

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

Minutes of a meeting of the Cabinet held on
Tuesday, 19 November 2013 at 9.00 a.m.

PRESENT: Councillor Ray Manning (Leader of the Council)
Councillor Simon Edwards (Deputy Leader of the Council, Finance and Staffing
Portfolio Holder)

Councillors: Pippa Corney Planning Policy and Localism Portfolio Holder
Mark Howell Housing Portfolio Holder
Mick Martin Environmental Services Portfolio Holder
David Whiteman- Corporate and Customer Services Portfolio Holder
Downes
Nick Wright Planning and Economic Development Portfolio Holder

Officers in attendance for all or part of the meeting:

Graham Aisthorpe- Watts	Democratic Services Team Leader
Phil Bird	Business Improvement & Efficiency Manager
Alex Colyer	Executive Director, Corporate Services
Susan Gardner Craig	Human Resources Manager
John Garnham	Head of Finance, Policy & Performance
Mike Hill	Health and Environmental Services Director
Stephen Hills	Affordable Homes Director
Jean Hunter	Chief Executive
Richard May	Policy and Performance Manager
Fiona McMillan	Legal & Democratic Services Manager and Monitoring Officer
Steve Rayment	Head of ICT

Councillors Kevin Cuffley, Alison Elcox, Sue Ellington, Lynda Harford, Sebastian Kindersley, Cicely Murfitt and John Williams were in attendance, by invitation.

An apology for absence was received from Councillor Tim Wotherspoon.

Procedural Items

40. MINUTES OF PREVIOUS MEETING

The minutes of the previous meeting, held on 4 October 2013, were **AGREED** as a correct record and signed by the Leader of the Council.

41. DECLARATIONS OF INTEREST

Councillor Pippa Corney declared a non-disclosable pecuniary interest in minute number 44 as she was a residential landlord for property in the district.

Councillor Simon Edwards declared a non-disclosable pecuniary interest in minute number 44 as he was a shareholder of a company that owned residential property in the district.

Councillor Nick Wright declared a non-disclosable pecuniary interest in minute number 44 as was a residential landlord for property in the district.

42. ANNOUNCEMENTS

No announcements were made.

43. PUBLIC QUESTIONS

No public questions had been received.

Recommendation to Council

44. FUTURE HOUSING INVESTMENT PLANS

Cabinet considered a report which sought a recommendation to Council to authorise the commencement of a pilot scheme to take forward the Council's new housing company.

Councillor Mark Howell, Portfolio Holder for Housing, presented the report and reminded Cabinet that South Cambs Ltd had been registered as a private company with Companies House in December 2012. He explained that the development of the company could enable the Council to meet a number of objectives, including:

- the generation of a revenue stream and capital gains for the benefit of wider Council services;
- meeting housing need and addressing gaps in the housing market, particularly in respect of those people who were unlikely to be granted an affordable housing tenancy or who did not wish to join the housing register and were experiencing difficulties in buying a house or renting a home;
- assisting economic development in the district by helping to provide good quality, flexible rental housing for the many local businesses that had workforces with a high turnover of staff;
- demonstrating place leadership and supporting community development by investing in the local district and working alongside other private and public sector bodies.

Councillor Simon Edwards, Portfolio Holder for Finance and Staffing, made reference to the demand for rented housing in the district and added that a significant number of businesses in South Cambridgeshire had a high turnover of specialist staff working on temporary contracts. He explained that he was currently exploring the options available to finance the company, such as a bond issue, a loan by the Public Works Loan Board or pooling with other local authorities, but emphasised that it was too early to commit to anything at this stage.

Appendix A to the report set out a project summary timeline, providing details of the pilot which included the acquisition of approximately 40 homes during June 2014 and July 2015 under the ownership of South Cambs Ltd. It was proposed that these properties would initially be purchased 'off the shelf' in order that they could be rented-out as soon as possible.

Councillor Sebastian Kindersley, Leader of the Opposition, asked about the selection process that would be followed for people wanting to rent these properties. Councillor Howell explained that the Council, through South Cambs Ltd, would be entering into the private housing market and would, as such, undertake similar checks to other private landlords before offering a tenancy.

A further question was raised as to what the Council could bring to a company, compared with others already well-established in the housing market. Councillor Edwards responded by saying that South Cambs Ltd would use the same principles as the Council's Housing Revenue Account. In addition, he stated that South Cambs Ltd would be in a strong position because of its borrowing power and the fact that the company would not need to make a profit.

Discussion ensued on those people whose aspirations were to get onto the property ladder. It was suggested that tenants could be given an opportunity to buy their properties from the company, with the proceeds being reinvested into more housing stock. Members agreed that this was perhaps something to be considered as part of the company's long-term future.

Councillor Ray Manning, Leader of the Council, referred to further reductions in government grant and insisted that the Council had to do something in response to that. He praised lead Members and officers for their forward thinking with regard to entering into the private housing market and the setting up of South Cambs Ltd.

Cabinet **RECOMMENDED** to Council:

- (a) The adoption of the pilot proposal and action plan.
- (b) Approval to advance £7m of funding to South Cambs Ltd on a secured basis funded from prudential borrowing in line with individual investment appraisals being developed before property acquisitions are made, requiring the prior approval of the Executive Director and Director of Housing in consultation with the Finance and Staffing Portfolio Holder.
- (c) To instruct the Executive Director (Corporate Services) and the Director of Housing to develop the business case(s) for the further expansion of South Cambs Ltd and to report back with detailed recommendations to Cabinet by the Autumn of 2015.

45. HEALTH AND SAFETY POLICY

Consideration was given to a report which sought approval of a revised Health and Safety Policy and associated documents.

The report was presented by Councillor Mick Martin, Portfolio Holder for Environmental Services, who reported that the Council's health and safety advice was currently provided by its Facilities Manager, with additional support bought in from Cambridge City Council to advise on high risk activities such as waste collection operations. He added that efforts were being made to align Health and Safety documentation and systems with those of the City Council to reduce costs, reduce duplication and support improved resilience and joint-working.

Reference was made throughout the document to the Council's Health and Safety Champion, without making it clear whose job title this related to. Councillor Martin explained that the Director of Health and Environmental Services was the Council's Health and Safety Champion and agreed that this should be made clearer in the Policy.

Councillor Martin explained the usual practice of reviewing and signing-off all health and safety policy and process documents on a yearly basis, which resulted in a paper-led process approach generating unnecessary additional work for staff. He therefore proposed that the formal Policy and systems document reviews took place every three years unless learning, organisational or legislative changes required it to be done sooner.

Cabinet:

- (a) **APPROVED** the revised South Cambridgeshire District Council Health and Safety Policy, Statement of Intent and Legislation List, as set out in Appendices 1, 2 and 3 of the report, subject to:
 - amendments throughout the document to indicate the post title of the officer allocated as the Council's Health and Safety Champion;
 - any comments from Trade Unions.
- (b) **AGREED** that future formal review of the Policy and other Health and Safety paperwork takes place every three years, unless circumstances require it sooner.

46. **REDUNDANCY POLICY: REVIEW**

Cabinet considered a report which set out proposed revisions to the Council's Organisational Change, Redundancy and Redeployment Policy.

Councillor Simon Edwards, Portfolio Holder for Finance and Staffing, presented the report and stated that the revisions to the Policy and procedure reflected changes to legislation and statutory consultation periods. He explained that other changes had been made to incorporate best practice and guidance in relation to managing change within organisations. An example given was that authorisation of redundancies would now rest with the Head of Paid Service in consultation with the respective Executive Director or Director, rather than in consultation with the Leader of the Council and Finance and Staffing Portfolio Holder.

Councillor Edwards reported that Trade Unions had been consulted on the revised policy and some changes to wording had been made to reflect their comments. Both Unison and GMB Unions had confirmed that, in principle, they were happy with the policy revisions. Trade Unions had, however, requested that Members gave consideration to four additions and amendments, as set out in paragraph 20 of the report. Councillor Edwards addressed each point as follows: -

- i) applying protection where an employee was deployed to a lower grade job would not be feasible due to the job evaluation process;
- ii) there was already provision for employees to appeal to elected members through the Council's grievance process via the Employment Committee;
- iii) incentivising voluntary redundancy applications by enhancing the terms of the redundancy had been previously considered, but it was important for the Council to apply the principles of best value in everything it did;
- iv) the stipulation of a three-year break for re-engagement of ex-employees was justifiable as there should not be a need for re-engagement if, for example, restructures had been undertaken properly.

Discussion ensued on the final point as some Members questioned the three-year stipulation. Susan Gardner-Craig, Human Resources Manager, reminded Cabinet of the additional costs, such as pension contributions, that the Council paid when making a person redundant. In looking at best value for the Council, and for taxpayers, the three-year stipulation protected the Council from making these payments to an individual and then re-engaging with them in a relatively short period of time. It was noted, however, that an ex-employee could still be re-appointed to the Council within this timescale in exceptional circumstances.

Cabinet **APPROVED** the Organisational Change, Redundancy and Redeployment Policy and Procedures, attached at Appendix 1 to the report.

47. DRAFT CORPORATE PLAN PRIORITIES 2014-2019

A report was considered which set out a draft of the Council's Corporate Plan for 2014-2019, including a revised Vision, Corporate Aims and Objectives for the Council.

Councillor David Whiteman-Downes, Portfolio Holder for Corporate and Customer Services, in presenting the report highlighted the introduction of twelve key objectives to replace the Approaches and Actions sections. These objectives were intended to provide a strategic focus on the issues of greatest significance to the Council, residents and businesses in the district, as well as the Council's key partners, and were arranged under the following themes:

- Engagement;
- Partnerships;
- Wellbeing.

It was noted that for each objective the draft Corporate Plan made initial suggestions setting out what would be done to achieve them and what success would look like in terms of positive outcomes for customers and consistent performance against key quantitative performance indicators.

Cabinet:

- (a) **AGREED** the Council's draft Corporate Plan, consisting of its Vision, Corporate Aims and Objectives, as the strategic planning framework for the organisation for consultation and development and the preparation of draft 2014-15 service plans, as set out in Appendix A attached to the report.
- (b) **AUTHORISED** the Chief Executive, in consultation with the Corporate and Customer Services Portfolio Holder, to make further editing changes to the draft, which may become necessary prior to publication.

48. REVIEW OF MEDIUM TERM FINANCIAL STRATEGY, INCLUDING CONSIDERATION OF CAPITAL ACCOUNTING POLICY

Cabinet considered a report which provided Members with an update on the General Fund forecasts and underpinning assumptions and their impact on the Council's Medium Term Financial Strategy. The Council's General Fund forecasts were appended to the report and summarised the financial issues arising over the medium term and, together with the assumptions also included in the report as an appendix, set the parameters for drawing up detailed budgets for 2014-15.

The report was presented by Councillor Simon Edwards, Portfolio Holder for Finance and Staffing, who reminded Cabinet that this was a very early opportunity to review the Medium Term Financial Strategy that would deliver the Council's Corporate Plan.

Councillor Edwards reflected on the 10% reduction in local government funding from 2015 as one of the key messages from the Comprehensive Spending Review and estimated that, should education and health services be protected, this would equate to a 20% reduction. He also reported that the Government had announced it would be top-slicing the New Homes Bonus, although the exact amount to be top-sliced in percentage terms had not yet been confirmed, and emphasised the importance of the Council's budgetary decision in February 2013 not to rely on the New Homes Bonus in view of this announcement. Further points raised as part of Councillor Edward's presentation were noted as follows:

- the Council was obliged to pay additional national insurance costs in 2015/16 arising from changes to the state pension scheme. Employees and employers had to pay an additional 1.2% and 3.4% respectively, equating to an approximate £300,000 for the Council;
- the savings target for the Council was now approximately £1.3m, although £920,000 of savings had already been identified through activities such as the:
 - grants review;
 - restructuring in Health and Environmental Services;
 - Internal Audit partnership with Peterborough City Council;
 - removal of some posts from the establishment;
 - withdrawal of the Parish Council Tax Support Grant;
 - Conservation and Urban Design restructure;
 - Business Improvement and Efficiency Programme.
- two options had been identified as part of the forecasting assumptions for Council Tax, which were to increase Council Tax by 3.5% or freeze it for 2014/15. The Government's capping criteria was currently unknown, but a Council Tax freeze for 2014/15 would result in a further £275,000 having to be identified within the Council's budget;
- the projected overspend relating to refunds on bills issued to non-domestic ratepayers resulting from revaluations agreed by the Valuation Office Agency had been identified as a risk in the Medium Term Financial Strategy. New rules meant that the Council now had to reimburse such refunds, even if an original appeal pre-dated the new arrangements. The Agency had supplied a list of outstanding appeals, but this contained no indication of whether an appeal would be upheld and, if so, the impact on the rateable value or the effective date of the change. It was therefore very difficult to predict the amount of rates collectible and the impact on the Council's finances, but the Portfolio Holder and officers were discussing ways of mitigating this risk in the future.

In discussing the content of the report, Members took an opportunity to express their congratulations to officers for prudent accounting over the past few years which had left the Council in significantly better financial shape than other local authorities.

In closing it was noted that the forecast update in January 2014 would reflect the outcome of the Autumn Statement and the local government finance settlement figures.

Cabinet:

- (a) **NOTED** the General Fund forecasts attached at Appendices A1 and A2 to the report.

- (b) **APPROVED** the assumptions underpinning the Medium Term Financial Strategy set out in Appendices B1 and B2 attached to the report.
- (c) **AUTHORISED** the Chief Executive, as Head of Paid Service, to implement the required staffing changes necessary to complete the restructurings of the growth area teams.
- (d) **INSTRUCTED** the Head of Finance, Policy and Performance to bring forward detailed draft estimates 2014-15 based on the assumptions and issues contained in the report for consideration by Cabinet in the New Year.

49. POSITION STATEMENT: FINANCE, PERFORMANCE AND RISK

Cabinet considered a report which provided a statement on the Council's position with regard to its General Fund, Housing Revenue Account and Capital budgets, corporate objectives, performance indicators and strategic risks.

It was noted that this report had been considered by the Scrutiny and Overview Committee on 7 November 2013, where no specific recommendations to Cabinet were made.

Cabinet:

- (a) **NOTED** the Council's provisional outturn position together with the performance and risk matters set out in the report at Appendices A – G.
- (b) **RECOMMENDED** that the Corporate and Customer Services Portfolio Holder approves the Strategic Risk Register and Matrix set out in Appendices D and E of the report.

50. ICT FACILITIES FOR MEMBERS

Cabinet considered a report which outlined a proposal to provide an improved, more cost effective, sustainable and efficient ICT service to the Council's elected Members.

Councillor David Whiteman-Downes, Portfolio Holder for Corporate and Customer Services, presented the report and reminded Cabinet that elected Members had been provided with laptops or personal computers for a number of years. Whilst acknowledging that this technology had achieved significant benefits, he reported that some major disadvantages had become increasingly noticeable over recent years and put forward the following examples:

- the current ICT solution worked by providing Members with access into the Council's ICT infrastructure, increasing the burden of ensuring effective ICT security;
- changes in the basic software currently provided to Members on their Council-owned laptops or personal computers, in particular the demise of the operating system Microsoft Windows XP, gave rise to a significant issue that needed to be addressed. With effect from 31 March 2014 Windows XP would no longer be supported by Microsoft, which for Members meant a potential exposure to viruses, malware and security flaws. This would leave the Council in a position where it was non-compliant with the required minimum standards;
- an upgrade or replacement of Members' ICT from Windows XP to Windows 7, as the Council's current business model, would cost approximately £41,000;
- current access to email and other Council ICT resources was quite cumbersome

and had been designed around systems installed over five years ago. Modern technology meant that much more simpler processes could be put in place to provide these services to Members;

- the associated cost of printed matter and paper consumption continued to rise and modern technology now allowed for electronic copies to be made easily available and provide a timelier, cost effective and sustainable approach to the provision of information.

Councillor Whiteman-Downes explained the proposal for removing provision of Council-funded ICT equipment to Members, with the Council instead assisting the procurement of tablet devices to be funded from a Member's basic allowance should they wish to proceed on that basis. The cost of this would be approximately £10 per Member per month for the full four year term of office. For those Members not wishing to fund the device, an option would be to use their own tablet devices or other ICT equipment. Members interested in retaining their current Council-owned laptop or personal computer could have the ownership transferred for the usual annually depreciated price of 50% per year.

Speaking on behalf of the Liberal Democrat Group, Councillor John Williams was disappointed that the Apple ipad had been chosen as the preferred platform to support this proposal, as a number of Members within his group did not particularly wish to purchase or use Apple products. He referred to a section within the report that suggested ICT support would not be guaranteed for other devices and he argued that this did not provide Members with sufficient support to enable them to carry out their duties. In response, Councillor Whiteman-Downes reassured Cabinet that the proposal would not restrict access and confirmed that the new software would work on the majority of Android products. Apple ipads had been chosen as a preferred device due to their ease of use, safety and security features, portability and the fact that they were widely available. He emphasised that Members were free to choose whatever device they wanted to use but highlighted that the Council's ICT team would be set up to support Apple ipads, with support for other devices provided on a best endeavours basis.

The following further points were made by Members in discussing the proposal:

- consultation with disabled groups should be undertaken to establish any problems experienced by people with disabilities using tablet devices;
- the views of the Independent Remuneration Panel should be sought on Members being expected to use their basic allowance to pay for ICT equipment;
- those Members who did not have their own ICT equipment would be forced to purchase a new device or their current Council-owned ICT equipment as part of this proposal;
- hardcopies of agendas and papers for meetings would continue to be provided to Members unless they individually opted out, but Members were encouraged to rise to the challenge of paperless working.

Councillor Whiteman-Downes informed Cabinet that he would be meeting with Scrutiny and Overview Committee Members on 22 November 2013 to discuss the proposal in more detail and indicated that he would take into consideration the above points raised at this meeting.

Cabinet **DELEGATED** the Portfolio Holder for Corporate and Customer Services to:

- (a) Consider the cessation of Council funded ICT equipment and provision to Members.

- (b) Consider the proposal for Member funded ICT provision based on the use of tablet computers and appropriate software to support a more sustainable approach with regard to the production of paper agendas and reports.
- (c) Consult with Members of the Scrutiny and Overview Committee before taking a final decision on (a) and (b) above.

Standing Items

51. ISSUES ARISING FROM THE SCRUTINY AND OVERVIEW COMMITTEE

The Scrutiny and Overview Committee meeting on 7 November 2013 agreed to set up an informal working group to meet with the Portfolio Holder for Corporate and Customer Services regarding ICT facilities for Members, as referred to in minute number 51.

Members **NOTED** that no specific recommendations had been received from the Scrutiny and Overview Committee since the last meeting of Cabinet.

52. ISSUES ARISING FROM THE PARTNERSHIPS REVIEW COMMITTEE

No issues arising from the Partnerships Review Committee were reported.

53. UPDATES FROM CABINET MEMBERS APPOINTED TO OUTSIDE BODIES

No updates from Cabinet Members appointed to Outside Bodies were reported.

54. REPORTS FROM CABINET MEMBERS ATTENDING PARISH COUNCIL MEETINGS

Councillor Mick Martin, Portfolio Holder for Environmental Services, reported that the new e-bulletin to Parish Councils had been very well received in Duxford.

55. REPORTS FROM MEMBER CHAMPIONS

No reports from Member Champions had been received.

56. EXCLUSION OF PRESS AND PUBLIC

Cabinet **AGREED** to exclude the press and public from the meeting during consideration of the following item in accordance with the provisions of Section 100(a)(4) of the Local Government Act 1972 (exempt information as defined in paragraphs 1, 2 and 3 of Schedule 12A (as amended) of the Act).

57. OLDER PERSONS HOUSING RELATED SUPPORT CONTRACT

Councillors Sebastian Kindersley and Ray Manning declared non-pecuniary interests in this item as Members of Cambridgeshire County Council.

Councillor Mark Howell, Portfolio Holder for Housing, presented a report which informed Cabinet about the details of a County Council contract to provide housing related support for older people.

Cabinet **APPROVED** the recommendations contained in the exempt report, subject to recommendation (b) being amended to include consultation with the Housing Portfolio Holder.

The Meeting ended at 11.11 a.m.
