

## CABINET

WEDNESDAY, 7 FEBRUARY 2018

### DECISIONS

Set out below is a summary of the decisions taken at the meeting of the Cabinet held on Wednesday, 7 February 2018. Decisions made by the Cabinet will be subject to call-in. Recommendations made to the Council are not subject to call-in. The wording used does not necessarily reflect the actual wording that will appear in the minutes.

If you have any queries about any matters referred to in this decision sheet please contact Kathrin John.

#### 1. BUSINESS CASE FOR THE CREATION OF A GREEN ENERGY LOAN FUND

Cabinet endorsed the business case for the creation of a Green Energy Loan Fund and approved further work to establish and launch the fund by mid-July 2018.

**Other Options Considered:** None specified.

**Reason For Decision:** Detailed reasons for decision under the headings of “Leadership of place”; “Indications of demand” and “Complementary schemes that demonstrate commitment to investment in sustainable energy schemes for our communities” are set out in the Business Case for the creation of a Green Energy Loan Fund, as submitted to Cabinet.

#### 2. SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL ENERGY INVESTMENT OPPORTUNITIES

Cabinet:

1. Approved access to Cambridgeshire County Council’s procurement for an energy contractor under the Greater London Authority’s “Re:fit” framework at no upfront cost, allowing South Cambridgeshire District Council to make use of services and expertise of Bouygues (the successful contractor) and exploit key benefits of the RE:fit scheme, as detailed in Table 1 of the report.
2. Agreed that South Cambridgeshire District Council request the investigation by Bouygues of:
  - (i) Income generating and/or cost saving energy investment opportunities at the South Cambridgeshire Hall site.
  - (ii) Income generating and cost saving energy investment opportunities at the planned new build Sports Pavilion and Community Centre sites at Northstowe.
  - (iii) Opportunities to add non-financial value to the Council’s footway lighting stock.
3. Supported the formation of a Renewables Reserve Working Group charged with commissioning investigations, identifying and assessing opportunities, making recommendations and providing 6-monthly updates to CMT, annual updates to EMT and quarterly updates to Cabinet in relation to the investment of funds from the Renewables Reserve.

**Other Options Considered:** None specified.

**Reason For Decision:** The Local Government Finance Bill provides for the retention of business rates income from new renewable energy projects in the district. Renewable energy receipts for South Cambridgeshire District Council, held in the Council's Renewables Reserve, are forecast to stand at approximately £1,565,000 following the transfer of 2017-19 retained business rates to the reserve at the end of this financial year (this forecast may be subject to changes through the remainder of the year). Under current government legislation, this is set to continue to grow on a yearly basis. The Council has set up the Renewables Reserve for investment in sustainable energy schemes, providing benefit to South Cambridgeshire and its residents through increased energy sustainability and security.

### **3. RECOMMENDATIONS FROM THE MEMBER TASK AND FINISH GROUP ON SUPPORTING RURAL BUSINESSES**

Cabinet considered the recommendations from the Member Task and Finish Group on supporting rural businesses and:-

- (1) Agreed, the following recommendations to be implemented within existing resources:
  - (a) Recommendation 1: Improve South Cambridgeshire District Council's engagement with local businesses through:
    - (i) The development and implementation of a South Cambridgeshire business engagement plan;
    - (ii) Revamping and relaunching the Council's business webpages; and
    - (iii) Developing a South Cambridgeshire District Council 'business visit' offer.
  - (b) Recommendation 3: Support local business through the provision of business support workshops.
  - (c) Recommendation 4: Support and encourage Connecting Cambridgeshire in their work to improve broadband and mobile phone coverage in South Cambridgeshire.
  - (d) Recommendation 5 (b): The development of Neighbourhood Planning guidance on employment land and premises and Recommendation 5 (c): The provision of a workshop and guidance for councillors and officers on the need/scope for employment land in and on the edge of villages and the use of the flexibility allowed for in planning policy.
  - (e) Recommendation 6: Ask the Planning and Portfolio holders to implement the following actions - Recommendation 6 (a) Ensure that the affordable housing needs of rural business employees (and potential employees) and the resulting risks to business growth are recognised and addressed in the development of South Cambridgeshire District Council housing and planning policies. To include:-
    - (i) The Greater Cambridge Housing Strategy
    - (ii) The Greater Cambridge Local Plan including Rural Exception Sites
    - (iii) Planning SPDs; andRecommendation 6 (b): Consider how the Council's affordable housing initiatives and joint ventures with partners could potentially help to deliver homes for key employees, for example, through community-led development, modular housing, build to rent schemes and the review of older people's housing accommodation.
  - (f) Recommendation 7: Request that the Crime and Disorder Reduction Partnership consider rural business crime as part of their Strategic Assessment process.
  - (g) Recommendation 8: Monitor progress on Brexit and engage with and

influence Government directly and through the Combined Authority and LEP on the opportunities for and impacts of Brexit on South Cambridgeshire businesses. Review work at the end of 2018 with a view to preparing for outcomes of Brexit.

- (2) Agreed the following recommendations in principle, subject to further work to develop more detailed proposals and resource requirements:
- (a) Recommendation 2 (a): The provision of a resource pack, seed funding and research to support the development of business networks within and across South Cambridgeshire's villages and Recommendation 2 (b) Facilitating the development of local business apps.
  - (b) Recommendation 5 – Ensure that officers, councillors, communities and businesses have the sufficient information available to them to make informed decisions on employment sites and premises through:
    - (i) Recommendation 5 (a): Ensuring that the evidence collected to underpin the Economic Development Strategy and Local Plan includes analysis of the demand and supply of business premises within individual areas and across the district and addresses the availability and potential of agricultural premises.
    - (ii) Recommendation 5 (d): The development of a South Cambridgeshire property information/inward investment offer.
  - (c) Recommendation 6(c): Review of current processes for developing and varying s106 and s278 agreements for housing development with the aim of speeding up the implementation of planning permissions.
- (3) Agreed that Cabinet reviews progress against the agreed recommendations in 6 months.

**Other Options Considered:** None specified.

**Reason For Decision:** To allow officers to continue to support South Cambridgeshire's rural businesses by developing a range of tools that will help to reduce barriers and support growth across the district.

#### 4. CORPORATE PLAN 2018

Cabinet:

- (1) **Not for call-in** - Recommended to Council that the Corporate Plan, comprising the document 'South Cambridgeshire: Your Place, Our Plan 2018' (Appendix A) and accompanying 2018/2019 Delivery Plan (Appendix B) be approved, subject to amendment of text relating to engagement with existing and new communities (Aim B (2)) to reflect comments made at Scrutiny and Overview Committee.
- (2) Authorised the Chief Executive, in consultation with Portfolio Holders, to prepare detailed implementation plans and associated performance measures and ensure these are reflected in directorate service plans and quarterly Position Reports during 2018/19.
- (3) Authorised the Chief Executive to make any minor wording changes required to final drafts, in consultation with the Leader of the Council.

**Other Options Considered:** Cabinet had the option of recommending the Corporate Plan to Council as presented or to agree changes

**Reason For Decision:** The Corporate Plan is a key element of the Council's policy framework which articulates the Council's priorities and actions for the next year. It will guide and influence the Council's resources and actions and provides a focus for our plans, activities and services. The Corporate Plan informs the subsequent agreement of annual service plans, prepared by the Council's directorates, setting out service, team and individual objectives, aligned to the Vision and Corporate Aims.

**5. 2017-18 THIRD QUARTERLY POSITION STATEMENT ON FINANCE, PERFORMANCE AND RISK**

Cabinet:

- (1) Noted the Council's provisional outturn position together with the performance and risk issues contained in this report and Appendices A – C.
- (2) Approved the Strategic Risk Register and Matrices set out in Appendices D – E to the report, subject to retaining the previous risk rating for STR 25 (Risk of Designation as a Poorly Performing Planning Authority), rather than decreasing the gross rating from 20 to 9 and net rating from 12 to 9 as proposed in paragraph 18 of the submitted report.

**Other Options Considered:** None specified.

**Reason For Decision:** These recommendations are required to enable Cabinet to understand the organisation's financial position, performance and risk. This contributes to the evidence base for the ongoing review of priorities and enables, where appropriate, redirection of resources to reflect emerging priorities and address areas of concern.

**6. MEDIUM TERM FINANCIAL STRATEGY, GENERAL FUND 2018-19 (INCLUDING COUNCIL TAX SETTING), HOUSING REVENUE ACCOUNT BUDGET 2018-19 (INCLUDING HOUSING RENTS), CAPITAL PROGRAMME AND TREASURY MANAGEMENT STRATEGY**

- (1) **Not for call-in.** Cabinet recommended that Council:

**Revenue and Capital – General Fund (GF)**

- (a) Approves the revenue estimates for 2018-19 as shown in the GF Budget Setting Reports (BSR) Section 5 at Appendix 1 to the report.
- (b) Approves the precautionary items for the GF, GF BSR Appendix B, Appendix 1.
- (c) Approve the GF revenue forecasts as set out in GF BSR Section 6, Appendix 1.
- (d) Instructs the Executive Management Team to identify additional income/savings of £449k for 2018-19 rising to £1.3m in 2022-23.
- (e) Approves the GF Capital Programme and associated funding up to the year ended 31 March 2022, as set out in GF BSR Appendix D, at Appendix 1.
- (f) Approve the creation of a Planning Policy earmarked reserve and the transfer of

£224k into the reserve from the GF reserve, being the carry forward of underspend from 2016-17 not used in 2017-18, as shown in GF BSR Section 3 and delegates approval of the use of this reserve to the Executive Director – Corporate Services in consultation with the Portfolio Holder for Finance and Staffing.

- (g) Requests that the Portfolio Holder (Housing) delegates the decision in respect of any variation in fees to be charged by the Home Improvement Agency (HIA), to the Director of Housing, following agreement of the proposed level of charges by the Shared HIA Board, GF BSR Appendix A.
- (h) Instruct the Head of Finance, on the basis of the proposals set out in the GF BSR, to prepare formal papers to set the council tax requirement and amount of council tax at the Council meeting on 22 February 2018.
- (i) Sets the Council Tax Requirement for 2018-19 at £8,616,465.16
- (j) Sets the amount of Council Tax for each of the relevant categories of dwelling in accordance with Section 30(2) of the Local Government Finance Act 1992 on the basis of the District Council Tax for general expenses on a Band D property of £140.31 plus the relevant amounts required by the precepts of the Parish Councils, Cambridgeshire County Council, the Cambridgeshire Police and Crime Commissioner and the Cambridgeshire Fire Authority, details of those precepts and their effect to be circulated with the formal resolution required at the Council meeting.

#### **Revenue – HRA**

- (k) Approves the HRA savings, increased income, unavoidable revenue pressures, bids and reduced income items, as summarised in Section 4, and detailed in Appendix G(1) of the HRA Budget Setting Report at Appendix 2 to the report.
- (l) Approves the non-cash limit adjustments, as summarised in Section 4, and detailed in Appendix G(1) of the HRA Budget Setting Report at Appendix 2 to the report.
- (m) Approves the resulting HRA revenue budget as shown in the HRA Summary Forecast 2017-18 to 2022-23 in Appendix I of the HRA Budget Setting Report at Appendix 2 to the report.
- (n) Approves the retention of the balance of the 4 year savings target included originally as part of the 2016-17 HRA Budget Setting Report to mitigate the impact of some of the changes in national housing policy, recognising that the net savings proposed from 2018-19 over-deliver against the profile of £250,000 per annum for 4 years, reducing the balance to be sought in the remaining 2 years to £147,540.

#### **Review of Rents and Charges**

- (o) Approves that council dwelling rents for all social rented properties be reduced by 1%, in line with legislative requirements introduced as part of the Welfare Reform and Work Act, with effect from 2<sup>nd</sup> April 2018.
- (p) Approves that affordable rents are reviewed in line with rent legislation, to ensure that rents charged are no more than 80% of market rent, with this figure then

reduced by 1% as with social housing. Local policy is to cap affordable rents at the lower level of Local Housing Allowance, which will result in rent variations in line with any changes notified to the authority in this level, effective from 2<sup>nd</sup> April 2018.

- (q) Approves inflationary increases of 2.6% in garage rents for 2018-19, in line with the base rate of inflation for the year assumed in the HRA Budget Setting Report.
- (r) Approves the proposed service charges for HRA services and facilities provided to both tenants and leaseholders, as shown in Appendix B of the HRA Budget Setting Report, at Appendix 2 to the report.

### **Housing Capital**

- (s) Approves the latest budget, spend profile and funding mix for each of the schemes in the new build programme, as detailed in Section 5 and Appendix E of the HRA Budget Setting Report at Appendix 2 to the report, recognising the most up to date information available as each scheme progresses through the design, planning, build contract and completion process.
- (t) Approves earmarking of the required level of additional funding for new build investment between 2018-19 and 2022-23 to ensure that commitments can be met in respect of the investment of all right to buy receipts currently retained, or anticipated to be received by the authority for this period. This expenditure will either take the form of HRA new build, with the 70% top up met by other HRA resources or could alternatively be grant made to a registered provider, where the registered provider will provide the 70% top up to build new homes.
- (u) Approves the capital budget proposals, both bids and savings, detailed in Appendix G(2) of the HRA Budget Setting Report at Appendix 2 to the report.
- (v) Approves the capital amendments, detailed in Appendix H of the HRA Budget Setting Report, which include the capital proposals in Appendix G(2) of the HRA Budget Setting Report, at Appendix 2 to the report, along-side re-profiling of investment, increase and re-allocation of resource for new build schemes.
- (w) Approves the revised Housing Capital Investment Plan as shown in Appendix J of the HRA Budget Setting Report at Appendix 2 to the report

### **Capital and Treasury Management**

- (x) Approves the Capital Strategy 2018-19 to 2022-23, Appendix 3.
- (y) Approves the borrowing and investment strategies for the year to March 2019, as included in the Treasury Management Strategy Statement in Appendix 4.
- (z) Approves the prudential indicators required by the Code for Capital Finance in Local Authorities for the year to 31 March 2019, included in Appendix 4.
- (aa) Approves any unspent New Homes Bonus money allocated to the Greater Cambridge Partnership to be rolled into 2019-20.

### **General**

- (bb) Gives delegated authority to the Executive Director – Corporate Services to issue the final version of the Estimates Book, incorporating any amendments required from the Council's decisions.

### **Ermine Street Housing Limited (ESH)**

- (2) Cabinet additionally endorsed the ESH Business Plan Update 2017/18 – 2026/27, attached at Appendix 6 (Confidential) to the report.

**Other Options Considered:** The options for setting the level of council tax are set out in Section 3 of the GF BSR at Appendix 1 to the report, along with the impact on the net savings requirement.

The HRA Budget Setting Report 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 F of the report appended at Appendix 2 of the report.

**Reason For Decision:** The GF HRA Budget Setting Reports, Treasury Management Strategy Reports and Capital Strategy are presented for decision following consideration and review of both the internal and external factors which affect the Council's financial position.

### **7. CAMBOURNE HIGH STREET BUSINESS CASE (EXEMPT PARAGRAPH 3)**

Cabinet agreed to make an initial investment, up to the sum indicated in the exempt report from the Executive Director, towards the cost of further design and feasibility work.

**Other Options Considered:** As set out in the exempt report.

**Reason For Decision:** As set out in the exempt report.

### **8. COMPULSORY PURCHASE ORDER - THE TREE, STAPLEFORD (EXEMPT PARAGRAPH 3)**

Cabinet agreed:-

- (i) **Not for call in:** To recommend a future meeting of the Council, should it be necessary, Option 3 (a) as set out in the exempt report of the Director of Health and Environmental Services and subject to the caveats set out in that option; and
- (ii) recommendation 4(a) as set out in the exempt report.

**Other Options Considered:** As set out in paragraphs 40 to 42 of the exempt report.

**Reason For Decision:** As set out in paragraph 6 to 9 of the exempt report.