

South Cambridgeshire Hall
Cambourne Business Park
Cambourne
Cambridge
CB23 6EA

t: 03450 450 500
f: 01954 713149
www.scambs.gov.uk



1 July 2015

To: The Leader – Councillor Ray Manning
Deputy Leader – Councillor Simon Edwards
Members of the Cabinet – Councillors Mark Howell, Mick Martin, Peter Topping,
Robert Turner, Tim Wotherspoon and Nick Wright

Quorum: Majority of the Cabinet including the Leader or Deputy Leader

Dear Councillor

You are invited to attend the next meeting of **CABINET**, which will be held in the **COUNCIL CHAMBER, FIRST FLOOR** at South Cambridgeshire Hall on **THURSDAY, 9 JULY 2015** at **6.00 p.m.**

Yours faithfully
JEAN HUNTER
Chief Executive

The Council is committed to improving, for all members of the community, access to its agendas and minutes. We try to take all circumstances into account but, if you have any specific needs, please let us know, and we will do what we can to help you.

AGENDA

	PAGES
PROCEDURAL ITEMS	
1. Apologies for Absence To receive Apologies for Absence from Cabinet members.	
2. Minutes of Previous Meeting To authorise the Leader to sign the Minutes of the meeting held on 12 February 2015 as a correct record.	1 - 6
3. Declarations of Interest	
4. Announcements	
5. Public Questions	
OPERATIONAL ITEMS	
6. Shared Services (Key) Attached is a report outlining the principles of shared services, together with reports and business cases relating to the following	7 - 92

services:

- Legal
- ICT
- Building Control

Confidential Items - Members Only

The press and public are likely to be excluded from the meeting during consideration of the appendices relating to the following 2 items in accordance with the provisions of Section 100(A)(4) of the Local Government Act 1972 (exempt information as defined in paragraph 3 of Schedule 12A of the Act).

7.	Housing Development Agency (Key)	93 - 118
8.	Business Hub Project Business Case Report (Key)	119 - 130
9.	NORTHSTOWE: s.106 Heads of Terms and Civic Hub (Key)	131 - 152
10.	Right to Build Vanguard	153 - 160
11.	Corporate Plan Forward Look and Strategic Risk Register	161 - 190
12.	Position Statement: Finance, Performance and Risk (end of year report) (Key)	191 - 246
13.	Orchard Park Task & Finish Group Recommendations	247 - 256

STANDING ITEMS

- 14. Issues arising from the Scrutiny and Overview Committee**
To receive any recommendations arising from the Scrutiny and Overview Committee meeting held on 7 July 2015.
- 15. Issues arising from the Partnerships Review Committee**
- 16. Updates from Cabinet Members Appointed to Outside Bodies**
- 17. Reports from Cabinet Members attending Parish Council meetings**
- 18. Reports from Member Champions**

OUR LONG-TERM VISION

South Cambridgeshire will continue to be the best place to live, work and study in the country. Our district will demonstrate impressive and sustainable economic growth. Our residents will have a superb quality of life in an exceptionally beautiful, rural and green environment.

OUR VALUES

We will demonstrate our corporate values in all our actions. These are:

- Working Together
- Integrity
- Dynamism
- Innovation

GUIDANCE NOTES FOR VISITORS TO SOUTH CAMBRIDGESHIRE HALL

Notes to help those people visiting the South Cambridgeshire District Council offices

While we try to make sure that you stay safe when visiting South Cambridgeshire Hall, you also have a responsibility for your own safety, and that of others.

Security

When attending meetings in non-public areas of the Council offices you must report to Reception, sign in, and at all times wear the Visitor badge issued. Before leaving the building, please sign out and return the Visitor badge to Reception.

Public seating in meeting rooms is limited. For further details contact Democratic Services on 03450 450 500 or e-mail democratic.services@scambs.gov.uk

Emergency and Evacuation

In the event of a fire, a continuous alarm will sound. Leave the building using the nearest escape route; from the Council Chamber or Mezzanine viewing gallery this would be via the staircase just outside the door. Go to the assembly point at the far side of the staff car park opposite the staff entrance

- **Do not** use the lifts to leave the building. If you are unable to use stairs by yourself, the emergency staircase landings have fire refuge areas, which give protection for a minimum of 1.5 hours. Press the alarm button and wait for help from Council fire wardens or the fire brigade.
- **Do not** re-enter the building until the officer in charge or the fire brigade confirms that it is safe to do so.

First Aid

If you feel unwell or need first aid, please alert a member of staff.

Access for People with Disabilities

We are committed to improving, for all members of the community, access to our agendas and minutes. We try to take all circumstances into account but, if you have any specific needs, please let us know, and we will do what we can to help you. All meeting rooms are accessible to wheelchair users. There are disabled toilet facilities on each floor of the building. Infra-red hearing assistance systems are available in the Council Chamber and viewing gallery. To use these, you must sit in sight of the infra-red transmitter and wear a 'neck loop', which can be used with a hearing aid switched to the 'T' position. If your hearing aid does not have the 'T' position facility then earphones are also available and can be used independently. You can get both neck loops and earphones from Reception.

Toilets

Public toilets are available on each floor of the building next to the lifts.

Recording of Business and Use of Mobile Phones

We are open and transparent about how we make decisions. We allow recording, filming and photography at Council, Cabinet and other meetings, which members of the public can attend, so long as proceedings at the meeting are not disrupted. We also allow the use of social media during meetings to bring Council issues to the attention of a wider audience. To minimise disturbance to others attending the meeting, please switch your phone or other mobile device to silent / vibrate mode.

Banners, Placards and similar items

You are not allowed to bring into, or display at, any public meeting any banner, placard, poster or other similar item. Failure to do so, will result in the Chairman suspending the meeting until such items are removed.

Disturbance by Public

If a member of the public interrupts proceedings at a meeting, the Chairman will warn the person concerned. If they continue to interrupt, the Chairman will order their removal from the meeting room. If there is a general disturbance in any part of the meeting room open to the public, the Chairman may call for that part to be cleared. The meeting will be suspended until order has been restored.

Smoking

Since 1 July 2008, South Cambridgeshire District Council has operated a Smoke Free Policy. No one is allowed to smoke at any time within the Council offices, or in the car park or other grounds forming part of those offices.

Food and Drink

Vending machines and a water dispenser are available on the ground floor near the lifts at the front of the building. You are not allowed to bring food or drink into the meeting room.

This page is left blank intentionally.

Agenda Item 2

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

Minutes of a meeting of the Cabinet held on
Thursday, 12 February 2015 at 2.00 p.m.

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

Councillors:	Mark Howell	Housing Portfolio Holder
	Mick Martin	Environmental Services Portfolio Holder
	Robert Turner	Planning Portfolio Holder
	David Whiteman-Downes	Corporate and Customer Services Portfolio Holder
	Tim Wotherspoon	Strategic Planning and Transportation Portfolio Holder
	Nick Wright	Economic Development Portfolio Holder

Officers in attendance for all or part of the meeting:

Alex Colyer	Executive Director, Corporate Services
John Garnham	Head of Finance, Policy & Performance
Jean Hunter	Chief Executive
Fiona McMillan	Legal & Democratic Services Manager and Monitoring Officer
Graham Watts	Democratic Services Team Leader

Councillors David Bard, Kevin Cuffley, Cicely Murfitt and Bridget Smith were in attendance, by invitation.

Procedural Items

1. APOLOGIES FOR ABSENCE

No apologies for absence had been received.

2. MINUTES OF PREVIOUS MEETING

The minutes of the previous meeting held on 13 November 2014 were signed as a correct record.

3. DECLARATIONS OF INTEREST

No declarations of interest were made at this stage of proceedings.

4. ANNOUNCEMENTS

No announcements were made.

5. PUBLIC QUESTIONS

No public questions had been received.

**Recommendations to
Council**

6. CORPORATE PLAN PRIORITIES 2015-2020

Cabinet considered a report which proposed changes to the Council's Corporate Plan.

Councillor David Whiteman-Downes, Portfolio Holder for Corporate and Customer Services, presented the report and outlined that the draft version of the Plan had gone through a public consultation process between 1 December 2014 and 31 January 2015. Feedback received had been broadly supportive of the Council's identification of key objectives, with concerns raised around transport and housing which endorsed the high priority given to these items within the Plan.

A suggestion was made that the Plan should include, under the wellbeing section, reference to the impact of exploitation, trafficking and domestic abuse. It was noted that the Council did already work with partners to support victims of these crimes, but that they were not necessarily issues that the authority had direct influence over. It would therefore be difficult to include them as corporate priorities, but reassurance was given that the Council took such issues extremely seriously and would continue to work with partners where necessary.

Discussion ensued on the Green Deal initiative and the fact that this no longer featured in the Council's Corporate Plan. It was noted that the Green Deal was an ongoing piece of work that the Council would continue to be involved in, but it was no longer considered a corporate priority. Progress on the Green Deal would be reported through the Leader's Portfolio Holder meetings.

Cabinet **RECOMMENDED** to Council that the Corporate Plan setting out the Council's vision, objectives and actions for 2015-2020, and incorporating key performance measures under each aim, be approved as set out at Appendix 1 of the report.

7. MEDIUM TERM FINANCIAL STRATEGY (GENERAL FUND BUDGET 2015-16 INCLUDING COUNCIL TAX SETTING), HOUSING REVENUE ACCOUNT (INCLUDING HOUSING RENTS), CAPITAL PROGRAMME 2015/16-2019/20, LOCAL GOVERNMENT FINANCIAL SETTLEMENT AND TREASURY MANAGEMENT STRATEGY (REVISED 2014/15 AND 2015/16)

NOTE – Councillor Nick Wright declared a non-disclosable pecuniary interest in this item with regard to the A14 upgrade as he owned land that the new A14 would potentially go through.

Cabinet considered a report which set out the Council's Medium Term Financial Strategy.

Councillor Simon Edwards, Deputy Leader and Portfolio Holder for Finance and Staffing, in presenting the report, circulated the following documents at the meeting:

- a revised section of the report to correct typographical errors in the amounts quoted in paragraphs 21 and 25 of Appendix B;
- a revised version of Appendix B1, consistent with the correct values in paragraph 25 of the revised version of Appendix B;

- a table outlining more information regarding the New Homes Bonus and Infrastructure Reserve Fund, in addition to paragraph 17 of Appendix B in the report.

Councillor Edwards highlighted that the Medium Term Financial Strategy had been considered in some detail by Cabinet on 14 November 2014, but reported the following updates:

- further reductions in government grant funding would mean the Council receiving £830,000 less in 2015/16 than it did in the previous year;
- the Medium Term Financial Strategy's savings target had been reduced to £670,000, as £400,000 had already been saved as a result of the restructure of waste services and the introduction of new waste collection rounds. In addition, more modelling had taken place since November on business rates which had indicated a slightly more favourable position than originally anticipated;
- the Strategy included an increase in Council Tax of 1.99%, which equated to an annual increase of £2.45 per band D home;
- £5 million had been allocated in the Infrastructure Reserve Fund as a contribution to the A14 improvement scheme. This was funded via New Homes Bonus and the first £1.8 million of receipts in each year would be used to offset expenditure previously covered by the Housing Planning Delivery Grant. It was also proposed that a proportion of New Homes Bonus receipts in each year would be contributed towards the Greater Cambridge City Deal;
- in terms of the capital programme, it was proposed to invest £500,000 in solar panels for the car park at South Cambridgeshire Hall and at the Waterbeach Depot. The £500,000 should be recovered within seven years of their introduction, subject to the detailed business case currently being worked up.

Councillor Mark Howell, Portfolio Holder for Housing, presented the Housing Revenue Account and emphasised that the 2.2% inflationary figure to be applied in this year's rent was in line with revised government guidelines and also reflected the September 2014 Consumer Price Index, which now had to be used instead of the Retail Price Index. The average rent per week would therefore be £103.95.

Councillor Robert Turner, Portfolio Holder for Planning, referred to the proposed increase in fees and charges relating to the planning pre-application service. He considered this issue at his Portfolio Holder meeting on 3 February 2015 and stated that he was determined to deliver the level of service expected by those using and paying for it, and that officers were fully behind this.

Cabinet **RECOMMENDED** to Council:

- (a) Approval of the Capital Programme and the associated funding up to the year ending 31 March 2020 as set out in Appendix A1 of the report.
- (b) Approval of the revenue estimates for 2015-16 in the General Fund summary as set out in the revised version of Appendix B1 included as part of the supplementary agenda and circulated at the meeting.
- (c) Approval of the precautionary items for the General Fund, as set out in Appendix B2 of the report.

- (d) Approval of the Medium Term Financial Strategy for the General Fund, as set out in Appendix B3(A) of the report, based on the assumptions contained within the report.
- (e) Approval of the fees and charges proposed for 2015-16 as set out in Appendix B4 , including those relating to the planning pre-application service.
- (f) That the Executive Management Team be instructed to identify additional income or savings of £670,000 from 2015-16.
- (g) That the Council Tax requirement for 2015-16 is £7,478,550.
- (h) That the Council sets the amount of Council Tax for each of the relevant categories of dwelling in accordance with Section 30(2) of the Local Government Finance Act 1992 on the basis of a District Council Tax for general expenses on a Band D property of £125.31 plus the relevant amounts required by the precepts of Parish Councils, Cambridgeshire County Council, the Cambridgeshire Police and Crime Commissioner and the Cambridgeshire Fire Authority, details of those precepts and their effect to be circulated with the formal resolution required at the Council meeting.
- (i) Approval of the Housing Revenue Account estimates and the rent increase for the financial year ending 31 March 2016, as set out in Appendices C and C1 of the report, with the rent increase being in accordance with rent restructuring guidance from the Department for Communities and Local Government.
- (j) Approval of the service and other charges for housing services for the financial year ending 31 March 2016 as set out in Appendix C2 of the report.
- (k) Approval of the Housing Revenue Account business plan summary for the next 30 years to 31 March 2045 as set out in Appendix C3 of the report.
- (l) Approval of the Borrowing and Investment Strategy for the year to 31 March 2016 as set out in Appendix D1 of the report.
- (m) Approval of the prudential indicators required by the Prudential Code for Capital Finance in Local Authorities for the year to 31 March 2016 as set out in Appendix D2 of the report.
- (n) That the Executive Director (Corporate Services) be given delegated authority to issue the final version of the Estimates Book, incorporating the amendments required from the Council's decisions.

8. NORTHSTOWE PHASE 2: PUBLIC SERVICE DELIVERY AND REQUIREMENTS

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

Consideration was given to a report which provided Cabinet with an opportunity to consider the range of requirements needed to bring forward and deliver the physical and community infrastructure needed to support the new communities and housing delivery in Northstowe.

Appended to the report was a proposed draft list of requirements to be included in the Section 106 Agreement should the Northstowe Joint Development Control Committee be minded to grant outline consent for the Phase 2 planning application.

A number of comments were made during discussion on the list of requirements from both the County Council's and District Council's perspective which Councillor Tim Wotherspoon, Portfolio Holder for Strategic Planning and Transportation, agreed to take into consideration going forward.

9. CABINET MEETING SCHEDULE 2015/16

Cabinet **AGREED** its schedule of meetings for 2015/16 as follows:

- 9 July 2015 – 6pm
- 10 September 2015 – 6pm
- 12 November 2015 – 2pm
- 14 January 2016 – 2pm
- 11 February 2016 – 2pm
- 14 April 2016 – 6pm

Information Item

10. POSITION STATEMENT: FINANCE, PERFORMANCE AND RISK 2014/15 Q3

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

Councillor Simon Edwards, Deputy Leader and Portfolio Holder for Finance and Staffing, presented the report and highlighted that the General Fund's working position was a £1,168,500 favourable variance, equating to 7.33% of the net District Council General Fund expenditure. The General Fund variance was mostly due to additional planning application income, above what was originally estimated, in relation to solar farms. In view of this favourable position, Councillor Edwards proposed a virement of £20,000 to the Council's Community Chest, with the understanding that if this was not spent by the end of the 2014/15 financial year it would be rolled over to 2015/16. This proposal was seconded and unanimously supported.

Councillor David Whiteman-Downes, Portfolio Holder for Corporate and Customer Services, presented the performance and risk management aspects of the report and reported that the Council's Customer Contact Centre had improved its performance, primarily in terms of reducing call waiting times and reducing the number of abandoned calls. The Scrutiny and Overview Committee had considered a report on this issue at its meeting on 10 February 2015 and was very satisfied with the improved performance.

Councillor Simon Edwards suggested that the Customer Contact Centre should be aiming for a 5% abandoned calls rate, but acknowledged that the current position was a significant improvement from where it had previously been and said that officers should be congratulated.

Councillor Ray Manning, Leader of the Council, took this opportunity to praise officers for the fantastic work they had done with regard to managing the Council's finances.

Cabinet:

- (a) Noted the Council's provisional outturn position, together with the performance and risk matters set out in the report, and **APPROVED** the virement of £20,000 to the Community Chest.
- (b) **APPROVED** the Strategic Risk Register and Matrix set out in Appendices D to E of the report.

Standing Items

11. ISSUES ARISING FROM THE SCRUTINY AND OVERVIEW COMMITTEE

No issues arising from the Scrutiny and Overview Committee were reported.

12. ISSUES ARISING FROM THE PARTNERSHIPS REVIEW COMMITTEE

No issues arising from the Partnerships Review Committee were reported.

13. UPDATES FROM CABINET MEMBERS APPOINTED TO OUTSIDE BODIES

Councillor Nick Wright reported that he had attended a Local Enterprise Partnership meeting on 11 February 2015 on behalf of the Leader. The main agenda item considered at the meeting was the outcome of the Growth Deal 2 bid, for which the Greater Cambridge Greater Peterborough Enterprise Partnership had received £38 million.

14. REPORTS FROM CABINET MEMBERS ATTENDING PARISH COUNCIL MEETINGS

Councillor Robert Turner reported that he had attended a meeting of Landbeach Parish Council to discuss enforcement action scheduled to be undertaken against an unauthorised gypsy and traveller site in the area.

Councillor Turner had also visited Orchard Park following a question submitted to a meeting of Full Council recently regarding the lack of road maintenance by Persimmon Homes on the development. Enforcement action would be taken on this issue, and the necessary paperwork was currently being prepared by the Council's legal department.

15. REPORTS FROM MEMBER CHAMPIONS

No reports from Member Champions were received.

The Meeting ended at 4.00 p.m.

Agenda Item 6



Report to: Leader and Cabinet 9 July 2015
Scrutiny and Overview Committee 7 July 2015

Lead Officer Executive Director, Corporate Services

Shared Services Overview

Purpose

1. In July 2014, Huntingdonshire District Council (HDC), South Cambridgeshire District Council (SCDC) and Cambridge City Council (CCC) agreed in principle to work as a partnership to deliver a range of shared services over a number of phases, building on existing collaboration.
2. The first phase of this programme involves proposals for shared services for ICT, Legal Services, and Building Control.
3. This report outlines the overall approach that has been taken to the development of these shared service proposals and makes recommendations for governance and cost sharing in those shared services.
4. This is a key decision because it results in the authority incurring expenditure which is, or the making of savings which are, significant having regard to this Council's budget for the service or function to which the decision relates. It was first published in the May 2015 Forward Plan.

Recommendations

5. Cabinet is recommended:
 1. That the approach to shared services outlined in the report be endorsed.
 2. That approval be given to the establishment of a Joint Committee without delegated powers to oversee the delivery of shared services.
 3. That the Leader be confirmed as the Council's representative to this committee and a deputy be appointed.
 4. That the proposed sovereignty guarantee in section 8 be approved.
 5. That the approach to cost sharing principles and partnership agreement as outlined in section 9 be approved.
 6. That the approval of the final partnership agreement be delegated to the Chief Executive in consultation with the Leader of the Council.
 7. That, subject to the approval of the business cases for IT, Legal and Building Control Shared Services, formal consultation commences with Trade Unions/Staff Council and affected staff on 24 July 2015, closing on 1 September 2015.

Reasons for Recommendations

6. Sharing services presents a great opportunity for all three councils to save money, build resilience across their current services, which often contain highly specialised roles. It also

provides the opportunity to improve services to customers, by ensuring a focus on seamless service delivery.

7. However, the success of shared services must be underpinned by robust governance arrangements that will ensure transparency of both operational and strategic decision-making.
8. In addition, there is the need to build intelligence in relation to the shared services as they begin to be delivered on behalf of partners. This will not only to ensure effective monitoring of Lead Authority performance via an “intelligent client” function, but will inform the future shaping of the service and enable partners to access what they need.

Background

9. The three councils have differing geographies with one being rural, one being urban and one having a mix of urban and rural areas. The services that are provided in each Council are delivered in varying ways and with different levels of staffing. Because of this diversity it is important that any shared service proposal must provide the best future option for the parties involved. This may mean that that some services are appropriate to share across all three councils, whereas some may only be shared between two councils. The three councils have been working on the principle that any proposed shared service between two of the three partners will be brought forward in a way that allows the third partner to join at some future date without penalty.
10. Given the financial pressures that local authorities have been experiencing over the past few years, the three councils have already taken forward some shared service arrangements, namely:
 - Home Improvement Agency – CCC, SCDC and HDC
 - Internal Audit – CCC, SCDC and Peterborough City Council
 - Payroll – CCC and SCDC
 - CCTV – CCC and HDC
 - Interim s151 officer (provided to CCC by SCDC)
11. This report proposes a more formalised model of working going forward, which will bring consistency, robust governance arrangements and provide mutually beneficial arrangements for all parties.

Outcomes and objectives of shared working

12. The councils each recognise that they are likely to be smaller and more streamlined moving forwards and in order to both protect frontline services and ensure resilience of service delivery, new models of working are needed.
13. The three councils have already agreed that a key objective of sharing services is to provide seamless services to both internal users and the public in order to deliver the following outcomes:
 - Protection of services which support the delivery of the wider policy objectives of each Council
 - Creation of services that are genuinely shared between the relevant councils with those councils sharing the risks and benefits whilst having in place a robust model to control the operation and direction of the service
 - Savings through reduced managements costs and economies of scale

- Increased resilience and retention of staff
- Minimise the bureaucracy involved in operating the shared service
- Opportunities to generate additional income, where appropriate
- Procurement and purchasing efficiencies, and
- Sharing of specialist roles which individually, are not viable in the long-term

14. Each of the councils is committed to consulting with staff and their representative Trade Unions (SCDC and CCC) and Staff Council (HDC) in relation to the proposals that affect them. Shared services will continue to ensure the following outcomes for staff:

- Fair terms and conditions of employment
- A commitment to staff training, development, retention and talent management, and
- A commitment to tackling inequality and celebrating diversity in service delivery

Phasing of shared service programme

15. To enable effective management of the shared service programme, a phased approach has been taken. This will allow for the refinement of any principles or models of working, as progress is made and will allow for easier implementation.

16. This first phase is comprised of the three shared services being put forward as full business cases, for consideration, namely ICT, Legal and Building Control services. The proposed date for the shared arrangements to effectively go-live is 1 October 2015.

17. A significant amount of effort and resource will be required to ensure the successful implementation of Phase 1 and this will be the focus. However, a number of other services have potential for future collaboration and are being explored. These are:

- Growth and Planning
- Internal Audit
- Finance & Procurement
- Strategic Housing
- Regulatory Services

Legal Framework for Shared services

18. Local Authorities have a number of legal powers in relation to discharging their functions and indeed, in trading or supplying goods and services.

19. Section 101 of The Local Government Act (1972) enables a local authority to delegate or discharge its functions to another local authority or a Joint Committee, together with the relevant executive functions. It is important to note that the authority to whom the statutory responsibility is originally allocated by Central Government remains responsible for the function, even if they have delegated the delivery to another body.

20. In addition, the Local Authority (Goods and Services) Act 1970 enables a local authority to supply goods and materials or services, which include administrative or technical services, to other public sector bodies and enables them to charge at a rate where the revenue may exceed the cost of provision (thereby producing a profit). However, the arrangement must be overtly collaborative in nature rather than a purely commercial contractual arrangement, otherwise it will fall under EU Procurement rules. Sharing of savings amongst the three parties via an agreed mechanism would help to demonstrate that one party alone was not

commercially benefitting from the arrangement.

21. When it comes to trading services with other non-public sector bodies, although Section 93 of the Local Government Act (2003), now enables local authorities to undertake chargeable activities that are in line with the exercising of their ordinary functions, revenue cannot exceed cost.
22. However, Section 95 of the same Act enables the provision of services to be undertaken on a more commercial, profit-making basis, if the services are delivered through a corporate vehicle i.e. it is not the Council itself that is directly trading, although it could own the separate company through which it trades. This may provide opportunities for future service developments for the partnership.
23. The impact of the different legislative provisions is that the councils can discharge their functions (with the correct delegations and legal approvals), to be undertaken by another council and essentially make a profit, but they cannot commercially trade with other non-public bodies on the same basis, without the use of corporate entity (i.e. a formal trading arm).
24. Should there be a requirement or opportunity to trade on a more commercial basis in the future, then a corporate entity would need to be considered such as a wholly-owned but arms-length Local Authority Trading Company (LATC). This is not proposed at this stage but could be an option for the future.

Proposed Governance of Shared Service Arrangements

Operational Model

25. It is proposed that a Lead Authority model will be used for the Shared Service arrangements since this best reflects the current vision for shared services and the starting position of each partner council. It will also enable cultural and working practice changes to be more easily implemented, as one council will be responsible for the operational delivery of the service.
26. The head of each shared service will be responsible for the overall operation of that service, the delivery of their business plan and achievement of performance and financial targets.
27. Once services move into the operational phase, there will be the need to ensure that robust governance is in place to oversee service delivery. Whilst there is an officers' board in place currently, and Leaders have been meeting to review progress on a regular basis, there is the need to formalise the role of members and to ensure clarity transparency.

Joint Committee

28. It is proposed a Joint Committee should be established to oversee the operation of Shared Services, supported by an officer Board, but the committee would not have delegated powers or functions. It would formalise existing arrangements but without any partner council delegating power to another entity. This arrangement has the benefit of being a collaborative arrangement with all parties represented equally, without favouring or representing the interests of one particular.
29. The remit of the Joint Committee would be to provide advice, oversight, challenge and endorsement of the shared services business plans and budget. It is important to note that without any delegation or discharge of functions and powers, they would act as an advisory body to the three Councils only.

30. This means that each participating council would retain Executive decision-making powers for their shared service functions. The Joint Committee will receive regular updates on the operation of the shared services and will take reports and recommendations for decision to their respective Executives (and full council, if appropriate), at agreed points and with the engagement of each council's Scrutiny committees.
31. The Joint Committee meetings would be held in public meetings, forming part of each council's calendar of meetings. Membership would be the Leaders of each Council with a nominated deputy/alternate attending in their absence.

Officer Structures

32. In order to ensure that each participating party protects its interests in the shared service when it is not the Lead Authority, an intelligent client function is proposed. This would involve a designated "contract manager" at each council, responsible as the liaison with the Lead Authority for operational issues encountered or for requested changes to the service being received. This would not be a new post in the establishment, but instead will be a function undertaken by a senior officer within each council (whether Lead Authority or client), who has the relevant service knowledge to effectively enter into discussions in relation to the service and its performance.
33. The existing Partnership Board for Shared Service (PBSS), which is comprised of the three Heads of Paid Service together with a Corporate Director from each organisation, will oversee the ongoing operation of new Shared Service arrangements. In addition, it will oversee the development of new proposals in future phases for Joint Committee consideration prior to the required Executive decisions at each Council.
34. Appendix 1 demonstrates the proposed governance model that is a member-led model, supported by officers of each council.

Sovereignty Guarantee and Partnership Agreement

35. A Sovereignty Guarantee has been used elsewhere in similar shared service arrangements to give confidence to individual councils' executives that they will retain sovereignty of their organisations, as well as Executive decision-making powers.
36. It is proposed that each Council endorses the Sovereignty Guarantee contained at Table 1 below.

Table 1

<p>A sovereignty guarantee</p> <p>All three Councils are committed to continuing to represent the needs, priorities and ambitions of local people in their neighbourhoods.</p> <p>They are exploring reducing costs by working together. They are also keen to take new devolved responsibilities from Government and manage these together, where this makes sense.</p> <p>Commissioning or delivering services together is specifically designed not to change how residents experience services. It is about how to get things done more efficiently.</p>

To safeguard local autonomy the Councils confirm:

1. Local residents will continue to elect councillors to each Council.
2. Each Council will retain its own constitution, setting out how it makes decisions, organises scrutiny and delegates authority.
3. Each Council will continue to set its own council tax and publish its own budget and accounts.
4. Each Council will continue to be able to set its own spending priorities.

37. To support this governance structure and Lead Authority model of operation, it is also usual for partners to enter into a Partnership Agreement. The partnership agreement describes the governance arrangements, the terms of engagement between partners and the roles they play in relation to each service – either as recipients of the shared service from another council or the lead authority that provides the shared service to others.
38. The agreement can also provide assurance that this is a true partnership collaboration and not commercially beneficial arrangement for one party alone, therefore demonstrating compliance with EU Procurement legislation.

Terms of Partnership agreement

39. There are a number of terms that should be considered for inclusion in a Partnership Agreement, and this will be subject to legal advice, but should include as starting point the following:

Governance arrangements

40. See paragraphs 25 to 27.

Length of the agreement and review points

41. The term for the shared service arrangement will be 5 years, with a review point at years 2 and 4.
42. The purpose of the 2 year review point, will be to test delivery of ambitions and then, if the partners are ready, enable a move to a true recharging model, based on service usage and future demand, rather than a continual investment of existing budget by the council.
43. The 2-year review will rely on service-usage data, which will inform an intelligent, evidence-based approach, with performance reporting being the subject of more detailed discussions.

Dispute Resolution

44. In the first instance, officers undertaking the role of contract manager for each party will attempt to resolve any dispute. Should disputes be unable to be resolved at this point, they will be referred to the Corporate Directors at each partner council who is responsible for that particular shared service.
45. Any disputes unable to reach a conclusion at this point would then be referred to the Partnership Board for Shared Services (PBSS) and if necessary to the Joint Committee.

Cost Sharing Principles

46. The three Councils have already endorsed the principle of sharing costs on a proportionate basis. This means that each council would invest their current service budget, less their agreed target savings for that service for the financial year 2015/16.
47. Any surplus savings from shared services would be shared amongst the participating councils using the same proportionate formula (based on their initial budgetary investment as a proportion of the overall budget for the shared service). Any additional set-up costs should be met using the same proportionate formula.
48. Any staff-related implementation costs occurring as a result of the new structure such as redundancy and pay protection will be shared as follows:
- costs associated with staff ring-fenced for the proposed management structure will be borne by the pre TUPE employer;
 - costs in respect of other employees should be borne by the three partner authorities in proportion to their contribution to the service budget.
49. There will be a review period set at 2 years from the go-live date for each shared service, at which time the Lead Authority will consider moving to a full recharging model and to absorb any further costs associated with the delivery of the service, including redundancy costs.

Shared Identity

50. Proposals for an identity for the shared services are currently being developed.
51. Identifying an internal identity for the shared service is important to help reinforce for staff that the shared services are something new and different and they are providing services to all three councils even though employed by one. For example staff could have a shared service email address rather than simply the email address of the host council.
52. Having a clear identity will be important in recruiting new members of staff to the shared service as it will clearly signal that the three Councils are taking a different approach to service delivery. In some cases we may wish to consider establishing a separate brand for a shared service where there are clear commercial advantages in doing so, for example it has been argued that a Building Control Service may be better placed to compete in the market where it is not overtly provided by a Local Authority body.
53. Any branding will also need to work from a customer perspective.

Staffing Implications and Consultation

54. Each of the councils involved in Shared Services are committed to engaging and consulting with staff on the proposals. Staff that will be impacted by the implementation of shared services proposals have been communicated with and involved in developing the visions for the services that are included in the business cases. The Trade Unions and Staff Council (at HDC) have also been engaged on regular basis.
55. Staff have been briefed on the planned implementation timetable, which includes a proposal to use Transfer of Undertakings (Protection of Employment) process, commonly known as TUPE, to transfer all staff to the nominated lead authority for their service, with a go-live date of 1 October 2015.
56. Subject to approval of the three business cases, the Trade Unions, Staff Council and impacted staff will be consulted with during the formal consultation period of 24 July to 1 September

2015, at which point consideration will be given to the feedback received during the consultation process.

57. Subject to the outcome of the consultation, preparations to TUPE staff would then take place during the month of September and would come into effect as of 1 October 2015. At this point, staff will become an employee of the Lead Authority for their service.

Financial Implications

58. The detail of the savings that each shared service should realise is contained in each business case.

59. The three Councils were also successful in a bid for Transformation Challenge Award (TCA) funding. The TCA is a grant given to local authorities (following successful application), that aims to enable major structural change through collaborative working (Shared Services).

60. The main focus of the Transformation Challenge Award original bid, was to support the establishment of a project team and a commitment was given to provide additional partner resources. This is being met at present through “in kind” arrangements i.e. capturing the time spent by officers working on the shared service programme as the contribution to match funding and totals £381,307 to date. Total funding received was £529,090; of this:

- £133,603 has actually been spent by the three partners,
- £320,807 has been allocated but not yet dispersed as awaiting final invoices, and
- £74,680 is currently unallocated.

61. To date, the majority of the expenditure has been to support the project specialists that have been used to progress the programme workstreams to the current point. This is monitored and the overall TCA fund managed by the Head of Resources at HDC, reporting to the Partnership Board at least quarterly.

Key Risks

62. One of the reasons the Councils are planning to share services is there are significant risks in doing nothing. Each council needs to find significant savings and they also need to recruit and retain skilled staff in a competitive market place and improve the resilience of relatively small teams. Shared services offer a way of mitigating these risks.

63. There are also a number of risks associated with the proposal to share services across three councils. The main risks are highlighted in the table below with detailed programme and project risk registers having been developed to support effective implementation.

Risk	Initial Risk level (low/ medium/ high)	Actions to mitigate (reducing risk to low)
Staff are on different terms and conditions resulting in cost implications, challenge from those affected and impacting on morale	Medium	Initial analysis has show that there are more similarities than differences between the three councils. Work is underway to assess the impact of any differences and to provide a suitable course of action to harmonise policies.
The lack of robust governance arrangements leads to disputes and inequity	Medium	The proposed Lead Authority model and Joint Committee (without delegated powers) will provide a formalised arrangement for

		operational management and processes by which to manage disputes. Legal specialists will provide a clear view of the steps needed and requirements to protect all parties to the Shared Services arrangements, enabling everything to be agreed and in place prior to implementation.
The lack of agreed cost-sharing principles	Low	The proposed cost sharing principles have been agreed in principle by the three councils. The principles are based on a fair and pragmatic approach, given the current position of each council. The proposed governance arrangements will also support the delivery and manage any disputes
Overall financial savings targets not met or are unrealistic and unachievable, leading to service 'cuts' being required elsewhere to meet the shared service saving shortfalls.	Medium	Delivery against savings target to be regularly reviewed and evaluated as part of the implementation and delivery of the Shared service business case Business cases include robust financial analysis and risk / sensitivity analysis for projected savings. Cost sharing proposal that service budgets are at 85% of pre shared service levels initially builds in savings in year 1. Posts being held vacant until structures agreed offers early possible savings
Shared Services do not deliver the expected good quality services to internal and external customers	Low	Clear principles to be established to agree how service standards will be developed and approved. These will support standardisation where this is appropriate but allow for local variation where this is required, costing model to reflect cost implications of different service delivery

Options

64. Other options to consider are as follows:

- retaining services as they are for each respective Council;
- operate a shared services model with different partners;
- outsourcing of the services.

65. These other options have not been developed as they do not appear to present opportunities for joint and collaborative working that the three Councils aspire to have in place.

Implications

66. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

67. See paragraphs 47 – 60.

Staffing

68. See paragraphs 53 – 56.

Equality and Diversity

69. An Equalities Impact Assessment (EQIA) has been carried out. The EQIA will be reviewed at all key stages including when the implementation papers are ready and after consultations have taken place.

Climate Change

70. Low Positive Impact - reduction in accommodation and energy use associated will have a positive impact. Potential negative impact from increased travel will be mitigated by increased mobile and remote working.

Consultation responses (including from the Youth Council)

This will be conducted in accordance with the Council's agreed policy.

Background papers

Cabinet Shared Services Report – 16 October 2014

Appendices

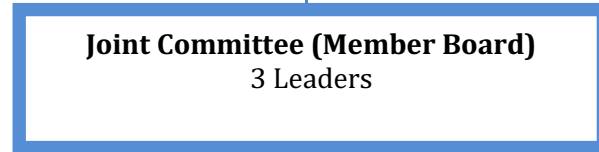
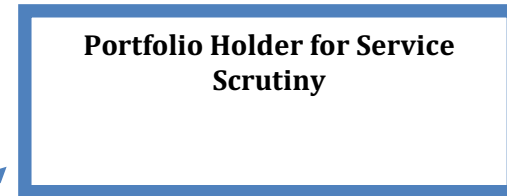
Appendix 1 – proposed governance model

Report Author:

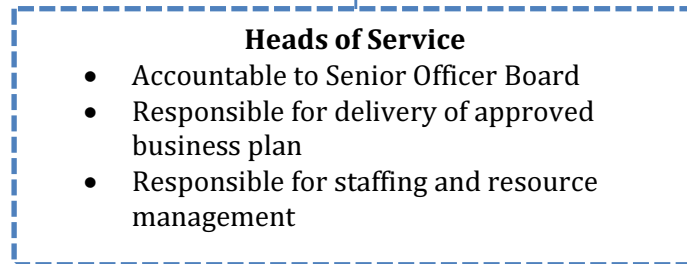
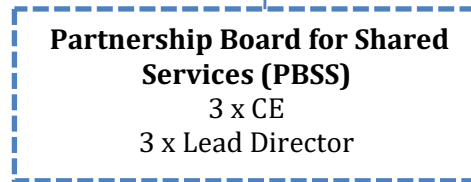
Alex Colyer – Executive Director (Corporate Services)
01954 713023

Appendix 1 – Proposed Governance Model

Annual
 Approval of business plan & budget
 Other decisions outside of business plan and budget if required



- Sets service standards required
- Approves service charge for level of requested service
- Monitors performance at Council level
- Receives reports from HoS as required



Meets Monthly

- Hold each HoS Accountable for their service
- Makes recommendations to Joint Committee

This page is left blank intentionally.

Report To: Cabinet
Lead Officer: Executive Director (Corporate Services)

9 July 2015

Shared Legal Services

Purpose

1. Cambridge City Council (CCC), Huntingdonshire District Council (HDC) and South Cambridgeshire District Council (SCDC) have agreed to work in partnership to deliver shared services and have agreed general principles to underpin the approach.
2. This report provides the business case to establish a Legal Shared Service (to be known as the Practice) between the Councils and details the activity to create the Practice.
3. This is a key decision because it results in the authority incurring expenditure which is, or the making of savings which are, significant having regard to this Council's budget for the service or function to which the decision relates and it was first published in the May 2015 Forward Plan.

Recommendations

4. Cabinet is recommended to approve the Business Case and delegate authority to the Executive Director (Corporate Services) to make decisions and to take steps which are necessary, conducive or incidental to the establishment of the Practice in accordance with the business case.

Reasons for Recommendations

5. Reasons for the recommendations are set out in the Shared Services Overview Report.

Background

6. When this matter was last reported to Cabinet, approval was given to establish a Business and Legal Practice Manager in advance of the proposed Practice to assist with the development of the Practice. However, an approach that utilised the services of an interim manager was adopted in order to maximise flexibility in the design of the management structure during the development of the business case. This was funded in full by the Transformation Challenge Award (TCA) made by Government to the three Councils concerned to support their work towards a range of shared service arrangements.
7. The business case for the establishment of the Practice can be found at Appendix A to this report. The rationale for the establishment of the Practice is that it will

enable a reduction in the externalisation of legal work through the broader sharing of legal capability, increase output from lawyers by managing non-lawyer work away from them, create a single point for commissioning legal services to improve value for money from the process of externalising legal work, increase the opportunity for income generation by offering legal services to public and voluntary sector bodies, and improve staff recruitment, retention and development.

Considerations

8. It is proposed that CCC will act as the lead authority for the Practice; its scope is solely legal services and the administration that supports legal services.
9. Land Charges, Elections, Democratic Services and Procurement teams are accordingly not within the scope of the Practice. This will create some disaggregation issues for participating Councils as there are staff out of scope of the Practice who are currently within legal services and staff within scope who currently manage staff not within the legal team – it is understood all these issues are in hand within the respective Councils.
10. The Practice will be created by the TUPE transfer of staff from HDC (4) and SCDC (6) to CCC; this is proposed to happen on 1 October 2015. The opening staffing level of the Practice will be 26. A new management team will be created on start-up consisting of a Head of Legal Practice and two Legal Service Managers. A review will then be undertaken of the rest of the staffing structure with the aim of establishing any new arrangements by 1 April 2016.
11. The Practice would have an opening operating budget of circa £1.5m combining the 15/16 operating budgets for each of the 3 current legal service operations. The ratio of the budget contribution at start up is CCC 57%, SCDC 29%, HDC 14%. This ratio forms the basis of saving distribution and additional cost incurred such as redundancy, pay protection etc. An exception to this is in respect of those employees ring-fenced for the proposed management structure where it is proposed that those costs will be borne by the pre-TUPE employer.
12. As with all service areas within the three Councils, each Legal Services team has already been challenged to reduce the costs of delivery; savings have accordingly already been taken by each Council from their 15/16 budgets (the last year when each Council approved its own legal service budget if this Business Case is accepted). Savings of £180k have been targeted for 16/17; the equivalent of a reduction of 15% of the net revenue budget after income has been applied.
13. Set up costs of £110k have been identified; these will be covered by the TCA award and are not at additional cost to the participating Councils.
14. An Interim Manager will be appointed to undertake the mobilisation of the Practice until the management team is in place – this has been budgeted at a cost of £80k. Additionally, an existing case management system currently used by CCC will be extended throughout the Practice. This will provide the operational glue to enable work to be undertaken flexibly in terms of work allocation and location, to manage caseload, and to enable performance monitoring including resource usage. This has been budgeted at a cost of £30k.
15. The work of the Practice will be driven by the Practice Business Plan (BP) agreed with the three client Councils. The BP will identify what has to be delivered by the

Practice and establish the means for measuring and assuring its performance. CCC will act as both the Practice host and as a client of its services. The BP will be agreed on an annual basis and will be a key element of the operational plan for the Practice.

16. The covering report on shared services details the general principles used to underpin the establishment of shared services between the 3 Councils.

Options

17. Options are set out in the Shared Services Overview report.

Implications

18. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

19. The Practice has a minimum saving target of 15% of net revenue budget after income has been applied.

Staffing

20. CCC will become the Lead Authority for the Practice. As such, identified Legal staff in HDC and SCDC will transfer under TUPE to CCC on the go-live date. Formal consultation with staff, Unions and Staff Council at HDC will take place during August in accordance with each Councils policy on consultation. The consultation will be in respect of the proposed TUPE arrangements and new management structure.

Equality and Diversity

21. An Equalities Impact Assessment (EQIA) has been carried out. The EQIA will be reviewed at all key stages including when the implementation papers are ready and after consultations have taken place.

Climate Change

22. Low positive impact. Reduction in accommodation and energy use associated will have a positive impact. Potential negative impact from increased travel will be mitigated by increased mobile and remote working.

Consultation responses (including from the Youth Council)

23. This will be conducted in accordance with the Councils agreed policy.

Background Papers

Appendices:

Appendix A – Legal Shared Service Business Case

No other background papers were used in the writing of this report.

Report Author: Alex Colyer – Executive Director (Corporate Services)
Telephone: (01954) 713023

This page is left blank intentionally.



Business Case and Proposal For the formation of a Single Legal Service for Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council

v.5f

Table of Contents

		Page
1.0	Executive Overview	1-3
2.0	The existing provision of legal services	3-4
3.0	The Shared vision and options – the brief	4-8
4.0	What we aim to achieve – opportunities for an improved service	8-12
5.0	The delivery vehicle and organisation of the new service	12-13
6.0	Managing and commissioning the Practice	13-14
7.0	Governance & decision-making processes	14
8.0	Conflicts of interest & Confidentiality	14-15
9.0	Finance - Sharing costs & financial benefits	15-16
10.0	Broader Benefit Realisation of the Proposed Model	16-18
11.0	Analysis of key risks	18
12.0	Implementation	18-19
Appendix 1	Timeline for Implementation	20

1.0 Executive Overview

- 1.1 Cambridge City Council ('CCC'), Huntingdonshire District Council ('HDC') and South Cambridgeshire District Council ('SCDC') have agreed the principle of working in partnership to deliver a range of shared services. It is proposed that this takes place on a phased basis rather than have one large implementation of a wide range of shared services. A successful bid was made to the Transformation Challenge Award (TCA) fund, a Government scheme to support public sector transformation. The TCA money is being used to support the shared service initiative in general and some of it is being used to support the creation of a legal shared service, to be known as the Practice, which is included in phase 1 of the shared service programme.
- 1.1.2 Although there are differences in how each of the three Council's legal teams operate, they are facing similar challenges for the future - namely, how to manage with fewer resources, yet provide the high quality and often specialised legal advice that Councils rely upon. Each Council also recognises the need for a change of culture in the commissioning and delivery of legal services.
- 1.1.3 Individually, each council struggles to recruit and retain legal staff, and is increasingly reliant upon external providers to meet its needs, especially on major projects. Nationally, standalone legal services teams are unable to maintain a staffing level that provides the specialists they need across a wide range of legal disciplines; this is becoming increasingly difficult as legal budgets reduce. A shared service solution to join forces and create a critical mass of capability, target efficiencies, and actively seek to take advantage of income generating opportunities is what is being considered here.
- 1.1.4 It is proposed to form a single Practice comprised of 19 legal fee earners and 7 administrative staff, operating from 3 hub offices in Cambridge, Huntingdon and Cambourne.
- 1.1.5 The total budget of the new Practice will be circa £1.5m. As with all service areas within the three Councils, each Legal Services team has already been challenged to reduce the costs of delivery; savings have accordingly already been taken by each Council from their 15/16 budgets (the last year when each Council approved its own legal service budget if this Business Case is accepted). These savings are therefore not reflected in the starting budget for the new service. Further savings for delivery in 16/17 are set out in section 9 of this document.

- 1.1.6 It is proposed that the Practice should be provided through a Business Plan from October 2015, delivered by 'CCC' on behalf of the three participating Councils.
- 1.2 The proposal carries some initial investment and it is proposed that this will be funded from the Transformation Challenge Award (TCA) and vacant posts:
- the proposal is to use interim management arrangements to drive the implementation of the Practice between July and the appointment of a new management team (see 3.2). This cost is estimated at £80k.
 - additional licences, maintenance fees and project management for the proposed extension of the computerised case and time management system across the Practice. This cost is estimated at £30k.
- 1.2.1 Following the proposed TUPE transfer of staff into the Practice it is proposed that a new management team will be appointed to oversee a service-wide restructuring; this will take place within the first year. It is proposed that additional implementation costs occurring as a result of the new structure such as redundancy and pay protection will be borne in the following way; those costs associated with staff ring-fenced for the proposed management structure will be borne by the pre TUPE employer; costs in respect of other employees should be borne by the three partner authorities in proportion to their contribution to the legal service budget.
- 1.3 The proposal offers a sustainable opportunity to stabilize and improve the legal service that partners already enjoy: existing teams will stay where they are on commencement of the Practice so as to minimise disruption to clients and maintain the existing balance between the supply and demand for legal services. This arrangement will be reviewed within the first six months of its operation. Furthermore, where specialist advice is needed it can be obtained from within the Practice or commissioned by it from external legal advisers, funded directly by client departments subject to their prior agreement or by the Practice themselves where the advice is required by them rather than the client.
- 1.4 The proposal sets out clear and realistic measures by which participating authorities may achieve significant, recurring, long term efficiency gains. It also tackles the issue of lack of capacity in certain

areas of expertise (for all three Councils) by creating a critical mass of capacity coupled with management arrangements that will enable resources to be deployed effectively and efficiently and the adoption of better standardised practices and processes. It will begin to address the issue of recruitment and retention in local authority legal services by creating an organisation that offers greater opportunities for career progression, both as specialist lawyers and as managers. The configuration of the Practice also provides flexibility in the delivery of support of the monitoring officer function to each of the participating Councils.

- 1.5 The new, more innovation-focussed characteristics of the Practice will demand a high standard of leadership. The proposal therefore underlines the need to ensure that the senior management team possesses the right range of managerial, commercial, innovation and change management skills necessary to deliver the new service, the proposal therefore acknowledges the need for the creation of the new post of Head of Legal Practice.

2.0 The Existing Provision of Legal Services

- 2.1 Currently, each council operates its own discrete legal services, each with a dedicated small team of legal and administration staff and led by a Head of Legal Services.

Currently staffing levels are as follows:

	Barrister/ Lawyer	Part qualified legal staff	Administration staff	Vacancies/Locums/ Temps	Staff
Cambridge City Council	8	4	4	2	18
Huntingdonshire District Council	2	0	2	0	4
South Cambridgeshire District Council	4	1	1	2	8
Existing total	14	5	7	4	30

- 2.2 The gaps in expertise mean that legal teams often struggle to meet the proper service demands of their client departments, necessitating increased costs from the externalisation of work to external lawyers. The Practice solution will focus on closing those gaps initially by using the capability from within it for the benefit of the three partners and by better aligning current capacity with demand.

2.3 Details of the extent of the current external spend in respect of legal services can be found below.

External Legal Costs				
	CCC	HDC	SCDC	Total
	£	£	£	£
2012/13	141,440	249,108	97,372	
2013/14	146,664	145,215	97,032	
2014/15	119,474	80,950	84,650	
	407,578	475,273	279,054	
Average spend:	135,859	158,424	93,018	387,301
			10%	38,730

2.4 It is considered that a 10% reduction in the value of currently externalised work should be achievable; based on a £387k figure this would have a value of £38k pa. See 2.3 above.

3.0 Cost Sharing and Efficiencies

3.1 In accordance with the general principles proposed for shared services, contained in the covering report elsewhere on this agenda, savings made by the Practice will be distributed in proportion to the initial investment made by the three Councils. The gross budget for each Legal service, the proportions for the Practice and the anticipated 16/17 savings are illustrated below.

Gross Budget for each Legal Service

	2015/16
	£
CCC	826,130
HDC	202,860
SCDC	415,080
	1,444,070

2016/17 savings shared in proportion to 2015/16 gross budget contribution

57.21%	14.05%	28.74%	
CCC	HDC	SCDC	Total
£	£	£	£
102,403	25,146	51,451	179,000

3.1.1 The existing 15/16 budget provision from each legal service will be incorporated to form the Practice budget. This is net of the identified savings within those budgets which will be achieved by the Council's concerned prior to the transfer of the budgets to the Practice. This is illustrated in the following table which also shows the reducing net budget as a result of the proposed savings target for 16/17.

The Practice Budgets (excluding recharges / overheads)

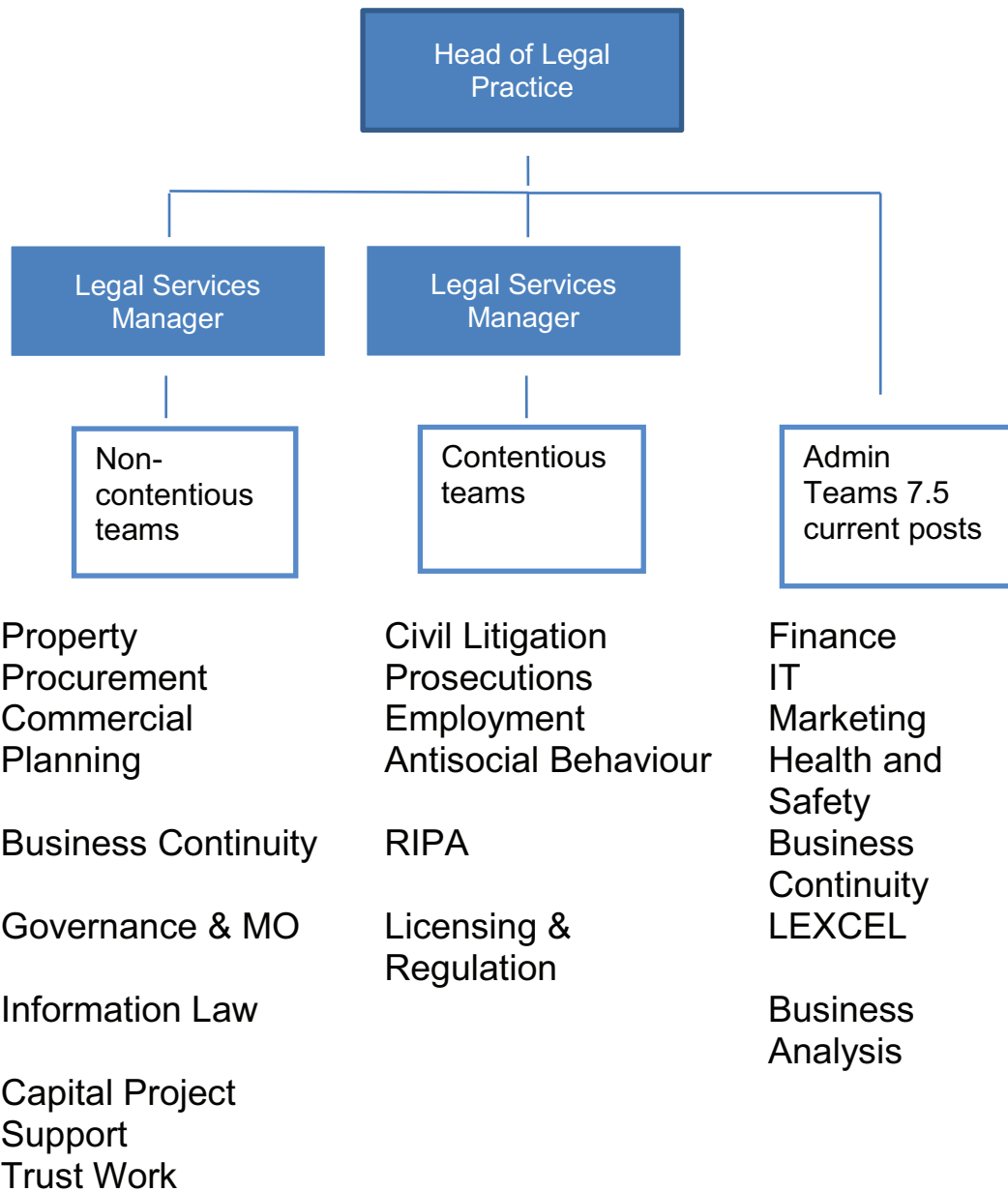
	Year 0*	Year 1		
	2015/16	2016/17	Savings	Savings
	£	£	£	%
Gross Budget	722,035	1,303,800	140,270	
Less Income	125,355	289,440	38,730	
Net Budget	596,680	1,014,360	179,000	15%

* Yr 0 figures are for the 6 month period from Oct 15 to Mar 16. Year 0 figures assume savings already taken from Partners prior to baseline budget setting

3.1.2 Once the Practice has been created and has gathered some operational baseline data, it will develop an approach by which each council can determine the performance required and target potential efficiencies. Any surplus would then be distributed back to the Councils in proportion to the level of usage of each partner.

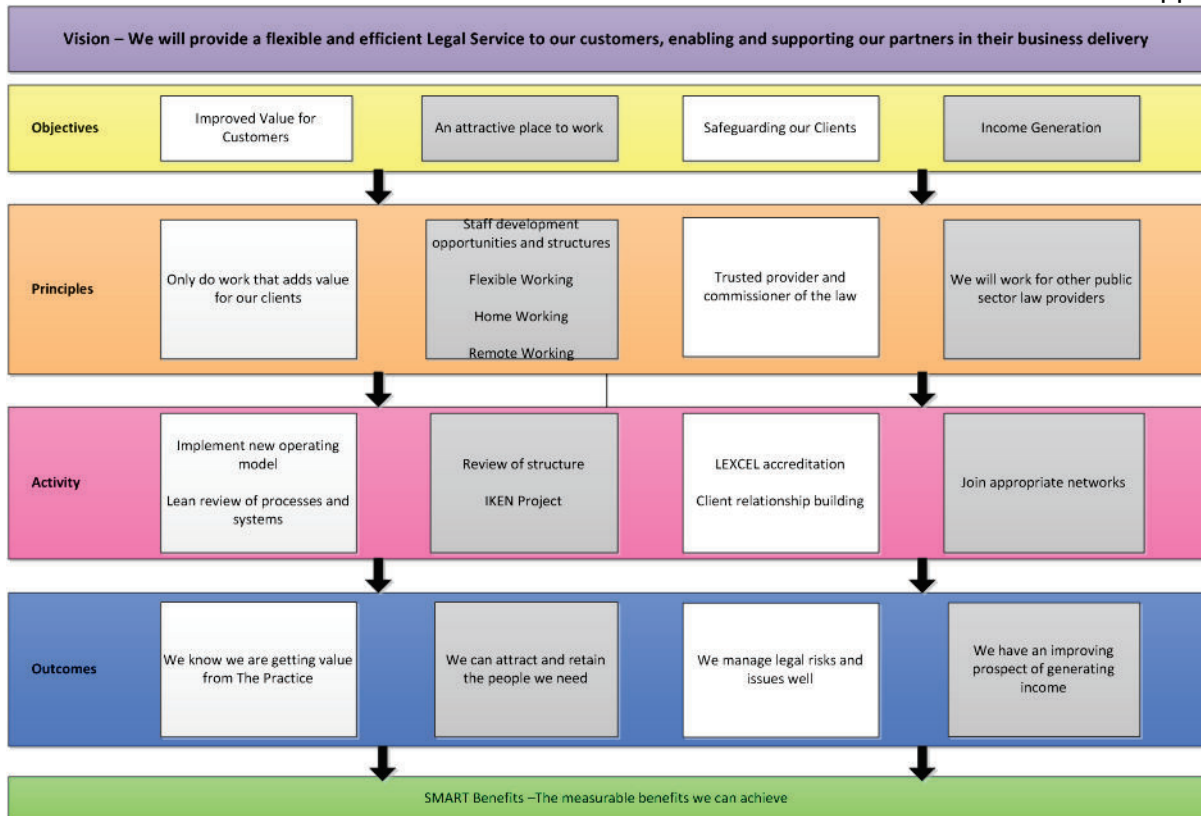
3.2 **New Operating Model and Roles**

It is proposed that the Practice will operate within a new operating model which will be led by 3 new management roles, these are illustrated over.



3.3 Vision

The vision for the Practice is contained in the following table.



3.4 Scope

Although it is recognised that different legal teams take on a variety of functions across each council, it is solely legal services and the administration that supports legal services which are included in this business case.

3.4.1 Land Charges, Elections, Democratic Services and Procurement teams are accordingly not within the scope of the Practice. This will create some disaggregation issues for participating Councils as there are staff out of scope currently within legal services and staff within scope who currently manage staff not within the legal team – all these issues are in hand within the respective Councils.

3.4.2 Work relating to the Regulation of Investigatory Powers Act ('RIPA'), the Freedom of Information Act ('FOIA'), the Data Protection Act ('DPA'), Assets of Community Value ('ACV') and similar areas will remain with the participating Councils who will commission legal advice and support as appropriate from the Practice.

3.4.3 As regards the Monitoring Officer role, each authority will take a decision on its required Monitoring Officer arrangements separately from this project. The Practice can, if required, provide a full Monitoring Officer service to any authority which requires it. Responsibility for corporate governance within each participating authority will remain with

that authority and its Monitoring Officer, with the Practice providing legal support and assistance as required.

3.4.4 The Practice business case is based upon the need to increase resilience, improve the quality of service to clients, become more efficient and increase capacity within the Practice in order to reduce expenditure on external legal support and increase external fee earning opportunities. It will always be necessary to externalise a proportion of legal work in specialist areas, but this should be an exception and not the norm. Commissioning of legal work externally will only take place following discussion with the legal team and a robust assessment of capacity and risk issues. Council service departments should not individually buy in external legal services; all commissioning activity should be managed via the Practice.

4.0 What we aim to achieve - Opportunities for an improved service

4.1 Optimising effective use of legal skills

Although there is a fully functioning case management system and workload/time recording in operation at CCC ('IKEN'), this does not take place in either HDC or SCDC. A form of case management ('Sharepoint') is utilised at SCDC and this system has the advantage of direct client access to case management information but no recording or management of staff work time. HDC have a case management system, 'Solcase', but it is not consistently used.

4.1.2 The Practice will need a fully integrated case management system with clear chargeability targets for all legal staff, in order to begin to understand staff capacity and utilisation.

4.1.3 It is initially proposed this is delivered by the extension of the existing IKEN system used by the City Council (although cases already on the SCDC Sharepoint system would remain on that system until implementation of the already proposed upgrade of the IKEN system to allow direct client access (due within the next 9 -12 months).

4.1.4 The IKEN system also provides for administration and management files and reports meaning that the system can also be used to manage the performance of the Practice.

4.1.5 It will be necessary to negotiate additional user licences to allow the extension of the IKEN system. It is hoped, in current markets, that this could be done with reduced extra cost but, in any event it is anticipated that any additional fees would only be around £1000 per person for the

licence and £400 per person annual maintenance. A budget provision of £30k is required for licences and implementation.

4.2 Review the level of currently outsourced legal work

Across the three Councils a significant amount of work is currently outsourced to external legal providers at significant extra cost. The amount spent is estimated at £387k each year. However, it is very difficult to get an accurate figure for the cost of work outsourced due to differing accounting practices. In all Councils the cost of any external legal work is borne by individual services that require this work to be carried out. The direct cost is not reflected in the budgets for legal services giving little incentive to try to accommodate the work in-house. A table showing current estimated expenditure on external legal services across all three Councils over the past 2 years is at 2.3 above.

- 4.2.1 Each council currently has a range of specialisms that it manages in-house and each has to go externally to meet any gaps in expertise or capacity. It is difficult to get a fully accurate picture of the total amount of legal work carried out across the three Councils - however, it is clear from having carried out fact-finding interviews with each Council's legal services team and an assessment of expertise and capacity set out above that there is cross-over with one Council having the ability to meet work needs arising in another. This means there is capacity within the Practice to manage current work requirements and, in particular that there is scope for work currently outsourced to be picked up too, particularly planning and employment law work; this is particularly true if clearer and more bespoke administrative support arrangements are put in place to support the legal professionals.
- 4.2.2 Additional chargeable legal capacity has been identified within the service currently provided. 'CCC' is the only team that record, in detail, its chargeable time. This indicates that staff are working to a chargeable hours target of 1200 per annum, which is lower than the general local government chargeable hours target of 1250 per annum. The extension of such a target would release at least 600 additional chargeable hours to the new Practice (based only on CCC figures and only on the 12 permanent barrister / lawyer posts).
- 4.2.3 Some work will always need to be externalised – for example where Counsel's advice is needed or where the team does not have the experience in the relevant work area. For this latter eventuality it is proposed that 'partnering' arrangements are entered into with other local authority in-house teams, particularly other practice legal teams so that, in the event such work is put out, the rates charged for such work are considerably less than those charged in private practice (and

with the additional bonus of a built-in understanding of local authorities and how they work). (See 4.4 below).

4.3 Client Demand Management

It is clear that there will need to be a cultural shift in how the council services target and access legal advice. This can be done by mainstreaming a robust risk-based approach, while maintaining a legal service in which departments, as intelligent clients, continue to have confidence including, for example:

- (a) Formalising instruction pro-forma so those requesting legal advice provide more detail of what they actually want and how it is to be funded at the outset.
- (b) Assisting client departments to undertake more work themselves so that routine work continues without unnecessary legal approvals.
- (c) Reviewing the meetings that legal officers are required to attend at both officer and member level.

4.3.1 An 'intelligent client' - able, through detailed liaison with the legal team, to make informed and robust decisions on behalf of their respective Councils whether, when and if so how, to commission legal work is a vital component of this proposal. It is recognised that a good deal of work will need to be undertaken as a matter of urgency by the new service to ensure that such confidence continues and is built upon.

4.3.2 One further way to better manage work load and to reduce the need to externalise legal work, is by managing the professional level at which work is carried out to ensure that it is aligned with the capability level required for the work and delivered at the lowest possible cost.

4.4 Improved Partnership Working

Both CCC and SCDC belong to the Public Law Partnership (PLP). *'PLP is the legal services partnership of authorities in Essex, Cambridgeshire, Hertfordshire and Suffolk who work together to share resources and ensure legal support is provided to all clients. PLP share staff, legal information, know-how and training and can provide public sector legal services to all public bodies.'* While participation in the partnership to date has been minimal, there are significant advantages in the new Practice remaining a part of PLP. PLP is still developing and has not yet reached its full potential, but partners are beginning to work together to explore 'lean' practices and provide standardised solutions to common issues. The support of a larger consortium will be valuable to the Practice as it begins to explore future options.

4.4.1 As set out in 4.2 above, it is also proposed that 'partnering' arrangements be created with other local authority in house teams particularly other shared services, to create 'best-practice' pools and information sharing.

4.5 External Publications

Each team relies on external publications as an essential tool of the legal profession. The vast majority of, but not all, legal publications are now provided on-line and there would be clear benefits from combining the purchasing power of all three Councils for the future procurement of these services.

4.5.1 Broadly all three Councils are already using the same services - Practical Law, Westlaw and Encyclopaedias on line.

4.5.2 Savings, however, are not expected to be large as both CCC and SCDC have already benefited from reduced publication costs by becoming a partner in the Public Law Partnership. The amounts currently spent on subscriptions, memberships, books and publications across all the Councils totalled £69k for 2015/16 and would appear to be in line with the requirements of the Practice.

4.6 Improved Key Performance Indicators (KPI's)

Setting some KPI's across the team will assist in driving forward some performance standards to be agreed between the partner Councils. This will be done within the development of the Business Plan and could include, for example:

(a) Reduction of external spend to (say) 50% of existing (across the board) level

(b) 100% of certain types of work to be undertaken in house (say, conveyancing and S106 agreements)

(c) % efficiency saving to be delivered by the Practice each year - target 8%

(d) Customer satisfaction survey levels not to drop below 90% excellent

4.6.1 KPI's for the Practice will form part of the Business Plan under which performance would be managed by the management team of the Practice and reported to each meeting of the Practice Operational Management Board (POMB) (see 7.2 c below) as well as reported

formally back to Clients in an Annual Report (and more frequently on an exceptions basis). Performance will be monitored on a quarterly basis at the Partnership Board for Shared Services (PBSS) and the Joint Committee (Member Board).

4.7 Increased Productivity

A more robust service will allow work to be allocated to a fee-earner not only with appropriate expertise but also with capacity to deliver to the time-scales and priorities of the client, reducing the risk of bottlenecks and backlogs, improving client confidence and enabling council decisions and policies to be speedily and efficiently implemented.

5.0 **The Delivery Vehicle for the New Service**

- 5.1 It is not proposed at this stage to set up a completely new legal entity for the proposed service. The law would require a separate trading entity to be run through a company, while the regulatory rules nationally governing solicitors would require such a body to be an 'Alternative Business Structure'.
- 5.2 This would entail additional formal requirements, such as the designation of specific roles within the Practice as compliance officer for legal practice (COLP) and a compliance officer for finance and administration (COFA) all of which have not insignificant cost implications. Also, if created as a stand-alone law firm, the new service would be required to comply with the Solicitors Accounts Rules maintaining separate client and office accounts (and entirely different and specialist approach to accounting from the local authority in-house model and one, again, entailing extra cost).
- 5.3 To avoid any unnecessary regulatory burden, in the first instance it is proposed that all staff would be employed by the lead authority, 'CCC'. This will require staff in scope from HDC & SCDC to transfer (under the provisions of TUPE) to CCC. The proposal is for staff to transfer to City Council employment on 1 October 2015. The proposed timeline for this process is set out in Appendix A/1.
- 5.4 The proposal is to initially organise the Practice around a multi-site basis with flexible accommodation in Cambridge, Huntingdon and Cambourne. This will be reviewed within the first six months of operation.
- 5.5 To deliver an effective and efficient legal service for its clients, the new Practice will require:

- (a) Sufficient office accommodation – to be provided ‘as is’ in the first instance but to be subject to detailed review as part of the need to produce a new structure within the first year of the life of the new service.
- (b) Appropriate IT systems (time and case management, legal research etc) to support
- (c) Sufficient suitable qualified staff to undertake both the legal and support work necessary – to be ascertained through the proposed structure review referred to above.

6.0 Managing and Commissioning the Practice

6.1 How the Practice will be managed

It is proposed that the Practice will be managed by a new ‘Head of Legal Practice’, specifically chosen for entrepreneurial and leadership skills as well as management capability and legal expertise (since the post-holder will be expected to run their own high-level legal caseload).

6.1.1 That role will be supported by 2 Legal Services Managers, responsible for the delivery of functional law in specific areas and for the allocation of work to the staff within those teams.

6.1.2 CCC currently has LEXCEL quality accreditation and it would be proposed to extend this to the whole service. This will be an important job for the Head of Legal Practice (See 10.5 below).

6.2 How work will be commissioned

As set out above, client departments will have a major role in developing a Business Plan on an annual basis, along with the Practice, in decisions on whether, when and, if so, how legal work should be commissioned. It will be important for those instructing the new Practice to have a ‘go-to person’ to whom work is referred, able to make decisions on to whom it should be allocated and ensure it is carried out within the client’s requirements and timeframe. It is proposed this should generally be at the appropriate ‘Legal Services Manager’ level. See 3.2 above. For large areas of new work, whether planned or unplanned, or for unexpected major issues (such as major judicial reviews etc), this ‘go-to person’ would be the Head of Legal Practice who can make any necessary resourcing decisions.

6.2.1 Once work has come in, progress will be reported regularly back to clients, together with costs estimates etc.

6.2.2 The management team of the new Practice will have responsibility for ensuring proper on-going monitoring arrangements for work progress and proper client care through the Business Plan and reporting of appropriate 'key performance indicators' with each participating council.

7.0 Governance and Decision-Making Processes

7.1 Details for the governance arrangements for shared service are contained within the covering report elsewhere on this agenda.

7.2 It is proposed that the governance of the Practice be kept as simple as possible, as follows:

(a) The Head of Legal Practice be line managed by the Director of Business Transformation at CCC.

(b) The Practice will have an internal management team made up of the Head of Legal Practice and the Legal Services Managers, with input from others as required. (See 3.2 above)

(c) A POMB will be established to (as necessary) agree or recommend to the PBSS decisions on, for example, commissioning matters, budgets, fee levels and so on, and to monitor performance. This POMB will set the direction for the partnership and will be made up of the Head of Legal Practice and 1 senior officer representative (acting in the role of client officer) from each of the participating authorities. Also on the POMB, in the capacity of 'critical friend' to the Practice, will be an external local authority legal expert (agreed by the partner authorities) to ensure that external challenge is brought to the Practice in order to maintain best practice and innovation.

(d) The Practice will produce an annual Business Plan which will be endorsed by the Joint Committee and which will be available for consideration through the overview and scrutiny arrangements in each participating authority.

8.0 Conflicts of Interest and Confidentiality

8.1 There are specific requirements within the professional codes of solicitors and barristers which set some strict requirements on how lawyers must manage conflicts of interest when acting for more than one client.

- 8.2 Similarly there are strict rules relating to the maintenance of client confidentiality when working for more than one client.
- 8.3 A Protocol and Procedure for such circumstances will need to be developed prior to the commencement of the new service.

9.0 Sharing Costs and Financial Benefits

- 9.1 Details of legal expenditure for all three Council's legal services teams are included at 3.1.2 above.
- 9.2 Funding of the Practice is proposed, for the first two years of operation, to be provided by each Council putting in its already budgeted amount for legal spend for 2015/16. The savings figures for Legal Services already agreed by each Council for year 2015/16 have already been removed from these budgets. For the avoidance of doubt, the figures in 3.1.2 show the projected savings for each council for future years and the Business Plan to be entered into by the participating councils on implementation of the new Practice will include provision that these figures are 'ring fenced' and protected from further reduction unilaterally by any participating council. This excludes spend on externally supplied law that is currently commissioned by client departments. Going forward, such externally supplied work will be commissioned by the Practice on behalf of client departments. It must be noted that the proposal is that each council will be undertaking to effectively 'ring-fence' this contribution at that level.
- 9.3 Where the Practice makes a surplus at the end of any year, this will be distributed back to the participating Councils. Where the Practice makes a 'loss' in any given year, the amount and reasons for this will be reviewed by the PBSS and Joint Committee and reported back to the participating Councils via their appropriate political structure.
- 9.4 External legal expenditure – details on how work will be commissioned are set out at 6.0 - work needed to be undertaken outside the Practice would be paid for by the service requiring the work to be carried out. Where this is required by clients, it will be paid for as a disbursement by clients. In the very rare event that external support is required by the Practice itself, it will be funded by the Practice. It is proposed that a target be imposed on the Practice to reduce external legal spend by 10% (£38k) in the first year of operation.
- 9.5 Income - Each legal team recovers income from successful court proceedings and re-charges to third parties for certain work, most notably planning applicants for Section 106 Agreements. Estimated

income is around £251k in total see 3.1.2. However, we do not have a full picture of all income generated across the three Councils and more work needs to be done to reflect the different treatment of the income. It is worth noting that if earned income is not accounted for in legal services budgets, but put into service budgets instead, there is little incentive for legal services teams to maximise income potential.

- 9.6 It is proposed that monies relating to legal work, such as legal costs recovered in court fees and contributions towards legal costs in S106 cases, be returned to the relevant Council.

10.0 Broader Benefit Realisation of the Proposed Model

- 10.1 *Critical mass* – merging the teams will enable work currently outsourced to external legal suppliers at considerable expense to be undertaken in-house. Section 2.2 above sets out the opportunities for using spare capacity across the Practice.
- 10.2 *Sharing best practice* – it is NOT initially proposed as part of this shared service to provide a ‘one-size-fits-all’ Practice. Client Councils will be able, if they wish, to have their work carried out using the templates and processes which suit them best. However, sharing brings with it clear opportunities for Council’s to pick up national and local best practice and process efficiencies and over time a move to a more standardised approach will be pursued.
- 10.3 *Resilience* – sharing a service means that work is able to be done by a wider range of people. Not only does this mean that work can be undertaken at the best and most efficient level to undertake it but also that there is always someone available to undertake work, during leave periods etc. For those who do not have it, moving to electronic case management and library resource provides essential business continuity support.
- 10.4 *Trading* – a combined service provides critical mass to allow the Practice to consider opportunities for additional income from undertaking external work for other public bodies. While it is undoubtedly true that, as more and more Councils look for opportunities to trade, the pool of available work is shrinking, there are opportunities out there – e.g. work for parish councils, support for the NHS and so on.
- 10.4.1 This brings with it opportunities to partner with both other council legal teams or with private practice law firms in tendering for appropriate work. Such relationships also generally bring other advantages, such as

opportunities for shared (and therefore better value) training or marketing.

10.5 *Accreditation*- Lexcel is the Law Society's legal practice quality mark for excellence in legal practice management and legal client care. Only CCC currently has the Lexcel accreditation. The benefits are that it requires the introduction of sound systems and processes designed to improve client services and produce efficiencies. It is also an indicator to those outside of the Practice that certain professional standards have been set; this will be important as the Practice begins to market its skills more widely. As a combined service it will be difficult to achieve Lexcel accreditation across the three Councils in the first year of operation – so this will mean that as a lead authority, CCC is likely to lose its accreditation until the new Practice is properly integrated and working to the required standard. This would be an important issue for the Head of Legal Practice to pick up as a matter of urgency.

10.6 *Commissioning and Funding*

10.6.1 The Practice provides the participating Councils with the opportunity to conduct a fundamental review of how legal services are both commissioned and funded

10.6.2 This will include gaining a clear understanding of the demand for law in order to ensure law is only requested and provided when necessary under a robust risk assessment. This will ensure that work, which can properly be done by client departments, is not referred to the Practice unless necessary, again under a robust risk assessment.

10.6.3 Funding - the traditional way of approaching legal funding is that Councils generally budget based on what they spent in previous years. Any charging is generally assessed by taking the cost of the legal service, and dividing it proportionally among service users. This 'multi-client' model provides the basis to enable the Practice, if required, to charge an hourly rate for the legal work it does and to do so at different levels depending on the grade of the officer working on it. It also enables the Practice to move to a charging model more akin to that of private practice law firms.

10.6.4 During the first 18 months of operation the Practice will provide legal capacity to the three partner authorities in proportion to the initial investment made by them. Once this level has been reached additional work would be charged for separately. This approach is being followed on the assumption that the budgets received by the Practice at the outset reflect expected demand for legal work from the Practice. This

will allow time for a more detailed assessment of demand for legal services to be undertaken.

11.0 Analysis of Key Risks

11.1 The Shared Service covering report elsewhere on this agenda contains a register of general risks associated with the implementation of shared services. It is believed that the risks arising out of this specific proposal are not high and are easily outweighed by the benefits. A detailed risk register will be developed as part of the new service.

12.0 Implementation

12.1 It is proposed to retain experienced interim support to manage and drive the implementation of the Practice and to manage its operation until the new Practice management structure is in place. The cost of this will be funded via the TCA fund.

12.2 Formal consultation with staff, Unions and Staff Council at HDC will take place during August in accordance with each Councils policy on consultation. The consultation will be in respect of the proposed TUPE arrangements and new management structure.

12.3 The Business Plan will initially be developed in consultation with the clients of the service during August and September and will reflect the contents and principles contained within this business case.

12.4 Staff in scope will transfer to CCC under the Transfer of Undertakings (Protection of Employment) legislation ('TUPE') in their existing roles.

12.5 The implementation of the new Practice management structure will then be undertaken. Following implementation of the new service in October 2015, a detailed and comprehensive staffing review will be undertaken within the first year, based on an assessment of the needs of the new service, and a new structure implemented.

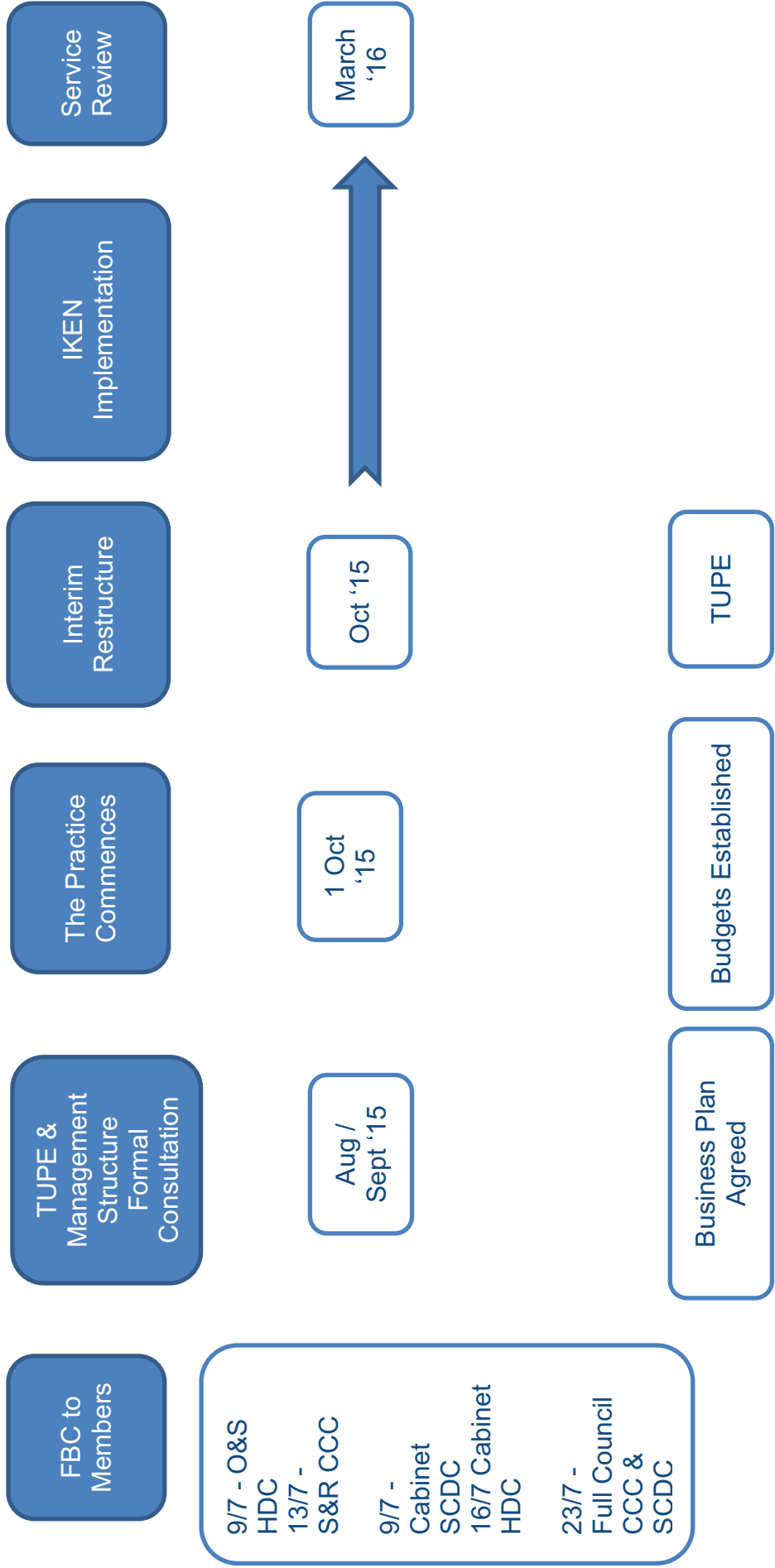
12.6 It will be necessary to implement a move to a joint time recording and case management system (in the short term this will mean extending the use of IKEN and of SharePoint - see 4.1) as part of the initial implementation. Other necessary ICT infrastructure will need to be in place to enable the Practice to operate – for example:

- remote working from home
- remote working from hubs and other locations (e.g. courts, client locations, etc)
- combined electronic library and research systems

- client access to relevant file information and so on.

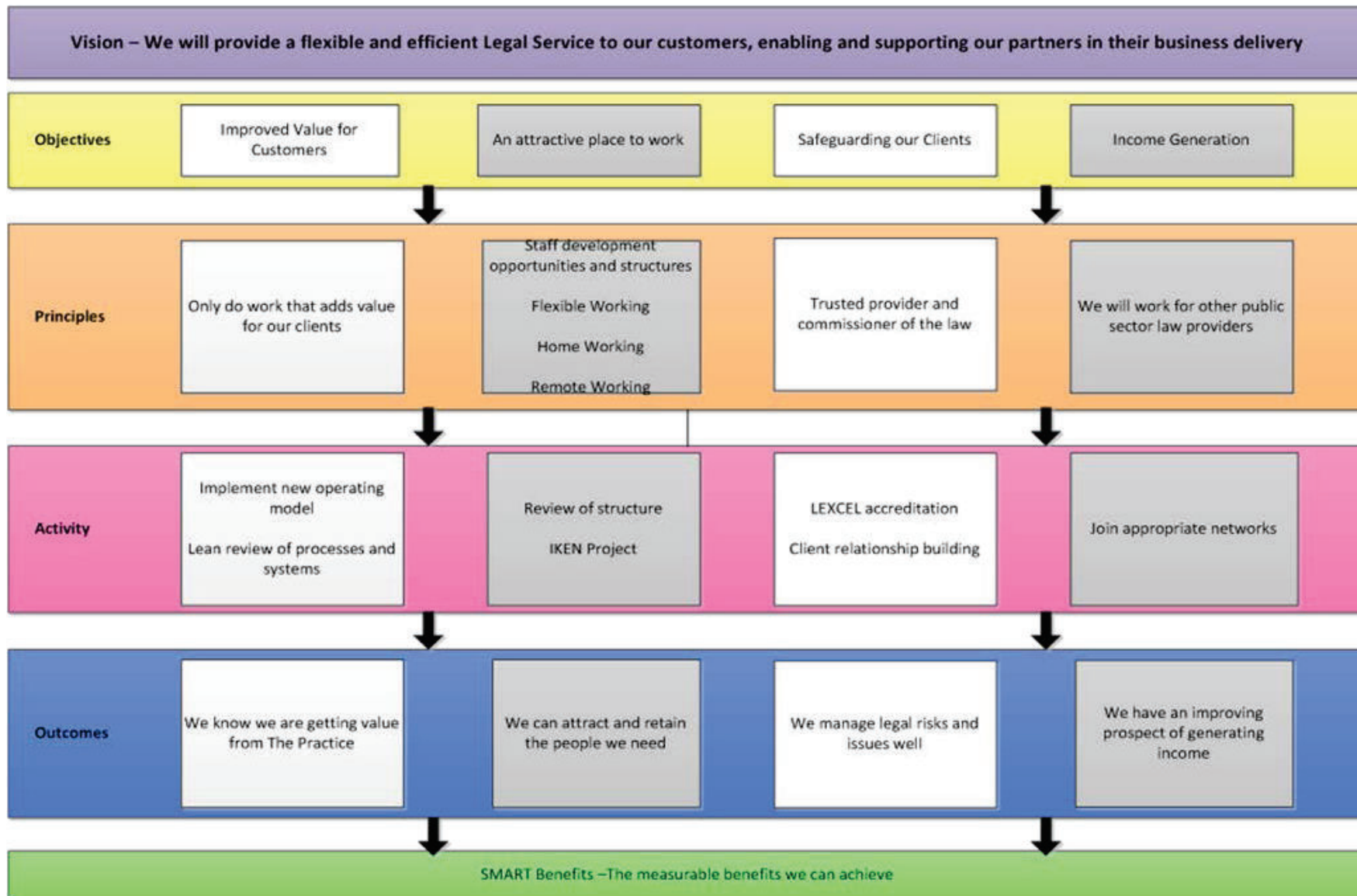
This will be closely tied in with the proposed ICT shared services and will be funded by the TCA monies.

Timeline for Implementation



This page is left blank intentionally.

3.0 The Vision for the Practice



This page is left blank intentionally.



Report To: Cabinet
Lead Officer: Executive Director (Corporate Services)

9 July 2015

Shared ICT Services

Purpose

1. Cambridge City Council (CCC), Huntingdonshire District Council (HDC) and South Cambridgeshire District Council (SCDC) have agreed to work in partnership to deliver shared services and have agreed general principles to underpin the approach.
2. This report provides the business case to establish an ICT Shared Service (ICTSS) between the Councils and details the activity to create the ICTSS.
3. This is a key decision because it results in the authority incurring expenditure which is, or the making of savings which are, significant having regard to this Council's budget for the service or function to which the decision relates and it was first published in the May 2015 Forward Plan.

Recommendations

4. Cabinet is recommended to approve the Business Case and delegate authority to the Executive Director (Corporate Services) to make decisions and to take steps which are necessary, conducive or incidental to the establishment of ICTSS in accordance with the business case.

Reasons for Recommendations

5. Reasons for the recommendations are set out in the Shared Services Overview Report.

Background

6. When this matter was last reported to Cabinet, approval was given to develop a business case and to appoint an ICT Shared Service Programme Lead. This was funded in full by the Transformation Challenge Award (TCA) made by Government to the three Councils concerned to support their work towards a range of shared service arrangements.
7. The business case for the establishment of the ICTSS can be found at Appendix A to this report. The rationale for the establishment of a ICTSS between CCC, SCDC and HDC is that it will enable the creation of a shared applications systems and technical infrastructure to facilitate wider shared service delivery for all Council Services, reduce overall IT cost, increase resilience and capacity and improve staff recruitment, retention and development.

Considerations

8. It is proposed that HDC will act as the lead authority for the ICTSS; although it is recognised that different ICT teams take on a variety of functions across each Council, the scope of the ICTSS has been agreed by the partner Councils and is described in this business case.
9. The ICTSS will be created by the TUPE transfer of staff from CCC and SCDC to HDC; this is proposed to happen on 1 October 2015. Interim management arrangements will be put in place prior to the appointment of the proposed Head of the ICT Shared Service.
10. The gross ICT operation budget of the three Councils in 15/16 is £5.798m. This figure excludes the costs of the contract that the City Council has with Northgate, which is a fixed price contract ending in 2018. Therefore, no savings have been shown against that element of ICT cost and in calculating the ratios of operating budgets at start-up, which is used as the basis for savings and cost distribution, the Northgate element has been excluded. The ratios for 15/16 are therefore CCC 32.7%, HDC 38.4%, SCDC 28.9%. They will change to CCC 41%, HDC 35.7%, SCDC 23.3% in 16/17 because the 16/17 budgets will additionally include the 3 Councils departmental non-staffing IT budgets. An exception to the use of the ratio for cost distribution is in respect of those employees ring-fenced for the proposed management structure where it is proposed that those costs will be borne by the pre-TUPE employer.
11. As with all service areas within the three Councils, each ICT team has already been challenged to reduce the costs of delivery; savings have accordingly already been taken by each Council from their 15/16 budgets (the last year when each Council approved its own ICT budget if this Business Case is accepted). Reduction of 15% of the net revenue budget after income has been applied for 16/17.
12. Interim management arrangements will be put in place prior to the appointment of the Head of the ICT Shared Service. This cost is estimated at £80k. There are also costs associated with implementing flexible working across the three Council and options and costings for this are currently in development.
13. There will be a Service Catalogue which describes the range of services which will be available to users. These service descriptions include details of service availability, support availability and business priority. The Management Team will have responsibility for ensuring proper on-going monitoring arrangements for work progress and proper client care through the agreement and reporting of appropriate 'key performance indicators' with each participating council. A technical roadmap is in development which will target key outcomes to be achieved in creating a single service.
14. The covering report on shared services, elsewhere on this agenda, details the general principles used to underpin the establishment of shared services between the 3 Councils.

Options

15. Options are set out in the Shared Services Overview report.

Implications

16. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

17. The ICTSS has a minimum saving target of 15% of net revenue budget after income has been applied.

Staffing

18. HDC will become the Lead Authority for the ICTSS. As such, identified ICT staff in CCC and SCDC will transfer under TUPE to HDC on the go-live date. Formal consultation with staff, Unions and Staff Council at HDC will take place during August in accordance with each Councils policy on consultation. The consultation will be in respect of the proposed TUPE arrangements and new management structure.

Equality and Diversity

19. An Equalities Impact Assessment (EQIA) has been carried out. The EqIA will be reviewed at all key stages including when the implementation papers are ready and after consultations have taken place.

Climate Change

20. Low Positive Impact. Reduction in accommodation and energy use associated will have a positive impact. Potential negative impact from increased travel will be mitigated by increased mobile and remote working.

Consultation responses (including from the Youth Council)

21. This will be conducted in accordance with the Councils agreed policy.

Background Papers

Appendices:

Appendix A – ICT Shared Service Business Case

No other background papers were used in the preparation of this report.

Report Author: Alex Colyer – Executive Director (Corporate Services)
Telephone: (01954) 713023

This page is left blank intentionally.



Business Case and Proposal for the formation of a Single ICT Service for Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council

Table of Contents

1.0 Executive Overview	1
2.0 The Existing Provision of ICT Services	4
3.0 The Shared Vision and Options - The Brief	5
4.0 What we aim to achieve - Opportunities for an improved service	9
5.0 The Delivery Vehicle for the New Service	10
6.0 Managing and Commissioning the Shared Service	11
7.0 Governance and Decision-Making Processes	12
8.0 Key Challenges for the current ICT services	13
9.0 Sharing Costs and Financial Benefits	14
10.0 Business Case	16
11.0 Analysis of Key Risks and issues for transition to the Shared Service	17
12.0 Implementation	18
Appendices	
Appendix 1 - Timeline for Implementation	19

1.0 Executive Overview

- 1.0 Cambridge City Council ('CCC'), Huntingdonshire District Council ('HDC') and South Cambridgeshire District Council ('SCDC') have agreed the principle of working in partnership to deliver a range of shared services. It is proposed that this takes place on a phased basis, introducing new Shared Services as and when agreed by the three Councils. A successful bid was made to the Transformation Challenge Award (TCA) fund, to take forward these proposals and deliver savings. Included in phase 1 of the shared service programme are ICT services.

The councils wish to use Information Technology (IT) as a means to transform their authorities. Currently there is a mixture of in house (2) and external (1) ICT service models and the Councils have been working on the development of a new operational model, a shared service. The Councils wish to create a shared IT Service by 1 October 2015 and wish to save 15% from the current total operating budget of approximately £5.798 million. The Councils have agreed to move forward with the creation of a joint ICT service, this report sets out the high level plan and the approach to creating the shared IT service.

Although there are some differences in how each of the three Council's ICT teams operates, they are facing similar challenges for the future - namely, how to manage with fewer resources, yet provide the high quality ICT support and development that Councils rely upon. Each Council also recognises the need for a change of culture in the commissioning and delivery of ICT services, particularly as regards the need to develop modern practices, processes and systems and to put in place the IT systems, that enable a more cost effective, flexible and customer focussed approach to service delivery.

The objectives for the shared service can be summarised, in general order of priority as:

- Create a shared IT Applications Systems and technical infrastructure to facilitate wider shared service delivery for all Council Services
- Reduce overall IT costs

- Provide a service that can proactively engage with users and has the “critical mass” to develop innovative and novel solutions to support the Councils in delivering services more efficiently
- Provide increased resilience and capacity to enable the consistent and reliable service delivery required for digital service delivery to the public.

To deliver this it is proposed to form a single service, operating from a central head office and two hub offices. HDC will be the Lead Authority

The operating budget of the new shared service will be £5.027 million for 2016/17. As with all service areas within the three Councils, each ICT team has already been challenged to reduce the costs of delivery; savings have accordingly already been taken by each Council from their 15/16 budgets (the last year when each Council will approve its own ICT service if this Business Case is accepted). These savings are therefore reflected in the starting budget for the new service. It is proposed that the service should be delivered by Huntingdonshire District Council on behalf of the three participating Councils.

The proposal carries some initial investment and it is proposed that this will be funded from the Transformation Challenge Award (TCA) and vacant posts. Interim management arrangements will be put in place prior to the appointment of the Head of the ICT Shared Service. This cost is estimated at £80k. There are also costs associated with implementing flexible working across the three Council and options and costings for this are currently in development.

A service-wide restructuring is proposed and will be subject to consultation alongside the TUPE consultation. It is proposed that the full costs of any redundancies at Head of Service level should be paid for by the originating authority. Any redundancies that may arise as part of that restructuring at officer level should be borne by the three partner authorities in proportion to their contribution in that year to the ICT Shared Service budget. Similarly the potential for pay protection exists and it is proposed that this will be dealt with in the same manner as any redundancy cost.

- 1.1 The proposal offers a sustainable opportunity to stabilize and improve the ICT Service partner Authorities already enjoy. The proposal sets

out clear, specific and realistic measures by which participating authorities may achieve significant, recurring and long term efficiency gains. It also tackles the issue of lack of capacity in certain areas (for all three Councils) by creating a critical mass of capacity. Coupling this with management arrangements that will enable resources to be deployed effectively and efficiently with the adoption of better practices and processes. Another advantage of the proposal is that it will begin to address the issue of recruitment and retention in local authority ICT services by creating an organisation that offers greater opportunities for career progression. Key factors supporting the case for a shared service can be summarised as follows:

- The Councils current ICT Services broadly offer the same scope of services to their customers
- The Councils face the same financial pressures, although to different degrees, with the continuing reduction of central government grants.
- The Councils ICT have similar contracts with the same or different suppliers. Joining these up would produce savings
- The Councils agree that the Cambridge PSN Network is an enabler to provide better and more economic ICT services to their customers
- The Councils ICT have significant areas of commonality in the Line of Business Applications Systems they use e.g. Planning Services systems, where joining up would make efficiency gains.
- The geographic distance between the Councils is generally small allowing for relative easy access for a Shared Service IT Support organisation.
- There is a general consensus that closer working is the future for Council services
- That an ICT Shared Service is a key enabler to wider shared service opportunities
- That ICT in general needs to be kept up to date and modern, to provide the types of services that the public demand
- That the Central Government message of Digital First and Cloud where possible are the future delivery mechanisms for ICT in Councils
- That providing mutual disaster recovery facilities and business continuity methods would benefit all three councils

1.2 The new, more innovation-focussed characteristics of the service will demand a high standard of leadership. The proposal therefore underlines the need to ensure that the senior management team

possesses the right range of managerial, innovation and change management skills necessary to deliver the new service. It also acknowledges the need for the creation of the new post of Head of the ICT Shared Service.

2.0 The Existing Provision of ICT Services

2.1 The three Councils serve a population of 446,300 people (SCDC – 151,400, CCC – 123,900, HDC - 171,000) delivering the same range of public services, Council Tax, Housing Benefits, Waste, Planning, Environmental Health, as well as discreet Leisure and parking service. The three Councils all operate separate ICT services, serving the public service offerings from the Council. With the Government demand for Digital first, the pace of technology change, and the rising uptake by the public of accessing public services over the Internet, demand on ICT can only continue to grow in the future. This represents a huge challenge for the individual IT Services while at the same time offering an opportunity for efficiency and improvement of IT provision for front line services. Individually it is recognised that the IT Services will find it difficult to meet those demands.

2.2 The ICT services currently provide services to:

- 2000 ICT users across the 3 councils
- HDC ICT serve 650 Users across 18 sites
- SCDC ICT serve 350 Users across 2 sites
- CCC ICT serve 1000 Users across 40 sites (6 core sites)

2.3 The current total operating budget for the three services is £5.798 million

- SCDC ICT BUDGET £1,349,480
- HDC ICT BUDGET £2,071,896
- CCC ICT BUDGET £2,377,538

Whereas the ICT services for HDC and SCDC are currently insourced, CCC operates a mixed economy whereby many of the core ICT services (application support, helpdesk) are outsourced to Northgate. For CCC, the non-Northgate provided services are assumed to be within the scope of the ICT Shared Service from day

1, as are the staff costs for the onwards management of that contract. Budget for operation of that contract will remain with CCC.

Additionally, some ICT costs included within other sections of the Council budgets will also be transferred to the ICT Shared Service to centrally manage. These details are still being finalised.

2.4 Staffing costs

Full staffing costs are shown in Section 9, below.

3.0 The Shared Vision and Options - The Brief

3.1 The three Councils have previously agreed some general principles:

Shared Service Models

The lead authority model would best suit our circumstances. Under this model, one authority would be responsible for the Shared Service, including staff TUPEd on their substantive terms and conditions from the remaining two authorities. However, shared member and officer governance arrangements would be put in place to oversee performance. The lead authority model is the starting point for considering shared services; other models may be explored over time once a shared service has been created.

Lead and host authority arrangements

It has been agreed that authorities should equitably share between them the lead authority roles for specific services. Location (i.e. host authority) will not necessarily follow the lead authority, but will be an operational decision made on a service by service basis as part of each business case. It is proposed that HDC should lead on the ICT Shared Service.

Cost sharing/efficiencies

There are a number of cost-sharing models in operation elsewhere. It has been agreed that in the first instance we should adopt a simple and transparent approach that does not create a significant amount of work that is disproportional to potential outcomes. The existing 15/16 budget provision from the budget of each ICT service, will be incorporated to form the Shared Service budget. This is net of the identified savings within those budgets which will be achieved by the

Councils concerned prior to the transfer of the budgets to the legal shared service.

Once the Shared Service is in operation and has gathered some baseline data, it will develop an approach by which each Council can determine the performance required and target potential efficiencies. Any surplus would then be distributed back to the Councils in proportion to the proportion of the cost borne by each partner.

Scope

Although it is recognised that different ICT teams take on a variety of functions across each Council, the scope of the ICT shared service has been agreed by the partner Councils and is described in this business case.

This will create some disaggregation issues for participating Councils as there are staff out of scope currently within ICT services and staff within scope who currently manage staff not within the ICT team – these issues will be managed within the respective Councils.

Staff in scope will transfer to HDC under the Transfer of Undertakings (Protection of Employment) legislation ('TUPE'). On implementation of the new service in October 2015, staff will move into a new structure this will be subject to consultation alongside the TUPE consultation.

The job description for the Head of the ICT Shared Service has yet to be evaluated but, dependant on the outcome of such evaluation, existing staff may be ring-fenced for consideration for the role.

3.2 The following assumptions and pre-requisites have been applied:

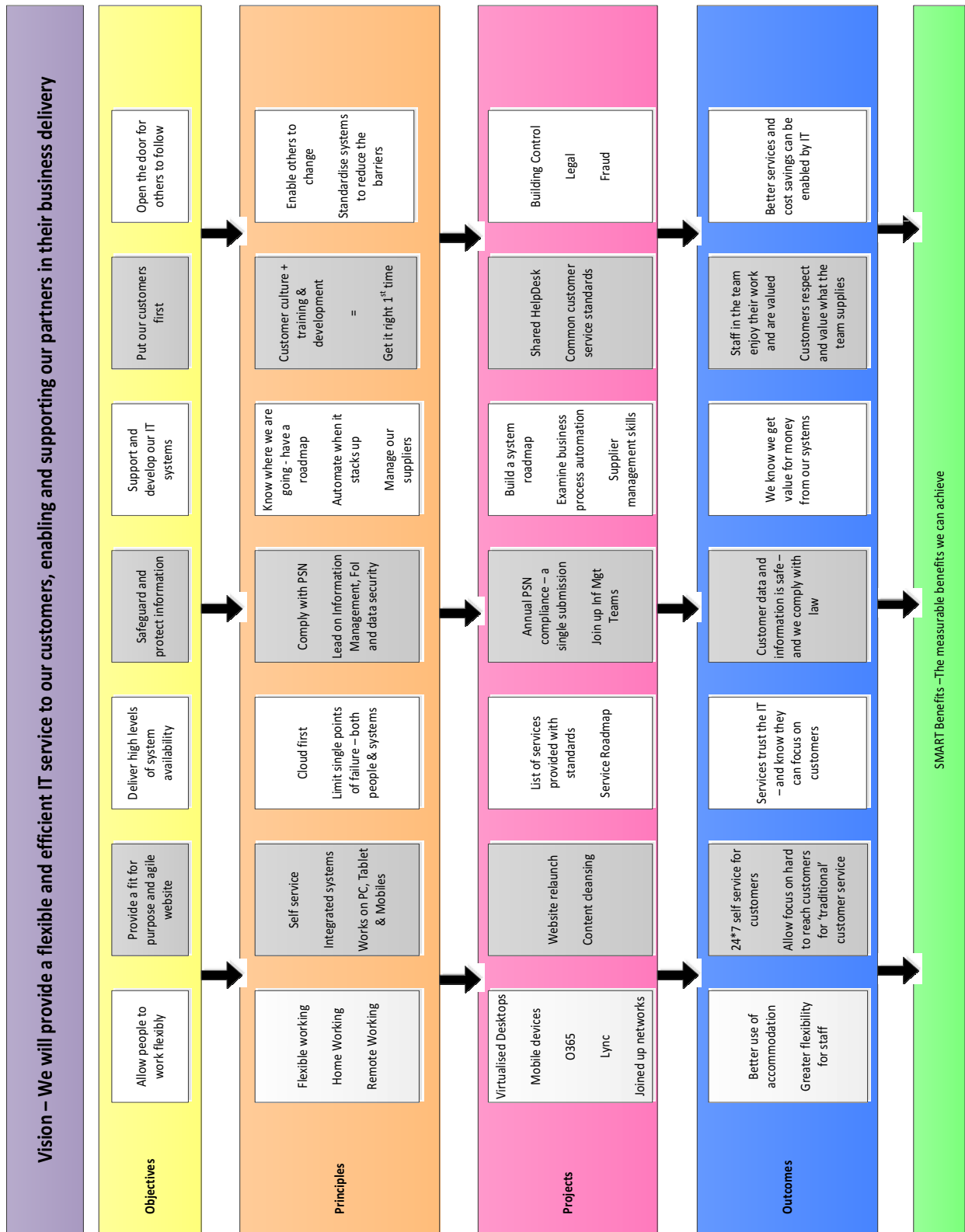
- That, subject to consultation with the affected staff, the Unions, Staff Council and the democratic processes of each council, the ICT Shared Service would be implemented with effect from the date that staff TUPEd in to it, currently estimated to be 1 October 2015. Staff within the CCC and SCDC ICT teams would TUPE transfer across to the lead authority, HDC. They would continue to be employed under their previous pay and terms and conditions.
- The business case is based upon the need to increase resilience, improve the quality of service to clients, become more efficient

and increase capacity within the service to drive innovation and technology enabled change across all three Councils.

- Interim support will be appointed, subject to this Business Case being approved, for a period up until the recruitment of the Head of ICT Shared Service, to manage the Shared Service creation and begin the implementation of flexible working technologies and joint working where quick wins have been identified. This person is recommended to be someone with experience of transforming/merging services and with strong project management skills.
- Following the merger, there will be on-going review of the Service. This will include analysing the current skills, expertise and development needs, matching them to ICT needs now and those expected going forward. There will be a review of the systems and processes to ensure that they support a modern and efficient way of working.
- Alongside the other proposed shared services, there will be an agreed 'intelligent client' approach to manage the interface between those providing and those commissioning services.
- The desktop technology used today varies significantly between Councils (e.g. Thin Client / Virtual Desktop vs. Laptops). Similarly, much of the equipment is quite new, with significant usable asset life remaining. Therefore, rather than forcing a "one size fits all" mentality, in some areas it is realistic to expect some parallel solutions in the short term (e.g. Flexible Working), with convergence in the medium and long term.

The diagram below provides a graphical portrayal of the Vision for the ICT Shared Service:

Vision for the ICT Shared Service



4.0 What we aim to achieve - Opportunities for an improved service

4.1 The expected outcomes from the shared service include:

- Drive to standardisation, consequently reducing costs and increasing value for money.
- Improving resilience – better able to prevent service loss or interruption and cope with peaks in workload and staff absences. A larger team will also give each council access to a greater breadth and depth of professional expertise.
- Reduced external expenditure – additional resources and a broader skills base will lead to a reduction in the need for external advice. Where this is required, the combined purchasing power of all three councils should lead to more competitive procurement rates.
- Improved customer service – access to a more comprehensive ICT service should result in a better and a more responsive service to officers and members.
- Decreased fixed costs – sharing or joining up ICT services across the three Councils should lead to savings in management, hardware, software, services, administrative support and accommodation costs.
- Alignment of costs with usage – with ICT as a utility the Councils will pay for only that which they use but also have the flexibility to support others or adopt new local business activity.
- Remodelling of ICT services – bringing together the ICT services of three councils gives the opportunity to look at models of operation that are not suitable or feasible for those councils at an individual level.
- Staff development – a larger service will increase the opportunity for staff development, by allowing staff to work across a broader range of areas, or to become more specialised as appropriate.
- Staff recruitment/retention – greater work opportunities should improve staff retention and help to reduce turnover. A larger shared service could provide increased opportunity to consider participating in a higher apprentice training scheme (growing our own).
- Improved support for ICT users to ensure that the technical strategy aligns with and enables client council objectives, such as introducing “digital first” services.

4.2 Improved Key Performance Indicators

Setting some key performance indicators across the team will assist in driving forward some performance standards to be agreed between the partner Councils – which could include, for example:

- % efficiency saving to be delivered by the Service each year
- Customer satisfaction survey levels not to drop below 90%

Key performance indicators for the shared ICT service will form part of the commissioning agreement.

KPI performance would be managed by the Management Team of the Service and reported to each meeting of the ICT Management Board as well as reported formally back to members through the Joint Committee (and more frequently on an exceptions basis). The ICT Shared Service will also be reporting quarterly to the Shared Services Programme Board and the Joint Committee.

5.0 The Delivery Vehicle for the New Service

- 5.1 It is not proposed at this stage to set up a completely new legal entity for the proposed service. To avoid any unnecessary regulatory burden, in the first instance it is proposed that all staff would be employed by the lead authority, Huntingdonshire District Council. This will require staff in scope from CCC and SCDC to transfer (under the provisions of TUPE) to HDC. The proposed timeline for this process is set out in Appendix 1.

The proposal is to initially organise the Service around a head office in Huntingdon with onsite support through hub offices in Cambridge and Cambourne. This will be reviewed within the first six months of operation.

To deliver an effective and efficient ICT service for its clients, the new shared service will require:

- Sufficient office accommodation
- Appropriate IT systems
- Sufficient suitable qualified staff to undertake the full range of ICT support work necessary – to be ascertained through the proposed structure review referred to above.

One decision which will need to be made by the partners as early as possible is the name by which the new service is to be known – it is extremely important for the new service to have a separate identity from its participating Councils in order for all staff to feel they are ‘pulling together’ for a single entity. This is currently being addressed by the Shared Services programme.

6.0 Managing and Commissioning the Shared Service

6.1 How the Service will be managed

It is proposed that the service be managed by a Head of ICT Shared Service, specifically chosen for entrepreneurial and leadership skills as well as management capability and ICT expertise.

6.2 How the Service will be commissioned

Client departments will have a major role, along with the shared service, in decisions on whether, when and how ICT work should be commissioned. It will be important for those instructing the new service to have a ‘go-to person’ to whom work is referred – able to make decisions on to whom it should be allocated and ensure it is carried out within the client’s requirements and timeframe. For large areas of new work, whether planned or unplanned, or for unexpected major issues (such as major system failures etc), this ‘go-to person’ would be the Head of the shared service who can make any necessary resourcing decisions. It will also be essential for there to be an agreed programme of priority projects to be agreed which will support delivery of the technology road map and systems integration that is fundamental to driving out savings and efficiencies in the new service.

6.3 How the Services are defined

There is a Service Catalogue which describes the range of services which will be available to users. These service descriptions include details of service availability, support availability and business priority.

The Management Team will have responsibility for ensuring proper on-going monitoring arrangements for work progress and proper client care through the agreement and reporting of appropriate ‘key performance indicators’ with each participating council.

7.0 Governance and Decision-Making Processes

7.1 This is described within the over-arching Shared Services paper. The ICT Shared Service will adhere to the common principles and framework which has been agreed by the three Partners.

In addition, the following has also been proposed for ICT Shared Service:

- The Head of ICT Shared Service be line managed by the Corporate Director - Services at HDC.
- The service will have an internal management team which will be confirmed as the structure is developed, with input from others as required.
- An ICT Management Board (senior officer level) will make decisions on, for example, commissioning matters, budgets, surplus profit share, fee levels and so on, and to monitor performance. This Board will set the direction for the partnership and will be made up of the Head of ICT Shared Service and one senior officer representative from each of the participating authorities. Also on the Board, in the capacity of 'critical friend' will be an external local authority ICT expert (agreed by the partner authorities) to ensure that external challenge is brought to the service in order to maintain best practice and innovation.
- The service will produce an annual Business Plan which will be available for consideration through the overview and scrutiny arrangements in each participating authority.

8.0 Key Challenges for the current ICT services

8.1 The key challenges for the current ICT services include:

- **Making savings:** ICT needs to make savings to contribute to the Council's efficiencies savings.
- **ICT Modernisation:** ICT services must continue to modernise throughout the plan period – investing for the future.
- **Recruitment:** Due to location in the country, recruiting skilled ICT staff is difficult. The local Research & Development business sector provides significant competition in the challenge to attract and retain highly skilled staff.

9.0 Sharing Costs and Financial Benefits

9.1 Details of combined expenditure for all three Council's ICT teams are as follows:

Financial Summary

Budget category	Year 0 2015/16 (*)	Year 1 2016/17	Year 2 2017/18	Year 3 2018/19	Year 4 2019/20	Year 5 2020/21
Capital	£-	£-	£-	£-	£-	£-
Staff costs	£1,343,662	£2,741,070	£2,795,891	£2,851,809	£2,908,845	£2,967,022
Other costs	£-	£3,173,823	£3,237,299	£3,302,045	£3,368,086	£3,435,448
Charges	£-	£-	£-	£-	£-	£-
Total Costs (net of CCC/Northgate contract)	£1,343,662	£5,914,893	£6,033,191	£6,153,854	£6,276,931	£6,402,470
less savings @ 15% from year 1 onwards	£-	£887,234	£904,979	£923,078	£941,540	£960,371
Net Costs with 15% savings applied	£1,343,662	£5,027,659	£5,128,212	£5,230,776	£5,335,392	£5,442,100
CCC / Northgate Contract costs (**)	£339,340	£678,680	£678,680	£678,680	£678,680	£678,680
Grand Totals	£1,683,002	£5,706,339	£5,806,892	£5,909,456	£6,014,072	£6,120,780

(*) Year 0 figures are for the six month period from October 2015 to Mar 2016. Year 0 figures assume savings already taken from Partners prior to baseline budget setting

(**) Table shows total ICT costs, including those within the current CCC/Northgate contract. No forecast savings are shown on CCC/Northgate as this is fixed price contract

Proposed Apportionment of Partner Contributions

Apportionment of Costs	Year 0 2015/16	Year 1 2016/17	Year 2 2017/18	Year 3 2018/19	Year 4 2019/20	Year 5 2020/21
Cambridge City Council	32.7%	41.0%	41.0%	41.0%	41.0%	41.0%
Huntingdonshire District Council	38.4%	35.7%	35.7%	35.7%	35.7%	35.7%
South Cambridgeshire DC	28.9%	23.3%	23.3%	23.3%	23.3%	23.3%
Grand Totals	100%	100%	100%	100%	100%	100%

Cost of ICT Shared Service by Partner***

ICT Shared Service costs per partner	Year 0** 2015/16	Year 1 2016/17	Year 2 2017/18	Year 3 2018/19	Year 4 2019/20	Year 5 2020/21
Cambridge City Council (incl. CCC/Northgate)	£778,960	£2,740,006	£2,781,232	£2,823,283	£2,866,175	£2,909,925
Huntingdonshire District Council	£515,697	£1,796,334	£1,832,261	£1,868,906	£1,906,284	£1,944,410
South Cambridgeshire DC	£388,345	£1,169,999	£1,193,399	£1,217,267	£1,241,612	£1,266,445
Grand Totals	£1,683,002	£5,706,339	£5,806,892	£5,909,456	£6,014,072	£6,120,780

(***) Note: in Year 0, only staff costs are shown (with the exception of the Cambridge City Council Northgate cost which are included), because non-staff costs will continue to be managed by the Councils for the remainder of the financial year. Non-staff costs will be managed by the ICT Shared Service from the beginning of 2016/17

Savings from ICT Shared Service by Partner

ICT Shared Service savings per partner	Year 0 2015/16	Year 1 2016/17	Year 2 2017/18	Year 3 2018/19	Year 4 2019/20	Year 5 2020/21
Total Savings in Yr vs. 15/16 baseline	£-	£887,234	£904,979	£923,078	£941,540	£960,371
Cambridge City Council	£-	£363,763	£371,039	£378,459	£386,029	£393,749
Huntingdonshire District Council	£-	£317,000	£323,340	£329,807	£336,403	£343,131
South Cambridgeshire DC	£-	£206,470	£210,600	£214,812	£219,108	£223,490
Grand Totals	£-	£887,234	£904,979	£923,078	£941,540	£960,371
<i>Cumulative Total Saving</i>	<i>£-</i>	<i>£887,234</i>	<i>£1,792,212</i>	<i>£2,715,291</i>	<i>£3,656,830</i>	<i>£4,617,201</i>

9.2 Funding of the Service is proposed for the first two years of operation to be provided by each Council putting in its already budgeted amount for ICT spend for 2015/16. The savings figures for ICT Services already agreed by each Council for year 2015/16 have already been removed from the budget figures.

9.3 There will be proportionate cost sharing & savings throughout the life of the ICT Shared Service.

9.4 There will also be a similar proportionate cost sharing arrangement for set-up costs of the new service, net of any TCA contribution.

9.5 Our financial model is projecting year 1 savings across the ICT Shared Service amounting to £0.887 million in total relative to the 2015/16 baseline. This figure will be reviewed after the proposed new

staffing structure is developed and once the technology roadmap has been completed.

10.0 Business Case

- 10.1 **ICT Service alone** - By combining the three ICT services into a single unit providing ICT services to the three councils there is opportunity for cost savings and service efficiencies.
- Combining current contracts for the same type of service - e.g.
 - Support contracts for planning system etc.
 - Support contract for email and security etc.
 - Opportunity to reduce disaster recovery costs through mutual assurance
 - Reducing head count in the delivery of the Service
 - Reduced licence counts for software e.g. VMWare licences, MS SQL,
 - De-duplication of ICT administrative processes - such as purchase order process, contract reporting
 - Combined procurement values will be higher, so may be able to gain reduced pricing for bulk buying.
- 10.2 **Project “Rolling Business Case”** - Each project that will look to produce savings from the shared ICT Service will have its own detailed business case. For example any decision to converge on a single system or platform such as a planning system, security system or finance system will be fully costed on its own merits. By using this process, projects as a result of the shared service must show benefit to the three Councils. For each project the costs and benefits will be clarified and apportioned in line with the agreed cost and profit sharing model. Following completion of each project the costs of operation of the service will be adjusted taking into account the allocation of costs and benefits.
- 10.3 **ICT as an Enabling Service** - By combining the three ICT services into a single unit the receiving services will benefit enormously through improved customer service. The knock on effect of this can result in a real improvement in their service delivery.
- Improved customer service – access to a more comprehensive ICT service should result in a better and a more responsive service to officers and members.

- The receiving service in turn will be able to provide a better more efficient service to their customers if they are receiving a faster response to incidents and requests from ICT
 - With ICT having greater access to skills and resources, changes the services require in ICT, to improve their service, will be delivered more efficiently and effectively.
-
- Improvement in ICT service delivery will mean ICT are spending less time in “break / fix” mode and far more in customer facing project delivery, and transformation change mode. With services having their IT related projects delivered better, their service in turn will also improve.
-
- In the 21st century ICT underpins the delivery of council services. With a shared ICT service, the door to greater shared services across the partners is much wider.

10.4 Benefits/Outcomes

- An ICT service that has the capability and capacity to meet the future demands of the Councils
- Greater efficiency and reduced duplication in ICT Services
- Better access to and sharing of information for performance management and benchmarking
- Increased customer self-service for straightforward interactions
- Continuity and resilience of service
- Raising quality and adding value to existing services
- Securing cost savings and sustainable efficiencies
- Releasing staff time for more customer facing activities
- Improving system scalability
- Ensuring improved and more up-to-date systems
- Ability to offer otherwise unsustainable services
- Levering transformation

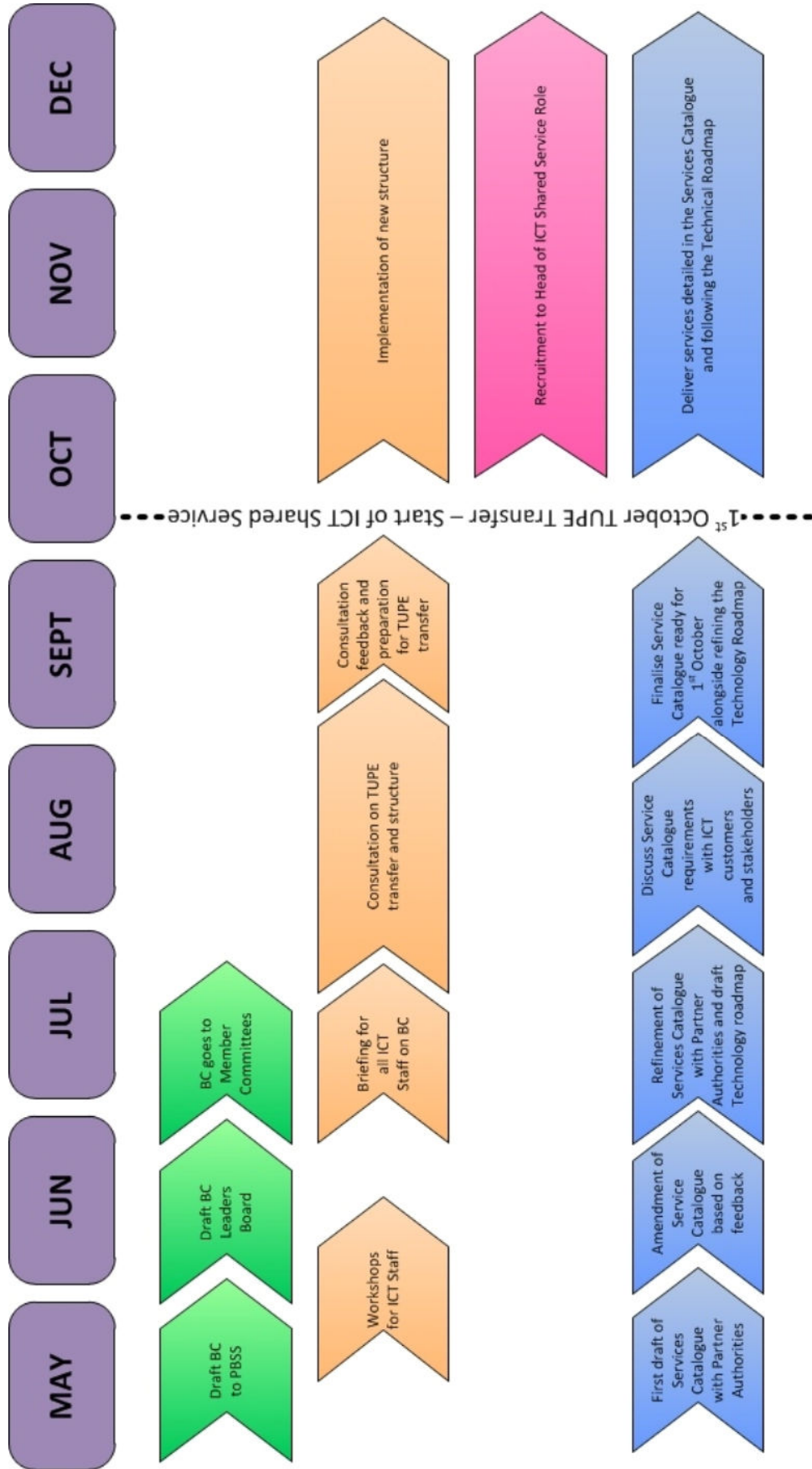
11.0 Analysis of Key Risks and issues for transition to the Shared Service

- 11.1 It is believed that the risks arising out of this proposal are not high and are easily outweighed by the benefits. However, a detailed risk register will be developed as part of the creation of the new service, to cover the risks already identified and any others arising.

12.0 Implementation

See Appendix 1 for high level implementation timeline.

Appendix 1 - Timeline for Implementation





Report To: Cabinet
Lead Officer: Executive Director (Corporate Services)

9 July 2015

Shared Building Control Services

Purpose

1. Cambridge City Council (CCC), Huntingdonshire District Council (HDC) and South Cambridgeshire District Council (SCDC) have agreed to work in partnership to deliver shared services and have agreed general principles to underpin the approach.
2. This report provides the business case to establish a Building Control Shared Service (BCSS) between the Councils and details the activity to create the BCSS.
3. This is a key decision because as it results in the authority incurring expenditure which is, or the making of savings where are, significant having regard to this Council's budget for the service or function to which the decision relates and it was first published in the May 2015 Forward Plan.

Recommendations

4. Cabinet is recommended to approve the Business Case and delegate authority to the Executive Director (Corporate Services) to make decisions and to take steps which are necessary, conducive or incidental to the establishment of the shared service in accordance with the business case.

Reasons for Recommendations

5. Reasons for the recommendations are set out in the Shared Services Overview Report.

Background

6. When this matter was last reported to Cabinet, approval was given to develop a business case and appoint an interim shared Building Control Manager to help develop the business case and the design of the new service.
7. The business case for the establishment of the BCSS can be found at Appendix A to this report. The rationale for the establishment of a BCSS between CCC, SCDC and HDC is that it will enable each local authority to undertake its statutory duty in implementing and enforcing the building regulations in their area, whilst providing a more sustainable and resilient business model for future service delivery and cost effectiveness. It will enable the development of a five year business plan to generate additional income and create efficiencies which will support enhanced competitiveness in a commercial market.

Considerations

8. CCC will act as the lead authority for the BCSS. The Building Control service is responsible for helping to ensure delivery of safe, healthy, accessible and sustainable buildings. It has a unique role, within the local authority, of providing a statutory function within a commercial environment.
9. Its opening operating net budget will be £505,260 combining the 15/16 operating budgets for each of the 3 current building control service operations. The 15/16 starting budgets are net of any savings already agreed. The ratio of budget contribution at start up is CCC 43%, SCDC 25%, HDC 32%. This ratio forms the basis of savings distribution and additional costs incurred such as redundancy, pay protection etc. An exception to this is in respect of those employees ring-fenced for the proposed management structure where it is proposed that those costs will be borne by the pre-TUPE employer.
10. The BCSS will be created by the TUPE transfer of staff from HDC and SCDC to CCC. The proposed date for TUPE transfer is 1 October 2015. It is proposed to appoint a new Shared Service Building Control Manager following TUPE transfer. A review will then be undertaken of the rest of the staffing structure with the aim of establishing any new arrangements by 1 April 2016.
11. Set up costs of £80k have been identified; these will be covered by the TCA award and are not at additional cost to the participating Councils. An Interim Manager has been appointed, on secondment, to help develop the business case.
12. The work of the BCSS will be driven by the BCSS Business Plan agreed with the three client Councils. The Business Plan will identify what has to be delivered by BCSS and establish the means for measuring and assuring its performance. The Business Plan will be agreed on an annual basis and will be a key element of the operational plan for the BCSS.
13. Since the last report the Councils have taken external legal advice on the shared service. The advice has indicated that operating the external trading element of the building control service on a shared basis could present difficulties under the Public Contract Regulations 2015 and could trigger the need for a formal procurement. Officers are considering the advice and are in discussion with the external legal advisers. If there is a need to depart significantly from the proposals set out in the Business Plan, officers will seek further authority to proceed.
14. The Councils' approach to shared service is based on not delegating responsibility for the discharge of statutory functions. However, there will need to be a level of day to day delegation to allow officers within the shared service to continue to exercise statutory building control functions as they do under the Councils' schemes of delegations to officers; e.g. statutory approvals. This will require formal delegation of certain functions to the lead council. Further work is needed to draw up a scheme of delegation to the lead council and authority will be sought before 1 October.

Options

15. Options are set out in the Shared Services Overview report.

Implications

16. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

17. The BCSS has a minimum saving target of 15% of net revenue budget after income has been applied.
18. The recent changes to the European procurement regulations have an implication on commercially operating public services. One option being examined, if there is a problem, if the scope for mitigating the impact by setting up an appropriate delivery vehicle for the service.

Staffing

19. CCC will become the Lead Authority for the BCSS. As such, identified Building Control staff in HDC and SCDC will transfer under TUPE to CCC on the go-live date. Formal consultation with staff, Unions and Staff Council at HDC will take place during August in accordance with each Council's policy on consultation. The consultation will be in respect of the proposed TUPE arrangements and new management structure.

Equality and Diversity

20. An Equalities Impact Assessment (EQIA) has been carried out. The EQIA will be reviewed at all key stages including when the implementation papers are ready and after consultations have taken place.

Climate Change

21. Low Positive Impact. Reduction in accommodation and energy use associated will have a positive impact. Potential negative impact from increased travel will be mitigated by increased mobile and remote working.

Consultation responses (including from the Youth Council)

22. This will be conducted in accordance with the Councils agreed policy.

Background Papers

Appendices

Appendix A - Building Control Shared Service Business Case

No other background papers were used in the writing of this report.

Report Author: Alex Colyer – Executive Director (Corporate Services)
Telephone: (01954) 713023

This page is left blank intentionally.



Business Case and Proposal for the formation of a Building Control Shared Service for Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council v.4f

Table of Contents

	Page
1.0 Executive Overview	1-2
2.0 The existing provision of building control services	2
3.0 The Shared vision and options – the brief	3-7
4.0 What we aim to achieve – opportunities for an improved service	8-10
5.0 The delivery vehicle and organisation of the new service	10-11
6.0 Managing and commissioning	11-12
7.0 Governance & decision-making processes	12
8.0 Conflicts of interest & Confidentiality	12
9.0 Finance - Sharing costs & financial benefits	12-13
10.0 Broader Benefit Realisation of the Proposed Model	13-14
11.0 Analysis of key risks	14
12.0 Implementation	15

1.0 Executive Overview

- 1.1 Cambridge City Council ('CCC'), Huntingdonshire District Council ('HDC') and South Cambridgeshire District Council ('SCDC') have agreed the principle of working in partnership to deliver a range of shared services. It is proposed that this takes place on a phased basis rather than have one large implementation of a wide range of shared services. A successful bid was made to the Transformation Challenge Award (TCA) fund, to take forward these proposals and deliver savings. Included in Phase 1 of the shared service programme is building control.
- 1.1.2 Each Council is seeking to support economic growth within the area and as a consequence needs to provide effective and efficient services. The building control service is responsible for ensuring delivery of safe, healthy, accessible and sustainable buildings, and operates within a commercial and competitive arena.
- 1.1.3 The landscape in which frontline services are designed, structured and delivered is changing rapidly in response to new legislation, government policy and changing market conditions. Building control consultancy services have become increasingly competitive with significant growth in the number of private sector companies offering building control plan assessment and inspection services. The future resilience of the three local authority building control services is a key consideration in the decision to move towards a shared service delivery model.
- 1.1.4 Nationally, standalone local authority building control services teams are unable to maintain a staffing level that provides the specialist skills and knowledge required to deliver a high quality, customer focussed service; this is becoming increasingly difficult as experienced building control surveyors retire or leave local authority building control to join approved inspectors (private building control bodies). Solutions have been to join forces with others to create a critical mass, target efficiencies, and actively seek to maximise income generating opportunities. That is what is being proposed here.
- 1.1.5 It is proposed to form a single Building Control Shared Service (BCSS), consisting of building control surveyors, technical officers and support staff, operating from 2 office locations in Cambridge City and Huntingdon.
- 1.1.6 The total net budget of the new shared service will be £505,260. As with all service areas within the three Councils, each building control

team has already been challenged to reduce the costs of delivery; savings have accordingly already been taken by each Council from their 2015/16 budgets (the last year when each Council will approve its own building control service budget if this Business Case is accepted). These savings are therefore not reflected in the starting budget for the new service.

- 1.1.7 It is proposed that the shared service should be delivered in accordance with its agreed Business Plan from October 2015, delivered by CCC on behalf of the three participating Councils.
- 1.2 The proposal carries some initial investment and it is proposed that this will be funded from the (TCA) and existing building control fee-earning surpluses, held by each council. An amount of £80,000 has been allocated from TCA for this proposal.
- 1.3 The proposal offers a sustainable opportunity to strengthen and improve the building control service that our customers and business partners already enjoy.
- 1.4 The proposal sets out clear, specific and realistic measures by which participating authorities may achieve significant, recurring, long term efficiency gains. It also tackles the issue of lack of capacity in certain areas (for all three Councils) by creating a critical mass of capacity coupled with management arrangements that will enable resources to be deployed effectively and efficiently and the adoption of better practices and processes. Another advantage of the proposal is that it will begin to address the issue of recruitment and retention in local authority building control services by creating an organisation that offers greater opportunities for career progression. It is proposed to create new posts to enable the recruitment of apprentices and graduates, as well as adopting a career grade for building control surveyors. The configuration of the new service also accommodates local authorities' desire for flexibility in the delivery of additional services such as street naming & numbering, considerate contractor scheme, construction monitoring and other potential fee earning opportunities.
- 1.5 The proposal recognises the need for the creation of the new post of Building Control Shared Service Manager, to provide leadership and delivery of the BCSS.

2.0 The Existing Provision of Building Control Services

2.1 Currently, each council operates its own building control service. Both HDC and SCDC have a dedicated team of technical support staff, whilst CCC administrative support is provided by a combined Business Support Team that serves Planning, Building Control and the Arboriculture team.

The existing establishment across the 3 authorities is as follows (includes current vacancies):

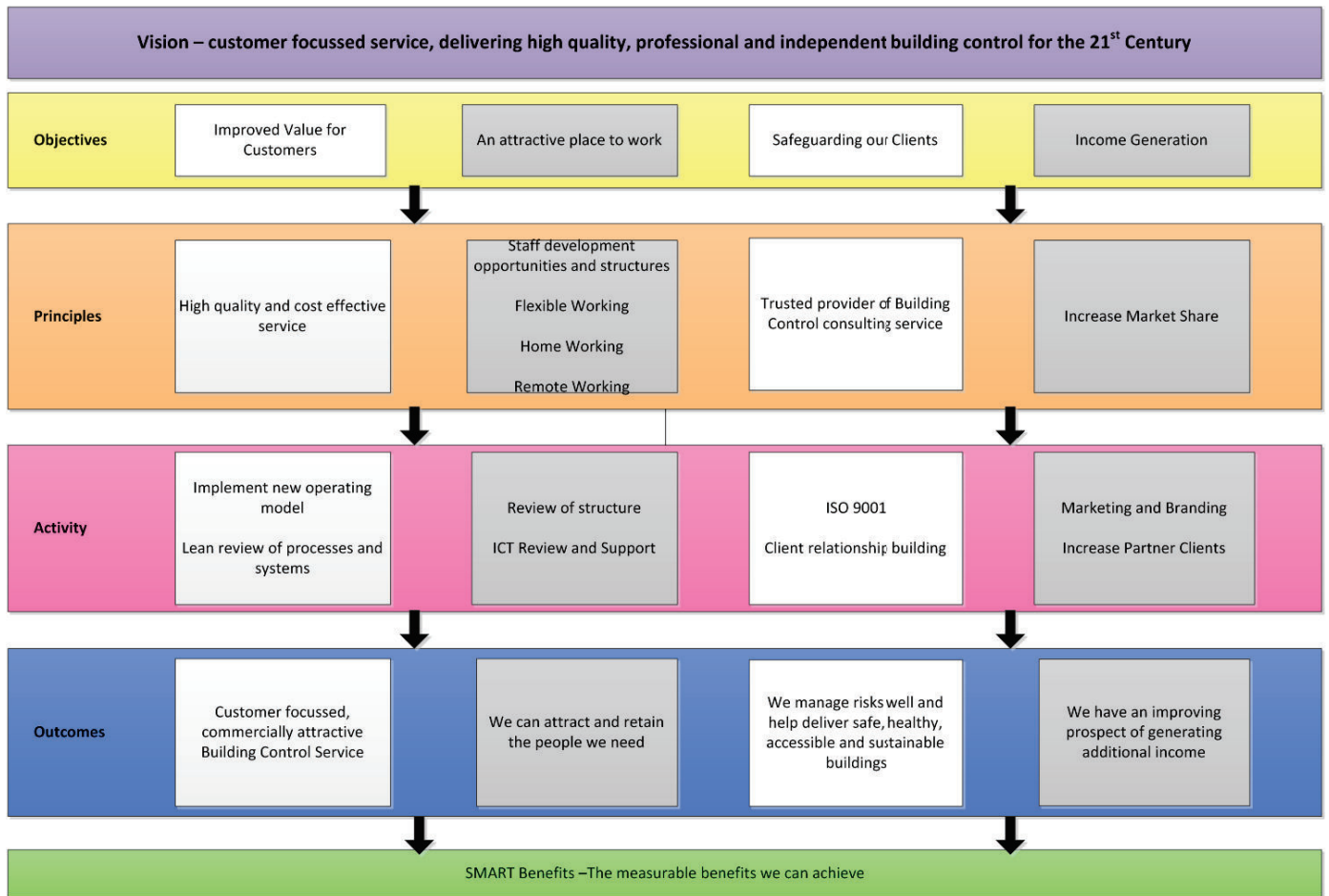
	BC Manager	Principal BC Surveyor	Building Control Surveyor's	Construction Monitoring Officer	Admin/ Tech. Support	Staff
CCC	1	1.68	6.43	1	3.3	13.41
HDC	1	0	5.78	0	2.05	8.83
SCDC	1	1 (currently acting manager)	3	0	1.8	6.8
Existing total	3	2.68	15.21	1	7.15	29.04

2.2 The 3.3 FTE for CCC is based on budget contribution to Departmental Support and Administration costs for the Building Control Service.

2.3 Staff in scope will transfer to CCC under the Transfer of Undertakings (Protection of Employment) legislation ('TUPE') in their existing roles. Following implementation of the new service in October 2015, a detailed and comprehensive staffing review will be undertaken within the first year, based on an assessment of the needs of the new service and its clients, a new structure will be implemented. This will include dedicated CCC administrative support.

3.0 The Vision

3.1 The vision for BCSS is contained in the following table.



3.2 Lead and host authority arrangements

It is proposed that CCC should lead on the BCSS. The location of the shared service will be outlined as part of this business case.

3.3 Cost sharing and efficiencies

In accordance with the general principles proposed for shared services, contained in a covering report elsewhere on this agenda, savings made by BCSS will be distributed in proportion to the initial investment made by the 3 councils. The net budget for each building control service, the proportions for the BCSS and anticipated savings for 16/17 are illustrated below.

	Gross Budget	Net Budget (gross budget less income)
	2015/16	
	£	
CCC	571,310	275,870
HDC	417,430	137,160
SCDC	322,520	92,230
	1,311,260	505,260

2016/17 savings shared in proportion to 2015/16 gross budget contribution

43.57%	31.83%	24.60%	
CCC £	HDC £	SCDC £	Total £
22,120	16,170	12,490	50,780

3.3.1 The existing 2015/16 budget provision from the budget of each building control service will be incorporated to form the shared service budget. This is net of the identified 15/16 savings within those budgets which will be achieved by the Council's concerned prior to the transfer of the budgets to the shared service. This is illustrated in the following table which also shows the reducing net budget as a result of the proposed saving target for 16/17.

	Year 0*	Year 1		
	2015/16 £	2016/17 £	Savings** £	Savings %
Gross Budget	899,600			
Less Income	646,970			
Net Budget	252,630			
Less recharges (non Fee-earning)	97,735			
Net budget after recharges	154,895	287,740		
Fee-Earning a/c surplus/deficit	(14,365)	0		
Non Fee-earning a/c	169,260	287,740	50,780	15%
	154,895	287,740	50,780	
* Yr 0 figures are for the 6 month period from Oct 15 to Mar 16. Year 0 figures assume savings already taken from Partners prior to baseline budget setting				
** Yr 1 savings are based on the minimum savings requirement of 15% of the 2015/16 full year Non Fee-earning a/c budget of £338,520				

3.3.2 Once the Shared Service has been created and has gathered some baseline data, it will develop a more sophisticated approach by which each council can determine the performance required and target potential efficiencies. It will be necessary to adopt an approved reserves policy for the use of surpluses and funding deficits on the fee earning ring-fenced account i.e. offsetting surpluses or deficits against

future building regulation charges, or re-investing surpluses in improving the quality of delivery of the building regulations chargeable service, for example funding the purchase of new IT or mobile working solutions.

3.4 **New Post**

It is proposed to establish a new role, of Building Control Shared Service Manager, to be recruited to assist with the transformation programme and development and leadership of the BCSS. This person will be a professional member of RICS or CABE and will need high quality leadership and transformation skills.

3.5 **Scope**

3.5.1 The proposed scope of the services is listed below:

- Building Control
- Technical & Business Support
- Street Naming & Numbering (Policy, consultation & charges) (CCC only)
- Considerate Contractor Scheme
- Construction Monitoring

BCSS will be responsible for a number of building control functions to discharge statutory duties in respect of the following:

- Local Authorities (Functions & Responsibilities) (England) Regulations 2000 Building Act 1984
- Building Regulations 2010
- Building (Approved Inspectors) Regulations 2010
- Building (Local Authority Charges) Regulations 2010
- Public Health Act 1925
- Town Improvement Clauses Act 1847
- Local Government Act 2003

3.5.2 The following assumptions and pre-requisites have been applied:

(a) That, subject to consultation with the affected staff, the Unions and the democratic processes of each council, the BCSS would be implemented with effect from the date that staff TUPE into it, currently estimated to be 1 October 2015. Staff within the HDC and SCDC building control teams would TUPE transfer across to the lead authority, CCC.

- (b) The BCCS business case is based upon the need to increase resilience, improve the quality of service to clients, become more efficient and increase capacity within the shared service in order to retain existing market share and increase fee earning opportunities. It will be necessary to develop staff and ensure quality assurance.
- (c) Council service departments should not individually procure external private building control bodies to provide building control services on council assets or developments; all building control consultancy services for council developments and existing assets should be procured via the BCSS.
- (d) Following the merger, there will be a fundamental review of the shared service. This will include scrutinising the current skills and expertise and matching them to building control needs now and those expected going forward. There will be a review of the systems and processes to ensure that they support a modern and efficient way of working. Quality Management System in accordance with ISO 9001 will be required.
- (e) The opportunity will be taken to make improvements to the existing technology in use by the three building control services. Costs for this work are estimated to be in region of £15,000 which will be paid for from TCA funding. Other necessary ICT infrastructure will need to be in place to enable the shared service to operate efficiently – for example:

- remote working from home
- remote working from hubs and other locations
- combined electronic library and research systems

This will need to be tied in with the technology road map contained within ICT shared service proposals.

A further review of IT provision will be undertaken within Year 2 of the shared service in order to ensure commercial suitability and compatibility with mobile working options. It will also ensure an integrated approach is adopted in conjunction with future review of Planning Services across all three councils.

4.0 What we aim to achieve - Opportunities for an improved service

- 4.1 BCSS will improve resilience and retention by being better able to prevent service loss or interruption and cope with peaks in workload and staff absences. New ways of working, including greater flexibility, use of enhanced ICT and more mobile patterns of work will be possible in the future.
- 4.2 It will also give each council access to a greater breadth and depth of specialist/professional/technical expertise and capacity and increase the opportunity for staff development, by allowing staff to work across a broader range of areas, or to become more specialised as appropriate. Developing new Building Control staff through apprenticeships and graduate trainees will be an important part of service development; addressing succession issues that the industry, and particularly local government is currently suffering from.
- 4.3 BCSS is expected to deliver savings. Targeted areas for savings include management, hardware, software and IT services, administrative support and accommodation costs. It will also enable increased opportunities for income generation. Local Authority Building Control services are budgeted for in four ways:
- (a) Building Regulation fee earning or “chargeable activities” for which customers are charged a fee on a service cost recovery basis.
 - (b) Building Regulations “non-chargeable activities”, which is paid for by the councils through general fund contributions, as legislation specifically states the activities cannot be charged for e.g. dealing with fee exempt applications for work to secure benefit for disabled people; inspections to identify unauthorised building work etc.
 - (c) Other building control services such as dealing with dangerous buildings, demolitions etc.
 - (d) Additional specialist or consultancy services which fees can be charged for, and which can be used to help reduce the expenditure on the building control statutory function of the local authority. At the current time CCC levies charges for street naming & numbering, considerate contractor scheme, and construction monitoring. HDC have previously been appointed to provide consultancy advice on MOD projects. It is proposed that the new shared service seeks to maximise ways of securing additional income, to reduce the expenditure on “non-chargeable activities” funded from the councils general fund contributions.

- 4.4 BCSS will prevent the need for duplication across the three authorities e.g. guidance notes, procedures, scheme of charges etc. It will improve and standardise processes. Business processes will undergo rigorous analysis and streamlining leading to improved and standardised operations, efficiencies and alignment of best practice.
- 4.5 A shared service will continue to provide statutory services, such as enforcement and dealing with dangerous structures and demolitions, in a cost effective manner.
- 4.6 The Business Plan will include provisions for undertaking an options appraisal and review of future delivery options.
- 4.7 The BCSS will maximise the benefit of collaborative working with planning and other growth related services.
- 4.8 External Publications & Technical Guidance
Each service relies on external publications as an essential tool of the building control profession. The vast majority, but not all, of technical publications and building standards are now provided on-line and there would be clear benefits from combining the purchasing power of all three Councils for the future procurement of these services.
- 4.9 Performance Measures and Standards
Setting some key performance indicators across the team will assist in driving forward some performance standards to be agreed between the partner Councils.

National performance for Building Control Services are stipulated by the Building Control Performance Standards Advisory Group (BCPSAG)

A summary of the recently published (July 2014) BCPSAG performance standards that apply to all Building Control Bodies are associated with:

- People and skills
- Specialist experience
- Age and gender profiling
- Respect for people

It is anticipated that the participating client councils, as commissioners, may wish to incorporate other measures focussed on strategic objectives such as stronger communities and carbon reduction. These will be developed within the business plan.

In addition to the above, the service has identified specific areas where targets should be met, based on existing good practice and client engagement:

- 75% of applications registered within 2 days of receipt
- 75% of applications assessed within 3 weeks of receipt
- 90% of applications assessed within 5 weeks of receipt
- 80% of customers satisfied with overall service
- At least 6 nominations submitted for the Building Excellence Awards

4.10 Business Plan delivery will be managed by the Building Control Management Team of the shared service and reported to each meeting of the Building Control Management Board. The BCMB will also report to the PBSS and Joint Committee on a quarterly basis.

5.0 The Delivery Vehicle for the New Service

5.1 It is not proposed at this stage to set up a completely new legal entity for the proposed service. The law would require a separate trading entity to be run through a company. However future consideration of creating a wholly owned company or obtaining local authority approved inspector status should not be discounted and will be dependent upon market share, future opportunities for growth and government guidance & legislation.

5.2 To avoid any unnecessary regulatory burden, in the first instance it is proposed that all staff would be employed by the lead authority, CCC. This will require staff in scope from HDC & SCDC to transfer (under the provisions of TUPE) to CCC.

5.3 The proposal is for the BCSS to operate from two locations; one office located in Huntingdon and the other located in Cambridge City. The locations of the offices have been chosen for the following reasons:

(a) It aligns with where the existing work is. There is currently major growth within the city and CCC building control are currently providing the building control service for over 50 major projects, with a capital construction value in excess of £500M. It is therefore considered necessary to locate one office close to these major projects.

(b) It is where our major customers are. Similarly there is a high number of business clients located within the city.

(c) BC Officers spend a majority of their time on-site inspection work; therefore the offices need to be located in positions best suited to deliver a sustainable and responsive inspection service. Logistically an office located to the north (Huntingdon) and one to the south (City) would provide the best solution to servicing the need of the three district areas. Additional touchdown facilities can be provided at council buildings throughout the district areas to support more flexible method of working.

(d) Moving from three main locations to two will help build resilience and will, over time, help Councils to achieve their aspiration in regard to their future use of office accommodation.

(e) Locating offices in City and Huntingdon will enable an easier initial transition to one ICT platform.

5.4 To deliver an effective and efficient building control service for its clients, the new shared service will require:

(a) Sufficient office accommodation.

(b) Appropriate IT systems (time and case management)

(c) Sufficient suitably qualified staff to undertake both the building control work and technical & business support work

5.5 One decision which will need to be made by the partners as early as possible is the name by which the new service is to be known. It is extremely important for the new service to have a separate identity from its participating Councils in order for all staff to feel they are 'pulling together' for a single entity.

6.0 Managing and Commissioning the Building Control Shared Service

6.1 How the Shared Service will be managed

It is proposed that the service be managed by a new 'Building Control Shared Service Manager', specifically chosen for entrepreneurial and leadership skills as well as management capability and commercial expertise. The Manager will be expected to be mobile and flexible in supporting both office locations. They will have responsibility for ensuring proper on-going monitoring arrangements for work progress and proper client care through the agreement and reporting of appropriate 'key performance indicators' with each participating council.

6.2 CCC and HDC currently have ISO 9001 Quality Management accreditation and it is proposed to extend this to the whole service. This will be an important first job for the Building Control Shared Service Manager.

7.0 Governance and Decision-Making Processes

7.1 Details of the governance arrangements for shared services are contained within a covering report elsewhere on this agenda.

7.2 It is proposed that the governance of the BCSS be kept as simple as possible, as follows:

(a) The Shared Service Building Control Manger will report to the Head of Planning Services.

(b) The service will have an internal management team made up of the Building Control Shared Service Manager and staff members, with input from others as required.

(c) A proposed Joint Committee and Programme Board for Shared Services, will endorse the BC Business Plan and budget for approval through each council's committees. Anything outside of the agreed budget will need to be considered by each council.

(d) The BCSS will produce an annual report which will be available for consideration through the overview and scrutiny arrangements in each participating authority.

8.0 Conflicts of Interest and Confidentiality

8.1 Any potential conflicts of interest will be reported and scrutinised in accordance with the appropriate policy of the lead authority.

9.0 Sharing Costs and Financial Benefits

9.1 Details of expenditure for all three Building Control services teams are included at 3.3.1 above.

9.2 Funding of the BCSS is proposed, for the first two years of operation, to be provided by each Council putting in its already budgeted amount for building control spend for 2015/16. The savings figures for BCSS already agreed by each Council for year 2015/16 have already been removed from the budget figures shown in 3.3.1 above. For the

avoidance of doubt, the figures in 3.3.1 show the projected savings for each council for future years and the Business Plan to be entered into by the participating councils on implementation of the new Shared Service will include provision that these figures are 'ring fenced' and protected from further reduction unilaterally by any participating council.

- 9.3 Where the fee-earning account makes a surplus or deficit at the end of any financial year, this will be managed by the Lead Authority on behalf of the shared service. The Building Control Management Board will review whether funds are held for service development, retained to be set against future losses or if fees have to be amended in future years. Any other surpluses will be decided upon by the proposed Joint Committee.
- 9.4 The Building (Local Authority Charges) Regulations 2010 and CIPFA building control accounting guidance state that local authorities should keep their costs to a minimum to ensure that the building control fees remain affordable and competitive, with the overarching principle that users pay for the cost of the service they receive. Local Authorities are not empowered to use surpluses, from building control fee earning activities, to fund other local authority services. However a larger, more commercially focussed Building Control Service should make it possible to increase productivity by increasing chargeable productive hours and reducing unproductive / non-chargeable time, thereby reducing the cost of the statutory non-fee earning service.
- 9.5 It should be noted that each local authority has a statutory duty to enforce the building regulations in their area. Each council will be responsible for funding the statutory duty (the non-fee earning work) of the BCSS.

10.0 Broader Benefit Realisation of the Proposed Model

10.1 Service Quality Benefits

The current service is of good quality and generally well regarded by service users. This quality derives from the experience, professional competence and in depth knowledge of the current teams who exhibit a genuine motivation to provide a high quality customer focussed service. The staff providing this service, across all three authorities, will TUPE transfer to CCC ensuring that their skills and abilities are retained.

Shared service proposals provide a real opportunity for the merged teams to help shape how the service is delivered, designed and improved. It will provide an opportunity for innovation to ensure a high quality, responsive service that will help to retain key staff members.

Specific benefits will include:

- Creation of a new dynamic brand, that will attract new business and foster a sense of belonging and commitment amongst staff
- Improved service provision, focussing on a pro-active can do approach, and developing a more affordable, customer-first model of professional and support services
- Stimulating a commercial, market led approach
- Improved working practices
- Improved staff recruitment/retention, which will increase job satisfaction and morale

10.2 Benefits and effects for local residents

Increased productivity and the impact of Local Authority Building Control would ensure that residents continue to have their health and well-being maintained in a pro-active manner.

The Building Regulations have driven savings in energy usage and significantly reduced the number of deaths due to fire in homes.

The recent Housing Standards review has stated that the energy reduction objective will transfer to the remit of Building Regulations with the removal of the code for sustainable homes and continued progression to zero carbon in 2016.

Legislation such as this places a statutory obligation on those who undertake building work, and it is the responsibility of building control to help ensure that these obligations are met, however as with other areas of legislation these regulations are open to interpretation of individuals. To ensure that local residents continue to improve the built environment in the local area it is important to assist those that interpret the legislation. A resilient and robust shared service will ensure the ability to compete with others, maintaining the integrity of the Council's to influence interpretation of legislative requirements and compliance.

11.0 **Analysis of Key Risks**

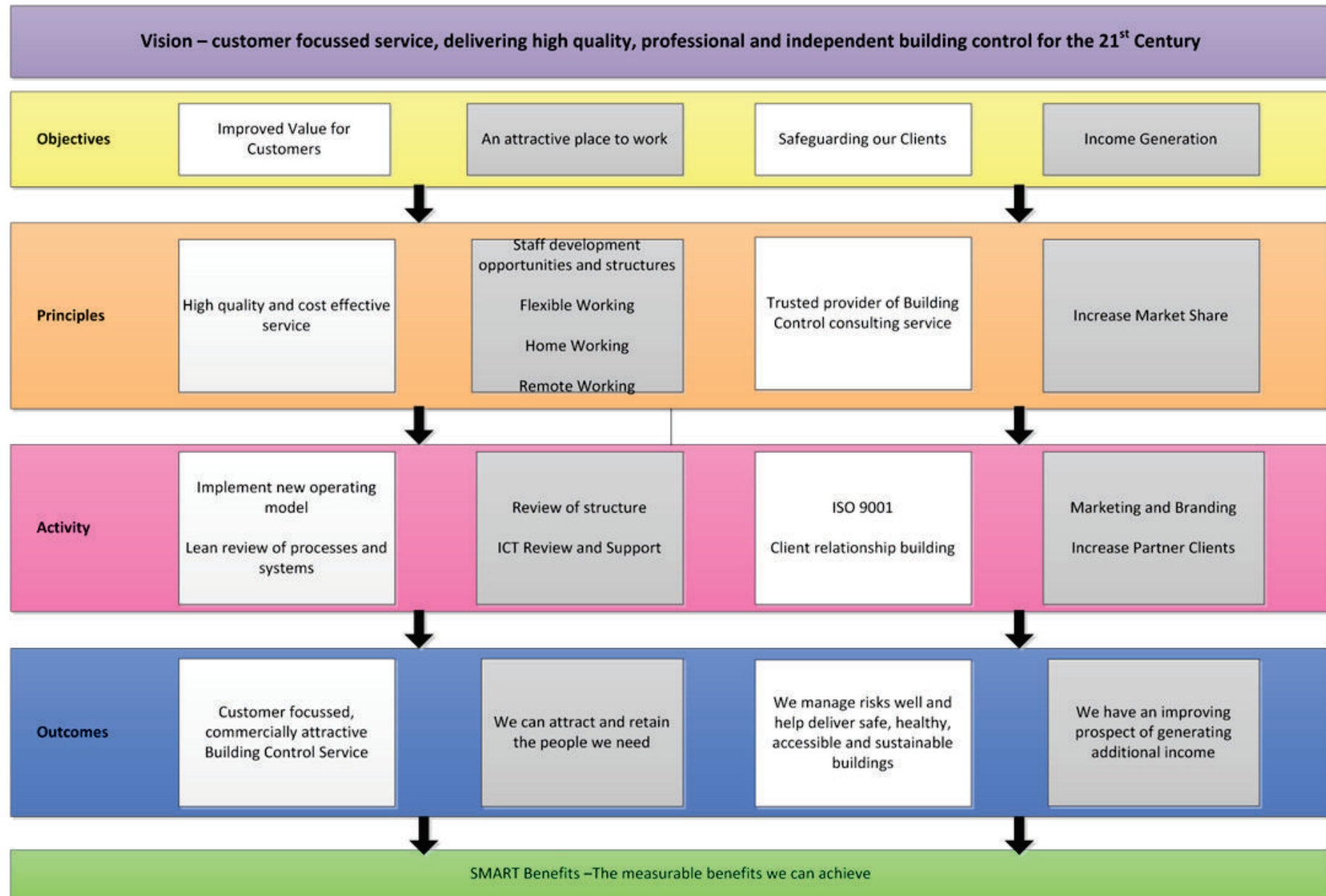
- 11.1 The Shared Service covering report elsewhere on this agenda contains a register of general risks associated with the implementation of shared services. It is believed that the risks arising out of this specific proposal are not high and are easily outweighed by the benefits. A detailed risk register will be developed as part of the new service.

12.0 Implementation

- 12.1 It is proposed to retain experienced interim support to manage and drive the implementation of BCSS and to manage its operation until the new BCSS management structure is in place. The cost of this will be funded via the TCA fund.
- 12.2 Formal consultation with staff, Unions and Staff Council at HDC will take place during August in accordance with each Councils policy on consultation. The consultation will be in respect of the proposed TUPE arrangements and new management structure.
- 12.3 The Business Plan will be developed and established in consultation with external stakeholder and clients of the service during August and September and will reflect the principles and content contained within this business case.
- 12.4 Staff in scope will transfer to CCC under the Transfer of Undertakings (Protection of Employment) legislation ('TUPE') in their existing roles.
- 12.5 The implementation of the new BCSS management structure will then be undertaken. Following implementation of the new service in October 2015, a detailed and comprehensive staffing review will be undertaken within the first year, based on an assessment of the needs of the new service, and a new structure implemented.
- 12.6 It will be necessary to implement a move to a joint time recording and case management system as part of the initial implementation. Migration costs will be funded via the TCA fund. Other necessary ICT infrastructure will need to be in place to enable the BCSS to operate – for example:
- remote working from home
 - remote working from hubs and other locations
 - combined electronic library and research systems

This will be closely tied in with the proposed ICT shared services and will be funded by the TCA monies.

3.0 Vision for BCSS



This page is left blank intentionally.

Agenda Item 7



South
Cambridgeshire
District Council

Report To: Leader and Cabinet
Lead Officer: Executive Director, Corporate Services

9 July 2015

Business Case for the formation of the Greater Cambridge City Deal Housing Development Agency

Purpose

1. This report proposes the establishment of a shared housing development service with the City Deal local authority partners (Cambridge City Council, South Cambridgeshire District Council and Cambridgeshire County Council).
2. This is a key decision because it is significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority and it was first published in the May 2015 Forward Plan.

Recommendation

3. It is recommended that Cabinet approve the establishment of a Housing Development Agency under shared governance with the City Deal local authority partners (Cambridge City Council, South Cambridgeshire District Council and Cambridgeshire County Council).

Reasons for Recommendation

4. The three councils individually require the capacity to develop and implement their Housing Build Strategies. Undertaking this work collectively will maximise this capacity and avoid competing for the same resource in a limited market place.

Executive summary

5. The Housing Development Agency is proposed as an operational model through which the City Deal partners' collective resource in terms of land, finance and staff skills can be applied to complement the market driven housing development process and to smooth the peaks and troughs of market delivery.
6. As well as efficiency, there is the opportunity for the Housing Development Agency to deliver additional housing by working up schemes and partnerships around land and funding that would not otherwise happen.
7. The Business Case proposes a transition from existing small in-house teams managed independently by local authority partners to a single shared service model that will quickly deliver robust team capacity corralled to achieve a common purpose.
8. A target date to achieve a shared service is April 2016. In the interim it is proposed to establish a senior officer Board to oversee the transition and that will subsequently fit with the governance structure for shared services that is emerging across the local authorities as outlined in the separate report on shared services to this Committee

(albeit that in this case the local authority partners are Cambridge City Council, South Cambridgeshire District Council and Cambridgeshire County Council as the concept of the shared service has evolved under the City Deal). Subject to the approval of the local authority partners it will be the intention to work collaboratively from August 2015 to bring together a shared list of projects that current staff can begin to work on while the due diligence is undertaken in respect of consultation with staff that may be affected.

Background

9. The City Deal Board has approved in principle to pump-prime the funding of a Housing Development Agency.
10. The purpose of the HDA is to be a shared service, governed by the local authority partners to the City Deal (Cambridge City Council, South Cambridgeshire District Council and Cambridgeshire County Council) that will bring together a team with the required skills; knowledge and experience efficiently and effectively;
 - (a) Make best use of land and funding made available by the City Deal partners to deliver new housing
 - (b) Acquire new housing land and deliver additional housing through innovative partnership and funding mechanisms.
11. **Appendix A** shows the full Business Case for the HDA.
12. The HDA is not intended to own assets. However, there is the potential for a whole range of joint venture arrangements and development agreements to emerge, led and facilitated by the HDA. These would combine the City Deal partners' resources to attract private finance investment and potentially involve other landowners, house-buildings and developers and Registered Providers. As well as efficiency, there is the opportunity for the HDA to deliver additionality by working up schemes and partnerships around land and funding that would not otherwise happen.
13. The establishment of a HDA now will also ensure the City Deal partners are well placed to utilise and apply quickly any new resource or financial freedoms that may emerge in future.
14. The housing development process is market led with much affordable housing tied to the delivery of market housing through Planning policy. In the negotiations prior to the City Deal it was highlighted that to rely solely on private developers and house-buildings and partner Registered Providers (housing associations) to deliver the Local Plan housing numbers, was a risk to further economic growth and therefore a risk to the City Deal. The complete collapse of new market house-building and consequential lack of provision of Affordable Housing during the 2008 economic downturn is evidence of this point.
15. The housing 'asks' argued through the City Deal process were not agreed. Despite this, and continuing efforts to lobby for greater financial freedoms, the concept of a HDA has evolved as an operational model as response to the continuing pressures in the local housing market.
16. The Business Case proposes the following objectives for the HDA ;
 - (a) To deliver the commitment contained with the City Deal to deliver an additional 1,000 dwellings on exception sites for 2031.

- (b) To deliver the new homes identified in Cambridge City Council and South Cambridgeshire District Council approved Housing Revenue Accounts new build strategies – approximately 2,000 new homes.
- (c) To deliver new homes for Ermine Street Housing, the new private limited company created by this Council, subject to the approval of its long term plan – potentially approximately 1,000 new homes. (The City Council is also currently considering the investment of General Fund capital in Intermediate Housing)
- (d) To act on land and funding opportunities proposed by the County Council and the University and Colleges meeting aspirations to retain a long term stake in any development and the draw down of revenue income streams.

Implications

17. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

18. Financing of the HDA. Operational (revenue) costs can be covered by fees charged to each (capital) development scheme. The operational income will therefore be dependent on the number of schemes that the HDA is managing. The number of schemes that can be managed will, in turn, be dependent on the HDA team capacity (skills, knowledge and experience) available. An understanding of this circular relationship between number of schemes; fee income and Agency team staff capacity is fundamental to the Business Case and how the HDA is sustainable in the long term.
19. It should be noted that in practice a variable fee structure will apply depending on the type of scheme and the input required by the HDA to manage the scheme's delivery. For the purposes of the Business Case a flat rate 3% fee has been assumed.
20. The Business Case assumes the HDA will deliver a minimum of 4000 new homes to 2031 which equates to the completion of an average 250 per year.
21. The completion of 250 new homes a year would generate an annual income for the HDA of £1,350,000 based on the following assumptions;
- Unit Cost - £180,000 per unit
Annual Capital Cost - £45m
Fee – 3% of Capital Cost
22. It is important to be clear that the control of each project specification, budget and approval remains with the land owning partner unless it is agreed otherwise. The authority of the land owning partner to proceed will be required at different stages of the development process. The 'milestone' decisions will vary from scheme to scheme and will need to be agreed as part of the Development Brief for each scheme. Each authority will only fund the HDA for schemes that the HDA delivers for each authority.

Legal

23. The legal implications are set out in paras 18-24 in the Shared Services report at agenda item 6.

Staffing

24. The following HDA team is proposed to deliver at least 250 new homes a year. The HDA team would need to operate flexibly over the Greater Cambridge area but it is anticipated that each City Deal partner would have a senior person in the HDA as their 'account' manager.

Managing Director – overall managerial responsibility for the delivery of the City Deal objectives

Assistant Director – assist the Managing Director to develop and manage the HDA and assist with new business opportunities. Lead the delivery of some projects.

2 x Housing Development Managers – lead the delivery of teams and projects

3 x Housing Project Officers and Planning Officer – project manage schemes with the assistance of Trainees as directed by the managers.

3 x Trainee Project Officers – assist the project management of schemes

Commercial Director – lead on the marketing and sales of intermediate housing and where applicable market housing products delivered through the HDA.

2 x Sales and Development Administrator - peripatetic administrative support for the HDA

25. Helpfully the authorities are not starting from a zero base in terms of schemes, fee potential and staff. The Business Case for the HDA proposes a transition from existing small in-house teams managed independently by local authority partners to a single shared service model and how £400,000 pump-priming funding from City Deal facilitates this transition.
26. The Business Case details different options through which the HDA could be governed. The recommendation is to move as soon as possible to the shared service model. The recommendation is made on the basis that this will be the quickest route to establish the robust team capacity needed to achieve a common purpose and will minimise the due diligence in respect of human resource and legal work that would be required if it was decided to immediately set-up a new legal company structure.
27. A target date to achieve a shared service is April 2016. In the interim it is proposed to establish a HDA Board made up of senior officers from the partner local authorities to oversee the transition to the full shared service. The HDA Board will subsequently fit within the wider governance structure for shared service that is emerging across the local authorities as outlined in the separate report on shared services to this Committee (albeit that in this case the partners are Cambridge City Council, South Cambridgeshire District Council and Cambridgeshire County Council as the concept of the shared service has evolved under the City Deal). Subject to the approval of the partners it will be the intention to work collaboratively from August 2015 to bring together a shared list of projects that current staff can begin to work on while the due diligence is undertaken in respect of consultation with staff who may be affected. This will include consideration to the secondment of staff into the shadow HDA structure and to buy in other resource on a temporary basis to deliver existing projects and programmes.

28. The HDA Board will subsequently ensure that an annual business plan for the HDA is produced; monitor performance and spend against the operational budget; monitor and manage risks and oversee the development of the service.

Risk Management

29. The Business Case illustrates headline risks in establishing the HDA.

Effect on Strategic Aims

30. The proposed Housing Development Agency will assist in fulfilling the Council's key objectives in providing a mix of new housing development, in particular the Council's New Build Strategy.

Background Papers: None

Report Author: Alex Colyer – Executive Director
Telephone: (01954) 713023

This page is left blank intentionally.



Greater Cambridge City Deal Housing Workstream

BUSINESS CASE FOR THE FORMATION OF THE GREATER CAMBRIDGE CITY DEAL HOUSING DEVELOPMENT AGENCY.

Version History

Version	Date	Description
1.0	13 April 2015	
2.0	22 April 2015	
3.0	5 May 2015	
4.0	8 May 2015	Draft for CEOs
5.0	26 May 2015	Assembly Final

	Page
1.0 Executive Overview	3
2.0 The Purpose of the Housing Development Agency	3
3.0 Housing and Economic Success	4
4.0 Objectives	5
5.0 The Benefits of the Housing Development Agency	6
6.0 The Operation and Financing of the Housing Development Agency	6
7.0 Transition from Existing Staffing to Target HDA Team	8
8.0 Governance Models and Option Appraisal	9
9.0 Risks and Issues	12

1.0 Executive Overview

33,000 new homes are planned by 2031 in the draft Cambridge and South Cambridgeshire Local Plans. The delivery of these homes is dependent on market forces and as such represents a risk to the City Deal's objectives.

The Housing Development Agency is proposed as an operational model through which the City Deal partners' collective resource in terms of land, finance and staff skills can be applied to complement the market driven housing development process and to smooth the peaks and troughs of market delivery.

As well as efficiency, there is the opportunity for the Housing Development Agency to deliver additional housing by working up schemes and partnerships around land and funding that would not otherwise happen.

The Business Case for the Housing Development Agency is based on a target programme of at least 4,000 homes by 2031 which equates to an average of 250 homes per year.

The Business Case proposes a transition from existing small in-house teams managed independently by local authority partners to a single shared service model that will quickly deliver robust team capacity corralled to achieve a common purpose.

A target date to achieve a shared service is April 2016. In the interim it is proposed to establish an officer Board to oversee the transition that will fit with the governance structure for shared services that is emerging across the local authorities and from as early as August 2015 use a combination of existing staff and bought in resources to deliver the existing projects and programmes.

2.0 The Purpose of the Housing Development Agency

CITY DEAL LED HOUSING DEVELOPMENT

- 2.1 The housing development process is market led with much Affordable Housing tied to the delivery of market housing through Planning policy. In the negotiations prior to the City Deal it was highlighted that to rely solely on private developers and house-builders and partner Registered Providers (housing associations) to deliver the Local Plan housing numbers, was a risk to further economic growth and therefore a risk to the City Deal. The complete collapse of new market house-building and consequential lack of provision of Affordable Housing during the 2008 economic downturn is evidence of this point.
- 2.2 The main housing 'asks' of central government under the City Deal were about additional public funding and greater flexibility to apply funding to deliver greater certainty that the new housing required will be provided. In other words, to have some public led delivery to complement the market driven housing development process and to smooth the peaks and troughs of market delivery.
- 2.3 The housing 'asks' were not agreed. Despite this, and continuing efforts to lobby for greater financial freedoms, the concept of a Housing Development Agency (HDA) has evolved as an operational model through which the partners' collective resource in terms of land, finance and staff skills can be applied to the optimal benefit of the wider City Deal objectives.

- 2.4 The purpose of the HDA is therefore to be a shared agency, governed by the local authority partners to the City Deal that will bring together a team with the required skills; knowledge and experience to efficiently and effectively;
- a. Make best use of land and funding made available by the City Deal partners to deliver new housing
 - b. Acquire new housing land and deliver additional housing through innovative partnership and funding mechanisms
- 2.5 The HDA is not intended to own assets. However, there is the potential for a whole range of joint venture arrangements and development agreements to emerge led and facilitated by the HDA. These would combine the City Deal partners' resources to attract private finance investment and potentially involve other landowners, house-builders and developers and Registered Providers. As well as efficiency, there is the opportunity for the HDA to deliver additionality by working up schemes and partnerships around land and funding that would not otherwise happen.
- 2.6 The establishment of a the HDA now will also ensure the City Deal partners are well placed to utilise and apply quickly any new resource or financial freedoms that may emerge in future.

3.0 Housing and Economic Success

<h4>THE HOUSING ISSUE – A REMINDER</h4>

- 3.1 The reason why a housing dimension was considered as central to the City Deal is clearly illustrated in the following extracts from the negotiating document produced in 2013.
- “...(economic) success to date has created housing supply & affordability constraints, and chronic transport congestion, that threaten to choke off further economic growth”
- “Shortage of available and affordable housing within reasonable journey time of key employment centres - this has driven unsustainable housing prices (purchase and rental), meaning that many key workers cannot afford to live in, or within reasonable journey times of, our key job sites.”
- “We need to achieve:
The right number, types and tenures of housing (market, rented, social), in the right places, well-connected to employment centres (both virtually and physically), so that workers can find the housing they need, and can get to work to take up the jobs essential to economic success.”
- 3.2 The following headline key market indicators show that two years on, housing locally is increasingly less affordable;
- Average house prices Cambridge (Dec 14) - £428,251 (up 12% in a year)
 - Average house prices South Cambs (Dec 14) - £354,719 (up 15% in a year)
 - Lower quartile house prices in Cambridge are 15.7 times lower quartile incomes
 - Lower quartile house prices in South Cambs 11.1 times lower quartile incomes

- Market rents have increased by about 3 to 5% in across Greater Cambridge over the last 12 months although rents of 2 bed properties in Cambridge have increased by nearer 10%.

(Source: Cambridge Sub-Region Housing Market Bulletin – April 2015.)

- 3.3 The two local planning authorities (Cambridge City and South Cambridgeshire) have provided for an additional 33,000 new homes by 2031 in their submitted local plans, currently going through examination in public. 13,200 of the new homes are required to be Affordable Housing.

The local need and planned supply of new housing is not repeated here in full but is illustrated in the following documents;

Cambridge Sub-Region Strategic Housing Market Assessment 2013

www.cambridgeshireinsight.org.uk/housing/shma/shma-current-version

Local Plan Review Documents

www.cambridge.gov.uk/local-plan-review

www.scambs.gov.uk/services/local-plan

4.0 Objectives.

1,000 NEW HOMES.....and more

RIGHT HOUSES - RIGHT PLACE - RIGHT TIME

- 4.1 To complement the current market led delivery of housing and to drive certainty into the delivery of new housing, together with the prospect of delivering more homes into the future, will require a collective shift in thinking and action to achieve. The HDA will be the focus for the energy and imagination that is needed for this public sector drive to make sure the right houses are provided in the right place at the right time to support the growth of Greater Cambridge.
- 4.2 The following objectives are therefore proposed for the HDA;
- To deliver the commitment contained within the City Deal to deliver an additional 1,000 dwellings on exception sites by 2031.
 - To deliver the new homes identified in Cambridge City Council and South Cambridgeshire District Council approved Housing Revenue Accounts new build strategies – approximately 2,000 new homes.
 - To deliver new homes for Ermine Street Housing, the new private limited company created by South Cambridgeshire District Council, subject to the approval of its long term plan – potentially approximately 1,000 new homes. (The City Council is also currently considering the investment of General Fund capital in Intermediate Housing)

d. To act on land and funding opportunities proposed by the County Council and the University and Colleges meeting aspirations to retain a long term stake in any development and the draw down of revenue income streams.

4.3 Taken together this represents a build programme of at least 4,000 homes with the potential to deliver up to 8,000 if the land and funding opportunities allow. Over a 16 year period to 2031 4,000 homes equates to 250 homes per year which is the target rate of delivery used in this HAD Business Case.

5.0 The Benefits of the HDA

WHAT DIFFERENCE WILL THE HDA MAKE?

5.1 Both Cambridge City and South Cambridgeshire District Councils have a need to deliver their own Housing Revenue Account (HRA) build programmes. The early stages of these developments have involved a relatively small but a growing number of properties and have been delivered by a small in house team together with support from external agencies to help provide the technical advice and assistance required to take schemes forward.

5.2 The County Council need to identify development partners to unlock the potential of their land holdings. The volume of new builds to be delivered through HRA funding is projected to grow exponentially requiring extra staff resources which would push up staffing costs to both councils in addition to paying fees to external agencies. In addition the same technical skills will be required to take forward the build programme of the County Council, Ermine Street Housing, and other emerging City Deal Joint Ventures (JVs) or Special Purpose Vehicles (SPVs), including the recent proposal for the city council to invest General Fund (GF) capital in housing, Ermine Street Housing

5.3 The establishment of the HDA would enable the effective and efficient delivery of these various new build programmes and avoid duplication of skills within small fragmented teams. As the new housing programmes ramp up and the team increases in capacity there will be less reliance on external consultants. The HDA would ensure good project management and control over costs as well as generating a potential revenue surplus for the City Deal partners.

5.4 To repeat, as well as efficiency, there is the opportunity for the HDA to deliver additionality by working up schemes and partnerships around land and funding that would not otherwise happen.

6.0 The Operation and Financing of the Housing Development Agency

SCHEMES = FEES = HDA TEAM CAPACITY = FEES = SCHEMES

6.1 There are three inter-related factors that will dictate the operation and financing of the HDA. Operational (revenue) costs can be covered by fees charged to each (capital) development scheme. The operational income will therefore be dependent on the number of schemes that the HDA is managing. The number of schemes that can be managed will, in turn, be

dependent on the HDA team capacity (skills, knowledge and experience) available. An understanding of this circular relationship between number of schemes; fee income and Agency team staff capacity is fundamental to the Business Case and how the HDA is sustainable in the long term.

6.2 It should be noted that in practice a variable fee structure will apply depending on the type of scheme and the input required by the HDA to manage the scheme's delivery. For the purposes of the Business Case a flat rate 3% fee has been assumed.

6.3 Target Schemes and Homes

The delivery of the minimum 4000 new homes set out in 3 above equates to the completion of an average 250 per year.

6.4 Target Fee Income

The completion of 250 new homes a year would generate an annual income for the HDA of £1,350,000 based on the following assumptions;

Unit Cost - £180,000 per unit
Annual Capital Cost - £45m
Fee – 3% of Capital Cost

6.5 Target HDA Team

The following HDA team is proposed to deliver at least 250 new homes a year. The HDA team would need to operate flexibly over the Greater Cambridge area but it is anticipated that each City Deal partner would have a senior person in the HDA as their 'account' manager.

Managing Director – overall managerial responsibility for the delivery of the City Deal objectives

Assistant Director – assist the Managing Director to develop and manage the HDA and assist with new business opportunities. Lead the delivery of some projects.

2 x Housing Development Managers – lead the delivery of teams and projects

3 x Housing Project Officers and Planning Officer – project manage schemes with the assistance of Trainees as directed by the managers.

3 x Trainee Project Officers – assist the project management of schemes

Commercial Director – lead on the marketing and sales of intermediate housing and where applicable market housing products delivered through the HDA.

2 x Sales and Development Administrator - peripatetic administrative support for the HDA

Appendix 1 shows the skill and knowledge set required within the HDA Team in relation to the housing development process that it will manage.

- 6.6 The HDA team fully costed equates to a fee charge of approximately 2% of capital development cost on 250 new homes based on the assumptions in 4.3 above. Assuming an average 3% fee allows a 1% charge to cover other specialist development costs such as up-front legal costs; procurement costs; specialist planning advice etc. with any surplus recyclable to pump-prime further activity.

Appendix 2 shows the target HDA team and specialist development costs, fully costed.

7.0 Transition from Existing Staffing to Target HDA Team

TRANSITION

- 7.1 This section of the Business Case will explain why pump-priming of £400,000 is essential to build on the capacity of the existing staff teams to deliver the target number of new homes. It is important to understand three key accounting practices that will apply to the HDA as follows;
- a. Fees cannot be charged for revenue costs incurred if a scheme does not proceed.
 - b. Fees cannot be charged for more than the actual revenue costs incurred
 - c. It is the practice of the social housing development sector to draw down fees at two stages in a scheme – once the construction has started on site and when the construction has completed.

Points a. and c. above in particular mean that taken in isolation the project management cost of each scheme runs with an operational revenue deficit until the scheme reached near completion. However, once a programme of schemes is established the aggregation of fee income and timing of fees received results in a sustainable Business Plan.

- 7.2 Helpfully we are not starting from a zero base in terms of schemes, fee potential and staff. The City Council has an established new build programme and staff team; South Cambs DC has its Property Company and a significant list of development sites and the County has at least two major development sites that have been approved to be brought forward. The University and Colleges have expressed an interest in developing some of their land or investing funding using the HDA.

- 7.3 **Existing Schemes** – The following table provides a summary of committed schemes and known potential schemes that could be delivered through the HDA.

New Homes by Year of Completion	2015.16	2016.17	2017.18
City Council	78	161	86
SCDC	35	64	58
Total	113	225	144

The above does not include the known potential County sites at Worts Causeway and Burwell as these will not complete until 2018.19 at the earliest.

Appendix 3 provides more detail of committed schemes and known potential schemes.

7.4 **Immediate Fee Potential** – The schemes shown in 4.4 above would generate the following fee income.

Fee Income	2015.16	2016.17	2017.18
City Council	£357,020	£261,791	£458,100
SCDC	£53,604	£160,931	£329,357
Total	£410,624	£422,722	£787,457

7.5 **Transition from Current Staff Capacity the HDA Team**

The following is a summary of the existing staff capacity within the district councils.

Housing Development Manager (City)
Housing Development Officer (City)
Trainee Housing Development Officer (City)
Housing Development Manager (SCDC)
Plus miscellaneous staff that contribute to the housing development function

Appendix 2 shows the target HDA Team.

The following table summarises the transitional costs and income to move from the current staff capacity in 2015.16 to the target HDA Team in 2017.18 that is self-sustaining through fee income. The table shows that as well as no longer relying on City Deal funding, the HDA has the potential to generate a surplus in 2017.18.

	2015.16	2016.17	2017.18
(A) HDA Staff Team Cost	£439,314	£547,334	£640,225
(B) Specialist Development Costs eg up-front legal; procurement; specialist consultant etc.	£171,310	£75,388	£80,000
(C) Fees Income (charged to capital projects)	£410,624	£422,722	£787,457
(D) City Deal Funding	£200,000	£200,000	£0
Balance (A+B)-(C+D)	£0	£0	£67,232 (Surplus)

8.0 **Governance Models and Option Appraisal**

GOVERNANCE

8.1 There is a spectrum of models through which the HDA could be governed as illustrated by following headline SWOT analysis of three options.

In either model it is important to state that the control of each project specification, budget and approval remains with the land owning partner unless it is agreed otherwise.

- 8.2 The recommendation is to move as quickly as possible to Option 2, the Shared Service Model. The recommendation is made on the basis that this will be the quickest route to establish the robust team capacity needed to achieve a common purpose and will minimise the due diligence in respect of human resource and legal work associated with the set-up of a new legal company structure. This would not preclude a move to Option 3 in due course.
- 8.3 A target date to achieve a shared service is April 2016. In the interim it is proposed to establish a HDA Board to oversee the transition to the full shared service. The HDA Board will fit within the wider governance structure for shared service that is emerging across the local authorities. From August 2015 consideration will be given to secondment of staff into the shadow HDA structure and to buy in other resource on a temporary basis to deliver existing projects and programmes.
- 8.4 The operation of the HDA is not location dependent. It is proposed that a core office base be established but that the HDA Team would be peripatetic.
- 8.5 **Option 1 - Collaborative Model**

Under this model all staff remain with their partner authorities and operate primarily to deliver their host authority projects. City Deal partners agree to co-operate to ensure as far as is possible that partner operations do not conflict and are not counter-productive to the delivery of the City Deal housing objectives.

Strengths

- There would be no set up or costs associated with reorganising the staff teams.
- Decision making on the prioritisation of their projects would clearly remain with each partner.

Weaknesses

- Each partner authority is likely only to be able to afford small and therefore less robust staff teams with built in inefficiencies in terms of management and structure.
- It will be harder for each partner to recruit the wide range of skills required in an effective staff team
- There is the potential that partners will compete for same staff

Opportunities

- No obvious opportunities that are unique to this model

Threats

- Working collaboratively, but still independently, partner housing development programmes will be less flexible to adapt to any significant change in the external policy or funding environment.

8.6 Option 2 - Shared Service Model

Under this model the staff team would be brought together within a single management structure. There would be a legal agreement between the partners to capture the common purpose and objectives of the shared service, with a governing body with representation from the three local authorities overseeing its operation. One partner would need to be appointed to lead the shared service.

Strengths

- Having a single staff team will generate management and operational efficiencies.
- The collective staff resource of the partners will be focused on delivering the housing objectives of the City Deal.
- Recruitment and retention will be aided by the focus on the common objectives.
- Monitoring of outputs and outcomes will be aided by the presence of a single governing body.
- This model fits with the emerging governance structure for a number of other shared services already set up or being worked on by partners.

Weaknesses

- There will be up-front costs to bring existing staff together in a single structure.
- Unless thought through thoroughly from the outset, it will be complex to bring the shared service to an end.

Opportunities

- A single, larger shared housing development agency will have a greater presence in the development market place and would be better placed to deliver the additionality of working up schemes and partnerships around land and funding that would not otherwise happen.
- This model lends itself as a practical transitional model to use to ease the move from current management and organisation of the partners current programmes.

Threats

- No obvious threats that are specific to this model.

8.7 Option 3 - Wholly Partner Owned Local Company Model

Strengths

- Having a single staff team will generate management and operational efficiencies.
- The collective staff resource of the partners will be focused on delivering the housing objectives of the City Deal.
- A pay and conditions structure can be implemented that is in tune with market and will aid recruitment and retention.
- Monitoring of outputs and outcomes will be aided by the presence of a single governing body.

Weaknesses

- There may be a perception that the Company is too far removed from the democratic decision-making process.

Opportunities

- There may be Tax advantages but these will need to be worked through once the HDA is established.

Threats

- No obvious threats that are specific to this model.

9.0 Risks and Issues

RISK AND MITIGATION

Risk	Mitigation
National policy imposing further restrictions on local authority direct delivery of new housing eg restrictions on setting up companies to avoid RTB.	Lobbying of government through City Deal and Devolution debates.
Delay in completion of schemes results in fee income not being achieved.	Careful planning of the timing of the programme of schemes. Close systematic monitoring of scheme progress. Having a larger programme of schemes will lessen the impact of the slippage in the programme.
Difficulty in recruiting the skilled and experienced personnel required in a competitive market.	The profile and robustness of the HDA will represent a better offer to attract staff. Investigate application of market supplement to local authority pay structure.
Perceived lack of control of land owning or funding City Deal partners.	Land owning or funding City Deal partners retain of project specification, budget and approval. Project delivery monitored by Board.

End

Appendix 1

Greater Cambridge Housing Development Agency – The Development Process and Skills and Knowledge Input

Development Stages	Skills and Knowledge Required
<p>Site Identification – Development land audit; initial development feasibility and constraints mapping, legal title and legal searches; land assembly and acquisition. Process to capture both new opportunities and prioritisation of schemes.</p>	<p>Negotiation skills re land acquisition Local Plan and planning process including ‘exception sites’. Legal rights as they apply to land Land conveyancing Site services required for a housing development Access, site location and appreciation of other site constraints and opportunities.</p>
<p>Development Brief – Lead partner’s requirements for the site (or programme of sites) – desired outcomes and outputs for the development – financial (capital and revenue); use; built form and standards; and risk appetite. Milestone Decision</p>	<p>Partner policies and procedures Appreciation of the political dimension Risk assessment</p>
<p>Development Option Appraisal – Indicative scheme layouts within density and planning policy parameters. Detailed constraints mapping, topographical and ground and site surveys. Impact of different disposal and development options on value and financial viability - including evaluation of procurement routes and required development partners. Risk assessments including tax implications. Milestone Decision</p>	<p>Affordable Housing sector and options to deliver. Understanding range of development consultants and the services they offer. Expert in assessing financial viability of housing development. Legal options for land disposal eg outright sale, development agreement, joint venture etc. Public sector procurement. Appreciation of tax and state aid law. Finance options.</p>
<p>Implementation of Preferred Development Option – Dependent on selected option, procurement route and selected development partners, progression of detailed scheme design</p>	<p>Risk management. Commercial negotiation Sustainable Housing Standards.</p>

<p>and land disposal and construction contracts including development of lead partner's specification. Any required procurements to implement the above including financial and other checks of partners. Pre-application discussions with planning authority and achievement of planning approval. Finalise scheme viability assessment and scheme budget. Negotiation of final legal terms of contract.</p>	<p>Understanding of planning framework and critical pre planning information. Commissioning of external consultants including design team. Health and Safety considerations Critical analysis and evaluation of legal agreements</p>
<p>Construction Stage – Management of build contract, build quality, cost control and required variations.</p>	<p>Technical and construction knowledge. Knowledge of build contracts. Contract management and Cost control.</p>
<p>Handover into Use and Occupation – As built drawings. Building equipment operational manuals. Defects period. Estate management strategy; establishing rents and service charges. Marketing and sales of intermediate housing and market housing options. Letting of other retail and commercial uses and transfer into community uses where applicable. Transfer of public realm and highway into management and maintenance.</p>	<p>Internal customer relationships. Promotion, Marketing and Sales</p>
<p>Community and stakeholder consultation – To be undertaken at any stage of the development process as required and appropriate to the scheme.</p>	<p>Presentation and communication skills</p>
<p>Partnership Working -</p>	<p>Strategic approach to networking New business relationship management Key networks eg HCA/local developers/Registered Providers</p>
<p>General</p>	<p>Schemework audit and monitoring systems Valuations for accounting purposes</p>

Milestone Decisions – The authority of the lead partner to proceed will be required at different stages of the development process. The ‘milestone’ decisions will vary from scheme to scheme and will need to be agreed as part of the Development Brief for each scheme. The above schedule shows some indicative point for Milestone Decisions for illustrative purposes.

Key Skills and Knowledge Required by Position – The list below is not exhaustive and a general level of understanding of the development process will be required across all positions. The list provides a flavour of the key skills and knowledge that differentiates the input at different positions.

Managing Director - overall managerial responsibility for the delivery of the City Deal objections.

- New business relationship management
- Partner policies and procedure and appreciation of the political dimension
- Risk assessment
- Legal options for land disposal eg outright sale, development agreement, joint venture etc.
- Finance options
- Commercial term negotiations

Assistant Director and Housing Development Managers – Partner account managers

- New business relationship management
- Partner policies and procedure and appreciation of the political dimension
- Risk assessment
- Legal options for land disposal eg outright sale, development agreement, joint venture etc.
- Finance options
- Commercial term negotiations
- Procurement

- Critical analysis and evaluation of legal agreements
- Project management and team management

Housing Project Officers and Planning Officer and Trainees – Project management

- Local Plan and planning process including 'exception sites'
- Site appraisal
- Financial viability assessment
- Collation of critical pre planning information
- Commissioning of external consultants including design team.
- Health and Safety, technical and construction considerations .
- Build contract management and cost control.
- Internal customer relations .

Commercial Director

- Marketing intermediate housing and market housing products
- Sales strategy
- Promotion and communication strategy for the HDA

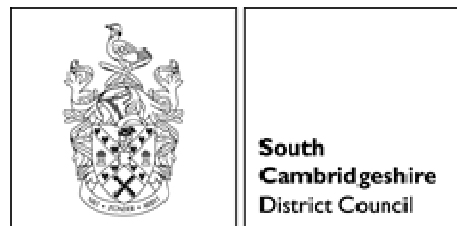
Document is Restricted

This page is left blank intentionally.

Document is Restricted

This page is left blank intentionally.

Agenda Item 8



Report To: Leader and Cabinet

9 July 2015

Lead Officer: Director of Health & Environmental Services

Business Improvement and Efficiency Programme Business Hub Project

Purpose

1. To update Cabinet on work to progress a joint “Business Hub” partnership between South Cambridgeshire DC Health, Environmental Services, Cambridgeshire County Council Trading Standards and Cambridgeshire Fire and Rescue.
2. This is not a key decision but forms part of the Business Improvement and Efficiency Commercialisation Programme.

Recommendation

3. That Cabinet notes progress towards the creation of a multi-agency “Business Hub” on a trial basis for 12 months to create a start-up phase to draw together key business advice services from both Trading Standards, Cambridgeshire Fire Service and South Cambridgeshire District Council (SCDC) to promote joint Primary Authority Agreements and associated commercial activities.

Reasons for Recommendations

4. To provide a more customer-focused, joined-up, “one-stop-shop” for regulatory services business advice for local and national businesses by drawing together key services from both Cambridgeshire County and South Cambridgeshire District Councils and Cambridgeshire Fire Service.
5. To increase income to SCDC by increasing the number of hours that chargeable business advice can be given, developing a cost recovery model for regulatory services business advice that can be expanded in a financially sustainable way.
6. To develop an operating model that other regulatory services may join in subsequent phases, bringing in new offering of advice and support services for the Business Hub.

Background

7. As part of the implementation of the Hampton Review the Government introduced the Regulatory Enforcement and Sanctions Act 2008. This act facilitated the introduction of a Primary Authority Partnership Scheme, which began in 2009 and allowed for the

development of nationally recognised schemes whereby a regulator would work closely with a regulated business through a formal agreement to;

- Quality assure their policies and procedures
 - Provide assured advice and an inspection plan which other regulators nationally must follow
 - Provide a point of contact that other regulators must consult prior to taking any enforcement action.
8. The overall purpose being to provide businesses with a consistent approach to regulation and support across all of their premises nationally. This in turn reduces regulatory burden on business and enables them to focus on growth thereby supporting the local and national economy.
 9. Each regulatory service has a range of statutory duties. However it is also widely recognised that providing support, advice and guidance to legitimate businesses alongside, these brings great benefit to businesses and consumers, as it enables them to comply with legislation and frees-up essential resources that can be focused on targeted enforcement against rogues.
 10. As these support-type services are not statutory, they are becoming increasingly difficult to provide from existing resources. Officers are therefore developing a new model for business services in Cambridgeshire. The 'Business Hub' model is designed to become a self-financing model that provides businesses with access to quality advice/support services that are streamlined and efficient.
 11. The Business Hub is modelled on extending the existing Trading Standards Primary Authority Partnership work which provides an excellent foundation on which to develop and grow the concept.
 12. Since its introduction in 2009 the market for Primary Authority Agreements has grown steadily across the UK. There are currently around 76 District/Borough and 45 County Councils signed up to and having PA agreements with approximately 2614 companies.
 13. The Primary Authority Partnership scheme would encompass the Business Hub, as this concept is one of the centre pieces of central government policy to reduce the regulatory burden for business and simplify enforcement regimes. The delivery of all associated business advice will be self financing.
 14. All Primary Authority Partnerships operate on the basis of the regulator concerned recovering full costs relating to any of their staff involvement in the delivery of the scheme.
 15. One key conclusion from the Hampton Report was that *'the structure of regulators, particularly at local level, is complex, prevents joining up, and discourages business-responsive behaviour. Regulators should be of the right size and scope, and no new regulator should be created where an existing one can do the work'*
 16. In order to consider the opportunities for more joined-up working which will address this concern, and seek to increase income generation, an officer group has been established between Cambridgeshire County Council, South Cambridgeshire District Council and the Fire Service, to identify the options for maximising opportunities between the three authorities.

17. Initial scoping has identified two main opportunities relating to regulatory services; the creation of a Business Hub (Stage 1) and the possibility of establishing a Joint Regulatory Services Model for Trading Standards and District Environmental Health partners (Stage 2). For Stage 2, a draft regulatory services model for 2020 will be developed alongside a full business case and presented to members at a later date.
18. SCDC Cabinet has previously agreed the development of the Business Hub as part of the SCDC Corporate Plan

Considerations

19. Consideration as to location has been given and at present the project group supports the Business Hub being located at South Cambridgeshire District Council.
20. In presenting the attached outline business case **APPENDIX 1**, a number of reasonable assumptions have been made. It has been necessary to make these assumptions where there are unknown factors at play.
21. **IT Systems** - The Business Hub will use the existing CCC Trading Standards IT systems to support the delivery of the scheme, which can be accessed and used by a range of regulatory services partners across a range of organisations. Whilst this is a reasonable assumption to make, it is acknowledged that as the 'Business Hub' grows, it may be necessary to commission and pay for a bespoke system to be developed.
22. **Employment** - It is assumed that for the pilot period, staff members delivering 'Business Hub' activities will continue to be employed by their respective authorities. However, the Hub would provide a 'one stop shop' for business to access assured advice under Primary Authority status under the three regulators. It is envisaged that this will not only provide greater consistency and support for business to comply but also provide a more sustainable and cost effective model for public services enabling resources to be focussed on those areas at most risk. Opportunities to provide services to businesses outside of Primary Authority will also be explored in order to maximise income generation
23. **Investment of income** - There is an assumption that any income generated in the early stages of this project will be able to be reinvested in the growth of the 'Business Hub' to enable the model to become a fully commercial and self-sustainable enterprise.
24. Consideration has been given to some key objectives that the Business Hub should achieve to be fit for purpose, which are :-
 - Offer highly professional, chargeable advice to businesses
 - Develop a one-stop shop for regulatory advice required by both local and national businesses
 - Ensure Regulatory services work in a joined-up, customer-first, streamlined manner to offer a better regulatory service, using joint systems and intelligence.
 - Improve economic growth through better regulation
 - Deliver a Service to the ethos of Regulators' Code and Better Regulation Agenda (i.e. to improve regulatory outcomes without imposing unnecessary burdens on business)
 - Commercial venture – to recover costs and become self-sustaining

- Create a service not just for businesses but also for other local authorities – i.e. a Business Hub that other authorities can pay to deliver business advice on their behalf
25. In designing a model to meet the above objectives, it is recognised that ultimately all Regulatory Services would need to be involved to create a true ‘one-stop shop’ objective. However, it is also recognised that this would not be feasible immediately and that a 2 stage approach should be taken to build the Business Hub in phases that increase the offering to businesses by bringing in more of the County’s Regulatory Services and their respective remits.

Options

26. Whilst each regulatory service has a range of statutory enforcement duties, it is also widely recognised that providing support, advice and guidance to legitimate businesses alongside this brings great benefit to businesses and consumers as it enables them to comply with legislation and free up essential resources that can be focused on targeted enforcement against rogue businesses. This is consistent with the SCDC Enforcement & Inspection Policy previously agreed by Cabinet in November 2014.
27. One option is to do nothing and maintain the status quo, however, continuing financial pressures will adversely services that are not statutory and will become increasingly difficult to provide from existing resources which is unlikely to be reversed in future years.
28. The second option is the proposal of a new model for business services in Cambridgeshire. The ‘Business Hub’ model is designed to become a self-financing model that provides businesses with access to quality advice/support services that are streamlined and efficient.

Implications

29. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

30. There are upfront financial costs incurred including marketing costs and costs to back fill existing posts subject to workloads as identified in more detail at **Appendix 1**. SCDC’s £20,000 contribution to these pilot costs will be made from existing H&ES budgets.

Staffing

31. In order to test this concept, it is proposed that a ‘trial Business Hub’ is established in 2015. The ‘trial Business Hub’ would look to initially replicate the Trading Standards model so would include the 2 x Trading Standards Officers that currently give chargeable advice, plus 1 x Fire Officer. In addition, 1x officer from SCDC’s Environmental Health & Licensing team will made available as part of this team. This will serve to not only widen the range of assured advice available to businesses, but will also increase the potential number of hours of business advice that could be delivered. This post would be backfilled as required, probably for an initial six months through the SCDC corporate contract for temporary staff.

Legal

32. Legal support will be required as part of the project, in particular support in designing any inter-authority contracts over provision of services, staff etc.

Risk Management

33. Any risk management issues will be covered by existing risk management processes in place as part of the H&ES Risk Register and via a dedicated Project Risk Register.
34. A set of business rules will be agreed which would include a risk register and cover the access, security, storage and disposal of information in order to manage Data Protection principles.
35. The benefit of this model is that if existing staff are used then there is little risk to both authorities whilst the 'Business Hub' is established as existing staff members can be called upon to deliver 'chargeable' advice as the model grows
36. The 'Business Hub' model would allow a relatively low cost, low risk trial period to enable both authorities to monitor the potential for future development. If the pilot is successful, then eventually work would be undertaken to assess whether it was viable to move the 'Business Hub' towards a self sustaining model.

Consultation responses

37. Consultations have taken place with regulatory partners and the Better Regulation Delivery Office (BRDO) to design the Business Hub model.

Effect on Strategic Aims

Aim 1 - We will listen to and engage with residents, parishes and businesses to ensure we deliver first class services and value for money.

38. By projects from the business efficiency programme, working with services to reduce costs and deliver better ways of working.

Report Author: Myles Bebbington – Head of Service Env Health & Licensing
Telephone: (01954) 712922

This page is left blank intentionally.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is left blank intentionally.

Agenda Item 9



South
Cambridgeshire
District Council

Report To: Leader and Cabinet

9 July 2015

Lead Officer: Director of Planning and New Communities

Northstowe Phase 2: Community Infrastructure Delivery and Requirements

Purpose

1. To endorse the draft requirements for a Section 106 Agreement for the Northstowe Phase 2 Outline Planning Application.
2. This is not a key decision.

Recommendations

3. It is recommended that Cabinet:
 - (a) Endorse the draft requirements for a Section 106 Agreement for the Northstowe Phase 2 Outline Planning Application, which will be considered by the Northstowe Joint Development Control Committee (NJDCC), including: the list of items and triggers; and draft outline specifications for the health centre and library with community use, and the community hub.
 - (b) Delegate to the Portfolio Holder for Northstowe, in consultation with the Director of Planning and New Communities, the authority to make any minor changes to the draft requirements prior to inclusion in the NJDCC report for the Phase 2 development.

Reason for Recommendations

4. To ensure that Cabinet can consider any corporate implications arising from the draft requirements for Northstowe Phase 2.

Executive Summary

5. Northstowe Phase 1 was granted outline permission in April 2014 for up to 1500 new homes. During 2015, construction has commenced on the Primary School, works to the B1050 and a Foul Water Pumping Station at Webb's House Sluice.
6. The Homes and Communities Agency (HCA) submitted a planning application for Northstowe Phase 2 last August. The NJDCC resolved to grant outline planning permission for Northstowe Phase 2, subject to s106 items and triggers, and agreement to the planning conditions, on 24 June 2015.
7. This report presents the proposed requirements for the s106 Agreement for Northstowe Phase 2. Construction of Phase 2 is expected to commence in 2018, and will overlap with construction of Phase 1. Detailed negotiations on the s106 requirements have taken place, informed by the advice of the Local Authorities viability cost consultant. The principal reasons for the ongoing discussions have been

to address viability issues as well as reach a consensus view on community infrastructure requirements and delivery.

8. It is essential to ensure that development of Northstowe Phase 2 secures appropriate provision of services and infrastructure to meet its needs properly, and to ensure that development is acceptable in planning terms. This includes financial contributions towards the provision and maintenance of infrastructure, services and facilities.
9. The Northstowe developers, Gallagher and the HCA, have provided housing trajectories, showing their expected build-out rate. This can be mapped against the community-building requirements of the s106 agreement for Phase 1, and the proposed requirements for the s106 agreement for Phase 2, as outlined in this report.
10. **Appendix 1** shows the delivery of new homes and community infrastructure for the next ten years, as new residents move into Northstowe. **Appendix 2** shows the list of items and triggers proposed for the s106 Agreement for Northstowe Phase 2. **Appendix 3** shows the draft brief for the health centre, library and community hub for Northstowe Phase 2. There are also proposals for an education campus including primary, secondary, sixth form and special school provision, and community sports facilities.
11. The HCA's costings and assumptions for Northstowe Phase 2 have been tested and accepted by HM Treasury, as part of the government's process for granting approval to its agencies to deliver particular projects. From this basis, the HCA proposed £70m funding towards the costs of community infrastructure, and 20% affordable housing. Through negotiation, the following position is recommended:
 - (a) Various items will be provided as part of the site infrastructure and therefore not secured through s106 payments, for example, transport capacity measures identified through the transport assessment
 - (b) Clear identification of contingency items, such as provision for independent review of contaminated land assessments
 - (c) £73m funding towards the s106 package
 - (d) A review of viability to assess whether the level of affordable housing may be increased, to take place part way through the build-out of Phase 2.

Background

12. The principle of Northstowe was established in the Cambridgeshire and Peterborough Structure Plan 2003, and the South Cambridgeshire District Council Core Strategy 2007. Also in 2007, the Northstowe Area Action Plan set out the local policy context for the delivery of the new town.
13. Northstowe Phase 1 was granted outline permission in April 2014 for up to 1500 new homes. Since then various reserved matters applications have been approved, and during 2015, construction has commenced on the Primary School, works to the B1050 and a Foul Water Pumping Station at Webb's House Sluice. The first phase of Northstowe is being brought forward by Gallagher Ltd.
14. The Homes and Communities Agency (HCA) submitted a hybrid planning application for Northstowe Phase 2 on 22 August 2014. The application sought:
 - (a) Outline permission for the main Phase 2 development area for up to 3,500 dwellings, two primary schools, the secondary school, the town centre, formal

and informal recreational space and landscaped areas, sports hubs, road and infrastructure works

- (b) Full planning permission for the construction of a new Southern Access Road from Northstowe to the B1050.
15. As a result of consultation and negotiation, including feedback from members, statutory consultees and the public; the HCA made a number of changes to the Phase 2 application including:
- (a) Increasing the provision of car parking spaces from an average of 1.5 per dwelling, as required by adopted policy, to 1.75 per dwelling
 - (b) Providing a town park in the town centre, which will have a combined area of 1.2ha with the town square
 - (c) Reducing the height of buildings around Rampton Drift from three to two storeys
 - (d) Increasing community sports provision.
16. The residents of Rampton Drift are the first residents of Northstowe. They and other local residents have provided constructive feedback through the planning process, and their input has shaped particular conditions. In addition, the HCA has agreed to enter early discussion about taking over the management of open spaces at Rampton Drift.
17. On 12 February, the Cabinet endorsed a list of requirements for the s106 Agreement for Northstowe Phase 2, and recommended that particular consideration be given to the provision of Dry Drayton Road ponds in order to provide flood attenuation for Oakington. The County Council Economy and Environment Committee discussed its requirements for the s106 Agreement at a meeting on 3 February 2015.
18. On 24 June 2015, the NJDCC resolved to grant outline planning permission for Northstowe Phase 2, subject to s106 items and triggers, and agreement to the planning conditions. The NJDCC also resolved to grant full permission for the Southern Access Road, subject to the planning conditions. The NJDCC was presented with a list of items proposed for the s106 Agreement that totalled around £87m, and also informed that the HCA had stated that its work on costs demonstrated that the development could provide 20% affordable housing and meet s106 costs of £70m.

Considerations

19. The HCA's costings and assumptions for Northstowe Phase 2 have been tested and accepted by HM Treasury, as part of the government's process for granting approval to its agencies to deliver particular projects. From this basis, the HCA proposed £70m funding towards the costs of community infrastructure, and 20% affordable housing. Through negotiation, the following position is recommended:
- (a) Various items will be provided as part of the site infrastructure and therefore not secured through s106 payments, for example, transport capacity measures identified through the transport assessment

- (b) Clear identification of contingency items, such as provision for independent review of contaminated land assessments
 - (c) £73m funding towards the s106 package
 - (d) A review of viability to assess whether the level of affordable housing may be increased, to take place part way through the build-out of Phase 2.
20. This report presents the proposed requirements for the s106 Agreement for Northstowe Phase 2. Construction of Phase 2 is expected to commence in 2018, and will overlap with construction of Phase 1. Detailed negotiations on the s106 requirements have taken place, informed by the advice of the Local Authorities viability cost consultant. The principal reasons for the ongoing discussions have been to address viability issues as well as reach a consensus view on community infrastructure requirements and delivery.
21. It is essential to ensure that development of Northstowe Phase 2 secures appropriate provision of services and infrastructure to meet its needs properly, and to ensure that development which would otherwise be unacceptable in planning terms is made acceptable such that all proper requirements are secured at the point when the planning permission is issued. All development proposals should provide the essential planning requirements commensurate to the nature, scale and economic viability of the development. This includes financial contributions towards the provision and maintenance of infrastructure, services and facilities.
22. As stated above, in February the Cabinet recommended that particular consideration be given to the provision of Dry Drayton Road ponds in order to provide flood attenuation for Oakington. The HCA has commissioned work on this, and feedback will be included in the report to the NJDCC in July. At the request of NJDCC members, the HCA commissioned a ground conditions report for the provision of a burial ground. The HCA has confirmed that it will deliver a burial ground on Phase 3 on land near the Southern Access Road. A delivery plan will be presented before the NJDCC in July.
23. The following paragraphs illustrate how a funding allocation might provide for the essential requirements for the scheme to be acceptable in planning terms, and also how the town will develop over phases 1 and 2. The list of items and triggers will be presented to NJDCC on 29 July and, subject to its decision, will form the basis of the Heads of Terms of the s106 Agreement that will be secured during the detailed drafting stage.

Overview of Community-Building and Place-Making

24. The Northstowe developers, Gallagher and the HCA, have provided housing trajectories, showing their expected build-out rate. This can be mapped against the community-building requirements of the s106 agreement for Phase 1, and the proposed requirements for the s106 agreement for Phase 2, as outlined in this report. The triggers for Phase 1 apply only to that phase, the triggers for Phase 2 and later phases will relate to the overall programme in order to support the smooth provision of infrastructure and creation of an integrated community.
25. On 24 June 2015, the NJDCC approved a set of draft conditions for Northstowe Phase 2. These include a town centre strategy, building on the strategy provided with the application. The town centre strategy will be expected to link to the employment and housing strategies that were produced by the HCA in collaboration with the local

authorities and the subject of wide consultation; and which were submitted to support the Phase 2 outline application. The employment and housing strategies both have action plans that will be taken forward over the coming months, and will complement community development, sport and cultural plans. The Design Code is another critical condition, and all of this work will need to be carefully co-ordinated or integrated in order to avoid the risk of producing an unmanageable set of documents.

26. Appendix 1 shows the delivery of new homes and community infrastructure for the next ten years, as new residents move into Northstowe. The first primary school, with interim community facilities, children's centre, pre-school services and community health team, will open next year as the first homes are occupied. There will be a community access agreement for the primary school. This is followed by new facilities opening every 1-2 years: the first sports hub, the first phase of the secondary school that will serve Northstowe and Longstanton, and the first community centre. These will all be provided through the phase 1 s106 agreement, although the secondary school land is on Phase 2. The opening of the secondary school is expected to coincide with residents moving into the first homes in Phase 2. This will avoid the secondary school potentially being an isolated building. The secondary school provider, CMAT, has always said that the school will be available for community use, particularly outside normal school hours. Swavesey Village College has employed an Arts Officer, with the intention that she will be able to support the development of artistic culture at Northstowe.

Schools, Health, Library, Sports and Community

27. The first community requirement for Phase 2 is a health centre that will be required at 1500 occupations. It is proposed that this be combined with early delivery of the library. The building will provide space for community uses. The library will be a Level 3 library that will serve the entire town, and will be suitable for flexible community use. (Through policy the library would be required at 4500 occupations.) A draft brief for the health centre and library, with community use, is appended. The proposed s106 agreement includes revenue funding for the library, and for community development and support staff.
28. The proposed requirements for Phase 2 include primary and secondary schools to serve the new residents, along with community sports provision and a community hub. The first phase of the secondary school will open in 2019. Over time, the education campus on this site will grow to include a 12-form entry secondary school, sixth form provision, primary school and special school. The land for the education campus will be provided through the Northstowe Phase 2 planning consent, or through a separate land transfer agreement between the County Council and the HCA.
29. During Phase 2, the second phase of the secondary school will open, as will the sixth form, the special school and two primary schools. One primary school will be on the education campus, and the second will include conversion of the former officers' mess. The primary schools will be able to provide interim children's centres and pre-school services. The second phase of the secondary school will include dual-use indoor sports facilities that will be open to the community. The secondary school

sports pitches will be located adjacent to community sports areas, with potential for significant shared use of all sports areas. The Northstowe Sports Strategy submitted by the HCA in May 2015, suggests how these areas may be used separately and together. The proposed s106 requirements include a pavilion and revenue funding for a sports development manager, and to subsidise the costs of the facilities in the early years of Phase 2.

30. The Community Hub including Children's Centre for Phase 2 will be required by the 4500 occupation, across phases 1 and 2. It will complement the community space provided earlier in the library, and also community use that will be made available by all the schools, and by the Phase 1 Community Centre. The proposed s106 requirement includes costs for community space as recommended by the multi-agency public and community services group in May 2015. The draft specification is attached as Appendix 3, and the funding requirement has been assessed by the HCA's cost consultants as sufficient. The cost consultants have provided a letter of assurance to support their work. By the time this building is designed, there will be a substantial number of Northstowe residents. It is proposed that the s106 agreement be written so that Northstowe residents, potentially through the future town council or a community trust, will be able to steer the design and specification of the actual building. The proposed items include funding for community development and support, and for town notice boards. Allotments and community orchard will be provided by the HCA, and be subject to conditions.

Emergency Services

31. The police service will use multi-agency and community facilities in order to liaise with other services, the town council and residents.
32. The Fire and Rescue Service has requested sprinkler systems in affordable housing in order to reduce the risk of fire in Northstowe. The HCA has committed to explore this. The proposed items include a contingency sum for an emergency outstation, but this may not be required, and the s106 Agreement will be worded appropriately.

Transport

33. Phase 2 will include the construction of the Southern Access Road and also the bus-only spine road through the new town from the Longstanton Park and Ride to the Cambridgeshire Guided Busway (CGB) at Oakington. The Phase 2 s106 agreement will include payments for community transport and transport mitigation measures. The following work will be secured through conditions: off-site cycleways, transport capacity schemes for local roads, and footpath improvements.
34. The CGB is a fundamental element of the transport strategy for Northstowe, and therefore a proportionate contribution is required from Phase 2 towards the construction costs.

Archaeology and Heritage

35. The protection of archaeological remains, their storage and presentation will be secured through conditions. The HCA has also agreed to secure long term care of the listed pillboxes, and to ensure an appropriate management plan for Longstanton Paddocks, that are in the Longstanton Conservation Area.

Environment and drainage

36. Items for monitoring equipment for noise, air and contaminated land are required.
37. The list of items proposed for the s106 Agreement includes a proportionate contribution towards the cost of the Webbs Hole Sluice Pumping Station, and for the maintenance of Sustainable Urban Drainage Systems (SUDS).

Waste

38. This covers recycling bins, a contribution towards the cost of waste collection vehicles and towards a strategic recycling centre.

Affordable Housing

39. The s106 agreement and viability negotiations have needed to consider the proportion of affordable housing. The District Council's policy requirement is for 40%, subject to viability. The planning application stated 20%, and this has been tested through the viability assessment. It has been agreed with the HCA that the level of affordable housing should be reviewed in order to re-assess the viability and determine if the level of affordable housing may be increased. It is proposed that a review take place in 2019, if development has not commenced by this time; and also three years following implementation of the permission. It is intended that any uplift would result in additional on-site provision of affordable housing.
40. Northstowe offers the potential for the Council to invest directly to secure the building of new council homes. This is an innovative step and may help the Council to remain at the heart of building the new community. This will be progressed outside of the planning application.

Implications

41. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

42. The costs of the community hub, sports pavilion and dual-use sports centre have been assessed by the HCA's cost consultants as well as careful consideration by the local authorities. They are considered appropriate sums for the provision of these buildings. Similarly, the proposed funding for other District Council items is considered appropriate.

Legal

43. Heads of Terms will be included in a detailed s106 legal planning agreement to which the District Council, County Council and HCA will be the principal parties.

Staffing

44. There may be staffing implications arising from future requirements of Northstowe Phase 2, including discharging planning conditions, considering reserved matters applications and working with local residents and partner agencies.

Risk Management

45. There are two principal risks:
- (a) The reputational risk of not achieving a 'Quality First new town
 - (b) The financial risk that the s106 funding will not meet the cost of the necessary items of community infrastructure.

Equality and Diversity

46. The Northstowe proposals aim to create a sustainable new town and thereby welcome and address the needs of a diverse community.

Climate Change

47. The planning application includes a range of measures to adapt to and mitigate the effects of climate change including land drainage measures that are assessed to meet a 1:200 year rainfall event, and a level of renewable energy. The design of Northstowe will encourage cycling and walking, rather than car use.

Consultation responses

48. The Northstowe Phase 2 outline planning application was the subject of public consultation from 20 September to 28 October 2014. A second consultation period ran from 29 May until 12 June 2015, following receipt of amended parameter plans and a sport strategy.

Effect on Strategic Aims

49. The development of Northstowe is a corporate priority. It is critical that the new town has the necessary infrastructure and also includes affordable housing.

Background Papers

Where [the Local Authorities \(Executive Arrangements\) \(Meetings and Access to Information\) \(England\) Regulations 2012](#) require documents to be open to inspection by members of the public, they must be available for inspection: -

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and
- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

Northstowe Area Acton Plan 2007
SCDC Cabinet report - 14 January 2013
NJDCC report - 19 March 2013
SCDC Cabinet report - 12 February 2015
NJDCC report - 24 June 2015

Report Author: Jo Mills – Director of Planning and New Communities
Telephone: (01954) 713350

Indicative Timeline for Delivery of Community Resources at Northstowe

Timings are indicative, as the construction is likely to vary from the trajectory

All phase 2 triggers are subject to approval by the NJDCC on 29 July 2015

2016/17	
Housing Trajectory	Phase 1 = 97 Phase 2 = 0 Total for year = 97
Services Provided	Phase 1 Primary School
2017/18	
Housing Trajectory	Phase 1 = 228 Phase 2 = 0 Total for year = 228 Cumulative occupations = 325
Services Provided	Phase 1 Sports Hub with Pavillion
2018/19	
Housing Trajectory	Phase 1 = 260 Phase 2 = 75 Total for year = 335 Cumulative occupations = 660
2019/20	
Housing Trajectory	Phase 1 = 260 Phase 2 = 120 Total for year = 380 Cumulative occupations = 1040
Services Provided	Secondary School (4FE)
2020/21	
Housing Trajectory	Phase 1 = 260 Phase 2 = 140

	Overall for year = 400 Cumulative occupations = 1440
Services Provided	Community Centre on Phase 1
2021/22	
Housing Trajectory	Phase 1 = 245 Phase 2 = 155 Overall for year = 400 Cumulative occupations = 1840
Services Provided	Health centre and Library with community use Primary school on Phase 2 education campus (3FE)
2022/23	
Housing Trajectory	Phase 1 = 150 (complete) Phase 2 = 250 Overall for year = 400 Cumulative occupations = 2240
2023/24	
Housing Trajectory	Phase 2 = 400 Cumulative occupations = 2640
Services Provided	Extension of secondary school to 8FE Special school Dual Use Sports Centre Eastern Sport Hub and Pavillion
2024/25	
Housing Trajectory	Phase 2 = 400 Cumulative occupations = 3040
Services Provided	Second primary school 2FE on Phase 2
2025/26	
Housing Trajectory	Phase 2 = 400

	Cumulative occupations = 3440
2026/27	
Housing Trajectory	Phase 2 = 400 Cumulative occupations = 3840
2027/28	
Housing Trajectory	Phase 2 = 400 Cumulative occupations = 4240
Services Provided	Community Hub Post 16 Education
2028/29	
Housing Trajectory	Phase 2 = 400 Cumulative occupations = 4640
2029/30	
Housing Trajectory	Phase 2 = 360 Expectation that Phase 3 will overlap with Phase 2

This page is left blank intentionally.

Appendix 2

Northstowe Phase Two Section 106: Proposed Items and Triggers

Item	Obligation	Triggers	Comments
Education			
Early Years Provision	Allocation of Land: number and size of sites TBC		Land to be allocated for private and/or voluntary sector to provide early years services. Although not funded under the S106 there is a need to ensure that sites are provided so that the facilities can come forward at the right time and in the right location.
Primary Education Provision (1x2FE, 1x3FE)	Capital: £20,390,000 Plus Revenue: £100,000	3FE primary school by the occupation of the 1,600th dwelling (across phases 1 & 2 combined) 2FE primary school by the occupation of 3,000th dwelling (across phases 1 & 2 combined)	(2 x Primary Schools: 1x2FE, 1x3FE). Primary Schools to include early years classes and OSC
Secondary Education Provision (4FE)	Capital: £10,570,000	4FE expansion to Northstowe secondary school by the 2,500th dwelling (combined across the first two phases of development)	4FE - expansion of the secondary school to 8FE
Post 16 Provision	Capital: £3,640,000	By the 4,200th dwelling (combined across the first two phases of development)	
Special Education Provision	Capital: £2,760,120 Plus Revenue: £29,172	By the 2500 th dwelling across phases 1 and 2.	In order to minimise the disruption of construction on the delivery of high quality education outcomes, the ambition is that the special school provision would be delivered as part of the expansion of the secondary school i.e. 2,500th dwelling across Phase 1 & 2. However, there is a need to ensure that the provision of education capacity reflects the growth in demand arising from the Northstowe developments.

			This may influence the overall timing of the delivery of this provision.
Community and Community Sport			
Permanent Civic Hub:	Capital: £14,548,805 Plus Revenue: £250,000	Health Centre/Library with community use – by 1500 dwellings across phases 1 and 2 Community Hub - by 4200 dwellings across phases 1 and 2	To be provided in two phases: Phase 1: Health Centre and Library with community use Phase 2: Community Hub To include work space for town council, Local Authority staff working in Northstowe and emergency services
Level 3 Library Provision	Capital: £368,550 Plus Revenue: £461,160	<u>Capital:</u> 9 months in advance of library being operational (HCA offering this at 1,500 dwellings) <u>Revenue:</u> 33% 9 months prior to library being operational 33% = one year anniversary from first contribution 33% = two year anniversary from first contribution	Library fit-out - capital plus revenue contributions
Placemaking and Community Building.	Revenue: £1,000,000	By 1 st Occupation Flexible trigger required to reflect level of need	The lynchpin is a community development worker, drawing on children, families and adults social support in order to build a cohesive community. Flexibility should be secured.
Children's Centre (Included in Placemaking)		Within 1 year of 1st occupation on completion of temporary community facilities (to be within the library or a school)	Contribution towards furnishing and equipment for Children's centre including first year activities To be made available when temporary space for children's centre (temporary community facilities to be made available 1 year after occupation) is available with timeframe to spend up to one year after

			completion of permanent space for children's centre activities (triggered with Civic Hub)
Community Work (included in placemaking)		On 1st occupation and phased over 3 years	Contribution towards funding for activities and events
Youth and Community Work (included in placemaking)		On 1 st Occupation	Contribution to funding activities and events
Other Sports Revenue	Revenue: £170,000	1/3 annually with first instalment prior to opening of dual use sports centre or lump-sum prior to opening of facilities	Revenue requirements include sports centre manager
Sports Hub West	Infrastructure delivery in kind (estimated cost £280,000)	Sports Hub West to be completed by occupation of 2000th home across phases 1 and 2 Pitches to be laid 18-months prior to opening of the Sports Hub West	Pitches need to be laid 18 months prior to opening in order to allow establishment of surfaces
Sports Hub East & Formal Outdoor Space Commuted Maintenance Sum	Infrastructure delivery in kind (estimated cost £1,965,000) Revenue: £270,000	On 2,500th occupation across phases 1 and 2 Revenue - 33% annually or lump sum prior to opening of pitches/facilities	
Sports Pavilion	Capital: £1,500,000 Plus Revenue: £135,000	On 2,500th occupation across phases 1 and 2	
Dual use Indoor Sports Centre	Capital: £3,208,649	On 2,500th occupation across phases 1 and 2	To be provided as part of enlarged Secondary School (trigger as per secondary school)
Public Open Space	Infrastructure delivery in kind (estimated cost £1,100,000)		Laying Out including Town Park/Square
Play Areas plus	Infrastructure delivery in kind (estimated cost £1,248,000)	Maintenance sums - 33% annually or lump-sum prior to opening of pitches/facilities	E.g. LEAPS/NEAPS/LAPS & formal and informal Children's Play Space
Community	Revenue:		Revenue TBC once

Maintenance Sums	TBC		type/size of dwellings known
Small Grants Scheme (Community Chest)	Revenue: £30,000	£7,500 per annum from 1st occupation	
Allotments and Orchard	Infrastructure delivery in kind (estimated cost £75,000)		
Burial Ground	Infrastructure delivery in kind (estimated cost £25,000)		
Voluntary Sector, Faith, Community Facilities	Provision of Reserved serviced sites		
Street Furniture/cycling parking	Infrastructure delivery in kind		
Governance			
Community Endowment	Revenue: £100,000	Upon formation of shadow town council	For Phase 2
Town Sign / Notice Boards	Capital: £42,500		
Emergency Services			
Emergency Outstation	Contingency: £1,820,000		For Police, Fire and Rescue services
Economic Strategy			
Small business units	N/a		through economic strategy
Transport			
Cambs Guided Busway	Capital: £4,900,000 plus interest – total £6,257,000 as at July 2015	200th dwelling = £925,283 700th dwelling = £925,283 1,400th dwelling = £925,283 2,100th dwelling = £925,283 2,800th dwelling = £925,284 3,300th dwelling = £925,284	Potential for later payments provided capital and interest are repaid.
Community Transport Contribution	Revenue: £250,000	Annual Payments: On 1 st Occupation = £40,000 Successive payments on the anniversary thereafter for ten further years = £21,000 per year	
Transport Mitigation Measures	Contingency: £1,750,000	Payable in phased instalments (£250,000 per instalment): 500th dwelling 1,000th dwelling 1,500th dwelling 2,000th dwelling 2,500th dwelling 3,000th dwelling 3,400th dwelling	Trigger could also be linked to traffic generation from the site as monitored through the count sites
Annual Transport Monitoring	Revenue: £120,000	Annual Payments: On 1 st Occupation = £20,000 Successive payments on the	

		anniversary thereafter for ten further years = £10,000 per year	
Travel Plan Co-ordinator contributions			To be secured by conditions
Transport Capacity Measures	Infrastructure delivery in kind and through conditions (estimated cost £700,000)		
Public Rights of Way (PROW) Network Improvements			Conditions and transport capacity measures
Cycle Network	Capital: £450,000	Payable in phased instalments for all works to be completed prior to completion or To be implemented by developer to a schedule to be agreed with CCC. Triggers: On commencement of development = £37,500 On receipt of written evidence of scheme from CCC = £412,500	Upgrade to cycleway between Oakington and Girton.
Parking Management/Traffic Regulation Orders	Contingency: £50,000	Payable in phased instalments for all works to be completed prior to completion. On 1,500th dwelling = £25,000 On 3,000th dwelling = £25,000	
Bus Priority Route Through Development	Infrastructure delivery in kind		
Access Road(s) to Development	works		
General on site works not included in above	works		
Archaeology & Heritage			
Archive Storage			Long term storage of archive
Interpretation	Revenue: £45,000	100% by 350th dwelling	Public archaeology, interpretation and displays
Display and Storage			Display and storage facilities for Longstanton District Heritage Society
Pill Boxes			Long term use/care of pill boxes To be secured by condition
Management plan for Longstanton Paddocks			To be secured by condition
Environment			
Air Quality	Capital:		Air Quality Monitoring

	£124,000		
Traffic Noise	Contingency: £70,000		Traffic Noise Insulation Scheme Off-Site
Construction Noise / Vibration	Revenue: £11,625		Construction Noise / Vibration Monitoring
Contaminated Land	Revenue: £50,000 Contingency: £100,000		Contaminated Land - Provision of funds for an independent environmental consultant to review assessments & reports
Unexploded Ordnance			Scheme to be agreed, HCA providing
Land Drainage (Provision of GIS Data)			
Award Drains	Revenue: £224,100		Upgrade in Maintenance Work & Hatton's Road Ponds Maintenance
SUDs	Contingency: £3,000,000		Long Term Management & Maintenance of on-site SUDs system
Award Drains and SUDS (Technical Assistance)	Contingency: £35,250		
Webbs Hole Pump	Capital: £647,500		
Biodiversity			
Biodiversity	Infrastructure delivery in kind (estimated cost £26,000)		Biodiversity Off Site Mitigation - Farmland Birds
Sustainability			
Renewable Energy and Sustainable Show Homes	N/a		Covered by condition
Utilities			
ICT Infrastructure	works		ICT Infrastructure dwellings and community/public sector buildings
Waste			
Recycling Bring Sites			Condition Neighbourhood / Community Recycling Bring Sites
Household Minimisation	N/a		Household minimisation & recycling promotion fund
Waste and Recycling Containers	Capital: £376,250		Provision of waste and recycling containers to dwellings

Depot	N/a		Depot- cleansing satellite trucks and small mechanical
Waste Collection	Capital: £119,000		Waste Collection Vehicles
Strategic Waste			
Household Recycling Service	Capital: £456,505	50% on occupation of 500 dwellings 50% on occupation of 1,500 dwellings	To be considered by County Committee on 7th July – whether this is included or not depends on their decision on Household Recycling Sites in South Cambridgeshire.
Monitoring			
Monitoring Staff	Revenue: £60,000		

Total Capital	£65,458,879
Total Revenue	£3,306,057
Total Contingency	£6,825,250
Overall Total	£75,590,186

This page is left blank intentionally.

NORTHSTOWE PHASE 2

Outline Briefs for Health Centre & Library with Community Use & Community Hub

Library and Health Services	
Health Centre	1,500m ²
Library Space inc.	1,000m ²
Interview Rooms for Library	15m ²
Meeting & Activity Rooms	100m ²
Toilets	27m ²
Storage	26m ²
Severs/Comm Room	20m ²
Total	2,688
Circulation Space	129
Total Space	2,817

Community Hub	
Office Space	160m ²
Staff Kitchen Facilities	100m ²
Small Hall	320m ²
Catering Kitchen	60m ²
Foyer	300m ²
Disabled Changing Facilities	10m ²
Activity Room with Kitchenette Facilities	160m ²
Meeting Room	34m ²
Interview Room	15m ²
Storage	15m ²
Cleaners Store	14m ²
Severs/Comm Room	11m ²
Total	1,199
Circulation Space	66
Total Space	1,265

This page is left blank intentionally.

Agenda Item 10



South
Cambridgeshire
District Council

Report To: Leader and Cabinet

9 July 2015

Lead Officer: Director of Planning and New Communities

Right to Build Project

Purpose

1. The purpose of this report is to enable Cabinet to approve the next steps for the Right to Build project.

Recommendations

2. It is recommended that Cabinet provide approval on the following:
 - i) Continuing to take forward the Right to Build project
 - ii) Buying the registration module and continuing to promote the scheme, to be developed and programmed alongside the re-procurement of the sub-regional housing register, and to the implementation of the Self-Build and Custom Housebuilding Act
 - iii) Writing a Supplementary Planning Document (SPD) for the Right to Build, to sit alongside the Affordable Housing SPD
 - iv) Further developing land and finance options, to be the subject of a report at a later date.

Reason for Recommendations

3. To ensure that Cabinet can consider the implications of continuing to support Right to Build, including self-build and custom-build housing, in the district.

Executive Summary

4. The Government announced the Right to Build scheme in the 2014 budget. In September 2014, South Cambridgeshire District Council became a Vanguard Authority, and received £50,000 in grant funding. This report outlines progress on the project, and seeks approval to take the programme forward.

Background

5. The Government announced the Right to Build scheme in the 2014 budget. The Right to Build scheme aims to allow more people to build their own home by giving them the opportunity to purchase plots through local authorities. The Right to Build covers both self build and custom build. Self build is generally defined as projects where someone directly organises the design and construction of their new home. This ranges from the traditional 'DIY self build' home (where the self builder selects the design they want and then does much of the actual construction work themselves) to projects that are delivered by kit home companies. Custom build homes are usually

those where a specialist developer helps to deliver the home chosen and is more of a 'hands off' approach than self build. Custom build ranges from a developer selling a serviced building plot, to them building the home to a watertight stage to be finished off by the purchaser.

6. A Vanguard programme was announced and, in September 2014, South Cambridgeshire District Council's (SCDC) bid to become a Vanguard was approved. As a Vanguard, the Council received £50,000 in grant funding. Part of this was used to fund a Project Officer, who was appointed in January 2015, for a six month secondment. The grant was also awarded to develop a Right to Build Register and for input from two external consultants who have experience of the development, planning and housing aspects of the self build industry.
7. In February 2015, the Council launched a register for people interested in Custom Build and a register for landowners. Work has been done on the requirements for a register to sit alongside the Housing Register, but procurement was deferred pending the outcome of a larger procurement exercise. The current register was developed as an interim measure.
8. As part of the vanguard programme, we participated in a series of meetings with DCLG and the other vanguard authorities, and provided feedback to inform further work at a national level. Through this, the Council has developed links with the other vanguards, including most locally, South Norfolk District Council.
9. The Self-Build and Custom Housebuilding Act received Royal Assent on 26th March 2015. The Act requires councils to establish local registers of people looking to buy plots of land to commission or build their own home. The Act also requires councils to take account of the demand for self and custom build when exercising their planning, housing, regeneration and land disposal functions. Consideration now needs to be given as to how the project goes forward in recognition of this. It is expected that the new government will be consulting on draft Regulations for the implementation of the new Act during the coming months. The Government has also made self-build exempt from the Community Infrastructure Levy (CIL) and Section 106 Affordable Housing Contributions. It is expected that, later in the year, the Government will bring forward measures regarding land for Right to Build.
10. The Council's bid outlined a range of options that would be explored to provide suitable serviced sites for self and custom build. Discussions have taken place with Taylor Wimpey and Bovis, Laragh Homes and the Council's housing team.

Considerations

11. There are four key elements to the custom build project and Cabinet are asked to consider and provide approval on taking the project forward in these areas.

Register for Interested People

12. In regard to the Self-Build and Custom Housebuilding Act, the Council will have to keep a local register of people looking to custom build. We currently have our registers in house through the website and the consideration is to whether we look to purchase a register module from an external company, such as Locata who currently provide our housing register Home-Link. This will allow applicants to manage their details online, allow them log an interest in land advertised and match them to land which meets their criteria. Detailed reports on data gathered can also be run.

13. As at 30 June 2015, 159 people have registered an interest with the project. The Council held a very-well attended workshop on 25 June for everyone who has registered. At the workshop it was clear that many people on the register would like the council to help to bring land forward, and would be interested in coming together on sites with a number of plots for self-builders/co-housing groups. They would be interested in land on new settlements as well as land in villages.

Land Supply Register

14. Two plots of land have been registered since the Land Register was launched, and a proposal for three more plots is being considered. For the register to be truly useful, it is critical that further work be undertaken to identify meaningful land options.
15. Meetings and discussions have taken place with three major developers. They are interested in making plots available, including at Cambourne West, but highlighted practical issues about managing construction traffic and management of health and safety during construction.
16. All landowners included within the Fen Drayton SPD were contacted and, as a result, two indicated willingness to make their plots available to self build but only one is progressing through an outline planning application at the moment as the other has now decided to build on the land themselves. From the feedback received, it appears that a developer has already been in contact with many of the landowners and some are using that route to develop their plots.
17. It has been agreed that all letters that provide pre-application advice shall include mention of the Right to Build Register.
18. There is potential for custom build plots to be made available on rural exception sites, but at present, this work is at an early stage. Other options include re-assessment of some SHLAA sites that were not taken forward into the Local Plan and consideration of allocation for self-build. Further work on land options could be taken forward within the framework of the Council's housing delivery teams and the Housing Delivery Vehicle, set up through City Deal.
19. There are potentially 3-4 garage sites and odd pieces of land owned by the Council that are not suitable for affordable development but may have potential for one or two plots for self-build. These sites could be made available for serviced plots but this would have both financial and staffing implications. Costs would be incurred to take schemes through the pre-app and planning stage, with the potential that these could be abortive costs if unsuccessful. As these will not be for affordable council housing, consideration needs to be given as to whether funding should be made available. There is the potential to recoup the monies from the sale of land but this would be taken 'at risk'. There is also some concern about existing staff capacity as the housing development team concentrate on bringing council new-build homes forward.

Planning Policy

20. When the Proposed Submission Local Plan was being developed in 2012/2013 the most relevant national policy was contained in paragraph 50 of the National Planning Policy Framework (NPPF). The NPPF did not and does not set out how this need can be met by Local Plan policies (unlike for example in respect of affordable housing where it sets out clear policy guidance). At that time there was no information on the need or demand for such housing in the district and no examples from elsewhere of policy approaches that had been supported by Planning Inspectors through a Local

Plan Examination. It follows that the approach to self build in the Submitted Local Plan which is currently being examined was a cautious one. Our existing Development Control Policies DPD policy (policy HG/7) on replacement dwellings in the countryside was simplified and made less restrictive by removing the arbitrary enlargement limit of 15% of volume. The equivalent Local Plan policy is H/13. The soundness of this policy approach to the issue of self-build will be examined by the Inspector conducting the examination into the Local Plan. Policy H/13 has yet to be examined at a hearing. The Inspector could conclude that self-build is or is not an issue important to the soundness of the Local Plan.

21. The Council intends to prepare a Self Build Housing SPD to add further detail to the policies of the Local Plan. It will be prepared to accompany the adoption of the Local Plan and subject to the progress of the Local Plan examination. The SPD will provide further guidance on the issue of self build housing in regard to:
 - Policy S/7 Development Frameworks
 - Policies S/8, S/9, S/10, and S/11 (settlement hierarchy)
 - Policies SS/5, SS/6, SS/7 and SS/8 (new settlements and extended settlements)
 - Policy H/10 (Rural Exception Site Affordable Housing)
 - Policy H/13 (Replacement Dwellings in the Countryside)
22. Foundation East is currently working closely with East Cambridgeshire DC on Community Land Trusts (CLTs) which now form an important part of the Council's delivery of affordable homes in village and small town locations. CLTs frequently unlock sources of land that might otherwise not be available, and greater support from local people who see CLTs as 'their' development, or development with them, rather than being done to them. This experience has led the Council to adopt a Community Led Development Supplementary Planning Document to encourage communities to support more development, where new housing enables other community benefits to be delivered as part of the proposal.
23. Cherwell District Council has purchased a site from the Ministry of Defence to provide up to 1,900 homes. The scheme will include kit homes, group-build schemes and properties designed by the owners but built by contractors. The properties will vary in size and design according to the residents' needs but are likely to include detached, semi-detached and terraced homes of differing sizes, apartment blocks and bungalows. They will be available on a range of tenures including outright ownership, shared ownership and renting, with 30 per cent of the homes being classed as affordable.
24. Teignbridge have included in the Local Plan (adopted May 2014) a requirement that 5% of the dwelling plots on development sites with more than 20 plots can only be provided by self-builders. The policy makes provision that if the self build plots have not been sold after 12 months the developer has the option of building them out for sale on the open market.
25. Exmoor National Park Authority has adopted planning policies to help provide housing for local people. The policies allow for affordable housing in a number of circumstances including self building a new house within or adjoining a village or town. All the options apply to private individuals as well as Housing Associations. A legal agreement is required to ensure that the housing provided will always remain affordable for local people.
26. These practices will be researched as part of the SPD process.

Financial Barriers

27. It has been identified that interim finance is a key issue for people looking to custom build, and with our consultants, we believe that four means of funding could be considered.
- A revolving finance fund which developers/builders could access to pay for design/planning/project costing/project management. This fund could be held by the council as a possible loan/legal charge, repaid upon either start on site when project/person gets development finance or at completion. Council could use PWLB finance and make small uplift charge for use of fund, probably still cheaper than other sources.
 - Development finance offered to developer/builder to construct project. Again possible role for Council or sign posting to other lenders e.g. through Buildstore or supportive banks/lenders.
 - Mortgage finance, long term loan to developer/builder.
 - Government funding is largely available through:
 - A £25 million Custom Build Homes Loan Fund, which provides short-term project finance to help unlock custom build/self-build schemes. This fund aims to stimulate growth in the custom build sector by enabling group (over 5 units/plots) schemes and attracting lenders and investors to the market.
 - A £150 million Custom Build Serviced Plots Loan Fund for the provision of short term loans to bring forward 'shovel ready' serviced plots ready for the development of custom build housing. The fund is intended to help address the primary difficulty faced by many custom builders – securing a suitable plot for their project.

Resources and Next Steps

28. The pilot seems to support the concept of setting up a bespoke service model within the Council. Staffing would be required to provide the service. The grant funding is not fully spent, and longer term resourcing will be considered in the budget setting process. The staffing roles could include:
- Project officer to maintain both the customer and land registers, and be a link to other local authorities and the Government.
 - Enabler to bring forward land, and provide advice and support to landowners/customers.
 - Policy officer to prepare an SPD, and promote and co-ordinate good practice to interest groups, Parish Councils developing Neighbourhood Plans and local councillors.
 - Accountancy support to develop financing models to support Right to Build projects.

Options

29. Fundamentally, the Council has an option to continue the Right to Build programme, or end it until the Self-Build and Custom Housebuilding Act requirements are confirmed. In view of the identified demand for Right to Build homes, it is recommended that the programme be continued.

Register for Interested People and Land Available

30. The Council could continue to run the registers in house or run them through a system similar to the current Housing Register. The current system is an online form completed via SCDC website then a PDF emailed to the Project Officer. This is a manual process inputting data onto an excel spreadsheet. This is cheap but time consuming. A system linked to the housing register would allow people to register

on-line, amend their details, and make an expression of interest on land advertised. It would also allow matching of people with land, and reports could be run directly from the database. An on-line register would be more user-friendly, interactive and efficient. The recommended option is to procure a module linked to the housing register. This would be aligned to the re-procurement of the housing register, and could be taken forward on a sub-regional basis.

Land

31. There is some level of interest from landowners in providing land for the Right to Build programme. One option would be only to put a register in place for Interested People, and not go any further. However, it is proposed that options to bring forward land be further explored, including through the Housing Delivery Vehicle, and be the subject of a future report.

Policy

32. The option to produce an SPD for Right to Build in conjunction with Affordable Housing is recommended, to be taken forward as resources permit as part of the overall Local Plan timetable and within the context of forthcoming national policy announcements. An alternative option would be to leave all policy work for the future.

Resources

33. Currently the project is managed by a dedicated project officer. Longer term resources will be considered within the budget-setting process.

Implications

34. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

35. The £50,000 government grant allocated was made up of the following estimated costs and actual costs at the end of accounting period 2014/2015:

Resource	Est. Budget	Spend	Balance
Procurement of database (Locata)	£15,000.00	£0.00	£15,000.00
Provision of specialist advice	£15,000.00	£2,850.00	£12,150.00
Marketing and Promotion	£3,000.00	£0.00	£3,000.00
Design Guide	£2,000.00	£0.00	£2,000.00
Project Officer	£15,000.00	£4,174.42	£10,825.58
	Total	£7,042.42	
		Balance	£42,975.58

36. We have identified that finance is a key issue for people looking to custom build, and there will be a financial implication dependent on whether the Council wishes to become directly involved in bringing land forward. This will be explored at a later date.
37. There will be financial implications for the cost of staffing in the longer term, which will be addressed during the budget-setting process. Currently, the Project Officer post is funded through the government grant. The annual cost of this part time post (22 hours) is £31,800, including on-costs.

Staffing

38. The longer term staffing implications will be considered as options for longer term resourcing are developed.

Risk Management

39. There are risks to the Council from raising expectations of people interested in the project and from failing to identify suitable plots of land.

Equality and Diversity

40. Some people have indicated that they would like a custom build property as they want a home purposely designed to meet their disability needs. This is an area that we need to look at in more depth as part of the next stage for the project.

Climate Change

41. The majority of people on the register have indicated that they would like a home that is of a higher economical performance than the standard. This is an area we need to explore and discuss with developers and people on the register.

Effect on Strategic Aims

Aim 1 - Engagement

42. In order to support the Right to Build project we will need to work with tenants, parish councils and community groups. The project will have a positive effect on sustaining successful, vibrant villages.

Aim 2 - Wellbeing

43. The Right to Build will have a positive effect on the wellbeing of South Cambridgeshire residents as it can help to establish successful and sustainable New Communities with housing and employment.

Report Author: Amelia Davies – Right to Build Project Officer
Telephone: (01954) 713181

This page is left blank intentionally.

Agenda Item 11

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet
LEAD OFFICER: Chief Executive

9 July 2015

CORPORATE PLAN FORWARD LOOK AND STRATEGIC RISK REGISTER

Purpose

1. This report sets the scene for the refresh of the Corporate Plan and Medium Term Financial Strategy (MTFS) marking the beginning of the review stage of the Corporate Cycle, bringing together:

Part One – Profile of the district (paragraphs 7-18)

- Updated profiles of district's population, health, qualifications and economy
- An updated Strategic Risk Register and Matrix, *(for approval)*

Part Two – Review of Corporate Cycle (paragraphs 19-25)

- Options for reviewing the evidence base for the Corporate Plan, as part of the timetable for the preparation of, and consultation on, refreshed MTFS and Corporate Plan, linking to the service planning process

Part Three – Review of the Corporate Plan (paragraphs 26-28)

- Assessment of continuing and emerging priorities to inform the development of the Corporate Plan and MTFS 2016-2021.

This is not a key decision.

Recommendations

2. It is recommended that Cabinet:
 - (i) Note the policy and financial context for the annual refresh of the Corporate Plan and MTFS set out in the report and appendices;
 - (ii) Approve the Strategic Risk Register and Matrix at appendices D-E attached.
 - (iii) Agree the Corporate Cycle for the development of the Corporate Plan 2016-2021 at Appendix F attached and approve the commencement of a fuller review of the evidence base in 2016, comprising the elements set out in paragraph 22;
 - (iv) Endorse the provisional priority areas to inform the development of the Corporate Plan 2016-2021, identified in paragraphs 24-26.

Reasons for Recommendations

3. These recommendations are required to provide Members with an overview of the evidence base for the annual refresh of its key strategies and to provide early identification of continuing and emerging priorities for refreshed corporate and financial strategies for 2016-2021.
4. The Strategic Risk Register and Matrix form the record of corporate risks the Council currently faces in the delivery of services and the achievement of strategic aims, together with control measures to address / sources of assurance over the risks.

Background

5. The Council refreshes its rolling five-year Corporate Plan and MTFs annually. Achievements against the 2014-2019 Corporate Plan are reported in the 2014-15 Year-End Position Report elsewhere on this agenda, with ongoing priorities reflected in the current Corporate Plan 2015-2020, agreed in February 2015.
6. Cabinet, led by the designated portfolio holder for risk management, has responsibility for management of the strategic risks facing the Council, including review of the Strategic Risk Register. Corporate Governance Committee monitors the review and approval of the Strategic Risk Register on an annual basis.

Considerations

Part One - Profile of the district

7. 'Proxy indicators' of the health of the district in terms of its economy, environment and society have been obtained from a variety of sources. Grant Thornton (formerly Local Futures) has produced an updated District Profile, which brings together over 200 indicators from many different sources to paint a picture of the district. The full report is available as a Background Paper, with a summary of key headlines set out at **Appendix B** attached.
8. The Finance, Policy and Performance team also produces and updates a Key Statistics paper, setting out key demographic information about the district. The latest version is attached at **Appendix C**.
9. The Annual Public Health Report, produced by the County Council, identifies some positive trends for some important health outcomes in Cambridgeshire; life expectancy is improving in all parts of the county and is highest in the district (83 years from birth for men, 85.9 for women), and there are fewer premature deaths from heart and circulatory disease. The report identifies three new opportunities for public health action in the coming year, around:
 - A focus on promoting the health of school age children, including mental health;
 - A 'whole system' approach to healthy diet and physical activity – reversing the trend in obesity;
 - Supporting a positive approach to healthy ageing.
10. The Health Profile for the District prepared by Public Health England, confirms that the health of people in South Cambridgeshire is generally better than the England average, but that there are highly-localised pockets of ill-health and specific issues for vulnerable groups.
11. The statistics confirm the picture of a healthy and affluent district characterised by:
 - a growing and increasingly diverse population: The 2011 Office for National Statistics (ONS) mid-year estimates showed an increase in population from 149,800 to 153,300 between June 2011 – June 2014. 5.0% of residents identified themselves as White Other (7,396), and 3.7% as Asian (5,540) (2011 Census)
 - high proportions of skilled employment and educational attainment (49.6% qualified to NVQ Level 4 and above, compared to 36% nationally), and a healthy business survival rate, yet a corresponding shortage of lower and unskilled jobs and unaffordable house prices for those on lower and middle incomes;
 - low and continuing falling crime rates (31 total crimes per 1,000 population compared to 47 in Cambridgeshire); South Cambridgeshire is one of the safest places to live in England;
12. These figures confirm the need for SCDC to maintain a healthy economy and attractive environment whilst identifying what are often small and highly-localised pockets of

deprivation and providing services which meet the needs of an ageing population. We are working to address these issues as part of our current Corporate Plan objectives around welfare reform and improving the health of our communities, and should continue to prioritise them as we move into the annual review process.

Resident satisfaction with quality of life

13. Consultation undertaken by Cambridgeshire County Council during 2014 provided disaggregated district-level data. 83.6% of SCDC residents surveyed were satisfied with their local area as a place to live, whilst 71.3% agreed or tended to agree that people in their local area pulled together to improve it. Respondents were also asked to rank values in priority order, for themselves and their families and for the wider community of Cambridgeshire.
14. The four most important values 'for you and your family' for SCDC respondents were:
 - Helping people of all ages stay healthy;
 - Supporting good mental health and well-being
 - Keeping the County's roads and footpaths in good condition
 - Managing waste, encouraging recycling and protecting the environment.

The four more important values for 'the wider community of Cambridgeshire' for SCDC respondents were:

- Supporting good mental health and well-being
 - Supporting vulnerable and disabled adults to live full and rewarding lives
 - Safeguarding and protecting children and young people at risk of harm
 - Ensuring high quality education and support for children and young people.
15. These results provide further evidence that the district is considered a cohesive community in which residents are proud to live and satisfied with their quality of life, and endorses the council's prioritisation of issues of health, well-being, transport and waste within its Corporate Plan, as well as its policy commitments to equalities and safeguarding children and vulnerable adults.

Risk Management

16. The Council has a responsibility to consider risks involved in providing or enabling service delivery, both in fulfilment of its statutory obligations, achievement of current and planning of future, strategic aims. The Strategic Risk Register records the top risks facing the Council from a corporate perspective.
17. The Strategic Risk Register has been reviewed with the nominated risk owners and other members of EMT. Changes proposed to risk descriptions, control measures / sources of assurance timescales to progress or impact / likelihood scores are highlighted in the draft Strategic Risk Register, attached as **Appendix D**. The draft Strategic Risk Matrix, attached as **Appendix E**, shows risk impact and likelihood score in tabular form. A particular risk to note is:
 - **STR25, Increase in numbers in Bed & Breakfast accommodation.** The Council has achieved considerable progress in reducing the number of people in bed & breakfast accommodation, opening a new hostel in April 2015 with increased capacity. The Likelihood score has therefore been reduced from 3 (Possible) to 2 (Unlikely).
18. In reviewing the Strategic Risk Register and Matrix, Cabinet could:

- (a) Add to, delete from, or make other changes to risks, in terms of either the title or detail of the risks or control measures / sources of assurance;
- (b) alter the assessment of risks, in terms of either their impact or likelihood.

Part Two – Review of Corporate Cycle

19. The Corporate Plan was extensively redesigned in 2013, with the capability of being refreshed each year without requiring substantial overhaul. Many of our strategic objectives and key projects are pursuant of medium to long-term goals, lending themselves well to this approach.
20. The corporate cycle provides for a draft refreshed Corporate Plan for 2016-2021 to be approved by Cabinet as a consultation draft in November. In recent years, consultation responses have been limited; whilst the representations received have largely supported the council's approach, high-level strategic documents of this nature are aspirational and inclusive by definition and therefore difficult to influence materially or object to.
21. In this context, 'pre-consultation' ahead of plan preparation provides more constructive opportunities for staff, Members, residents and businesses to shape the identification and agreement of corporate priorities. The Council's evidence base for its current plan derives from the contextual and strategic risk information in this report, with a number of other components:
- An analysis of performance against key objectives and performance indicators set out in the Corporate 2014-2019 (available elsewhere on this agenda), and in the Annual Monitoring Report for the Local Plan (approved by the Planning Portfolio Holder);
 - The results of major consultation and engagement exercises, e.g. Local Plan Issues and Options, Neighbourhood Plans, Local Council Tax Support Scheme
 - Established engagement mechanisms such as the Tenant Participation Group, Consultation Panel, growth area fora, agents forum, parish forum and youth council, support for community groups and informal feedback from comments, complaints and compliments
 - The results of formal customer satisfaction exercises by service area e.g. housing repairs, development control, waste services, environmental quality.
22. It is considered that our evidence base remains sufficiently robust to be relied upon for the next review of the Corporate Plan, ahead of a more wide ranging review of the Council's Vision and strategic direction in 2016. Cabinet is therefore recommended to retain the current Corporate Cycle at **Appendix F** attached for the preparation of the Corporate Plan 2016-2021, and to approve the development of a fuller review of the evidence base in 2016, comprising:
- (i) A 'desktop' review of the Corporate Plan, testing our current objectives and actions to ensure they are based on sound evidence, and that delivery projects carry out stakeholder mapping exercises and make adequate provision for user involvement and consultation within project plans;
 - (ii) Pre-consultation ahead of draft plan development to establish residents' and businesses' priorities, using existing engagement mechanisms, taking advantage of opportunities which may arise to share resources and intelligence with partners.
 - (iii) A review of consultation and engagement activity across the organisation, including a review of the Community Engagement Strategy and Toolkit, building on the recommendations of the 'Four Plans' (Localism) Task and Finish Group in this regard.
 - (iv) An analysis of additional evidence arising from forthcoming major consultation exercises, particularly those relating to the Local Plan and City Deal.

Service Plans

23. Annual Service Plans are key documents articulating how Corporate Plan objectives will be delivered by our four directorates, and how outcomes for the organisation and community will be measured. Following the approval of service plan priorities by Portfolio Holders by 31 October 2015, plans will be developed in the context of the draft Corporate Plan, and informed by staff and stakeholder input, prior to being approved by Directors and Portfolio Holders by 1 April 2016. These elements are shown in the Corporate Cycle diagram at **Appendix F** attached.

Part Three - Reviewing the Corporate Plan

24. The Queen has set out the new Government's legislative proposals to deliver its agenda during the next Parliamentary year. Bills with particular relevance to district councils are summarised in **Appendix A** attached. The Government's devolution proposals are likely to have additional consequences for local government structure, affecting City Deal governance arrangements in particular, which would need to be taken into account once legislative details become clearer. The Chancellor's budget, being presented to Parliament on Wednesday 8 July, is likely to have implications for future local government financial settlements; headlines for local authorities and the Council will be reported verbally at the meeting, before being taken into account as part of detailed MTFS preparation.
25. The Corporate Plan 2015-2020 sets out the Council's approach to meeting its Vision whilst continually seeking innovative ways of delivering high quality, cost-effective services. Whilst emerging national policy will continue to impact upon our structure and services, our key challenges around strategic housing and infrastructure delivery remain, therefore the next Corporate Plan should continue to provide us with an overarching mandate to address these.
26. A number of current Corporate plan initiatives will contribute to meeting future MTFS income generation and savings requirements and reflect ongoing priorities beyond March 2016. Bringing together the contents of this report, and subject to consultation and engagement to review the evidence base, it is recommended that a revised Corporate Plan, to be presented in draft form to Cabinet in November 2015, retains a number of consistent themes. Taken together, building on current year aims, strategic priorities are likely to include, though may not be confined to:

Engagement: Engage with residents, parishes and businesses to ensure we deliver first class services and value for money

- Ongoing business transformation to deliver major change programmes and efficiencies, principally the Business Improvement and Efficiency Programme (BIEP), Modern Planning Office, Customer Contact Service, Commercialisation and Working Smarter, ensuring planned savings and income projections are delivered
- Business support initiatives delivering outcomes: Business Register, Key Account Management, Business Hub
- Supporting communities to implement Neighbourhood Planning and 'patch-based' working and protect key local amenities.
- Ermine Street Housing: subject to outcomes of pilot review (being presented to Cabinet in November 2015);

Partnerships: Work with partners to create opportunities for employment, enterprise, education and world-leading innovation

- City Deal: governance (combined authority), transport infrastructure, housing and skills.
- Working with the Local Enterprise Partnership and other partners to ensure a strategic approach to economic development

- RECAP waste partnership: shared waste service (Cambridge City Council), county-wide integration and joint commissioning opportunities.
- Successfully implement and monitor existing proposals (ICT, Building Control, Legal Services), and explore new opportunities (Planning, Finance), to share services.

Wellbeing: Ensure that South Cambridgeshire continues to offer an outstanding quality of life for our residents

- Progress the Local Plan, providing new evidence as may be required in light of the suspension of the current process.
- Take forward the growth agenda, building communities not just homes at Northstowe and the other major growth sites
- Delivering positive health and well-being outcomes for children and young people and older people;
- Continue to align resources to manage the impacts of welfare reform, provide much-needed affordable housing through the Housing and New Build strategies and maximise the supply of temporary accommodation.

Implications

27. Financial and risk implications are described fully in above. There are no direct legal, staffing, equality and diversity or climate change implications arising from this report and recommendations.

Consultation responses (including from the Youth Council)

28. There has been no direct consultation on this information report.

Effect on Strategic Aims

29. The Council needs an overview of the policy and financial context and an effective corporate cycle for strategic aims to be developed, consulted upon, delivered and reviewed.

Background Papers: District Place Profile for South Cambs (Grant Thornton, June 2015)
 South Cambridgeshire Health Profile 2015 (Public Health England)
 Annual Public Health Report 2014-2015 (Cambridgeshire CC)

Report Author: Richard May – Policy and Performance Manager
 Telephone: (01954) 713366

Relevant parts of the government's legislative programme for 2015/16 announced in the Queen's speech 2015

Cities and Local Government Devolution Bill

The Bill will provide a generic and enabling legislative framework to deliver the Greater Manchester devolution deal and other subsequent devolution deals in larger cities and "other places" which have chosen to have directly elected mayors.

Housing Bill

Gives housing association tenants the chance to own their own home through an extension of the Right to Buy scheme:

- Enabling the extension of Right to Buy levels of discount to housing association tenants.
- Requiring local authorities to dispose of high-value vacant council houses, to help fund the Right to Buy extension discounts and the building of more affordable homes in the area.
- Providing the necessary statutory framework to support the delivery of Starter Homes.
- Taking forward the Right to Build, requiring local planning authorities to support custom and self-builders registered in their area in identifying suitable plots of land to build or commission their own home
- Introducing a statutory register for brownfield land, to help achieve the target of getting Local Development Orders in place on 90% of suitable brownfield sites by 2020.
- Simplifying and speeding up the neighbourhood planning system, to support communities that seek to meet local housing and other development needs through neighbourhood planning.
- Giving effect to other changes to housing and planning legislation that would support housing growth.

Energy Bill

Transfers primary decision-making powers for onshore wind farm consents to local authorities.

Enterprise Bill

- The Bill will extend the government's "Red Tape Challenge" to include independent regulators such as the Financial Conduct Authority and Ofgem and to require them to report against compliance with existing statutory better regulation requirements.
- Extend the primary authority scheme whereby businesses are able to seek advice on regulation from a single local authority whose advice must be accepted by all other local authorities.
- Establish a Small Business Conciliation Services to hand business-to-business disputes without the need for court action including on late payment.
- Capping public sector exit payments to "end six-figure pay offs".
- Business rates' appeals reform including modifying the Valuation Tribunal powers to consider ratepayers appeals.

- Allowing for the Valuation Office Agency to share information with local authorities to improve service delivery for both local government and rate payers.

The exact level at which public sector exit payments will be capped has not been decided – indications from Chancellor George Osborne it is likely to be about £95,000; though it is unlikely this will be on the face of the primary legislation, rather it will be set out in regulations or a written order. According to the latest Treasury figures, 1,838 public sector employees received payouts over £100,000 in 2013. The proposed reform comes after the coalition government introduced rules to allow for any exit payments made to public sector workers to be reclaimed if they return to work in the same area within twelve months.

The Local Government Association (LGA) has welcomed the extension of the [primary authority scheme](#) which will not only increase consistency for businesses, but also help councils to target their limited resources. There are now around 1,500 businesses that have entered into Primary Authority agreements, covering areas of regulation such as trading standards and environmental health. It is understood that the extension of the scheme, which is relatively new, will involve covering fire safety and age-related sales of alcohol.

The proposed reforms to business rate appeals and moves to allow the Valuation Office Agency to share information with local authorities should be seen together as to help tackle the backlog and speed up appeals. The LGA is concerned about the number of speculative appeals, which causes financial uncertainty for councils. Sharing of information and providing greater transparency on what basis ratings have been made may help to address that. A [consultation](#) last year proposed making improvements to the operation of the appeals process by providing greater transparency in how rateable values are established, requiring ratepayers to provide an explanation with a formal challenge, and introducing a formal separation between the proposal stage and appeal stage.

European Union Referendum Bill

To enable an ‘in-out’ referendum on the UK’s membership of the European Union before the end of 2017. Given the breadth of EU obligations affecting local authorities and the significant funding the sector receives from the EU, notably through the European Structural and Investment Funds, the LGA has been calling for “a more robust, closer, structured involvement from the outset with government departments on EU issues involving the sector, including in any renegotiation of powers.”

Extremism Bill

Provides a new power (Closure Orders) for local authorities and law enforcement to close down premises used to support extremism.

Full Employment and Welfare Benefits Bill

- The Bill will freeze for two years from 2016-17 the main rates of the majority of working age benefits, tax credits and child benefit, excluding pensions, disability payments, maternity, paternity and adoption pay.
- Lower the benefits cap so that that total amount of benefits a non-working family can receive in a year from £26,000 to £23,000.
- Introduce duties on the government to report annually on progress on their commitments to achieving full employment, creating 3 million new apprenticeships and on the Troubled Families programme.

The purpose of the Bill is two pronged – focused on both the cost of the UK welfare benefits system as well as the government's full employment ambitions (in achieving the highest employment rate in the G7). The savings brought about by lowering the benefits cap will release additional funding to create three million new apprenticeships.

In addition, the government is proposing to put in place a new Youth Allowance for 18-21 year olds with work related conditionality from day one of receiving the benefit. After six months they will be required to go on an apprenticeship training or community work placement, together with providing Job Centre plus advice support in schools across England to supplement careers advice. The government is also proposing to remove the automatic entitlement to housing support for 18-21 year olds.

This page is left blank intentionally.

Grant Thornton (Formerly Local Futures): District Place Profile, June 2015 - Summary

<i>Indicator</i>	<i>Rank</i>	<i>Quintile</i>	<i>SCDC Position</i>	<i>Key indicators</i>
Economy				
Economic Performance	20 / 380	Top 20%	The district retains a large and productive economy, although economic growth between 2012-2013, based on the total number of employees in South Cambridgeshire, was relatively weak by national standards (though this reflects consistency from a high base)	Share of national GVA (Gross Valued Added) is very high; £71,053 per job, compared to £53,975 nationally Between 2012 and 2013 the number of employees reduced by 0.04%.
Industrial Structure	16 / 380	Top 20%	The district retains a strong knowledge economy, both in terms of production and services.	Knowledge intensive sector accounted for 33.59% of total employment in 2013, compared to 21.75% nationally; smaller public sector compared to county and nationally (20.31% compared to 28.23% and 27.83% respectively)
Business & Enterprise	94 / 380	Top 40%	Strong and resilient local enterprise culture vital for the long-term competitiveness and overall success of the local economy.	New business formation rate is low and survival rate high; of all the VAT-registered businesses in 2009, 79.26% were still trading in 2013.
Skills & Qualifications	22 / 379	Top 20%	A highly-qualified population, but are there sufficient opportunities for those with lower skill levels?	In 2014 49.57% of working age resident population held a degree or equivalent; 17.31% were qualified at NVQ Level 2, and 11.18% with either NVQ Level 1 or no qualifications.
Labour Market	54 / 379	Top 20%	The district's labour market continues to perform strongly, with a higher proportion of residents in employment and fewer long-term unemployed.	79.6% of resident working age population in employment; 0.6% of people are claiming job seekers allowance in 2015. The proportion of the working-age population in long-term unemployment (those claiming job seekers allowance for at least 12 months) has reduced from 21.77% to 15.95%.
Society				
Age (based on 2011 Census figures)	188 / 348	Middle 20%	A very high younger population, which declines substantially between 15-24, due to leaving the area for university education. The proportion aged 65 and above was comparatively low for a rural district council (16.61%), although slightly above the national figure (16.53%).	18.46% aged 0-14, 10.68% aged 15-24. Birth rate average by national standards: 11.95 per 1000 in 2010.

Indicator	Rank	Quintile	SCDC Position	Key indicators
Ethnicity (based on 2011 Census figures)	140 / 348	Middle 20%	The district is relatively diverse for a rural area.	93.3% of population classified as White; above the national average (85.97%) but lower than the national median. 5% of the population are classified as non-White British, the highest minority group.
Household Structure (based on 2011 Census figures)	55 / 348	Highest 20%	The position suggests proportionally higher demand for housing and services from married couples, with and without children, and growing demand from lone parent households.	Average household size of 2.45 people is in the highest 20% of districts; Lone parent households and households with married couples but no dependent children have both increased substantially between 2001-2011, perhaps reflecting higher divorce rates and an ageing population.
Migration & Change	37 / 348	Highest 20%	The district has experienced not only high population growth but high population 'churn' i.e. levels of in- and out-migration.	Population change of 22.6% between 1991 and 2007. Net migration of 0.2% in 2012, compared to 0.26% for the East of England.
Occupations	32 / 378	Top 20%	The district has a high proportion of knowledge workers and is making good progress towards developing a diverse, prosperous, knowledge-based economy.	57.47% of population classified as professional, managerial or technical, compared to 44.3% nationally; 5.32% in elementary occupations 41.39% in managerial occupations, compared to 30.16% nationally.
Prosperity	48 / 379	Top 20%	The district is extremely prosperous, as anticipated given the knowledge economy. This confirms issues of housing affordability and job opportunities for those with below-average incomes, reduced car access and lower skill levels.	Average total income is £36,100 compared to £29,624 nationally; Average house prices 24% higher than national figure. 48.64% households with two or more cars, compared to 38.02% in Cambridgeshire.
Deprivation	321 / 326	Lowest 20%	South Cambs is one of the least deprived districts in the country in terms of employment, education, income, housing, crime and health. This raises challenges for meeting the needs of individuals and families experiencing deprivation.	
Health	2 / 346	Top 20%	The district has high standards of health and high life expectancy	18.67% of the population in South Cambridgeshire are categorised as obese, compared to 22.97% nationally. 19.94% of the population smoke in South Cambridgeshire, in line with the national figure of 19.96%.

Indicator	Rank	Quintile	SCDC Position	Key indicators
Crime	318 / 348	Lowest 20%	The district is confirmed as one of the safest in which to live.	There were 31.71 offences per 1,000 residents in 2014, compared to 55.65 for Cambridgeshire and 60.61 nationally.
Environment				
Housing	210 / 346	Bottom 40%	The relatively unaffordable housing in the district may be reflected in the fall in the proportion of owner-occupied houses from 75% in 2001 to 70% in 2011, whilst the proportion of rented households has increased from 24% to 26%.	2.33% of the total housing stock was declared non-decent, compared to 3.61% in Cambridgeshire and 4.18% nationally.
Commercial Floorspace	1 / 348	Top 20%	The district has experienced significant growth in industrial, office and retail floorspace between 2002 and 2012.	Industrial/retail has increased, but remain proportionally low, at 58.14% and 11.26% respectively, of total floorspace in use in 2012, compared to 60.51% and 22.13% nationally. The proportion of floorspace is office use is correspondingly very high (30.6%), compared to the national figure of 17.36%.
Transport & Connectivity	265 / 379	Bottom 40%	The district's score is based on a composite of measures, including distance from London, the concentration of transport hubs and proximity to neighbouring hubs e.g. Cambridge Railway Station, Stansted Airport.	49.84% of people travelled to work by car in 2011, compared to 40.42% nationally. The proportion travelling to work within the district by foot or bicycle was 10.63% in 2011, compared to the national figure of 9.78% The average travel to work time for South Cambridgeshire residents was 20 minutes, compared to 18.83 minutes in Cambridgeshire and 20.32 minutes nationally.
Amenities	311 / 348	Bottom 20%	The district's low score reflects that it is a large (90,169 hectares), rural agricultural area and that this indicator is skewed heavily towards urban areas with cafes, cinemas, theatres and libraries concentrated over far smaller geographical areas.	The district has 4.43 heritage sites per 1000 sq metres, compared to 17.37 in the East of England and 65.37 nationally. The district has 2.88 listed buildings per 1000 sq. metres compared to 2.99 in the East of England and 2.64 nationally.
Environment	82 / 324	Top 40%	The district scored in the top 40% of districts on an indicator which is heavily skewed towards rural areas.	The air quality score, measured as part of the Index of Multiple Deprivation, was 0.83, lower than the county (0.88) and national (0.97) figures.

This page is left blank intentionally.

South Cambridgeshire Area Profile: Key Statistics

July 2015



South
Cambridgeshire
District Council

Total Population

	South Cams
All people	153,300
Males	75,700
Females	77,600
Total Households	59,960
Persons per sq km	170
Area (Hectares)	90,162

Source: ONS Mid-Year 2014.

Age Profile

Age (years)	District %	%	Eng & Wales (%)
Under 5	9,400	6.2	6.3
Age 5 – 14	18,500	12.2	11.4
Age 15 – 24	15,600	10.3	12.8
Age 25 – 44	39,400	26.0	26.8
Age 45 – 59	32,300	21.3	19.8
Age 60 – 74	23,800	15.7	14.9
Age 75 and over	12,400	8.2	8.0

Source: ONS Mid-Year 2013.

Population Forecast

2021	164,300	+7.2%
2026	176,500	+15%
2031	188,400	+22.9%

Source: County Council Estimates November 2011.

Ethnicity

Category	SCDC 2011	(%)	Cams 2011 (%)	E&W 2011 (%)
White British	129,812	87.3	84.2	80.5
White Irish	1,094	0.7	0.8	0.9
White Gypsy/Irish Traveller	485	0.3	0.2	0.1
Other White	7,396	5.0	7.1	4.4
British Indian	2,210	1.5	1.2	2.5
British Pakistani	465	0.3	0.4	2.0
British Bangladeshi	217	0.1	0.4	0.8
British Chinese	1,189	0.8	1.1	0.7
Other Asian	1,459	1.0	1.1	1.5
British Black African	760	0.5	0.6	1.8
British Caribbean	341	0.2	0.3	1.1
British Black Other	167	0.1	0.2	0.5
Arab	253	0.2	0.2	0.4
Other Ethnic Group	383	0.3	0.3	0.6
White & Black Caribbean	552	0.4	0.4	0.8
White & Black African	270	0.2	0.2	0.3
White and Asian	991	0.7	0.6	0.6
Other Mixed	711	0.5	0.5	0.5

Source: ONS, 2011 Census.

Crime and ASB rates per 1,000 people 2013- 2014

	District	County
All Crime	31.2	46.8
Anti-Social Behaviour (ASB)	17.5	27.2
Burglary - Dwelling	7.1	6.7
Violent Crime	6.7	9.6
Domestic Abuse	8.5	13.1
Vehicle Crime	3.8	4.3

Source: County Council Research Group.

Health

	South Cams	England
Life expectancy at birth (years)		
Males	83.0	79.4
Females	85.9	83.1
Life expectancy at 65		
Males	20.6	18.7
Females	23.2	21.1

Source : ONS, Life Expectancy at Birth and at Age 65, 2011-13

Average House Price, based on sales and valuations, Sept 2014

District	East of England	England
£337,839	£277,053	£279,912

Source: Hometrack, Automated Valuation Model

Household Composition

	South Cams	South Cams (%)	E&W (%)
All households	59,960	100	100
One person households	14,772	24.6	30.2
Aged 65 and over	6,899	11.5	12.4
Other	7,873	13.1	17.8
Couples: Married/Civil Partnership	25,881	43.2	33.1
With dependent children	12,734	21.2	15.2
With non-dependent children	3,439	5.7	5.6
No children	9,708	16.2	12.3
Co-habiting couples	6,075	10.1	9.9
With dependent children	2,303	3.8	4.1
With non-dependent children	284	0.5	0.5
No children	3,488	5.8	5.3
Lone Parents	4,092	6.8	10.7
with dependent children	2,545	4.2	7.2
with non-dependent children	1,547	2.6	3.5
All 65 and over	5,971	10.0	8.5
Other	3,135	5.3	7.6

Source: ONS, 2011 Census.

South Cambridgeshire Area Profile: Key Statistics

July 2015



South
Cambridgeshire
District Council

Housing Tenure

	Number	SCDC (%)	E&W (%)
Owned outright	20,759	34.6	30.8
Owned: mortgage/loan	21,370	35.6	32.7
Shared ownership	1,258	2.1	0.8
Social rented (SCDC)	5,464	9.1	9.4
Social rented (other)	3,082	5.1	8.2
Private rented	7,174	12.0	16.7
Rent free	853	1.4	1.4

Source: ONS, 2011 Census.

Indices of Deprivation

Index of Multiple Deprivation Rank of Average Score	321
Income Scale Rank	254
Employment Scale Rank	260

Source: DCLG, Indices of Deprivation 2010
Note: Rank is for SCDC in comparison with all English district level local authority areas (326 in total), where 1=most deprived, 326=least deprived.

Qualifications

	District	SCDC (%)	East (%)	GB (%)
NVQ4 and above	46,600	49.6	33.1	36.0
NVQ3 and above	66,600	70.8	54.1	56.7
NVQ2 and above	80,000	85.1	72.1	73.3
NVQ1 and above	89,300	95.0	86.0	85.0
Others	*	*	5.9	6.2
None	*	*	8.1	8.8

Source: NOMIS, January - December 2014. Note: % is a proportion of the total resident population aged 16-64.

* Sample size too small for reliable estimate

Population Aged 16-64 (2014)

	District	SCDC (%)	East (%)	GB (%)
All people aged 16-64	94,700	61.8	62.0	63.5
Males aged 16-64	47,100	62.2	62.7	64.3
Females aged 16-64	47,600	61.3	61.4	62.8

Source: ONS, Mid-year Population Estimates, 2014

Employment – Economically Active

	District	SCDC (%)	East (%)	GB (%)
All people - working age	81,100	81.9	79.9	77.3
Male - working age	43,700	88.4	86.4	82.8
Female - working age	37,400	75.6	73.6	71.9
Self-Employed (all)	14,600	13.7	10.7	10.0

Source: ONS, January - December 2014.

Earnings by Residence

Gross Weekly Pay	District £	East £	GB £
Full-time	623.2	539.1	520.8
Male full-time	728.3	586.8	561.5
Female full-time	479.1	471.7	463.0

Source: ONS, Annual Survey of Hours & Earnings – Resident Analysis 2014. Note: Median earnings in £ for employees living in the area.

Business Counts 2014

Enterprise (employees)	SCDC (numbers)	SCDC (%)	East (numbers)	East (%)
Micro (0-9)	6,540	88.6	201,660	88.9
Small (10-49)	680	9.2	20,845	9.2
Medium (50-249)	130	1.8	3,570	1.6
Large (250+)	30	0.4	865	0.4
Total	7,380	-	226,940	-
Local Units				
Micro (0-9)	6,965	85.5	223,585	84.0
Small (10-49)	960	11.8	34,695	13.0
Medium (50-249)	190	2.3	7,035	2.6
Large (250+)	30	0.4	965	0.4
Total	8,145	-	226,275	-

Source: Inter Departmental Business Register (ONS)

Jobseeker's Allowance Claimants - March 2015

	District	SCDC (%)	East (%)	GB (%)
All	546	0.6	1.5	2.0
Male	343	0.7	1.8	2.5
Female	203	0.4	1.1	1.4

Source: NOMIS, Claimant Count with Rates & Proportions, March 2015. Note: % is a proportion of resident working age population. Jobseeker's Allowance is payable to people under state pensionable age who are available for, and actively seeking, full-time work.

Jobseeker's Allowance Claimants by age group - March 2015

Aged	District	SCDC (%)	East (%)	GB (%)
18-24	105	1.1	2.5	3.1
25-49	290	0.6	1.5	2.1
50-64	145	0.5	1.1	1.4

Source: ONS claimant count - age duration with proportions. Note: % is a number of persons claiming JSA as a proportion of resident population of the same age.

**Appendix D
Strategic Risk Register
July 2015 – Draft**

The Strategic Risk Register reported to EMT and Cabinet only shows risks with a total score of 5 or more. (Risks scoring 4 or less are still on the Strategic Risk Register, but are not included in the report.) Proposed changes are shown as **highlighted text**.



Risk Reference, Title, (date first included) and Description, plus associated Aims, Objectives	Risk Owner	Risk Score		Risk Owner's Comments
		Target	Current	
<p>STR05 - Lack of land supply (June 2007)</p> <p>While there is good progress on the Cambridge fringe sites and at Cambourne, the downturn in the housing market and delay in bringing forward major sites (eg Northstowe) has led to slow down in rate of progress against trajectory. In addition, the Council has lost two planning appeals for sites at Waterbeach based on the lack of 5 year land supply, leading to the authority being unable to deliver its housing needs, resulting in the Council having to meet the shortfall in the short term from developments that are not in the submitted Local Plan.</p> <p>Aims, Objectives: 11</p> <p>Relevant PI(s): BV 106 - % new homes on brown field sites 154 - Net additional homes provided, 159 - Supply of ready to develop housing sites</p>	Jo Mills	10	20	<p>SCORES - IMPACT: 4; LIKELIHOOD: 5</p> <p>CONTROL MEASURES / SOURCES OF ASSURANCE: A14 – Work is underway on ‘interim measures’ at Girton, a pinch point scheme. Funding package for the major scheme is progressing and Highways Agency formal public consultation on new scheme completed April 2014. Work on site due to start 2016. Northstowe Phase 1 planning application approved March 2013, and decision issued April 2014 with start on site commenced 2015. Northstowe Phase 2 Planning Application submitted in August 2014 and reported to Committee for approval in June 2015. Northstowe included in Government’s Major Sites Initiative funding programme, with HCA involvement announced in the Autumn Statement 2014. Planning Policy produce an Annual Monitoring Report (forecasts housebuilding levels) and the latest update shows an improved position. Planning applications submitted for Wing (land north of Newmarket Road, Cambridge) and Cambourne West. Pre-application discussions continuing on NIAB 2. Construction for Cambourne 950 underway. Application for 199 homes granted consent at Barrington. Local Plan public examination started November 2014. Memorandum of Understanding on Five Year Land Supply agreed with Cambridge City Council on 9 September 2014. Fortnightly list of ‘significant cases’ is updated and circulated to departmental management team, listing informal enquiries, pre-applications, planning applications and appeals received each week. The departmental management team oversees major cases, with enhanced consultation with local and lead members. Management of major applications will benefit from Site Delivery Fund award of £50,000 over two years, and a new Business Excellence Manager appointed May 2015.</p> <p>TIMESCALE TO PROGRESS: Local Plan Hearings commenced on 4 November 2014. Inspectors’ letter received May 2015, and timescale for further work to be presented to PFH on 9 July 2015.</p>

Proposed Changes

Risk Reference, Title, (date first included) and Description, plus associated Aims, Objectives	Risk Owner	Risk Score		Risk Owner's Comments
		Target	Current	
<p>STR08 - Medium Term Financial Strategy (MTFS) (June 2007)</p> <p>Risks concerning the financial projections include:</p> <ul style="list-style-type: none"> not achieving delivery of additional income / savings to meet targets, including from Business Improvement & Efficiency and Commercialisation Programmes projects (and see STR26 below), shared services initiatives and the housing company; inflation exceeds assumptions; interest rates do not meet forecasts; employer's pension contributions increases exceed projections; changes in demand for some service areas could lead to pressures in the related budgets; unforeseen restructuring costs; retained business rates scheme – volatility of outstanding valuation appeals; major developments do not meet housing trajectory forecast; uncertainty re formula grant from 2016/17 on; cost of supporting development and meeting demand from growth; impact of welfare reform (and see STR15 below); availability of budget for Cabinet priorities; council tax strategy; national Government responds to the downturn in the economy by cutting local government expenditure faster than anticipated; material error in MTFS forecasts, <p>leading to the Council needing to take action to cut its budgets, resulting in cuts in services, public dissatisfaction, audit and inspection criticism.</p> <p>Aims, Objectives: 1, 2, 6, 10</p>	Alex Colyer	10	20	<p>SCORES - IMPACT: 5; LIKELIHOOD: 4.</p> <p>CONTROL MEASURES / SOURCES OF ASSURANCE: Revised MTFS incorporates updated assumptions; approved by Cabinet in February 2015. Implement plans to deliver Council's programme in line with latest General Fund income and savings targets. Comparisons between MTFS, financial position statements and General Fund, HRA and Capital Programme estimates. Monitor inflation factors, effect of current economic climate on demand led services and budgets. Monthly financial report to Executive Management Team (EMT); EMT reviews progress in achieving budget targets. Treasury management reports to Finance & Staffing PFH. Monthly monitoring of business rates income, collection rates and appeals. Monthly monitoring of council taxbase to identify financial implications of growth. Additional income/savings targets built in to Business Improvement & Efficiency and Commercialisation Programmes projects, shared services and other initiatives. Reports to Cabinet on shared service opportunities in October 2014 (ICT, Legal and Waste) and November 2014 (Building Control). Autumn Statement and Local Government Finance Settlement: 2015/16 figures confirmed in February 2015.</p> <p>TIMESCALE TO PROGRESS: Continue to explore opportunities for further savings beyond those in the MTFS. Commercialisation Programme being progressed. Updated MTFS to Cabinet in July 2015. New Government Budget, 8 July 2015; Autumn Statement and Local Government Finance Settlement, December 2015.</p> <p>Relevant PI(s): SF 772 - The amount (£) of Overspend - General Fund SF 773 - The amount (£) of Overspend - Capital Programme SF 774 - The amount (£) of Overspend - Housing Revenue Account SF 707 - General Fund Budget Variation (%) SF 749 - Capital Budget (%) SF 748 - HRA Budget Variation (%)</p>

Risk Reference, Title, (date first included) and Description, plus associated Aims, Objectives	Risk Owner	Risk Score		Risk Owner's Comments
		Target	Current	
<p>STR15 - Welfare Reform (December 2010) Radical changes to benefits, including localised council tax support scheme and introduction of a universal credit system, leading to possible:</p> <ul style="list-style-type: none"> increased IT cost due to required system changes; implementation costs not fully reimbursed by Government grant; increased workload for Benefits and Homelessness teams, <p>resulting in potential for:</p> <ul style="list-style-type: none"> adverse effect on service provision due to the number of changes; increased dissatisfaction with the service due to reduced amounts of benefit payable; impact on Medium Term Financial Strategy; devastating effect on people with mental health problems; and dislocation of private sector housing market. <p>Aims, Objectives: 10</p> <p>Relevant PI(s): BV 078a - HB/CTB claims days BV 078b - HB/CTB changes days BV 078c - Benefit claims process days BV 079b i - Recoverable overpayments % BV 079b ii - HB Overpayments recovered % BV 079b iii - Overpayments written off %</p>	Alex Colyer	10	16	<p>SCORES - IMPACT: 4; LIKELIHOOD: 4.</p> <p>CONTROL MEASURES / SOURCES OF ASSURANCE: Cabinet approved revised Discretionary Housing Payments policy in September 2013 and application for funding of additional help for SCDC residents via HRA top up for DHP, agreed by DCLG. DWP have confirmed increased DHP budget for 2016/17. Software suppliers have provided details of enhanced software for Localised Council Tax Support which provides alternative options for LCTS, including options which may enable different admin arrangements to be made. Monthly monitoring of Localised Council Tax: each Parish, and Total amounts. Monitoring of those who have received 8.5% reduction in support with regard to payments, summons and under-occupation following first summons issue. Review of 2013/14 and 2014/15 LCTS completed and Scheme for 2015/16 agreed at Council in January 2015. Under occupation exercise updated monthly; all tenants affected written to, to ensure information held is correct. Monthly meetings with Housing re under occupancy etc. Benefits Manager and Housing Options and Homeless Manager part of Countywide (District Council and County) Welfare Reform Strategy Group Signpost residents who are in difficulty, advice / counselling / financial help / medical assistance etc. Housing Advice & Homelessness, and Revenues & Benefits working with Monthly monitoring of the project by Executive Director, Benefit Manager and Revenues Manager, as part of the regular one to one process. The Fraud team transferred to DWP SFIS on 1 March 2015. Grant reduction amounts provided by DWP indicated that this is less than the cost of the team.</p> <p>TIMESCALE TO PROGRESS: Remainder fraud requirement to be tied into the Enforcement and Inspection Review outcomes to ensure solution can be found. Looking at options for remainder fraud during summer 2015; implement temporary solution prior to final decision being made in autumn 2015. DWP notified us of the intention to implement Universal Credit in February 2015 for single people. The DWP have indicated that the implementation date for Universal Credit within South Cambs is likely to be Autumn 2016. There are around 120 people who could claim Universal Credit. Monitoring of cases which would be universal credit cases is being undertaken to assess the impact of the impending changes.</p>

Page 17 of 20

Risk Reference, Title, (date first included) and Description, plus associated Aims, Objectives	Risk Owner	Risk Score		Risk Owner's Comments
		Target	Current	
<p>STR03 - Illegal Traveller encampments or developments (June 2007)</p> <p>Failure to find required number of sites, or sites identified do not meet the needs of local Travellers, <i>leading to</i> illegal encampments or developments in the district, <i>resulting in</i> community tensions; cost and workload of enforcement action, including provision of alternative sites and/or housing; poor public perception and damage to reputation.</p> <p>Aims, Objectives: 5</p>	Jo Mills	8	12	<p>SCORES - IMPACT: 4; LIKELIHOOD: 3.</p> <p>CONTROL MEASURES / SOURCES OF ASSURANCE: Ongoing routine monitoring of all district development. Government guidance issued, county wide needs assessment endorsed by PFH. Monthly report on position regarding temporary expiries and applications circulated to managers and key Members for coordination and oversight. Gypsy & Traveller planning policies included in draft Local Plan. In 2015 five pitches were granted permanent planning permission on appeal at Smithy Fen Cottenham, and temporary planning permission for 1 pitch was granted on appeal at Wimpole. There are four other pitches with temporary planning permission, which expire between 2015 and 2018. At May 2015 there is one pending application, for changes to an existing site at Chesterton Fen Road for nine pitches. There is also an outstanding planning appeal for one pitch at Willingham. The total number of permanent consented pitches is 321, in addition to the public sites that provide 30 pitches (with planning permission for 2 additional pitches). The Affordable Homes departmental risk register includes delivering HCA funded projects, to ensure the supply of Gypsy & Traveller pitches and sufficient investment in existing pitches.</p> <p>TIMESCALE TO PROGRESS: New applications – ongoing. Local Plan due for completion 2016.</p>

Risk Reference, Title, (date first included) and Description, plus associated Aims, Objectives	Risk Owner	Risk Score		Risk Owner's Comments
		Target	Current	
<p>STR27 – Shared Services initiatives with other authorities (November 2014) Shared services initiatives are not completed in a timely fashion due to</p> <ul style="list-style-type: none"> • inadequate stakeholder engagement, • conflicting priorities, or • unavailability of key staff, <p>leading to inadequate resources and support resulting in a delay or failure in delivering the outputs, required additional income and savings targets, and associated benefits for the district's residents and businesses, including possible dilution in service levels initially.</p> <p>Aims, Objectives: 2, 6, 8</p>	Jean Hunter	9	9	<p>SCORES - IMPACT: 3; LIKELIHOOD: 3.</p> <p>CONTROL MEASURES / SOURCES OF ASSURANCE:</p> <p>Progress to be overseen by a joint steering group including Leaders and relevant portfolio holders. For SCDC, reports to Cabinet in October 2014 (re ICT, Legal and Waste) and November 2014 (re Building Control). Strong programme and project management provided by an overall programme Shared Services Board comprising senior managers from each authority, supported by individual project boards of lead officers and relevant support services officers from each authority. Prioritisation of projects within workloads. Dedicated external resources obtained for each projected, funded from Transformation Challenge Award grant. A dedicated risk register is being drawn up for the Shared Services Board to monitor; progress will be reported through Corporate Plan monitoring.</p> <p>TIMESCALE TO PROGRESS: Dependent on the timeframe/milestones for each initiative – outline implementation milestones for the proposed single shared waste service are attached to the October 2014 report to Cabinet.</p>
<p>STR26 – Business Improvement & Efficiency, Development Control Improvement, and Commercialisation Programmes (November 2013) The Business Improvement Efficiency Programme (BIEP), Development Control Improvement Programme (DCIP) and Commercialisation Programme have their own associated risk registers. The risks included are summarised as follows:</p> <p>The Projects on the programmes are not completed in a timely fashion due to</p> <ul style="list-style-type: none"> • inadequate stakeholder engagement, • conflicting operational, programme and project priorities, or • long term unavailability of relevant and crucial staff, <p>leading to inadequate programme and project resources and support, resulting in a delay or failure to deliver the outputs, associated benefits, and required income and savings targets.</p> <p>Aims, Objectives: 2, 7</p>	Alex Colyer	9	9	<p>SCORES, IMPACT: 3; LIKELIHOOD: 3</p> <p>CONTROL MEASURES / SOURCES OF ASSURANCE:</p> <p>The Programme Manager identified programme and project resource requirements before the start of the tranches. The Senior Responsible Officer is responsible for securing the required resources. Regular 1:1s with Executive Director. Regular update meetings with Project Managers & Project Sponsors used to assess required resource levels. A Stakeholder Engagement Strategy and detailed stakeholder analysis has been developed. Stakeholder engagement activities place regularly throughout the programme.</p> <p>TIMESCALE TO PROGRESS: Throughout 2012-2017.</p>

Risk Reference, Title, (date first included) and Description, plus associated Aims, Objectives	Risk Owner	Risk Score		Risk Owner's Comments
		Target	Current	
<p>STR20 – Partnership working with Cambridgeshire County Council (September 2011) The failure of partnership arrangements (e.g. health & wellbeing, economic development, transport, City Deal) with the County Council, <i>leading to</i> the needs of district residents and businesses not being adequately met or reflected in County Council resource allocation decisions, <i>resulting in</i> adverse effects on the district's residents and businesses.</p> <p>Aims, Objectives: 3, 6, 8, 11</p>	Jean Hunter	9	9	<p>SCORES - IMPACT: 3; LIKELIHOOD: 3.</p> <p>CONTROL MEASURES / SOURCES OF ASSURANCE: Active engagement of officers and Members in partnerships, to ensure the district's residents' and businesses' needs are articulated.</p> <p>TIMESCALE TO PROGRESS: Progress being monitored via Corporate Plan. Dependent on the timeframe/milestones for each partnership.</p>
<p>STR19 - Demands on services from an ageing population (September 2011) The district's demography changes, with significant growth in the over 65 year old population, <i>leading to</i> additional demands on health and social care services, including to the Council's sheltered housing and benefits services, <i>resulting in</i> adverse impact on service standards; increased customer dissatisfaction with services; increased levels of social isolation.</p> <p>Aims, Objectives: 1, 4, 5, 9</p>	Mike Hill	9	9	<p>SCORES - IMPACT: 3; LIKELIHOOD: 3.</p> <p>CONTROL MEASURES / SOURCES OF ASSURANCE: Following "Ageing Well" workshops, Cabinet agreed an "Ageing Well" plan in July 2014 following a Joint Portfolio Holder Task & Finish Group. SCDC is also engaged with the CCG Older People's Service procurement. Contract awarded to Uniting Care Partnership.</p> <p>TIMESCALE TO PROGRESS: Ageing Well implementation plan under development March – September 2015 to deliver Cabinet-agreed Ageing Well Plan. SCDC to contribute to the multi-agency Cambridgeshire Executive Partnership Board leading on joined-up approach to older people's service (from September 2014) with Uniting Care Partnership and reporting to the Health & Wellbeing Board. SCDC has committed Housing staff to design of CEPB projects including Data Sharing, 7-Day Working, Person-Centre System, & Ageing Healthily & Prevention.</p> <p>Take account of demographic change in the corporate and financial planning cycle. Redesign services to address demands.</p>
<p>STR24 - HRA Business Plan (March 2012) The HRA Business Plan has its own associated risk register. Of the risks included, it is considered that only one needs to be included in the Strategic Risk Register: The Government decides to reopen the debt settlement, <i>leading to</i> increased debt requirement, <i>resulting in</i> reduced housing programme.</p> <p>Aims, Objectives: 1, 2, 4, 5, 6, 9, 12</p>	Stephen Hills	8	8	<p>SCORES - IMPACT: 4; LIKELIHOOD: 2</p> <p>CONTROL MEASURES / SOURCES OF ASSURANCE: Capacity has been built into the Housing Revenue Account (HRA) business plan to absorb some future changes if they are required.</p> <p>TIMESCALE TO PROGRESS: Monitor Government policy including utilising our partnership arrangements with the Chartered Institute of Housing. Annual review of business plan, programme and resources.</p>

Risk Reference, Title, (date first included) and Description, plus associated Aims, Objectives	Risk Owner	Risk Score		Risk Owner's Comments
		Target	Current	
<p>STR22 - Safeguarding the Council's services against climate change (March 2012) The Council fails to develop measures to safeguard its services against climate change, <i>leading to</i> unacceptable vulnerability to the impact of climate shifts and other weather-related events, <i>resulting in</i> a degradation or breakdown of service delivery and damage to property, increasing costs and impact on the Council's reputation.</p> <p>Aims, Objectives: 4</p>	Mike Hill	8	8	<p>SCORES - IMPACT: 4; LIKELIHOOD: 2.</p> <p>CONTROL MEASURES / SOURCES OF ASSURANCE: Effective drainage plans required for planning consents. A range of Climate Change related policies have been included in the Submission Local Plan. Response to Flood Events reviewed by EMT in October 2014.</p> <p>TIMESCALE TO PROGRESS: SCDC Service Business Continuity Plans to be reviewed by September 2015.</p>
<p>STR02 – Equalities (June 2007) The Council is successfully challenged over not complying with general equalities legislation or legislation specific to public and local authority bodies, <i>leading to</i> decisions relating to service delivery being overturned and possible Commission for Human Rights and Equalities inspection, <i>resulting in</i> delays to the implementation of new service proposals causing detriment to customer service, preventing the timely delivery of policy and financial objectives, reduction in reserves available to support balanced MTFS, adverse publicity and effect on reputation.</p> <p>Aims, Objectives: 2</p>	Alex Colyer	8	8	<p>SCORES - IMPACT: 4; LIKELIHOOD: 2.</p> <p>CONTROL MEASURES / SOURCES OF ASSURANCE: The Council has met its legal requirements to publish equality information and equality objectives on an annual basis. This information is incorporated into a revised draft Equality Scheme 2015-2020, which is currently subject to public consultation. The Council has embedded equality monitoring arrangements whereby new and revised policies and service delivery proposals are subject to screening for their likely equality implications. Where appropriate, timescales are agreed for full subsequent assessment prior to adoption of the new proposals, or as part of implementation, monitoring and review arrangements. EMT designed Stephen Hills, Director of Housing, to lead a self-assessment against the 'Excellent' standard of the government's equality framework in 2013. The assessment found evidence of broad compliance across the council's activities. The development and improvement areas identified will be incorporated in normal business activity through the draft Equality Scheme 2015-2020. EMT approved the Annual Equality Report 2014 on 10 December 2014.</p> <p>TIMESCALE TO PROGRESS: Following consultation, we anticipate submitting a final draft Equality Scheme to the lead Portfolio Holder (Cllr Mark Howell) in October 2015. In the meantime, work on the 2015-17 priorities and commitments identified in the scheme is underway.</p>

Risk Reference, Title, (date first included) and Description, plus associated Aims, Objectives	Risk Owner	Risk Score		Risk Owner's Comments
		Target	Current	
<p>STR25 - Increase in numbers in Bed & Breakfast accommodation (January 2013) Potential impacts from current economic downturn and instability in the housing market and changes to the benefits system, leading to not enough temporary accommodation available, leading to an increase in B&B use, resulting in applicants not moved into permanent accommodation quickly enough and increased cost to the Council.</p> <p>Aims, Objectives: 10, 12</p>	Stephen Hills	9	6	<p>SCORES - IMPACT: 3; LIKELIHOOD: 2 (down from 3).</p> <p>CONTROL MEASURES / SOURCES OF ASSURANCE: Close working partnership with King Street Housing who provide private sector leasing options; use of Rent Deposit Scheme, Empty Homes Initiative, other homelessness prevention measures and New Build Programme. Improved supply of temporary accommodation achieved during 2013/14 and 2014/15 have helped to alleviate the pressure.</p> <p>TIMESCALE TO PROGRESS: New hostel opened in April 2015 with increased capacity. Review of temporary accommodation portfolio now underway to rationalise the supply held.</p>

Red / Amber / Green shading in the Actual Column indicates the following movement in risk scores:

	Red	Amber	Green
For risks previously above the line:	<ul style="list-style-type: none"> the score has increased 	<ul style="list-style-type: none"> the score has not changed, or has decreased but stays above the line 	<ul style="list-style-type: none"> the score has decreased to below the line
For risks previously below the line:	<ul style="list-style-type: none"> the score has increased to above the line 	<ul style="list-style-type: none"> the score has increased but stays below the line 	<ul style="list-style-type: none"> the score has not changed, or has decreased

Notes

1. The "Reference" is unique and retained by the risk throughout the period of its inclusion in the risk register.
2. Risks are cross referenced to the relevant 2015/16 Aims and Objectives adopted by Council on 26 February 2015.
3. Criteria and guidelines for assessing "Impact" and "Likelihood" are shown on below.
4. The "Actual" risk score is obtained by multiplying the Impact score by the Likelihood score.
5. The dotted line (- - - - -) shows the Council's risk tolerance line.
6. The "Timescale to progress" is the date by which it is planned that the risk will be mitigated to below the line.

Impact

Giving rise to one or more of the following:

Likelihood

	Service disruption	People	Financial loss *	Environment	Statutory service/legal obligations	Management	Reputation	Score
Extreme	Serious disruption to services (loss of services for more than 7 days)	Loss of life	Financial loss over £500k	Major regional / national environmental damage	<ul style="list-style-type: none"> • Central government intervention; or • Multiple civil or criminal suits 	Could lead to resignation of Leader or Chief Executive	Extensive adverse coverage in national press and/or television	5
High	Major disruption to services (loss of services for up to 7 days)	Extensive multiple injuries	Financial loss between £251k - £500k	Major local environmental damage	<ul style="list-style-type: none"> • Strong regulatory sanctions; or • Litigation 	Could lead to resignation of Member or Executive Director	Adverse coverage in national press and/or television	4
Medium	Noticeable disruption to services (loss of services for up to 48 hours)	Serious injury (medical treatment required)	Financial loss between £51k - £250k	Moderate environmental damage	<ul style="list-style-type: none"> • Regulatory sanctions, interventions, public interest reports; or • Litigation 	Disciplinary / capability procedures invoked	Extensive adverse front page local press coverage	3
	Some disruption to internal services; no impact on customers	Minor injury (first aid)	Financial loss of between £6k - £50k	Minor environmental damage	<ul style="list-style-type: none"> • Minor regulatory consequences; or • Litigation 	Formal HR procedure invoked	Some local press coverage; or, adverse internal comment	2
Insignificant	Insignificant disruption to internal services; no impact on customers	No injuries	Financial loss of up to £5k	Insignificant environmental damage	<ul style="list-style-type: none"> • No regulatory consequences; or • Litigation 	Informal HR procedure invoked	No reputational damage	1

** including claim or fine*

	Guidelines	Score
Almost certain	<ul style="list-style-type: none"> • Is expected to occur in most circumstances (more than 90%), or • Could happen in the next year, or • More than 90% likely to occur in the next 12 months 	5
Likely	<ul style="list-style-type: none"> • Will probably occur at some time, or in some circumstances (66% - 90%), or • Could happen in the next 2 years, or • 66% to 90% likely to occur in the next 12 months 	4
Possible	<ul style="list-style-type: none"> • Fairly likely to occur at some time, or in some circumstances (36% - 65%), or • Could happen in the next 3 years, or • 36% to 65% likely to occur in the next 12 months 	3
Unlikely	<ul style="list-style-type: none"> • Is unlikely to occur, but could, at some time (11% - 35%), or • Could happen in the next 10 years, or • 11% to 35% likely to occur in the next 12 months 	2
Rare	<ul style="list-style-type: none"> • May only occur in exceptional circumstances (up to 10%), or • Unlikely to happen in the next 10 years, or • Up to 10% likely to occur in the next 12 months 	1

This page is left blank intentionally.

**Appendix E
Strategic Risk Matrix
July 2015 – Draft**

Notes: Risk Tolerance Line - - - - -
The **greyed out cells** shows those areas where risk scores are considered to be relatively minor in nature.



			IMPACT					
			Insignificant	Low	Medium	High	Extreme	
			1	2	3	4	5	
LIKELIHOOD	Almost certain	5					5. Lack of land supply	
	Likely	4					15. Welfare reform	8. Medium Term Financial Strategy
	Possible	3			27. Shared Services initiatives with other authorities 26. Business Improvement & Efficiency, Development Control Improvement, and Commercialisation Programmes 20. Partnership working with Cambridgeshire County Council 19. Demands on services from an ageing population		3. Illegal Traveller encampments or developments	
	Unlikely	2		21. Keeping up with technology development	25. Increase in numbers in Bed & Breakfast accommodation		24. HRA Business Plan 22. Safeguarding the Council's services against climate change 2. Equalities	
	Rare	1						

This page is left blank intentionally.

Corporate Planning Cycle

NOVEMBER-FEBRUARY

- Prepare service plan overview and improvement plans
- Discuss proposals with affected service areas
- Identify equality impact assessments and key performance measures
- Consultation on draft Corporate Plan/MTFS

JULY-SEPTEMBER

- EMT/Cabinet informal discussions on emerging Corporate Plan priorities
- Away days
- Identification of service priorities



This page is left blank intentionally.

Agenda Item 12



South
Cambridgeshire
District Council

Report To: Leader and Cabinet

9 July 2015

Lead Officer: Executive Director, Corporate Services

POSITION STATEMENT 2014/15 (END OF YEAR) FINANCE, PERFORMANCE AND RISK

Purpose

1. To provide Cabinet with:
 - A provisional 2014-15 outturn position statement on General Fund, Housing Revenue Account (HRA) and Capital expenditure
 - Requests for budget rollovers from 2014-15 to 2015-16; and
 - An overview of performance and achievements against the Corporate Plan 2014-2019 and associated key performance indicators.

Integrated reporting in this way gives EMT and Members the opportunity to examine any areas of concern and decide on the appropriate action.

Approval of capital and revenue budget rollovers constitutes a key decision, notice of which was first published in the March 2015 Forward Plan.

Recommendations

2. Cabinet is invited to:
 - (a) Consider, comment on and note the Council's provisional financial outturn position, together with the overview of Corporate Plan 2014-2019 achievements and performance against key performance indicators set out in the report and **appendices A-E**, and
 - (b) Approve the capital and revenue budget rollovers totalling £8,480,664, as listed in **Appendix F**, to be carried forward into the 2015-16 financial year.

Reasons for Recommendations

3. These recommendations are required to enable Cabinet to maintain a sound understanding of the organisation's financial position and performance. This contributes to the evidence base for the ongoing review of priorities and enables, where appropriate, redirection of resources to reflect emerging priorities and address areas of concern.
4. Rolling over revenue and capital budgets will allow the re-phasing of specific expenditure into 2015-2016 as stated in the proposal forms, summarised in **Appendix F** attached.

Background

5. This is the final position statement for 2014/15, providing updates in respect of:
 - The Financial Position at 31 March 2015, showing variance between 2014/15 original budgets and the provisional Outturn;

- The Corporate Plan 2014-2019, agreed by Council in February 2014; and
- Key Performance Indicators at 31 March 2015; agreed by EMT in consultation with Portfolio Holders.

Executive Summary

Corporate Plan

6. The Council has worked towards twelve key Objectives within its Corporate Plan 2014-2019. A summary of achievements against our Vision and strategic aims is provided in the main body of the report, below. Detailed commentary on progress and achievements with each of the actions, bringing together relevant finance and performance information, is set out in **Appendix A** attached. The appendix presents updates in terms of achievements and work still to do, reflecting a number of ongoing priorities, which have been retained in the current Corporate Plan 2015-2020, agreed by Council in February 2015.

Key Performance Indicators (KPI)

7. The Council monitors a suite of 31 key performance indicators (KPIs) to assist in maintaining a strategic overview of organisational health. Of these, 12 have been identified as outcome measures of success linked to the principal Corporate Plan themes of Engagement, Partnerships and Wellbeing. Performance against Corporate Plan indicators is set out in **Appendix B** attached, including commentary on reasons for, and plans to address, performance below target during the year. Performance information against the full suite of key indicators is set out in **Appendix C** attached.
8. The graphs in Appendix B show actual performance against target and intervention levels, which were agreed at the beginning of the year by directors in consultation with Portfolio Holders. The Council uses a 'traffic light' system to denote performance, whereby:
 - **Green** signifies performance targets which have been met or surpassed;
 - **Amber** denotes performance below target but above intervention level. It is the responsibility of service managers to monitor such performance closely, putting in place remedial actions at the operational level to raise standards as required.
 - **Red** denotes performance below the intervention level. This represents underperformance of concern, and should prompt intervention at the strategic level which are likely to involve the reallocation of resources and proposals to redesign how services are provided.

Finance: General Fund, HRA and Capital

9. This position statement is reporting on the variance between the 2014/15 original budgets and the provisional Outturn. Below is a summary of the provisional outturns and for comparison purposes the corresponding February 2015 projections reported to EMT.

Project Outturn compared to original estimates	February 2015		Provisional Outturn 2015		Movement (Appendix D)
	Adverse (Favourable)				
	£	%	£	%	£
General Fund	(1,034,400)	(6.49)	(1,196,000)	(7.38)	(161,600)
Housing Revenue Account (HRA)	(218,900)	(0.76)	(376,500)	(1.31)	(157,600)
Capital	(2,813,700)	(10.87)	(10,395,400)	(40.17)	(7,581,700)

10. Overall, the General Fund is projected to have an adverse variance of £577,500, but of this, £1,746,000 relates to prior year items that have an accounting effect in this financial year, and £117,800 relates to adjustments on Retained Business Rates and Revenue Support Grant. The working position is therefore a £1,196,000 favourable variance, which is 7.38% of the Net District Council General Fund Expenditure. Of the £1,196,000 General Fund favourable variance, £106,700 is being requested to be rolled over into 2015-2016, giving a net true variance of £1,089,300 (6.72%). It should be noted that budget holders actively manage costs down, leading to favourable variances, either one-off in-year, or that continue to have an ongoing effect in future years. Services continue to be delivered and performance maintained, as described elsewhere in this report.
11. There is a projected favourable variance of £376,500 on the HRA, which is 1.31% of total expenditure.
12. The Capital Accounts have a projected favourable variance of £10,395,400 but this is offset by a funding reduction of £8,648,700. This, together with additional income from land sales, gives a net overall favourable variance of £2,382,900. Of the £10,395,400 Capital Accounts favourable variance, £8,374,000 is being requested to be rolled over into 2015-16 and will be offset by the funding also occurring in 2015-16, giving a net true variance of £2,227,900 (8.61%).
13. A summary position statement is provided at **Appendix D**. Significant items are listed in **Appendix E**, with new items underlined. Requests for rollovers are set out in **Appendix F** attached. These total £106,664 on General Fund revenue budgets and £8,374,000 in the Capital Programme. Non-approval would cause overspendings in the current year in those particular areas, unless virement can be found from elsewhere, which is not likely at this stage of the financial year. The additional requirement to demonstrate the funding need to the section 151 Officer (i.e. the Executive Director Corporate Services) before adding the rollover to the current budget, should minimise any risk of under spending.
14. Historic England has asked the Council to consider serving an urgent works notice on Sawston Tannery Drying Shed and applying to Historic England for a grant to underwrite the costs of up to £200,000. The grant would cover a maximum of 80%

and the remaining 20% can include the cost of officer time. It is possible that Historic England would make the funding available up front.

Corporate Plan 2014-2019: Working towards our Vision for the district

15. The Corporate Plan 2014-2019 set out the following Vision for the Council:

'South Cambridgeshire will continue to be the best place to live, work and study in the country. Our district will demonstrate impressive and sustainable economic growth. Our residents will have a superb quality of life in an exceptionally beautiful, rural and green environment.'

We have worked to attain our Vision through three Strategic Aims around the themes of Engagement, Partnerships and Well-being. Our key achievements under each aim are summarised below.

16. *Engagement: We will engage with residents, parishes and businesses to ensure we deliver first class services and value for money*

To meet this aim we have:

- Set up a housing company (Ermine Street Housing) to help meet local private and affordable needs, whilst generating a financial return for the council: as part of a pilot scheme, the company has bought and let 30 properties on the open market, of which 28 have been let, and is managing the letting of rental properties at Waterbeach to local people on behalf of the Ministry of Defence.
- Delivered major projects as part of a Business Improvement and Efficiency Programme (BIEP) to generate savings and implement better ways of working, including the introduction of new waste collection arrangements which will save £400k.
- Agreed a balanced financial strategy for the next five years and delivered a favourable year-end General Fund budget variance of over £1 million.

17. *Partnerships: We will work with partners to create opportunities for employment, enterprise and world-leading innovation*

To meet this aim we have:

- Signed a ground-breaking City Deal with government, since identifying transport infrastructure priority projects and outlining proposals to deliver up to 8,000 affordable homes and improve skills and digital connectivity.
- Agreed a strategic partnership with Huntingdonshire District Council and developed full business cases for shared Building Control, ICT and Legal Services. We are also developing a shared waste service with Cambridge City Council.
- Begun a commercialisation programme to identify and deliver income for the Council
- Increased the percentage of household diverted from landfill
- Ensured the completion of over 200 new affordable homes.

18. *Wellbeing: Ensure that South Cambridgeshire continues to offer an outstanding quality of life for our residents*

To meet this aim we have:

- Enabled preliminary works on the Northstowe Phase One development to begin and granted Outline planning permission for Phase Two (3,500 homes)
- Helped 218 households prevent homelessness during 2014/15, reduced average monthly expenditure on Bed & Breakfast accommodation from £2,075 during 2013/14 to £919 for 2014/15 and opened refurbished hostel accommodation at Robson Court.
- Operated a local council tax support scheme which has protected our most vulnerable residents whilst collecting 98.8% of housing rent and 99.2% of all Council Tax due.

Feedback and Complaints

19. The Council received 223 complaints during 2014/15, compared to 227 during the previous year. 61% of registered complaints were responded to within timescale, substantially below the target of 80%. A full report on feedback, complaints and customer satisfaction will be submitted to the Corporate and Customer Services Portfolio Holder in July 2015.

Implications

20. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

21. The Council needs to ensure that it spends within its budgets, because of the impact on the level of balances and the implication for the Medium Term Financial Strategy.

Risk Management

22. The Council's Strategic Risks continue to be proactively managed through control measures to reduce their likelihood and mitigate their impact.

Consultation responses (including from the Youth Council)

23. Corporate Plan aims and actions, and the allocation of resources to deliver them, are based on assessed need and priorities and are subject to consultation each year prior to adoption.
24. The comments of the cost centre managers and directors were requested on the financial position and projected out-turn. Council Action and Performance Indicator updates have been prepared in liaison with lead officers in each directorate.
25. The report was considered by EMT at its meeting on 24 June 2015 and will be considered by the Scrutiny and Overview Committee on 7 July 2015.

Effect on Strategic Aims

26. Timely and robust consideration of the Council's budgets and corporate plan is vital to ensure corporate priorities are met and strategic risks involved in delivering these identified and managed proactively.

Conclusion

27. During 2014-2015 we have made good progress towards addressing the strategic housing and transport challenges required to deliver our Vision, underpinned by the delivery of efficient, effective, innovative and high quality services by a well-governed organisation which provides sound stewardship of public resources.

Background Papers: None

Report Authors: Richard May – Policy and Performance Manager
Telephone: (01954) 713366

John Garnham – Principal Accountant (General Fund and Projects)
Telephone: (01954) 713101

Graham Smith – Management Accountant
Telephone: (01954) 713077

Action	What we did	Outcomes we achieved	What is still left to do
AIM A – We will listen to and engage with residents, parishes and businesses to ensure we deliver first class services and value for money			
Objective (1) - Develop the property company pilot scheme into a full business plan to deliver affordable housing and generate income			
Complete and evaluate pilot scheme	<p>As part of the pilot scheme the Housing Company is providing property management (housing management and maintenance) services on behalf of the Ministry of Defence to provide rental housing in Waterbeach</p> <p>Cabinet, at its September 2014 meeting, approved the investment in South Cambs Ltd, now branded as Ermine Street Housing (ESH) of up to £7 million for the acquisition of up to 40 properties.</p> <p>From 1st June 14 additional properties have been leased from the MoD at Bassingbourn.</p> <p>We have submitted a proposal to the MoD to lease a further number of properties at Brampton.</p>	<p>Much-needed housing provided, with local families prioritised.</p> <p>ESH has acquired 30 properties on the open market of which 28 have been let, and made offers on a further five.</p>	<p>This objective has been retained within the Corporate Plan 2015-2020.</p> <p>Continued acquisition of properties in line with budget and agreed financial modelling.</p> <p>Formalisation of financial monitoring information for Property Company Board.</p> <p>Evaluate pilot and agree next steps – see below.</p>
Use lessons learnt to inform business plan for consultation and agreement	EMT has received a report outlining the timeline and structure for the pilot review report to Cabinet in November 2015.	Not started – pilot scheme in progress	<p>Planned/Structured evaluation</p> <p>Preparation of Cabinet report (Nov 2015) with recommendations following evaluation of the pilot project</p> <p>Appraisal of the business modelling for the property portfolio to inform the Cabinet report for Nov 2015.</p>

Action	What we did	Outcomes we achieved	What is still left to do
Objective (2) - Improve efficiency and value for money within a viable financial strategy			
<p>Implement recommendations from 2013-14 Business Improvement and Efficiency Programme (BIEP) projects</p>	<p>The Corporate Service Desk and Self-Service projects have been combined into the Digital by Default project, which aims to maximise opportunities for customers with electronic means to self-serve from a menu of information and forms on the council's website. The project involves three interlinked work streams covering internal and external communication and the Customer Contact Service.</p> <p>Following the Post Room review we re-examined the outsourcing option through a trial involving Revenues's post with Huntingdonshire District Council.</p>	<p>Adoption of Remote Working culture has enabled Business Case to be developed for generating income through expanding office space hire.</p> <p>The revised contract from agency staff arising from the Goods and Services review undertaken during 2013-14 resulted in services paying over £74k (7%) less on agency staff as a result of lower hourly rates, and avoiding employment fees of £36,000 for seven permanent members of staff.</p> <p>Revised waste collection working arrangements launched in September 2014, have delivered annual ongoing savings of £400k and also reduced the number of bin lorries on the road and consequent emissions – see also objective (8) below. A</p>	<p>We hope to launch e-forms for Benefits (new claims and change of circumstances), and are redeveloping our website to improve usability. It is hoped that this will be launched in late Summer 2015.</p> <p>A new role in HR will include support for recruitment and selection, as well as the implementation of other recommendations from this review.</p> <p>Audio and visual delivery of Corporate Brief will be trialled as a result of the Internal Communications review.</p> <p>We are preparing a business case for a shared post room service with Huntingdonshire District Council.</p>

APPENDIX A – CORPORATE PLAN 2014-2019 – PROGRESS REPORT, YEAR-END 2014-15

Action	What we did	Outcomes we achieved	What is still left to do
		<p>new e-form, developed to enable missed bins and assisted collections to be reported, has been completed over 900 times since its launch.</p>	
<p>Deliver 2014-15 BIEP, Organisational and Member Development strategies</p>	<p>Programme progressing on schedule. Savings target identified in MTFS as part of wider corporate savings requirement of £670k in 2015/16. The following BIEP projects are underway:</p> <ul style="list-style-type: none"> • Digital by Default (see above) • Systems Contracts Terminus – Schedule produced. Review underway to identify duplicate contracts, ceased contracts and possible cancellations • Agility through empowerment – Project underway seeking new ways of empowering staff • Document and Space Management hot-desking pilot scheme in Health and Environmental Services complete and subject to evaluation. Developing a ‘Working Smarter’ programme to bring together related projects to achieve co-ordinated business change. • Resource and Support review of administration capacity and need delayed due to capacity issues. • Finance, Culture and Value for Money project re-launched as Financial Transformation following appointment of shared Head of 	<p>The Open for Business Project has overseen the launch of a bi-monthly newsletter and development of a Key Account Management framework – see objective (3) below.</p> <p>74% of all employees responded to the first</p>	<p>The 2015-2020 Corporate Plan commits us to implementing recommendations and new ways of working arising from completed BIEP projects and retains a commitment to delivering actions within the Organisational and Member Development strategies.</p> <p>We have recently launched the 2015/16 Member Development Programme and will continue to work with neighbouring Councils to share resources and opportunities where possible. The new Portfolio Holder for Corporate and Customer Services is keen to raise the profile of Member Development, which will add value to implementation of the Strategy.</p> <p>Recurring factors, identified in the first staff</p>

APPENDIX A – CORPORATE PLAN 2014-2019 – PROGRESS REPORT, YEAR-END 2014-15

Action	What we did	Outcomes we achieved	What is still left to do
	<p>Finance with Cambridge City Council</p> <ul style="list-style-type: none"> Design and Print services review underway, evaluating current work, time and resources. <p>Member Development Strategy 2014-2017 adopted by Council. We implemented the strategy through a comprehensive programme of training on induction, planning and licensing, and briefings on key policy issues such as the City Deal and Local Plan.</p> <p>Organisational Development Strategy: Refreshed draft considered and supported by Scrutiny and Overview Committee.</p> <p>Staff surveys undertaken, relating to general satisfaction and the employee benefits package. Results communicated via Corporate Brief, Scene magazine and Leadership Forum.</p> <p>Third tranche of Leadership Development Programme underway – delegates undertook forward Action Learning projects exploring reward and recognition, remote working and employee protection. Recommendations presented to EMT in June 2015.</p>	<p>survey. Overall job satisfaction was 64% and dissatisfaction 23%. Contributing factors to job satisfaction included management support, opportunities for training and development and being able to achieve positive outcomes for customers.</p> <p>The response rate to the second survey was 48%. 59% of respondents said they had a good understanding of the benefits offered to staff. Overall satisfaction with the benefits package was 78%.</p>	<p>survey, that could improve job satisfaction included improved management consistency, reward and recognition and ICT systems. The Council has actions in place to address these and other priority areas identified.</p> <p>Headline results from the second survey are still being analysed by EMT; following evaluation, results and next steps will be communicated. As part of this process, the HR team will be reviewing the staff benefits package during 2015-2016.</p> <p>The next staff survey will be circulated in summer 2015.</p>
<p>Publish an MTFS for 2015-2020</p>	<p>Revised Medium Term Financial Strategy 2015-2020 agreed by Council in February 2015. At the same meeting, Council agreed a 1.99% Council Tax increase for 2015/16. This represents an average rise of £2.45 a year from £122.86 to £125.31, still one of the lowest charges in the country.</p>	<p>Outturn for 2014-15 showed a favourable General Fund variance of £1,196,000 (7.38%), without detriment to service delivery.</p>	<p>2015-2020 Corporate Plan retains priority to agree revised MTFS for 2016-2021.</p>
<p>Deliver ICT Strategy</p>	<p>ICT strategic priorities agreed by EMT to inform service planning and shared service discussions with partners – see also objective (6) below.</p>		<p>Deliver ICT service plan and take forward shared service business case – see also objective (6) below.</p>

APPENDIX A – CORPORATE PLAN 2014-2019 – PROGRESS REPORT, YEAR-END 2014-15

Action	What we did	Outcomes we achieved	What is still left to do
Objective (3) Make the district an even more attractive place to do business			
<p>Deliver economic development objectives based around business-friendly working across the council's operations, attracting inward investment and employment growth.</p>	<p>Cabinet agreed a new Corporate Enforcement, Inspection and Better Regulation Policy in September 2014, setting out in one place what residents, communities and businesses can expect from SCDC when we consider and undertake enforcement and inspection activities. It seeks a proportionate approach to these activities, focussing on prevention and risk, so as to minimise the burden on businesses.</p> <p>We have participated in delivering economic development benefits through partnership working with strategic partners such as the Greater Cambridge Greater Peterborough Local Enterprise Partnership (GC_GPEP) and the London Stansted Cambridge Consortium (LSCC). The LSCC has undertaken work on the Life Sciences sector and lobbied government for investment in the West Anglia rail line.</p> <p>The LEP has secured an additional £38 million of investment to support economic growth initiatives in the region, including a £16.6 million boost to the Growing Place Fund, which provides affordable loan funding to overcome key barriers to growth, and improvements to the motorway junction at Stansted Airport.</p>	<p>The District Place Profile showed South Cambridgeshire continuing to perform strongly on all economic indicators (Cabinet report on 9 July 2015 refers)</p> <p>The Council has supported TWI, located on Granta Business Park, secure an award of £60m growth funding. SCDC supported the funding bid and has facilitated the planning process for the delivery of new headquarters and a training academy for the company.</p>	<p>Our Corporate Plan 2015-2020 retains the strategic objective to make the district an even more attractive place to do business.</p> <p>We have established an internal task group to ensure that all services apply the policy consistently, reviewing detailed enforcement procedures by directorate as required.</p> <p>Develop the role of the LEP senior officer liaison group to include oversight of the delivery of European funding initiatives.</p>
<p>Implement a joined-up, corporate package of business-friendly services.</p>	<p>New business scripts for Customer Contact Service agreed and implemented to ensure consistent enquiry handling, response and referral.</p> <p>Key Account Management (KAM) arrangements have</p>	<p>Positive feedback on</p>	<p>We have committed to complete the implementation of the 'Working with Business' Plan, as part of our Corporate Plan for 2015-2020.</p> <p>Key account managers will continue to build</p>

APPENDIX A – CORPORATE PLAN 2014-2019 – PROGRESS REPORT, YEAR-END 2014-15

Action	What we did	Outcomes we achieved	What is still left to do
	<p>been developed to deliver a joined-up approach to regulation and communication. We have key account managers in place for a number of local businesses and organisations, and have trained account managers from across directorates to provide a single point of contact for services, advice and partnership with SCDC.</p> <p>The Business Register and Newsletter continue to be supported by SCDC.. At the time of writing there were 430 businesses on our register. Membership of the register enables businesses to access a variety of information around funding, support and promotion.</p>	<p>success of Key Account trial with IWM Duxford, and support to businesses accessing rural rate relief.</p>	<p>relationships with key businesses across SCDC. . We will analyse and learn lessons from feedback with a view to expanding this approach..</p> <p>We will continue to improve and promote the bi-monthly Business Newsletter in order to increase the value of the Business Register as an information and support tool for local firms.</p>
<p>Begin implementation of a joint “Business Support Hub” with Cambridgeshire County Council and partners</p>	<p>Following endorsement of the Business Hub approach by all partners, an outline business case has been prepared, as part of our Commercialisation Programme (see also Objective (7) below) for a service which will deliver more joined up and improved services providing better outcomes for economic growth. The ‘Business Hub’ model is designed to move from a cost-recovery pilot to become a self-financing commercial unit that provides businesses with access to quality advice and support services, that are streamlined and efficient.</p>		<p>The pilot Business Hub service will launch in Summer 2015 as a 12 month trial. As the pilot progresses, an updated business case will be developed and submitted to partners’ decision-making bodies for agreement. Implementation of a Business Support Hub has been retained as an action within our Corporate Plan for 2015-2020.</p>
<p>Roll out a package of targeted support for the rural economy.</p>	<p>We held community pub events at the Plough and Fleece, Horningsea, attended by over 30 local businesses, and at The Plough, Shepreth (10 June 2015). The events were attended by both landlords and parishes interested in setting up their own community pub and protecting it through the community asset register.</p> <p>We consulted on the appropriateness of using Article 4 legislation to protect rural pubs from demolition and</p>	<p>Positive feedback from attendees of community pub event.</p> <p>Feedback from attendees of business support workshops has been very positive; they have been described as ‘a valuable opportunity</p>	<p>We will continue to provide targeted support for businesses in the rural economy as part of our Corporate Plan for 2015-2020, as part of which we will refresh our Economic Strategy to ensure that it underpins this approach.</p> <p>The Economic Development Portfolio Holder has requested a report to Planning Committee identifying specific pubs to which Article 4 legislation could usefully be</p>

Action	What we did	Outcomes we achieved	What is still left to do
	<p>closure in certain circumstances.</p> <p>Our selected partner Exemplas has delivered targeted information, advice and guidance service, including business support workshops focussed on key skills for businesses setting up, struggling or trying to grow. The workshops now include a webinar version, accessible via our website.</p>	<p>for any potential business' and 'a fantastic opportunity to learn.'</p> <p>One of the businesses participating in the workshop programme has grown to employ 15 people.</p>	<p>applied, though recent changes to the rules around Assets of Community Value may reduce the expediency of this option.</p> <p>We are exploring development of a business support programme across adjoining Local Authority areas to launch in Autumn 2015, to complement the City Deal and strategic shared service partnership (see Objective (6) below).</p> <p>Continue to deliver locality working with communities to enhance the vitality of village centres: Waterbeach (complete) and Gamlingay (work underway, with a proposed focus on economic development in the Neighbourhood Plan)</p>
<p>Objective (4) Work with tenants, parish councils and community groups to sustain successful, vibrant villages</p>			
<p>Continue to engage and empower local communities through the:</p> <ul style="list-style-type: none"> - Sustainable Parish Energy Partnership (SPEP) - Action on Energy initiative - Community Assets Register - Localism Action Plan - Rural broadband initiatives 	<p>The Sustainable Parish Energy Partnership (SPEP) has:</p> <ul style="list-style-type: none"> - Involved 11 new parishes in its activities - Developed an area meeting structure, linked to locality patch working (see below) - Lent thermal imaging cameras to 22 parishes - Held nine events - Facilitated 13 energy surveys on community buildings (using external funding). <p>Our application for an extension to the DECC Green Deal Communities funded solid wall insulation scheme was successful, allowing us to continue to offer, through</p>	<p>Around 71,000 premises reached with superfast broadband, out of the target of 90,000.</p> <p>A new public WiFi network, CambWifi, launched and has been made available in over 100 buildings across the county, including council offices and some sheltered housing schemes within the district.</p> <p>Destination Digital</p>	<p>Our Corporate Plan 2015-2020 commits us to continuing to engage and empower local communities through partnership working; this will include a strategic review of SPEP in consultation with residents and parish councils.</p> <p>Outreach programme to currently-involved and new parishes, as part of Action on Energy promotion.</p> <p>We will continue to work with the Action on Energy provider and carefully monitor the contract to deliver improved performance.</p> <p>In recognition that certain areas remain with below optimal broadband coverage, a</p>

APPENDIX A – CORPORATE PLAN 2014-2019 – PROGRESS REPORT, YEAR-END 2014-15

Action	What we did	Outcomes we achieved	What is still left to do
	<p>the council endorsed Action on Energy scheme, up to £6,000 towards solid wall insulation for privately owned homes until the end of September. A parallel scheme for private sector landlords offers up to £2,000 for two energy improvements, one of which needs to be insulation; or up to £8,000 if the insulation measure is solid wall insulation.</p> <p>At 3 June 2015 , 350 Green Deal Assessments (the first step in the process) had been completed in the district (compared with 2045 countywide). 113 quotes had been accepted, representing grant funding of £610,102. 69 jobs in SCDC had been passed for installation and 29 installations completed. We continue to work closely with the other district councils and with our commercial partner, Climate Energy, on the scheme.</p> <p>Localism priorities and action areas agreed by Cabinet on 10 July 2014. Work underway to develop action plan.</p> <p>15 Assets of Community Value were listed in South Cambridgeshire during 2014-2015.</p>	<p>Connection vouchers have provided capital grants for hardware to enable 61 South Cambridgeshire businesses to connect to broadband.</p> <p>Properties with installation complete benefitting from warmer homes, fewer draughts and lower fuel bills.</p> <p>Volunteers in Gamlingay have taken advantage of SPEP opportunities, organising thermal imaging surveys, lending out electricity monitors and holding a successful awareness-raising ‘Green Day’ event.</p>	<p>Superfast Extension Programme is underway, as are discussions to consider options for areas not optimised.</p> <p>Continue to develop and implement the Localism Action Plan.</p>
<p>Work with tenants to improve estate inspections and promote the Tenants’ Community Chest project</p>	<p>In June 2014 the Tenant Scrutiny Panel presented its finding to the Portfolio holder / Councillors and the Director of Housing. Going forward, members of the tenant scrutiny panel will work with Geoff Clark (Neighbourhood Services Manager) to achieve agreed actions.</p>	<p>Community Chest grant scheme has funded local improvement projects, including planting at Barton and Cottenham, and additional tools and materials for a residents’ association to carry out voluntary gardening work in Impington.</p>	<p>Continue to promote the scheme through our regular communications such as at Tenant Participation Group meetings and Tenant Newsletters (due to go out again in the Summer edition).</p> <p>We have been awarded an Environmental Improvement Grant to support this work of £50,000 during 2015-2016.</p>

Action	What we did	Outcomes we achieved	What is still left to do
<p>Continue roll-out of locality “patch” working and implementation of joint Police and SCDC Neighbourhood Panels across South Cambridgeshire</p>	<p>The Localism priorities agreed by Cabinet include an objective to set up Locality patches aligned to partners’ delivery arrangements and include locality leads for SCDC front-line directorates.</p> <p>Following reorganisation of the Sustainable Communities & Partnerships Team, Locality Development Officers for the North and South West areas have been appointed. An officer for the South-East area will be recruited.</p> <p>We have worked with the police through Neighbourhood Panels to engage with residents on issues relating to community safety. We have recently met with Neighbourhood Watch Co-ordinators with a view to taking advantage of established local networks in responding to emergency incidents. As a result of this work, additional community buildings have identified for potential use as emergency rest centres.</p> <p>Guidance has been issued to taxi drivers to raise awareness of human trafficking.</p>	<p>The latest crime figures continue to show that the district continues to be a very safe place to live. Feedback from partners at the annual strategic community safety meeting praised SCDC for delivered improvements in working to combat anti-social behaviour.</p>	<p>Our Corporate Plan for 2015-2020 commits us to implementing the Localism Plan, including patch-based working.</p> <p>Begin communications with Parishes & Partners on patch-working arrangements.</p> <p>The Crime and Disorder Reduction Partnership has identified new priorities for 2015/16, focusing on protecting vulnerable residents around child sexual exploitation, domestic abuse between adults, crimes targeted at the elderly and other vulnerable members of the communities, and human trafficking. Work on continuing community concerns around burglary and anti-social behaviour will continue. The Tasking and Co-ordination group will review trends and intelligence to identify and focus on additional issues that need to be focussed on during the year.</p>
<p>AIM B - We will work with partners to create opportunities for employment, enterprise, education and world-leading innovation</p>			
<p>Objective (5) Build new council homes to provide affordable accommodation to meet the needs of local communities</p>			
<p>Deliver actions from the New Build Strategy 2014-15</p>	<p>An exception site scheme at Swavesey providing 20 council homes for local people will start on site in Summer 2015 after a delay to relocate an endangered species off site. Land purchased and contract signed. Pre site work underway.</p> <p>The planning application for the construction of 15 properties at Hill Farm in Foxton has been granted. Land purchase underway and expected by July 2015. Work</p>	<p>New tenant on the Chalklands, Linton, scheme, Katy Lester, said: ‘It’s great to have a place to call home. Everything in the house is brand new and finished to a high</p>	<p>This objective has been retained as a priority in our 2015-2020 Corporate Plan.</p> <p>Ground breaking ceremony planned for Swavesey site in late Summer 2015.</p> <p>Work with County Council and regional developers ongoing to bring forward a number of exception sites and windfall sites.</p>

APPENDIX A – CORPORATE PLAN 2014-2019 – PROGRESS REPORT, YEAR-END 2014-15

Action	What we did	Outcomes we achieved	What is still left to do
	<p>towards tendering building contract via a partnering contract ongoing. Start on site expected January 2016.</p> <p>A call for sites has resulted in four potentially viable sites via the landowning public. Enabling advice being sought. Looking at 10 sites with major regional developer that would yield around 150 new homes over 2-6 years.</p> <p>Appraising 10 county owned exception sites with a view to take the most viable forwards.</p> <p>Head of Housing Development (New Build) appointed January 2015 to help take new build programme forward</p> <p>Development Project Officer post advertised and appointed to. Expected start July 2015. Aim to deliver exception and windfall sites and ongoing project management of same.</p>	<p>standard. I feel very lucky and look forward to building a new life for myself here.'</p>	<p>three sites in particular are ongoing.</p> <p>Finalise a robust financial viability and governance model to move a pipeline of schemes forward under the HRA Business Plan</p> <p>Submit Planning for Batch 1 of garage sites (four sites – 11 homes) Begin appraising batch 2 (four sites – 10-homes) potential to provide up to 21 council homes over the next 3-4 years. Existing council homes at Gamlingay that are not fit for purpose to be demolished, providing 14 new energy efficient homes. Decanting underway and planning application imminent</p> <p>Provision of 20 homes as part of the first homes at Northstowe.</p>
<p>Provide and refurbish Gypsy and Traveller sites</p>	<p>Following delays arising from contaminated land issues requiring additional planning conditions, preparatory work has now been completed at Whaddon and the site improvement project began in March 2015.</p> <p>Negotiations with the landowner for an additional site have stalled.</p>		<p>Subject to confirmation of funding, the project to undertake site improvements at Whaddon (phase one) is anticipated for completion in December 2015</p>
<p>Objective (6) Ensure best use of Council assets and benefit from opportunities to achieve efficiencies from partnership working</p>			
<p>Take forward City Deal proposal (subject to negotiations with government)</p>	<p>City Deal partners signed the deal document at a session with the Minister of State for the Cabinet Office on 19 June 2014. The Deal is bigger in scope and</p>	<p>The first tranche of government grant funding of £20 million</p>	<p>City Deal delivery is a continuing priority in the refreshed Corporate Plan for 2015-2020.</p>

APPENDIX A – CORPORATE PLAN 2014-2019 – PROGRESS REPORT, YEAR-END 2014-15

Action	What we did	Outcomes we achieved	What is still left to do
	<p>potential impact than any other across the country.</p> <p>A five-person Executive Board (the Leader of the Council representing SCDC), supported by a 15-person Assembly comprising a mix of elected Members and wider stakeholders, has begun work to deliver the Deal, agreeing priority transport infrastructure projects to be delivered during its first five years, and a first budget which will fund work towards the delivery of up to 8,000 affordable homes, improved digital connectivity and skills, inward investment, assessment of economic impact and capacity to ensure leadership and successful programme delivery.</p>	<p>was received in April 2015.</p> <p>City Deal grant funding has helped to create a Chief Executive post for the Cambridge Promotions Agency, which will promote the Greater Cambridge area to attract inward investment. The post has now been filled.</p>	<p>The Executive board met in June 2015 to agree the next steps with regard to improvements to the A428/A1303 junction into central Cambridge to improve traffic flow and public transport access, potential measures to address Cambridge city centre congestion. Details project and consultation plans will now be developed.</p>
<p>Implement joint delivery vehicle (Transformation Fund) to oversee shared assets</p>	<p>The Making Assets Count partnership decided not to pursue a joint delivery vehicle at this stage, but to focus on specific projects and revisit a possible joint venture when appropriate.</p>		
<p>Review existing and explore new opportunities for shared services</p>	<p>SCDC and Huntingdonshire District Council (HDC) formally agreed the development of a strategic partnership at their Cabinet meetings on 10 July 2014.</p> <p>SCDC’s Cabinet agreed in principle the establishment of shared services for Building Control, Legal and Democratic Services and ICT, identifying lead authorities, location and cost-sharing arrangements. These proposals are anticipated to generate total annual savings of around £1.25m.</p> <p>£500k of government funding has been secured to assist with planning and implementation and enable the pace of the programme to be accelerated, including the</p>	<p>The shared Home Improvement Agency service broke even in 2013/14. Operational resilience and customer satisfaction have improved, with the staff team being able to provide cover for each other at times of sickness and annual leave.</p>	<p>The monitoring of existing, and identification of new, shared service opportunities, is a continued priority within the Corporate Plan for 2015-2020. The commercialisation programme and shared services initiatives are required to deliver savings of £50k in 2015/16 and £150k ongoing from 2016/17.</p> <p>We are continuing to develop full business cases and implementation plans for shared services with a view to seeking formal decisions by the councils’ executives in July 2015, consultation with affected staff during</p>

APPENDIX A – CORPORATE PLAN 2014-2019 – PROGRESS REPORT, YEAR-END 2014-15

Action	What we did	Outcomes we achieved	What is still left to do
	<p>appointment of a Shared Services Programme Manager on a fixed term contract.</p> <p>We are also working towards a shared waste service with Cambridge City Council (see item (8) below), and have begun to explore the potential to work more closely with the County Council and Local Enterprise Partnership on planning and transport issues.</p> <p>The shared Payroll service with Cambridge City Council began on 1 April 2014.</p>		<p>the Summer and implementation in October 2015.</p> <p>Implement shared waste service with Cambridge City Council – see (8) below.</p>
<p>Objective (7) Move to a commercial approach to service delivery</p>			
<p>Develop a commercial framework to deliver and market core and value-added services.</p>	<p>EMT approved business cases for six commercialisation projects, which are now underway:</p> <ul style="list-style-type: none"> - Business Hub: see objective (3) above - In-house enforcement agents: discussions being held with current enforcement partners to review current fee and collection levels - Trade waste expansion – Weighing operation carried out to identify types of products and customers that may incur excess waste. Mapping of data now underway. - Housing Development Vehicle – Re-shaped as a shared service with city and county councils as a result of City Deal funding. - Energy company: Procurement exercise 		<p>The Corporate Plan 2015-2020 retains moving to a commercial approach to service delivery as a strategic objective. We will continue to progress the six projects towards full business cases, in order to inform future service and financial planning. The commercialisation programme and shared services initiatives are required to deliver savings of £50k in 2015/16 and £150k ongoing from 2016/17.</p> <p>Finalise, adopt and implement 2014-2017 Organisational Development Strategy.</p>
<p>Review current commercial activities and skills.</p>			
<p>Invest in further developing commercial skills.</p>			

Action	What we did	Outcomes we achieved	What is still left to do
	<p>completed for supplier of solar roof panels</p> <ul style="list-style-type: none"> - Lifeline Plus (Supported Housing) – Stepping Out organisation has provided an options analysis and proposal to inform the developing business case <p>The project to install Solar PV at the Cambourne offices is on hold following the refusal of planning permission and changes to the eligibility criteria for connecting schemes to the National Grid.</p> <p>The draft Organisational Development Strategy contains actions to ensure staff are equipped with the skills to deliver a commercial approach. To this end we are preparing a training proposal, linked to our Leadership Development Programme, to introduce commercial principles and explore how they can be reflected in everyday behaviours.</p>		
Objective (8) Work with RECAP waste partners to reduce costs, carbon impact and waste sent to landfill			
Agree and begin implementation of RECAP integrated waste collection model.	Optimum Service Design (OSD) full business case considered and accepted by RECAP Board. SCDC implementing via shared single service with Cambridge City Council. County-wide partnership manager appointed to take forward OSD.		Our Corporate Plan for 2015-2020 commits us to leading the implementation of the single, shared waste service with Cambridge City Council, and working with partners to ensure 65% or more of the waste we collect in residents' bins is diverted from landfill.
Continue development of joint operational waste arrangements with Cambridge City Council.	Cabinet (16 October) agreed to create a Single Shared Waste Service based at Waterbeach, with a single management structure and workforce, aiming to cut costs by 15% over three years.		Work is underway to model optimum waste collection routes across all Districts in the county. The target completion date for this

Action	What we did	Outcomes we achieved	What is still left to do
	<p>Cambridge City & SCDC have appointed a Waste Operations Manager and Waste Policy, Change and Innovation Manager for the single service.</p>		<p>work is November 2015.</p> <p>The shared waste project is proceeding according to an agreed milestone plan, with a detailed implementation plan with financial implications to be agreed by the newly-established Shared Waste Board. It is anticipated that the Shared Management Team recruitment process will be complete in Autumn 2015, with implementation of the new service around October 2015..</p> <p>The recruitment of the Head of Shared Waste is currently underway with an appointment anticipated in July 2015.</p>
<p>Deliver agreed waste efficiencies and improvements.</p>	<p>Major changes to the waste service, involving revised routes and the reduction of winter green bin collections, were successfully implemented during the year.</p> <p>As anticipated with changes of this magnitude, missed bins per 100,000 initially increased as a consequence of the changes, before reducing in subsequent months against a target of 50. The figure for May 2015 was 54 / 100,000. 163 complaints were received about the changes ,representing less than 1% of residents.</p> <p>We have launched an e-form to make it easier for residents to report missed bins and assisted collections. The form has been completed over 900 times to date (during which time the service has collected over 2.3m bins)</p>	<p>The waste efficiencies programme delivered over £200k of savings during 2014/15 and is on course to deliver further savings of £400k per year from 2015/16.</p> <p>Overall recycling and composting performance has been unaffected, with an improvement on the previous year’s performance from 57% to 58% of waste</p>	<p>We are continuing to monitor the implementation of the revised collection round schedule and have undertaken a full evaluation of the reduced green waste Winter service. This review identified some important lessons for future projects around understanding the wider impact of changes on other council services, especially the Contact Centre, and the need for earlier and closer engagement with frontline staff to gather operational knowledge.</p> <p>We are continuing to work to improve missed bin performance back to its pre-implementation level of below 50 per 100,000.</p>

Action	What we did	Outcomes we achieved	What is still left to do
		<p>recycling and composted.</p> <p>Changes also achieved environmental benefits equating to 56 tonnes to CO2 savings in a full year through reduction in fuel use.</p>	
<p>AIM C - We will make sure that South Cambridgeshire continues to offer an outstanding quality of life for our residents</p>			
<p>Objective (9) Work with GPs and partners to link health services and to improve the health of our communities</p>			
<p>Continue to deliver Community Transport initiatives</p>	<p>A new bus service which pulls a bike trailer behind so users can explore the district launched in July 2014. Ridership is increasing, we are carrying out a marketing and communication exercise to increase usage further prior to a review of the scheme’s funding in Autumn 2015.</p> <p>We have updated and launched an updated Community Transport leaflet for the district, and carried out regular promotions to encourage volunteering.</p> <p>We have awarded £8,500 service support grant for Community Transport providers.</p>	<p>Demand is rising for Community Transport schemes addressing rural transport problems:</p> <p>Royston and District Community Transport has secured funding, partly from SCDC, to purchase a new minibus to help local people get out and about via pre-booked journeys and group outings. Such services provide a lifeline for many isolated people, helping them to get out and about and to retain their independence.</p>	<p>Our Corporate Plan for 2015-2020 commits us to continuing to deliver community transport initiatives, as part of which we will be refreshing our strategy.</p> <p>Area M (villages north of Royston) – we were involved in the community engagement and support for parishes during the consultation between January - March. The outcome of this work is being finalised by the county council.</p> <p>Area G (Cambridge city and villages South-west of Cambridge) – we worked with the villages to come up with solutions. The alternative routes have been tendered by CCC.</p>

APPENDIX A – CORPORATE PLAN 2014-2019 – PROGRESS REPORT, YEAR-END 2014-15

Action	What we did	Outcomes we achieved	What is still left to do
		<p>Meldreth’s Friendship Club and other elderly have agreed a monthly service to Letchworth for shopping and a weekly service connecting them with local amenities at Meldreth, Melbourn and Shepreth.</p> <p>Care Network has helped set up three new community car schemes.</p> <p>A new demand-responsive service launched in June 2014 covering villages in the south-west of the district.</p>	
<p>Begin implementation of Health & Well-being, Children, Young People & Families and Ageing Well Action Plans.</p>	<p>Following the work of the member-officer task group, Cabinet agreed detailed priorities for Ageing Well, Health and Well-being and Children, Young People and Families at its meeting on 10 July 2014.</p> <p>Work has continued to develop the Active & Healthy 4 Life exercise referral scheme, which operates in sports centres across the district, providing tailored exercise programmes for patients referred by health professionals registered with the scheme. Administration and co-ordination of the scheme has been undertaken in house since September 2014, and a programme of regular contact with sports centre staff and GP surgeries is</p>	<p>We have run successful children’s holiday camps in sports such as Athletics (average 97 attending per summer session), Netball (52) and Rounders (36).</p> <p>We have awarded elite athlete funding to eight individuals totalling £3,300.</p> <p>Feedback from a</p>	<p>Our Corporate Plan 2015-2020 commits us to begin implementation of the SCDC Health & Wellbeing, Ageing Well and Children, Young People & Families plans.</p>

APPENDIX A – CORPORATE PLAN 2014-2019 – PROGRESS REPORT, YEAR-END 2014-15

Action	What we did	Outcomes we achieved	What is still left to do
	underway. An additional centre in Girton has been brought into the scheme, bringing the total to ten. The first phase of a transition to electronic registration of client details is complete.	resident benefiting from the GP referral scheme explained how it had 'given me the motivation to improve my health'.	
Develop business case for joint commissioning and investment in integrating services to improve health and well-being.	The priorities agreed by Cabinet (see above) included commitments to develop 'Whole Systems' approaches and design services together. SCDC is actively contributing to the Clinical Commission Group's (CCG) procurement process for older people's services, and to the newly formed Cambridgeshire Executive Partnership Board that will oversee the older people's contract and Better Care Fund.		CCG Older People's services contract Lead Provider named as Uniting Care Partnership (October 2014). Awaiting detailed opportunities to undertake joint commissioning and delivery as contract mobilisation is completed in next 6 months.
Work with partners to develop a "Lead Professional" approach to working with the families with the most complex needs.	The "Together for Families" Steering Group has now developed and agreed an outline of the "Lead Professional" role and training to support roll-out across Partner organisations, including SCDC. We are piloting the Lead Professional role in specific cases.	The project has helped turn around the lives of eight families across the district, and many more across Cambridgeshire.	Work is underway to begin implementation of the Phase II strategy to co-ordinate support for families through a multi-agency approach by public sector partners, including SCDC Neighbourhood Team and Benefits Service.
Objective (10) Ensure the impacts of welfare reform are managed smoothly and effectively			
Continuously monitor the impact of the government's welfare reform programme Plan for the possible requirement to amend the Local Council Tax Support Scheme (LCTS) for 2015/16	Council (29 January 2015) agreed to retain the current LCTS for 2015/16, subject to minor amendments required to comply with new Statutory Regulations.	The Benefits Team has received an unqualified audit report. Of £30 million paid in housing benefit to around 7,000 households last year, the adjustment required to the return was below	This objective has been retained as a priority within the Corporate Plan for 2015-2020. Monthly monitoring of the tax base and collection rates will continue, seeking assurance that the scheme continues to be

Action	What we did	Outcomes we achieved	What is still left to do
		<p>£200.</p> <p>The Council maintained performance in respect of key indicators relating to rent and Council Tax collection – see Appendices B-C for full details.</p>	<p>affordable.</p> <p>The Council is planning for the implementation of Universal Credit, which will be fully implemented by the end of 2019.</p>
<p>Objective (11) Establish successful and sustainable New Communities with housing and employment at Northstowe and the major growth sites, served by an improved A14</p>			
<p>Work with development partners to ensure delivery of major developments and A14 improvements:</p> <ul style="list-style-type: none"> - Northstowe Phase 1 works started on site - Northstowe Phase 2 planning application submitted - Continue to drive forward A14 upgrade programme - Progress 'Wing' (Cambridge East) application - Work with promoters of Cambourne, Darwin Green and other major 	<p>The Northstowe Joint Development Control Committee has approved Reserved Matters relating to access to the site, the dedicated busway, primary roads and junctions for the first phase of development. Phase 1 earth works, improvements to the B1050 and construction of the first Primary School have commenced. We are continuing to work with the county council and developer on a community access agreement for the primary school and community centre design.</p> <p>The second phase planning application for Northstowe was granted Outline planning permission by committee on 24 June 2015. Section 106 Heads of Terms will be presented on 29 July 2015, and a consent issued later in 2015.</p> <p>Following the Autumn statement announcement of directly-commissioned development at Northstowe we</p>		<p>Our Corporate Plan 2015-2020 contains a continuing commitment to work with development partners to ensure the delivery of major developments and A14, A428 and other transport improvements.</p> <p>Following notification of the suspension of the SCDC and Cambridge City draft local plans, we are assessing the implications for additional work which may be required by the Planning Inspector, and for the determination of major planning applications following a previous Inspector's view that the council cannot demonstrate a 5-year housing supply.</p> <p>Network Rail has submitted a new planning application for Chesterton Station, which we</p>

APPENDIX A – CORPORATE PLAN 2014-2019 – PROGRESS REPORT, YEAR-END 2014-15

Action	What we did	Outcomes we achieved	What is still left to do
<p>sites to deliver new homes and jobs.</p>	<p>have held extensive discussions with government to clarify the likely impacts and reiterate our mutual determination to work together to create a high quality new community through continued local engagement and appropriate infrastructure investment.</p> <p>Cabinet (10 July 2014) approved the development of detailed proposals and a business case for a potential Joint Delivery Vehicle for the delivery of Northstowe, in conjunction with the Homes and Communities Agency and County Council.</p> <p>Development of sections of the Trumpington Road site within SCDC is underway. Walking and cycling routes are in place across the southern fringe sites.</p> <p>A Planning Performance Agreement has been negotiated to provide additional staffing resources to accelerate the North-West Cambridge (University) development.</p> <p>A reserved matters application for the main infrastructure of the Darwin Green 1 development was approved by committee in June 2014.</p> <p>We carried out an Issues and Options consultation for the future development of the Cambridge Northern Fringe (East) site and are now proposing a Vision for an employment-led, mixed-use neighbourhood.</p> <p>The Development Consent Order for the A14 Cambridge to Huntingdon improvement scheme was accepted for examination by the Planning Inspectorate in January</p>		<p>anticipate submitting to Committee for determination in July 2015.</p> <p>We will negotiate a new Planning Performance Agreement for the Darwin Green 2 development.</p> <p>The planning application for a primary school on the Darwin Green 1 site will be submitted to the Joint Committee in July 2015.</p> <p>An outline planning application for the Cambridge East (Wing) development is expected to determined during 2015, subject to issues around the viability of the site being addressed.</p> <p>We have received an Outline planning application for 3,250 dwellings, employment areas, schools, sports and community facilities, retail and associated infrastructure at Cambourne West, which we expect to determine in late 2015.</p>

APPENDIX A – CORPORATE PLAN 2014-2019 – PROGRESS REPORT, YEAR-END 2014-15

Action	What we did	Outcomes we achieved	What is still left to do
	<p>2015. A six-month examination of the Development Consent Order for the scheme is now underway and must be completed by 13 November 2015.</p>		
<p>Objective (12)) Increase the range and supply of temporary accommodation to help minimise the use of bed & breakfast accommodation for homeless households</p>			
<p>Implement actions in Homelessness Strategy</p>	<p>During the year we have:</p> <ul style="list-style-type: none"> - Renewed our agreement with the Citizens Advice Bureau to provide advice and support during 2015-16 - Purchased ten empty homes for use as temporary accommodation - Worked with families/applicants to bid on vacant properties. - Helped families/single applicants to access the private rented sector. - Worked with County council social care and other district councils to review and improve the protocol for homeless 16-17 year olds. - Worked with King Street to provide a single homeless service for those who not in priority need. - Reviewed housing advice leaflets. - Undertaken a self assessment review using the Governments Gold Standard peer review guidance. 	<p>The Council helped 218 households to prevent homelessness during 2014/15.</p> <p>44 households were in temporary accommodation at 31 March 2015, which is a reduction since the start of the year.</p> <p>Average monthly expenditure on Bed & Breakfast accommodation has reduced from £2,075 during 2013/14 to £919 for 2014/15.</p>	<p>We have retained this strategic objective in our Corporate Plan 2015-2020.</p> <p>Consider options for moving hostel provision to the redeveloped site at Robson Court.</p> <p>Review the strategy.</p> <p>The Gold Standard self assessment did not indicate any major gaps or issues with the service but did indicate some continuous improvement that we could make, including changing the way we provide written information to clients and improvements to web pages.</p>

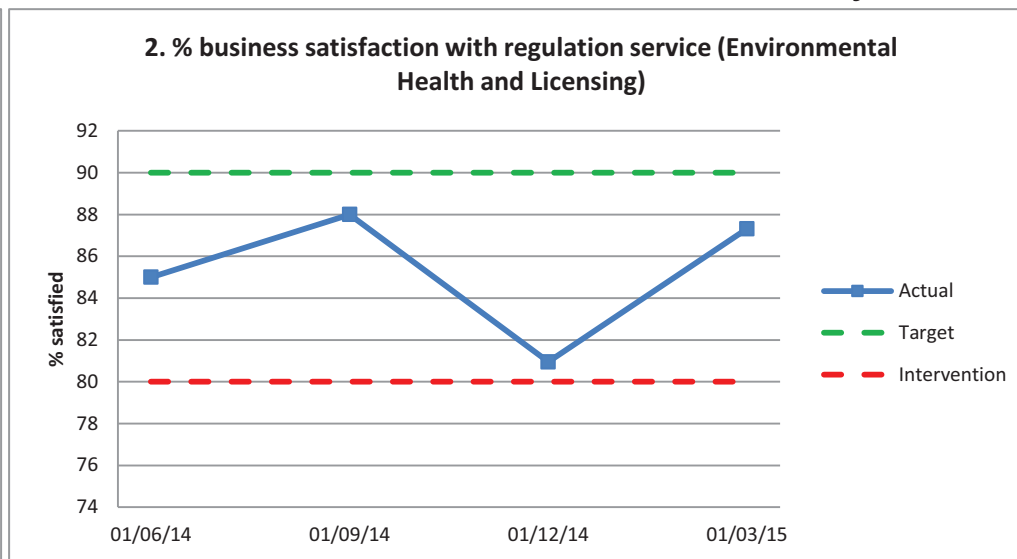
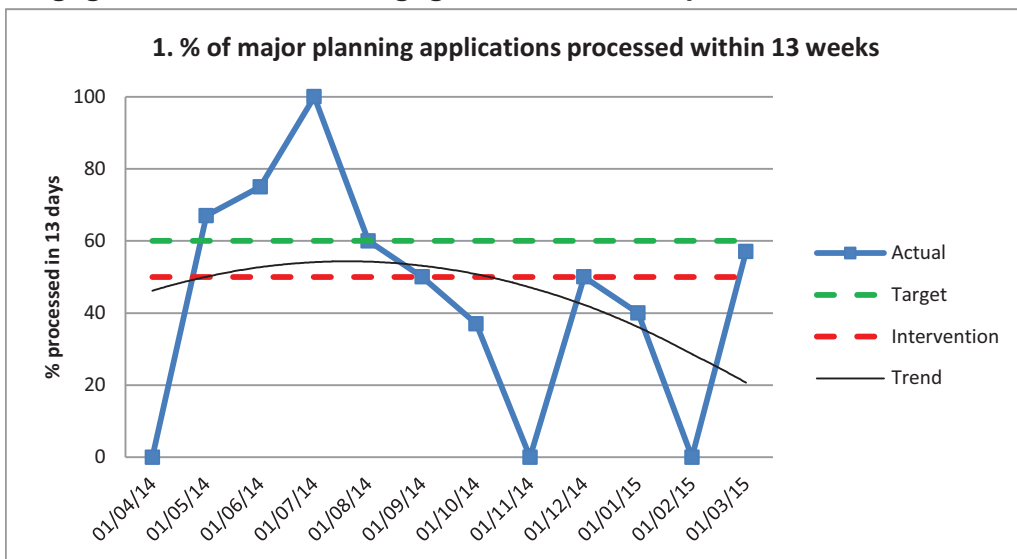
APPENDIX A – CORPORATE PLAN 2014-2019 – PROGRESS REPORT, YEAR-END 2014-15

Action	What we did	Outcomes we achieved	What is still left to do
Complete Robson Court hostel refurbishment project	Re-development of the site has been completed.	A new hostel providing 30 self contained accommodation units.	Complete.

This page is left blank intentionally.

Appendix B - Position Report, June 2015 - Corporate Plan Indicators, Charts and Commentaries

Engagement - we aim to engage with residents, parishes and businesses to ensure we deliver first class services and value for money.



Page 21
What does it show? Percentage of major planning applications determined in 13 weeks, or within a timetable agreed with developers under a Planning Performance Agreement. Major applications include those with between 10 and 100 residential units for construction, or if non-residential, where the floor space is 1,000 square metres or more, or the site area is 1 hectare or more.

How did we do? The 50% intervention figure was met or exceeded during 7 months of the year. Performance deteriorated during the second half of the year.

What was the context? Large fluctuations in performance occurred due to the small number of major applications determined each month. Performance was hindered by an increase in the number of speculative residential applications on sites not allocated or likely to be allocated in approved plans, and also by difficulties in recruiting staff.

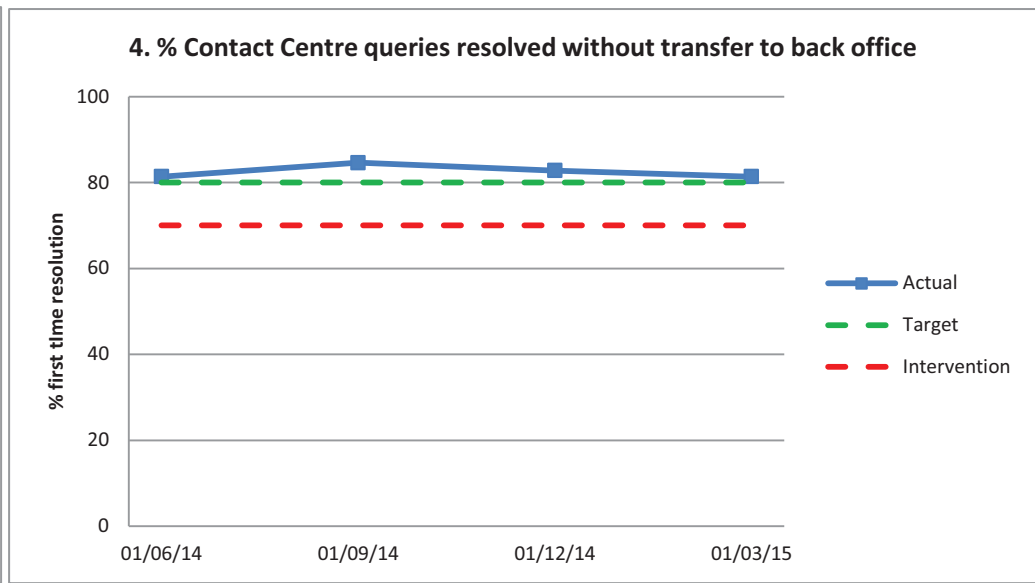
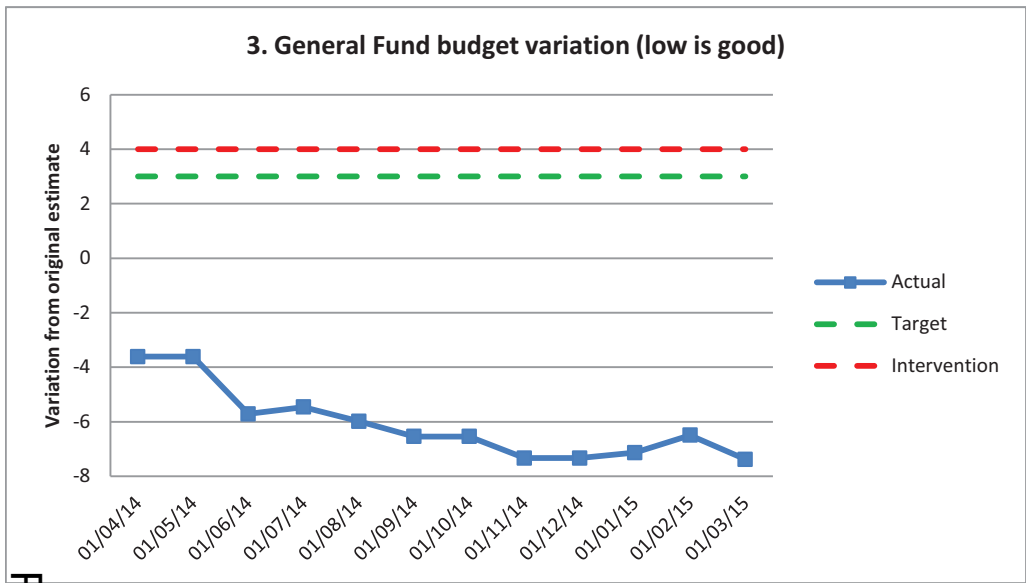
Outlook for 2015/16 These challenging conditions are expected to continue during 2015/16. Some measures have been tested, including outsourcing application processing. Other measures will be taken forward during the year such as creating a temporary staff bank, introducing a tailored training and development package for new planners; and exploring housing support measures to recruit and retain planning officers relocating from other parts of England.

What does it show? The percentage of Environmental Health and Licensing business customers who indicate on the council's business survey that they are satisfied with the contact that they have received. This contact can take the form of a request that has been submitted by the business or a visit/inspection from the council.

How did we do? Performance remained between the 90% target and 80% intervention point throughout the year.

What was the context? Surveys are sent to a collection of business customers, including those who may have had action taken against them. This ensures data is representative of all Environmental Health and Licensing business customers.

Outlook for 2015/16 The aim continues to be to achieve 90% satisfaction rates. The implementation of a new Enforcement, Inspection and Better Regulation Policy, that promotes a more risk-based and proportionate approach to regulation along with a wider package of business friendly initiatives, should enable us to do so.



Page 220

What does it show? The variation between General Fund expenditure (all expenditure paid for by Council Tax, the Revenues Support Grant from central government and Retained Business Rates) and the estimate set by council at the start of the financial year (known as the Original Estimate).

How did we do? Performance has significantly surpassed the target, with an underspend of approximately 7.38% compared to the target of no more than a 3% overspend. In monetary terms this equates to an underspend of £1,196,000 at year end.

What was the context? The favourable variance reflects the efforts of budget holders, who continue to actively manage costs down whilst maintaining service delivery and performance.

Outlook for 2015/16 This is largely unknown due to the nature of the measure as a comparison with the original estimate. However, we will continue to proactively monitor expenditure whilst seeking opportunities for efficiency and income generation in accordance with Corporate Plan objectives.

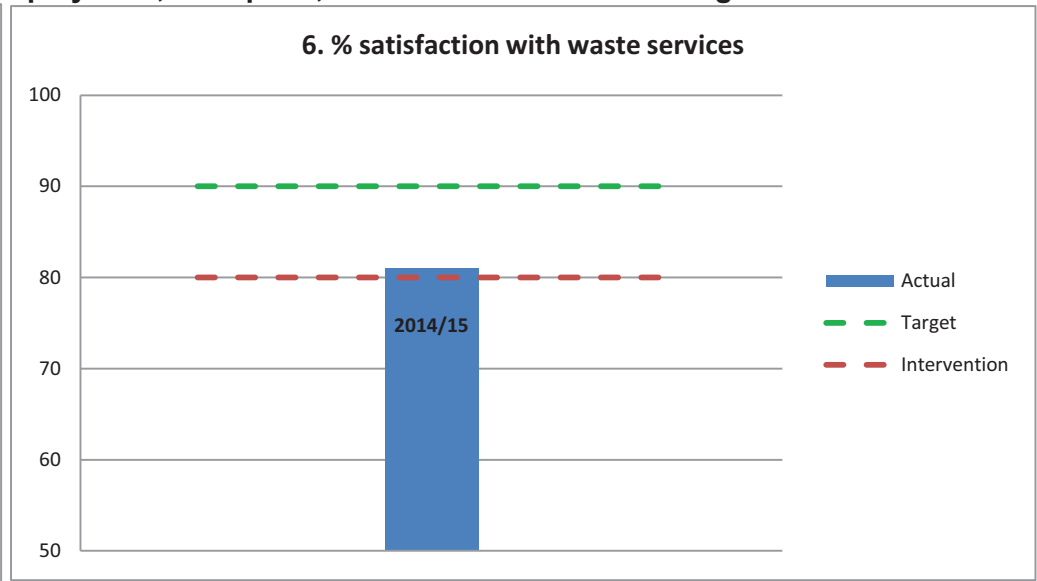
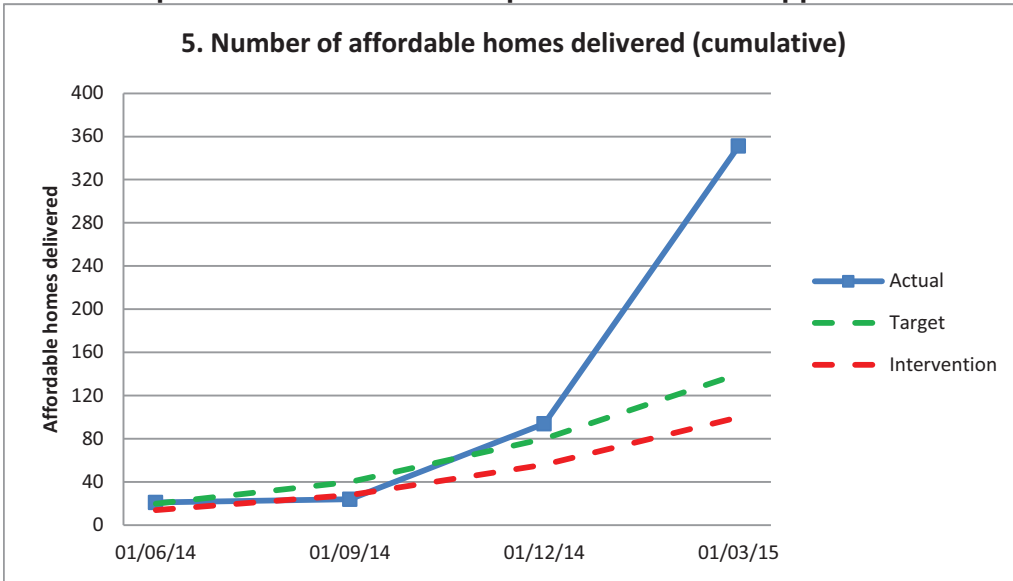
What does it show? Percentage of customer enquiries to the Contact Centre resolved without contact with, or transfer to back office staff.

How did we do? The 80% target has been achieved throughout the year, indicating that generally an effective 'one-stop' service is being provided.

What was the context? Since moving in-house, staff have been given greater access to systems and additional training to allow the current 80% target to consistently be met. Away from this measure, the contact centre has struggled to meet call handling targets due to high call volumes, resulting in a review by the Scrutiny and Overview Committee and production of an improvement plan. This identified that additional resources were required during peak times and support has since been received from the Revenues and Benefits departments and Electoral Services, who have fielded their own calls during busy periods.

Outlook for 2015/16 The aim will be to maintain performance above 80%, whilst adding two further indicators to ensure comprehensive reporting of all aspects of the service. The new performance indicators will be '% of all calls to the Contact Centre that are not abandoned' and '% of calls to the contact centre that are answered within 2 minutes'. These measures reflect current contact centre priorities and align with the contact centre improvement plan.

Partnerships - we aim to work with partners to create opportunities for employment, enterprise, education and world-leading innovation.



What does it show? The number of affordable homes delivered during 2014/15, including social rented housing (with target rents set through the national rent regime), affordable rent housing (with rents charged at up to 80% of market rent) and shared ownership housing.

How did we do? The target of 140, set at the start of the year based on known planned affordable home developments, was exceeded by 211 homes. A total of 351 affordable home developments were delivered in total.

What was the context? The increase in the final quarter is largely a result of planned developments being completed by the end of the 2011-15 Homes and Communities Agency funding programme. Figures for quarter 4 also include 42 homes at Trumpington Meadows, which fall within Cambridge City, but over which SCDC holds nomination rights.

Outlook for 2015/16 It is predicted that the number of affordable homes delivered during 2015/16 will reduce due to transition to the new funding programme. This measure will be replaced during 2015/16 by two new indicators that will allow the council greater control over performance. These will be 'number of council new-build homes started on-site' and 'number of affordable homes started on-site on exception sites.'

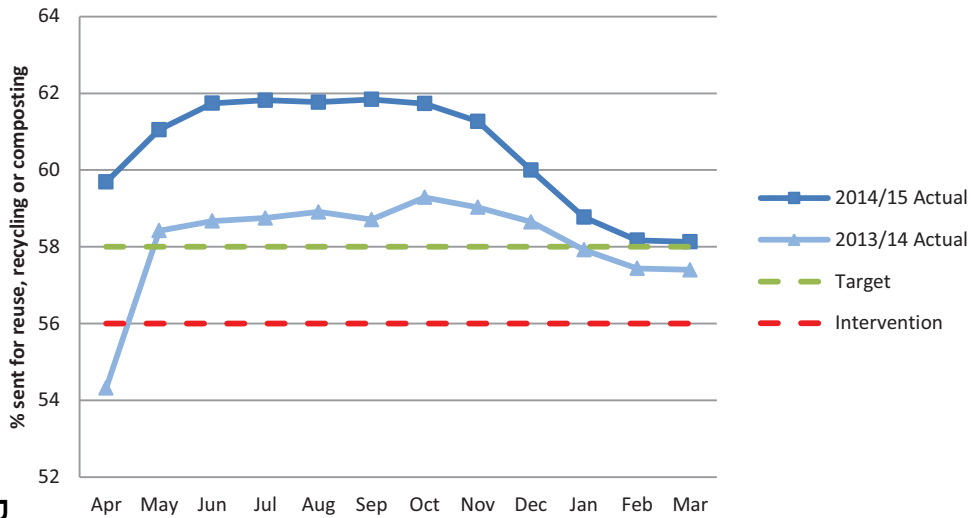
What does it show? The percentage of annual Environmental Services survey respondents who indicated that they are satisfied with waste services.

How did we do? Responses to the 2014/15 survey indicated a 81% satisfaction rate with waste services. This remains above the 80% intervention point.

What was the context? A package of changes to achieve yearly savings of £400k was introduced during 2014/15, including the reduction in household collection rounds, monthly green bin collections during winter, and Christmas collection changes. This year an online survey was trialled to reduce paper and costs, compared to a postal survey to 2,200 randomly selected residents in previous years. This resulted in 375 responses compared with 811 last year. This still provides a good indication of resident satisfaction, particularly given the timing, immediately following waste service changes; however due to the lower response rate and non-randomised nature of the sample, service managers advise that the results cannot be directly compared with previous years' KPI percentages.

Outlook for 2015/16 The aim remains to achieve 90% satisfaction with waste services. The Policy and Performance Team will undertake to reasearch and develop a statistically significant online survey methodology that will enable future results to be directly comparable with previous years.

7. % of household waste sent for reuse, recycling or composting



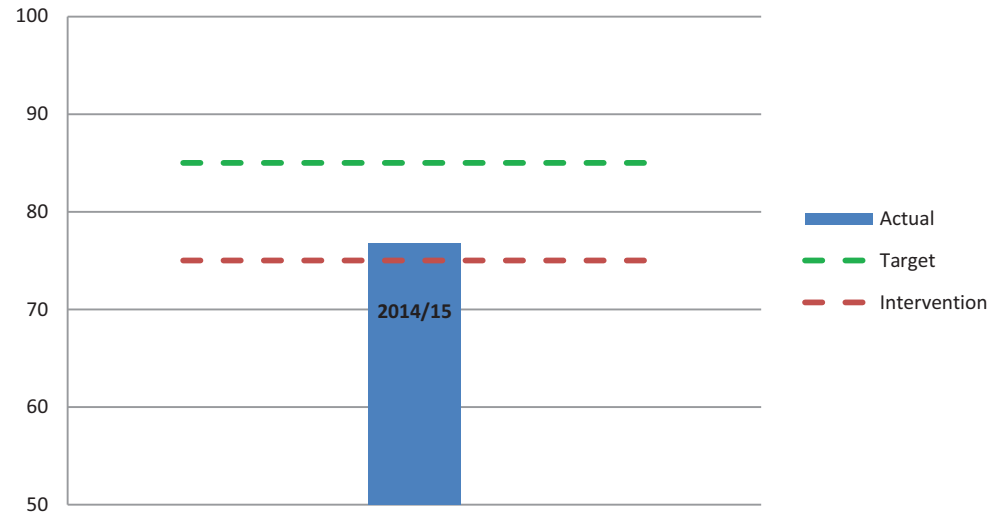
What does it show? The cumulative percentage of household waste diverted from landfill by SCDC. 2013/14 figures are included for comparison.

How did we do? Performance remained above the 58% target throughout 2014/15. The yearly percentage improved from 57.40% in 2013/14 to 58.18% in 2014/15. This compares with the 2013/14 UK local authority average of 42.49% (2014/15 UK average is currently unavailable).

What was the context? Improved performance has been achieved alongside the introduction of a package of changes to achieve yearly savings of £400k. These include the reduction from 210 to 180 household collection rounds, monthly green bin collections during winter, and collection changes over the Christmas period. The downward trend at the end of the year is largely due to seasonal variation, and is also evident in the 2013/14 figures.

Outlook for 2015/16 The Shared Waste Service with Cambridge City will be developed throughout 2015/16, including the establishment of the organisation and re-location of City operations to the Waterbeach Depot. The service will seek to maintain the current upward recycling performance trend throughout .

8. % satisfaction with environmental quality



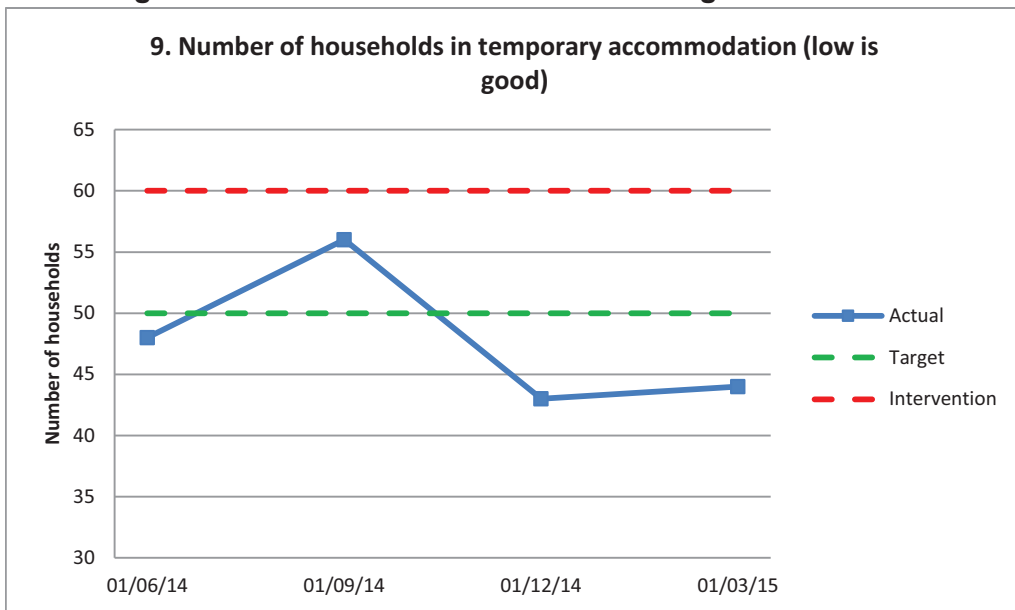
What does it show? The percentage of annual Environmental Services survey respondents who indicated that they are satisfied with local environmental quality.

How did we do? Responses to the 2014/15 survey indicated a 76.75% satisfaction rate with environmental quality. This remains above the 75% intervention point.

What was the context? This year an online survey was trialled to reduce paper and costs, compared to a postal survey to 2,200 randomly selected residents in previous year. This has resulted in 357 responses compared with 811 in previous years. This still provides a good indication of resident satisfaction; however due to the lower response rate and self-selecting nature of the sample, service managers advise that the results cannot be directly compared with previous years' KPI percentages.

Outlook for 2015/16 The aim continues to be the achievement of 85% satisfaction with local environmental quality. The Policy and Performance Team will undertake to reasearch and develop a statistically significant online survey methodology that will enable future results to be directly comparable with previous years.

Wellbeing - we aim to ensure that South Cambridgeshire continues to offer an outstanding quality of life for our residents.



Page 223

What does it show? The number of households housed within temporary accommodation (due to our statutory responsibilities under homelessness provisions) on the last day of each quarter, acting as a measure of local housing affordability and the impacts of welfare reform.

How did we do? The target of no more than 50 households in temporary accommodation has been met in 3 of the 4 quarterly reports. Although the target was exceeded in quarter 2, performance remained below the intervention point of 60 households.

What was the context? Good performance has been maintained despite pressure on Housing Advice services from welfare reform and high local rents. This has been achieved through widening and improving homeless prevention activities, by accessing the private rented sector, referring for money advice and working with applicants to bid on vacant properties through Home-Link or making direct lets when necessary (evident in graph 12, showing an increase during 2014/15 of the number of households helped to prevent homelessness).

Outlook for 2015/16 Continuation of good performance achieved in 2014/15.

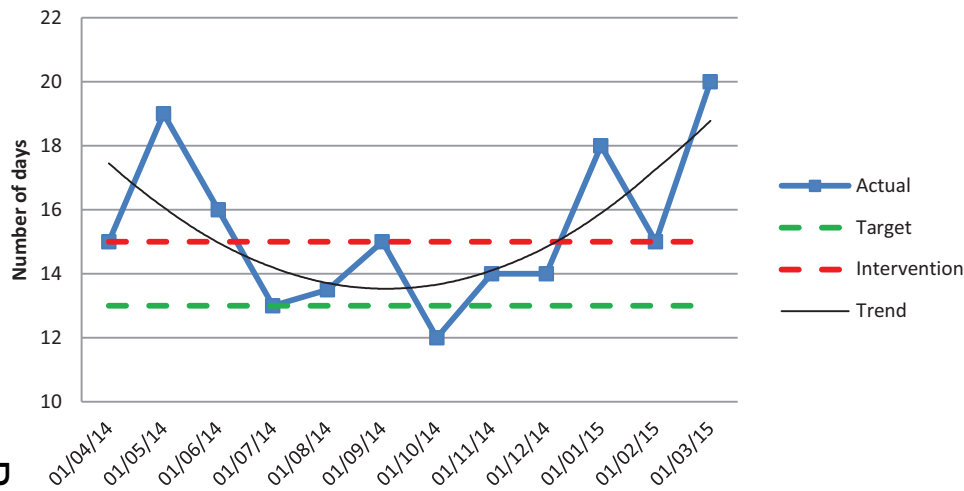
What does it show? The percentage of housing rent that is collected from SCDC housing stock (this does not include Ermine Street Housing) as a proportion of the amount payable each month (net of Housing Benefit).

How did we do? The rent collection target has been achieved throughout the year, indicating that collection activities have been undertaken efficiently and effectively, maximising rental income in order to maintain and improve the quality of housing stock. It should also be noted that year end council tax, non-domestic rates and sundry debt collection targets were also achieved during 2014/15.

What was the context? Good performance has been achieved through the consistent application of efficient collection activities. Tenants are kept regularly informed of the status of their rent accounts and are made aware of the various options that are available to them. There is also a significant amount of cooperation that takes place between the Rents Team and all other collection teams within the Revenues and Benefits Service

Outlook for 2015/16 Continuation of good performance through efficient and effective collection activities.

11. Average number of days taken to process benefit claims (low is good)



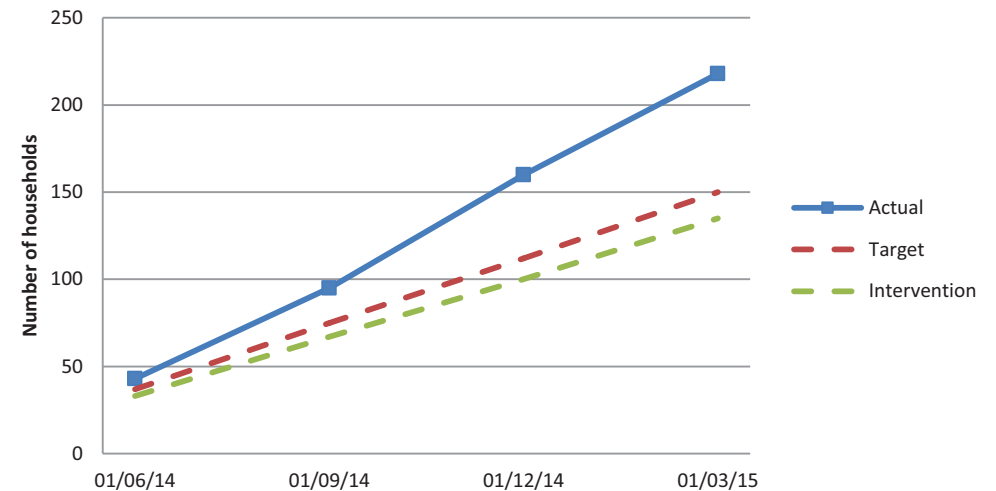
What does it show? The average number of days taken to process Housing Benefit and Council Tax Support claims and change events, acting as a measure of CDC's ability to process claims efficiently, to support vulnerable customers and contribute towards the reduction of poverty and homelessness.

How did we do? The 15 days intervention figure was exceeded during 4 months of the year. Performance dropped towards the end of the year.

What was the context? The increase in processing days since January is largely a result of increased workload due to year end processes and an increase in the number of change events reported, following the introduction of Real Time Information (RTI) sent by HMRC and seasonal change events. The number of Discretionary Housing Payment (DHP) applications has also increased, involving in-depth assessment.

2015/16 outlook? A number of measures are being implemented to address the reduction in claims processing performance. Management is addressing these issues through a cessation of non-essential work and the recruitment of generic posts in the Revenues and Benefits section to provide more flexible capacity to meet peaks of demand.

12. Number of households helped to prevent homelessness (cumulative)



What does it show? A cumulative measure of the number of households that are helped to prevent homelessness in the year (where the council undertakes active casework to prevent homelessness for a period of at least 6 months). Preventing homelessness can include work to enable the household to remain where they are or securing alternative accommodation, but does not include the use of temporary accommodation.

How did we do? The year end target of 150 households helped to prevent homelessness was exceeded by the end of the third quarter, indicating an increasing demand on Housing Advice services. The 218 households helped to prevent homelessness during 2014/15 is an increase of 63 from the year end figure from 2013/14.




What was the context? Increased demand for Housing Advice services has been caused by factors such as welfare reform and high local rents. The range of homeless prevention activities undertaken has also widened to include work to access the private rented sector, referring for money advice and working with applicants to bid on vacant properties through Home-Link or making direct lets when necessary.



2015/16 outlook? Based on the increased demand and widening of Housing Advice activities during 2014/15, the target for 2015/16 will increase to 200.

This page is left blank intentionally.


APPENDIX C - Position Report, Year-End 2014-2015 (presented to Cabinet, 9 July 2015)

Corporate Plan Indicators by link to Corporate Objective: 2014-15 performance (please read in conjunction with Appendix B, which provides graphical representation and more detailed commentary relating to the Corporate Plan Indicators).


	= Performance met or exceeded the target	↑	= Categorisation of performance (RAG) has progressed from red to amber, or amber to green.
	= Performance did not meet the target, but exceeded the intervention point	→	= Categorisation of performance (RAG) has remained unchanged.
	= Performance was below intervention point	↓	= Categorisation of performance (RAG) has deteriorated from green to amber, or amber to red.

PI reference and description (C) = Cumulative (L) =Low is good	Target (Intervention)	Q1 performance (divided into Apr, May, Jun where reported monthly)			Q2 performance (divided into Jul, Aug, Sep where reported monthly)			Q3 performance (divided into Oct, Nov, Dec where reported monthly)			Q4 performance (divided into Jan, Feb, Mar where monthly)			Q3/4 Direction of Travel	Lead Portfolio Holder
		A	M	J	J	A	S	O	N	D	J	F	M		
Engagement – we aim to engage with residents, parishes and businesses to ensure we deliver first class services and value for money														→	
FS101 - General Fund variance % (C,L)	3 (4)	-3.6	-3.6	-5.7	-5.5	-6.0	-6.5	-6.5	-7.3	-7.3	-7.1	-6.5	-7.4	→	Simon Edwards
ES401 - % business satisfaction with regulation	90 (80)	85			88			80.95			87.32			→	Nick Wright
PN501 - % 'Major' planning applications determined in 13 weeks or within PPA terms	60 (50)	0	67	75	100	60	50	37	0	50	40	0	57	→	Robert Turner
CCS301 - % first time resolutions	80 (70)	81.35			84.61			82.76			83.39			→	Peter Topping
Partnerships – we aim to work with partners to create opportunities for employment, enterprise, education and world-leading innovation														→	
AH202 – Affordable homes delivered (C)	140 (100) (year end)	21			24			94			351			→	Mark Howell

The next performance report will see this measure being replaced during 2015/16 by two new indicators that will allow the council greater control over performance. These will be 'number of council new-build homes started on-site' and 'number of affordable homes started on-site on exception sites.'


PI reference and description (C) = Cumulative (L) =Low is good	Target (Intervention)	Q1 performance (divided into Apr, May, Jun where reported monthly)			Q2 performance (divided into Jul, Aug, Sep where reported monthly)			Q3 performance (divided into Oct, Nov, Dec where reported monthly)			Q4 performance (divided into Jan, Feb, Mar where monthly)			Q3/4 Direction of Travel	Lead Portfolio Holder
		A	M	J	J	A	S	O	N	D	J	F	M		
ES403 - % satisfaction with local environmental quality	85 (75)	77%* (274 satisfied out of 357 survey responses)									N/a			→	Mick Martin
ES402 - % satisfaction with waste services	90 (80)	81%* (304 satisfied out of 375 survey responses)									N/a			→	Mick Martin
*ES402 and ES403 are taken from responses to the annual Environmental Health survey. This year an online survey was trialled to reduce time, paper and costs, compared to a postal survey to 2,200 randomly selected residents in previous years. This has resulted in 375 responses compared with 811 in the previous year. This still provides a good indication of resident satisfaction, particularly in relation to ES402 given its timing, immediately following the implementation of waste service changes; however, given the lower response rate and self-selecting, non-randomised nature of the sample, service managers advise that the results are not as statistically robust and so cannot be directly compared with previous years' KPI percentages. The Policy and Performance team has undertaken to research and develop a statistically significant on-line survey methodology which will enable future on-line results to be directly comparable with previous years.															
ES404 - % household waste diverted from landfill (C)	58 (56)	59.7	61	61.7	61.8	61.8	61.8	61.7	61.3	60	58.8	58.2	58.1	→	Mick Martin
Wellbeing – we aim to ensure that South Cambridgeshire continues to offer an outstanding quality of life for our residents														↓	
FS102 - % of rent collected	98 (90) (year end)	86.4	92	95.5	96.1	96.9	97.5	97.7	98.1	98	98.3	98.6	98.8	→	Simon Edwards
FS103 - Average days to process benefit claims (L)	13 (15)	15	19	16	13	14	15	12	14	14	18	15	20	↓	Simon Edwards
The increase in processing days since January is largely a result of increased workload due to year end processes and an increase in the number of change events reported, following the introduction of Real Time Information (RTI) sent by HMRC and seasonal change events. The number of Discretionary Housing Payment (DHP) applications has also increased, involving in-depth assessment. Management is addressing these issues through a cessation of non-essential work and the recruitment of generic posts in the Revenues and Benefits section to provide more flexible capacity to manage periods of peak demand.															
AH201 – Number of households helped to prevent homelessness (C)	150 (135) (year end)	43			95			160			218			→	Mark Howell
AH203 – Households in temporary accommodation (L)	50 (60)	48			56			43			44			→	Mark Howell

APPENDIX C - Position Report, June - July 2015 Key Performance Indicators by Portfolio (please read in conjunction with Appendix Biii, which provides graphical representation and more detailed commentary with regard to the Corporate Plan Indicators - marked below in bold text).

PI reference and description (C) = Cumulative (L) =Low is good	Target (Intervention)	Q1 performance (divided into Apr, May, Jun where reported monthly)			Q2 performance (divided into Jul, Aug, Sep where reported monthly)			Q3 performance (divided into Oct, Nov, Dec where reported monthly)			Q4 performance (divided into Jan, Feb, Mar where monthly)			Q3/4 Direction of Travel	Lead Portfolio Holder
		A	M	J	J	A	S	O	N	D	J	F	M		
Finance and Staffing Portfolio														→	
FS101 - General Fund variance % (C,L)	3 (4)	-3.6	-3.6	-5.7	-5.5	-6.0	-6.5	-6.5	-7.3	-7.3	-7.1	-6.5	-7.4	→	Simon Edwards
FS102 - % of rent collected (year end)	98 (90)	86.4	92	95.5	96.1	96.9	97.5	97.7	98.1	98	98.3	98.6	98.8	→	Simon Edwards
FS103 - Average days to process benefit claims (L)	13 (15)	15	19	16	13	14	15	12	14	14	18	15	20	↓	Simon Edwards
Corporate Plan KPI – For commentary see page 2/7 of this appendix.															
FS104 - % of NNDR collected (C)	99 (90) at year end	12.3	22.7	32.2	40.7	50.3	58.9	69.2	77.9	86.6	95.8	97.1	99.3	↑	Simon Edwards
FS105 - % of Council Tax collected (C)	99 (90) at year end	11	20.7	30.4	40.1	49.6	59.2	68.9	78.3	87.9	97.4	98.4	99.2	↑	Simon Edwards
FS106 - HRA variance % (C,L)	3 (4)	-0.2	-0.2	-0.1	-0.3	-0.2	-0.3	-0.3	-0.6	-0.6	-0.9	-0.8	-1.3	→	Simon Edwards
FS107 - Capital variance % (C,L)	3 (4)	0	0	0	-3.9	-3.9	-3.9	-3.9	-9.7	-9.7	-9.9	-10.9	-8.6	→	Simon Edwards
FS108 - % Undisputed invoices paid in 10 days	80 (70)	84.5	85.1	78	77.6	80.9	68	73	67.5	77.3	66.7	75.2	75.8	→	Nick Wright
FS109 - % Undisputed invoices paid in 30 days	98.5 (96.5)	98.2	98.7	98.5	97.7	99.7	97.5	96.9	98	96.8	95.6	96.7	97.7	↓	Nick Wright
Service managers should be reminded that prompt payment of invoices directly supports the council's objective to make the district an even more attractive place to do business.															
FS110 - Staff sickness days per employee (C,L)	7 (10) at year end	1.69			3.28			5.61			8.07			→	Simon Edwards

The number of staff sickness days per employee has increased slightly from 2013/14, where 7.82 sickness days had been taken per employee by year end. The HR team continue to work closely with managers and employees to address sickness absence issues, and has recently attended team meetings to communicate the importance of continuing proactive management in this area.

PI reference and description (C) = Cumulative (L) = Low is good	Target (Intervention)	Q1 performance (divided into Apr, May, Jun where reported monthly)			Q2 performance (divided into Jul, Aug, Sep where reported monthly)			Q3 performance (divided into Oct, Nov, Dec where reported monthly)			Q4 performance (divided into Jan, Feb, Mar where monthly)			Q3/4 Direction of Travel	Lead Portfolio Holder
		A	M	J	J	A	S	O	N	D	J	F	M		
FS111 - % Staff turnover (C,L)	10 (15) at year end	2.56			5.72			7.56			9.11			↑	Simon Edwards
Housing Portfolio												→			
AH201 – Number of households helped to prevent homelessness (C)	150 (135) at year end	43			95			160			218			→	Mark Howell
AH202 – Number of affordable homes delivered (C)	140 (100) at year end	21			24			94			351			→	Mark Howell
The next performance report will see this measure being replaced during 2015/16 by two new indicators that will allow the council greater control over performance. These will be 'number of council new-build homes started on-site' and 'number of affordable homes started on-site on exception sites.'															
AH203 – Households in temporary accommodation (L)	50 (60)	48			56			43			44			→	Mark Howell
AH204 - % Tenant satisfaction with responsive repairs	95 (90)	95.42			96.05			95.41			96			→	Mark Howell
AH205 – Average days to re-let General Needs Housing (L)	20 (25)	13	15	14	15	16	17	16	16	18	18	18	18	→	Mark Howell
A revised target of 17 will be implemented during 2015/16. The intervention point of 25 is set to remain unchanged.															
Corporate and Customer Services Portfolio												→			
CCS301 - % first time resolutions	80 (70)	81.35			84.61			82.76			83.39			→	Peter Topping
CCS302 - % of customers satisfied with reception service	80 (70)	96.45			98.81			100			94.44			→	Peter Topping
The next report will see CCS302 replaced with two new KPIs detailing '% of all calls to the contact centre not abandoned' and '% of calls to the contact centre that are answered within 2 minutes', to better reflect current priorities and align with the contact centre improvement plan.															

PI reference and description (C) = Cumulative (L) =Low is good	Target (Intervention)	Q1 performance (divided into Apr, May, Jun where reported monthly)			Q2 performance (divided into Jul, Aug, Sep where reported monthly)			Q3 performance (divided into Oct, Nov, Dec where reported monthly)			Q4 performance (divided into Jan, Feb, Mar where monthly)			Q3/4 Direction of Travel	Lead Portfolio Holder
		A	M	J	J	A	S	O	N	D	J	F	M		
Environmental Services Portfolio												→			
ES401 - % business satisfaction with regulation service	90 (80)	85			88			80.95			87.32			→	Nick Wright
ES402 - % satisfaction with waste services	90 (80)	81%* (304 satisfied out of 375 survey responses)											→	Mick Martin	
ES403 - % satisfaction with local environmental quality	85 (75)	77%* (274 satisfied out of 375 survey responses)											→	Mick Martin	
For commentary, please see page 2/7 of this appendix above.															
ES404 - % of household waste sent for reuse, recycling or composting (C)	58 (56)	59.7	61	61.7	61.8	61.8	61.8	61.7	61.3	60	58.8	58.2	58.1	→	Mick Martin
ES405 - % of licensed premises adjudged to be compliant with the Licensing Act	90 (80)	99			99			99			99			→	Mick Martin
The next performance report will see the removal of ES405 – performance has been at 99% for the past 3 years, offering no real insight.															
ES406 - % of major non-compliances resolved	90 (80)	90			82			82			87			→	Mick Martin
ES407 – Missed bins per 100,000 (L)	50 (55)	39.2	36.1	47.9	48.2	45.3	183.8	97.6	95.4	98.2	88.6	60.4	96.4	→	Mick Martin
Performance levels decreased following service change implementation. Missed bin figures continue to be actively managed downwards, with the introduction of measures such as increased visibility of performance statistics for individual refuse crews.															

PI reference and description (C) = Cumulative (L) =Low is good	Target (Intervention)	Q1 performance (divided into Apr, May, Jun where reported monthly)			Q2 performance (divided into Jul, Aug, Sep where reported monthly)			Q3 performance (divided into Oct, Nov, Dec where reported monthly)			Q4 performance (divided into Jan, Feb, Mar where monthly)			Q3/4 Direction of Travel	Lead Portfolio Holder
		A	M	J	J	A	S	O	N	D	J	F	M		
Planning Portfolio														↑	
PNC501 - % 'Major' planning applications determined in 13 weeks or within PPA terms	60 (50)	0	67	75	100	60	50	37	0	50	40	0	57	→	Robert Turner
PNC502 - % 'Minor' planning applications determined in 8 weeks or within PPA terms	65 (55)	60	46	41	43	43	33	52	44	47	41	49	35	→	Robert Turner
PNC501 and PNC502 performance was hindered by an increase in the number of speculative residential applications on sites not allocated or likely to be allocated in approved plans, and by difficulties in recruiting staff. These challenging conditions are expected to continue during 2015/16. Some measures have been tested, and could be revisited, including outsourcing application processing. Other measures will be taken forward during the year such as creating a temporary staff bank, introducing a tailored training and development package for new planners; and exploring housing support measures to recruit and retain planning officers relocating from other parts of England															
PNC503 - % 'Other' planning applications or within PPA terms	80 (70)	84	68	70	67	70	56	67	77	74.5	73	66	80	↑	Robert Turner
PNC504 - % 'Major major' planning applications determined in 16 weeks or within PPA terms	60 (50)	100	50	33	50	100	0	86	100	75	100	100	67	→	Robert Turner
PNC505 - % satisfaction with Planning and New Communities	70 (60)	67	64	66	58	57	68	64	66	61	66	70	60	↑	Robert Turner
PNC506 - % of appeals allowed against the authority's decision to refuse planning applications (L)	35 (45)	55			20			16.7			29.1			→	Robert Turner

This page is left blank intentionally.

APPENDIX D

Previously Reported (Favourable)/ Adverse Variance Compared to Original Estimate £		Original Estimate 2014/15 £	Working Estimate 2014/15 £	Actual Income & Expenditure £	Projected (Favourable)/ Adverse Variance Compared to Original Estimate £	Movement from Previous Month's Position £
	General Fund					
	Portfolio					
(17,300)	Leader	483,950	493,950	458,845	(25,100)	(7,800) a,b,c
0	Finance & Staffing	2,622,470	2,622,470	2,100,391	(522,100)	(522,100) a,d,e
(212,300)	Corporate & Customer Services	1,787,790	1,787,790	1,644,083	(143,700)	68,600 a
0	Economic Development	202,200	197,200	167,070	(35,100)	(35,100) a
(297,900)	Environmental Services	6,234,840	6,024,840	5,988,777	(246,100)	51,800 a,f,g
(13,500)	Housing (General Fund)	1,286,750	1,279,750	1,189,757	(97,000)	(83,500) a,h,i
(571,200)	Planning	2,082,720	2,089,720	1,468,505	(614,200)	(43,000) a,j,k,l
(89,200)	Strategic Planning & Transport	1,331,650	1,336,650	1,213,503	(118,100)	(28,900) a
	Un-Allocated					
(199,000)	Other	1,278,310	1,278,310	1,161,931	(116,400)	82,600 m,n,o,p
450,000	Savings	(750,000)	(550,000)	0	750,000	300,000 a
(950,400)	Total	16,560,680	16,560,680	15,392,862	(1,167,800)	(217,400)
(84,000)	Interest on Balances	(345,500)	(345,500)	(373,697)	(28,200)	55,800 q
(1,034,400)	Net District Council General Fund Expenditure	16,215,180	16,215,180	15,019,165	(1,196,000)	(161,600)
	Funding					
0	Council Tax	(7,155,680)	(7,155,680)	(7,155,676)	0	0
(486,000)	Retained Business Rates	(2,870,300)	(2,870,300)	(3,286,183)	(415,900)	70,100 r
1,000	Revenue Support Grant	(2,656,520)	(2,656,520)	(2,607,772)	48,700	47,700
0	New Homes Bonus	(3,201,180)	(3,201,180)	(3,200,997)	0	0
2,231,000	Collection Fund Surplu[s]/Deficit[s]	(65,050)	(65,050)	2,165,771	2,231,000	0 s
1,746,000	Funding Total	(15,948,730)	(15,948,730)	(14,084,857)	1,863,800	117,800
711,600	Appropriation to/(from) General Fund Balance	(266,450)	(266,450)	934,308	667,800	(43,800)
	Usable Reserves (at year end)		31 March 2014		31 March 2015	
	General Fund		(11,187,536)		(12,121,844)	
	Earmarked Reserves		(3,617,268)		(5,703,851)	t

Previously Reported (Favourable)/ Adverse Variance Compared to Original Estimate £		Original Estimate 2014/15 £	Working Estimate 2014/15 £	Actual Income & Expenditure £	Projected (Favourable)/ Adverse Variance Compared to Original Estimate £	Movement from Previous Month's Position £
	<u>Housing Revenue Account</u>					
(95,000)	Housing Repairs - Revenue	3,994,400	3,994,400	3,708,267	(286,100)	(191,100) u
(30,000)	Sheltered Housing	367,280	367,280	236,444	(130,800)	(100,800) v
(100,000)	Administration	2,960,970	2,960,970	3,009,910	48,900	148,900 a
0	Other Alarm Systems	(400)	(400)	(1,895)	(1,500)	(1,500)
0	Flats - Communal Areas	62,830	62,830	71,748	8,900	8,900
0	Outdoor Maintenance	123,210	123,210	126,768	3,600	3,600
0	Sewage	1,460	1,460	8,048	6,600	6,600
(20,000)	Tenant Participation	310,350	310,350	294,867	(15,500)	4,500 w
0	New Homes Programme	125,890	125,890	194,338	68,500	68,500
26,100	Other [including Transfer to Reserves & Capital Charges]	20,777,930	20,777,930	20,714,754	(63,300)	(89,400) a,x
0	Income	(28,350,000)	(28,350,000)	(28,365,794)	(15,800)	(15,800)
	=====	=====	=====	=====	=====	=====
(218,900)	Housing Revenue Account Total	373,920	373,920	(2,545)	(376,500)	(157,600)
	=====	=====	=====	=====	=====	=====

HRA Working Balance

31 March 2014
(2,492,614)

31 March 2015
(2,495,159)

Projected (Under)/ Over Spend Compared to Original Estimate £		Original Estimate 2014/15 £	Working Estimate 2014/15 £	Actual Income & Expenditure £	Projected (Under)/ Over Spend Compared to Original Estimate £	Movement from Previous Month's Position £
Capital						
Capital Expenditure						
HRA Capital						
0	New Homes Programme	2,750,000	2,750,000	2,315,753	(434,200)	(434,200) y
0	Reprovision of Existing Homes	500,000	500,000	22,710	(477,300)	(477,300) z
0	Repurchase of HRA Shared Ownership Homes	400,000	400,000	445,447	45,400	45,400
(303,700)	Housing Repairs - Capital	9,578,250	9,578,250	9,217,923	(360,300)	(56,600) a,aa
(500,000)	Other	788,590	788,590	113,655	(674,900)	(174,900) bb
GF Capital						
0	Housing Company Advanced Funding	7,000,000	7,000,000	0	(7,000,000)	(7,000,000) cc
50,000	ICT Development	154,000	154,000	170,700	16,700	(33,300)
0	Waste Collection & Street Cleansing	840,000	860,000	675,196	(164,800)	(164,800)
(300,000)	Repurchase of GF Sheltered Properties	1,100,000	1,100,000	724,190	(375,800)	(75,800) dd
(1,400,000)	Travellers Sites	1,400,000	1,400,000	51,269	(1,348,700)	51,300 ee
(60,000)	Improvement Grants	770,000	770,000	743,080	(26,900)	33,100 ff
(300,000)	Other	598,500	598,500	1,004,020	405,400	705,400 gg,hh
(2,813,700)	Capital Expenditure Total	25,879,340	25,899,340	15,483,943	(10,395,400)	(7,581,700)
Capital Receipts						
(7,200)	Right to Buy Sales	(2,500,000)	(2,500,000)	(2,034,771)	465,200	472,400 a
0	HRA Equity Share & Other Sales	(100,000)	(100,000)	(46,362)	53,600	53,600
0	GF Equity Share & Other Sales	(1,400,000)	(1,400,000)	(1,149,124)	250,900	250,900
(825,700)	Other Capital Receipts	(100,000)	(100,000)	(1,115,565)	(1,015,600)	(189,900) ii
1,700,000	Other Grants & Allowances	(14,951,340)	(14,971,340)	(13,692,939)	1,258,400	(441,600) y,ee
0	Borrowing	(7,000,000)	(7,000,000)	0	7,000,000	7,000,000 cc
867,100	Capital Receipts Total	(26,051,340)	(26,071,340)	(18,038,761)	8,012,500	7,145,400
(1,946,600)	Capital Net Receipts	(172,000)	(172,000)	(2,554,818)	(2,382,900)	(436,300)
		31 March 2014		31 March 2015		
Usuable Capital Receipts Reserve		(3,568,492)		(7,046,911)		
Usuable Earmarked Reserves		(531,270)		(441,781)		
Capital Grants Unapplied		(584,180)		(432,722)		

This page is left blank intentionally.

Appendix E Significant items of variances

Listed below are significant items covering the variances identified in **Appendix D**. New items are *italicised*.

General Fund

- a. An analysis of **Departmental & Overhead Accounts** compared to the original estimates resulted in an *adverse position of £250,800*. This figure is arrived at after allowing for a reduction of £500,000 for vacancies which was included in the estimates and after taking into account the use of temporary staff to manage turnover and cover vacancies. This is a significant change from the previously reported position which has occurred because of changes to how staff were allocated at the year end and an energy bill back dated to 2009 for £107,000 for the Waterbeach Depot which is being disputed but has prudently been allowed for in the 2014/15 accounts. The £250,800 has been allocated to Portfolios, the HRA and Capital in **Appendix D**;

Leader

- b. **Sustainability** has received additional income of £16,800 from another authority in respect of staffing costs related to the Green Deal initiative. Additionally the Parish Energy Partnership Reserve has been released back to Revenue giving a saving of £11,700 and other costs makes up the total of £21,700;
- c. Cabinet has agreed to vire £20,000 from the additional Planning Income to the **Community Chest**. This together with other grants gives a total additional expenditure of £32,000 ;

Finance & Staffing

- d. **Benefits** *Payments net of Government Grant was £273,100 less than the estimate. This was because of recovery of over-payments and the type of claimant moving more towards people claiming in-work benefits, because of the changing economic conditions;*
- e. *A Government Grant of £258,000 for **NNDR** was received in March which mainly related to the national reconciliation process for 2013/14;*

Environmental Services

- f. **Refuse Collection & Recycling Service** *A growth in revenue derived from the trade waste service, the development of new operational and working arrangements and lower fuel costs have been the main drivers behind a saving of £288,500. Of this, £200,000 was included within the £300,000 corporate savings target thus giving an additional £88,500 saving. It should be recognised that this saving has been achieved against the back drop of delivering an improvement and efficiency programme and developing a single shared waste delivery service, which together have required pump prime investment of £76,000. A further £95,000 has been transferred to earmarked reserves to fund future developments;*
- g. The **Street Cleansing Service** *supports the refuse collection service through the diversion of staff when there are vacancies and sickness and there is a lack of*

availability of agency staff cover. This management of staff resources has resulted in savings against budget of £54,200;

Housing General Fund

- h. **Homelessness** has received additional income from Housing Associations because of changes to the private rental scheme this together with savings on prevention measures has given a favourable variance of £19,700;
- i. *There has been savings of £42,500 on **General Fund Sheltered Properties** which have mainly been because of Service Charge Income being greater than originally estimated;*

Planning

- j. **Planning Income** was £749,900 more than originally estimated because of a number of large fees relating to planning permission for solar panels developments. The tariffs for feeding into the national grid changed in April 2015 and to receive the enhanced tariffs developments had to be built by this date. Fees for these applications are only expected to continue until the autumn and this is reflected in the projection.
- k. **Planning Expenditure** on appeals legal costs was £38,600 more than the budgeted amount. This expenditure is dependent upon the number of appeals and their complexity and is outside the control of officers;
- l. *Legal costs associated with the **Local Plan** process have been £50,000 higher than originally estimated but as Members have previously agreed to fund other costs associated with the Local Plan from New Homes Bonus (see paragraph r below), this has also been met from this source;*

Unallocated

- m. Budget provision of £50,000 was included in the original estimates to support **Council Actions** this has been transferred to reserves to supporting the Shared Services initiative, for example Building Control project management and ICT feasibility study;
- n. When the budget was set £75,000 was included for **Precautionary Items** and has not been called upon in 2014/15;
- o. **Additional Expenditure** of up to £50,000 to invest in the Local Government Association's Bond Agency was agreed by Cabinet;
- p. Budgeted **Local Plan** Expenditure totalling £181,600 has been funded from New Homes Bonus;
- q. The **Interest on Balances** was £28,200 more than the budget. This is because of a combination of increase balance and managing the loans portfolio to achieve the most favourable rates;
- r. 2013/14 was the first year of the new **Retained Business Rates** (RBR) regime. Throughout the year, MTFs forecasts of RBR had been calculated on guidance from the Department for Communities and Local Government; however, year-end accounting requirements resulted in RBR being recorded £2.152m higher than forecast, but offset by a deficit on the Business Rates Collection Fund (BRCF) of £2.231m, which for accounting purposes is shown in the following (i.e. this) financial

year (see s). Similarly, in 2014/15, RBR is now £486k higher than originally estimated; but this is similarly offset by a deficit on the BRCF, to be shown in 2015/16;

- s. The deficit on the **Business Rates Collection Fund** in respect of 2013/14 attributable to SCDC was £2,231,000, which is shown in 2014/15, as above;
- t. There are significant amounts in Usable Earmarked Reserves totalling approximately £5.7m. Of this the major items are:-
 - New Homes Bonus Infrastructure Reserve £2,247,437;
 - Pension Deficit Reserve £1,033,648;
 - Parish Liaison & Site Development Reserve £580,305;
 - Planning Enforcement Reserve £500,000 (Capped);
 - Business Efficiency Reserve £240,000;
 - Major Developments Fees Reserve £179,461: and
 - Shared Waste Service £126,000.

Housing Revenue Account (HRA)

- u. Savings of £171,300 was achieved on **Housing Repairs** by managers' action in monitoring the repairs contracts and additional income;
- v. **Sheltered Housing** generate savings of £130,800 on salaries, communications and training ;
- w. Various items in the **Tenant Participation** budget generated £15,500 savings;
- x. By proactively engaging with tenants £42,000 of **Discretionary Benefit Payments** has not been required;

Capital

- y. *Funding of £434,200 identified for investment in **New Build Homes Programme** was not spent in 2014/15 due to the lead in time required to facilitate new build projects. It is anticipated that these projects will instead be delivered in 2015/16. A rollover into 2015/16 has been requested;*
- z. *Funding of £477,300 identified for investment in **Reprovision of Existing Homes Programme** was not spent in 2014/15 due to the lead in time required to facilitate new build projects. It is anticipated that these projects will instead be delivered in 2015/16. A rollover into 2015/16 has been requested;*
- aa. **Housing Repairs** has generated a saving of £360,300. This is mainly by the management of work undertaken on empty properties;
- bb. **Communal Facilities upgrades** of £624,600 are not expected to be completed until 2015/16. As this was known before the 2015/16 budget was set this has been reflected in the revised 2015/16 programme;
- cc. *£7m advance funding for South Cambs Ltd **Housing Company** (Ermine Street Housing) pilot scheme should be rolled forward, as the refinance will be capital expenditure and should be in place before 31/3/16;*

- dd. **Repurchases of General Fund Sheltered Properties** are £375,800 less than the budget. These are subject to properties becoming empty and thus not within the control of Officers;
- ee. When the Capital Programme was compiled in December 2013 it was expected that major refurbishments to the **Traveller's Sites** would be completed this year to be funded by Grants. This work did not take place in 2014-15 and consequently the grant will also not be received. As this was known when the 2015-16 budget was set, this was included in the 2015-16 budget and thus no rollover is required;
- ff. The **Improvement Grants** budget has not been fully utilised by £26,900. This expenditure is dependent upon demand and scheduling of work which is outside the control of managers;
- gg. There has not been any significant demand for **Affordable Housing Grants** and £308,000 of the budget has been not required but this is offset by a corresponding reduction in income. A rollover to bring these forward in 2015/16 has been requested;
- hh. Expenditure of £752,500 has been incurred on the provision of the Webb Holes Sluice. This was not included in the original estimates but approved later and is offset by Grant Funding: and

Capital Receipts

- ii. HRA Land/Property has been sold which has generated receipts of £1,015,600. This can only be used to fund HRA Capital expenditure it will remain in reserve to fund future year's expenditure.

APPENDIX F

DETAILS OF ROLLOVERS FROM 2014-15 TO 2015-16

Budget rollover rules are governed by the budget and policy framework rules, as follows:

“Rollover of unspent budget provision from the previous financial year to the current year will only be permitted in exceptional cases (excluding employees). A list of rollovers will be completed and reported for approval to the Finance (and Staffing) Portfolio Holder by 31 July each year. Rollovers may then only be used with the approval of the Section 151 Officer, approval being on an individual basis during the year, when the director/cost centre manager can demonstrate that the current year’s budget is fully spent/ committed and that there are no other sources of funding, including virement. Rollovers are for specific items and cannot be vired.”

The following items in the 2014-15 budget will be underspent at the end of the 2014-15 financial year, but the expenditure will now fall within 2015-16. If approved by the Finance and Staffing Portfolio Holder, the relevant estimate provisions will be rolled forward into 2015-16 ONLY IF or WHEN the S151 Officer is satisfied that the relevant 2015-16 budget has been fully committed. Each of these rollovers will have been approved by the relevant Director and Portfolio Holder before being presented to the Finance and Staffing Portfolio Holder.

GENERAL FUND REVENUE BUDGETS

1. Planning Portfolio (Cllr Robert Turner):

Planning Policy – Local Plan, £29,644

Budget for Local Plan Programme Officer. Examination started later than anticipated and the roll over is required to meet expenditure now expected in 2015-16; just under £20,000 of this will be from New Homes Bonus as previously approved.

2. Planning Portfolio (Cllr Robert Turner):

Planning Policy – Local Plan, £69,820

Budget for Local Plan Inspectors. Examination started later than anticipated and roll over of budget is required to meet expenditure now expected in 2015/16; this will be funded from New Homes Bonus as previously approved.

3. Strategic Planning & Transportation Portfolio (Cllr Tim Wotherspoon):

Transport Initiatives, £7,200

Extension to the BikeBus Explorer pilot project, allowing a continuation of the contract to continue operation of the service into 2015-16, will require rollover of some of the budget that was vired to fund this initiative in 2014-15.

Total General Fund revenue budget rollovers from 2014-15 to 2015-16, £106,664.

CAPITAL PROGRAMME

4. Finance & Staffing Portfolio (Cllr Simon Edwards):

Housing company pilot scheme, £7,000,000

£7m advance funding for South Cambs Ltd housing company pilot scheme should be rolled forward, as the refinance will be capital expenditure and should be in place before 31 March 2016.

**5. Housing Portfolio (Housing Revenue Account) (Cllr Mark Howell):
New Homes Programme – New Build, £434,000**

Funding identified for investment in provision of new dwellings in the HRA was not spent in 2014-15 due to the lead in time required to facilitate new build projects – design, planning, procurement, consultation etc. It is anticipated that these projects will instead be delivered in 2015-16.

**6. Housing Portfolio (Housing Revenue Account) (Cllr Mark Howell):
Re-Provision of Existing Dwellings, £477,000**

Funding identified for investment in re-provision of existing dwellings in the HRA was not spent in 2014-15 due to the lead in time required to facilitate new build projects – design, planning, procurement, consultation etc. It is anticipated that these projects will instead be delivered in 2015-16.

**7. Housing Portfolio (Housing Revenue Account) (Cllr Mark Howell):
Other Housing Grants, £308,000**

Funding identified for re-investment to meet obligations under affordable housing S106 commuted sums was not fully utilised in 2014-15. It is anticipated that projects will be brought forward in 2015-16, to either grant funded registered providers, or finance the delivery of affordable housing directly through the Housing Revenue Account.

**8. Corporate & Customer Services Portfolio (Cllr Peter Topping):
ICT Capital Programme, £155,000**

To support the ongoing ICT projects programme for Shared Services and system improvement across a number of service areas, including the 'Modern Planning Office' project.

To provide funding for revised ICT Security in line with PSN, CPSN requirements and network infrastructure upgrades.

To provide interactive AV/SmartScreen technologies and improved environment for the South Cambs Hall meeting rooms.

Total Capital Programme budget rollovers from 2014-15 to 2015-16, £8,374,000.

Grand Total budget rollovers from 2014-15 to 2015-16, £8,480,664.

Agenda Item 13



South
Cambridgeshire
District Council

Report To: Leader and Cabinet
Lead Member: Councillor Lynda Harford

9 July 2015

REVIEW OF LESSONS LEARNED FROM ORCHARD PARK

Purpose

1. To endorse the interim recommendations from the Scrutiny and Overview Committee Working Group set up to review the lessons learned from Orchard Park and request that Cabinet forwards them to the Northstowe Joint Development Control Committee (NJDCC) prior to its deliberations on 29 July 2015.
2. This is a key decision because:
 - (a) it results in the authority incurring expenditure which is, or the making of savings which are, significant having regard to this Council's budget for the service or function to which the decision relates, and
 - (b) it is significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority

and it was first published in the May 2015 Forward Plan.

Recommendation

3. It is recommended that Cabinet endorses the interim recommendations from the Working Group (see paragraph 16) and forwards them to the Northstowe Joint Development Control Committee (NJDCC) prior to its deliberations on 29 July 2015.

Reasons for Recommendations

4. The interim recommendations were agreed by Scrutiny and Overview Committee on 30 April 2015. They have been drawn up by the Working Group following an analysis of the information gathered during a series of discussions and interviews that have been carried out. Further work is being carried out by the Working Group but it is hoped that the interim recommendations will provide useful information to support the NJDCC in its deliberations regarding S106 items and triggers and planning conditions.

Background

5. Following a Member's suggestion at Council in June 2014 Scrutiny & Overview Committee agreed on 3 July 2014 to set up a Working Group to review the lessons learned from Orchard Park. It was agreed that the group's remit would be to look at how the recommendations made in 2008 by the Scrutiny and Overview Committee regarding Orchard Park [then called Arbury Park] had been implemented, if they had been applied to subsequent developments and what the effects of them had been. The initial timescale for this work was estimated to be 12 months. However, in the

light of the NJDCC being required to consider in July the application for Phase 2 of that development, the interim recommendations of the Working Group may provide useful information to support the committee in its deliberations.

6. The membership of the working group for the initial phase of work was:

- Cllr Lynda Harford (Chairman)
- Cllr David Bard
- Cllr Alison Elcox
- Cllr Jose Hales
- Tracy Mann, Development Officer

The Working Group first met on 9 September 2014 and has been supported by officers from Democratic Services and the Sustainable Communities and Partnerships Team.

7. On 9 October 2008 Cabinet received a report from the Arbury Park Task and Finish Group which had been set up to examine questions raised by residents of the new development. Cabinet undertook to provide a response and action plan and this was presented to the Scrutiny and Overview Committee on 4 December 2008. The Scrutiny and Overview Committee welcomed the response and action plan and resolved to review it at a meeting in April 2009. The recommendations of the Arbury Park Task and Finish Group can be found at Appendix A.

8. A further report entitled 'Progress since the Task and Finish Group Review' was submitted to the Scrutiny and Overview Committee on 5 November 2009. At that time it was noted that the economic climate had changed significantly and subsequently its effects may have influenced implementation of some of the recommendations.

9. The setting up of the current Working Group was agreed in response to concerns expressed by a Local Member with regard to progress in resolving further issues at Orchard Park. The group reported its interim recommendations to Scrutiny and Overview Committee on 30 April, which were endorsed, and aims to present its final report on 3 September 2015.

Considerations

10. An initial list was drawn up of officers and stakeholders who would be able to provide evidence of compliance with, and the effects of, the recommendations from the 2007 review. The Working Group has looked at Orchard Park, Cambourne and the fringe sites.

11. The Working Group has met seven times, including its inception meeting plus attendance at an Orchard Park Community Council meeting. Those who have been interviewed, consulted or supported the review to date include:

South Cambridgeshire District Council Officers
Cambridge City Council Officers
Cambourne Parish Council
Orchard Park Community Council
Local Members for Cambourne and Orchard Park
Peter Bailey (Dr), Cambourne Medical Practice

12. Each individual or group was asked to reflect on the 2007 review recommendations and asked for their view on how these had been taken forward and what effects they had observed following the recommendations being made.
13. The Working Group is part way through the review and as such this report includes interim recommendations. These recommendations are being submitted at this stage in order to provide information for members of the Northstowe Joint Development Committee prior to their consideration of the S106 items and triggers and planning conditions for the Phase 2 application for that development. There is still, however, work to be done to obtain the views of residents and local members particularly with regard to the fringe sites.
14. It is interesting to see the very prompt acknowledgement of both councils to the change in the economic climate and their response to the needs of developers. It is not apparent that developers have responded similarly since the improvement in the economic climate. Much of the feedback has reflected growing frustration with the consequences of this and the emphasis that developers now put on viability arguments. It is recognised that this is outside the remit of the Working Group but members have expressed a desire that the Council should use its best endeavours to make Central Government aware of what appears to be unequal support for developers in this respect and its consequences.
15. The Working Group's general observation is that there is evidence that both South Cambridgeshire District Council and Cambridge City Council have been attentive to all of the recommendations and in many cases processes have been adopted to follow those recommendations.
16. The following interim recommendations have been agreed by the Working Group:

Recommendation 1 – The decision to require a road adoption strategy for Northstowe should be replicated on all future developments.

This recommendation relates to 1d in the original recommendations which included a requirement for developers to maintain paths and roads to an adoptable standard where houses are occupied. Subsequent to this both councils now require roads, wherever practicable, to be built to an adoptable standard but issues remain because the County Council cannot be obliged to adopt all roads.

The practice of using temporary haul roads should be promoted. This avoids conflict with other road users on part occupied developments and can facilitate early adoption of roads. [The County Council will not adopt a road that is still being used by construction traffic.]

Recommendation 2 – The good practice of school provision concurrent with first occupations should be continued.

This makes interim provision of resource for other key services such as health and also offers opportunities for social interaction.

Recommendation 3 – More consideration should be given to a greater variety of opportunities for social interaction for early occupants of new developments.

There is evidence that although schools have proved valuable in providing community activities to bring residents together there are different responses to these

arrangements. Some residents see this as welcoming and others may find it hostile and cliquy.

It has been suggested that innovative solutions could include pop-up coffee shops, cinemas and internet cafés.

Recommendation 4 – South Cambridgeshire District Council should adopt the charging strategy used by Cambridge City Council in connection with pre-application advice.

This recommendation relates to 3a in the original recommendations, which covered pre-application advice. Both councils have subsequently adopted policies for pre-application advice that have been well received and are working well. Cambridge City Council uses a traffic light system to monitor acceptance of the advice offered to make an application acceptable. They acknowledge however that some developers will choose to submit an application which is still deficient of some information or solutions. In these cases, where subsequent officer advice is required on those aspects after submission, the Council charges for that advice.

Recommendation 5 – Consideration should be given to further work being carried out on ‘New Town Blues’ and the referral rates to social services and their impacts on costs for councils and other public services.

It has become apparent that evidence of ‘New Town Blues’ has been available since the 1930s but little of this learning seems to have been taken forward and it is acknowledged that much of this relates to funding. Failure to invest sufficiently in adequate community support at the start of a development has a major impact on future costs to councils and other public services.

Recommendation 6 – Funding should be secured for training and/or technical support to be provided for parish councils affected by strategic development applications. There should be greater flexibility in the use of funds allocated.

Whilst some officer support has been available to parish councils at the time they are considering applications it is felt that there is a greater need than has been satisfied so far. A commitment for funding should be sought for this from developers at pre-application stage.

Some of the parish councils required to comment on strategic development applications are small and have limited resource. Although it is acknowledged that small grants have been made available for administrative functions, other costs such as heating and lighting meeting rooms have not been met.

17. Further work that has taken place or is planned since reporting to the Scrutiny and Overview Committee on 30 April includes:

- (a) Meetings with relevant County Council officers
- (b) Meetings with appropriate parish councils and local members
- (c) Meetings with residents’ groups
- (d) Meetings with other relevant South Cambridgeshire District Council officers
- (e) Meetings with developers

This work will provide additional evidence of the way the councils responded to the recommendations and establish from residents’ point of view the effects they had.

Options

18. Cabinet could:
- (a) endorse the interim recommendations from the Working Group and forward them to the Northstowe Joint Development Control Committee prior to its deliberations on 29 July 2015.
 - (b) endorse some of the recommendations for forwarding to the Northstowe Joint Development Control Committee and suggest amendments to others for further work to be carried out by the Task & Finish group.
 - (c) endorse the interim recommendations from the Working Group, but decline to forward them to the Northstowe Joint Development Control Committee prior to its deliberations on 29 July 2015.
 - (d) refuse to endorse the interim recommendations, but forward them unendorsed to the Northstowe Joint Development Control Committee prior to its deliberations on 29 July 2015.
 - (e) refuse to endorse the interim recommendations and decline to forward them to the Northstowe Joint Development Control Committee prior to its deliberations on 29 July 2015.

Implications

19. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

20. The Working Group has not costed the work which would be required following endorsement of the recommendations if they are accepted.

Staffing

21. The Working Group has not estimated the staffing requirements that the recommendations would result in should they be accepted.

Consultation responses

22. Paragraph 11 lists those who have been interviewed, consulted or supported the review. The recommendations have been agreed by the Working Group.

Effect on Strategic Aims

Establish successful and sustainable New Communities with housing and employment at Northstowe and the major growth sites, served by an improved A14 and A428.

23. The findings of the Working Group should directly impact the way in which the Council approaches strategic developments and aims to further support the work to establish successful and sustainable New Communities.

Background Papers

Where [the Local Authorities \(Executive Arrangements\) \(Meetings and Access to Information\) \(England\) Regulations 2012](#) require documents to be open to inspection by members of the public, they must be available for inspection: -

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and

- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

Arbury Park: Scrutiny Report

<http://moderngov/ieListDocuments.aspx?CId=293&MId=4021&Ver=4>

Cabinet Response to Arbury Park Report

<http://moderngov/ieListDocuments.aspx?CId=417&MId=4039&Ver=4>

Orchard Park Action Plan: Review

<http://moderngov/ieListDocuments.aspx?CId=417&MId=4039&Ver=4>

Contact Officer: Gemma Barron – Sustainable Communities and Partnerships Manager
Telephone: (01954) 713340

Chairman of Working Group: Cllr Lynda Harford

Recommendations from the 2007 Scrutiny Task and Finish Group

1. Design Guide:

- 1a. The master developer or the Council should produce a Design Guide, before the first planning applications are made; this should be formally adopted and then enforced when evaluation applications.
- 1b. The Design Guide should set out an agreed programme for phasing the development, aiming for whole sections to be completed before moving to the next phase.
- 1c. The Design Guide should spell out the approach to crime and safety design issues; encouraging joint working with police and the Council's arts, sports and community teams.
- 1d. The County and District Councils should specify road and footpath materials that are attractive as well as durable and fit for purpose. Planning permission should require the developer to provide and maintain paths and roads to an adoptable standard where houses are occupied.
- 1e. Design aspects not covered in the main Design Guide should be the subject of subsequent design codes.
- 1f. The Council should develop and use a scoring system such as at Huntingdonshire District Council to assess large development and inform the district-wide Design Guide.

2. Urban Design:

- 2a. Urban design expertise should be retained and used throughout the pre-planning, planning and construction stages at Arbury Park and future large developments.
- 2b. The urban designer and planning enforcement officer should closely monitor the development at every stage, as resources allow.

3. Standard of Planning Applications:

- 3a. SCDC should develop a stronger reputation via pre-application meetings that if proposals are not acceptable they will be refused without negotiation.

4. S106 Agreement

- 4a. S106 Officers should provide a communication hub and actively ensure that work progresses in all aspects and in compliance with agreed trigger points.
- 4b. The counting of occupations should be done (at least monthly) by only one party – preferably the planning authority, to avoid duplication – and then shared with parish, City, District and County Council colleagues.
- 4c. S106 negotiations should invite timely input from local stakeholders, whilst retaining probity and confidentiality of negotiations.

5. Phased Construction:

- 5a. Large developments should be built according to a phasing plan, starting at one or two points, as appropriate for the size of development, then building outwards. The aim should be for residential streets and areas to be completed in phases so that new residents suffer

minimum disturbance by ongoing building works. However, it should also be noted that phasing could have the effect of slowing down the rate at which affordable homes are built.

- 5b. Commercial and community facilities should be included in the first phase, with an information centre and community development officer being on-site as soon as properties are occupied, perhaps initially in a dual-use community house.
- 5c. These should be funded and put in place at the earliest stage and then reimbursed via the S106 Agreement.

6. Community Development:

- 6a. A community development plan should be produced, in consultation with stakeholders, at a very early stage for each new development. It should be clear who has responsibility for delivery, monitoring and regular updating of the plan.
- 6b. The work of arms-length community development staff should be agreed and managed via a partnership agreement. This should be reviewed quarterly as the number of residents grow.
- 6c. An early priority should be to arrange regular and varied community activities, bringing residents together in small and larger numbers until networks develop and become self-sustaining.
- 6d. Another key service is the initial 'Welcome Pack' which should be supplied to new residents on moving in; inclusion of a current map should be a priority. A fuller 'Information Pack' should be supplied, preferably in person, within three weeks. These packs should provide information that is: timely*, concise, self-explanatory, accurate; and signposting any further sources of help.
*For example information about local surgeries may be needed on day one.
- 6e. All the information should also be available electronically.

7. Environmental Health:

- 7a. Landscaping features such as earth mounds, should be used where possible as a noise barrier; this eliminates the uncertainty about the location, timing and nature of buildings used as a barrier.
- 7b. Noise readings should be taken before and after a barrier is erected, and on both sides of the road. Any expert hired by the Council to verify the findings should be independent of the development.
- 7c. The Highways Agency and developer should communicate and consult fully with the parish and district councils regarding any proposals to alter major roads adjacent to new developments.

8. Governance:

- 8a. The Council should explore every means of securing funding for parish councils to protect them from the financial impact of supporting large new developments. Existing parish residents must not suffer long-term costs because large-scale development has chanced to fall within their boundary.
- 8b. Governance arrangements for new developments should be settled as early as possible to enable early community facilities to be properly managed and to provide existing and new residents with a sense of community identity.

9. Delays in moving in:

- 9a. The S106 agreement should agree a process for accurately setting out building locations.
- 9b. The Cambridgeshire Bus Team and other County Council colleagues should work closely with the planning authority to ensure the location of boundaries are agreed and observed.

10. Need for a single point of contact, communication and control

- 10a. The Council and the master developer should ensure that a mechanism is established from the outset to provide a regular forum for all stakeholders to raise and resolve concerns.
- 10b. This forum could be led by a local Member who would be regarded as the champion for the new development, ensuring that co-operation and communication between all stakeholders was maintained. Such member champions should be considered for all new developments.

11. Affordable Housing:

- 11a. Future developments should emulate the practice used at Arbury Park of involving a consortium of RSLs in planning and negotiations from the outset.

12. Building site environment:

- 12a. The Council should negotiate, via the S106 process, that developers will register the site(s) on a considerate constructors scheme.
- 12b. The master developer, or consortium, should appoint an officer to monitor and oversee the development and be a point of contact for the consortiu.
- 12c. Officers should explore means of ensuring that street trees are planted at an early stage, rather than at the end of the development.

13. Maps and Road Nameplates:

- 13a. The successful road-naming process at Arbury Park should be used at future developments.
- 13b. Officers should urgently explore methods for ensuring that road nameplates and current road maps are available for the first residents of a new development. These may include contractually requiring the master developer to
 - Provide road nameplates and locate them as guided by the County's Highways service.
 - Provide simple, timely street maps
 - Deposit electronic plans with Section 38 agreements

14. Primary School:

- 14a. When a school is built to serve a large housing development it should be located at the centre of the site with safe walking access from all directions and adequate road crossings.
- 14b. A phasing plan for the development should provide for the school to be fully ready for use as soon as the first residents move in.
- 14c. Planning considerations for a school should ensure an optimum physical size that meets statutory access requirements and yet will not overburden the school budget. The building design should also fit the architectural context of the location. The outdoor space should provide a stimulating environment for playing a learning out of doors.

14d. The County Council should limit initial reception class intake to new schools and phase increases in admissions in line with forecast in-catchment pupil numbers. This would ensure that new schools grow at the same rate as the development and can accommodate all in-catchment pupils as they arrive. This would aid community cohesion.

15. Health Facilities:

15a. The PCT should work with relevant surgeries to communicate with incoming residents as soon as a large development begins. Relevant surgeries may not be the nearest, but one more easily reached by public transport.

16. Utilities:

16a. Utilities providers should be fully consulted at regional spatial strategy planning stage; not just regarding costs but also feasibility and timescales.

17. Foul and Surface Water Drainage:

17a. The District Council's on site planning monitoring officers should alert Anglian Water at an early stage, of any concerns they notice regarding construction of foul and surface water drainage systems*. This would reduce the delay in their adoption later in the process.
*It must be clear that Anglian Water retains responsibility for monitoring and adoption.

17b. Where drainage adoption is delayed, the Council should keep residents informed as to who is responsible for dealing with any concerns.

Achievements during the Review 2008:

- Chasing overdue S106 targets and official road signs
- Progress on the Design Guide
- Cabinet restructure to create a portfolio for New Communities; an officer restructure brought together for the first time officers covering planning, community development and economic development headed by a corporate manager for new communities
- Information Pack delivered with the keys on moving in. The Welcome Pack is delivered within three weeks. Residents' survey showed that delivery is well-timed although a third of respondents did not recall receiving the pack.
- A meeting with the head teacher of the school, chair of governors and County Council staff provided a forum in which two families' applications were resolved and a way forward agreed regarding incidents of over-subscription in future
- A forum for parish and district councillors to collaborate
- Discussions progressed regarding to a safer route for cyclists at the nearby A14 interchange
- Refuse bin stores issue raised via the residents' survey has now been resolved