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## **Overview & Scrutiny Panel (Economic Well-Being)**

**Report of the meetings held on 8th November and  
6th December 2012**

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### **Matters for Information**

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#### **28. CHARGING FOR A SECOND GREEN BIN**

The Panel has considered a proposal to charge residents for collecting a second green bin from domestic properties. The matter has previously been considered by the Overview and Scrutiny Panel (Environmental Well-Being) who have unanimously agreed that the Council should not introduce a charge. The Cabinet has subsequently deferred the matter to enable it to obtain the views of the Panel for Economic Well-Being.

The Council currently spends £1.3M on collecting green waste, which represents 40% of the Council's total costs for waste collection and for which the Council does not receive any additional funding. Huntingdonshire District Council will continue to collect the first green bin from all its residents free of charge but it is argued that the collection of the second green bin should be regarded as a premium service and, therefore should attract a charge. It has been suggested that for the majority of residents in the District this will represent no change to the current service and will be fairer to all residents.

Councillor D M Tysoe, Executive Councillor for Environment, has sought to address the concerns which have been raised previously about the impact of the changes on green waste collection levels within the District. He has suggested that although there may be an immediate reduction in the green waste collected, he would be surprised if the level of green waste collected reduces in the medium term. He has also reiterated to Members that although the Council has previously sought to resist making cuts to services, the current budgetary situation dictates that consideration will need to be given to a number of difficult decisions in the near future.

In considering the proposal, the Panel has taken into account the experience of other Councils who have introduced a charge for the collection of a second green bin. There are currently 13 authorities who make such a charge and the majority of these have not

experienced a reduction in the levels of green waste collected or any increase in fly tipping. The proposed level of charge for the collection of the second bin is the median charge made by other authorities.

Members have expressed concerns that the proposal will result in residents putting additional green waste into their domestic waste bins. However, they have been assured that waste collection operatives will not collect any bins in which green waste had been deposited and a note will be placed on the bin to this effect. Fly tipping is a criminal offence and the Council will undertake enforcement if necessary. The Head of Operations has explained that all green bins remain the property of the District Council and recovery procedures will be instigated should any residents not pay the charge for their second bin. Members have also queried whether there is any scope to encourage residents to obtain discounted compost bins through the Council's existing Compost Bin Scheme and have noted that it is not possible to discount further what is already a very good rate.

On the question of the set up costs associated with the implementation of the charge, the Panel has noted that efforts have already been made to reduce the capital costs and as a result, it has been decided not to pursue a proposal to fit different coloured bin lids to the existing bins. Information has also been received on the inclusion of the cost of 1FTE within the proposal.

Councillors Mrs M Banerjee, I C Bates and P L E Bucknell have addressed the Panel on this matter. Councillor Bucknell has expressed the view that residents will not pay for the collection of the second green bin and will instead put green waste in household waste bins, which will have an adverse effect on the waste service budget. In addition, he is of the opinion that the change will lead to an increase in fly-tipping and has suggested that VAT will apply because the charge being incurred is for a service. A Cabinet Member of a London Council has informed Councillor Bucknell that, in his view, his authority made a mistake by introducing a similar charge. Councillor Mrs M Banerjee has reminded the Panel that the collection of green waste had been introduced to respond to a European Union Directive. The removal of this facility will be unpopular with Huntingdonshire residents and will damage public perception of the Council.

Councillor I C Bates has urged the Panel to consider the consequences of endorsing the proposal and has reiterated that the Overview and Scrutiny Panel (Environmental Well-Being) has unanimously agreed that the Council should not introduce a charge. Waste collection is a universal service, which is valued and recognised by the local community. The introduction of a charge will have an adverse effect on recycling rates and will represent a loss of service to the public. Councillor Bates has also expressed concern that the Panel has been asked to consider one proposal for achieving budgetary savings in isolation and he has recommended that the

Council should not take a decision on this matter until other options have been assessed.

In terms of the Council's financial position more generally and having been informed that the Cabinet is looking at a number of options to achieve budgetary savings for the Authority, the Chairman has drawn the Panel's attention to the recent announcement by Government that increases in Council Tax in 2013 will be limited to 2%. This will require the District Council to find additional savings in the region of £680K to £940K and, with this in mind, the Panel has met to give consideration to a range of possible options for delivering these savings.

In concluding their discussion the Panel has agreed that the business case for introducing the additional charge is sound and, therefore, that the proposal could be supported in principle provided that it is considered as part of a package of savings.

## **29. ASSETS OF COMMUNITY VALUE**

As part of the Localism Act 2011, legislation has been introduced to assist local community groups to preserve buildings or land which they consider to be important to their community's social well-being. The Panel has considered and endorsed the arrangements, which the Council proposes to put in place to deal with applications for listing community assets.

The Panel has questioned the means by which Parish Councils and other interested charities have been made aware of the introduction of the new legislation and has noted that a briefing note has been sent to all District Councillors. This will also be circulated to Parish Councils; however, it will not be appropriate to provide examples of the assets that might be listed as the District Council has an obligation to determine applications, and this might be regarded as pre-determination.

In considering the details of the arrangements, Members have requested clarification of two matters. The first is whether the group of people who can make a nomination need to reside in the parish in question. The second is whether the list of disposals, which are exempt from Moratorium arrangements, applies in the case of an individual or organisation depending on the sale of the property to avoid being placed into administration. The Head of Legal and Democratic Services has agreed to investigate these matters further.

In terms of the arrangements for dealing with compensation claims, the Government has indicated that the estimated costs of compensation will be included within the "new burdens" funding. In addition the government has committed to meeting the cumulative costs of compensation exceeding £20K in a financial year.

### **30. HUNTINGDONSHIRE ECONOMIC ASSESSMENT – KEY FINDINGS**

A presentation on the findings of the Huntingdonshire Local Economic Assessment has been given to the Panel. The Assessment has been undertaken to provide a base for a new Local Economy Strategy which has been reviewed to reflect a number of recent changes in the local economy and to coincide with the creation of a new Local Plan for the District.

The Panel has been informed that the data has been grouped into three themes – People and Communities, Business and Enterprise and Sustainable Economic Growth. It has been tested at a number of workshops with stakeholders, elected Members and Officers and attention has been drawn to the 8 priority areas which have consequently been developed for action. These include:-

- ◆ Raising Huntingdonshire's Profile
- ◆ Rebalancing the Population
- ◆ Building on Business Strengths
- ◆ Diversifying the Economy
- ◆ Matching Skills with Jobs
- ◆ Unlocking Infrastructure Constraints
- ◆ Maximising the Impact of Strategic Development
- ◆ Delivering the Vision and Strategy

In terms of the outcome of the assessment, the Panel's attention has been drawn to a number of issues which have been identified. These include the future of the labour supply, the structure of the economy and the decline in the level of NVQ Level 4+ qualifications being obtained in the District. Another significant issue for the future will be the affordability of housing within the District. House prices in Cambridge are expected to continue to rise over the course of the next few years, which will have a knock on effect to the surrounding areas. In contrast, the commercial property market has stalled as it appears there is a mismatch between the type of properties available to rent and those which are required.

The Panel has been informed that work will now take place to draw up a new Local Economy Strategy for the District, which will be presented to Members together with associated action plans in the New Year.

### **31. CORPORATE BUSINESS CONTINUITY PLANNING (2012 ANNUAL REPORT)**

The Panel has received an update on the progress made in developing the Council's Corporate Business Continuity Plan. Members have been acquainted with the process for the production of the Plan, the need for which has been identified in an audit of the Council's existing Service Recovery Plan. Details have been provided

of the work which has been undertaken, the issues and risks which have been identified and the resourcing requirements of the process. A breakdown of those incidents which have triggered action by the Business Continuity Team during the past 12 months has also been provided. It is intended to review the new Plan on an annual basis and report the outcome to the Council's Corporate Governance Panel.

The Panel has discussed the recent problems experienced with the Remote MyOffice System and has sought information on the resourcing requirements of the business continuity process and the ways in which the Plan will be tested. Members have suggested that a Corporate Director should be nominated to lead on implementing the Plan should it be needed.

At the conclusion of their deliberations on this item Members have been reminded that the District Council's Emergency Planning Arrangements are considered to be exemplary and that it is important to give due and appropriate consideration to the Council's business continuity arrangements.

### **32. DISPOSAL OF LAND, ST MARY'S STREET, HUNTINGDON**

*(This item was submitted as a Part 2 item under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.)*

The Panel has considered the details of an offer for the land fronting St Mary's Street in Huntingdon and whether this should be accepted by the Council. In so doing, Members have discussed a range of matters including the value placed on the land in the Asset Register and in the Council's Accounts and the alternatives to accepting the present offer which would be to obtain further valuations and to put the land on the open market. A proposal has been made that the Council might reduce some of its considerable homelessness costs by building its own accommodation on the site and the Panel has been acquainted with the initiatives that are already planned to reduce its reliance on Bed and Breakfast accommodation.

Given that a significant upturn in the commercial property market is unlikely in the near term (planning permission for residential development has elapsed) the Panel is of the view that the Managing Director (Communities, Partnerships and Projects), after consultation with the Executive Member, should be authorised to accept an offer from the interested party. The Panel has made a recommendation on the terms that would be acceptable. It is also recommended that the Council should also seek to lease back part of the new premises to accommodate homeless people rather than use Bed and Breakfast accommodation.

### **33. UPDATE 2013/14 BUDGET & MTP**

The Panel has considered an update on the 2013/14 Budget and MTP. The Panel has previously held informal discussions on the Council's financial position. The Chairman has informed Members that he has advised the Cabinet of the options considered and recommendations that have been made. The Panel is reassured that the Cabinet is developing its own range of options for savings, many of which are similar to those identified by the Panel. The Panel looks forward to reviewing the Cabinet's plans in due course and to discussing the way information is presented.

The Panel has discussed the report by the Head of Financial Services in detail. Members are generally of the view that the Council should seek to effect what savings it can make rather than run down reserves. In order to establish a complete picture, information on the savings that have been achieved to date has been requested. It is further felt that Members should be provided with ongoing monitoring data on progress against savings targets. At the same time, it is stressed that there is a need to protect services to customers.

The Panel has discussed the consequences of not pooling business rates. Further work is to be undertaken before a decision is taken for next year. If it is decided not to proceed, it will be possible to pool business rates in future years.

Members have discussed predictions for future housing completions, the procurement of energy and projected borrowing trends. A Working Group currently is looking at the Council's policies and approach to the latter. Particular emphasis has been placed on the assumptions made for the pay award and performance pay. While the view has been expressed that performance pay should only be awarded for better than expected performance and that no provision should be made for it in the budget, the Executive Councillor for Resources has indicated that there should be a performance related element in employees' pay. Attention has also been drawn to the increase in income as a result of the rise in the population level of the District.

At the conclusion of its deliberations the Panel has resolved to ask the Cabinet to examine what additional savings can be made bearing in mind the need to maintain those services that impact on the community whilst preserving if possible the Council's reserves.

### **34. TREASURY MANAGEMENT – REVIEW OF PERFORMANCE: 6 MONTHLY REVIEW**

In order to fulfil its role of overseeing the management of the Council's financial investments and borrowing, the Panel has reviewed the performance of the Council's Investments for the period 1st April to 30th September 2012. The Panel is of the view that the Cabinet

should recommend the Council to note the contents of the report and to approve the revised targets for interest rates exposure.

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### **Other Matters of Interest**

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#### **35. NOTICE OF EXECUTIVE DECISIONS**

The Panel has been acquainted with details of the current Notice of Executive Decisions and has noted those items which will be presented to its future meetings. In terms of the item on National Non Domestic Rates Approval and in light of current events, the Panel has noted that the full Council will be asked to delegate approval to the Managing Director (Resources) to calculate and certify the completion of the NNDR1 form which will provide an estimate of the Council's business rates income for the forthcoming financial year. Item No.4 on the Council Agenda refers.

#### **36. APPOINTMENT OF NEW CO-OPTED MEMBER**

The outcome of a Selection Panel which met on 7th November 2012 to interview candidates for the vacant position of co-opted Member has been reported to the Panel. Mr Russell Eacott was subsequently appointed to the Panel by the Council at their meeting on 14th November 2012 for a period of 4 years.

#### **37. OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) – PROGRESS**

The Panel has reviewed its ongoing studies. The Chairman has reported on the outcome of his discussions with the Executive Leader on the One Leisure review and more generally about the role of scrutiny. Members have decided that the review of the business model for One Leisure should not continue until the Business Plan has been completed and considered by the Panel. This is expected to be in January 2013.

A meeting of the Borrowing Working Group has now been held and further information has been requested to enable Members to examine the Council's current practices and financial position. A first draft of the conclusions arising from the review of the District Council's Document Centre has now been prepared and Members have also discussed when it will be appropriate to receive a presentation on the A14 improvements.

The Panel has noted that Councillor R B Howe has written to the Executive Leader requesting clarification of his plans for the Neighbourhood Forums in Huntingdonshire.

In view of the success of their previous meeting on budgetary savings, the Panel has agreed to hold a further informal meeting in late January 2013 to discuss the Council's Capital Budget.

**38. SCRUTINY**

The Panel has considered the latest edition of the Decision Digest and discussed matters contained therein.

T V Rogers  
Chairman