

## 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, 5 February 2015.

- PRESENT: Councillor R Harrison – Chairman.
- Councillors E R Butler, Mrs A Dickinson, I D Gardener, D Harty, T Hayward, B Hyland, P G Mitchell, P D Reeve and M F Shellens.
- APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors P L E Bucknell and G J Bull.
- IN ATTENDANCE: Councillors J D Ablewhite, J A Gray and R B Howe.

### **77. MINUTES**

The Minutes of the meeting of the Panel held on 8th January 2015 were approved as a correct record and signed by the Chairman.

### **78. DECLARATIONS OF INTEREST**

Councillor M F Shellens declared a non-statutory disclosable interest in Minute No. 80 by virtue of being Director of Luminus Housing Group.

### **79. NOTICE OF KEY EXECUTIVE DECISIONS**

The Panel considered and noted the current Notice of Key Executive Decisions (a copy of which is appended in the Minute Book).

### **80. FINAL BUDGET 2015/16 AND MEDIUM TERM FINANCIAL STRATEGY (2016/17 TO 2019/20)**

*(Executive Councillors J D Ablewhite, J A Gray and R B Howe were in attendance for the discussion on this item).*

With the assistance of a report by the Head of Resources (a copy of which is appended in the Minute Book) the Panel considered the Council's proposed Budget, Medium Term Financial Strategy (MTFS) 2016/17 to 2019/20 and Council Tax level for 2015/16. Having had their attention drawn to the changes made since the last meeting, Members supported the decision to "front load" ZBB heavy savings to be achieved in the forthcoming year by making further savings amounting to £653K in 2015/16. These savings largely represented real terms reductions in spending without sacrificing services. It was acknowledged that there was still more to do but the Executive Councillor for Resources was confident that, regardless of the outcome of the election, the Council would be in a strong financial

position next year. Overall, approximately £2.5m had been taken out of the budget to date.

The Panel established a working group comprising Councillors I D Gardener, T Hayward, P D Reeve and M F Shellens to look into a selection of lines in the budget to examine how they had been constructed and to report back.

Following a question about the interest rate predictions, it was confirmed that the figures were based on information received from the Council's advisors. The Panel then proceeded to ask Councillor T D Sanderson, Executive Councillor for Strategic Economic Development and Legal, questions about the work he had undertaken on the budgets of the services for which he was responsible. Councillor Sanderson reported that some of the services had been through Zero Based Budgeting and he was endeavouring to generate more income. The shared service for Legal was progressing. Reference also was made to the approach that would be taken to respond to the closure of local air bases.

At the conclusion of its deliberations the Panel:

- ◆ supported the general intention not to use reserves. Given future uncertainty, it was recommended that the position should be reviewed next year but that reserves should not fall below £3m. Their use should be justified by the value they achieved for the Council;
- ◆ recommended that the work to be undertaken over the coming year to define service levels and standards was subject to an assessment of the impact of any changes on the public.
- ◆ expressed support for the additional savings, which were being made at the right pace and with due regard to the impact on services;
- ◆ supported the Council Tax freeze for 2015/16;
- ◆ supported the intention to freeze Council Tax for the life of the Medium Term Financial Strategy (Councillor M F Shellens did not support this recommendation);
- ◆ endorsed the Capital Programme but registered concerns about the capital project appraisal, which Members would look at in due course, and
- ◆ endorsed the Fees and Charges schedule.

RESOLVED

that the Cabinet be informed of the Panel's views on the report by the Head of Resources

## **81. BUDGET MONITORING 2014/15 (REVENUE & CAPITAL)**

*(Executive Councillors J D Ablewhite, J A Gray and R B Howe were in attendance for the discussion on this item).*

By means of a report by the Head of Resources (a copy of which is appended in the Minute Book), the Panel reviewed the forecast outturn for 2014/15 for the revenue and capital budgets. The Executive Councillor for Resources provided Members with an assurance that the Council would in future more closely monitor capital spending.

In response to a question from a Member, it was reported that larger scale investments in the housing market would be one of the options considered to generate income. Having been advised that the Council took into account the economic impact on an area of its investment decisions, the Panel

RESOLVED

that the report be endorsed for submission to the Cabinet.

## **82. TREASURY MANAGEMENT STRATEGY 2015/16**

*(Executive Councillors J D Ablewhite, J A Gray and R B Howe were in attendance for the discussion on this item).*

With the assistance of a report by the Head of Resources the Panel considered the contents of the draft Treasury Management Policy and Strategy and the Annual Minimum Revenue Provision Policy for 2015/16 (copies of which are appended in the Minute Book). In accordance with its responsibility for scrutinising the management of the Council's financial investments and borrowing, the Panel:

RESOLVED

that the Cabinet be recommend to Council the approval of:

- ◆ the Treasury Management Policy;
- ◆ the Treasury Management Strategy, and
- ◆ the Annual Minimum Revenue Provision Policy 2015/16.

## **83. PERFORMANCE MONITORING**

*(Executive Councillors J D Ablewhite, J A Gray and R B Howe were in attendance for the discussion on this item).*

The Panel gave consideration to a report by the Corporate Team Manager (a copy of which is appended in the Minute Book) containing data on progress against the key activities identified in the Corporate Plan during the period 1st October to 31st December 2014. In so doing, Members were provided with the opportunity to ask Cabinet Members questions on activities within their specific areas of responsibility.

The Panel drew attention to the Corporate Performance and Contextual Indicator for staff sickness (working days lost per FTE). Having noted that HR was carrying out a detailed analysis of the data, the Panel asked that the new Executive Councillor for Organisational Change and Development was invited to a future meeting to discuss

his plans generally for his Portfolio and, more specifically, staff sickness.

The Panel discussed potential causes of a drop in customer satisfaction rates and, following confirmation that an assessment was being undertaken of the pool cars and whether payment of mileage to users would be more cost effective, Members concluded that it was satisfied with the Council's direction of travel and with the way the performance management process was working.

RESOLVED

that the contents of the report be noted.

**84. WORKPLAN STUDIES**

A report containing details of studies that were being undertaken by the Overview and Scrutiny Panels for Social and Environmental Well-Being was received and noted. A copy of the report is appended in the Minute Book.

**85. OVERVIEW AND SCRUTINY (ECONOMIC WELL-BEING) - PROGRESS**

The Panel received and noted a report (a copy of which is appended in the Minute Book) outlining the progress that had been made on matters, which had previously been discussed.

**86. SCRUTINY**

The Panel received the latest edition of the Decision Digest (a copy of which is appended in the Minute Book).

Chairman