

## HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (PERFORMANCE AND CUSTOMERS) held in Civic Suite 0.1A, Pathfinder House, St Mary's Street, Huntingdon, PE29 3TN on Wednesday, 11th January 2017.

PRESENT: Councillor M F Shellens – Chairman.

Councillors P L E Bucknell, R C Carter,  
Mrs L A Duffy, S Greenall, Mrs R E Mathews,  
Mrs D C Reynolds, Mrs S L Taylor,  
D M Tysoe and R J West.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors Mrs B E Boddington and R G Tuplin.

IN ATTENDANCE: Councillors J A Gray and R B Howe.

### **45. MINUTES**

The Minutes of the meetings held on 2nd November 2016 and 5th December 2016 were approved as a correct record and signed by the Chairman.

### **46. MEMBERS' INTERESTS**

No declarations of interest were received.

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

The Panel received and noted the current Notice of Key Executive Decisions (a copy of which is appended in the Minute Book) which has been prepared by the Executive Leader for the period 1st January 2017 to 30th April 2017.

### **48. DRAFT REVENUE BUDGET 2017/18 AND MEDIUM TERM PLAN FINANCIAL STRATEGY 2018/19 TO 2021/22**

With the aid of a report by the Head of Resources (a copy of which is appended in the Minute Book) the Draft Revenue Budget 2017/18 and Medium Term Plan Financial Strategy (MTFS) 2018/19 to 2021/22 was presented to the Panel.

By way of introduction the Head of Resources reminded Members that the report shows Members to the exact pound what the budget of the Council will be in 2017/18 as well as the MTFS for 2018/19 to 2021/22. The key points highlighted include: a line by line review of the budget, options for growth, non-realisation of previously approved Zero Based Budgeting and a 2% Council Tax rise in 2017/18.

The Panel were informed that the Council has an aspiration to be self-financing by 2019/20 in order that it is less reliant on Government funding. Members were supportive of the Council's aim to become

self-financing and recognise that the Commercial Investment Strategy is an essential part in achieving the objective.

The Executive Councillor for Strategic Resources stated that he believes the Council should maximise efficiency before asking residents to pay more Council Tax however the Council has now maximised efficiency so in order to close the funding gap over the course of the MTFS Council Tax would have to rise.

The Chairman reminded the Panel of the priorities they had identified at their meeting in December 2016 and to bear them in mind when considering the draft budget.

The services cost within the supplies and services section of the overall Council budget is increasing next year however the Panel was informed that this was primarily due to the cost of shared services.

In response to a question regarding the contract hire and operating leases under the transport section of the overall Council budget and the higher than anticipated costs this financial year, the Head of Resources informed Members he did not know the reasons why but would find out.

The cost of hired staff to the Council was raised as around £429k was budgeted for 2016/17 however the Council has spent £1.2m. The Panel was informed that the report on hired staff and consultants is reported to the Employment Committee and all the details on the necessity for hired staff is contained within the report.

A Member noted that the rents cost in the buildings section of the overall Council budget is reducing and when asked how this was going to be achieved, the Panel were informed there is an ongoing review of the building the Council rents.

Regarding the repairs and maintenance of buildings the Council owns, a Member was concerned that the Council has not budgeted for the repairs and maintenance of all Council owned buildings including the bus stations. Members were informed that the topic of town centres was being reviewed and this would include bus stations however any big redevelopments would be a capital project and therefore wouldn't come out of the general budget.

Concern was expressed that Members did not understand what the budget means in terms of services and the suggestion was made that Heads of Service and Portfolio Holders should attend a Panel meeting and explain to Members what services aren't going to be provided.

The Panel turned their attention to the budget of Community Services. In doing so it was noted that the income from fees and charges is not expected to increase over the period of the MTFS and speculated whether it was because they were being suppressed.

Following a query regarding the increase of salaries, particularly considering that the service has had a restructure and has lost staff, the Panel were informed that vacant posts are being held and have been budgeted for.

A Member expressed concern that in 2016/17 £36,075 had been spent on other staff costs despite only £440 being budgeted for it.

Members were informed that previously approved bus departure levy, which was identified through the ZBB process, was not going to be implemented.

Whilst discussing the Customer Services' budget, a Member questioned the lack of provision for severance payments, however the Panel was informed that the funding for severance payments would come from any underspend.

Queries were raised regarding the cost effectiveness of pool cars however the Panel were informed that a cost benefit analysis was completed and that the Council is saving money through staff using pool cars for work as opposed to their own vehicles. In addition, the Managing Director added that the Council has now got the optimum number of pool cars.

When questioned why the Council spend money on public transport, the Panel were informed that staff are required to attend training courses, conferences and hearings and that in order to attend such events staff use public transport.

Following a question regarding bad debt provision it was explained that when residents become homeless they are liable to pay costs however some residents won't be able to make any payments.

The Panel turned their attention to the 3C ICT Shared Service budget and in doing so a Member questioned how accurate the overall budget is. In response the Panel were informed that the budget is the best estimate and that all the service budgets have been signed off by the Head of Service.

Reflecting on the Development budget, a query was raised regarding the lack of a training budget to which the Panel were informed that all training budgets have been centralised and are managed by the Corporate Team.

Members raised the cost on catering and rents for supplies and services, however were informed that the cost is incurred when the service presents planning applications and plans to parish councils.

In reflecting the budget of Leisure and Health, a Member questioned the lack of growth in fees and charges over the course of the MTFs. In response the Executive Leader stated that it was a modest increase but the team are required to work hard to sustain the current income level from fees and charges.

Although it was noted that the service was forecast to make a loss of £3,238 at the end of 2016/17, Members were informed that the service is expected to be in surplus in each year of the MTFs. Subscriptions have decreased this year however it is expected that they will recover in upcoming years. In addition, the service is more susceptible to national minimum wage adjustments as there are a number of lower paid officers in the service.

A Member questioned the proposal to add an Executive Assistant for the Executive Leader and Cabinet. However it was argued that the position was necessary to give administration and research support to the Executive Leader and Cabinet as workloads have increased over the last year.

Following a question regarding the decrease of the amount spent on hired staff, in regards to the Operations budget, it was confirmed that this is due to hired staff becoming permanent staff. Members were informed that there will always be a requirement for agency staff at the Council to cover seasonal work and periods of leave and sickness however wherever possible the use of agency staff would be minimised.

In regards to the amount spent on other staff costs, the Panel was informed that the costs refer to overtime and call out costs for refuse collection officers. The spend has come about due to the refuse collection officers working on bank holidays in order to minimise the disruption to the waste collection service. The only disruption to the service would now be at Christmas when work depends on when the tips are open. Members welcomed the spend as it means residents are receiving a better standard of service.

A Member was surprised to see that the income from car parks will decrease by around £20k between 2017/18 and 2021/22.

The Panel expects that an element of growth should be included in the budget of the Operations service due to the building of new homes and the costs associated with that.

In turning their attention to the Directors and Corporate Management budget, the Panel questioned the amount spent on hired staff. In response Members were informed that with the introduction of individual electoral registration this has meant an increase in canvassers.

Following a question regarding the amount spent on rents, the Panel was informed that the cost is the cost of hiring out village halls for elections. Members noted that the majority of the money is recoverable from the government.

The Panel turned their attention to the Capital Spend budget in which a Member expressed concern at the amount of funding allocated to the Civic Suite Audio Equipment. It was explained that the project aims to improve the audio equipment in the Civic Suite but the Member remained concerned.

A question was raised in regards to intangible assets and Members were informed this mainly relates to software licensing. As there isn't anything budgeted for intangible assets from 2019/20 Members were concerned that renewal of the software licensing had not been taken into account.

The removal of unauthorised posters from Cambridgeshire County Council street furniture was raised and this proposal is for the Council to make available some resources; it was noted that this should not

be as an alternative to allowing Members and residents to remove unauthorised posters as and when they see it.

Following a question regarding generating income for the Council, Members were informed that the Council is committed to diversifying the income stream and are identifying more ways at generating income through the transformation programme.

A Member stated that the Council should advance the Bus Departure Levy, the Panel should work on Making Assets Count via a task and finish group and that the 2% increase in Council Tax is not excessive. In response, some Members of the Panel held differing opinions on the Bus Departure Levy and the increase in Council Tax.

In regards to the Bus Departure Levy, a Member stated their concern that if the Levy was to be implemented then the bus companies would not use the bus stations and would use the streets surrounding the stations instead therefore leading to traffic congestion.

In relation to the increase in Council Tax, a Member stated that residents are struggling and that a Council Tax rise won't help. In addition, they raised the question could the Council reduce reserves from 15% to 10% in order to postpone any Council Tax rise. The Executive Councillor for Strategic Resources stated that it seemed prudent to him for the Council's reserves to remain at 15%.

The Panel asked if more guidance could be sent earlier to Town and Parish Councils regarding the Tax Base Calculation. Members explained that the Tax Base Calculation affects the budgets of Town and Parish Councils and the sooner they receive the calculation the better informed they would be before setting their budgets.

*(At 8.23pm, during the discussion of this item, Councillor Mrs D C Reynolds left the meeting and did not return.)*

*(At 9.18pm, during the discussion of this item, Councillor L A Duffy left the meeting.)*

*(At 9.19pm, during the discussion of this item, Councillor L A Duffy entered the meeting.)*

#### **49. WORK PLAN STUDIES**

The Panel received and noted a report by the Democratic Services Officer (Scrutiny) (a copy of which is appended in the Minute Book) which contained details of studies being undertaken by the Overview and Scrutiny Panels for Communities and Environment and Economy and Growth.

#### **50. OVERVIEW AND SCRUTINY PROGRESS**

With the aid of a report by the Democratic Services Officer (Scrutiny) (a copy of which is appended in the Minute Book) the Panel reviewed the progress of its activities since the last meeting.

*(At 9.30pm, during the discussion of this item, Councillor R B Howe left the meeting and did not return.)*

*(At 9.31pm, during the discussion of this item, Councillor J A Gray left the meeting and did not return.)*

Chairman