.

### **CUSTOMER MONITORING REPORT**

### **SERVICES**

The Overview & Scrutiny Panel (Economic Well-Being) has considered the Customer Service Quarterly Performance Report for the period October to December 2011, on the levels and standards of service that have been achieved. In response to a comment on the service's 'speed of response, Members have been informed that a recruitment freeze has meant that a number of posts have been held vacant, which has had an impact on performance. However, customer satisfaction remains high. In the circumstances, the Panel has commended the performance of the Customer Services managers.

Following a dip in performance on a particular day because of a failure of an IT system, the Panel has been assured that the business continuity arrangements for the service includes reference to suppliers to ensure all IMD contracts are covered by service recovery standards. It has been suggested that it might benefit customers and ease pressure at peak times if information about those times during which there is high demand for service is displayed in customer service areas.

The Panel has been pleased to note the results of a recent survey which records employee satisfaction levels at both the Call Centre and the Customer Services Centre at 97%. Despite the challenges faced by the service, this represents a significant increase since the previous survey was conducted. Generally, the service's targets take account of the need to achieve budgetary savings and reflect a reduction in staffing levels.

A further report will be considered by the Panel in six months time.

### FUNDING FOR CCTV

The Overview and Scrutiny Panels for (Economic Well-Being) and (Social Well-Being) have received an update on the future operation of the CCTV service. Members have been acquainted with the progress made in negotiations with partner organisations on how they might contribute towards the cost of the service and the terms of the agreements that might be reached with them.

The Panels have discussed the implications for the future budget and operation of the service. With these in mind, Members of the Economic Well-Being Panel have asked the Social Well-Being Panel to give further consideration to these matters.

Members of the Social Well-Being Panel have subsequently agreed to include this within their work programme. The Economic Well-Being Panel has also requested a presentation on the Business Improvement District for Huntingdon at a future meeting.

Members have noted that investigations are continuing into whether there would be any benefit in outsourcing the service. However, it has been reported that those Councils who have outsourced their service have not seen a significant saving in their CCTV budget.

A report on service changes in 2012/13 has been requested for submission to a future meeting of the Social Well-Being Panel.

### EMPLOYMENT REPORT

The Employment Panel has considered a range of information relating to the management of the Council's workforce and the workload of the Human Resources Team. This has included the latest position and trends relating to:-

- ◆ employee numbers;
- ◆ salary costs;
- ◆ employee turnover;
- ◆ retention of new starters;
- ◆ sickness absence reporting; and
- ◆ the Human Resources caseload.

In considering the information which was provided, the Panel has discussed in detail the statistics relating to sickness absence. Members have noted that the annual average days sickness per FTE employee has reduced from 8.5 to 8.4 days in the year to 31<sup>st</sup> December 2011 and remains well below the average for local government. The Panel also has noted

that the Human Resources Team has modified the categories in which sickness is recorded which should produce a better picture of the reasons for sickness absence in the next quarterly report. Members have emphasised the need for Heads of Service and Activity Managers to record information accurately so that appropriate interventions can be introduced.

In considering the statistics for sickness in the category 'stress, depression, mental health and fatigue', Members have noted that a number of Mental Health Awareness sessions had been arranged for employees. The Panel has discussed the need to engage managers in these type of programmes and have been reminded that all Heads of Service have a Key Performance Indicator for staff management.

The Panel has discussed whether there was a need to establish a corporate performance indicator for sickness management. Although the need for targets was discussed, the Panel agreed that it was sufficient to report and monitor progress at future meetings.

A copy of the full report is available from Democratic Services on request and has been published on the District Council's website.

### **REVIEW OF EMPLOYEE CAR LOAN SCHEME**

Following recent review, the Employment Panel has endorsed a number of changes to the existing Car Loan Scheme. The changes will ensure that individual employees are not encouraged to borrow more than is affordable and to simplify the administration of the scheme, by bringing interest rates into line with those used by the HMRC.

Having noted concerns about whether the Council should continue to offer the option of a car loan scheme to its staff, the Panel has agreed that the longer term retention of the scheme should be considered as part of the discussions with employees on the review of pay and the pay structure.

### **PAY POLICY STATEMENT**

The Employment Panel has given preliminary consideration to the content of a proposed Statement of Pay Policy for 2012/13. The Pay Policy Statement provides information about the Council's policies relating to the pay and reward of chief officers and other employees, as required by sections 38 – 43 of the Localism Act 2011.

In considering the content of the statement, Members have sought clarification on a number of matters and commented on the presentation of some of the information within the report. As there were still several matters which required further clarification, the Executive Leader requested that the paper be updated before being submitted to the Council for approval.

### **PAY REVIEW PROJECT**

The Employment Panel has received an update on the discussions between Employees' Side representatives in advance of the review of the Council's pay grades and bands.

In considering the principles and objectives which had been agreed for the project, Members have made a number of comments and suggestions for consideration during the review. Further updates on progress will be submitted to future meetings.

### **UPDATE ON HR REVIEW OF HR SERVICES**

The Employment Panel has received an update on current discussions regarding the future of the District Council's Human Resources and Payroll function. Members have been informed that there was still a significant amount of work to be undertaken to determine whether the Council wished to pursue a proposal to outsource the function. Officers are making strenuous efforts to enable the Cabinet to reach a conclusion at their meeting on 22 March 2012, although it was noted that this is a matter not to be rushed and consequently may be addressed by a later Cabinet meeting.

### **NHS CONSULTATION: PROPOSED REDESIGN OF MENTAL HEALTH SERVICES ACROSS CAMBRIDGESHIRE AND PETERBOROUGH**

Following on from the Overview and Scrutiny Panel's (Social Well-being) submission of a response to the consultation on the Proposed Redesign of Mental Health Services Across Cambridgeshire and Peterborough, representatives of NHS Cambridgeshire were in attendance at the Panel's meeting to respond to the concerns raised. Members of the Panel are still not satisfied that the case for the closure of Acer Ward at Hinchingsbrooke Hospital has been justified. Whilst the Panel has expressed support for the proposals to strengthen and enhance community services and welcomed the decision to relocate the Crisis Resolution Home Team back to Huntingdon, Members are of the view that an acute facility in Hinchingsbrooke Hospital forms an integral part of the redesign of services. Assurances have also been sought that if Acer Ward is closed, a budget should be established on an ongoing basis to assist patients travelling to and from alternative facilities.

### **HUNTINGDONSHIRE STRATEGIC PARTNERSHIP: HEALTH AND WELL-BEING THEMATIC GROUP**

Details of the Huntingdonshire Health and Well-Being Group were presented to Members of the Overview and Scrutiny Panel (Social Well-Being) including its outcomes, membership, terms of reference and action plan. New strategic governance arrangements are in the process of being established. The draft Joint Health and Well-Being Strategy will be submitted to a future meeting of the Panel once approved for consultation by the Shadow Health and Well-Being Board. The Panel will continue to have sight of the Group's action plan on an annual basis.

### **MONITORING OF SECTION 106 AGREEMENTS (PLANNING OBLIGATIONS)**

The receipt and expenditure by the Council of money negotiated under Section 106 Agreements was noted by the Overview and Scrutiny Panels (Social Well-Being) and (Environmental Well-Being).

### **NEIGHBOURHOOD FORUMS WORKING GROUP**

An update on the outcome of a recent meeting of the Neighbourhood Forums Working Group was delivered to the Overview and Scrutiny Panel (Social Well-Being). Members had met with the Huntingdonshire Area Commander for the Police to discuss the Working Group's proposals thus far. Proposed boundaries and elected Member representation for each area are currently under review by the Working Group.

## **ROLL FORWARD OF CORE STRATEGY – LOCAL PLAN PROJECT PLAN**

The Cabinet has approved the new Local Development Scheme for Huntingdonshire for publication and commencement on 24th February 2012. The scheme sets out the proposed programme for the production of the Huntingdonshire Local Plan to 2036 and includes key milestones to inform people about opportunities to be involved in the process. It has arisen as a result of amendments to the plan-making process in the Localism Act, the publication of a new National Planning Policy Framework and consultation on the Local Planning Regulations.

The document was considered also by the Overview and Scrutiny Panel (Environmental Well-Being) who, having noted that the Plan should be “prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements” reiterated its previously expressed concerns regarding the Council’s lack of influence over the implementation of infrastructure works.

Members have been advised that contingency plans have been developed in relation to travellers’ sites and wind farms that will be used until the necessary policies have been adopted.

## **CASTLE HILL HOUSE – FORMER HUNTINGDONSHIRE COUNCIL OFFICES – HIGH STREET, HUNTINGDON**

An update on progress to market Castle Hill, House, Huntingdon has been reported to Cabinet. In considering the contents of the report, Members were disappointed that the Overview and Scrutiny (Economic Well-Being) had not been given an opportunity to consider details of an offer received for the

former Council offices. In that respect and having requested further information on the options available to the Council, Executive Councillors have deferred the item to a special meeting of the Panel and Cabinet to be held on 28th February 2012.

## **FLOOD RISK MANAGEMENT ACTIVITIES**

The Overview and Scrutiny (Environmental Well-Being) Panel has received a presentation from Cambridgeshire County Council’s Flood and Water Manager on flood risk management activities. Members have been advised that the Cambridgeshire Flood Risk Management Strategy is the product of a series of reviews and Acts that have been passed following nationwide flooding in 2007. The Cambridgeshire Flood Risk Management Partnership is made up of local District Councils, Cambridgeshire County Council, Cambridgeshire Constabulary, Anglian Water, the Environment Agency, Middle Level Commissioners and 3 of 63 local internal drainage boards (IDBs). The Strategy considers the impact of climate change and specifies how the County Council will exercise a strategic oversight role over flood risk management. As part of this, the County Council has to maintain a register of assets for flood risk management, adopt, approve and maintain sustainable drainage systems in new developments, regulate flows of ordinary water courses outside IDBs and plan for and manage any flood emergencies. It also investigates instances of flooding in order to establish responsibility and find solutions to problems. The new arrangements strongly emphasise joint working and the partner organisations have concurrent powers. Under the legal framework that has been established, a single authority usually has statutory responsibilities for

particular aspects of flood management with others having permissive powers. The District Council largely has permissive powers.

## **CAMBRIDGESHIRE FUTURE TRANSPORT STRATEGY**

The Overview and Scrutiny (Environmental Well-Being) Panel has been advised of a joint scrutiny review of the Cambridgeshire Future Transport Project which had been planned by the County Council and District Councils within Cambridgeshire. Owing to uncertainty over the future of the project, it has been decided to defer appointing a representative to the review group.

## **FEES AND CHARGES**

The Licensing and Protection Panel has noted a new schedule of fees and charges for licenses issued by the District Council. The charges, which will come into effect from 1st April 2012, have been increased by 7.5%, with the exception of street trading licences which are limited to an inflationary increase of 2.5%, in an effort to move towards full cost recovery of the licensing service.