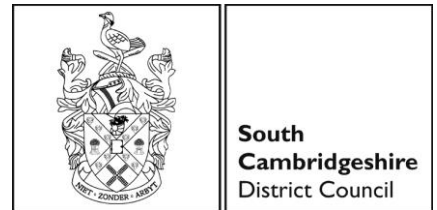


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1 November 2016

To: Chairman – Councillor Tony Orgee
Vice-Chairman – Councillor Grenville Chamberlain
Members of the Scrutiny and Overview Committee – Councillors David Bard,
Henry Batchelor, Kevin Cuffley, Graham Cone, Jose Hales, Philippa Hart and
Bunty Waters

Quorum: 5

There is a pre-meeting session at 5pm in the Jeavons Room for members of the Committee only, to plan their lines of enquiry.

Dear Councillor

You are invited to attend the next meeting of **SCRUTINY AND OVERVIEW COMMITTEE**, which will be held in the **MONKFIELD ROOM, FIRST FLOOR** on **WEDNESDAY, 9 NOVEMBER 2016** at **6.00 p.m.**

Members are respectfully reminded that when substituting on committees, subcommittees, and outside or joint bodies, Democratic Services must be advised of the substitution *in advance of* the meeting. It is not possible to accept a substitute once the meeting has started. Council Standing Order 4.3 refers.

Yours faithfully

ALEX COLYER

Acting Chief Executive

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AGENDA

PAGES

- | | |
|---|--------------|
| 1. Apologies
To receive apologies for absence from committee members. | |
| 2. Declarations of Interest | |
| 3. Minutes of Previous Meeting
To authorise the Chairman to sign the Minutes of the meeting held on 8 September 2016 as a correct record. | 1 - 4 |
| 4. Public Questions | |

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| 5. | Customer Contact Service Annual Performance 2016 - Performance Review | 5 - 10 |
| 6. | Planning performance | 11 - 20 |
| 7. | Shared services | 21 - 22 |
| 8. | Housing Revenue Account Medium Term Financial Strategy 2016/17 | 23 - 80 |
| 9. | 2016-17 Second Quarterly Position Statement on Finance, Performance and Risk - Report to Follow | |
| 10. | Priorities for the Corporate Plan 2017-2022 | 81 - 92 |
| 11. | Medium Term Financial Strategy - Report to Follow | |
| 12. | Work Programme | 93 - 106 |
| 13. | Monitoring the Executive
Scrutiny monitors are invited to report to the Committee regarding Portfolio Holder meetings attended since the last meeting and specifically raise any issues challenged and the result and/or issues where the Committee could add further value. The meetings were as follows: | |
| 14. | To Note the Dates of Future Meetings
The proposed date of the next meeting is Tuesday 7 February 2017 at 6pm. | |

Exclusion of Press and Public

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"I propose that the Press and public be excluded from the meeting during the consideration of the following item number(s) in accordance with Section 100(A) (4) of the Local Government Act 1972 on the grounds that, if present, there would be disclosure to them of exempt information as defined in paragraph(s) of Part 1 of Schedule 12A of the Act."

If exempt (confidential) information has been provided as part of the agenda, the Press and public will not be able to view it. There will be an explanation on the website however as to why the information is exempt.

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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

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Agenda Item 3

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

Minutes of a meeting of the Scrutiny and Overview Committee held on
Thursday, 8 September 2016 at 6.00 p.m.

PRESENT: Councillor Tony Orgee – Chairman
Councillor Grenville Chamberlain – Vice-Chairman

Councillors: David Bard Kevin Cuffley
John Batchelor Philippa Hart
Anna Bradnam Bunty Waters
Graham Cone

Councillors Simon Edwards, Peter Topping and Robert Turner were in attendance, by invitation.

Officers: Julie Baird Head of Development Management
Stephen Kelly Joint Director of Planning and Economic Development
Jean Hunter Chief Executive
Richard May Policy and Performance Manager
Victoria Wallace Democratic Services Officer

1. APOLOGIES

Apologies for absence were received from Councillors Henry Batchelor and Jose Hales. Councillors Anna Bradnam and John Batchelor were present as substitutes.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 5 July 2016 were agreed as a correct record, subject to the addition of Councillor Kevin Cuffley on the attendance list.

4. PUBLIC QUESTIONS

There were no public questions.

5. DEVELOPMENT MANAGEMENT PERFORMANCE AND PROGRESS IN SERVICE IMPROVEMENTS

The Planning Portfolio Holder, Head of Development Management and Joint Director of Planning and Economic Development, presented an update on performance and service improvement within the Development Management Service. The Joint Director of Planning and Economic Development, commended the work of the Development Management Team in improving performance.

Points of discussion and clarification regarding the update were:

- It was clarified that of 220 planning appeals received, 15 related to non determination appeals and two were from the backlog.
- Following queries raised at the previous meeting, it was confirmed that notifications of major applications were being provided. Members were informed that options for

providing electronic notifications were being explored, to enable more prompt notification.

- The actual figures in table 2 of Appendix 1 of the report, as well as the percentages, were requested for the next update report.
- Alongside table 1 of Appendix 1, which outlined the national targets, members requested a table outlining what was being achieved against these targets. It was confirmed that 60% was a national target and that if performance fell below 50%, designation would occur.
- Members were informed that the implications of designation were not yet known, as designation measures had only been consulted on by the Government and a designation process had not yet been developed.
- Members requested that the number of planning appeals in which costs were awarded against the council, be included in the report.
- The target date of the end of October 2016 to clear the backlog was queried, as the rate of clearing the backlog had been steadily declining. The Planning Portfolio Holder confirmed that the backlog was progressing faster than it had been as more staff had been recruited. The Head of Development Management was confident that the backlog would be cleared by the end of October to the middle of November 2016. Projections for this were being reviewed on a weekly basis.
- The Joint Director of Planning and Economic Development advised that more detailed reporting on the backlog would be included in the report to the committee in November 2016.
- The committee was informed of some development agencies taking advantage of the lack of a five year land supply, and the actions being taken by the Council to address this.
- The Planning Portfolio Holder emphasised that the National Planning Policy Framework stipulated that development should be in sustainable locations and the Council followed this policy. It was also emphasised that every planning application was judged on its own merit.
- It was clarified that the 13 week timescale for major planning applications, started once an application had been received and was valid.
- Members raised concern that documentation for old planning applications was not available on the planning portal. The Joint Director of Planning and Economic Development would look into this outside the meeting. Councillors Hart and Bradnam would liaise with The Joint Director of Planning and Economic Development regarding this.

The committee **NOTED** the update and **AGREED** that a further update report would be scheduled for the committee's meeting in November 2016.

6. SHARED SERVICES UPDATE

The Scrutiny and Overview Committee considered the update on recruitment across the shared services, which had been circulated in advance of the meeting. The Chief Executive and Leader of the Council were in attendance to answer questions regarding this.

The following issues were raised by members of the committee regarding the shared ICT service:

- Experiences of a decline in service were raised, with a lack of acknowledgement of queries and the length of time for queries to be dealt with given as examples.
- Concern was raised over the Good App. Members' experiences were that the functionality of the App had worsened.

Concern was raised by members of the committee over street sweeping. The Director of Health and Environmental Services advised that the service's policy and approach was to prioritise bins and that at times of staff shortages, street sweeping drivers covered bin lorry driving. Members were informed that nationally it was difficult to recruit HGV drivers and the Council was trying to recruit more. Members were advised to inform the Director of Health and Environmental Services of any particular areas of concern regarding street sweeping and the service would deal with the issue, as soon as there was capacity available to do so.

The issue of recruitment and retention was raised. The Chief Executive of the Council explained that this was a challenge in South Cambridgeshire for a number of reasons, such as high housing costs and the competitiveness of the private sector in South Cambridgeshire. Members were informed that reasons for staff leaving the employment of the Council were closely monitored, with exit interviews taking place with each departing staff member. This was reported to the Finance and Staffing Portfolio Holder on a quarterly basis.

The Finance and Staffing Portfolio Holder assured the committee that there was no evidence of an underlying malaise that was leading to staff resignations. He assured the committee that the rate of turnover was healthy.

The Leader of the Council also highlighted that whilst there had been staff resignations from the shared service, new staff had been successfully recruited such as a new legal management team.

The Scrutiny and Overview Committee requested a further Shared Services update at its meeting in November 2016, with a focus on ICT performance and Legal services.

7. 2016-17 FIRST QUARTERLY POSITION STATEMENT ON FINANCE, PERFORMANCE AND RISK

The Finance and Staffing Portfolio Holder presented the Council's 2016-17 first quarterly Position Statement on finance, performance and risk for 2016-17.

The call answer time of calls to the Council's Contact Centre was discussed:

- The committee was informed that six new staff members had joined the Contact Centre and it was anticipated that the call answer time would reduce as a result of this.
- Members were made aware that reducing the call answer time would not be solved solely through the employment of more staff, but also by having the digital systems in place to drive activity to other areas and to encourage residents to use online facilities where possible.

The risk register was discussed:

- The Finance and Staffing Portfolio Holder informed the committee that the number of households in temporary accommodation had risen as anticipated.
- The significant risk to the Council of the increase in cost of managing homelessness, was highlighted. Additional funding had been put aside for the expected increase in homelessness. The Portfolio Holder informed the committee that extra funds had been budgeted as a precautionary item for the current financial year, however for the next financial year this would be a budgeted item. The Portfolio Holder was confident that the amount budgeted would be enough to cope with the increase in homelessness.

- Members were informed that subject to Devolution being agreed, this would be added to the risk register.

The committee noted the report and commended officers and the Portfolio Holder for the quality of the report.

8. WORK PROGRAMME

The committee reviewed its work programme for 2016-17. Items to be added to the November 2016 committee agenda were:

- Development Management performance and progress in service improvements.
- ICT and Legal Shared Services performance.

The Local Member for Sawston proposed the committee look at the conditions under which grass verge cuttings had been transferred to the County Council without parish councils being informed, as the reasons for the change and processes behind them were unclear. It was proposed that a one off report was provided to the committee.

9. MONITORING THE EXECUTIVE

There were no updates from Scrutiny Monitors.

10. TO NOTE THE DATES OF FUTURE MEETINGS

The committee agreed that the next meeting would take place on Wednesday 9 November 2016 at 6pm.

The Meeting ended at 7.55 p.m.



Report To: Scrutiny and Overview Committee
Lead Officer: Alex Colyer – Chief Executive Officer

9 November 2016

Customer Contact Service Annual Performance 2016 – Performance Review

Purpose

1. To present to Scrutiny and Overview Committee with an update on performance for the Customer Contact Service (**Appendix A**) for information and comment.

Recommendations

2. It is recommended that the report be noted.

Reasons for Recommendations

3. The report provides a review of the operational performance of the Customer Contact Service from January 2016 until 30 September 2016 inclusive.

Background

4. The Scrutiny and Overview Committee conducted an annual review of the operational performance of the Customer Contact Service in January 2016. At the September 2016 meeting, the committee asked for an update report on the performance of the service.
5. The Customer Contact Service was launched in December 2012 and, whilst performance in terms of volume of calls answered at first point of contact has been consistently good, the performance for the number of calls answered has been variable.
6. The service has been successful in recruiting very dynamic, able and enthusiastic staff who have over a period of time been able to secure roles within the council as part of back office teams.
7. There is a work plan (see 11 below) which is being implemented within the service to look areas of the business where improvements can be made. The plan has a number of elements which will incrementally improve performance of the service as each part of the plan is completed.

Considerations

8. As already highlighted in 6 above, the Contact Centre has been very successful at recruiting excellent staff who then progress their careers in local government by taking roles within the other areas of the organisation. Although this is a positive indicator of excellent staff development and progression, it does result in a higher than normal level of staff movement.

9. The council has made a clear commitment towards apprenticeships and currently has a number of staff on accredited apprenticeship programmes. January 2017 marks the start of the Government's apprenticeship programme to increase numbers in business. The Contact Centre would offer an ideal opportunity to deliver a formal apprenticeship route in Customer Services. It is proposed that this is established in line with the corporate apprenticeship programme. This will deliver an accredited framework of learning whilst linking salary increases to the completion of learning outcomes and qualifications such as National Vocational Qualifications (NVQ's). This career option is aimed at employing staff on training agreement contracts and who will be employed within the Customer Contact Service for fixed periods of time.
10. The council's "Digital by Default" project has already helped residents to use online forms, the next stage of this project will provide more options via the website for residents to access council services. The Revenues team's project will commence before the end of 2016 and will provide online access to residents to their council tax, business rate and benefit accounts.

The project will also provide a suite of electronic forms for council tax which can be processed using minimal staff manual intervention and enable the revenues service to manage the impact of the growth in properties without additional staffing resources.

It is expected that following completion of this project together with some active promotion of self-service options to residents, the number of calls the contact centre receive can be reduced significantly; the revenues and benefits team's calls amount to currently around 30% of total call volumes around 3000-4000 calls monthly.

11. Customer Contact Service Work Plan

There are a number of parts to this plan which include: -

- a) Introduction of advanced call coaching on a one to one basis for all Customer Contact Service staff to increase their knowledge leading to reduced call times.
- b) Review and refresh business processes for handling calls for service areas with the aim of rationalising and reducing processes to minimise the administration time taken following the call.
- c) Review of options that can be provided by current telephony provider to manage calls more effectively during busy periods; these may include options for leaving a message to get a call back, providing queue position to callers and more targeted messages to encourage callers to use the website.
- d) Investigate alternative options to provide overflow call handling in times of anticipated peak demand periods.
- e) Implement a strategy to encourage greater website take up from those residents who can use online service options.
- f) Provide digital reception services to improve customer service; this will offer a self service registration for visitors attending meetings and pre-booked appointments on most occasions.
- g) Review of Reception and Public Meeting Room Accommodation:

- (1) Consideration of options to make the best use of the space to ensure effective and efficient handling of customers resolving their enquiries at first point of contact.
 - (2) Promote and support visitors to use self-serve kiosks, and to create a suitable environment to discuss their personal circumstances, this project is on-going.
12. Following a recruitment and selection process, three new staff were appointed and commenced employment at the end of August. In addition, three temporary staff were appointed to cover vacancies and allow for the initial training of these new employees.
 13. The recruitment process continues and will be currently looking to recruit a number of new advisors to supplement the team.
 14. The Customer Contact Service's operational performance is now showing improvement, this follows a reduction in performance due to staff vacancies and annual leave which can be seen in **Appendix A**.

Implications

15. 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: -

Effect on Objectives

An innovative and dynamic organisation – Adopt a more commercial and business-like approach to ensure that we can continue to deliver the best possible services at the lowest cost

The customer contact service is providing a service to residents at substantially reduced cost; the current changes to the contact centre and reception are providing an improving service to resident with an increase in the percentage of calls being handled. The service will look to build on this improvement further and all actively promote self-service as service areas are able to provide digital access for residents.

Report Author: Dawn Graham – Benefits Manager
Telephone: (01954) 713085

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Appendix A Contact Centre Performance

2015/16	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH
Total Calls	16839	12691	12344	13302	11347	14462	13623	12739	9840	13042	12168	14627
Handled number	11114	10123	11049	12194	10295	12426	11926	10947	8994	10559	9869	11270
Handled percentage	66%	80%	90%	92%	91%	86%	88%	86%	91%	81%	81%	77%
Abandoned number	5725	2568	1295	1108	1052	2036	1697	1792	846	2483	2299	3357
Abandoned percentage	34%	20%	10%	8%	9%	14%	12%	14%	9%	19%	19%	23%
Number dealt with at first point of contact	9380	8321	8981	9696	8259	9919	9338	8769	7437	8719	8286	9082
Percentage dealt with at first point of contact	84%	82%	81%	80%	80%	80%	78%	80%	83%	83%	84%	81%
Average call answer time	00:04:45	00:02:44	00:01:31	00:01:10	00:01:17	00:02:05	00:01:51	00:02:09	00:01:09	00:02:48	00:03:14	00:03:25
Average Call duration	00:04:26	00:04:21	00:04:41	00:04:40	00:04:21	00:04:59	00:04:53	00:04:38	00:04:16	00:04:43	00:04:44	00:04:33
Average Wrap (admin time)	00:02:40	00:02:19	00:02:32	00:02:19	00:02:17	00:02:36	00:02:26	00:02:35	00:02:28	00:02:43	00:02:41	00:02:35
Average handling time	00:07:06	00:06:41	00:07:14	00:06:59	00:06:38	00:07:36	00:07:18	00:07:13	00:06:44	00:07:27	00:07:25	00:07:08

2016/17	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH
Total Calls	15803	15026	16900	13601	16134	12859	6040					
Handled number	12632	11046	11500	8861	9416	9731	5334					
Handled percentage	80%	74%	68%	65%	58%	76%	88%					
Abandoned number	3171	3980	5400	4740	6718	3128	706					
Abandoned percentage	20%	26%	32%	35%	42%	24%	12%					
Number dealt with at first point of contact	10031	8685	9496	7353	7614	7966	4306					
Percentage dealt with at first point of contact	79%	79%	83%	83%	81%	82%	81%					
Average call answer time	00:03:38	00:04:19	00:06:08	00:06:46	00:08:22	00:04:06	00:02:17					
Average Call duration	00:05:12	00:04:49	00:05:11	00:05:00	00:05:08	00:05:25	00:05:24					
Average Wrap (admin time)	00:02:39	00:02:31	00:03:09	00:03:10	00:02:58	00:03:05	00:03:02					
Average handling time	00:07:51	00:07:20	00:08:19	00:08:10	00:08:06	00:08:30	00:08:26					

up to 14/10

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Agenda Item 6



South
Cambridgeshire
District Council

Report To: Scrutiny and Overview Committee
Lead Officer: Planning and New Communities Director

2 November 2016

Development Management Performance and Progress in Service Improvements

Purpose

1. To update the Scrutiny and Overview Committee on performance and service improvement within the Development Management Service.
2. This is not a key decision.

Recommendations

3. It is recommended that the Portfolio Holder notes progress in performance as well as the areas of focus within the Development Management Service.

Reasons for Recommendations

4. To enable Members to monitor performance of the Service

Background

5. Performance and improvement measures were previously reported in September 2016. At this meeting Members noted improvement in performance and requested the following:
 - Local Members are notified of major applications; it was confirmed this was already happening;
 - That numbers of applications are reported and well as percentages with performance reports; see Appendix 1
 - That appeals when costs were awarded against the Council are reported
 - Detailed reporting on remaining backlog both within the Legacy and Development Control teams.
 - That old planning documentation was not available on the planning portal this was to addressed by the Joint Director and Councillors Hart and Bradman following the meeting.

Performance

Speed of Decision Making

6. As previously reported performance of Planning Authorities are measured by the Department for Communities and Local Government (DCLG) on the speed of processing applications. For majors applications the target is 60% determined within 13 weeks, minor applications 65% within 8 weeks and other applications 80% with 8 weeks or with an otherwise agreed extension of time.
7. In September it was noted in August 2016 that the Service had exceeded its performance targets for speed of processing application in all categories. This trend has continued in both September and October 2016 with performance targets being exceeded in all categories for both months (See Appendix 1). The number of

applications due and processed each month are also included in the table in Appendix 1 as requested by Members at the last meeting.

Quality of decision making

8. The quality of decision making is measured by the percentage of major applications which are allowed at Appeal. To date 15% of major appeals have been allowed in 2016 (see Appendix 1), this is high given that the current benchmark set by the DCLG for designation is 20%.
9. As explained at the previous Overview and Scrutiny meeting, the current position regarding appeals is largely reflective of the complex situation of the lack of the five year land supply.
10. Training is provided for Committee Members and officers on outcomes of appeals to ensure that appropriate lessons are learned and appropriate material considerations are taken into account for subsequent applications.
11. At the last meeting Overview and Scrutiny Members asked for details on awards of costs to be reported. To date in 2016, there has been one case of costs from the Foxton Inquiry, when there was a partial award of costs. This partly related to design case presented by the local authority and also the late withdrawal of the education contribution by the County Council. The amount is under negotiation and will be reported in due course. We have reviewed the cost case with the team and have provided training to address the issues, which have arisen.
12. The lessons from all appeals are shared with officers and members to further improve quality of decision making in the future.

Risk of Designation

13. At the last Overview and Scrutiny meeting officers reported and explained the risk of designation. The Government normally make decisions on which authorities it will designate during the final quarter of each year.
14. For appeals it will consider performance during the period of January 2014 – September 2016, measured against the benchmark of 20%. The current percentage of major appeals allowed throughout this period is 50% which placed the authority at risk of designation.
15. The DCLG will also take into account the speed of processing applications when deciding on whether an authority should be designated. The threshold for designation is 50% or fewer of an authority's major decisions made within the statutory determination period or such extended period as has been agreed in writing with the applicant. The assessment period would be June 2014- June 2016, however the DCLG will also take into account the final quarter July- Sept 2016. Speed of processing throughout the entire period is 53%
16. We have been liaising with Planning Advisory Service to find out when a decision regarding designated authorities will be taken, we understand that a date has not yet been identified by the DCLG.

Customer Feedback and other performance indicators

17. As previously reported we are reviewing performance reporting including additional local indicators and customer feedback. The service is currently undertaking further detailed customer engagement to determine what user's value. In the interests of the Shared Service it makes sense to do this with colleagues at

Cambridge. As such there has not been sufficient time to enable officers to report to this to November Overview and Scrutiny meeting. A timetable for this work and other service improvements, which will support the shared service is currently being prepared.

Backlog applications

18. In December 2015 there were 977 backlog applications, which had accumulated over a number of years within the Service. In January 2016 we appointed a number of temporary planning officers to a specific team tasked with processing these applications, which is referred to as the “Legacy” team. This name reflects the desire to capture and address with service improvements relevant lessons the team identifies as a result of processing these applications.
19. A backlog of 165 out of time applications continued to build up within the Development Control team from January to April. This was largely attributed to delays getting applications validated by the recently created Technical Support Team. The validation issue has now been addressed by training and development and this team are now validating 85% of applications within 5 working days.
20. The majority but not all of these out of time applications were given to the Legacy team to process in order to support the Development Control officers in moving to the new process for forward managing new applications, which was introduced at the end of April 2016.
21. It is noted that there has been an upward trajectory in the speed of processing application since validation of applications has improved as the new process has been introduced.
22. Overview and Scrutiny Members have asked for information on progress the Legacy team has made in meeting its target to clear applications it was dealing with largely by end of October 2016. In addition they have also asked for information on out of time applications, which are currently within the Development Control Team.

Status of remaining out of time applications, Legacy Team

23. On 31st October, the total number of applications left to complete within the Legacy Team, were 47. A break down of these applications are included in Appendix 2. The majority of these applications are with Legal Services or waiting amended plans and are due to be determined in November 2016.

Status of out of time applications, Development Control Team

24. On 31st October there were 81 out of time applications within the Development Control Team, a further breakdown is included in Appendix 2.
25. It is commonly the case that there will be a number of out of time applications at any one given time within a planning service. Based on experiences of managing other Planning Services, 50-60 applications would be indicative of the number of out of time applications you would expect for this size and type of service at any one given time.
26. There are numerous external factors, which can lead to out of time applications for example, Agents may make a decision not to agree an extension of time, or

delay to submit amended information to address officers concerns. There are also internal factors well as team resilience, individual performance, delays in consultation responses, legal advice and validation.

27. We are embedding monthly review of the backlog figures as part of our performance management and as part of this we are actively managing internal factors, which can contribute to applications being out of time.
28. When the legacy team has completed processing their applications they will be sharing lessons learned with the team and we will agree any actions which will be taken forward which can further support officers in managing applications. These can be reported to Overview and Scrutiny at a later date.

Improvement Measures

29. In the interests of moving towards a Shared Service with Cambridge City, we are currently reviewing our programme of improvements with our colleagues at the City to identify areas where we can align what we do. For example using the same planning conditions is one area, which we have identified would be useful to take forward in the short term. The agreed programme and timeline can be reported to Overview and Scrutiny.

Five Year Land Supply Applications

30. The area of focus over the last few months has on increasing engagement with parishes that are particularly affected by five year land supply applications. We have been encouraging parishes to help shape outcomes of these applications and found it beneficial where parishes are open to engaging in ongoing dialogue with the planning service and developers relating to their aspirations and concerns about these developments.
31. In the latter part of October we have consulted on changes to the Council's local validation list to ask for additional information to be submitted with Outline applications. The proposals included parameter plans and housing delivery statements as well as viability assessment guidance and drainage checklists in line with the Cambridgeshire Flood and Drainage SPD, which is due to be reported to the Planning Portfolio Holder in November. The consultation responses received are currently being considered and further will be reported to Planning Portfolio Holder in due course.

Other improvements

32. Neighbour representations for applications received after 31st October 2016, will be made available on line. This increases transparency and enables applicants to better address concerns raised. To manage this we have advised applicants to speak to planning officers prior to submitting any amended plans. We have also prepared guidance to help neighbours make representations which have relevant planning material considerations. As well as a list of dos and don'ts to support the planning authority in meetings it legal requirements when publishing information on-line.
33. During October the Trees service implemented a number of improvements. Tree applications are now processed electronically as opposed to manually, providing a number of benefits to the team in terms of efficiency savings and also to our customers. We have written to applicants to encourage increased use planning portal for electronic submission of applications. Applicants can follow status of progress of their application on line www.scambs.gov.uk/services/planning-

[applications](#) and can check whether trees have a TPO on line www.scambs.gov.uk/content/district-map. There are also Trees frequently asked questions on line www.scambs.gov.uk/contact/trees-faqs

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 costs are contained within budgeted resources for this financial year, although the agency staff costs to clear the backlog applications are high and require careful monthly management.

Legal

36. There are no specific legal implications arising from this report.

Staffing

37. All improvements to process and working arrangements are being made with involvement of staff and training will be included as an integral part of implementation.

Risk Management

38. Service performance has improved over the last three months, the team will continue to monitor this with the teams each week and extensions of time will be used as appropriate. We will continue to liaise with the Planning Advisory Service regarding the risk of designation. Improvements in performance in the speed of processing applications will support the Council when the DCLG are making their decision.

Equality and Diversity

39. The recruitment campaign and working arrangements allow for full flexibility to meet specific requirements of current staff and candidates.

Climate Change

40. No specific implications.

Effect on Strategic Aims

41. The recommendation seek to achieve the Council's three A's

Background Papers – Appendix 1: Speed of determining applications
Appendix 2: Out of time applications

Report Author: Julie Baird – Head of Development Management
Telephone: (01954) 713144

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Appendix 1: Performance Tables

Speed of processing applications against DCLG targets

% of applications in time again national targets

Lg Major – October	2/2=100%	(Target) 60%
Sm Major – October	2/2=100%	(Target) 60%
Minor – October	37/79=75%	(Target) 65%
Other – October	108/133= 81%	(Target) 80%

Lg Major – September	4/4=100%	(Target) 60%
Sm Major – September	2/2=100%	(Target) 60%
Minor – September	39/51=76%	(Target) 65%
Other – September	98/106=92%	(Target) 80%

Lg Major – August	4/4=100%	(Target) 60%
Sm Major – August	2/2=100%	(Target) 60%
Minor – August	36/44=82%	(Target) 65%
Other – August	109/126=87%	(Target) 80%

Lg Major – July	2/3=66%	(Target) 60%
Sm Major – July	2/4=50%	(Target) 60%
Minor – July	30/43=70%	(Target) 65%
Other – July	94/114=82%	(Target) 80%

Lg Major – June	1/2=50%	(Target) 60%
Sm Major – June	1/5=20%	(Target) 60%
Minor – June	41/61=67%	(Target) 65%
Other – June	82/106=77%	(Target) 80%

Lg Major – May	2/3=66%	(Target) 60%
Sm Major – May	1/1=100%	(Target) 60%
Minor – May	31/48=65%	(Target) 65%
Other – May	90/116=79%	(Target) 80%

Lg Major – April	2/3=66%	(Target) 60%
Sm Major – April	No decisions	(Target) 60%
Minor – April	30/49=61%	(Target) 65%
Other – April	110/147=75%	(Target) 80%

Quality of decision making

Planning Appeals figure 2016

	Jan	Feb	March	Apr	May	June	July	August	Sept	Oct	Total to date
No. Lodged Majors	0	1	0	1	2	1	0	0	0	2	7
No. Lodged Minors	1	2	0	1	1	5	4	1	3	5	23
No. Lodged Others	2	1	0	1	5	2	1	3	2	7	24
Total no. Allowed	2	7	3	4	6.5	7	3	7	4	5	48.5
Total no. Dismissed	4	10	3	9	3.5	12	8	8	3	2	62.5
Total no. Majors Allowed	1	0	0	1	1	2	0	1	1	0	7
Total no. Majors Dismissed	0	2	1	0	1	4	0	0	0	0	8

Appendix 2: Tables showing remaining out of time applications within the Legacy and Development Control teams

Legacy Team	Development Management Team
Majors: 6	Majors:6
Minors: 26	Minors: 21
Others: 15	Others: 54
Total: 47	Total: 81
With legal: 10	With legal: 10

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Agenda Item 7



REPORT TO: Scrutiny and Overview Committee

31 October 2016

LEAD OFFICER: Mike Hill, Director of Environment and Health

3C SHARED SERVICE UPDATE

Purpose

1. Provide committee an update on shared services
2. This is not a key decision: the report provides an update on the shared services operating as 3C Shared Services.

Recommendations

3. It is recommended that Scrutiny and Overview Committee note:
 - (a) The content of this report

Background

4. At Scrutiny and Overview Committee held on 8 September 2016 it was agreed that a further update on shared services be provided to this meeting. As of October 2016 Mike Hill has taken over responsibility from Alex Colyer as Lead Director for shared service.

5. **Overview**

3C Shared Services are currently working on providing regular and standardised performance and update reports for all partner authorities. The details of these reports are set out below. The 3C Programme Office is working with Shared Service Managers on developing these reports and aim for these to be produced at the end of Q3 2016/17. These reports will be made available to this committee once completed as part of the normal reporting cycle.

The Shared Service Manager shall prepare quarterly performance reports, allowing comparison of information for each of the Parties' administrative areas and including:

- (i) Overview – A brief overview of the operation of the Shared Service;
- (ii) Performance – A report on performance against the performance targets agreed within the Shared Service's Business Plan from time to time;
- (iii) Complaints – Brief details of any complaints received and how these have been dealt with;
- (iv) Staffing – A summary of any staffing changes or issues arising during the quarter;
- (v) Financial – A report on operational costs, fee income, revenue accounting, out-turn forecast etc.

Service Update

6. 3C ICT

All permanent roles are now filled, albeit with contractors in some positions. It is a conscious decision to use contractors in some positions due to experience or favourable cost of contractors. Recruitment to a permanent Head of Service is underway by Huntingdonshire District Council.

Intelligent Clients have been nominated by all partner authorities to liaise with 3C ICT on strategic and performance issues with regards to individual partner's specific service and needs. Phil Bird, Corporate Programme Manager, is South Cambridgeshire District Councils nominated Intelligent Client. There have been initial issues around the level of service compared to the levels prior to the shared service being implemented. At this stage these are mainly anecdotal. The Intelligent Client is evidencing the current situation in order to get a true picture of actual performance against perceived performance. The Intelligent Client will report his findings to the Director (Mike Hill) responsible for shared services.

7. 3C Legal

Recruitment is progressing well with remaining 4 vacancies currently out to advert, early indications are positive with regards to numbers and calibre of applicants. Short listing is currently underway with interviews scheduled for November 2016.

Demand management is an on-going issue within the service. Work is being carried out to get to a true charging mechanism in place by start of April 2017, this will help manage demand and ensure partners are consuming services at the budget levels they contribute. Intelligent Clients are in the process of being identified in partner authorities. The Head of the 3C Legal Practice has had a notable effect on improving the performance of the service. The service is due to move to a single office location at Cambourne with office hubs at both the Guildhall Cambridge and Pathfinder House in Huntingdon during December, this is anticipated to have a positive effect on performance also.

8. 3C Building Control

Staff resourcing is still an on-going issue with 40% of staffing being carried out by agency staff. Proposals on decreasing the dependency on agency staff is being investigated the Joint Director of Planning and Economic Development.

Report Author: Brian O'Sullivan – Shared Service Programme Manager
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Agenda Item 8



REPORT TO: Scrutiny and Overview Committee
Cabinet

9 November 2016
17 November 2016

LEAD OFFICER: Business Manager/Principal Accountant

Housing Revenue Account Medium Term Financial Strategy (MTFS) 2016/17

Purpose

1. To provide Cabinet with an update in respect of the financial position and forecasts for the Housing Revenue Account, allowing review of financial assumptions, approval of mid-year budgetary changes and agreement of the budgets strategy for 2017/18 and beyond.
2. 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 the Council's budget for the Housing Service, and it was first published in the September 2016 Forward Plan.

Recommendations

3. The Scrutiny and Overview Committee is asked to note the report and endorse the recommendations to Cabinet, which are that Cabinet:
 - a) Approve the HRA Medium Term Financial Strategy as set out in **Appendix 1** to this report, to include:
 - changes in financial assumptions as detailed in **Appendix B** to the HRA MTFS
 - mid-year revenue budget changes, as detailed in **Appendix D** to the HRA MTFS, which impact future forecasts for the HRA.
 - mid-year capital budgets changes, as detailed in **Appendix E** to the HRA MTFS
 - update to the new build schemes included in the Housing Capital Investment Plan, incorporation of the latest budgetary figures in respect of new build schemes, and re-phasing of expenditure in line with anticipated build timetables
 - changes in anticipated receipt and use of capital resources for the HRA, as included in **Appendix H** to the HRA MTFS
 - recognition of the delegated decision to acquire a number of existing market homes, thus utilising retained right to buy receipts with the required timescales

Reasons for Recommendations

4. The HRA Medium Term Financial Strategy is presented for decision following consideration and review of the both internal and external factors which affect the financial position for the HRA.

Executive Summary

5. The HRA Medium Term Financial Strategy provides an opportunity to consider any changes in the financial context for the Housing Revenue Account. It allows review of external factors affecting the housing business, such as inflation and interest rates, provides the opportunity to update assumptions in respect of the day to operation of the housing business, and allows recognition of the anticipated impact of major changes in national housing policy as legislation is passed and information surrounding the anticipated regulations begins to emerge.
6. The report requests required changes to budgets in the HRA which result from the update of financial assumptions.
7. The report also provides an opportunity to consider key strategic risks, and to present the impact of a number of sensitivities to which the housing business plan is subject.

Background

8. The HRA is a ring-fenced area of the Council's activity, and represents the landlord activity which the authority carries out as a stock retaining authority.
9. Budgets are set for the HRA in February of each year, following presentation and consideration of the HRA Budget Setting Report. The HRA Medium Term Financial Strategy, presented for consideration and approval in November of each year, allows review of key assumptions and the resulting impact on the housing business, and proposes the strategic approach to budget setting for the coming year, in the context of the longer-term forecasts for the HRA.

Considerations

10. Consideration needs to be given to the fluid nature of some of the assumptions that are required to be incorporated into the financial forecasting for the HRA, particularly in relation to the impact of some of the changes in national housing policy, where the absence of detailed regulations has resulted in the need to make best estimate of the impact at a local level, until this is available.
11. Assumptions will need to be continually reviewed and amended as information is made available and any changes in the economic environment become apparent.

Options

12. The HRA Medium Term Strategy identifies the financial impact of a number of scenarios for the future of the business, modelling the impact of changes in key assumptions and presented as part of the sensitivity analysis at Appendix J of the report.

Implications

13. 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

14. The financial implications for the HRA are included in the body and appendices of the attached HRA Medium Term Financial Strategy.

Legal

15. There are no direct legal implications associated with this report. Officers will be required to seek legal advice in relation to a number of the national changes in housing policy as the regulations are released by Central Government.

Staffing

16. There are no direct staffing implications associated with this report. The identified need to make savings in the HRA over the next 4 years is likely to have implications for staff, all of which will be fully explored with Human Resources once they are known.

Risk Management

17. An assessment of the key risks which the HRA currently faces in financial terms is included at Appendix A to the HRA MTFs.

Equality and Diversity

18. There are no direct equality and diversity implications associated with this report. Future reports for the HRA, which consider reductions in expenditure and therefore potential service provision, will need to be accompanied by an Equalities Impact Assessment.

Climate Change

19. There is no direct climate change impact associated with this report.

Consultation responses (including from the Youth Council)

20. There has been no formal tenant or leaseholder consultation in the preparation of this strategic report. Consultation with tenants and leaseholders may be required as part of the preparation of future reports, particularly where savings are being proposed and service levels may be impacted.

Effect on Strategic Aims

Objective B – Homes For Our Future

21. The HRA Medium Term Financial Strategy seeks to provide a strategic update in respect of the financial position for the HRA in the context of change in national housing policy. The provision of affordable homes to meet the housing need in the district remains a key consideration for the HRA both in the short term, and for the life of the 30 year business plan.

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.
 - HRA Budget Setting Report 2016/17
 - Position Statement 2015/16

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Version 2
Scrutiny and
Cabinet

Housing Revenue Account Medium Term Financial Strategy (HRA Business Plan Update)



**South
Cambridgeshire
District Council**

Page 27

**November
2016**

2016/17 to 2045/46

South Cambridgeshire
District Council

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Section 1

Introduction and Local Context

Foreword by the Portfolio Holder for Housing

This most recent update of the Medium Term Strategy for management of the Housing Revenue Account (HRA) reflects the challenges faced by the Council as a stockholding authority. As well as the requirement for implementation of new government policies such as 'Pay to Stay' and the requirement to sell void properties introduced through the Housing and Planning Act there is the uncertainty of as yet unpublished regulation that will underpin them. Existing policies such as Right to Buy continue to add to the overall challenges.

South Cambridgeshire District Council's Housing Service has though proved previously that it is able to rise to challenge; most notably in 2012 as a previously debt-free council, it rose to that of managing the debt imposed on it through the self financing regime and identified an opportunity to fund a programme of council house building. The new requirement to reduce rents by 1% a year for the next 4 years, whilst it would seem to be good news for the Council's existing tenants, will have a significant impact on that building programme. There is uncertainty too, about what will happen at the end of that 4 year period. And all of this is in an area that is forecast to see a significant increase in population in the future.

Circumstances, it might seem, conspire both to deplete the Council's existing stock and put obstacles in the way of it providing replacements, never mind increasing the supply. Through the manner of its response to the challenges in recent years the Council has developed a reputation with government, its peers and the housing industry for innovation and a willingness to work with partners to create solutions and make the most of opportunities. It is intent on continuing to do this. The Council recognises both its statutory duties and the aspirations of South Cambridgeshire's residents in its ambition to provide homes that are needed in this high growth area. This it will strive to achieve through its continuing prudential management of the HRA, current and future partnership working and pursuing new, appropriate opportunities.

Background

The Housing Revenue Account (HRA) Mid-Year Financial Review is to be read in conjunction with the original HRA 30-Year Business Plan approved in February 2012, which set the scene for the current financial environment and the HRA Budget Setting Report of February 2016.

This report provides opportunity to review assumptions and consider any material changes, which may need the authority to change financial strategy, policy or to take alternative courses of action, to ensure a financially viable Housing Revenue Account in future years. Both revenue and capital investment is considered in this report, with the impact of any proposed changes on the HRA Business Plan clearly identified.

The HRA Mid-Year Financial Review re-states the budget for the current year (2016/17), highlighting only significant or exceptional in-year changes for approval, reviews and updates financial assumptions and presents updated projections for the following 4 years from 2017/18 to 2020/21, in the context of the longer-term financial position.

Timetable

Committee dates in the financial planning and budget preparation timetable are shown below:

Date	Task
2016	
8 November	Scrutiny and Overview Committee considers HRA Medium Term Financial Strategy, with any amendments incorporated into recommendations to Cabinet
17 November	Cabinet considers HRA Medium Term Financial Strategy, with any amendments incorporated into recommendations to Council
2017	
7 February	Scrutiny and Overview Committee considers HRA Budget Setting Report, with any amendments incorporated into recommendations to Cabinet
9 February	Cabinet considers HRA Budget Setting Report, with any amendments incorporated into recommendations to Council
23 February	Council approves HRA Budget Setting Report

Section 2

Housing Stock

Housing and Leasehold Stock

South Cambridgeshire District Council Housing Revenue Account owns and / or manages the following properties, broken down by category of housing provided:

Housing Category	Actual Stock Numbers as at 1/4/2016	Estimated Stock Numbers as at 1/4/2017
General Housing (Incl. use as Temporary Housing)	4,175	4,174
Sheltered Housing	1,053	1,053
Sheltered Housing – Equity Share	82	82
Miscellaneous Leased Dwellings	20	11
Shared Ownership / FTB Dwellings	56	56
Total Dwellings	5,386	5,376

A breakdown of the housing stock by property type, excluding shared ownership and equity share, is demonstrated in the table below:

Stock Category (Property Type)	Actual Stock Numbers as at 1/4/2016	Estimated Stock Numbers as at 1/4/2017
Bedsits	32	20
1 Bed	1,016	1,012
2 Bed	2,252	2,262
3 Bed	1,872	1,868
4 Bed	71	71
5 Bed	1	1
6 Bed	4	4
Total Dwellings	5,248	5,238

Leasehold Stock

The Housing Revenue Account continues to maintain the freehold in respect of flats, sold under the right to buy process on long leases. Services continue to be provided to these properties in respect of repairs and improvements to communal areas and services for common facilities.

Section 3

The National Policy Context and External Factors

External Factors

In reviewing financial assumptions as a pre-cursor to strategic decision making, it is necessary to consider the assumptions made in respect of external factors, outside of the control of the organisation and to update financial projections in light of any changes or trends in these areas.

A table detailing all of the revised business planning assumptions is included at **Appendix B**.

Inflation Rates

The base rate of inflation used to drive expenditure assumptions in the HRA financial forecasts is the Consumer Price Index (CPI). Having reviewed changes in this measure of inflation over the past 18 months, the average rate of growth has remained low, with rates of below 1% spanning the entire period.

In light of the recent referendum, resulting decision for the UK to leave the European Union and subsequent reduction in the Bank of England Base Rate, it is difficult to accurately predict in which direction this indices will move in the short or medium term.

With this in mind, forecasts for the rate of base inflation have been amended as part of the Medium Term Financial Review to reflect the projections currently being made by the Office for Budgetary Responsibility (OBR), with estimates that prices will increase by 1.9% for 2017/18, increasing to 2.4% from 2018/19 ongoing. This assumption will be revisited again as part of the 2017/18 Budget Setting Report.

Expenditure in respect of building maintenance is inflated in the financial forecasts using the RICS (Royal Institution of Chartered Surveyors) Building Cost Information Service (BCIS) all in tender price index. This index is historically volatile, with huge peaks and troughs in the rates between years, depending upon the level of activity and availability of both labour and materials for the industry.

Again, a decision to leave the European Union is anticipated to have a direct impact in this industry, with current uncertainty about the price that can be secured for building materials, whether financial institutions will continue to lend on the same terms for building projects in the UK, and whether the labour market will be directly impacted.

According BCIS All in Tender Price Index, forecasts for the next 5 years are for growth of 3.7% for the next 3 years, followed by an increase of 4.6% and 6.4% in the last 2 years. These revised assumptions have been incorporated into the financial forecasts, using an average rate of 4.5% from year 6 onwards.

Interest Rates

The Council lends externally, any cash balances held, adopting a mix of investments which include lending to Ermine Street Housing, a market rented housing company wholly owned by the Council. If the balances held, whether revenue or capital in nature, relate to the Housing Revenue Account, the interest earned by the authority is credited to the Housing Revenue Account. Although the introduction of lending to Ermine Street Housing has provided a different mix of investments, the level of return remains relatively low. Revised interest rate assumptions are included in **Appendix B**.

As the Housing Revenue Account is already at its borrowing cap, bar a very small amount of notional internal lending to the General Fund, the level at which the HRA could borrow additional resource, over and above the existing PWLB loan portfolio totalling £205,123,000, is not currently relevant for HRA business planning purposes. From the perspective of accounting for the interest due to the HRA for the internal lending to the General Fund, the same rate that would be achieved via lending externally is adopted.

Right to Buy Sales

In 2015/16, 80 right to buy applications were received and recorded, compared with 67 in the previous year. 48 applications were received in the first 6 months of 2016/17. This supports the view that there is still increased initial interest in the scheme, but not all of the applications are progressed to completion, as some applicants withdraw during the process. It is possible that continued interest in the scheme may be brought about by the introduction of 'Pay to Stay', the requirement for those on higher income to pay up to market rent for living in their council home.

In 2015/16, 23 of the applications proceeded to completion of the sale of the property, compared with 29 in 2014/15. In the first 6 months of 2016/17, 12 sales have completed, indicating that the number of applications that proceed to completion is being broadly maintained at present.

It is impossible to accurately predict future sales, although the lead up to the introduction of 'Pay to Stay' will potentially have some impact, causing more sales to proceed than might otherwise have done, offsetting the current downward trend being experienced. With this in mind, it is considered prudent to retain the current assumption of sales, with 25 sales in 2016/17 and 2017/18, 20 sales per year from 2018/19 to 2020/21 and 15 sales per annum after this.

Right to Buy Receipts

Still subject to an agreement with CLG, allowing the retention of an agreed proportion of right to buy receipts, subject to a set of specific conditions, the authority now holds a significant sum for re-investment. Receipts must be spent, within 3 years, to fund the delivery of new social housing, with a maximum of 30% of any dwelling being funded via this mechanism. The balance must be funded from the Council's own resources, and not on dwellings receiving any other form of public subsidy, ie; Homes and Communities Agency grant.

Whilst held, the capital receipts can be invested by the authority to earn interest in the short-term, but if not spent appropriately within the 3 year time frame, have to be paid over to central government, with 'penalty' interest payable at 4% above the base rate, far exceeding the level of interest that will have been earned in the interim. There is scope however, if the resource can't be appropriately invested by the authority to instead pass it to a housing association for investment in social housing with the same constraints applied.

Appendix C summarises the latest position in terms of receipts held for re-investment, with their appropriate use key to avoiding the need to pay retained receipts over to CLG with the associated interest due.

At the end of each quarter, the Executive Director (Corporate Services), in consultation with the Director of Housing, continue to make a decision as to whether right to buy receipts are retained or paid directly over to central government. The decision will take account of the authority's ability to identify the 70% top up funding, or alternatively the potential for the receipt to be passed to a registered provider, with both options maximising the use of the resource and creation of new homes in the locality. Payment of the sums to central government will only occur if there is a considered risk

that the resource cannot be utilised appropriately within the required timeframes, thus mitigating the impact of the need to pay receipts over to central government at a later stage, alongside the interest penalty that would be incurred.

The additional capital spending required and the resulting funding sources identified, will be built into the Housing Capital Investment Plan at the next available opportunity.

National Housing Policy

National Rent Setting Policy

There is now no discretion at a local level in terms of setting rents. The Welfare Reform and Work Bill included legislation that imposes the requirement on local authorities and registered providers to reduce rents by 1% each year for four years, beginning in April 2016.

For the first year, an exclusion to the legislation was granted in respect of supported housing (sheltered and temporary housing in South Cambridgeshire District Council's case), which allowed rents in these dwellings to be increased as before, pending the outcome of a review into the rent levels for this type of accommodation.

South Cambridgeshire District Council decided not to apply the exemption for supported housing in April 2016, and subsequently the Secretary of State for Work and Pensions, following an agreed review, has confirmed that the rent cut is to apply for supported housing for the remaining three years of the rent cut regime.

Market Rents for Higher Income Households (Pay to Stay)

The Housing and Planning Act 2016 incorporated a requirement for local authority social landlords to charge up to market rent levels for households on higher incomes, and for HMRC to be able to share information with local authorities to facilitate this.

The policy change will require households earning over £31,000 per annum in taxable income to pay a higher level of rent than the social housing rent restructuring formula dictates, with increased rents introduced on a tapering basis. For every £1 over the threshold which a household earns, the rent payable will increase by 15p. The definition of household will include tenant, joint tenant, spouse, partner or civil partner. Earnings from non-dependent children living in the property, but not included

on the tenancy will be disregarded, and any household in receipt of Housing Benefit or Universal Credit will be automatically excluded from the need to pay higher rents.

Local authorities will be able to retain 'reasonable' administrative costs, and for the **first** year of implementation, the sum payable to Central Government will be based upon actual receipts received, indicating that this might not always be the case.

Formal regulations are expected to be published in advance of the need to set rents from April 2017, when the policy is intended to be implemented from, although recent lobbying by local authorities, including South Cambridgeshire District Council, may see a delay in the implementation timetable. Once regulations have been issued, we will be in a position to communicate with individual residents.

Mandatory Disposal of Higher Value Housing Stock

The Housing and Planning Act 2016 also introduced the ability for Central Government to impose a financial levy on stock owning authorities, which equates to the assumption that the authority disposes of a proportion of its higher value housing stock when it falls vacant.

The levy will vary for each financial year, with the value arrived at on a formulaic basis, after a period of consultation with local authorities. Although the formal regulations are still awaited at present, it is anticipated that each authority will have some discretion over which assets it disposes of, in order to meet the levy. Payments are likely to be due periodically throughout each financial year. Once the regulations are available, consideration will need to be given to agreeing a set of disposal criteria.

In the absence of any regulations, the HRA Medium Term Financial Strategy has been constructed maintaining the assumption that the compulsion to sell will require the equivalent of approximately 1.8% of the housing stock each year to be disposed of, representative of just under 100 properties per annum from the outset.

Welfare Reforms

Universal Credit

Universal Credit was introduced at Cambridge Job Centre on the 29th February 2016 and is currently only applicable to those single, working age customers who would otherwise have been entitled to make a claim for Jobseekers Allowance. Universal credit does include housing costs for this group and

generally this is paid directly to the customer. Claims must be made online, however, the full digital service is not yet available in this area. This means that any follow up to the initial claim is currently paper based. The full digital service will not be available in Cambridge until the rollout of Universal Credit to all claim types. As yet, no date is available but it is not likely to be until at least 2017. The numbers of claims since the end of February have been 50 lower than the DWP's (Department for Work and Pension's) initial estimate. Most of these are for people who do not have a rental liability such as non-dependants and only 5 customers have needed to apply for Council Tax Support and only one of these is a South Cambridgeshire District Council tenant.

As part of the Delivery Partnership Agreement, requests for Personal Budgeting Support are being accommodated by Cambridge CAB (Citizens Advice Bureau). There have been low numbers of these too and many have not attended the appointment at CAB.

Benefit Cap

Preparations for the introduction of the reduced Benefit Cap are progressing, with the early identification of potential customers being approximately 69, of which approximately 26 are South Cambridgeshire District Council tenants. DWP have sent letters to all of these customers. The Housing Advice and Homeless Team are working with Benefits to offer advice and support to those who will be affected.

Removal of the Spare Room Subsidy

Numbers of customers affected by the removal of the spare room subsidy continue to reduce slowly and currently there are 253 South Cambridgeshire District Council tenants affected by the reform, with 222 impacted by a reduction of 14%, and 31 by 25%.

Local Housing Allowance Restriction

Social sector rents used in the calculation of Housing Benefit and the Housing Costs element of Universal Credit will be restricted to the prevailing Local Housing Allowance rates from April 2018 for all new tenancies entered into from April 2016 (unless the tenancy is for a Specified Accommodation, then the tenancy start date is April 2017).

For claimants under the age of 35, a restriction applies which limits the Housing Benefit payable to the shared room rate, and not the one bedroom rate, as would previously have been applied to those under 25, but now impacts a larger number of residents.

Support for Vulnerable People

South Cambridgeshire District City Council is still in contract with the County Council for the delivery of tenure neutral support services to older people across the district as a whole, with a term of up to 5 years from April 2014, assuming an extension is agreed from April 2017. The contract sum is £302,000 per annum.

The District Council no longer receives any funding from the County Council for the provision of alarms in sheltered housing.

Section 4

Revenue Resources – Rent and Other Income

Rent Arrears and Bad Debt Provision

Rent collection performance locally remains consistently good, with over 99% of the value of rent due, collected.

Year-end positions in respect of rent debt, using the banded arrears reports in the rent system are summarised in the table below:

Financial Year End	Value of Year End Arrears in Accounts (Current Tenants)	Current Tenant Arrears as a Percentage of Gross Debit Raised in the Year	Value of Year End Arrears in Accounts (Former Tenants)
31/3/2012	£252,040	1.00%	£65,429
31/3/2013	£279,776	1.05%	£67,244
31/3/2014	£316,922	1.12%	£76,767
31/3/2015	£328,376	1.13%	£98,954
31/3/2016	£306,046	1.03%	£92,305

Performance in the collection of current tenant debt was improved during 2015/16, but arrears levels have increased again marginally during the first 4 months of 2016/17, when compared with both year-end position and the profile at this point last year. In August 2016, current tenant arrears stood at £339,065 and former tenant arrears at £96,882, the latter also being marginally higher than at the start of the year.

Although staff continue to work proactively with tenants in arrears, and particularly those affected by benefit changes, the position is still anticipated to become more challenging with the phased

introduction of direct payment, which began locally in February 2016, but is not anticipated to be implemented in full until 2020.

Considering the above positive performance, but also recognising the need to collect rent directly from an increasing number of residents in the future, the current assumption of setting aside 0.5% of the rent due, broadly equivalent to an annual contribution to the bad debt provision of £140,000 has been reviewed, with the resulting recommendation that the level is reduced in the short term, but increased back to 0.5% for the longer term.

A bad debt provision of 0.25% has been made for 2016/17, 0.3% for 2017/18, 0.35% for 2018/19 and 0.4% for 2019/20, moving back to 0.5% from 2020/21 onwards.

At 31 March 2016, the provision for bad debt stood at £300,000, representing approximately 75% of the total debt outstanding.

Void Levels

The estimated value of rent not collected as a direct result of void dwellings in 2015/16 was £354,774, representing a void loss of 1.2%. The higher than desired level of void loss in 2015/16 was partly due to 'management or major voids' held pending disposal or re-development the site.

At the end of 2015/16, 61 properties were unoccupied, , representative of 1.1% of the housing stock, with approximately 36% of the void dwellings being intentionally held vacant pending re-development of the site.

On an ongoing basis, a base assumption of 1.1% voids in general housing is still considered appropriate for the longer-term. The requirement to sell high value void properties in the future will impact this assumption in future iterations of the business plan, with the loss of estimated rental income already incorporated into the financial forecasts as a separate assumption.

Rent Setting

Although in the background, the national rent setting policy for calculating rents in social housing, 'rent restructuring' remains, as identified in Section 3, National Housing Policy, there has been significant change in national rent policy which impacts this.

Rents levels are required legislatively to be reduced by 1% per annum for 4 years, with the first year of this applied from April 2016. Compared to the previous business plan assumption of an increase of 4%, this change has already significantly impacted the revenue stream for the HRA.

The potential to exempt supported housing from the rent cut in April 2016, and instead to apply an increase of CPI plus 1% was not exploited locally, and confirmation has since been received that this type of accommodation will not be exempted going forward.

Rent Restructuring

Rent restructuring, designed to ensure consistency in rent levels for all social housing tenants irrespective of landlord by introducing a formulaic target rent for each property, is still the prescribed method of calculation for social housing rents.

There is still a significant gap between the target rents for many properties, and the actual level of rent being charged to the existing residents. The authority now only has the ability to close this gap when a property becomes void, which the authority has been doing for some time.

The average target 'rent restructured' rent at the time of preparing this report in 2016/17 across the housing stock was £109.95, with the average actual rent charged being £103.32. The average actual rent was therefore representative of 94% of the average target rent, with only 27.2% of the housing stock being charged at target rent levels.

There were no new build properties charged at the higher 'affordable rent' levels, equivalent to the Local Housing Allowance at April 2016, but the first 20 homes developed to be let at these rent levels were completed and let in May 2016, with 4 further homes available by July 2016.

The gap between actual and target rent levels now equates to an annual loss of income of approximately £1,834,000 across the HRA, compared with the income assumption in the HRA Self-

Financing Debt Settlement, where convergence was anticipated by now. Closing this gap may never be realised in many cases, with a significant proportion of properties likely to need to be sold when they fall vacant, to meet the higher value void levy.

Pay to Stay

The requirement for households with annual incomes in excess of £31,000 to be required to pay up to market rent levels is anticipated to be introduced from April 2017, as described in Section 3.

The increased income collected by local authorities as a result of this change will be payable to central government, with the expectation that a contribution towards the cost of administering the scheme will be retainable locally.

Until work has been undertaken to define the process through which income information will be shared by HMRC and the basis upon which rents will be charged to residents, combined with IT suppliers undertaking development work to provide for as much of the process to be managed electronically as possible, it is impossible to quantify the additional resource that will be required to fulfil our obligations.

Due to the complexities anticipated, and the volume of data that will need to be collected once the regulations are made available, officers are lobbying Central Government, to request that the implementation date be deferred to April 2018.

Communication with residents will be undertaken in the lead up to April 2017, as soon as the authority is clear about the process being adopted.

Once the regulations supporting the changes in national rent policy are available, consideration will be given to a Rent Setting Policy at a local level as part of the 2017/18 HRA budget setting process, either as part of the HRA Budget Setting Report or as the subject of a specific report to Cabinet and Council at the same time. Rent levels will continue to be set at Council in February of each year.

Reserves

Housing Revenue Account General Reserves

Reserves are held partly to help manage risks inherent in financial forecasting and budget-setting. These risks include changes in inflation and interest rates, unanticipated service demands, rent and other income shortfalls, and emergencies. In addition, reserves may be used to support the Housing Capital Investment Plan and, in the short-term, to support revenue spending, for example to spread the impact of savings requirements over more than one financial year. For the Housing Revenue Account the intended target level of reserves remains at £2m.

The impact on HRA reserves for 2015/16, and 2016/17 to date is shown in the table below:

Budgeted or Actual Use of / (Contribution to) HRA Reserves	Financial Year	
	2015/16 £'000	2016/17 £'000
Opening General HRA Reserves	(3,178)	(8,073)
Changes in HRA Reserves		
Original Budget (Approved in February)	255	(28)
Rollovers (Approved in July)	0	3,969
MTFS Mid-Year Review (Approved in November)	0	(183)
Budget Setting Report Revised Budget (February)	0	-
Estimated Closing General HRA Reserves	(2,923)	(4,315)
Actual Outturn for the Year (Reported in July)	(4,970)	-
Contribution to / (from) Ear-Marked Reserves	75	-
Actual Closing General HRA Reserves	(8,073)	-

The original budget for 2016/17 approved a net contribution to general reserves of £27,640 and incorporated a revenue contribution of £5,691,200 to fund capital expenditure.

The financial projections incorporated into this report include the effects of changes in capital scheme approvals and resources, approved rollovers from 2015/16 and incorporation of changes in rental income, anticipated call on the bad debt provision and revised estimates for interest due for 2016/17 based upon revised cash balance assumptions as part of this HRA Medium Term Financial Strategy.

The final general HRA reserves position reported at 31 March 2016 was £8,072,873. This included a return to the self-insurance reserve of approximately £75,000, to reflect the call on the fund in the previous year.

The revised projection of the use of general reserves in the current year (2016/17) now indicates that there is expected to be a net use of reserves of £3,757,520, which would leave a balance of £4,315,353 at 31st March 2017.

There is now a proposed use of £9,560,690 of direct revenue financing of capital expenditure in 2016/17 as a result of approval of rollovers as part of the outturn process for 2015/16. There is also now an assumed use of direct revenue financing of capital expenditure in future years, as a direct result of proposals to utilise the reserve previously held for potential debt redemption to allow top up and appropriate re-investment of right to buy receipts.

Earmarked Funds

In addition to General Reserves, the Housing Revenue Account still maintains a small number of earmarked or specific funds which are held for major expenditure of a non-recurring nature or to mitigate perceived risk. See **Appendix I** for detail of existing balances held.

Section 5

Review of Revenue Budgets

Housing Savings Programme

As part of the 2015/16 budget setting process, a formal savings target of £250,000 per annum, for four years, was incorporated into the HRA, in direct response to some of the national changes in housing policy which have, will, or are expected to have a negative financial impact on the HRA.

As part of the 2017/18 budget preparation process a detailed financial review of the HRA will be undertaken to arrive at proposals for how to deliver this level of saving and to ensure that the authority is best placed to respond to the changes in the economy and in national housing policy which the HRA faces. It is important to consider how services will need to transform to deliver within the financial constraints imposed, whilst still meeting the needs of the most vulnerable.

The revenue work streams being considered as part of the first year of the savings programme include:

- Responsive, Cyclical and Void Repairs
- Housing & Tenancy Management (to include Tenant Participation and Anti-Social Behaviour)
- Approach to set-aside for redemption of the Self-Financing Debt

Any operational pressures for the Housing Service for 2017/18 and beyond will also need to be considered as part of this process, and these include:

- Administrative burden of Pay to Stay
- Administrative burden of requirement to meet Higher Value Voids Levy

The proposals for year one will be presented to Cabinet and Council, following scrutiny consideration, as part of the 2017/18 budget process, included in the 2017/18 HRA Budget Setting Report.

2016/17 Mid-Year Budget Changes

As part of the HRA Medium Term Financial strategy, there is no formal mid-year review of service delivery or operational budgets, but there is an opportunity to review the HRA position for the current year from a strategic perspective, allowing incorporation of any major in-year changes in income or financing arrangements as a direct result of changes in the capital programme.

For 2016/17, there is the need to recognise and approve the following changes in the HRA mid-year:

- Revised rental income assumptions as a result of more vacant homes being moved to target rent levels in 2015/16 than anticipated, coupled with recognition that the authority has not yet begun to hold vacant homes for potential disposal under the higher value voids levy, in the absence of any regulations having been issued to date. The assumption that the regulations are received imminently, and that the requirement to hold voids commences immediately afterwards, is maintained.
- A reduction in the amount of interest that the HRA will expect to pay in 2016/17, recognising a small amount of internal lending to the General Fund.
- An increase in the anticipated interest received on cash balances for 2016/17, as although the interest rate is predicted to remain low, the level of balances held will be higher due to underspending in 2015/16 at outturn and re-phased capital expenditure.
- A reduction in the contribution to the bad debt provision, recognising the phased manner in which direct payment of Universal Credit is being implemented.
- The transfer of budget for drainage surveys to be carried out over the next 3 to 5 years to revenue now that the contract has been awarded and the split between capital and revenue expenditure is known.

These changes are detailed in **Appendix D**, and are incorporated into the HRA Summary Forecast at **Appendix G**.

Depreciation

Prior to April 2012, the Major Repairs Allowance (MRA) was included in the HRA as a proxy for depreciation. When self-financing was introduced, a move to accounting for actual componentised depreciation was announced, with an initial 5 year transitional period until March 2017, where the notional MRA could still be used as the measure of depreciation to allow authorities time to move towards this.

It has been confirmed, despite extensive lobbying nationally, that the transitional measures will cease with effect from 31st March 2017, and that all stock holding local authorities will be required to account for full depreciation on a componentised basis, from April 2017.

Depreciation is charged to the revenue account each year, and the resource is then transferred into the major repairs reserve, where it is in effect 'locked' and is only available to be re-invested in the creation or improvement of social housing assets.

There is a risk that the full level of depreciation that will need to be charged to the HRA from 2017/18 will exceed the level assumed in the current business plan, but to mitigate the risk, officers have obtained an independent mid-year valuation to arrive at the revised depreciation that has been included as part of this iteration of the business plan.

The independent opinion on the level of depreciation which should be debited to the HRA from 2017/18 onwards, taking into consideration property values, the residual lives of the assets and the need to depreciate on a componentised basis, results in a lower level of estimated depreciation than was prudently assumed to apply from April 2017 when the 2016/17 budget was set in February 2016. This will be kept under review going forward.

Section 6

Housing Capital Budget

Stock Investment and Decent Homes

Stock condition data is continually updated in respect of the housing stock, improving the information held to inform future decision making. The authority is currently procuring updated software used to record and report asset management data, in a bid to further improve the information available.

The housing service reported achievement of the decent homes standard in the housing stock as at 31 March 2016 at 87.5%, compared with 91.5% at 31 March 2015, with 656 (449 in March 2015) properties that were considered to be non-decent (in addition to refusals), and another 73 (155 in March 2015) anticipated to become non-decent during 2016/17.

In addition to decent homes investment, the authority invests a considerable sum in respect of energy conservation initiatives, such as external wall insulation, solar energy initiatives, renewable heating sources, air source heat pumps and more controllable high heat retention electric storage systems. There is also investment, as expected nationally, in adapting the housing stock for tenants with a disability.

The level of investment in the housing stock as a whole, particularly that which falls outside of the decent homes standard, will be reviewed before the end of 2016/17, in an attempt to ensure that the authority is able to set a balanced budget for the HRA over the longer-term, without breaching the HRA debt cap, whilst also maximising any resource available to increase the now limited supply of new affordable housing.

The latest Housing Capital Investment Plan is included at **Appendix H**.

New Build & Re-Development

General Approach

Following changes in national housing policy, the authority currently has little resource available for investment in new build housing, compared with that previously anticipated.

In order to continue to invest in new build housing, the authority continues to explore alternative funding options and delivery models, including; mixed rented and market sale schemes, shared ownership homes and starter homes, considering leveraging in funding from assets sales, land sales, self-build plot sales and section 106 commuted sums, in addition to utilising retained right to buy receipts.

New Build and Re-Development Schemes Completed and in Progress

The table below updates the position in respect of schemes completed or in progress based upon previous versions of the business plan, confirming their status and the current budget allocation which is required for each of the schemes. with the budgeted cashflow included at **Appendix E**.

Scheme	Status	Estimated Social Housing Units	Indicative Scheme Composition (Subject to Change)	Indicative Scheme Cost (Net of subsidy / land receipt)
Fen Drayton Road, Swavesey	Completed May 2016	20	4 x 1 Bed House 10 x 2 Bed House 5 x 3 Bed House 1 x 4 Bed House	2,954,320
Horseheath Road, Linton	Completed July 2016	4	1 x 2 Bed Bungalow 2 x 2 Bed Flat 1 x 2 Bed House	494,550
Hill Farm, Foxton	On Site, Completion by March 2017	15	4 x 1 Bed House 6 x 2 Bed House 5 x 3 Bed House	2,246,660
Robinson Court, Gamlingay	Planning Submission July 2016, On Site by May 2017	14	4 x 1 Bed Flat 2 x 2 Bed Flat 2 x 1 Bed House 4 x 2 Bed House 2 x 3 Bed House	2,237,370
Pembroke Way, Teversham	Pre-Planning Stage	5	2 x 2 Bed Flat 3 x 3 Bed House	860,230
Total		58		8,793,130

The scheme previously included in Balsham is not now anticipated to proceed, and as such has been removed from the programme. The scheme at Wilford Furlong, Willingham is subject to review in light of the potential to utilise some of the land as self-build plots, and has been removed from the programme in its previous form, pending the outcome of this review.

New Build and Re-Development Schemes in Progress or in the Pipeline

The table below includes indicative details of schemes in the pipeline, which have been incorporated into this iteration of the Housing Business Plan, ear-marking the resource so that schemes can proceed if they are able to.

Scheme	Status	Estimated Social Housing Units	Indicative Scheme Composition (Subject to Change)	Indicative Scheme Cost (Net of subsidy / land receipt)
Pampisford Road, Great Abington	Planning Submitted, SCDC to be RP Partner	8	2 x 1 Bed Flat 2 x 2 Bed House 3 x 2 Bed Bungalow (Shared Ownership) 1 x 3 Bed House	1,383,080
Highfields, Caldecote	Section 106 negotiations in progress	3	1 x 1 Bed House 2 x 2 Bed House	430,590
Total		11		1,813,670

The majority of schemes deliver new provision of affordable housing and as such will be eligible for 30% of the scheme to be funded using retained right to buy receipts, with the exception of any shared ownership dwellings that may be delivered on any site, the Gamlingay site and one dwelling on the Teversham site, which are re-development schemes where some or all of the new homes will replace older housing which is no longer considered fit for purpose.

New Build – Other (including use of RTB Funding)

The new build schemes above are not sufficient to ensure that the authority can appropriately re-invest all of the right to buy receipts retained to date, with the need to identify and fund further new build schemes, acquire existing homes for use as social housing, or pass the resource over to a registered provider for re-investment.

The assumption has been made as part of this update to the Housing Business Plan, that the authority utilise resource that has previously been set-aside for the potential redemption of housing debt. This, coupled with capital receipts that have been received for the sale of HRA dwellings on the open market in recent years, provides sufficient resource to allow the appropriate re-investment of existing and anticipated retained right to buy receipts in the short to medium term, without the need to pass any funding to a registered provider in future years.

Changes in the level of estimated depreciation for the housing stock, coupled with the assumption that the authority can deliver the savings target of £250,000 per annum for the next four years, enable the continuation of a new build programme, sufficient to meet the assumed obligations in respect of retained right to buy receipts, for a period of ten years.

The authority also continues to explore alternative development opportunities, considering differing funding models. Options for working with partner organisations and for developing sites with mixed tenure are all being explored fully in an attempt to maximise the delivery of new homes, despite the financial constraints imposed by some of the national housing policy changes.

As a backstop position, the Housing Capital Plan includes the assumption that if the authority is unable to identify the resource to top up right to buy funding and build for HRA stock, the receipts are instead passed to a registered provider for them to invest in new build affordable housing within the required timescales and in a way which is compliant with the retention agreement with CLG.

Self-Build Vanguard

With South Cambridgeshire District Council acting as a Self-Build Vanguard pilot authority, work is progressing well in preparing parcels of HRA land that could provide self-build opportunities, with a business case approved at Cabinet on 14th July 2016.

Following approval of an initial capital budget of £150,000 in the HRA as part of the Medium Term Financial Strategy considered by Council in November 2015, officers identified HRA sites, with the potential to provide in the region of 100 self-build plots.

It is anticipated that each plot may realise a gross capital receipt of up to £250,000, which after financing the costs of site preparation, could leave an estimated net receipt of £190,000 per plot available to the HRA for re-investment in the existing housing stock, or in the provision of new homes. Capital receipts from the sale of self-build plots that have been identified on HRA land, are incorporated into the financial planning process, with the assumption that the self-build plot receipts will be used to deliver homes elsewhere in the HRA, utilising retained right to buy funding to make up 30% of the funding required. This has allowed inclusion of additional new build housing investment in the Housing Capital Investment Plan over the next few years.

This update of the business plan includes recognition of a lead in period to disposal of the first plots, with the first land receipts now not anticipated until 2017/18, with a corresponding delay in the ability to re-invest the receipts in new homes.

Section 106 Funding

Commuted Sums Money received in lieu of Affordable Housing

In certain circumstances the Council receives commuted sum payments where approval has been granted as part of the planning decision to receive payment in lieu of affordable housing. This money has to be spent on the provision of affordable housing and is time limited. In November 2015, the Housing Portfolio Holder agreed that the default position for future funding should be to contribute to the Council's own new-build programme, before funding alternative projects within the District.

The Council currently holds £3.6m in commuted sums. The following table identifies when the money has to be spent.

Year	Section 106 sum to be spent	Cumulative Section 106 sum to be spent
2016/17	52,981 *	52,981
2017/18	195,887	248,868
2018/19	509,258	758,126
2019/20	61,780	819,906
2020/21	563,258	1,383,164
2021/22	57,500	1,440,664
2022/23	131,087	1,571,751

2023/24	199,092	1,770,843
2024/25	345,455	2,116,298
2025/26	104,580	2,220,878
2026/27	1,395,984	3,616,862

*Project underway for improvement to Council properties at Little Wilbraham (money had to be spent in Little Wilbraham and for the provision and / or improvement of affordable housing).

The 2016/17 original budget for spending the Section 106 resource, in the General Fund Capital Programme to ensure the commuted sums are appropriately invested is set out below:

Year	Budget
2016/17	505,000
2017/18	400,000
2018/19	279,000
2019/20	279,000
2020/21	279,000
2021/22	279,000

Commitments to date include:

Scheme	Fund	2016/17	2017/18
Little Wilbraham Council house improvements	HRA	53,000	0
Emmaus – additional 10 en-suite bed-spaces	General Fund	50,000	50,000
Little Gransden Almshouses – refurbishment of 4 properties	General Fund	40,000	42,000
Robinson Court, Gamlingay – Council property redevelopment	HRA	0	75,000
Organisational cost for delivery of Affordable Housing using Section 106 resource	General Fund	20,000	20,000
		£162,981	£187,000

The total commitment to 31st March 2018 amounts to £349,981 which is above the amount of £248,868 that needs to be spent by that point. A pipeline of schemes will be developed over the coming months as part of the HRA New Build / Acquisition Programme, to ensure the commuted sums are spent in a timely manner.

The balance of budgeted Section 106 spend included in the General Fund Capital Programme, after allowing for the General Fund commitments above, has been incorporated into the HRA Capital Programme in anticipation of schemes being brought forward which can utilise the resource. If schemes are identified with a differing investment profile, the timing of use of funding will be incorporated into the next iteration of the business plan and budget.

Asset Acquisitions & Disposals

Consideration continues to be given to the strategic acquisition or disposal of assets, in line with the current HRA Acquisition and Disposal Policy. The policy will have to be reviewed and significantly amended once the regulations surrounding the higher value voids levy are available. This legislation will require a completely new approach to the asset management of the housing stock.

Receipts from individual asset disposals are currently recognised in the HRA's reserves only at the point of receipt and after all relevant costs have been provided for, but this will need to change once the new regulations are in place, as it will be necessary to forecast the number of sales which will take place in each period, in order to plan effectively to meet the levy set.

However, anticipated receipts from the sale of self-build plots are already taken into consideration in financial planning in anticipation of the ability to utilise them to top up retained right to buy receipts.

As part of the quarterly decision as to whether the authority should retain right to buy receipts, pass them to a registered provider, or as a last resort pay them over to central government, officers need to consider the progress in respect of the sale of self-build plots and any other capital receipts which may have been received by that point in any year. There is a risk judgement that needs to be made as part of this quarterly decision making process.

The Right to Buy Retention Agreement still allows the strategic acquisition of existing dwellings, as an alternative to building new dwellings. This remains a less attractive proposition than the creation of new dwellings for the authority, but it is none the less a viable option to utilise the resource within the HRA, where top up resource is available, but new build is not possible within a quarterly deadline for the use of retained receipts.

During the summer of 2016, the decision was taken to utilise resource previously ear-marked for investment in new build homes, to instead acquire a number of existing market dwellings during

2016/17, which will be utilised for social housing purposes. This decision combines resource previously identified for the abortive scheme in Balsham with unallocated new build funding and resource identified for transfer to a registered provider, where the HRA now has sufficient resource to top up retained right to buy receipts held.

Budgetary Changes

Appendix H provides detail of the revised 5-Year Housing Capital investment Plan, and incorporates the following items:

- Expenditure as approved in the HRA Budget Setting Report in February 2016.
- Re-phasing (rollover) of expenditure anticipated to take place in 2015/16 into 2016/17 and beyond, as approved in July 2016.
- Re-phasing of anticipated expenditure in respect of new build schemes, taking account of the latest budgetary requirements for schemes that are progressing, the need to defer some anticipated investment, and to remove investment where schemes are now not expected to progress.
- Removal of new build budgets for Balsham and Wilford Furlong, Willingham, as these schemes are no longer anticipated to proceed, with resources instead being ear-marked for new schemes coming forward.
- Inclusion of specific budgets for acquisition of dwellings in 2016/17 to ensure that right to buy receipts can be appropriately re-invested despite re-phasing in the new build programme.
- Inclusion of both budget and associated Section 106 funding for improvement works to council homes in Little Wilbraham, to allow investment of this resource with the required timescales and following a decision notice recorded in June 2016.
- Capital financing has been updated in respect of revised assumptions in right to buy and other capital receipts, grants, Section 106 funding, revenue funding of capital expenditure and borrowing requirements.
- Transfer of budget for drainage surveys to revenue now that the contract has been awarded and the split of activity between revenue surveys and capital drainage upgrade works is known.

The current HRA Business Plan and resulting Housing Capital Investment Plan are constructed on the basis that a partial investment standard is retained in the housing stock, but recognising that future consideration needs to be given to the impact of reducing investment levels over the longer-term to the basic decent homes standard, to provide flexibility to respond to the increased financial pressure that the HRA faces.

Devolution

Discussions with Central Government in respect of the potential for devolution across East Anglia have culminated in a recent agreement to proceed to public consultation based upon a brother / sister devolution deal for the region.

The devolution arrangements would see an arrangement for Norfolk and Suffolk together, and a separate arrangement for Cambridgeshire and Peterborough, with both having an elected mayor for their area.

In respect of the Cambridgeshire and Peterborough offer, government funding of £100 million would be made available for housing and infrastructure costs to meet the impact of growth, particularly in the Greater Cambridge (Cambridge City and South Cambridgeshire) area, and £70 million would be made available over 5 years, ring-fenced for affordable housing and to be spent in Cambridge's HRA. A government allocation of £20 million over 30 years would be provided to meet the ongoing costs of supporting infrastructure.

Section 7

Summary and Conclusions

HRA Budget Strategy

The Budget Process

The HRA budget for 2017/18 will incorporate the proposals made as part of the HRA Savings Programme. The detail in terms of individual savings proposals, and the impact of reducing budgets by these values, will be presented as part of the 2017/18 budget process. The process will remain broadly similar to that for previous years in terms of timing and detailed administration.

The work being undertaken as part of the Savings Programme to exemplify savings will allow response to the changes in national housing policy which negatively impact the HRA business model, but could also allow strategic re-direction of resource into other areas of investment, such as new build housing, if the financial pressures are not as currently anticipated.

There is still a need to consider the delivery of a sustainable HRA over the full 30 years if the higher value voids levy were to be implemented as we are currently assuming. The assumption that savings will be made, or additional income will be generated to meet a target of £1,000,000 over the next four years is still required to ensure sustainability, and the continuation of a new build programme for ten years to meet obligations under the retention agreement, based upon current assumptions.

If the level of depreciation that needs to be charged to the revenue budget is higher than the revised assumptions incorporated, a greater degree of cost reduction, additional income generation, or a reduction in the new build programme, would be required to ensure the longer-term viability of the business.

For 2016/17 the HRA Medium Term Financial Strategy incorporates changes in anticipated rental income, interest earned and paid in year from a revenue perspective, and a reduced call on the bad debt provision

Also incorporated are changes in the capital programme in respect of the budget now required for specific new build schemes, adjusted as they reach the next milestone in the development process and for non-scheme specific new build investment, based upon the level of investment required to avoid paying any retained right to buy to Central Government, instead ensuring they are re-invested in the locality.

Approach to HRA Savings

A savings target of £250,000 per annum from April 2017, for the next 4 years, was incorporated into the financial forecasts, and approved by Council in February 2016. An adjustment in respect of repairs expenditure in line with estimated stock changes is also assumed.

As part of the 2017/18 budget setting process, any areas of new revenue investment will need to be offset by the identification of additional savings or increased income generation elsewhere across the HRA.

At this stage, pending receipt of the regulations surrounding the higher value voids levy, any resource previously set-side for potential debt redemption is assumed to be available for re-investment in new homes, recognising that this will mean that all loans will need to be re-financed as they reach maturity.

One of the key challenges for 2016/17 and beyond, remains the need to ensure that the authority can re-invest retained right to buy receipts appropriately, with the potential for the receipts to need to be paid over to CLG, with interest, currently at 4.25%, calculated from the quarter in which they were originally received if not spent within 3 years. It is not only identification of resource to top up the right to buy receipts that proves challenging, but also our ability to identify sites, secure planning permission, and deliver new homes within the time constraints imposed.

The position will be reviewed again as part of the January 2017 HRA Budget Setting Report, with a view to maintaining service delivery in key statutory areas and protecting services for the most vulnerable, whilst attempting to maintain a programme of new build housing where possible.

Base Assumptions

In order to update the Housing Revenue Account Business Plan, the assumptions included in the base plan have been revisited, and confirmed or amended as appropriate in the light of any more up-to-date intelligence and information.

In all cases, the revised assumptions included are derived from the best information available at the current time, utilising both historic trend data and the expert advice and opinion of specialists where appropriate.

The base financial assumptions included in the financial model are included at **Appendix B**, with continuing uncertainties for the HRA summarised at **Appendix K**.

Appendix G summarises the revenue budget position for the HRA for the period between 2016/17 and 2020/21, based upon inclusion of the amended financial assumptions that form part of the update to the Self-Financing Business Plan.

Appendix J demonstrates the potential impact of the business plan of changes in some of the base assumptions that have been incorporated as part of this review, including the negative impact if rent increases are not returned to the level of CPI plus 1% from 2020/21 as being assumed.

HRA MTFS Conclusions

Updating the base assumptions for the HRA has had a significant impact on the future financial projections for the housing business.

One of the key risks highlighted in this update of the business plan is the potential for an increase in the assumed level of depreciation to be charged for the housing stock in future years, following cessation of the transitional arrangements that allowed the authority to mitigate the revenue impact of the full level of depreciation for the housing stock for 5 years from April 2012. Any increase in the level of depreciation increases the amount of resource which needs to be transferred into the Major Repairs Reserve, where it can then only be spent on capital activity, as opposed to leaving the resource in the revenue account, where it could be used to fund either revenue or capital activity, thus increasing the flexibility in the use of this resource. The level of depreciation incorporated into the financial forecasts

from April 2017 is based upon the findings of the independent mid-year review of asset valuations and lives, which is considered to have mitigated any risk to some degree.

Current financial modelling retains the assumption of the requirement to reduce rents by 1% per annum for four years from April 2016 and the compulsion to sell higher value housing stock on the open market when it becomes void. If we add to this the assumption made as part of the 2016/17 budget process that savings totalling £1,000,000 will be identified between 2017/18 and 2020/21, the HRA is able to set a revenue budget for the 30 year life of the business plan.

Although the revenue position, assuming the savings target of £1,000,000 is delivered in full, is viable for the life of the business plan, any increase in the level of depreciation to be charged could impact this.

Any options available to the authority are currently predicated on the assumption that the Housing Savings Programme will reduce costs or generate additional income of at least £1,000,000. The first £250,000 is anticipated to be identified for delivery in 2017/18, allowing for clarity in some of the national housing policy changes before further tranches of savings are identified in preparation for future year's budgets. The approach to delivering savings in future years will be set out as part of the 2017/18 budget setting process.

Depending upon the outcome of some of changes in national housing policy, there may be options to review the level of savings required in future years, in the context of whether or not the authority wishes to continue to deliver a programme of new build homes.

Appendix A

Key Risk Analysis

Risk Area & Issue arising	Controls / Mitigation Action
Effects of Legislation / Regulation	
<p>Implications of new legislation / regulation or changes to existing are not identified</p> <p>Funding is not identified to meet the costs associated with changes in statutory requirements</p> <p>HRA Debt Settlement could be re-opened by Government (or not re-opened when changes dictate that it should)</p> <p>Changes in national rent policy impact the ability to support the housing debt or deliver against planned investment programmes</p> <p>Implementation of Pay to Stay and Fixed Term Tenancies carry administrative costs that far outweigh any allowances provided</p>	<ul style="list-style-type: none"> • Effective, formal, regular review processes are in place for the HRA to ensure that implications are identified, quantified and highlighted • Additional / specific funding requirements for new services can be identified through the budget process, to allow effective prioritisation of resources • The Council has processes in place ensuring early engagement in any consultation and collective representation through national housing bodies • Impact of any proposed changes to national rent policy is incorporated into financial planning as early as possible. • Consideration could be given to deviating from national rent policy at a local level if statute were to allow • Consideration given as part of annual budget process of the level of resource that may be required, with incorporation of this into financial plans, with the opportunity to review this annually
Housing Portfolio & Spending Plans	
<p>The Council approves plans which are not sustainable into the future, leading to increasing problems in balancing budgets</p>	<ul style="list-style-type: none"> • Council has adopted medium and long-term modelling (up to 30 years) for HRA, ensuring decisions are made in context of long-term impact • The Business Plan includes long-term trend analysis on key cost drivers such as growth levels and demographics, and their implications • Target levels of reserves are set for the HRA to enable uneven pressures to be effectively dealt with, and to provide cover against unforeseen events / pressures

Risk Area & Issue arising	Controls / Mitigation Action
Financial planning lacks appropriate levels of prudence	
<p>Business Planning assumptions are wildly inaccurate</p> <p>Financial policies, in general, are not sufficiently robust</p> <p>Funding to support the approved Capital Plan is not available</p>	<p>Council has adopted key prudence principles, reflected in:</p> <ul style="list-style-type: none"> • Use of external expert opinion and detailed trend data to inform assumptions • Ongoing revenue funding for capital is reviewed for affordability as part of the 30-year modelling process • Adoption of strict medium / long-term planning
Use of resources is not effectively managed	
<p>There is ineffective use of the resources available to the HRA</p> <p>Failure to deliver Major Housing / Development Projects, i.e. return on capital, project on time etc.</p>	<ul style="list-style-type: none"> • Council employs robust business planning processes for the HRA • Council has adopted a standard project management framework • Performance and contractor management procedures are robust and contracts are enforceable • The Council's accounts are audited on an annual basis, with assurance given that the authority is delivering economy, efficiency and effectiveness in its use of resources

Risk Area & Issue arising	Controls / Mitigation Action
External income / funding streams	
<p>Undue reliance may be placed on external income streams, leading to approval of unsustainable expenditure</p>	<ul style="list-style-type: none"> • Modelling over the medium and long-term is conducted for key income sources, including sensitivity analysis of potential changes
<p>Rent and service charge arrears increase and bad debt rises, as a direct result of the Welfare Benefit Reforms</p>	<ul style="list-style-type: none"> • Council seeks to influence national settlements and legislative changes through response to formal consultation and the provision of information to negotiation bodies such as LGA and CIH
<p>Rent income is under-achieved due to a major incident in the housing stock</p>	<ul style="list-style-type: none"> • Performance closely monitored to allow positive action if required.
<p>Changes to the right to buy rules, pooling regulations and Pay to Stay result in continued higher level of sales, with the associated commitment to deliver replacement units or pay over receipts with interest</p>	<ul style="list-style-type: none"> • Asset Management activity undertaken to identify and address key issues in the housing stock to minimise likelihood of widespread incidents
<p>Volatility and competition in the property market impacts the ability to fund capital pressures from the sale of assets</p>	<ul style="list-style-type: none"> • Sensitivities modelled so potential impacts are understood • Retained resources are monitored to ensure delivery of required units or return of resource at earliest opportunity
<p>Volatility and uncertainty in the property market impacts the ability to dispose of assets at appropriate values and within timescales required to meet the higher value voids levy</p>	<ul style="list-style-type: none"> • Review values achieved for land and property disposals on a regular basis, and amend forecast assumptions appropriately
	<ul style="list-style-type: none"> • Reconsider appropriate level of HRA reserves to hold as a minimum once the levy vale is known • Retain capital receipts realised in advance of the levy in anticipation of the need for them

Appendix B

Business Planning Assumptions (Highlighting Changes)

Key Area	Assumption	Comment	Status
General Inflation (CPI)	1.9%, then 2.4% ongoing	General inflation on expenditure included at 1.9% for 2017/18, then 2.4% ongoing, per OBR (Office for Budgetary Responsibility) forecasts.	Amended
Capital Inflation	3.7% for 3 years, 4.6%, 6.4%, then 4.5% ongoing	Based upon the BCIS forecast for the next 5 years, using an average over this period as the ongoing assumption	Amended
Debt Repayment	Set-aside to repay debt as resource allows	Assumes set-aside to repay debt as loans reach maturity dates if resource allows, with any surplus re-invested in income generating assets.	Retained
Capital Investment	Partial Investment Standard	Base model assumes a partial investment standard in the housing stock, compared with a basic decent homes standard. This will be reviewed again during 2016/17.	Retained
Pay Inflation	1.3% Pay Progression plus: 2017/18 – 1.0% 2018/19 – 1.0% 2019/20 – 1.0% 2% ongoing	Assume allowance for increments at 1.3%. Pay inflation for three years from 2017/18 limited to 1% reflecting recent Government guidance, and a return to 2% thereafter, reflecting economic recovery.	Retained
Employee Vacancy Allowance	£50,000	Employee budgets assume a vacancy allowance of £50,000 per annum.	Retained
Rent Increase Inflation	-1% from 2016/17 for 4 years, then CPI plus 1% for 4 years, then CPI plus 0.5% from 2024/25	Rent decreases of 1% per annum in line with government guidelines from 2016/17 to 2019/20, then CPI plus 1% until the end of the 10 year period, reverting to inflation plus 0.5% after this. Assume CPI in preceding September is as above.	Amended
Rent Convergence	Voids Only	Ability to move to target rent achieved only through movement of void properties directly to target rent.	Retained
External Lending Interest Rate	0.6%	Interest rates based on latest market achievement.	Retained
Internal Lending Interest Rate	0.6%	Assume the same rate as anticipated can be earned on cash balances held, so as not to detriment the General Fund over the longer term.	Retained
External Borrowing Interest Rate	2.4%, 2.5%, then 2.7% ongoing	Assumes additional borrowing using Capita predictions of PWLB rates, rising to 2.7% over the next 3 years, including assumed certainty rate.	Amended
Internal	2.4%, 2.5%, then	Assume the same rate as external borrowing to	Amended

Key Area	Assumption	Comment	Status
Borrowing Interest Rate	2.7% ongoing	ensure flexibility in choice of borrowing route.	
HRA Minimum Balances	£2,000,000	Maintain HRA minimum balance at £2,000,000, pending a review once the impact of the higher value voids levy and other housing policy changes are clear.	Retained
Right to Buy Sales	25 for 2 years, 20 for 3 years, then 15 sales ongoing	Pay to Stay expected to return to a higher level of activity. Assume 25 for 2016/17 and 2017/18, 20 for 3 years from 2018/19, until 15 are assumed ongoing from 2021/22.	Retained
Right to Buy Receipts	Settlement right to buy receipts excluded and assumed one-for-one receipts included as required.	Debt settlement receipts excluded as assumed to fund General Fund housing capital expenditure. Anticipated one-for-one receipts included. Debt repayment proportion reported as at 1/4/2016 and assumed available for intended use.	Retained
Void Rates	1.1%	Assumes 1.1% per annum from 2016/17 onwards.	Retained
Bad Debts	0.25% for 2016/17, 0.3% for 2017/18, 0.35% for 2018/19, 0.4% for 2019/20, then 0.5%	Bad debt provision of up to 0.5% over 5 years to reflect the requirement to collect 100% of rent directly for new benefit claimants, following phased implementation of Universal Credit from 2016 to 2020.	Amended
Debt Management Expenses	£24,370 per annum from 2016/17	Internal treasury management activity recharged to the HRA.	Retained
Savings Target	£250,000 per annum for 4 years	Inclusion of a savings target at £250,000 per year ongoing, for 4 years from 2017/18 to 2020/21, reducing base budgets by £1,000,000 over this period.	Retained
Responsive Repairs Expenditure	Adjusted pro rata to stock changes	An assumption is made that direct responsive repair expenditure is adjusted annually in line with any change in stock numbers.	Retained
Policy Space	£0	No policy space incorporated at present, but if included would recognise a desire to be able to facilitate strategic investment and respond to pressures. To be reviewed again as part of 2017/18 MTFs.	Retained
Service Reviews and Restructures	On case by case basis	Service review outcomes assumed to deliver to the HRA as indicated in the review business case, and incorporated once impact is known.	Retained

Appendix C

Retained 1-4-1 Right to Buy Receipts

Quarter date for Receipt	Retained 1-4-1 Receipt Value (Per Quarter)	Retained 1-4-1 Receipt Value (Cumulative)	Amount of New Build Expenditure Required (Cumulative)	Deadline for Receipt to be spent on New Dwelling	Qualifying Spend by Deadline (Cumulative)	Retained 1-4-1 Receipt Spent (Cumulative)	Balance of Retained 1-4-1 Receipts to be Spent or Paid to CLG (Cumulative)	Further New Build Spend Required by Deadline (Cumulative)
30/06/2012	273,807.59	273,807.59	912,691.97	30/06/2015	4,803,740.45	1,441,122.14	0.00	0.00
30/09/2012	110,185.59	383,993.18	1,279,977.27	30/09/2015	5,486,448.80	1,645,934.64	0.00	0.00
31/12/2012	786,867.59	1,170,860.77	3,902,869.23	31/12/2015	6,535,409.29	1,960,622.79	0.00	0.00
31/03/2013	257,177.59	1,428,038.36	4,760,127.87	31/03/2016	7,795,001.90	2,338,500.57	0.00	0.00
30/06/2013	180,159.83	1,608,198.19	5,360,660.63	30/06/2016	8,438,395.73	2,531,518.72	0.00	0.00
30/09/2013	408,259.67	2,016,457.86	6,721,526.20	30/09/2016	8,845,393.65	2,653,618.10	0.00	0.00
31/12/2013	405,074.37	2,421,532.23	8,071,774.10	31/12/2016			0.00	0.00
31/03/2014	1,012,895.75	3,434,427.98	11,448,093.27	31/03/2017			780,809.89	2,602,699.62
30/06/2014	190,149.46	3,624,577.44	12,081,924.80	30/06/2017			970,959.35	3,236,531.15
30/09/2014	542,412.66	4,166,990.10	13,889,967.00	30/09/2017			1,513,372.01	5,044,573.35
31/12/2014	490,971.13	4,657,961.23	15,526,537.43	31/12/2017			2,004,343.14	6,681,143.78
31/03/2015	417,089.12	5,075,050.35	16,916,834.50	31/03/2018			2,421,432.26	8,071,440.85
30/06/2015	417,483.31	5,492,533.66	18,308,445.53	30/06/2018			2,838,915.57	9,463,051.88
30/09/2015	527,469.65	6,020,003.31	20,066,677.70	30/09/2018			3,366,385.22	11,221,284.05
31/12/2015	446,035.59	6,466,038.90	21,553,463.00	31/12/2018			3,812,420.81	12,708,069.35
31/03/2016	330,902.72	6,796,941.62	22,656,472.07	31/03/2019			4,143,323.53	13,811,078.42
30/06/2016	310,654.33	7,107,595.95	23,691,986.49	30/06/2019			4,453,977.85	14,846,592.84
30/09/2016	687,638.84	7,795,234.79	25,984,115.96	30/09/2019			5,141,616.69	17,138,722.31

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Appendix D

2016/17 HRA Mid-Year Revenue Budget Adjustments

Area of Income / Expenditure	Description	Budget Amendment in 2016/17 Budget (£)	Budget Amendment in 2017/18 Budget (£)	Comment
Budgeted (use of) / contribution to HRA Reserves pre MTFS		3,940,710		
HRA Repairs and Maintenance				
Drainage Surveys	Budget for the drainage surveys transferred from capital now that contract has been awarded	190,000	Incorporated into base assumptions	5 years built into assumptions
Total HRA Repairs and Maintenance		190,000		
HRA Summary Account				
Rent Income	Increase in rent income due to vacant homes moved to target rent and not yet holding voids for sale to meet the higher value voids levy.	(277,110)	Incorporated into base assumptions	One-Off and built into assumptions in future years
Bad Debt Provision	Reduction in bad debt provision to 0.25% for 2016/17, rising to the higher level of 0.5% by 2020/21.	(70,280)	Incorporated into base assumptions	Short-term and built into assumptions in future years
Interest paid on Borrowing	An element of notional internal lending reduces the net interest paid by the HRA on borrowing.	(4,160)	Incorporated into base assumptions	Short-term and built into assumptions in future years
Interest earned on HRA Balances	Although interest rates may fall in the short to medium term, the level of balances held by the HRA result in an estimated increase in the level of interest that will be earned in 2016/17	(21,640)	Incorporated into base assumptions	One-Off and built into assumptions in future years
Total HRA Summary Account		(337,190)		
Total Mid-Year Revenue Changes		(183,190)		
Revised (use of) / contribution to HRA Reserves post MTFS		3,757,520		

Appendix E

2016/17 Mid-Year HRA Capital Budget Amendments

Area of Expenditure And Change	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Total Housing Capital Plan Expenditure pre HRA MTFS	18,963	13,751	13,045	13,278
Improvements – Existing Stock				
Transfer of budget for drainage surveys to revenue now contract has been awarded and split is known	(190)	(190)	(190)	(190)
Inclusion of budget for refurbishment works in Little Wilbraham to be funded using Section 106 resource	53	0	0	0
Changes in investment assumptions for varying stock numbers	0	84	56	4
Re-Provision of Existing Homes				
Re-phasing of spend for Robinson Court, Gamlingay	(247)	247	0	0
HRA New Build				
Re-phasing of spend for Pembroke Way, Teversham	(799)	799	0	0
Removal of budget for Balsham	(1,301)	(434)	0	0
Removal of budget for Wilford Furlong, Willingham	0	0	(660)	0
Inclusion of resource for the scheme at Pampisford Road, Great Abington	0	1,383	0	0
Inclusion of resource for the scheme at Highfields Road, Caldecote	0	431	0	0
Increase in budget for acquisitions to reflect removal of Balsham, delays in other schemes and removal of grant to Registered Providers, recognising the need to spend RTB receipts within deadlines	2,524	0	0	0
Increase in budget ear-marked for new build or acquisition as a result of the removal of the scheme in Wilford Furlong, Willingham	0	0	660	0
Inclusion of additional resource for new build or acquisition funded from resource previously set-aside for potential debt repayment or re-investment, awaiting property or scheme identification	0	3,829	3,829	3,828
Reduction in new build spend anticipated as a result of delay in receipt of resource from sale of self build plots	0	(1,357)	(1,357)	(815)
Inclusion of additional new build / acquisition spend to be funded using Section 106 resources	342	213	259	259
Removal of assumed grants to Registered Providers where HRA set-aside is to be used to match fund receipts	(391)	(963)	(488)	(441)
Total Housing Capital Plan Expenditure post MTFS	18,954	17,793	15,154	15,923

Appendix F

New Build Investment Cashflow

New Build / Re-Development Scheme	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget
	£'0	£'0	£'0	£'0	£'0	£'0
New Build / Re-Development / Acquisition Cost Expenditure						
Robinson Court Re-Development	200,000	2,037,370	0	0	0	0
Unallocated Re-Development	1,192,680	0	0	0	0	0
Swavesey 20D	472,900	0	0	0	0	0
Linton, 4D Horseheath Rd	191,260	0	0	0	0	0
Foxtan, 13D Hill Farm	1,527,666	0	0	0	0	0
Pembroke Way, Teversham	50,000	798,790	0	0	0	0
Pampisford Road, Great Abington	0	1,383,077	0	0	0	0
Highfields Road, Caldecote	0	430,592	0	0	0	0
Acquisitions	3,208,000	0	0	0	0	0
Unallocated New Build / Acquisition	0	3,829,113	5,846,196	6,543,399	7,357,684	3,829,113
New Build / Acquisition - Section 106 funded	342,000	213,000	259,000	259,000	259,000	259,000
Grants to Registered Providers	0	0	0	0	0	0
Total Expenditure	7,184,506	8,691,942	6,105,196	6,802,399	7,616,684	4,088,113
Use of Retained Right to Buy Funding						
Swavesey 20D	(141,870)	0	0	0	0	0
Linton, 4D Horseheath Rd	(57,378)	0	0	0	0	0
Foxtan, 13D Hill Farm	(458,300)	0	0	0	0	0

New Build / Re-Development Scheme	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget
	£'0	£'0	£'0	£'0	£'0	£'0
Pembroke Way, Teversham	(12,000)	(191,710)	0	0	0	0
Pampisford Road, Great Abington	0	(259,327)	0	0	0	0
Highfields Road, Caldecote	0	(129,178)	0	0	0	0
Acquisitions	(962,400)	0	0	0	0	0
Unallocated New Build / Acquisition	0	(1,148,734)	(1,753,859)	(1,963,020)	(2,207,305)	(1,148,734)
Grants to Registered Providers	0	0	0	0	0	0
Total Use of Retained Right to Buy Funding	(1,631,948)	(1,728,949)	(1,753,859)	(1,963,020)	(2,207,305)	(1,148,734)
Section 106 Funding						
New Build / Acquisition - Section 106 funded	(342,000)	(213,000)	(259,000)	(259,000)	(259,000)	(259,000)
Total Section 106 Funding	(342,000)	(213,000)	(259,000)	(259,000)	(259,000)	(259,000)
Total to be funded from HRA Resources (DRF & MRR), Sales Receipts and Non-RTB Capital Receipts	(5,210,558)	(6,749,993)	(4,092,337)	(4,580,379)	(5,150,379)	(2,680,379)
Total HRA Borrowing	0	0	0	0	0	0

Appendix G

HRA Summary Forecast 2016/17 to 2020/21

Description	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Income					
Rental Income (Dwellings)	(28,224,460)	(27,474,670)	(26,945,140)	(26,424,100)	(27,085,020)
Rental Income (Other)	(401,080)	(408,700)	(418,510)	(428,550)	(438,840)
Service Charges	(1,080,600)	(1,099,950)	(1,124,860)	(1,150,370)	(1,176,490)
Other Income	(447,920)	(450,690)	(454,260)	(155,920)	(159,660)
Total Income	(30,154,060)	(29,434,010)	(28,942,770)	(28,158,940)	(28,860,010)
Expenditure					
Supervision & Management - General	3,044,520	3,122,870	3,210,140	3,303,560	3,421,040
Supervision & Management - Special	2,049,040	2,003,080	2,050,370	1,775,540	1,823,040
Repairs & Maintenance	5,660,910	5,868,970	5,979,910	6,096,960	6,233,630
Depreciation – to Major Repairs Res.	14,382,430	9,659,850	9,711,680	9,767,220	9,829,070
Debt Management Expenditure	24,370	24,830	25,430	26,040	26,660
Other Expenditure	247,810	13,990	(218,870)	(452,490)	(668,200)
Total Expenditure	25,409,080	20,693,590	20,758,660	20,516,830	20,665,240
Net Cost of HRA Services	(4,744,980)	(8,740,420)	(8,184,110)	(7,642,110)	(8,194,770)
HRA Share of operating income and expenditure included in Whole Authority I&E Account					
Interest Receivable	(142,410)	(131,030)	(132,200)	(136,490)	(126,980)
(Surplus) / Deficit on the HRA for the Year	(4,887,390)	(8,871,450)	(8,316,310)	(7,778,600)	(8,321,750)
Items not in the HRA Income and Expenditure Account but included in the movement on HRA balance					
Loan Interest	7,188,640	7,188,640	7,188,640	7,188,640	7,188,640
Housing Set Aside	0	0	0	0	(2,500,000)
Appropriation from Ear-Marked Reserve	(54,960)	0	0	0	0
Depreciation Adjustment	(8,049,460)	0	0	0	0
Direct Revenue Financing of Capital	9,560,690	4,004,480	70,000	698,410	4,000,540
(Surplus) / Deficit for Year	3,757,520	2,321,670	(1,057,670)	108,450	367,430
Balance b/f	(8,072,873)	(4,315,353)	(1,993,683)	(3,051,353)	(2,942,903)
Total Balance c/f	(4,315,353)	(1,993,683)	(3,051,353)	(2,942,903)	(2,575,473)

Appendix H

Housing Capital Investment Plan (5 Year Detailed Investment Plan)

Description	2016/17	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000	£'000
Improvements Existing Stock					
Water / Drainage Upgrades	77	78	80	81	83
Drainage Upgrades	310	310	310	310	310
Disabled Adaptations	816	832	849	866	883
Change of Tenancy - Capital	500	624	637	649	662
Rewiring	306	312	318	325	331
Heating Installation	2,509	2,000	2,500	2,550	2,601
Energy Conservation	1,500	1,488	1,592	1,624	1,656
Estate Roads, Paths & Lighting	82	84	85	87	89
Garage Refurbishment	50	127	130	132	135
Parking/Garages	15	50	85	87	89
Window Replacement	411	265	271	276	282
Re-Roofing	568	437	446	455	464
Full Refurbishments	253	200	243	258	273
Structural Works	150	150	212	216	221
Non-Traditional Refurbishment	1,412	0	0	0	0
Asbestos Removal	33	33	34	35	35
Kitchen Refurbishment	714	728	743	758	773
Bathroom Refurbishment	306	312	318	325	331
Wilford Furlong, Willingham Refurbishment	933	644	0	0	0
Assumed adjustment in spend for varying stock numbers	0	-100	-261	-419	-575
Total Improvements Existing Stock	10,945	8,574	8,592	8,615	8,643
Other Improvements					
Sheltered Housing and Other Stock	155	50	50	50	50
Flats	30	30	30	30	30
Central / Departmental Investment	7	7	7	7	7

Description	2016/17	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000	£'000
Total Other Improvements	192	87	87	87	87
Re-Provision of Existing Homes					
Robinson Court, Gamlingay	200	2,037	0	0	0
Other Re-provision	1,193	0	0	0	0
Total Re-Provision of Existing Homes	1,393	2,037	0	0	0
HRA New Build / Acquisition					
Fen Drayton Road, Swavesey	473	0	0	0	0
Horseheath Road, Linton	191	0	0	0	0
Hill Farm, Foxton	1,528	0	0	0	0
Pembroke Way, Teversham	50	799	0	0	0
Pampisford Road, Great Abington	0	1,383	0	0	0
Highfields Road, Caldecote	0	431	0	0	0
Acquisitions	3,208	0	0	0	0
Unallocated New Build / Acquisition Budget	0	3,829	5,846	6,543	7,358
New Build / Acquisition - Section 106 funded	342	213	259	259	259
Grants to Registered Providers for New Homes	0	0	0	0	0
Total HRA New Build / Acquisition	5,792	6,655	6,105	6,802	7,617
Other HRA Capital Spend					
Shared Ownership Repurchase	300	300	300	300	300
Self-Build Vanguard - Up front HRA Land Assembly Costs	118	0	0	0	0
HRA Share of Corporate ICT Development	214	140	70	119	23
Total Other HRA Capital Spend	632	440	370	419	323
Total HRA Capital Spend	18,954	17,793	15,154	15,923	16,670
Inflation Allowance for New Build and Other HRA Spend	0	0	0	0	0
Total Inflated Housing Capital Spend	18,954	17,793	15,154	15,923	16,670
Housing Capital Resources					

Description	2016/17	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000	£'000
Right to Buy Receipts	0	0	0	0	0
Other Capital Receipts (Land and Dwellings)	0	0	0	0	0
Major Repairs Reserve	(6,332)	(9,661)	(9,491)	(9,989)	(9,829)
Direct Revenue Financing of Capital	(9,561)	(4,004)	(70)	(698)	(4,001)
Other Capital Resources (Grants / Shared Ownership / S106 funding)	(745)	(1,593)	(3,283)	(3,097)	(633)
Retained Right to Buy Receipts	(1,632)	(1,729)	(1,754)	(1,963)	(2,207)
Retained Right to Buy Receipts (Used by Registered Provider)	0	0	0	0	0
HRA CFR / Prudential Borrowing	0	0	0	0	0
Total Housing Capital Resources	(18,270)	(16,987)	(14,598)	(15,747)	(16,670)
Net (Surplus) / Deficit of Resources	684	806	556	176	0
HRA Capital Balances b/f	(2,222)	(1,538)	(732)	(176)	0
Use of / (Contribution to) Balances in Year	684	806	556	176	0
HRA Capital Balances c/f	(1,538)	(732)	(176)	0	0

Note: Generally available capital receipts from the sale of properties under the right to buy as assumed in the self-financing debt settlement, have been excluded on the basis that they are utilised to fund general fund housing capital expenditure, i.e.; Disabled Facilities Grants and Repairs Assistance Grants.

Appendix I

HRA Earmarked & Specific Revenue Funds (£'000)

Self-Insurance Reserve

	Opening Balance	Contributions	Expenditure to July	Current Balance
Self-Insurance Reserve	(1,000.0)	0.0	0.0	(1,000.0)

Debt Set-Aside (Revenue)

	Opening Balance	Contributions	Expenditure to July	Current Balance
Debt Set-Aside	(8,500.0)	0.0	0.0	(8,500.0)

HRA Earmarked & Specific Capital Funds (£'000)

Debt Set-Aside (Capital)

	Opening Balance	Contributions	Expenditure to July	Current Balance
Debt Set-Aside	(2,998.5)	(344.4)	0.0	(3,342.9)

Major Repairs Reserve

	Opening Balance	Contributions	Expenditure to July	Current Balance
MRR	0.0	0.0	0.0	0.0

Appendix J

Business Plan Key Sensitivity Analysis

Topic	Business Plan Assumption	Key Sensitivity Modelled	Financial Impact
General Inflation	General Inflation using CPI of up to 2.4% for expenditure	Volatility in the economy could lead to an increase in expenditure inflation, particularly whilst rents increases are non-existent for the next 4 years. Assume CPI for expenditure only of 3% ongoing.	Debt cap is breached in year 29, 2045/46.
Rents Inflation	1% reduction for 4 years, then return to CPI plus 1% for remaining 4 years of 10 year rent settlement followed by CPI plus 0.5%	There is no guarantee that there will be the ability to return to previously assumed rent increase if rents are set legislatively, so assume a rent freeze from 2020/21.	Inability to set a balanced revenue budget from 2020/21 and reserves exhausted after 2023/24.
Direct Payments (Universal Credit)	Bad Debts at 0.25%, 0.3%, 0.35%, 0.4% then 0.5%	Evidence from the pilot authorities for Direct payment indicates that collection rates may fall from 99% to 95%. Assume bad debts at 5% from 2020/21.	Debt cap is breached from year 9, 2025/26.

Note: Key sensitivities are modelled independently to demonstrate the financial impact. Combined they would have a cumulative effect.

Appendix K

Areas of Uncertainty

Housing Revenue Account – Revenue Uncertainties

Self-Financing for the HRA

Future uncertainty exists about the ability to manage the cashflow and service the debt for the HRA in a self-financing environment in light of recent national housing policy changes. The debt cap, over which the HRA is not allowed to borrow, currently remains. The authority has explored a variety of avenues to persuade government that re-opening the debt may be required.

Right to Buy Sales

The number of sales increased significantly from April 2012, but has remained relatively consistent since then. The announcements surrounding Pay to Stay may result in an increase in interest in the scheme in the short-term. The implications of continued higher levels of sales from a revenue perspective are significant, with the potential loss of rental income being the major factor.

Right to Buy Retention Agreement

The resource currently retained in respect of 1-4-1 receipts exceeds the level that the authority is able to support in 70% match funding following national housing policy changes unless resource previously set-aside for potential debt redemption is re-directed for this purpose. At present, although the investment required to fulfil the resource held at 30th June 2016 is incorporated into the HRA financial model, specific sites for all of the investment of the resource have not been identified and approved to proceed. The potential interest that will be payable if the receipts are not utilised within the agreed 3-year period has not been incorporated into the HRA revenue projections.

Welfare Reforms

The negative impact that the introduction of Universal Credit may have on the level of rent arrears and bad debts within the HRA is still unquantifiable, although indications from earlier adopters are that it will be significant.

HRA New Build

Although the current new build programme is progressing well, the lead in time between site identification and start on site is significant, and not all potential schemes are able to progress as anticipated at the outset. Delays in delivery, compared with the assumptions in the financial forecasts have the potential to impact negatively upon rental income. If any individual development scheme does not proceed, the initial outlay needs to be treated as revenue expenditure, but without the anticipated payback that the capital investment would have resulted in. Until schemes are approved, in contract, and have appropriate planning permission, there are still uncertainties over final costs and dwelling numbers, which could impact the HRA in terms of borrowing costs and anticipated rental streams.

National Rent Policy

The change in national rent policy, with what was previously rent guidance, now being legislation, requires rent reductions of 1% per annum from April 2016 for four years. There is no guarantee that rent increases will be re-introduced at CPI plus 1% after this period, although our financial plans are constructed on this basis.

Housing Revenue Account – Revenue Uncertainties

Compulsion to Sell Higher Value Homes Levy

The Housing and Planning Act allows the introduction of an annual levy, representative of the proportion of high value homes which may become vacant in any one year. Until the regulations surrounding the legislation are released, significant uncertainty exists about the value of the levy and the timing within which payments may be due. In addition to the loss of rental income, the process to dispose of a large number of assets in any one year will be costly and administratively burdensome.

Housing Revenue Account - Capital Uncertainties

Robinson Court, Gamlingay

Funding has been ear-marked for the re-development of homes at Robinson Court, Gamlingay. It has / is taking some time to secure vacant possession of the site, and there are risks that the sums identified for re-investment on this site will not be sufficient to deliver what is required for the site.

Right to Buy Sales and Retained Right to Buy Receipts

Interest in right to buy has been broadly maintained, with the introduction of 'Pay to Stay' from April 2017 having the potential to increase interest again as communication about the scheme is undertaken. Under the terms of the agreement signed with CLG, the authority is committed to invest the receipts in new homes within 3 years of the date of the retained 1-4-1 receipt, with this funding meeting no more than 30% of the cost of the dwelling. There is doubt over the level of top up funding that can be afforded by the authority, in light of the recent changes in national housing policy. Receipts may be paid over to central government at the end of each quarter, unless there is demonstrable resource available to provide the top up funding required, or a clear indication that a registered provider in the locality could spend the receipt appropriately on the authorities behalf.

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Agenda Item 10



Report To: Scrutiny and Overview Committee
Lead Officer: Acting Chief Executive

9 November 2016

Priorities for the Corporate Plan 2017-2022

Purpose

1. To carry out pre-consultation with Scrutiny and Overview Committee to inform the development of a refreshed Corporate Plan for the Council.
2. This is not a key decision as it involves only the identification of high-level priorities at this stage.

Recommendations

3. Scrutiny and Overview Committee is invited to review the current Corporate Plan 2016-2021 and make recommendations to Cabinet on:
 - (a) priority themes to inform the development of a revised plan for adoption by Council in February 2017 (Cabinet will consider any recommendations put forward at its meeting on 17 November 2016), and
 - (b) proposals for consultation, set out in paragraphs 19-20 below.

Reasons for Recommendations

4. To enable early pre-scrutiny of the Council's Corporate Plan to inform annual development, consultation and review processes.

Background

5. The Council's Corporate Plan is the document that sets out the Council's Vision and strategic priorities. It is agreed for a rolling five-year rolling basis, and refreshed annually to provide the flexibility to respond to emerging priorities. Council adopted a Corporate Plan for 2016-2021 in February 2016, setting out a Vision for the Council, supported by four strategic objectives and 21 actions designed to achieve it.

Considerations

6. The current Corporate Plan underwent a substantial review last year, providing a clearer statement of the Council's strategic priorities around transport, health, housing and the running of the business. Consultation responses were broadly supportive of the proposed priority themes.
7. The Council's evidence base for its current plan is made up of a number of components:
 - Responding to the regional and national policy agenda;
 - Key statistics about the district, set out in **Appendices B-C attached**;
 - An analysis of performance against key objectives, strategic risks and performance indicators set out in the Corporate 2016-2021 (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. City Deal, Local Plan Issues and Options, Neighbourhood Plans, Devolution
- 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.

8. Taking into account this evidence, and given that the majority of the objectives and actions set out in the current plan reflect ongoing long-term priorities, it is proposed that we continue to focus the following priority areas:

Living Well

We want to support our communities to make sure the district is a healthy place for everyone to live in. We know that for new and established communities to thrive they must have the facilities they need. This is why we plan to make sure the right facilities are available as new communities are built. Our partnership with the Police through the South Cambridgeshire Crime and Disorder Reduction Partnership also makes sure we are dealing with local crime and anti-social behaviour issues.

Homes for our Future

We know there is a pressing demand for housing. That's why we want to keep working with developers to ensure early delivery of high quality new homes, good transport links and facilities. We are also focussing on preventing people becoming homeless through giving support early.

Connected Communities

Transport links and better digital infrastructure, such as broadband, are really important to connect people and businesses. One of our focuses is the Greater Cambridge City Deal – which covers Cambridge and South Cambridgeshire. This multi-million pound programme is looking to help keep the area moving with millions of pounds of investment in transport and smarter ways to connect people. Making sure we get the right devolution deal from government that puts powers in the hands of local people rather than decisions being made in Whitehall is also a top priority.

An Innovative and Dynamic Organisation

Huge cuts to the money we receive from government to provide services has meant we are now generating our own income. Our housing company – Ermine Street Housing – is one of the ways we are already doing this with profits invested straight back into service delivery. We plan to keep doing this so we can continue to deliver the best possible services at the lowest possible cost – including sharing services with neighbouring councils where there is a sound business case.

9. Our approach to delivering our priorities will continue to provide place-shaping community leadership through:
- Direct Delivery of services, singularly and in partnership

- Commissioning and procuring services and outcomes through external contracts;
- Enabling and supporting local communities to develop and deliver local services; and
- Influencing strategic partners;
- Recruiting and retaining the staff and Members with the right skills and behaviours linked to our corporate Values of Innovation, Dynamism, Working Together and Integrity.

Options

10. The current Corporate Plan (2016-2021) is **attached at Appendix A** for the Committee to review the priorities proposed for consultation as part of the development and review process. Modifications to the current plan should be evidence-based and have regard to the policy and financial challenges facing the Council. The Position Report on Finance, Performance and Risk, set out elsewhere on this Agenda, sets out progress and achievements against current Corporate Plan objectives; as such, it provides further useful context to assist the Committee with its deliberations.

Implications

11. 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

12. A draft revised Medium Term Financial Strategy (MTFS) will be submitted to EMT and Cabinet for consideration to provide the financial context for the Corporate Plan and ensure that resources are identified to deliver it. Whilst details of the government's financial settlement for local authorities will not be made available until late-November 2017, and the new Chancellor has moved away from his predecessor's target to clear the public sector deficit by 2020, it is unlikely that continuing contractions in central government support for the local authorities will be reversed.
13. The Council has submitted an Efficiency Plan to government as part of an application for a multi-year financial settlement to 2020. The plan sets out our approach to transforming services and delivering savings, efficiencies and increased levels of income to support the delivery of services to residents, businesses and visitors.

Staffing

14. The Corporate Plan will be carried out within existing staffing resources wherever possible. Specific proposals for additional staffing capacity and other resources will be considered as part of the emerging MTFS and incorporated within the draft revenue and capital estimates as required.
15. The emerging priorities put forward, and approaches to delivering them, are consistent with the Council's Values of Working Together, Integrity, Dynamism and Innovation. Alongside the Corporate Plan and MTFS, we have adopted an Organisational Development Strategy which will enable us to deliver our Corporate Plan objective to 'recruit and retain staff who can exhibit the skills and behaviours required to embrace new ways of working and address the challenges ahead'.

Risk Management

16. The Council's Strategic Risk Register forms part of the evidence base for the development of revised policy and resource priorities. It is included as part of the Quarterly Position Report elsewhere on this agenda.

Equality and Diversity

17. Subject to Cabinet approval, draft and final plans will be screened for equality implications as part of the consultation and development process. Initial screening will provide a 'signpost' to full impact assessments of specific initiatives arising as the plan is implemented.

Climate Change

18. The Council's Vision commits it to achieving sustainable economic growth.

Consultation

19. The emerging themes agreed by Cabinet will form the basis for consultation to test whether customers, partners and staff consider they are still focussed in the right areas and are meaningful, realistic and achievable. Communication with staff and residents will emphasise the financial as well as policy context, in order to reflect an integrated approach; feedback will inform final service plans and the Council's budget and Corporate Plan for 2016-17 and beyond.
20. The priorities will be published on the Council's website for comment, accompanied by publicity including articles in the South Cambs and SCene magazines, and via the Consultation Panel, Youth Council and social media. We will also hold staff briefings and will display material prominently around the Council's premises.

Effect on Strategic Aims

21. Scrutiny and Overview Committee is invited to make recommendations to Cabinet in respect of policy priorities which inform the subsequent development and agreement of a challenging but realistic Corporate Plan which sets out a consistent Vision and Aims, which can be delivered within the financial parameters set out within the developing MTFS.

Background Papers: [Efficiency Plan 2016-2020](#)

District Profile: An Economic, Social and Environmental Summary
Profile of South Cambridgeshire (Grant Thornton, July 2016)
Local Plan [Annual Monitoring Report \(January 2016\)](#)

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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.



Corporate Plan 2016-2021

Objectives	A. LIVING WELL Support our communities to remain in good health whilst continuing to protect the natural and built environment	B. HOMES FOR OUR FUTURE Secure the delivery of a wide range of housing to meet the needs of existing and future communities	C. CONNECTED COMMUNITIES Work with partners to ensure new transport and digital infrastructure supports and strengthens communities and that our approach to growth sustains prosperity	D. AN INNOVATIVE AND DYNAMIC ORGANISATION Adopt a more commercial and business-like approach to ensure we can continue to deliver the best possible services at the lowest possible cost
What we will do to achieve these objectives	<ul style="list-style-type: none"> i. Proactive intervention to improve mental health and emotional wellbeing for all ii. Support our residents to stay in good health as they grow older, with access to the services they need iii. Ensure our new and established communities provide thriving, healthy, safe and attractive places to live iv. Support local businesses to improve the health of their employees v. Work with other councils, the NHS and public sector partners, to make sure families with the most complex needs are supported to improve their own health, prospects and prosperity vi. Improve existing private rented housing standards to ensure everyone can be safe and healthy at home 	<ul style="list-style-type: none"> i. Influence developers to increase the pace of housing and infrastructure construction, including delivery of affordable housing ii. Increase the range of housing and tenure options for residents, including Right to Build and Starter Homes iii. Continue to progress the Local Plan to adoption iv. Help Parishes and villages wishing to shape their own futures by developing Neighbourhood Plans that address community priorities v. Find solutions for people facing homelessness vi. Secure a viable future programme for our Council homes 	<ul style="list-style-type: none"> i. Deliver the "City Deal", investing in transport, housing, technology and skills to ensure the area continues to be recognised for its economic success and world-leading innovation ii. Bring forward strategic transport improvements, with particular regard to A14, A428 and A1307 improvement proposals, the M11 corridor and an East-West rail link iii. Continue to sell the South Cambs economic success story, influencing strategic partnerships and investment partners in Government and Business, both nationally and internationally iv. Support our villages to strengthen their communities and social networks, reducing isolation by improving access, delivering effective community-led services and targeted support for the rural economy 	<ul style="list-style-type: none"> i. Take forward commercial activities such as Ermine Street Housing (our ethical lettings company) ii. Reduce black-bin rubbish and increase income from selling recycled blue-bin waste and paper to keep Council Tax low and reduce waste disposal costs iii. Place greater emphasis on sharing services and information to improve resilience and customer service whilst reducing costs iv. Deliver an Organisational Development Strategy that ensures that we recruit and retain staff with the skills and behaviours required to embrace new ways of working and address the challenges ahead v. Embed a 'digital by default' approach to customer access whilst ensuring quality traditional contact channels remain for those requiring them
What success will look like	<ul style="list-style-type: none"> i. The district is a healthy place to live for all. ii. Positive outcomes from strategy implementation around health, housing and inclusion (Health and Well-being, Ageing Well, Older People's Housing). iii. New and established communities are thriving and attractive and have the facilities they need. The South Cambridgeshire Crime and Disorder Reduction Partnership works together to deal with local crime and anti-social behaviour issues. iv. Businesses report improved employee health outcomes and associated business benefits v. Together for Families partnership initiatives contribute to positive outcomes for residents with the most complex needs vi. Private rented interventions effectively address substandard housing 	<ul style="list-style-type: none"> i. The desired pace of housing delivery is met or exceeded. New homes completed and occupied on major growth sites ii. Households have a broader choice of housing in South Cambridgeshire. Innovative and viable new housing options identified. iii. A Local Plan is adopted iv. Parishes wishing to adopt Neighbourhood Plans successfully do so v. Residents are helped to avoid homelessness, with associated costs contained vi. The Council has a viable long-term business plan for its homes, providing the supply and choice of affordable homes to meet future demand, and the support to help residents maintain tenancies. 	<ul style="list-style-type: none"> i. City Deal improvements to transport infrastructure successfully implemented, enabling major developments to progress and improving connectivity between existing communities. New apprenticeships created by City Deal skills initiative provide opportunities for young people to enter the labour market. The Cambridge Sub-Region is a super-connected 'Smart City Region' of the future. ii. Strategic transport improvements delivered, reflecting the needs of the district, enabling major developments to progress and improving connectivity between existing communities iii. The Greater Cambridge region continues to thrive economically iv. All residents and businesses have access to Superfast Broadband. Business support programme successfully delivered. Communities are supported to identify and list valued rural amenities as Assets of Community Value. Community transport initiatives increase access to rural communities, reducing isolation 	<ul style="list-style-type: none"> i. Commercial activities deliver service enhancements and income surpluses for the Council. The Council maintains a balanced Medium Term Financial Strategy ii. Landfill waste is minimised as residents take increasing advantage of the recycling opportunities available to them. Increased income from sale of recycled materials contributes to the maintenance of a balanced MTFS. iii. Shared services, the exploration of new commissioning models and business efficiency initiatives generate targeted savings, customer service enhancement and increased resilience iv. Staff are motivated and equipped to maintain and enhance performance levels and deliver corporate objectives. v. Customers have quick and seamless access to the communication channels they need.
How we will measure this	<ul style="list-style-type: none"> Case studies and feedback Significant changes in public health framework indicators Satisfaction with waste services and local environmental quality 	<ul style="list-style-type: none"> Planning and Development Delivery Agreement performance, customer satisfaction and % of appeals allowed Housing delivery and % of affordable housing agreed on major developments Affordable Homes granted planning permission on eligible sites % HRA Budget Variance Households in temporary accommodation and helped to avoid homelessness Housing Advice caseload % rent and Council Tax collected Housing Benefit claims average determination days and % of Discretionary Housing grant spent Responsive repairs customer satisfaction and days to re-let voids 	<ul style="list-style-type: none"> Planning application and Development Delivery Agreement performance; Housing and strategic transport scheme delivery % of NNDR collected % of non-disputed invoices paid in 30 days City Deal: transport and connectivity scheme completion, affordable homes delivered, apprenticeships created Case studies and feedback Business satisfaction with regulatory services Community transport coverage Local Economic Indicators 	<ul style="list-style-type: none"> Ermine Street return to SCDC % General Fund Budget Variance % of household waste sent for recycling Staff sickness absence, turnover and feedback from surveys Contact Centre first time call resolutions, abandoned calls and average wait duration. E-forms submitting using website self-service facilities % of website survey respondents who rate the page being viewed as good % of complaints responded to within target timescale Benefits realisation from corporate programme delivery % of all bins collected on due date

The Cabinet and Executive Management Team (EMT) have collective responsibility for ensuring Corporate Plan delivery.

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Appendix B

District Profile, October 2016 – Summary (Source: Grant Thornton)

<i>Indicator</i>	<i>Rank</i>	<i>Quintile</i>	<i>SCDC Position</i>	<i>Key indicators</i>
Economy				
Economic Performance	32 / 379	Top 20%	The district retains a large, productive and growing economy.	Share of national GVA (Gross Valued Added) is very high; £67,550 per job, compared to £55,659 nationally It accounted for 0.31% of all GVA in Great Britain.
Industrial Structure	15 / 380	Top 20%	The district retains a strong knowledge economy, both in terms of production and services.	Knowledge intensive sector accounted for 34.41% of total employment in 2014, compared to 22.02% nationally; smaller public sector compared to county and nationally (21.12% compared to 26.54% and 27.2% respectively)
Business & Enterprise	106 / 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, 76.16% were still trading in 2014.
Skills & Qualifications	14 / 379	Top 20%	A highly-qualified population, but are there sufficient opportunities for those with lower skill levels?	In 2015 51.17% of working age resident population held a degree or equivalent; 16.55% were qualified at NVQ Level 2, and 10.34% with either NVQ Level 1 or no qualifications.
Labour Market	54 / 378	Top 20%	The district's labour market continues to perform strongly, with a higher proportion of residents in employment and fewer long-term unemployed.	80.9% of resident working age population in employment; 0.4% of people are claiming job seekers allowance in 2016. The proportion of the working-age population in long-term unemployment (those claiming job seekers allowance for at least 12 months) is 20.41%.
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.
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.

Indicator	Rank	Quintile	SCDC Position	Key indicators
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 0.41% in 2014, compared to 0.32% for the East of England.
Occupations	35 / 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.	56.78% of population classified as professional, managerial or technical, compared to 44.59% nationally; 7.48% in elementary occupations 41.7% in managerial occupations, compared to 30.41% nationally.
Prosperity	40 / 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 £40,100 compared to £31,363 nationally; Average house prices 35% higher than national figure. 48.64% households with two or more cars, compared to 38.02% in Cambridgeshire.
Deprivation	316 / 326	Lowest 20%	South Cambs is one of the least deprived districts in the country in terms of employment, education, income, crime and health. This raises challenges for meeting the needs of individuals and families experiencing deprivation.	The housing domain score is high by national standards, with the district ranking in the 40% most deprived districts. This is likely to be due to lack of affordability for those wishing to owner-occupy or rent privately, where the average house price is over 12 times average income.
Health	9 / 347	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. 11.35% of the population smoke in South Cambridgeshire, in line with the national figure of 18.45%.
Crime	296 / 305	Lowest 20%	The district is confirmed as one of the safest in which to live.	There were 31.57 offences per 1,000 residents in 2016, compared to 57.76 for Cambridgeshire and 62.89 nationally.
Environment				

Indicator	Rank	Quintile	SCDC Position	Key indicators
Housing	254 / 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.

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South Cambridgeshire Area Profile: Key Statistics

October 2016



South
Cambridgeshire
District Council

Total Population

	South Cams
All people	154,900
Males	76,700
Females	78,200
Total Households	59,960
Persons per sq km	172
Area (Hectares)	90,162

Source: ONS Mid-Year 2015.

Age Profile

Age (years)	District %	%	Difference 2014/15 (%)
Under 5	9,400	6.1	NC
Age 5 – 14	19,500	12.6	+0.2
Age 15 – 24	15,100	9.7	-0.4
Age 25 – 44	40,000	25.8	-0.1
Age 45 – 59	33,400	21.6	+0.2
Age 60 – 74	24,500	15.8	NC
Age 75 and over	13,000	8.4	+0.1

Source: ONS Mid-Year 2015.

Population Forecast

2021	169,800	+9.6%
2026	183,200	+18.3%
2031	194,500	+25.6%
2036	205,800	+32.9%

Source: County Council Estimates February 2015.

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 2014- 2015

	District	County
All Crime	31.85	48.15
Anti-Social Behaviour (ASB)	14.53	24.5
Burglary - Dwelling	6.74	6.2
Violent Crime	6.86	10.7
Domestic Abuse	8.71	13.14
Vehicle Crime	3.94	4.13

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, June 2016

District	East of England	England
£396,480	£314,637	£304,593

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

October 2016



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	322
Income Scale Rank	249
Employment Scale Rank	250

Source: DCLG, Indices of Deprivation 2015
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	47,700	51.0	33.6	37.1
NVQ3 and above	66,800	71.4	53.5	57.4
NVQ2 and above	80,700	86.3	71.5	73.6
NVQ1 and above	89,700	95.9	84.9	84.9
Others	*	*	7.1	6.5
None	*	*	8.1	8.6

Source: NOMIS, January - December 2015. Note: % is a proportion of the total resident population aged 16-64.

* Sample size too small for reliable estimate

Population Aged 16-64 (2015)

	District	SCDC (%)	East (%)	GB (%)
All people aged 16-64	95,300	61.5	61.8	63.3
Males aged 16-64	47,500	61.9	62.5	64.1
Females aged 16-64	47,800	61.1	61.2	62.6

Source: ONS, Mid-year Population Estimates, 2015

Employment – Economically Active

	District	SCDC (%)	East (%)	GB (%)
All people - economically active	81,500	83.5	80.2	77.8
Male - economically active	42,900	87.5	86.2	83.2
Female - economically active	38,600	79.5	74.3	72.5
Self-Employed (all)	11,300	9.7	10.3	10.2

Source: ONS, April 2014 - March 2015

Earnings by Residence

Gross Weekly Pay	District £	East £	GB £
Full-time	619.5	551.0	529.6
Male full-time	656.8	595.6	570.4
Female full-time	523.1	481.3	471.6

Source: ONS, Annual Survey of Hours & Earnings – Resident Analysis 2015. Note: Median earnings in £ for employees living in the area.

Business Counts 2016

Enterprise (employees)	SCDC (numbers)	SCDC (%)	East (numbers)	East (%)
Micro (0-9)	7,085	88.7	227,690	89.7
Small (10-49)	740	9.3	21,560	8.5
Medium (50-249)	130	1.6	3,755	1.5
Large (250+)	35	0.4	945	0.4
Total	7,990	-	253,955	-
Local Units				
Micro (0-9)	7,535	85.8	249,255	85.1
Small (10-49)	1,015	11.6	35,460	12.1
Medium (50-249)	200	2.3	7,230	2.5
Large (250+)	35	0.4	1,010	0.4
Total	8,785	-	292,955	-

Source: Inter Departmental Business Register (ONS)

Out-of-Work Benefits - August 2016

	District	SCDC (%)	East (%)	GB (%)
All	475	0.5	1.2	1.8
Male	305	0.6	1.5	2.3
Female	170	0.4	0.9	1.3

Source: NOMIS, Claimant Count with Rates & Proportions, August 2016. Note: % is the number of claimants as a proportion of resident population aged 16-64.

Claimant count by age group - August 2016

Aged	District	SCDC (%)	East (%)	GB (%)
18-24	80	0.8	2.0	2.8
25-49	260	0.5	1.2	1.8
50-64	130	0.4	1.0	1.5

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

Agenda Item 12



REPORT TO: Scrutiny and Overview Committee
LEAD OFFICER: Executive Director (Corporate Services)

9 November 2016

WORK PROGRAMME 2016/2017

Purpose

1. To provide the Scrutiny and Overview Committee with an opportunity to plan its work programme for future meetings.

Recommendations

2. It is recommended that the draft Work Programme attached at **Appendix A** of this report be approved, subject to any amendments put forward at the meeting.

Background

3. The latest version of the Committee's work programme is attached at **Appendix A**.
4. The Scrutiny Prioritisation Tool is attached at **Appendix B**.

Considerations

The four principles of effective scrutiny

5. The Centre for Public Scrutiny works towards four principles of effective scrutiny, these being:
 - to provide 'critical friend' challenge to executive policy-makers and decision-makers;
 - to enable the voice and concerns of the public and its communities;
 - that scrutiny be carried out by 'independent minded governors' who lead and own the scrutiny process;
 - to drive improvement in public services.
6. Members are asked to give due consideration to these principles when carrying out their role on the Scrutiny and Overview Committee.

Work Programming

7. Members are encouraged to suggest items or topics for potential consideration at future meetings, which will be assessed using the criteria set out in the prioritisation tool.
8. Further items to consider at future meetings may be identified from the Council's Corporate Forward Plan, which is attached as **Appendix C**.

Implications

9. 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, there are no significant implications.

Consultation responses (including from the Youth Council)

10. No consultation has taken place on the content of this report.
11. Consultation with children and young people on the work of the Scrutiny and Overview Committee predominantly takes place through the South Cambridgeshire Youth Council.

Effect on Strategic Aims

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

12. The Scrutiny and Overview Committee will contribute to this strategic aim as it challenges decision takers and holds them to account as part of its deliberations.

Report Author: Graham Watts – Democratic Services Team Leader
Telephone: (01954) 713030

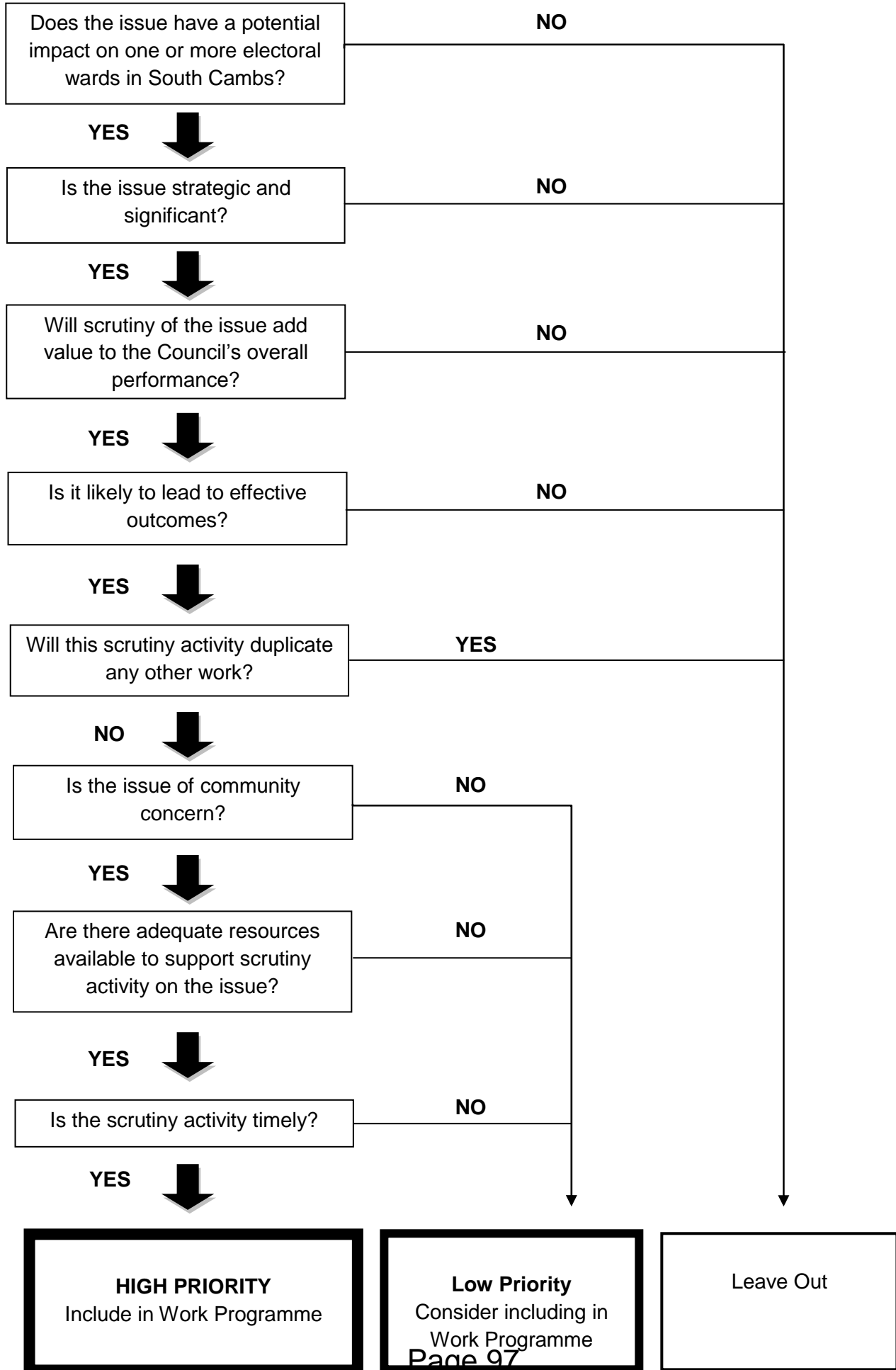
Scrutiny and Overview Committee – Work Programme

Date of meeting	Title of Report
7 February 2017	Customer Contact Centre Annual Performance Report
	Medium Term Financial Strategy
	Quarterly Position Report on Finance, Performance and Risk
	Corporate Plan
11 April 2017	Quarterly Position Report on Finance, Performance and Risk

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Appendix B

Scrutiny Work Programme Prioritisation Tool



HIGH PRIORITY
Include in Work Programme

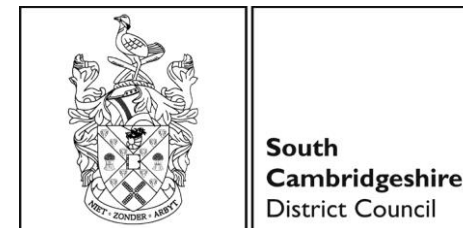
Low Priority
Consider including in Work Programme

Leave Out

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NOTICE OF KEY DECISIONS

To be taken under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 from 16 November 2016



Notice is hereby given of:

- Key decisions that will be taken by Cabinet, individual Portfolio Holders or Officers
- Confidential or exempt executive decisions that will be taken in a meeting from which the public will be excluded (for whole or part)

A Key Decision is a decision, which is likely:

(1) (a) to result in the authority incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates; or

(b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards

(2) On determining the meaning of 'significant' for the purposes of the above, the Council must have regard to any guidance for the time being issued by the Secretary of State in accordance with section 9Q of the 2000 Act (guidance).

A notice / agenda, together with reports and supporting documents for each meeting will be published at least five working days before the date of the meeting. In order to enquire about the availability of documents and subject to any restriction on their disclosure, copies may be requested from Democratic Services, South Cambridgeshire District Council, South Cambridgeshire Hall, Cambourne Business Park, Cambourne, Cambridge, CB23 6EA. Agenda and documents may be accessed electronically at www.scambs.gov.uk

Formal notice is hereby given under the above Regulations that, where indicated (in column 4), part of the meetings listed in this notice may be held in private because the agenda and reports for the meeting will contain confidential or exempt information under Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it. See overleaf for the relevant paragraphs.

*If you have any queries relating to this Notice, please contact
Victoria Wallace on 01954 713026 or by e-mailing Victoria.wallace@scambs.gov.uk*

**Paragraphs of Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended)
(Reason for a report to be considered in private)**

1. Information relating to any individual
2. Information which is likely to reveal the identity of an individual
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings
6. Information which reveals that the authority proposes:
 - (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an Order or Direction under any enactment
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime

The Decision Makers referred to in this document are as follows:

Cabinet

Councillor Peter Topping
Councillor Nick Wright
Councillor Francis Burkitt
Councillor Simon Edwards
Councillor Lynda Harford
Councillor Mark Howell
Councillor Robert Turner
Councillor Tim Wotherspoon

Leader of the Council
Deputy Leader and Corporate and Customer Services
Greater Cambridge City Deal
Finance and Staffing
Housing
Environmental Services
Planning
Strategic Planning

Key and non-key decisions expected to be made from 16 November 2016

Decision to be made	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
Devolution Key	Cabinet Council	17 November 2016 17 November 2016		Cllr Peter Topping Leader of Council Jean Hunter, Chief Executive	Report (publication expected 09 November 2016)
Review of the Medium Term Financial Strategy including consideration of the Capital Accounting Policy Non-Key	Cabinet	17 November 2016		Finance and Staffing Portfolio Holder Alex Colyer, Executive Director, Corporate Services	Report (publication expected 09 November 2016)
Housing Revenue Account Medium Term Financial Strategy Key	Cabinet	17 November 2016		Planning Portfolio Holder Julia Hovells, Principal Accountant	Report (publication expected 09 November 2016)
Quarterly Position Statement on Finance, Performance and Risk Non-Key	Cabinet Cabinet Cabinet	17 November 2016 09 February 2017 July 2017		Finance and Staffing Portfolio Holder Richard May, Policy and Performance Manager,	Report (publication expected 09 November 2016) Report (publication expected 01 February 2017)

Key and non-key decisions expected to be made from 16 November 2016

Decision to be made	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
				<p>Suzy Brandes, Principal Accountant (General Fund & Projects)</p>	
<p>Housing Management IT System Procurement</p> <p>Key</p>	Cabinet	17 November 2016		<p>Housing Portfolio Holder</p> <p>Stephen Hills, Director of Housing</p>	Report (publication expected 09 November 2016)
<p>Corporate Plan Priorities 2017-2022</p> <p>Key</p>	<p>Cabinet</p> <p>Cabinet</p> <p>Council</p>	<p>17 November 2016</p> <p>09 February 2017</p> <p>23 February 2017</p>		<p>Corporate and Customer Services Portfolio Holder</p> <p>Richard May, Policy and Performance Manager</p>	<p>Report (publication expected 09 November 2016)</p> <p>Report (publication expected 15 February 2017)</p> <p>Report (publication expected 01 February 2017)</p>
<p>Local Auditor Appointments</p> <p>Non-Key</p>	Council	17 November 2016		<p>Corporate and Customer Services Portfolio Holder</p> <p>Alex Colyer, Executive Director, Corporate Services</p>	Report (publication expected 16 November 2016)

Key and non-key decisions expected to be made from 16 November 2016

Decision to be made	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
Response to Uttlesford Proposed Submission Local Plan Consultation Key	Planning Portfolio Holder	13 December 2016		Planning Portfolio Holder Caroline Hunt, Planning Policy Manager	Report (publication expected 02 December 2016)
Write Offs Key	Finance and Staffing Portfolio Holder	17 January 2017 18 April 2017		Finance and Staffing Portfolio Holder Sally Smart, Principal Accountant Financial & Systems	Report (publication expected 09 January 2017) Report (publication expected 10 April 2017)
Treasury Management Quarterly Investment Review Non-Key	Finance and Staffing Portfolio Holder Finance and Staffing Portfolio Holder	17 January 2017 18 April 2017		Finance and Staffing Portfolio Holder Alex Colyer, Executive Director, Corporate Services, Sally Smart, Principal Accountant Financial & Systems	Report (publication expected 09 January 2017) Report (publication expected 10 April 2017)
Revenues and Benefits Quarterly Performance Report Non-Key	Finance and Staffing Portfolio Holder Finance and Staffing Portfolio Holder	17 January 2017 18 April 2017		Finance and Staffing Portfolio Holder Katie Brown, Revenues Manager	Report (publication expected 09 January 2017) Report (publication expected 10 April 2017)

Key and non-key decisions expected to be made from 16 November 2016

Decision to be made	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
LGA Peer Review Non-Key	Cabinet	19 January 2017		Leader of Council Richard May, Policy and Performance Manager	Report (publication expected 11 January 2017)
Planning Shared Service Page 104	Cabinet	19 January 2017		Planning Portfolio Holder Stephen Kelly, Joint Director for Planning and Economic Development	Report (publication expected 11 January 2017)
Greater Cambridge Housing Development Agency	Cabinet	19 January 2017		Housing Portfolio Holder Stephen Hills, Director of Housing	Report (publication expected 11 January 2017)
Local Government Finance Settlement Update Non-Key	Cabinet	19 January 2017		Finance and Staffing Portfolio Holder Alex Colyer, Executive Director, Corporate Services	Report (publication expected 11 January 2017)
Localised Council Tax	Council	26 January 2017		Finance and Staffing	Report (publication

Key and non-key decisions expected to be made from 16 November 2016

Decision to be made	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
Support Scheme Non-Key				Portfolio Holder Dawn Graham, Benefits Manager	expected 18 January 2017)
Annual Pay Policy Statement Non-Key	Council	26 January 2017		Leader of Council Susan Gardner Craig, Human Resources Manager	Report (publication expected 18 January 2017)
Members' Allowances 2017/18 Non-Key	Council	26 January 2017		Leader of Council Graham Watts, Democratic Services Team Leader	Report (publication expected 18 January 2017)
Medium Term Financial Strategy (General Fund Budget 2017/18 including Council Tax setting), Housing Revenue Account (including housing rents), Capital programme and Treasury Management Strategy Key	Cabinet Council	09 February 2017 23 February 2017		Finance and Staffing Portfolio Holder Suzy Brandes, Principal Accountant (General Fund & Projects)	Report (publication expected 01 February 2017) Report (publication expected 15 February 2017)

Key and non-key decisions expected to be made from 16 November 2016

Decision to be made	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
Swavesey Byways Rate	Council	23 February 2017		Environmental Services Portfolio Holder Pat Matthews, Drainage Manager	Report (publication expected 15 February 2017)