
Overview and Scrutiny Panel (Economic Well-Being)

Report of the meeting held on 3rd September 2015.

Matters for Information

16. INTEGRATED PERFORMANCE MONITORING REPORT (QUARTER 1)

In conjunction with the Panels for Social and Environmental Well-Being, the Panel has received an update on progress against the Key Activities and Corporate Indicators listed in the Council's Corporate Plan for 2015/16 for the period 1 April to 30 June 2015. The report now also incorporates progress reporting for current projects being undertaken at the Council.

In presenting the report to the Panel, the Executive Leader has emphasised the achievements made which have contributed to Huntingdonshire District Council being one of the best placed Councils financially in the Cambridgeshire and Peterborough area.

The Panel has been informed that the success of the programme of themed business information clinics and events hosted by the Economic Development Team will be measured by attendance and feedback. In the future the Council will be cutting back on this type of scheme and will work alongside other agencies collaboratively to make such events more targeted and they will continue as long as there is some value and that it is contributing to the local economy.

Councillors have queried whether the decline in employee expenditure for One Leisure is a permanent reduction and whether that leaves the service short staffed. Councillor Robin Howe, Executive Councillor for Commercial Activities, has explained that the reduction in staff levels and operational costs will continue. In terms of staffing, the majority of the savings have come from a management restructure, rather than reducing the number of staff.

It has been confirmed that reductions in wage costs will be impacted minimally by further minimum wage increases and that the appetite for change within the Council means that One Leisure aim to be as competitive as possible.

In response to a question about business rate collection, the Executive Councillor for Resources has stated that the Council is capable of achieving the target by the end of the year.

It has been confirmed that income from the sale of land on St Mary's Street will be invested through the Commercial Investment Strategy in order to generate additional revenue for the Council.

17. COMMERCIAL INVESTMENT STRATEGY

The Panel has noted a report on the Commercial Investment Strategy (CIS) for the Council. The report has set out the high level strategic approach taken in terms of investments, the approach to risk and a balance in the Council's portfolio. The Panel has been informed that the information will be broken down further and that a Business Plan will follow on from this report.

It has been explained to the Panel that the investments the Council have at the moment are both high touch and high risk; diversification will reduce the risk and in the process will allow the Council to find other ways of delivering services rather than cutting them.

In terms of locality in future investments, the Panel has heard that the location of potential property investments is not restricted to Huntingdonshire. Diversification of investments is important and allows the Council to expand the commercial portfolio. The Council consider this to be investing in the UK economy and there will be no overseas element.

Subject to Cabinet agreeing that a quarterly report on CIS performance be submitted to Overview and Scrutiny, the Panel has endorsed the recommendations for Cabinet to approve the Commercial Investment Strategy and the "enhanced as is" model of governance arrangements set out in the report.

18. ZERO BASED BUDGETING

The Panel has received and endorsed an update on the Zero Based Budgeting (ZBB) process in preparation for the 2016/17 Budget and Medium Term Financial Strategy. The Executive Councillor for Resources has briefly provided a background to explain the basics of ZBB to the Panel, informing Members that the process has been broken down into three different strands (Tranches). By the conclusion of Tranche 3 in November 2015, all services will have been subject to the detailed ZBB process.

The Head of Resources, Mr Mason, has referred the Panel to the lists the service changes proposed by the 'Star Chamber'. The 'Star Chamber' involves the Executive Leader, Deputy Executive Leader and the Executive Portfolio Holder for Resources (Chairman), who considers various options for changes to services. The Panel has been advised of a range of innovative projects such as:

- Relocation of the Call Centre;
- 'One Stop Shop multi-agency customer service' hub; and
- Procurement of IT systems.

The Panel has been informed that Officers have endeavoured to create progressive plans to deliver savings. There is more work to do to identify savings but the Council is moving in the right direction.

Panel members have queried the reductions in repairs and maintenance and have been advised that these charges will now be payable by tenants as additional charges in their current terms and conditions. This means additional income rather than a reduction in expenditure.

The Panel have been informed that consultancy costs in Planning Services would be reduced through a wider range of expertise as a result of sharing services.

19. IMPLEMENTATION OF AUDIT ACTIONS

The Panel has endorsed the contents of a report on the implementation of outstanding audit actions prior to its consideration by Cabinet and has questioned the need for Overview and Scrutiny to consider this matter in the future.

20. LANGLEY COURT – LOAN TO LUMINUS

The Panel has received a report on the redevelopment of Langley Court, St Ives, introduced by the Executive Councillor for Resources. The report has proposed the transfer of a piece of land to Luminus to enable the redevelopment of Langley Court to proceed and has updated Members on the terms of a loan to Luminus.

The Executive Leader has explained that a housing needs assessment has been the driver in this project, as there is a clear need in the area for additional care facilities. It has been explained that as adult social care becomes a wider issue, the Council need to work with strategic partners to deliver solutions. The fundamental need is the driver behind the loan, rather than commercial interest or requirement.

The Chairman has commented that the decision to complete this plan has been long awaited and the Panel has endorsed the recommendations prior to its consideration by the Cabinet.

Other Matters of Interest

21. NOTICE OF KEY EXECUTIVE DECISIONS

The Panel has been acquainted with the contents of the Notice of Key Executive Decisions which has been prepared by the Executive Leader.

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

The Panel has reviewed its programme of studies.

23. WORKPLAN STUDIES

The Panel has received details of the studies being undertaken by the other Overview and Scrutiny Panels.

24. SCRUTINY

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

G J Bull
Chairman