

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) held in CVSO.0.1A, CIVIC SUITE, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN on Thursday, 12 July 2012.

PRESENT: Councillor G J Bull – Vice Chairman.
Councillors E R Butler, S Greenall, R B Howe, P G Mitchell, M F Shellens and A H Williams.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillor R Harrison, Mr R Hall and Mrs H Roberts.

14. MINUTES

The Minutes of the meeting held on 14th June 2012 were approved as a correct record and signed by the Chairman.

15. MEMBERS' INTERESTS

No declarations were received.

16. LOCAL GOVERNMENT ACT 2000 - FORWARD PLAN

The Panel considered and noted the current Forward of Key Decision (a copy of which is appended in the Minute Book). The Chairman explained that a report on Technical Reforms to Council Tax would be considered by their Panel at its meeting in September 2012.

17. CUSTOMER SERVICES - REVIEW OF CHANGES AT RAMSEY & YAXLEY

(Councillor B S Chapman, Executive Councillor for Customer Services, was in attendance for this item).

Pursuant to Minute Number 11/72, the Panel gave consideration to a report by the Head of Customer Services (a copy of which is appended in the Minute Book) outlining the impact of changes to the opening hours at the Ramsey and Yaxley Customer Services Centres after a 12 month period. Members were informed that it had been a difficult year for the service, which had been disrupted by a number of unforeseen circumstances. It was intended to continue to monitor the impact of the changes as part of the Panel's normal reporting arrangements.

In considering the contents of the report, Members noted that despite an initial increase in complaints, these had now reduced as customers had become used to the new service arrangements and alternative ways to access services. Members queried whether local residents perceived the reduction in opening hours as a retrograde step and Ward Councillors were also invited to provide their own feedback. The Head of Customer Services reported that local residents appeared to have accepted the changes and that the number of partner sessions at the facilities had been maintained.

With regard to the figures for transactions at the Yaxley Centre, the Head of Customer Services explained that the apparent reduction in 2010 was the result of a recording error. Comment was made on the significant budgetary savings which had been achieved in Ramsey. Members were informed that this was a direct result of the service moving into the library facilities.

Councillor P G Mitchell suggested that the removal of the local bus service to Huntingdon might generate an increase in demand for the services at the Yaxley Customer Service Centre. In response, the Head of Customer Services indicated that she would monitor the situation.

Having noted that the lease for the current premises in Yaxley was scheduled to expire in July 2013, Councillor N J Guyatt reported that discussions were ongoing to develop a 'community hub' within the village. Members were advised that it was the intention of the, Customer Services Manager to review the available accommodation options during the course of the financial year with a view to making further budgetary reductions.

Whereupon, and having congratulated the Head of Customer Services on the implementation of these changes without any significant impact on customer satisfaction levels, it was

RESOLVED

- (a) that the continued operation of the Customer Service Centres at Ramsey and Yaxley for two days per week be supported; and
- (b) that the Head of Customer Services be requested to report back on any further developments as part of the usual six monthly report to the Panel.

18. CUSTOMER SERVICES MONITORING REPORT

(Councillor B S Chapman, Executive Councillor for Customer Services, was in attendance for this item).

The Panel gave consideration to the Customer Services Quarterly Performance Report for the period January to March 2012 (a copy of which is appended in the Minute Book) which outlined the levels of performance and standards achieved by the Service. Attention was drawn to the significant issues which had emerged since the last

report and the issues that the service would face in the forthcoming quarter. Having noted that customer satisfaction levels remained high, it was

RESOLVED

- (a) that the contents of the report be noted; and
- (b) that further reports continue to be submitted on a biennial basis.

19. PRIVATE SECTOR RENT LEVELS

(Councillor B S Chapman, Executive Councillor for Customer Services, was in attendance for this item).

Further to Minute Number 11/74, the Panel considered a report by the Head of Customer Services (a copy of which is appended in the Minute Book) providing an update on rent levels in Huntingdonshire. Members were informed that there was currently no evidence to suggest that landlords were adjusting their rents downwards as a result of the changes to the Housing Benefit System and that the situation in Huntingdonshire was similar to that being experienced by other Councils across the Country.

Having acknowledged that many of the effects of changes in Housing Benefit had not yet materialised, Members questioned whether there were variations between different areas of the District. In response they received an explanation of the Broad Rental Market Areas. With regard to the impact of the Government's welfare reforms more generally, the Head of Customer Services reported that there had been an increase in the number of potentially homeless people and the District Council was taking steps to encourage householders to seek advice at an early stage.

In terms of the proposed future reporting arrangements, Members were informed that it was unlikely that quarterly reports would be able to demonstrate significant movements in rent levels. However, Members were mindful of the need to continue to monitor the situation in the current economic climate. With this in mind, it was

RESOLVED

- (a) that the contents of the report be noted; and
- (b) that further reports be submitted on a biennial basis.

20. LEADERSHIP DIRECTION

With the assistance of a report by the Executive Leader and Deputy Executive Leader (a copy of which is appended in the Minute Book) the Panel gave consideration to the Council's Leadership Direction. Members attention was drawn to the Notes of the Corporate Plan Working Group which had discussed the document at its meeting on 28th June 2012.

By way of introduction the Deputy Executive Leader, Councillor N J Guyatt, explained that Leadership Direction set out the intended direction of travel and key aims that would lead to the achievement of a vision for the Council. It had been presented to all Members at the Council meeting earlier in the month.

In considering the contents of the report, Members commented on a range of issues relating to the themes and aims within the document. Specifically, concerns were expressed about the number of aims which the Council sought to achieve and the references to balancing the Council's budget without any acknowledgement of the need to use the Council's reserves.

With regard to the aim to 'Build the One Leisure' Business', Councillor Guyatt outlined the Leadership's aspirations to develop the leisure centre service so that it was able to reach a 'break-even' position before any decision was made about its future management. On this point, following comments by Councillor S Greenall regarding the study on the One Leisure business model, Councillor Guyatt agreed to speak to Councillor Greenall outside of the meeting.

RESOLVED

that the contents of the Leadership Direction be noted.

21. USE OF CONSULTANTS

The Panel considered a report by the Head of Financial Services (a copy of which is appended in the Minute Book) outlining the progress which had been made on agreeing, modifying and implementing the Panel's previous recommendations. Following completion of the study into the Council's use of consultants, the report indicated that the majority of the recommendations had been accepted in some form.

Members' attention was then drawn to Annex C to the report, which provided details of the Council's outturn expenditure on consultants, hired and temporary staff during 2011/12. Having reviewed the information presented they were informed that it was difficult to compare the costs with those in previous years because a number of the definitions employed had been changed. In terms of the items listed, the Head of Financial Services was asked to provide a breakdown of the consultancy costs associated with the Huntingdon Western Relief Road and further information on the Water Cycle Strategy. Members were informed that it was

With regard to the budget for specialist advice for the A14 improvements, the Head of Financial Services explained that this sum had been removed from the Medium Term Plan but could be reinstated as a Supplementary Capital Estimate if it was required. Clarification was then sought with regard to the definition of 'hired' as opposed to 'temporary' staff. Having received a response concern was expressed about a specific instance in which a member of hired staff had been retained for a prolonged period. The Head of Financial Services undertook to circulate further details to Members.

RESOLVED

- (a) that a report detailing expenditure on consultants, hired and temporary staff be submitted to the Panel on an annual basis; and
- (b) that future reports should include a breakdown of revenue and capital charges.

22. LOCALISATION OF BUSINESS RATES

With the assistance of a report by the Head of Financial Services (a copy of which is appended in the Minute Book) the Panel was acquainted with details of proposals for the localisation of business rates, which would come into effect in April 2013. Information was also provided on the opportunities for local authorities to combine to pool their business rates income and the benefits which the Government envisage that this would present.

Although the legislation had not yet been passed, the Head of Financial Services explained that the information within the report reflected that which was currently available. He then drew attention to a number of specific aspects of the proposals that would need to be taken into account when the Council took a decision on whether to form a local pool for business rates income. Members noted that business rate income from the Enterprise Zone was not included in these proposals and that this income would be distributed throughout the Local Enterprise Partnership area.

During discussion on the proposals for pooling business rates income, Members were informed that it would operate on the principle that none of the authorities that were party to the agreement would be in a worse-off position than they would otherwise have been. There would then have to be agreement on what to do with any remaining money, which would require negotiation with the other authorities. Members noted that where there was growth, there were clear benefits of pooling, however, it could not be assumed that income from business would not go down and this might result in a significant overall reduction in Councils' income levels.

It was reported that the County Council had modelled a number of different scenarios to identify the range of effects of pooling. Members were informed that this would include the impact of growth in one area of the County and a decline in another. Having noted that there would be an opportunity to withdraw from any pooling arrangements once the draft Local Governance Finance Report was published, it was

RESOLVED

that the Cabinet should be recommended

- (a) to note the planned basis for the localisation of Business Rates; and

- (b) to express to the Department for Communities and Local Government, the Council's interest in pooling with the County Council and other Cambridgeshire Districts on the understanding that the governance arrangements will be based on no authority losing from pooling, and noting that there will be the opportunity to review that decision later in the year.

23. THE RATIONALE FOR RESERVES

Councillor M F Shellens introduced a briefing paper (a copy of which is appended in the Minute Book) which had been prepared to facilitate a discussion on the Council's approach to the setting of its reserves. He hoped that this would enable the Panel to reach a considered and united view on the factors that should be used to establish a desirable level for the Council's future reserves.

In considering the contents of the briefing paper, Councillor R B Howe referred to a graph which had been previously submitted as part of the Panel's discussions on the Council Budget for 2012/13. The graph had provided an illustration of the level of reserves held by District Councils in March 2012. Councillor Howe suggested that it would be useful to obtain further information to enable Members to determine whether the Council was over or under reserved for an authority of its size. Whilst it was generally acknowledged that the level of reserves set by a local authority was subjective and in many cases historic, the Head of Financial Services undertook to obtain further information. Whereupon, it was

RESOLVED

that a working group be established comprising Councillors R B Howe, P G Mitchell, T V Rogers and M F Shellens to

- (a) identify the combination of co-incident risks against which the Council wishes to insure by having reserves; and
- (b) benchmark the Council's level of reserves against other appropriate authorities.

24. 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 Chairman reported on his attendance at a recent meeting of the Overview and Scrutiny Panel (Social Well-Being) to participate in the discussions on the distribution of voluntary sector funding for 2013/14 onwards.

Members received an update on the outcome of the review of

Neighbourhood Forums which had been undertaken by the Overview and Scrutiny Panel (Social Well-Being). Having noted that the proposals would be presented to the Cabinet at its meeting on 19th July 2012, a number of Members expressed their concerns about them.

25. OVERVIEW & 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 of matters that had been previously discussed. In considering the contents of the report, the Chairman provided an update on the activities of the Working Group which had been established to review the Council's support services.

With regard to the Panel's list of future studies, the Chairman reported that the Corporate Governance Panel had established a working group to investigate the fraud risks faced by the Council and the resources that the Fraud Team would require in the future. A copy of their report would be considered by the Panel in due course.

Councillor P G Mitchell informed Members that he had met with the consultant who had been engaged to develop a Commercial Plan for the Great Fen Project. He would be attending a further meeting in due course.

26. 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 so doing, a Member requested an update on the current position with regard to the finalisation of the Council's 2012/11 Accounts. The Head of Financial Services explained that the Accounts were currently with the District Council's External Auditors and were expected to be signed off imminently. The finalisation of the 2011/12 accounts appeared to be going to plan and there were not envisaged to be any problems in this respect.

Chairman