

South Cambridgeshire Hall
Cambourne Business Park
Cambourne
Cambridge
CB23 6EA

t: 03450 450 500

f: 01954 713149

www.scambs.gov.uk



10 October 2018

To: Chairman – Councillor Grenville Chamberlain
Vice-Chairman – Councillor Brian Milnes
Members of the Scrutiny and Overview Committee – Councillors Ruth Betson,
Anna Bradnam, Dr. Martin Cahn, Sarah Cheung Johnson, Gavin Clayton,
Graham Cone, Dr. Claire Daunton, Dr. Douglas de Lacey, Bill Handley,
Steve Hunt, Peter McDonald and Judith Rippeth

Quorum: 5

There is a pre-meeting session at 5pm in the Monkfield 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 **SWANSLEY ROOM, GROUND FLOOR** on **THURSDAY, 18 OCTOBER 2018** 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
Beverly Agass
Chief Executive

The Council is committed to improving, for all members of the community, access to its agendas and minutes. If you have any specific needs, please let us know, and we will do what we can to help you.

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 18 September 2018 as a correct record. | 1 - 6 |

- | | | |
|------------|---|----------------------|
| 4. | Public Questions | |
| 5. | Greater Cambridge Shared Waste Service Collection Policies and Procedures (Key) | 7 - 38 |
| | Confidential Item - Members Only | |
| | The press and public may be excluded from the meeting during consideration of the following agenda item 6 HRA Medium Term Financial Strategies, as the report contains a confidential appendix. This in accordance with the provisions of Section 100(A)(4) of the Local Government Act 1972 (exempt information as defined in paragraph 3 of Schedule 12A of the Act). | |
| 6. | Housing Revenue Account (HRA) Medium Term Financial Strategies (Key) | 39 - 108 |
| 7. | Community Energy Grant Review 2018 | 109 -
124 |
| 8. | Mobile Warden Scheme Grants Review 2018 | 125 -
134 |
| 9. | Implementation-Adoption of Completed Supplementary Planning Documents (SPDs) (Land North of Cherry Hinton SPD & Cambridgeshire Flood and Waste SPD) (Key) | 135 -
144 |
| 10. | Scrutiny Work Programme | 145 -
158 |
| | For the committee to consider its work programme; this is attached with the Council's Notice of Key and Non Key Decisions. | |
| 11. | Monitoring the Executive | |
| | Scrutiny monitors are invited to report to the Committee any updates on issues which may be of interest or relevance to the Committee. | |
| 12. | To note the date of the next meeting | |
| | Thursday 22 nd November 2018 at 6pm. | |

Exclusion of Press and Public

The law allows Councils to consider a limited range of issues in private session without members of the Press and public being present. Typically, such issues relate to personal details, financial and business affairs, legal privilege and so on. In every case, the public interest in excluding the Press and Public from the meeting room must outweigh the public interest in having the information disclosed to them. The following statement will be proposed, seconded and voted upon.

"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.

OUR LONG-TERM VISION

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

OUR VALUES

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

- Working Together
- Integrity
- Dynamism
- Innovation

GUIDANCE NOTES FOR VISITORS TO SOUTH CAMBRIDGESHIRE HALL

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

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

Security

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

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

Emergency and Evacuation

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

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

First Aid

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

Access for People with Disabilities

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

Toilets

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

Recording of Business and Use of Mobile Phones

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

Banners, Placards and similar items

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

Disturbance by Public

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

Smoking

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

Food and Drink

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

Agenda Item 3

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

Minutes of a meeting of the Scrutiny and Overview Committee held on
Tuesday, 18 September 2018 at 6.00 p.m.

PRESENT: Councillor Grenville Chamberlain – Chairman
Councillor Brian Milnes – Vice-Chairman

Councillors:	Ruth Betson	Anna Bradnam
	Dr. Martin Cahn	Gavin Clayton
	Graham Cone	Dr. Claire Daunton
	Bill Handley	Peter McDonald
	Eileen Wilson	Judith Rippeth

Councillors Neil Gough, Philippa Hart, Dr. Tumi Hawkins, Hazel Smith and John Williams were in attendance, by invitation.

Officers:	Victoria Wallace	Democratic Services Officer
	Suzy Brandes	Principal Accountant (General Fund & Projects)
	Susan Gardner Craig	Head of People and Organisational Development
	Mike Hill	Director of Housing and Environmental Services
	Caroline Hunt	Planning Policy Manager

1. APOLOGIES

Apologies for absence were received from Councillors Sarah Cheung Johnson and Douglas de Lacey. Councillor Judith Rippeth was present as a substitute for Councillor Cheung Johnson.

Apologies were conveyed to the committee on behalf of the Leader of the Council who was unable to attend the meeting.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 14th August 2018 were agreed as a correct record.

4. PUBLIC QUESTIONS

There were no public questions.

5. LOCAL DEVELOPMENT SCHEME

The Lead Cabinet Member for Planning and the Planning Policy Manager presented the new Local Development Scheme (LDS) for Greater Cambridge, which would be presented to Cabinet for adoption subject to the adoption of the South Cambridgeshire Local Plan. The adoption of the LDS would guide the preparation of a new jointly prepared Local Plan for Greater Cambridge and a jointly prepared Cambridge Northern Fringe Area Action Plan.

The committee was informed that the Council was required to keep an up to date Local

Development Scheme on the website at all times. Exact timing would become clear as work progressed.

The committee discussed the report and comments raised by Members included the following:

- How the LDS fed into transport infrastructure with regards to Highways England's plans was queried. The committee was informed that this would be an issue for when the new Local Plan was developed. It was anticipated that there would be a lot of engagement with members regarding this, which would provide the opportunity to discuss and explore issues. Officers highlighted that they were trying to give the Council the flexibility to create the plan it wanted to create.
- The potential governance arrangements for developing the new Local Plan were discussed. The model that had been used and that had worked well to develop the previous Local Plan, would be used to develop the new Local Plan with separate governance arrangements. In response to some concern raised over the potential for the two councils to work in isolation while developing their aligned plans in parallel, officers provided assurance that the councils had worked well together in developing their previous plans and that separate governance arrangements had not been a contributing factor to how long it had taken to get the Local Plan approved. Decisions would be taken at key stages by full Council with officers meeting through a joint working group in the run up to key stages of decision making.
- How the Combined Authority would feed into the new Local Plan development process depended on the governance arrangements that were agreed. Legislation did not make reference to how the Combined Authority could feed into governance arrangements.
- Concern regarding the interdependencies of projects was raised. Reassurance was sought that some of the deliverables were pinned down along with trigger dates.
- The committee was informed that in relation to the Northern Fringe Area Action Plan, the relocation of the water treatment works was a significant dependency for some of the development in the action plan. A bid to the Housing Infrastructure Fund (HIF) to relocate the water treatment works, had been successful at the first round. A final decision on this was expected around April 2019. The Northern Fringe Area Action Plan needed to have advanced significantly in order to help the success of the HIF bid.
- The committee was informed that the development on the Northern Fringe was significant and additional to the assumptions that had already been made in the Local Plan. This would help to contribute to the longer term needs of the district.

The Scrutiny and Overview Committee recommended to Cabinet that following the adoption of the South Cambridgeshire Local Plan:

- a) The new Local Development Scheme for Greater Cambridge, prepared joint with Cambridge City Council, is adopted, which confirms the intention to prepare:
 - (i) A joint Local Plan for Greater Cambridge, comprising the administrative area of both Councils,
 - (ii) A joint Cambridge Northern Fringe Area Action Plan, for the area shown in the Local Development Scheme which when adopted, will form part of the development plan for Greater Cambridge; both prepared under Section 28 of the Planning and Compulsory Purchase Act with separate democratic processes to agree both plans, informed by a joint member advisory group;
- b) The Joint Director of Planning and Economic Development is granted delegated authority, in liaison with the Deputy Leader, to make any editing changes identified prior to publication.

6. 2018-19 Q1 POSITION STATEMENT: PERFORMANCE, FINANCE AND RISK

The Scrutiny and Overview Committee considered the 2018-19 Quarter One Position Statement on Finance, Performance and Risk. The Lead Cabinet Member for Finance presented the report which provided a draft of budget forecast based on quarter one with regard to the Council's General Fund, Housing Revenue Account (HRA) and Capital budgets, performance indicators and strategic risks. The committee was informed that a better way to present the financial information in the report was being looked at.

It was intended that quarterly financial information would be provided to all members through the weekly Members' Bulletin. This information would however still be presented to the Scrutiny and Overview Committee.

The committee was informed that the strategic risks and performance indicators were those set by the previous administration and were being reviewed.

The committee was informed that variances were provisional as the Council's final accounts had not yet been finalised.

The committee expressed concern about the presentation of the financial information, which it was felt was difficult to understand. The committee requested that the information be presented in a more accessible way, such as by providing an explanatory note or key to explain what text in brackets and different colours meant. The committee pointed out that these documents were available for public scrutiny and therefore needed to be easily understood by members of the public.

An error in the Outturn Projection Variance percentage was pointed out at the end of page 46. It was confirmed that the formula in the cell was incorrect.

The Lead Cabinet Member for Finance clarified the reasons for the Council's accounts having not been closed on time:

- The Government's deadline for the closure of accounts had been brought forward from September to July.
- The accountancy team had been working under extraordinary circumstances as while working towards the early closure of accounts, they were also working on the introduction of the Council's new financial management system.
- Additional temporary resource had been brought in with the recruitment of an interim chief accountant. Due to their availability, it had not been possible to extend this contract and difficulty in recruiting additional temporary resource had been experienced due to a skills shortage in the sector.

The committee highlighted that this had been the second time the accounts had not been closed on time and urged that this must not happen again. The Lead Cabinet Member assured the committee that he was confident that this would not happen again. The committee was informed that the reason for the accounts not being closed on time last year, was due to an issue being raised late in the process by the external auditors, regarding the valuation of the Council's assets.

Provisional Forecast Variance:

- The underspend for the year to date in housing repairs was queried and assurance provided by the Lead Cabinet Member for Housing that the Council had not cut back on housing repairs.
- The Capital overspend in relation to waste collection and street cleansing was

queried. The Director of Health and Environmental Services explained that this was due to purchases not made at the end of the previous year being completed by Q1. Budget carry forward from the previous year to fund these purchases was approved by the Council in July 2018.

The Strategic Risk Register was discussed:

- STR10 Increase in cost of managing homelessness: The Local Cabinet Member for Housing informed the committee that the joint Trailblazer bid to introduce more joint working and initiatives around homelessness prevention, had been successful and the Council had benefitted from this. Homelessness prevention posts had been recruited to and the Council was well prepared to deal with the implementation of the new homelessness legislation. It was highlighted that the risks remained red despite the control measures that were in place.
- STR13 Recruitment and Retention: The Head of People and Organisational Development informed the committee that there were difficulties in recruiting to some professional and technical areas such as Finance, Planning, Environmental Health and qualified HGV drivers. This was an issue being experienced across local authorities, which was having an impact on the delivery of some services. The Local Member for Customer Services and Business Improvement informed the committee that staff workshops had been scheduled in early October to find out from staff what impediments there were to working in South Cambridgeshire and what would make this easier. Opportunities to incentivise staff were being looked at.
- The imminent departure from the organisation of the head of the ICT shared service was raised; it was suggested that this be added as a strategic risk. The Director of Health and Environmental Services explained that strategic risks should concentrate on generic issues rather than one-off events.
- STR 26 Contract Failure: The Lead Cabinet Member for Environmental Health and Licensing clarified that this risk was associated with the normal stresses and strains expected with the management of any contract.
- STR 7 Partnership with Cambridgeshire County Council and STR14 Access to Primary Care in Growth Areas: the low scoring of these risks and the lack of action required regarding STR 14 was queried given the importance of health and wellbeing and access to healthcare. The Director of Health and Environmental Services explained that the risk register addressed the strategic risks to this organisation. These were currently considered to be low risks in this respect as they were highly dependent on the County Council and were not within South Cambridgeshire District Council's control. The organisation recognised the importance to residents of health and wellbeing and access to primary care in growth areas. In relation to this, the committee was informed that NHS England did not currently engage well with the planning process in order to access the funding available for the provision of health services. The Lead Cabinet Member for Planning was working to engage with NHS England on this.

The Senior Accountant informed the committee that work was ongoing regarding the scoring of risks.

Key Performance Indicators were discussed:

- FS109 % invoices paid in 30 days: Consistent poor performance was queried. The Director of Health and Environmental Services explained that this was in relation to smaller invoices which were batched by suppliers and sent for payment at the end of the month. The committee was assured that the Council was not incurring any penalties in relation to this.

The Scrutiny and Overview Committee noted the report.

7. WORK PROGRAMME

The Scrutiny and Overview Committee reviewed its work programme.

The committee was informed that the Chairman and Vice Chairman had requested a meeting with the Chief Executive and Leader, to discuss the timeframe the committee had to consider reports before meetings.

8. THE ROLE OF SCRUTINY MONITORS

The committee reviewed the role of Scrutiny Monitors. The committee was informed that the Leader supported one to one meetings taking place between Lead Cabinet Members and Scrutiny Monitors on an ongoing basis. Councillor Bill Handley as the Finance Scrutiny Monitor, requested the opportunity to spend some time with finance staff to develop a better understanding of their roles.

9. TO NOTE THE DATE OF THE NEXT MEETING

The committee noted that its next meeting would take place on Thursday 18th October 2018 at 6pm.

The Meeting ended at 7.53 p.m.

This page is left blank intentionally.

Agenda Item 5



REPORT TO: Scrutiny and Overview Committee
Cabinet Committee

LEAD OFFICER: Head of Shared Waste

18 October 2018
7 November 2017

Greater Cambridge Shared Waste Service Collection Policies and Procedures

Purpose

1. The purpose of this report is to agree a single “Waste Collection Service Policies and Procedures” document setting out the service that Greater Cambridge Shared Waste Service (GCSWS) will deliver for the residents of both Cambridge City Council and South Cambridgeshire District Council.
2. This is a key decision as it would both result in significant effects to the service budget; and has significant effects on communities living or working in an area that comprises two or more wards or electoral divisions.

It was first published in the July 2018 Forward Plan.

Recommendations

3. It is recommended that the committee(s):
 - (a) approve this report and associated ‘Waste Collection Policies and Procedures’ document as a whole and in particular the three major changes to policy as detailed below:
 - (i) Introduction of chargeable additional garden waste bins (SCDC only)
 - (ii) Change to monthly organic collection during December, January and February (City only)
 - (iii) Change to 6am start time for domestic waste services (City only)
 - (b) Delegate to the relevant Lead Director and Lead Member in each authority to approve minor updates to this document to ensure operation efficiency and customer satisfaction.

Reasons for Recommendations

4. There are a range of reasons for the recommendations:
 - (a) The document brings together policies agreed over a number of years into a single, accessible place for Members, residents and staff.
 - (b) The new policies and procedures are modern, clear, transparent and reflect industry best practices.
 - (c) The uniformed policies and procedures across the service will reduce confusion and increase satisfaction for residents and staff.
 - (d) The changes provide opportunities to improve efficiencies within the service.
 - (e) The policy maintains a free discretionary green bin waste service for all residents, provides the option to subscribe to additional capacity, if required, and will generate additional income.

Background

5. Cambridge City Council and South Cambridgeshire District Council formed a shared waste service in 2015, with an operation launched in February 2017. Over the last 18 months, a number of the collection policies and procedures have been aligned to ensure that residents receive a modern, efficient and reliable service.
6. Over this period, we have standardised the collection method, reporting, communication and recently IT system. At the same time, we have reached a recycling rate in the region of 50% and ensured we collect 99.7% of bins on their scheduled collection day. To ensure we provide residents with a truly uniform and high quality service, drive operational efficiencies and address financial pressures, there is an opportunity to adopt standardised policies and procedures and ensure that they are clearly documented.
7. There are three major policies that have been reviewed and could be aligned across the GCSWS collection area:
 - (i) Charging for additional garden waste bins (SCDC only)
 - (ii) Organic green bin winter collection schedule (City only)
 - (iii) Standardised collection start time for domestic waste service. (City only)

Considerations

8. The following paragraphs will provide details on the consideration made for each of the following major policy recommendation:
9. **Charging for additional green bin for the collection of garden waste**
The provision of a garden waste collection service is a wholly discretionary service, and a charge can be levied for it under The Controlled Waste (England & Wales) Regulations 2012. The current service for residents in the shared service is that residents may have up to 4 green bins for the collection of food and garden waste. The first green bin is largely used for mixed food and garden (organic) waste, but additional bins are requested due to extra garden waste that the resident needs to dispose of.
10. Cambridge City residents receive the first green bin for organic waste free of charge; if residents wish to have additional green bins for garden waste they pay an annual fee of £35 per bin (2018/19). Residents in South Cambridgeshire can currently have up to 4 green bins free of charge. There are currently about 1,200 additional green bins in the City and 2,300 additional green bins in the District.
11. 95% of councils that offer a garden waste service charge for additional garden waste bins. Those councils introducing a charge for additional bins do not experience a noticeable reduction in tonnage collected as residents tended to value this service, rather than undertaking home composting or visiting HRCs. Locally, all Councils in Norfolk and Suffolk charge for the collection of all garden waste bins (including the first bin) ranging between £40 and £55. The table below details the charges levied in Cambridgeshire.



**GREATER CAMBRIDGE
SHARED WASTE**

	Charge for first bin	Charge for additional bin(s)
Cambridge City	Free	£35
East Cambridgeshire District Council	Free	£48
Fenland District Council	£40	£40
Huntingdonshire District Council	Free	£40
Peterborough City Council	£45	n/a
South Cambridgeshire District Council	Free	Free

12. The recommendation is to retain a single, free, green organic bin and implement a new chargeable garden waste collection service for additional green bins only across South Cambridgeshire, leading to a uniform additional green bin policy across the whole service area.
13. Assuming a 75% take-up by residents, this policy will raise £80,000 income for South Cambridgeshire DC in a full year to help offset the cost of providing this discretionary service and encourage residents to consider alternative ways of disposing of their garden waste. It is proposed that the billing period would operate from October to October to be in line with Cambridge City additional garden waste billing cycle. A communication campaign to residents will be undertaken from October 2018 with the changes being effective for collections from 1st March 2019. To support residents with this change it is proposed that the additional service is discounted for the first year, with residents paying a reduced rate of £20 per additional bin until October 2019.
- 14. Organic collection schedule for winter period**
The current position for residents in Cambridge City is that they receive fortnightly green bin collection throughout the year. Residents in South Cambridgeshire receive fortnightly green bin collection for nine months of the year, changing to monthly collections during the winter (December, January and February).
15. The reason that SCDC moved to a monthly collection during the winter period is to better match service provision with the actual service demand from residents. The tonnage of material presented by SCDC residents reduces by up 75% during the winter period compared to peak summer levels, yet the Council still provided the same frequency of collections despite the lower service demand. There is a similar change in the Cambridge tonnages of a 60% decrease in midwinter compared to peak summer levels. In SCDC there was no impact on the overall amount of garden waste collected and therefore overall recycling performance when the frequency of winter collection changed in 2014. Due to the reduced temperature during the winter period the risk of odours and/or flies developing in these bins is minimal.
16. The recommendation is to provide a fortnightly service to Cambridge City residents for nine months of the year and then provide monthly collection during the winter months, usually December, January and February. A number of other local authorities operate a total suspension of organic collections during the winter period for up to four months.

17 Standardised collection start time for domestic waste service.

The current position for the service in Cambridge City is that collection should not start before 7am. Collections in South Cambridgeshire start at 6am. This difference in start time causes difficulty for managing the staff and confusion to residents as we specify two start times to residents depending on location. With the later start we are now also experiencing delays due to morning traffic entering the city on congested trunk roads. By moving to a 6am start we would move approximately 25 HGV movements off the A10 during this peak period.

18 An additional benefit from an earlier start time would be that more bins would be collected prior to residents leaving for work so these bins could be taken back in, reducing the issue of bins on pavements.

19 Since June the service has been trialling an earlier start time in the City due to health and safety concerns from the extended hot period. The service will continue with this trial until a final decision has been made, as over the three month period we have had no additional noise complaints and the collection crews support these changes. This change in practise means that vehicles leave the depot between 6:15 - 6:20am, leading to them starting to collect in the City from 6:30am onwards.

20 During this period GCSWS has carefully reviewed which locations would be most suitable for an earlier start time and would monitor and amend these start locations if required over time if any issues arise.

Implications

21 This report has taken into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues. Areas of concern have been detailed below.

Financial

22 There are currently approximately 3,000 additional garden waste bins in South Cambridgeshire and it is estimated that if the additional green bin service was chargeable, at least 75% of residents would sign up for the service, with the remaining residents choosing other options such as home composting or using the recycling centres.

23 It is estimated that this change would generate approximately £80,000 per year for South Cambridgeshire DC, based on a £35 per additional bin charge.

Climate Change

24 We believe that these changes would reduce greenhouse gas emissions. Vehicles would not be delayed on trunk roads during morning peak periods and collection vehicle mileage would be reduced as we currently collect very limited amounts of organic material for residents' bins during the winter period.

Consultation responses

25 The Shared Waste Board has been involved with the development of the paper.

26 Staff and Trade Unions have previously been consulted on bringing forward the start time to 6am across the service.



GREATER CAMBRIDGE
SHARED WASTE

- 27 GCSWS has consulted with Environment Health Officers in the City. Their advice is that whilst there is no legislation stopping earlier waste collections, there is a concern that some residents may be disturbed by an earlier collection start time. This concern will be mitigated by carefully planning collection routes so that earlier collections avoid potentially more sensitive residential areas. Learning will also be taken from the many city waste authorities that already operate early morning and late-night collections.

Appendixes

Appendix A - Greater Cambridge Shared Waste Service Collection Policies and Procedures document

Report Author: Trevor Nicoll – Head of Shared Waste Service
Telephone: (01954) 713154

This page is left blank intentionally.

***Household Waste and Recycling Policies and
Procedures***

Greater Cambridge Shared Waste Service

***September 2018
V1.0***

Household Waste and Recycling Policies and Procedures



GREATER CAMBRIDGE
SHARED WASTE

Document control

Prepared by:	Dee Wood
Title:	Household waste and recycling policies
Status:	Draft
Author:	Dee Wood
File Name:	Collection service polices
Document Owner:	Trevor Nicoll

Revision history

Version	Date	By	Summary of Change
0.1	06.08.18	T Nicoll	Draft Final for Member review.
1.0	14.08.18	T Nicoll	Final

Final version sign off

Title	Signature	Position	Date

Table of contents

Household Waste and Recycling Policies and Procedures



<u>Item</u>	<u>Page</u>
1.0 Introduction	5
2.0 Residents Service Charter	5
3.0 Standard service	6
4.0 Blue bins – mixed recyclables.....	6
5.0 Green bins – food and garden waste.....	8
6.0 Black bins – general household waste.....	9
7.0 New Developments	10
8.0 Flats and Houses of Multiple Occupancy (HMO).....	11
9.0 Repair or replacement of waste containers.....	12
10.0 Collection of waste containers.....	12
11.0 Collection day and time.....	12
12.0 Collection point	13
13.0 Over weight and over full bins.....	13
14.0 Assisted collections.....	13
15.0 Extra waste and recycling	14
16.0 Missed collections.....	14
17.0 Incorrectly used (contaminated) bins.....	15
18.0 Frozen bins.....	16
19.0 Kerbside battery collection.....	16
20.0 Clinical and hygiene waste collection.....	16
21.0 Bulky waste collection service.....	21

Household Waste and Recycling Policies and Procedures



Appendix A -Schedule of charges.....	20
Appendix B - What can and cannot be put into bins.....	21
Appendix C - Availability of kitchen caddies and paper liners.....	23
Appendix D - Education of residents at flats.....	24
Appendix E - Size of bins.....	25

1.0 Introduction

Greater Cambridge Shared Waste Service (referred to as Waste Service in this document) was formed in 2015 by Cambridge City Council and South Cambridgeshire District Council.

This document provides key collections policies for the Waste Service. The document will be reviewed regularly and updated as the service changes.

The Waste Service is committed to increasing recycling in order to maximise use of finite resources thereby minimising energy use and waste disposal. The Councils want to develop services that result in reductions in carbon emissions, and support the waste hierarchy, putting waste prevention first.

The Waste Service supports national and European pressures for change to reduce the amount of biodegradable waste that is sent to landfill. It addresses tightening health and safety laws, ensuring that the Council maintains safe, economic and efficient recycling and waste collections.

2.0 Residents Service Charter

2.1 What you can expect from us:

- We will be courteous, helpful and polite at all times.
- We will collect containers left out by 6.00am on your appointed collection day and if we fail to empty them, we will endeavour to return and correct this within two working days except where the failure is as a result of weather conditions or in cases of householder error, e.g. bins containing the wrong materials, not presented in the correct location, or not presented at the correct time.
- Residents will receive a fortnightly collection of food and garden waste from March to November and a monthly collection between December and February.
- We will provide a fortnightly collection of mixed dry recyclables.
- We will provide a fortnightly collection of general household waste.
- We will repair or replace damaged, lost or stolen containers within ten working days.
- We will treat collected material in the most economical and environmentally responsible manner available, in accordance with statutory requirements.
- We will provide help, advice and education where required.
- We will return containers to a safe and convenient location.

2.2 What we ask of you:

- Use the recycling and garden & food waste collection services for as much of your 'waste' as possible – the refuse bin is only for items which cannot be collected through recycling or garden & food waste collection services.
- Use the bins correctly and put the right items into the right bin.
- Ensure your garden waste, food waste, recycling and refuse are made available for collection by 6.00 a.m. on your scheduled collection day.
- Place your containers at the agreed location. This is usually at the kerbside next to the public highway unless alternative arrangements have been agreed.
- Please be considerate when parking vehicles, as vehicles blocking or obstructing access for our lorries can make it difficult or prevent us from carrying out collections.
- Please return your containers onto your property as soon as possible following your collection.
- Please ensure that the bin lids are fully closed when placed out for collection.
- Please do not overfill your container(s) or put heavy objects into your bins.
- Please do not put extra waste by your green or black bin, as this will not be collected.
- Report non-collection or any other complaint regarding the Waste Service via website, email or phone. If a return visit is required, a missed collection must be reported by 3.30 p.m. on the day following the scheduled collection day.

3.0 Standard service

The Standard Waste Service consists of:

240 litre black bin or white sacks for general waste

240 litre green bin or brown sacks for garden and food waste

240 litre blue bin, boxes or transparent sacks for mixed dry recyclables

In most cases the service operates an alternate weekly collection. (Note - see below information for residents who have their refuse collected in white sacks.)

In all cases containers will remain the property of the Waste Service.

4.0 Blue bins – mixed recyclables

4.1 Standard provision

An individual household is normally entitled to one wheeled bin for recycling.

4.2 Size of bins

There are two sizes of wheeled bin available for individual properties. They are a 240 litre (standard) bin or a 140 litre (small) bin. See appendix for dimensions.

4.3 Additional blue bins are provided for free. Houses can have a maximum of four bins in total. Third and fourth bins are provided at our discretion to large households or Houses of Multiple Occupancy that may require greater capacity. A council officer may need to visit to assess requirements.

4.4 Alternatives to a bin

Transparent recycling sacks or boxes can be supplied free of charge for residents living in properties that:

- do not have space to store a bin off the public highway
- have physical barriers that prevent a bin being safely handled to the collection point

Residents using sacks will have the same amount replaced as collected on their scheduled day.

4.5 Extra recycling

Residents with additional ad-hoc recycling should place it in a clear sack and leave it beside the blue bin. Additional cardboard should be bundled and tied so that it is small enough to fit inside the blue bin with the lid closed. If residents have excess recyclables these can be taken to any of the recycling points in Supermarket car parks and other communal areas.

Residents with regular extra recycling should request an additional bin if they can store one. Additional recycling will not be collected unless the blue bin is full.

4.6 Disruptions to service

If there are service disruptions or a high volume of recycling then the emptying of bins is the priority and additional recycling may not be collected. Additional recycling should be kept until the next collection or taken to a recycling point or centre.

4.7 Use of the blue bin service

Guidance on what is collected through the blue bins service is in appendix B

4.8 Other types of property

Colleges and schools may use the household service if they can cope with the capacity and collection frequency specified above.

Alternatively they should subscribe to the commercial waste service.

5.0 Green bins – food and garden waste

5.1 Standard service

The Council will supply one green wheeled bin for organic waste free of charge.

5.2 Size of bin

The standard size is 240 litres but 140 litres are also available.

5.3 Alternative to bins

Residents who do not have space for a green bin can be provided with paper sacks for their green waste instead of a green bin. Residents who have a bin are not permitted to use paper sacks.

5.4 Number of sacks

Up to a maximum of six sacks will normally be issued by the collection crew per fortnight and six will be collected at any one time. The collection crew will replace the number of sacks that they collect.

5.5 Collection of food waste

Kitchen caddies are offered to residents free of charge to help manage their food waste. These caddies are for use in the kitchen for storing food waste before placing it into the green bin. See Appendix C for locations where caddies can be collected.

The Council only collects food waste that is presented loose in the bin or wrapped in paper. This may be any paper or paper caddy liners. Paper liners come in packs of 50. These can be purchased from the locations specified in Appendix C or bought at supermarkets or direct from our supplier www.alina.co.uk/southcambridgeshire. See Appendix A for charges.

Compostable or biodegradable 'plastic' corn starch liners (e.g. BioBag) cannot be accepted in the green bins, even if they are EN13432 certified or display the compostable seedling logo, as they do not compost quickly enough for our fast composting process.

5.6 Frequency of collection

Residents will receive a fortnightly collection of food and garden waste from March to November and a monthly collection between December and February. This change occurs to coincide with the reduction in garden waste at this time of year.

5.7 Additional bins and charging

One household is allowed up to three additional bins.

Additional bins issued are subject to an annual service charge. Please see Appendix A for details of costs.

5.8 How to apply for additional bins

Residents should apply for additional bins online and set up an annual Direct Debit. Once payment has been received a sticker is issued to the householder

to display on the bin. This is replaced annually if the subscription is renewed. Additional bins not displaying the correct sticker will not be emptied.

5.9 Other types of property

Churches and schools that generate garden waste are entitled to one 240 litre green bin free of charge. Premises must subscribe and pay for additional services as per point 6.6.

Up to three additional bins can be paid for and issued. Premises wishing to have any more capacity or more frequent collections will be referred to our Commercial Waste Service.

5.10 Use of the green bin service

Guidance on what is collected through the green bin service is in Appendix B

6.0 Black bins – general household waste that cannot be recycled

6.1 Standard provision

An individual household is normally entitled to one wheeled bin container for household waste only.

6.2 Additional bins

A second bin is only permitted under certain circumstances and at our discretion and usually incurs a charge. Second bins will have red lids or a red sticker attached to them so that these can be easily identified by crews as authorised. Additional bins without red lids or stickers will not be emptied.

6.3 Size of bins

There are two sizes of wheeled bin available for standard properties. They are a 240 litre (standard) bin or a 140 litre (small) bin. See Appendix E for sizes.

6.4 Charges for bins

The cost of these different bins is detailed in Appendix A. The developer, owner or landlord is responsible for paying this cost to the Waste Service if the property does not have a black bin.

6.5 Alternatives to a bin

Residents living in properties that:

- do not have space to store a bin off the public highway or
- have physical barriers that prevent a bin being safely handled to the collection point or
- are subject to other circumstances as agreed by the Waste Service,

can be issued with White sacks. White sacks are not supplied in addition to wheeled bins.

6.6 Delivery of sacks

White sacks are delivered to residents twice yearly in April and October. Each qualifying household will receive six rolls containing 15 sacks. Further white sacks will not be issued as this collection service also needs to reflect the importance of recycling and this quantity is deemed to be equivalent to a 240 litre wheeled bin. A maximum of 5 sacks will be collected at any one time.

6.7 Requesting sacks

Residents who believe they need to be placed on the white sack collection for domestic waste must make a request online. A visit may be made to the property to determine the need.

6.8 Other types of property

Service levels for companies who rent out properties will be assessed according to Council Tax arrangements and where deemed appropriate will be managed by the Commercial Waste Service.

6.9 Use of the black bin service

Guidance on what can be collected from the black bin service is in B.

7.0 New Developments

Houses

7.1 A set of three 240 litre bins will be issued to new houses as standard.

7.2 The size and quantity of bins issued to flats will be as per the agreement at the planning consultation stage.

7.3 Bins issued to brand new properties have to be paid for. Where S106 applies this is paid for by the developer, otherwise the cost is incurred by the owner. See Appendix A for charges.

Alternative collection arrangements

7.4 **Underground banks or bins** provide for the storage of waste and recycling under the ground and therefore, in certain circumstances, can be beneficial in terms of:

- being more aesthetically pleasing than above ground facilities
- reducing fly-tipping
- certain systems provide efficiencies as they can be emptied less frequently i.e. the underground container is larger than some used above ground.

7.5 Residents living in developments with underground bins should refer to local information for details of how their collection service works as these are different to wheeled bin services and will differ between locations.

7.6 Further information about underground bins and banks for developers can be found in the waste management and planning sections on the website.

8.0 Flats and Houses of Multiple Occupancy

8.1 Size of bins

- Properties such as flats or accommodation blocks will normally use communal 1100 litre and 660 litre wheeled bins.
- Smaller blocks can be issued with 360 litre or smaller bins.
- HMO are issued with 240 litres as standard.

8.2 Number of bins

- The number of bins provided will depend on the number of occupants.
- Additional black bins of all sizes will incur a charge.
- Additional blue bins of all sizes are free of charge.
- Additional green bins of all sizes incur a charge in line with our additional green bins policy.

8.3 Garden and food waste collection at flats

- Bins will normally only be provided for the collection of general household waste and dry recyclables. The exception is ground floor flats with their own garden that may require a green bin.
- Garden and food waste collections are only provided to other properties on request and at our discretion.
- Charging for additional bins may apply. See appendix A.

8.4. Individual flats and Mixed Domestic & Commercial Properties (Hereditament Properties)

- Mixed hereditament properties are generally business properties with living accommodation attached e.g. a flat above a shop.
- Where bins cannot be provided sacks will be delivered and collected from an agreed location. Residents will be provided with the same quantities of sacks as a household.

8.5 Collection point

Bins will be collected from the bin storage or other area as agreed by the Council and returned to the same location.

8.7 Collection frequency

- Communal bins and sack collections from flats are in line with section 3.
- Locations with limited space and where it is not possible to provide recycling collections may receive a weekly refuse collection at our discretion.
- Requests (from Managing agents) for bins to be emptied on a non-scheduled collection day will incur a charge (see Appendix A for charges)

8.8 Contamination of bins at flats

- Where a communal bin is contaminated it will be rejected and not emptied. It will be the responsibility of the residents/managing agents to arrange for the offending materials to be removed before the bin will be emptied on the next scheduled collection day. Only items detailed in Appendix B will be collected.
- Requests (from managing agents) for bins to be emptied on a non-scheduled collection day will incur a charge see appendix A.

Repeated contamination of recycling bins

- If the Council becomes aware of a recurring problem it reserves the right to remove the recycling service, as a last resort, if repeated attempts to change behaviour have failed. We will work with Resident Associations and/ or managing agents to improve the quality of the recycling collected.
- The process for this is outlined in Appendix D.

8.9 Excess waste

No loose rubbish, sacks or other items around the bins will be collected and it will be the responsibility of the residents/managing agents to remove or clear any such items. Where a bin is blocked in and we cannot gain access it will not be emptied until this has been removed. The bin will then be collected on the next scheduled collection day.

If residents have excess material this can be taken to the nearest Household Recycling Centre at Milton or Thriplow free of charge or a bulky waste collection can be arranged.

9.0 Repair or replacement of bins

- Damaged or lost bins will be replaced free of charge, except where residents have caused the damage due to neglect or intentional damage. In these cases we reserve the right to either not replace bins or to charge for replacement bins (of any colour).
- Any bin or container that is damaged or destroyed by the Council's equipment or staff during the course of their work will be repaired or replaced free of charge.
- Damaged bins will be brought back to the council depot and refurbished where possible for re-issue.

10.0 Collection containers

Only official Council receptacles will be emptied. Any non-official receptacle will not be emptied by the council

11.0 Collection Day & Time

- Details of your day of collection can be found online on Councils website.
- The bins/sacks must be available at the collection point by 6.00am on the day of collection.
- Waste must not be placed out for collection before 6 p.m. on the day before collection.
- Bins should be brought back in as soon as possible after collection and not left on the street.

- Information will be provided to residents notifying them of any change to collection days. Collection calendars can be found online

12.0 Collection point

- The container should be presented at the edge of a resident's property, where the premise meets the public highway.
- If properties are located down a private driveway then the bins must be presented where the private access road/driveway meets the public highway.
- In a small number of cases due to the access or location of a property it may not be possible for residents to place bins near the public highway for collection. Each case will be looked at on an individual basis to agree a suitable collection point. Where the collection vehicle has to travel over a private road/drive we will require an indemnity from the owner/s that we will not be liable for any damage due to wear.

13.0 Overweight & overloaded wheeled bins and sacks:

- Wheeled bins will only be collected if the bin lid is closed otherwise it will not be emptied. This is to limit the potential for waste to fall or blow out of the bin when it is being lifted by the bin lift.
- Where a crew member cannot safely manoeuvre and position a wheeled bin onto the vehicle, or where the vehicle cannot lift the bin due to the weight of the bin, then it will be left un-emptied and reported by the collection crew. By law all the vehicle bin lifts have a safe working weight limit which crews cannot override.
- When collecting sacks the employee will assess the weight of the bag. If this is too heavy to carry safely to the vehicle, the bag is likely to split or the employee cannot safely lift it into the bin it will not be collected.
- Where any bin or sack is found to be too heavy the householder will be left an advice card and required to remove sufficient material from the container and dispose of it in a responsible manner.
- Once sufficient weight has been removed, the bin or sack should be presented on the next scheduled collection date or if requested by 3:30 p.m. on the day following the scheduled collection, the service will endeavour return and empty the bin. Overloaded bins could result in the whole contents of a bin not being emptied. If any of the waste does not empty when lifted by the vehicle mechanism the remaining contents will be left. Residents should ensure the waste is loosened within the bin when presenting it for collection.

14.0 Assisted collections

- Assisted collections are available only to residents with a disability or mobility problem where no-one in the household is able to take the bins to the normal collection point.
- The collection team will collect the waste or recycling from the agreed location, empty the container and return it back to the same location.
- The bins/sacks must be easily accessible for the crews at the front of the property, gates left unlocked where necessary and the crew should be able to easily manoeuvre the bins from the property. Please ensure there

are no overhanging branches or shrubs as we may be collecting in the dark.

- Where a property on an assisted collection is located a long way from the public highway on a private driveway/road we may require an indemnity from the owner/s of the road to enable our vehicle to access the property where it is not suitable for our crews to walk to collect the waste.
- Checks will be carried out by the Council on the resident's suitability for the collection and evidence requested from the householder. Failure to provide such evidence will lead to this service being withdrawn. Any change in circumstance must be notified to the Council as soon as possible.
- Eligibility for the Assisted Collection service is reviewed every three years.

15.0 Extra waste and recycling

- Household waste - excess material put beside the black bin will not be collected. If residents have excess material it can be taken to the nearest Household Recycling Centre at Milton or Thriplow free of charge or a bulky waste collection can be arranged for a cost.
- Mixed recyclables - residents with additional recycling (except glass) should place it in a transparent sack and leave it beside the blue bin. Large cardboard should be bundled and tied so that it is small enough to fit inside the blue bin with the lid closed. If residents have excess recyclables these can be taken to any of the recycling points in supermarket car parks and other communal areas.
- Food and garden waste - excess material put beside the green bin will not be collected. If residents have excess material it can be taken to the nearest Household Recycling Centre at Milton or Thriplow.

16.0 Missed collections

16.1 We will only return for bins which have been missed in the following circumstances:

- The bin or sack was placed out before 6.00am on the day of collection.
- The normal collection point was used.
- In the case of assisted collections there was access to get to the bin (e.g. gate was unlocked)
- A crew report has not been received regarding the bin e.g. heavy, excessive waste, contaminated, not out by 6 a.m. etc

16.2 Residents must report bins as having been missed by 3.30 p.m. the day following the scheduled collection day.

16.3 We will endeavour to return to collect it within two working days of the scheduled collection day.

Missed on Monday	Report by 3:30 p.m. Tuesday	Collect by Wednesday evening.
------------------	--------------------------------	----------------------------------

Household Waste and Recycling Policies and Procedures



Missed on Tuesday	Report by 3:30 p.m. Wednesday	Collect by Thursday evening.
Missed on Wednesday	Report by 3:30 p.m. Thursday	Collect by Friday evening.
Missed on Thursday	Report by 3:30 p.m. Friday	Collected by Monday evening
Missed on Friday	Reported by 3:30 p.m. Monday	Collected by Tuesday evening
Missed on Saturday	Reported by 3.30 p.m. Monday	Collected by Tuesday evening

16.4 If the Waste Service is unable to collect due to problems with contamination or bin misuse the crew will leave a card notifying the resident of the reason for non-collection. In those circumstances the container will be collected on the next scheduled collection day if the offending items have been removed.

17.0 Contaminated containers

17.1 Contaminated means that the bin, box or sack has items in it that cannot be recycled or composted, or in the case of the black bin, items which are too heavy or hazardous for the bin to be emptied safely.

17.2 Contaminated containers cannot be emptied as this contamination may affect the whole lorry load and potentially render it as rejected by the Materials Recycling Facility or Composting Facility. It may also make a bin dangerous to empty.

17.3 Contamination will be reported by the collection crew on their in-cab computer system.

17.4 A card will be left under the bin handle, inside the recycling box, or put through the resident's letter box saying that the bin, box or sack has not been emptied because of the contamination and that the contamination needs to be removed so that the bin can be emptied on the next scheduled collection day.

17.5 Black bins can be too heavy due to rubble, bricks or soil. Other contaminants such as paint tins that contain paint are classed as contamination because they can leak out onto the road causing problems and damage to the road, our vehicles and staff. Any hazardous waste is also classed as contamination.

17.6 If the container is contaminated, the resident needs remove the contamination so that the crew can collect it on the next scheduled collection day.

17.7 The contamination policy for bins at flats can be found under appendix D.

18.0 Frozen green waste bins

If the waste does not empty when lifted by the vehicle mechanism the bin will be left with the contents still in it. The lid of the bin will be left open to indicate the crew have tried to empty the bin. The resident should ensure that the waste is loosened within the bin when presenting it for collection on their next scheduled collection day. We will not return to empty frozen bins before the next scheduled collection.

This includes additional garden waste bins for which an annual fee has been paid.

19.0 Kerbside battery collection service

19.1 This service is currently available to residents who live in houses or street level properties and have blue bin or box

19.2 Residents can be supplied with a bag for their portable household batteries (or can use ordinary plastic bags) which they can put out for collection (attached to their bin). These bags will then be collected by the crews and taken to the depot where they will be collected for recycling by a contractor operating on behalf of a battery compliance scheme.

19.2 Residents should stick battery bags onto the back of their blue bins or box. Ordinary plastic bags with handles can also be used – these should be tied on to the bin handle.

19.3 Crews will deliver a replacement bag when one is collected.

20.0 Clinical and hygiene waste

This falls into two types of waste:

- Waste that can be collected via your normal refuse collections is referred to as Hygiene waste
- Waste that needs to be collected and disposed of separately is referred to as Clinical waste.

20.1 Clinical waste can include:

- Human tissue
- Blood or other bodily fluids
- Drugs or other pharmaceutical products
- Swabs or dressings
- Syringes, needles or other sharp instruments

20.2 Hygiene waste

This waste can carry an offensive odour as well as appearance. This waste may include:

- Catheter and stoma bags (drained)
- Wound dressings (non-infectious)
- Soiled bedding (vomit, human waste)
- Nasal and respiratory secretions
- Condoms
- Sanitary waste
- Nappies
- Plasters
- Incontinence pads

20.3 All hygiene waste must be bagged and tied to reduce the chance of leaks.

20.4 Storage of hygiene waste

- Residents who struggle to contain their hygiene waste within one black bin may apply for an additional black bin.
- Requests for a second bin due to having children in nappies are subject to a charge.
- Requests for a second black bin due to hygiene waste from medical care are free of charge.

20.5 Applying for additional bins.

Residents requesting a second black bin need to complete an application form. If the council is satisfied that the household has a justified need then a bin will be delivered within ten working days from the date of acceptance. Residents are expected to notify the council when these circumstances change.

Homes with second bins are reviewed every three years or at the Waste Services discretion.

20.7 Clinical waste

Waste that needs to be collected and disposed of separately. This is infectious waste which is sent to be incinerated in order to prevent infection such as:

- Waste from infectious disease wounds.
- Waste from wound infections and other acquired infections
- Human hygiene products and dressings from infectious wounds
- All sharps including hypodermic needles and syringes with needles attached.

20.8 Infectious waste is collected separately from your normal waste in specially provided sharps boxes or yellow sacks. Collections are provided free of charge and the frequency of collections will be discussed at application stage.

20.9 If treated by a health care professional clinical waste must be disposed of by them and not the Waste Service.

20.10 If you require a clinical waste collection you will need to request that your GP or District Nurse completes and returns a request form so we can assess the most appropriate way of handling your waste. The clinical waste request form can be found on our website.

20.11 At present, sharps boxes can be obtained from your GP surgery. After each collection, any clinical bags will be replaced bag for bag, either being posted through your letterbox or left in a nearby visible location at your address.

20.12 For further advice or information, to request a clinical waste form by post or to request a temporary clinical waste collection please call 01954 713484.

20.13 Containers/sacks must be left at the boundary of your property for collection the evening before your scheduled collection day, collections can take place from 5 a.m.

20.14 All bagged waste must be contained in the yellow sacks provided and sacks must be tied at the top. Please do not place yellow clinical waste sacks in your normal refuse bin as this will not be collected.

20.15 We **do not** currently provide a commercial clinical waste service.

21.0. Bulky items collection service

21.1 We can collect a maximum of 9 items at one time.

21.2 There is one charge for the first three items and an additional charge for each further item.

21.3 Examples of items we collect are:

- Furniture (each piece counts as 1 item, e.g. 2 chairs = 2 items, bed and mattress = 2 items)
- Carpet (1 rooms worth = 1 item)
- Cooker / Oven
- Vacuum cleaner

21.4 Hazardous Items

A separate and higher charge per item is applicable for hazardous items to reflect the high processing cost of recycling these goods.

We will collect:

- Fridges
- Freezers
- Non CRT flat panel screens e.g: LCD TVs, laptops and desktop monitors
- Microwaves

21.2 Items we will not remove:

The following items will never be removed by the Waste Service. Consult the internet for specialist disposal companies.

- Cars
- Chemicals and Paint
- Industrial Fridges

Household Waste and Recycling Policies and Procedures



- American-style fridge-freezers
- Engine Oil or items that have been contaminated with oil e.g. oil tanks
- Tyres
- Vehicle batteries
- Anything not specified when booking the collection

21.3 Once you have identified that the item can be collected, or are unsure if it can be, call one of our advisors and ask to book a bulky collection. You will need to provide your name and address. This is so we can identify your information on our systems and find out what day the collection is in your area.

21.4 When phoning our advisors, they will provide you with available dates depending on when you would like to have your item removed, this can be as far in advance as you would like but cannot be for the same day.

21.5 Bulky collections are taken from outside the property, so you do not have to be there for them to collect. The collection crews are not able to enter your property which is why we ask for the items to be left outside. The crew are out as early as 6.00 a.m., they need the items outside from that time on the date of collection, the night before is also fine.

21.6 Once the date has been agreed the advisor will ask you to confirm your telephone number in case of any issues, and a list of what items need to be collected. If you want to add any additional items later, just call before 3.00 p.m. the day before the collection and these can be included.

21.7 Charges for bulky collections can be found on Appendix A.

22.0. Review of charges

- Charges will be reviewed on an annual basis.
- Current details of charges are attached at Appendix A

Appendix A: Schedule of Charges as at March 2018

Charge Type and Description	Charges 2018/19
Bulky domestic collections	
13 cubic metres domestic waste skip	£170.00
One to three items (excluding hazardous items)	£30.00
More than three items (per item and maximum 9 items)	£5.00
Hazardous domestic collections	
Per item (fridge/freezer/TV/microwave etc)	£25.00
Other domestic collection charges	
Delivery of a set of 3 bins to new housing developments	£75.00
Delivery of a replacement black bin 240 litre - new	£50.00
Delivery of a replacement black bin 240 litre - reconditioned and if available	£25.00
Delivery of a replacement black bin 140 litre - new	£25.00
Delivery of additional approved black bin	£50.00
Delivery of a replacement bin (green or blue)	FREE
Delivery of an additional blue bin	FREE
Annual 2nd green bin charge - per additional 240 litre (City)	£35.00
Annual 2nd green bin charge - per additional 140 litre (City)	£30.00
Delivery of a replacement 660/1100 litre container	By quote
Delivery of a replacement 940 litre container	By quote
Clearance of rubbish from bin stores	By quote
Kitchen caddy sacks (in packs of 50). Includes VAT. From City and District receptions	£3.00
Kitchen caddy sacks (in packs of 10 from south cambs website). Includes VAT and delivery.	£4.49

Appendix B – Acceptable and non-acceptable items in the bins (March 2018)

Accepted:

General rubbish bins, black bins and white sacks	Blue recycling bins, boxes and clear sacks	Green recycling bins and brown sacks
<ul style="list-style-type: none"> • Plastic waste (except plastics allowed in the recycling bin) • Nappies and sanitary products • Polystyrene • Broken toys • Ash – this must be contained within a bag/sack • Cat litter & dog faeces – only a small amount which must be wrapped • Plant pots • Any items which cannot be put in the blue and green recycling bins unless prohibited (see below) 	<ul style="list-style-type: none"> • Newspapers and magazines • Junk mail and flyers • Envelopes • Holiday brochures • Directories • Cardboard • Packaging card • Egg boxes (cardboard or plastic) • Shredded paper (if contained in an envelope, paper bag or transparent plastic sack) • Milk, Juice and Squash cartons • Plastic bottles • Plastic yoghurt pots • Plastic margarine or spread tubs, ice cream tubs • Plastic trays from chocolate & biscuit boxes, meat, vegetables and fruit • Plastic bottle tops, lids and triggers • Plastic packaging – cling film, bread bags, bubble wrap • Carrier bags • Plastic cream, custard pots, soup pots, instant noodle pots • Plastic tubs for dishwasher & laundry tablets • Cans, tins & foil, biscuit and sweet tins • Glass bottles and jars • Jam jar lids • Aerosols 	<ul style="list-style-type: none"> • Grass cuttings & leaves • Untreated wood (i.e., no nails, paint, stain or varnish) & sawdust • Flowers and weeds • Windfall fruit (NB overweight bins cannot be emptied) • Prunings from hedges, shrubs & trees • Straw • Bread • Fish • Vegetable and fruit peelings • Meat • Bones • Dairy products • All cooked and uncooked food • Tea bags and coffee grinds • Compostable paper liners for food waste • Cold ashes only when mixed with other compostable waste (please wrap ash in a paper bag or newspaper if you have no other compostable material in your bin)

Household Waste and Recycling Policies and Procedures



Appendix B – Not Accepted

General rubbish bins, black bins and white sacks	Blue recycling bins, boxes and clear sacks	Green recycling bins and brown sacks
<ul style="list-style-type: none"> • Dry recyclables and compostable organic waste (that is accepted in the blue or green recycling bin) • Hot ashes • Car parts • Builders rubble & soil • Corrosive materials and liquids such as oil and paint • Fluorescent tubes & low energy light bulbs • Electrical and electronic equipment • Pesticides 	<ul style="list-style-type: none"> • Black sacks (with or without recyclable waste in them) • Textiles (clothes, bedding, duvets etc.) • Food waste • Polystyrene • Broken toys • Nappies • Carrier bags containing recycling Electricals Metallised plastic pouches (e.g. CapriSun, pet food) Toothpaste tubes Black plastic food trays 	<ul style="list-style-type: none"> • Green waste or food waste contained in any type of plastic bag • Any type of degradable/ biodegradable/compostable 'plastic' bag/sack (including corn starch bags) • Garden items such as plastic flower pots & trays • Any items that should be in the recycling or residual domestic bin • Soil, stones or sand (large amounts of) Coal ash

Household Waste and Recycling Policies and Procedures



Appendix C- Provision of Kitchen caddy and caddy liners:

Kitchen caddies can be obtained from:

- Mandela House – Ground floor Customer Service Centre reception
- City Homes 171 Arbury Road
- South Cambridgeshire District Council Offices, Cambourne – reception

Paper caddy liners can be purchased from all the locations above and also bought on the South Cambridgeshire District Council Website

Appendix D. Contaminated bins at flats process

- In-cab data from the collection round will be analysed to identify frequency of contamination recorded by the crews over the previous 3 months (6 collections)
- Signage at the site (in bin stores and other communal areas) will be reviewed to ensure it is adequate
- Letters and leaflets will be sent to residents.
- Door-knocking will be done if resource allows.
- In-cab data from the collection round will be analysed to identify frequency of contamination recorded by the crews over the next 3 months.
- At the end of the 3 months (6 collections) if there has been no improvement then a second letter is sent to residents with a reminder and warning of service removal
- In-cab data for the next 3 collections after letter received are monitored
- If no further improvements then arrangements will be made for bin removal and residents/ agents notified
- The council may provide additional refuse capacity to replace the recycling at our discretion. This is chargeable.

Appendix E- Sizes of bins issued by the Council

Sizes are the same for black, blue and green bins

<p>BOX</p>		<p>H = 35.5 cm W = 55.3 D = 40.6</p>
<p>140 Litre</p>		<p>H = 106.7 cm W = 48.3 D = 55.9</p>
<p>240 Litre</p>		<p>H = 106.7 cm W = 58 D = 74</p>

Household Waste and Recycling Policies and Procedures



GREATER CAMBRIDGE
SHARED WASTE

360 Litre	 A blue 360-litre bin with a lid, a handle, and a single wheel on the right side. The bin has the 'plus' logo and 'DataShred' branding with the phone number 0800 376 4432 and the website www.greatercambridge.gov.uk.	H = 111.8 cm W = 58.4 D = 86.4
600 Litre	 A blue 600-litre bin with a lid, a handle, and four wheels. The bin has the 'plus' logo and 'DataShred' branding with the phone number 0800 376 4432 and the website www.greatercambridge.gov.uk.	H = 121.9 cm W = 137.2 D = 78
1100 Litre	 A blue 1100-litre bin with a lid, a handle, and four wheels. The bin has the 'plus' logo and 'DataShred' branding with the phone number 0800 376 4432 and the website www.greatercambridge.gov.uk.	H = 135.4 cm W = 121 D = 107.3

Agenda Item 6



REPORT TO: Scrutiny and Overview Committee
Cabinet
Council
LEAD OFFICER: Head of Finance

18 October 2018
7 November 2018
29 November 2018

Housing Revenue Account Medium Term Financial Strategies (MTFS) 2018/19

Purpose

1. To provide Cabinet and Council with an update in respect of the financial position and forecasts for the Housing Revenue Account, allowing review of financial assumptions, approval of any mid-year budgetary changes, approval of any future year business plan changes and agreement of the budgets strategies for 2019/20 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 budgets, and it was first published in the September 2018 Forward Plan.

Recommendations

3. Scrutiny and Overview Committee is asked to note the report, provide comments and feedback and endorse the recommendations to Cabinet, which are that Cabinet and then Council:
 - 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(1)** 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, to include recognition of the virement of resource of £1,560,000 from the unallocated acquisition / new build budget for the acquisition of market dwellings, to ensure that right to buy receipts are appropriately reinvested in 2018/19
 - updates in the new build budget and the new build schemes included in the Housing Capital Investment Plan, incorporation of the latest budgetary figures in respect of approved new build schemes, inclusion of new pipeline schemes with associated budgetary provision 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

- approval of the HRA budget strategy for 2019/20, to include the exemplification of efficiency savings of £142,000, to facilitate the creation of a corresponding strategic investment fund also of £142,000 for 2019/20, with both reducing to £95,000 per annum from 2020/21 onwards for a further 4 years.
- noting the early proposals for bids and savings in the HRA, as detailed in **Appendix D (2)** to the HRA MTFS in advance of formal consideration as part of the HRA Budget Setting Report in February 2019.

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 and forecasts.

Executive Summary

5. The HRA Medium Term Financial Strategies provide an opportunity to consider any changes in the financial context for the Housing Revenue Account. It allows review of external factors affecting the business, such as inflation and interest rates, provides the opportunity to update assumptions in respect of the day to operation of council housing services, and allows recognition of the anticipated impact of any major changes in national policy as legislation is passed and information surrounding any 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, allows approval of in-year budgetary changes 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 policy. A key assumption is the deferral of the sale of higher value voids levy for a further year, pending formal confirmation that the legislation will be repealed as indicated in the Housing Green Paper.
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 HRA Medium Term Financial Strategy.

Legal

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

Staffing

16. There are no direct staffing implications associated with the decisions requested in this report. Some of the changes the HRA faces, ie; welfare reform and the introduction of Universal Credit are expected to have an impact on the staffing resource required in the HRA. Proposals are incorporated for additional staffing investment as part of the early bid process, with decisions anticipated to be made as part of the HRA Budget Setting Report in February 2019.

Risk Management

17. An assessment of the key strategic 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, 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 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.

Appendices

- Appendix 1 – Housing Revenue Account Medium Term Financial Strategy
- Appendix 2 – Confidential Appendix L to the HRA Medium Term Financial Strategy – New Build Pipeline

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 2018/19

Report Authors: Julia Hovells, Principal Accountant
Telephone: (01954) 713071

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



**South
Cambridgeshire
District Council**

Page 43

**November
2018**

2018/19 to 2047/48

South Cambridgeshire
District Council

Contents

Section No.	Topic	Page No.
1	Introduction and Local Context	1
2	Housing Stock	4
3	National Policy Context and External Factors	5
4	Revenue Resources	14
5	Review of Revenue Budgets	19
6	Housing Capital Budget	22
7	Summary and Conclusions	34

Appendices

Reference	Topic	Page No.
A	Key Risk Analysis	39
B	Business Planning Revised Assumptions	42
C	Retained 1-4-1 Right to Buy Receipts	44
D (1)	2018/19 HRA Mid-Year Revenue Budget Amendments	45
D (2)	Summary of Early 2019/20 Budget Proposals	46
E	2018/19 Mid-Year Housing Capital Budget Amendments	48
F	New Build Programme Cashflow	49
G (1)	HRA Summary Forecast 2018/19 to 2022/23	51
G (2)	HRA 10 Year Summary Forecast 2018/19 to 2027/28	52
H	Housing Capital Investment Plan (5-Year Detailed Investment Plan)	54
I	HRA Ear-Marked & Specific Funds	57
J	Business Planning Key Sensitivity Analysis	58
K	Areas of Uncertainty	69
L	New Build Pipeline (Confidential)	61

Section 1

Introduction and Local Context

Foreword by the Lead Cabinet member for Housing

In the Liberal Democrat administration at South Cambridgeshire District Council, housing is one of our top priorities, and especially good quality housing which is affordable for people to live in, near to where they work.

We have over 2,000 households on our waiting list, so council house-building needs to be a high priority. We have welcomed the government's announcement of the lifting of the borrowing cap on HRA borrowing from 2022 and will work to build capacity to take advantage of that opportunity. We are hoping our bid to raise our borrowing cap by just over £17m to build around 149 more council houses in the next 3 years will be successful, to help us to start ramping up our house-building programme.

Welfare reform has already presented some challenges to us, and we are gearing up to support tenants who will start receiving Universal Credit from October 2018. This will be ramping up gradually, and learning from others' experiences we have rearranged the housing officers so they are well-placed to know their tenants, and plan increases to the staffing as a 'spend to save' initiative.

We have housing stock that is largely energy-efficient and in a good state of repair and we need to keep it in that condition.

I am confident that our staff will rise to the challenges set them by government policy, and we need to give them the tools to do that work.

Councillor Hazel Smith

Lead Cabinet Member for Housing

Background

The Housing Revenue Account (HRA) Medium Term Financial Strategy is one of two updates each year of the original HRA 30-Year Business Plan approved in February 2012, which update the position for the HRA operating in a self-financing environment.

The report allows the review of key assumptions and consideration of any material change, which may necessitate a change in financial strategy, policy or direction of travel for the business, to ensure a financially viable Housing Revenue Account in future years. Both revenue and capital investment is considered, with the impact of any proposed changes on the HRA Business Plan clearly identified. A review of the strategic risks facing the HRA is presented at **Appendix A**. The HRA Medium Term Financial Strategy re-states the budget for the current year (2018/19), highlighting only significant or exceptional in-year changes for approval, reviews and updates financial assumptions and presents updated projections for an extended period, now covering the following 9 years from 2019/20 to 2027/28, in the context of the longer-term financial position.

Savings already made in the Housing Revenue Account, coupled with the impact of updating financial forecasts with the latest business assumptions, deliver a sustainable position for the HRA over the medium-term. It must be noted, however, that the current forecasts have been constructed whilst there are still a number of areas of uncertainty in the housing sector, and before the full impact of welfare reform change is realised. The assumption that the 'sale of higher value voids' levy is deferred until at least April 2020, pending confirmation that legislation will definitely be repealed has a positive impact on financial forecasts. Financial forecasts will be reviewed again as further information is made available to the authority.

Timetable

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

Date	Task
18 October 2018	Scrutiny and Overview Committee considers HRA Medium Term Financial Strategy, with any amendments incorporated into recommendations to Cabinet
7 November 2018	Cabinet considers HRA Medium Term Financial Strategy, with any amendments incorporated into recommendations to Council
29 November 2018	Council approves HRA Medium Term Financial Strategy
29 January 2019	Scrutiny and Overview Committee considers HRA Budget Setting Report, with any amendments incorporated into recommendations to Cabinet
6 February 2019	Cabinet considers HRA Budget Setting Report, with any amendments incorporated into recommendations to Council
21 February 2019	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 1/4/2018	Estimated Stock Numbers as at 1/4/2019
General Housing (Incl. use as Temporary Housing)	4,169	4,182
Sheltered Housing	1,056	1,056
Sheltered Housing – Equity Share	78	78
Miscellaneous Leased Dwellings	11	11
Shared Ownership / FTB Dwellings	57	63
Total Dwellings	5,371	5,390

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 1/4/2018	Estimated Stock Numbers as at 1/4/2019
Bedsits	20	20
1 Bed	1,010	1,019
2 Bed	2,280	2,293
3 Bed	1,850	1,841
4 Bed	71	71
5 Bed	1	1
6 Bed	4	4
Total Dwellings	5,236	5,249

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 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). The last 12 months has seen an increase in the rate, from 2.6% in June 2017 to 3.1% by November 2017, but with this quickly reducing to a level of 2.4% by April 2018, where it remained in June.

The Office for Budget Responsibility (OBR) is currently still predicting a return to the Bank of England's target level for CPI of 2% in the medium-term, with the decline to this level now expected to be more steep than previously assumed, with the potential for a dip below the 2% level before stabilisation.

The negotiations surrounding the UK leaving the European Union, coupled with changes in government at a national level, make it difficult to accurately predict in which direction this index may actually 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 2.2% for 2019/20, 2.1% for 2020/21, then 2% from 2021/22 ongoing (amended from the previously assumed levels of 2.2% for 2019/20, 2.3% for 2020/21 and then 2% on an ongoing basis), to reflect the current view of the Bank of England. This assumption will be revisited again as part of the 2019/20 Budget Setting Report.

Expenditure in respect of building maintenance is inflated in the financial forecasts using the Retail Price Index (RPI), as this is the inflationary measure incorporated into the majority of HRA maintenance contracts.

Over the medium-term RPI runs at an average of 1% above CPI, so for the purposes of financial forecasting, RPI rates of 3.2% for 2019/20, 3.1% for 2020/21 and then 3% ongoing have been adopted to reflect this.

Interest Rates

The Housing Revenue Account is entitled to its proportion of any interest earned on cash balances invested by the authority, with a mix of investments adopted by the Council, including lending to Ermine Street Housing. The Housing Revenue Account proportion includes balances which are revenue or capital in nature. Interest returns currently remain relatively low, with revised interest rate assumptions included in **Appendix B**.

The Housing Revenue Account is already at its borrowing cap, bar a very small amount of notional internal lending to the General Fund, and as a result the level at which the HRA could borrow additional resource, over and above the existing PWLB loan portfolio totalling £205,123,000, has not been relevant.

However, the authority has bid for permission to increase its HRA borrowing cap as part of the Ministry of Housing, Communities and Local Government HRA Additional Borrowing Programme, 2019/20 to 2021/22. Bids had to be submitted in September 2018, with the outcome anticipated by late autumn, potentially as part of the Autumn Statement. The interest rate used for modelling of the additional borrowing was 2.8%, assuming that funds would be borrowed from the Public Works Loans Board (PWLB).

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 2017/18, 40 right to buy applications were received and recorded, compared with 65 in the previous year. 24 applications were received in the first 5 months of 2018/19. This seems to confirm that interest has slowed and stabilised, leaning towards the lower levels experienced prior to the housing policy changes and reinvigoration of the scheme that increased interest for a period.

In 2017/18, 20 of the applications proceeded to completion of the sale of the property, compared with 33 in 2016/17. In the first 6 months of 2018/19, 7 sales have completed, confirming the view that interest has declined.

It is impossible to accurately predict future sales, although the recent decline in sales and stabilisation in initial interest, coupled with uncertainty in the economy indicates it may be prudent to retain the assumption of reducing sales, with 20 sales from 2018/19 for 3 years from 2018/19, then reducing to 15 sales per annum from 2021/22 onwards.

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 holds a significant sum for re-investment. Receipts must currently 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, with the balance funded from the Council's own revenue resources and borrowing if permission is granted for this as part of the HRA Borrowing Programme 2019/20 to 2021/22 or the borrowing cap is lifted altogether in the future as indicated in the Prime Minister's speech at the Conservative Party Conference on 3 October 2018.

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.

The authority is unable to directly utilise capital receipts from the sale of land and other housing assets, Section 106 receipts or other forms of public subsidy as a form of match funding for retained right to buy receipts.

A Ministry of Housing, Communities and Local Government consultation on the use of receipts from right to buy sales was published in August 2018, with response due by 9 October 2018.

The consultation recognises some of the difficulties experienced by local authorities' in appropriately reinvesting right to buy receipts and is consulting upon the following proposals:

- Extending the spending deadline from 3 to 5 years for receipts currently held, whilst retaining the 3 year timeframe for any future receipts received.

- Increasing the level of right to buy receipts which can be used to finance new homes from the current cap of 30%, to 50% in respect of social rented homes, where authorities meet the eligibility criteria for the Affordable Homes Programme and can demonstrate a need for social rented housing over other affordable housing.
- Deter the use of receipts for acquisition of existing market homes by limiting the value of an acquisition to the cost of delivery of a new home as determined by Homes England and the Greater London Authority. This would mean a cap on the value of an acquisition for South Cambridgeshire District Council of £167,000.
- Allowing right to buy receipts to be used to fund shared ownership homes as well as rented.
- Allowing land held by the General Fund to be transferred to the HRA for the delivery of affordable homes at zero value, but with some suggestion a time limit may be imposed on how long the General Fund will have had to hold the land prior to transfer.
- Consideration of changes to allow transfer of receipts to a Housing Company or ALMO (Arm's Length Management Organisation), subject to some constraints.
- Allowing a 3 month 'interest free' window after each quarter to allow authorities to make decisions about whether to retain or pay over receipts.

The authority will respond to this consultation before the 9 October 2018 deadline.

Appendix C summarises the latest position in respect of both receipts held and re-invested. Although a deadline has not yet been breached, there was a need to undertake a number of strategic acquisitions during 2016/17, with more taking place in 2017/18, to ensure that funds are re-invested locally, and not paid to central government with an interest penalty attached.

Although further new build expenditure is planned to ensure that future deadlines can be met, the option to alternatively acquire existing open market homes still exists currently, to ensure that investment is made well in advance of the prescribed deadlines.

The option to pass retained receipts to registered providers still remains, with the registered provider delivering affordable housing to which we would receive nomination rights. The same time constraints apply in this instance, as does the need for the 70% top up funding.

At the end of each quarter, the Executive Director (Corporate Services) continues to make a decision as to whether right to buy receipts are retained or paid directly over to central government. The decision takes 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, is then built into the Housing Capital Investment Plan at the next available opportunity.

National Housing Policy

National Rent Setting Policy

The legislation approved as part of the Welfare Reform and Work Bill 2015, requires local authority landlords and registered providers to continue to apply a 1% rent reduction for the final year of 4 years, from April 2019.

After this, the authority is expected to return to the previous national rent policy of increases at CPI plus 1% per annum for a period of 5 years.

In respect of affordable rents, the government has required local authorities to determine what 80% of the market rent would be for a property, and to apply the 1% reductions to this rent level, with the resulting sum being the maximum which a local authority can charge at the end of the 4 year period.

For those properties still charged at the transitional social rents, which are well below target social rent levels, the authority is still expected to increase rents only in void properties to achieve convergence, recognising that the target rents will still reduce by 1% for a further year.

Housing Green Paper

The Ministry of Housing, Communities and Local Government published a green paper 'A new deal for social housing' in August 2018, with responses to the consultation to be submitted by 6 November 2018.

The five key principles in the document are:

- a safe and decent home which is fundamental to a sense of security and our ability to get on in life;
- improving and speeding up how complaints are resolved;
- empowering residents and ensuring their voices are heard so that landlords are held to account;
- tackling stigma and celebrating thriving communities, challenging the stereotypes that exist about residents and their communities; and,
- building the social homes that we need and ensuring that those homes can act as a springboard to home ownership.

The consultation considers a vast number of points, including:

- The introduction of further safety measures in social housing, reviewing the decent homes standard and engaging residents in how to ensure homes are safe
- Improving mediation for residents, ensuring access to the right advice and support, reviewing process for the handling of complaints.
- Reviewing performance reporting requirements and regulation, enhancing resident engagement / leadership, providing residents with more choice.
- Tackling stigma in social housing, providing good neighbourhood management, tackling anti-social behaviour.
- Striking a balance between funding housing associations to *deliver* new homes, and increasing borrowing caps to allow local authorities' to build more, boost community led housing, increase supply of new homes by providing certainty over longer-term funding, support the development of more share ownership homes.

At the Conservative Party Conference, the Prime Minister's closing speech on 3 October 2018 confirmed an intention to abolish the borrowing cap for local authorities' to ensure the delivery of more homes and help tackle the housing crisis.

Mandatory Disposal of Higher Value Housing Stock

The Housing and Planning Act 2016 allows Central Government to choose to impose a financial levy on stock owning authorities in respect of the assumed sale of higher value vacant housing stock. This would require secondary legislation to be passed before the policy could be implemented.

Any levy would be expected to vary for each financial year, with the value arrived at on a formulaic basis, after a period of consultation with local authorities, not unlike the old housing subsidy system., it is anticipated that the authority may have some discretion over which assets it disposes of, in order to meet the levy, with periodic payments due throughout each financial year.

The Housing Green Paper 'A new deal for social housing', indicates a clear commitment from government to revoke the legislation that would allow the levy to be introduced, with the following statement made:

'Therefore to increase councils' confidence to plan ambitious house building programmes, we are confirming in this Green Paper that the Government will not bring the Higher Value Assets provisions of the Housing and Planning Act 2016 into effect. We will look to repeal the legislation when Parliamentary time allows'.

As a result of this, it is not considered appropriate to retain the current assumption that the authority will be required to dispose of assets to meet a levy with effect from April 2019. However, as the announcement currently forms part of a green paper consultation document, and the legislation is yet to be repealed, the assumption has been deferred until April 2020, with our financial modelling now assuming that we do not begin to hold any voids until October 2019. This assumption will be reviewed, and hopefully removed, after the outcome of the green paper is published and the repeal of the legislation is confirmed.

The HRA Medium Term Financial Strategy has therefore been constructed on the assumption that the compulsion to sell would require the equivalent of approximately 1.8% of the housing stock each year to be disposed of, representative of approximately 100 properties per annum initially, but with payment further deferred until 2020/21, pending confirmation of the outcome of the green paper. Scenario modelling has been undertaken to demonstrate the impact on the HRA of the abolition of this policy, as is now hoped.

Welfare Reforms

Universal Credit

Universal Credit full digital service is being rolled out at Cambridge Job Centre from 17th October 2018. Recent changes mean that Universal Credit claimants in temporary housing will receive housing cost support in housing benefit and not Universal Credit. Additionally, a two week overlap for Universal Credit claimants moving from Housing Benefit was also introduced to mitigate the impact of the change.

South Cambridgeshire District Council continues to work with partners and local Jobcentre Plus to provide Personal Budgeting Support. Whilst there has been low take up via the current referral process, Universal Credit customers who reside in either Cambridge or South Cambridgeshire will be able to access CAB budgeting advice at Cambridge Job Centre following the introduction of UC full digital service. We are also working with other partners to support digital inclusion and access to support the new Universal Credit claiming process.

Benefit Cap

The project to manage the impact of the reduced Benefit Cap is progressing well and is continuing to support those affected. . The Council is contacting those potentially affected, with a number of these households having been identified as receiving incomes that exempt them from the cap or having started work or increased their hours of work which will remove them from the cap. Application of the cap was a rolling programme.

At the end of August 2018, 23 HRA tenants were impacted. The council has contacted all those affected to support and advise them. Some tenants may need short term Discretionary Housing Payments (DHP's) to support them until they are able to improve their circumstance. DHPs are used extensively to support those affected by welfare reforms. Officers have been working with tenants to find solutions that work for them.

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 248 HRA tenants affected by the reform, with 195 impacted by a reduction of

14% and 33 by 25%. There are currently 17 HRA tenants who receive Discretionary Housing Payments to help towards their rent as due to removal of spare room subsidy.

Limiting the Child Element to two children

From 1 April 2017, new benefit claims and current benefit claims which increase the family element above two children, do not have additional child elements included in the Housing Benefit calculation. There are some exemptions for multiple births, result of abuse and adoption, or similar.

It will not impact on current claimants with more than two children, unless they have more children, then the child allowances will not increase, subject to the above exemptions. There are currently 13 families claiming Housing Benefit where this restriction is in place.

Supported Accommodation Review

DWP and DCLG launched a further consultation considering new funding for supported housing with an effective date of April 2020.

There were three broad proposals:

- Sheltered housing schemes – a new sheltered rent based on existing social sector rent controls plus eligible service charges. This will be met through claims for Housing Benefit or Universal Credit.
- Short-term and temporary housing schemes with support provided will be supported through a ring fenced grant paid to upper tier authorities who will be responsible for the commissioning of this type of accommodation.
- Longer-term supported housing – these arrangements will continue much as they are with 100% of eligible rent and eligible service charges being met through claims for Housing Benefit or Income Support.

A government press release in August 2018 has confirmed the government's intention to keep funding for supported accommodation within the housing benefit system, and not to implement any of the published proposals.

Support for Vulnerable People

South Cambridgeshire District Council is currently contracted with the County Council to deliver a reduced level, £267,000 per annum, of tenure neutral support services to older people across the district, with a contract term of 3 years from April 2018, and an option to extend for one further year from April 2021.

The County Council are currently undertaking a review of housing related support, with the aim to achieve savings of £1 million. It is not yet known how this will impact the above contract.

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)
31/3/2014	£316,922	1.12%	£76,767
31/3/2015	£328,376	1.13%	£98,954
31/3/2016	£306,046	1.03%	£92,305
31/03/2017	£337,081	1.14%	£83,498
31/03/2018	£424,032	1.44%	£105,551

Performance in the collection of current tenant debt worsened during 2017/18, with £424,032 of current tenant debt by 31 March 2018. These current tenant arrears levels have however been maintained during the first 6 months of 2018/19. At the end of September 2018, current tenant arrears stood at £413,314 and former tenant arrears at £136,694, with the latter being considerably 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 as the rollout of direct payment escalates from October 2018..

Recognising the need to collect rent directly from an increasing number of residents as direct payment rolls out, the current increased assumption of setting aside 0.4% of the rent due in 2018/19 and 0.5% from 2019/20 to meet bad debt, is retained.

At 31 March 2018, the provision for bad debt stood at £352,054, representing approximately 66.5% of the total debt outstanding.

Void Levels

The estimated value of rent not collected as a direct result of void dwellings in 2017/18 was £324,024, representing a void loss of 1.14%.

At the end of 2017/18, 43 properties were unoccupied, representative of 0.8% of the housing stock, with approximately 14% of these void dwellings being intentionally held vacant pending disposal, reconfiguration or re-development of the site.

The assumption of 1.1% voids in general housing is still considered appropriate for the longer-term. Any requirement to sell higher value void properties would impact this assumption in future iterations of the business plan, with the deferred loss of estimated rental income already incorporated into the financial forecasts as a separate assumption until the outcome of the housing green paper consultation is confirmed or legislation is repealed to allow this assumption to be removed.

Rent Setting

Rent levels continue to be set in February of each year, with the decision made at Council, following pre-scrutiny by the Scrutiny and Overview Committee and then Cabinet. From April 2019, the authority is required to apply the final year of four years of rent cuts in social housing of 1% per annum.

In respect of affordable rented homes, the government require local authorities to determine what 80% of the market rent is for each dwelling, and ensure that the combined rent and service charges levied for a property does not exceed this level, minus the 1% reduction required each year for the four years from April 2016. As local policy limits affordable rents to the Local Housing Allowance level (approximately 60% of market rent) from the point of introduction, it is argued that the 4 year reduction has already been applied for these properties at inception. As a result, affordable rents are

reviewed in line with the Local Housing Allowance each year, ensuring that they do not exceed 80% of what is deemed to be market rent, less the impact of 4 years of reducing this by 1%.

The authority identified further savings as part of the 2018/19 budget processes, to help to offset the financial impact of this policy.

From April 2020 the authority is able to revert to the previous policy of increasing rents by CPI (as measured at the preceding September), plus 1% each year, from April 2020, for five years, after which in the absence of any formal announcement, the assumption is a return to inflation plus 0.5% from April 2025.

Rent Restructuring

Property specific target social rents under the rent restructuring regime still apply, with targets to reduce by 1% for a further year from April 2019 in line with the requirement to reduce social housing rents by 1%.

The authority has the ability to close the gap between target social rent and the actual rent being charged for a dwelling, only when a property becomes void, and actively does this.

The average target 'rent restructured' social rent at the time of writing this report in 2018/19 across the socially rented housing stock was £107.62, with the average actual rent charged being £101.63, both recorded on a 52 week basis. At the time of writing this report, 35% of the social rented housing stock was being charged at target rent levels, compared with 31% in the previous year.

The gap between actual and target rent levels now equates to an annual loss of income of approximately £1,333,745 across the HRA, compared with the income assumption in the HRA Self-Financing Debt Settlement, where convergence was anticipated well before now.

There were 61 new build or acquired properties charged at the higher 'affordable rent' levels, equivalent to the Local Housing Allowance at 1st April 2018, with 3 of these being shared ownership homes.

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 2017/18, and 2018/19 to date is shown in the table below:

Budgeted or Actual Use of / (Contribution to) HRA Reserves	Financial Year	
	2017/18 £'000	2018/19 £'000
Opening General HRA Reserves	(8,992)	(10,096)
Changes in HRA Reserves		
Original Budget (Approved in February)	180	991
Rollovers (Approved in July)	800	431
MTFS Mid-Year Review (Approved in November)	(366)	(2,950)
Budget Setting Report Revised Budget (February)	(98)	-
Estimated Closing General HRA Reserves	(8,476)	(11,624)
Actual Outturn for the Year (Reported in July)	(1,104)	-
Contribution to / (from) Ear-Marked Reserves	0	-
Actual Closing General HRA Reserves	(10,096)	-

The original budget for 2018/19 approved a net use of general reserves of £991,120 and incorporated a revenue contribution of £2,925,720 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 2017/18, incorporation of budgets amendments proposed as part of this report and revised estimates for interest due for 2018/19 based upon revised cash balance assumptions made as part of this HRA Medium Term Financial Strategy.

The final general HRA reserves position reported at 31 March 2018 was £10,096,304.

The revised projection is now for a contribution to general reserves in the current year (2018/19), indicating that there is expected to be a net contribution to reserves of £1,527,820, which would leave a balance of £11,624,120 at 31st March 2019.

There is now a proposed use of £4,094,920 of direct revenue financing of capital expenditure in 2018/19 as a result of approval of rollovers as part of the outturn process for 2017/18. There is also a continued use of direct revenue financing of capital expenditure in future years, as a result of the decision 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

2018/19 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 2018/19, there is the need to recognise and approve the following changes in the HRA mid-year:

- An increase in the anticipated rental income for the year due to deferral of the assumption of the need to hold void dwellings from October 2018 to meet a higher value voids levy from April 2019.
- A marginal change in the level of funding required to top up the bad debt provision in 2018/19 as this is linked directly to rental income values.
- An increase in the anticipated interest received on cash balances for 2018/19, due to the level of cash balances held.
- A significant reduction in the level of depreciation charged to the HRA based upon the final level of depreciation charged in 2017/18 following a review of both asset values and remaining asset lives. The review resulted in an extension to asset lives in recognition of investment in the stock as part of the decent homes programme.
- An increase in the amount of revenue financing of capital expenditure required in 2018/19, as a direct result of the changes in depreciation assumptions.

These changes are detailed in **Appendix D (1)**, and are incorporated into the HRA Summary Forecast at **Appendices G (1) and G (2)**.

Housing Bids & Savings Programme

As part of the 2016/17 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, or were expected to have a negative financial impact on the HRA.

As part of the 2018/19 budget preparation process a detailed financial review of the HRA was undertaken to arrive at proposals for how to deliver year 2 of the savings required, ensuring that the authority was best placed to respond to changes in the economy and in national housing policy. The savings target of £250,000 was over-achieved in year 1, resulting in a reduced target of £100,480 for 2018/19. This revised target was also over-achieved, leaving a balance of £147,540 of savings to be found during 2019/20 and 2020/21.

It is important to consider how services may need to continue to transform for the future, to deliver within the financial constraints imposed, whilst still meeting the needs of the most vulnerable.

For 2019/20 a similar approach will be adopted when setting service budgets, with cost centre managers being asked to scrutinise their budgets, highlighting any areas of potential saving or unavoidable pressure and identifying any areas where new or increased investment is required or income can be generated.

Any operational pressures for the Housing Service for 2019/20 and beyond will also need to be considered as part of this process, and these include:

- Additional rent collection and arrears recovery costs associated with welfare reform
- Additional costs as a result of any changes in fire safety legislative requirements

In a similar approach to last year, as part of the HRA Medium Term Financial Strategy process, officers have been asked to provide early identification of areas where savings could be made or where additional investment is either required or desired.

The early indicative bids and savings will be reviewed, challenged and discussed with the Lead Cabinet Member for Housing, with the potential for changes to be made. The final proposals will be

presented to Cabinet and Council, following scrutiny consideration, as part of the 2019/20 budget process, and will be included in the 2019/20 HRA Budget Setting Report.

The results of this exercise are detailed in **Appendix D (2)**, and indicate that the savings can be identified to offset a significant proportion of the required additional investment, with a shortfall at this stage of £102,740 in 2019/20, reducing to £98,740 in 2020/21 and £57,050 from 2021/22.

These proposals have not been built into the HRA Summary Forecast at **Appendix G (1) and G (2)**, as they will be subject to change and revision in the lead up to the 2019/20 budget process, where they will be incorporated formally.

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. Transitional measures ceased with effect from 31st March 2017, and all stock holding local authorities are now 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.

Following a review of the basis of depreciation for the housing stock by the Council's independent valuers, Wilks, Head and Eve, changes were made in respect of the level of depreciation charged for 2017/18, as a result of an increase in estimated remaining asset lives. Remaining asset lives were increased in recognition of the significant investment in the housing stock in recent years as part of the decent home programme, resulting in a significantly reduced depreciation charge to the HRA.

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. Following a tender process, the authority is now working with Cambridge City Council to jointly implement updated software to record and report asset management data, as part of a wider project to deploy a fully integrated housing management information system.

At 31 March 2018, 95.25% of the housing stock was reported as decent, compared with 93.75% at 31 March 2017, with 248 properties that were considered to be non-decent (in addition to refusals by tenants to access the property and undertake the necessary works), and another 96 anticipated to become non-decent during 2018/19.

In addition to decent homes investment, in 2018/19 the authority is still investing in energy conservation initiatives, such as external wall insulation and topping up of loft insulation. The budget for this type of discretionary investment has however been reduced significantly from April 2019 onwards, when the current programme of external wall insulation finishes.

Other investments include more controllable high heat retaining electric storage systems and investment in renewable energies where appropriate such as air source heat pumps. Health and safety work is being undertaken to upgrade the Council's fire doors in flats that have been identified through testing following the tragic event of Grenfell to be non-compliant this is being followed up with a rolling programme of door replacement and annual safety assessment. Emergency lighting is being installed in flat blocks and smoke alarms have been installed that are linked to the emergency alarms in sheltered housing.

The level of investment in the housing stock as a whole was subject to review as part of the 2017/18 budget setting process, with resulting reductions in expenditure. Any further reduction in the level of investment in the existing housing stock helps to ensure that the authority can 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 supply of new affordable housing.

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

As with the revenue position, officers have been asked for early indications of where savings may be delivered in the Housing Capital Programme or where increased or new investment may be required. The findings from this exercise are detailed at **Appendix D (2)**,

Consistent with the exercise for revenue savings, these proposals have not been built into the Housing Capital Investment Plan at **Appendix H**, as they may be subject to change and revision in the lead up to the 2019/20 budget process, where they will be incorporated formally.

New Build & Re-Development

General Approach

Following changes in national housing policy, the authority has not been able to rely upon rental surpluses in the short-term to provide resource for investment in new build housing.

To ensure the delivery of a new build programme in the short to medium term, resources previously set-aside for potential debt repayment have been combined with section 106 commuted sums, right to buy receipts and other existing funding streams that can be released as a direct result of capital receipts from the sale of HRA land as self-build plots.

The authority has bid for permission to increase its HRA borrowing cap, as part of the Ministry of Housing, Communities and Local Government's 2019/20 to 2021/22 Additional Housing Revenue Account Borrowing Programme. If the bid is successful, the authority will see an increase of £17.1 million in its borrowing capacity, which will assist in the delivery of an estimated 149 new rented and shared ownership homes across 6 development sites in the district. Until the outcome is known, the new build schemes have been built into the pipeline without the assumed borrowing, to allow them to proceed in either eventuality.

The ability to borrow to deliver new homes on the sites identified as part of the bid, will in turn free up HRA resource to allow the authority to build new homes on other sites as they are brought forward for development.

The outcome of the bid is anticipated as part of the 2018 Autumn Statement.

The authority also continues to explore alternative funding options and delivery models, including; mixed rented and market sale schemes, shared ownership homes and starter homes, with initiatives such as modular construction also being considered.

New Build and Re-Development Schemes Completed

The table below updates the position in respect of schemes completed at the time of writing this report:

Scheme	Status	Estimated Affordable Units	Scheme Composition
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
Horseheath Road, Linton	Completed July 2016	4	1 x 2 Bed Bungalow 2 x 2 Bed Flat 1 x 2 Bed House
Hill Farm, Foxton	Completed January 2017	15	4 x 1 Bed House 6 x 2 Bed House 5 x 3 Bed House
Robinson Court, Gamlingay	Completed August 2018	6 plus 4 shared ownership and 4 market sale	4 x 1 Bed Flat 2 x 2 Bed Flat 2 x 1 Bed House (Shared Ownership) 2 x 2 Bed House (Shared Ownership) 2 x 2 Bed House (Market Sale) 2 x 3 Bed House (Market Sale)
Pampisford Road, Great Abington	Completed April 2018	6 plus 2 shared ownership	2 x 1 Bed Flat 2 x 2 Bed House 1 x 2 Bed Bungalow 2 x 2 Bed Bungalow (Shared Ownership) 1 x 3 Bed House

Scheme	Status	Estimated Affordable Units	Scheme Composition
Bannold Road, Waterbeach	Completed April 2018	16 plus 7 shared ownership	6 x 1 Bed Flat 6 x 2 Bed Flat 4 x 2 Bed House 2 x 2 Bed House (Shared Ownership) 5 x 3 Bed House (Shared Ownership)
Total		67 rented 13 shared ownership 4 market sale	

New Build and Re-Development Schemes On Site or Approved to Proceed

The table below updates the position in respect of schemes either on site or at earlier stages in the process, but with formal scheme specific approval in place, 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 Affordable Units	Indicative Scheme Composition (Subject to Change)	Scheme Budget (Gross of subsidy / capital receipts)
Pembroke Way, Teversham	Planning October 2018	5	2 x 1 Bed Flat 1 x 1 Bed Bungalow 2 x 2 Bed House	876,960
Woodside, Longstanton	On site	3	3 x 2 Bed House	422,230
Balsham Buildings, High Street, Balsham	On site	9 plus 4 shared ownership	7 x 1 Bed Flat 2 x 2 Bed Flat 4 x 2 Bed House (Shared Ownership)	1,848,900
Gibson Close, Waterbeach	Planning approved. Contract negotiations with developer	6 plus 3 shared ownership	4 x 1 Bed Flat 2 x 2 Bed House 3 x 2 Bed House (Shared Ownership)	1,452,340
Highfields, Caldecote	Planning approved.	3	1 x 1 Bed House 2 x 2 Bed House	448,960

Scheme	Status	Estimated Affordable Units	Indicative Scheme Composition (Subject to Change)	Scheme Budget (Gross of subsidy / capital receipts)
	Contract negotiations with developer			
Linton Road, Great Abington	Developer on site, but not in contract yet	13 plus 5 shared ownership	6 x 1 Bed Flats 2 x 2 Bed House 5 x 3 Bed House 2 x 2 Bed House (Shared Ownership) 3 x 3 Bed House (Shared Ownership)	3,907,000
Grace Crescent, Hardwick	Developer on site, but not in contract yet. Affordable housing later in build programme	27	16 x 1 Bed Flats 9 x 2 Bed Houses 1 x 3 Bed House 1 x 4 Bed House	4,711,480
Total		66 rented 12 shared ownership		13,667,870

New Build and Re-Development Schemes in the Pipeline

There are a number of schemes where feasibility work is being carried out with a view to building out the sites for the HRA directly, or alternatively negotiations are in progress with developers, for the HRA to acquire the affordable housing on existing new build development schemes. These schemes do not yet have formal scheme specific approval, and as such have not yet been built in to the Housing Capital Investment Plan on a scheme specific basis, with funding instead included in the unallocated new build budget. When a scheme receives approval, resource is vired from the unallocated new build / acquisition budget to the scheme specifically to allow monitoring of progress.

The current pipeline schemes are listed in **Confidential Appendix L**, as the nature of early discussions and negotiations with land owners or developers can be commercially sensitive. A number of the schemes in the appendix are included in the bid via Homes England for permission as part of the government's 'Additional HRA Borrowing Programme 2019/20 to 2021/22 to increase the HRA borrowing cap at South Cambridgeshire District Council. If unsuccessful, the Council will need to re-evaluate which of the schemes it will still take forward using HRA resources.

The majority of schemes deliver new provision of affordable housing and as such will currently be eligible for 30% of the scheme to be funded using retained right to buy receipts. Shared ownership dwellings or schemes where some or all of the new homes will replace existing social housing which is no longer considered fit for purpose, are not currently eligible for use of this resource. This may change when the outcome of the government consultation on the use of right to buy receipts is concluded.

New Build – Other (including use of RTB Funding)

The new build schemes above that currently have scheme specific approval are not sufficient to ensure that the authority can appropriately re-invest all of the right to buy receipts retained to date. If all of the pipeline schemes progressed, were successful with developers where they are dependent upon offers being made and accepted and secured member approval to proceed, the authority would have invested sufficient resource to avoid releasing any retained right to buy receipts to central government. If some schemes do not proceed, there will be a 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 retained, that the authority utilise resource previously set-aside for the potential redemption of housing debt, combined with existing resource released by virtue of capital receipts that have been received for the sale of HRA land and dwellings on the open market in recent years and HRA revenue resources, where available, to provide sufficient resource to allow the appropriate re-investment of existing and anticipated retained right to buy receipts in the medium term, without the need to pass any funding to a registered provider in future years.

In the short term, the biggest challenge remains the ability to bring forward schemes in quick enough succession, to be able to re-invest retained right to buy receipts within the required timescales, thus avoiding payment of them to central government with interest. There is a desire to move to a position where receipts are re-invested 12 months in advance of the deadline, but in reality, this is proving difficult to achieve. Delays in obtaining planning permission, securing approval and entering into contract with developers have been further compounded by delays once schemes are actually on site for a variety of reasons. In 2018/19, the authority has again been forced to acquire existing homes on the open market at short notice, in an attempt to avoid penalty, with 6 homes sought to date.

Work is ongoing to identify and secure new build sites and explore future development opportunities, in a bid to ensure that the HRA has sufficient tangible pipeline schemes to meet investment commitments.

The HRA Medium Term Financial Strategy includes budget approval into the next 4 years, for investment in new build housing to allow all of the pipeline schemes currently identified to proceed if schemes are viable and offers are successful, but there is a need to recognise that this may not be the case, and that some resource may then need to be re-phased into later years for investment in alternative schemes. It is inevitable that some pipeline schemes will not go ahead due to planning or other reasons, and substitute schemes will need to be found. These schemes, if within the approved budget, can be substituted into the development pipeline.

As a backstop position, the authority is currently still able to acquire further homes on the open market or to pass receipts 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 MHCLG.

Self-Build

Work is progressing in identifying, preparing and marketing parcels of HRA land that provide self-build opportunities, releasing capital receipts which are then available for re-investment by the HRA to release resource elsewhere in the capital programme, facilitating the delivery of new homes in the district.

It is proving more difficult than anticipated to dispose of the plots once ready for sale, and indications from the bids for the first 4 plots are that the authority is not able to achieve the financial sums anticipated at the outset.

19 sites (25 potential plots) are currently being progressed, with 3 single plot sites and 1 triple plot site approved for sale and in receipts of bids to date. 5 further sites have outline planning permission and 4 are at the pre-planning stage. Others are still undergoing investigation and feasibility work.

Assumptions are incorporated into the HRA Business Plan that capital receipts from plot sales will be available to HRA as a funding source.

The original business case for self-build 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 a net receipt of up to £200,000 per plot available to the HRA for re-investment.

This is not being borne out in respect of the experience to date, with the value of bids received for plots marketed to date being significantly lower than anticipated. Reasons for this may include a flattening market, an interest rate rise and future expected interest rises, coupled with our self-build register applicants as ordinary people with aspirations for building their own homes being more cautious than anticipated. However the costs incurred in plot preparation are also marginally lower. The business plan indicated that if income targets were not being met this can be managed by accelerating plot sales to meet cash targets. As a result of performance to date, officers have committed to a review of the business case in advance of the HRA Budget Setting Report in February 2019.

In advance of the findings of this review, the gross capital receipt has been reduced from the previous £250,000 per plot to an average of £160,000 per plot, to ensure that the HRA forecasts are constructed on a prudent financial basis.

The table below details sites which already have approval for disposal:

Location	Status	No. of plots
Benet Close, Milton	Approved bid	1
Macaulay Avenue, Great Shelford	Approved bid	3 (Custom Build)
Cambridge Road, Balsham	Approved bid	1
Blacksmiths Close, Babraham	Approved bid	1
Total		6

Section 106 Funding

Commuted Sums Money received in lieu of Affordable Housing

If the Council receives commuted sum payments, often time limited, where approval has been granted as part of the planning decision to receive payment in lieu of affordable housing, the default position is that the HRA utilises the resource to invest in affordable housing.

The Council currently holds £3.93m in commuted sums for affordable housing. The following table provides an update of when current sums held have to be spent (year-end prior to deadline date), against the resource committed to date

Year	Section 106 sum to be spent £	Cumulative Section 106 sum to be spent £	Resource committed General Fund £	Resource committed HRA £	Cumulative resource still to be committed £
2018/19	49,927	49,927	50,000	451,780	-
2019/20	571,040	620,967	0	0	119,187
2020/21	235,518	856,485	0	0	354,705
2021/22	94,500	950,985	0	0	449,205
2022/23	293,180	1,244,165	0	0	742,385
2023/24	68,824	1,312,989	0	0	811,209
2024/25	381,213	1,694,202	0	0	1,192,422
2025/26	2,236,454	3,930,656	0	0	3,428,876
			50,000	451,780	

Commitments to date include:

Scheme	Fund	2018/19 £	2019/20 £	Ongoing £
Emmaus – 10 en-suite bed-spaces	General Fund	50,000	0	0
High Street Balsham – contribution towards delivery of 4 shared ownership homes	HRA	104,600	0	0
Gibson Close, Waterbeach – contribution towards 3 shared ownership homes	HRA	97,180	0	0
Linton Road, Great Abington – contribution towards 5 shared ownership homes	HRA	250,000	0	0
		501,780	0	0

With £3,428,876 of resource still to be committed and appropriately re-invested, and a commitment to invest the sum in new HRA homes wherever possible, further expenditure of £500,000 per annum, and associated Section 106 match funding has been retained in the Housing Capital Plan for the 5 years from April 2019.

As the resource can't currently be combined with retained right to buy receipts for the delivery of an affordable rented dwelling, it is likely that the funds will be utilised predominantly to deliver other forms of affordable and intermediate housing, such as shared ownership or shared equity.

Based on the pipeline schemes identified within the HRA new build programme, the likely funding required for shared ownership units could be up to £4.1 million, subject to planning and contracts. It is our intention to use commuted sum where appropriate to support delivery of shared ownership homes as part of the development pipeline approval.

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 Right to Buy Retention Agreement allows the acquisition of existing dwellings, as an alternative to building new homes. Although not the first priority for the use of this resource, market acquisition does increase the supply of affordable homes available in the district, and is a valid option when new build is not possible within a quarterly deadline for the use of retained receipts. If a decision is taken at the end of a quarter that there is a risk that new build schemes will not deliver in the required timeframes, resources can be vired from the unallocated new build / acquisition budget into the budget for direct market acquisition, with the relevant approvals.

In 2017/18, resource of £719,000 previously ear-marked for investment in new build homes was diverted into acquisition of market dwellings, to allow the authority to buy 3 properties for rental at affordable rent levels. In 2018/19 to date, approval has been given for the acquisition of 6 further dwellings on the open market.

Property Address / Location	Property Type	Status
26 Moat Way, Swavesey	2 Bed House	Complete – 2017/18
45 Hudson Road, Cambourne	2 Bed House	Complete – 2017/18
61 Jeavon's Lane, Cambourne	3 Bed House	Complete – 2017/18
18 Halifax Road, Cambourne	3 Bed House	Complete – 2018/19
12 Whitley Road, Camourne	2 Bed House	Complete – 2018/19

52 Sterling Way, Cambourne	2 Bed House	Complete – 2018/19
4 Cottage Green, Papworth	3 Bed House	Complete – 2018/19
57 School Lane, Cambourne	2 Bed House	Complete – 2018/19
7 Spar Close, Cambourne	2 Bed House	Complete – 2018/19

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,

Receipts from the sale of self-build plots are however, already incorporated into financial planning, in anticipation of the need to utilise them in place of other HRA resource, freeing up the latter to top up existing retained right to buy receipts. Any delay in the receipt of these capital sums will significantly impact the authority's ability to spend right to buy receipts appropriately.

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, as these release funds elsewhere in the capital programme that can be re-directed into investment in new homes built using right to buy receipts as part of their funding. There is a risk judgement that needs to be made as part of this quarterly decision making process.

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 2018.
- Re-phasing (rollover) of expenditure anticipated to take place in 2017/18 into 2018/19 and beyond, as approved in July 2018.
- Re-phasing of anticipated expenditure in respect of new build schemes, taking account of the latest budgetary requirements for schemes that are in the pipeline or in progress.

- Virement of resource from the general allocation for new build housing to schemes which have received scheme specific approval at Linton Road, Great Abington and Grace Crescent, Hardwick.
- Inclusion of specific budgets for acquisition of dwellings in 2018/19 to ensure that right to buy receipts can be appropriately re-invested despite re-phasing in the new build programme.
- Amendment to the budget held for unallocated new build investment in line with schemes currently in the pipeline, to allow virement of resource as schemes are brought forward for approval.
- 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.

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 financial pressure that the HRA faces and the difficulty in identifying sufficient long term funding to be able to appropriately re-invest retained right to buy receipts.

Section 7

Summary and Conclusions

HRA Budget Strategy

The Budget Process

The HRA budget for 2019/20 will incorporate the proposals made as part of the HRA Bids and 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 2019/20 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 budget process to exemplify savings will not only allow response to the changes (confirmed and currently being consulted upon) in national housing policy which may impact the HRA business model, but will also allow strategic re-direction of resource into other areas of investment, such as new build housing, should the external financial pressures not be as originally anticipated.

For 2018/19 the HRA Medium Term Financial Strategy incorporates changes in anticipated interest earned, depreciation, rental income and the associated bad debt provision and a change in the level of direct revenue financing of capital expenditure required in year. Any ongoing impact of these changes has been incorporated into the base assumptions going forward.

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

Some of the changes in assumptions made as part of this update of the HRA Business Plan, have a positive impact for the HRA, including further deferral of the assumption about when the sale of higher value voids levy may be introduced pending formal confirmation that it will not be introduced at all and a reduction in the assumption for inflation in 2020/21.

There is however still a need to consider the delivery of a sustainable HRA over the full 30 years,

A savings target of £250,000 per annum for 4 years from April 2017, was approved by Council in February 2016. The savings target of £1,000,000 was spread across the four years at a value of £250,000 per annum, to allow time to consider where to make efficiencies or to reduce or cease the delivery of services. As the year 1 and 2 targets were over-achieved, the balance of savings sought for the remaining 2 years is £147,540.

As a result of the updated assumptions in this iteration of the business plan, the balance of savings is not currently required to ensure a sustainable HRA over the longer-term, and the continuation of a new build programme for ten years to meet obligations under the retention agreement, based upon current sales values and estimated numbers.

As the net impact of the changes improves the current outlook for the HRA, this report proposes a budget strategy where efficiency savings are sought to ensure that value for money can be demonstrated and that tenants and leaseholders continue to receive services at the best price possible, whilst also incorporating a strategic investment fund, which will allow re-direction of resources into key areas of the Housing Service to meet the challenges that providers of affordable housing are facing. A commitment is given to review this again during 2019/20, as part of the 2019/20 HRA Medium Term Financial Strategy

The detail in terms of individual savings proposals, and the impact of reducing budgets by these values, will be presented in full as part of the 2019/20 budget bids and savings process, to ensure that these can be weighed up against any strategic re-investment proposed. An early indication of the items is provided at **Appendix D (2)**, but at this stage, the impact of these has not been built into the financial assumptions in the HRA Business Plan.

The inclusion of a 3% (£142,000) of general management and repairs administration expenditure efficiency target for 2019/20, reducing to 2% from 2020/21, is considered prudent in light of continued

uncertainty in some areas of national housing policy, and may allow resource to be identified for strategic reinvestment in other areas of the housing service. The continued uncertainty does not mean that some of the national changes proposed that would negatively impact the HRA won't materialise at all, and inclusion of an efficiency target, and an associated strategic reinvestment fund ensures that the authority is best placed to respond to change, but avoids the authority cutting services too severely, too soon. The authority will need to review and evaluate its position for 2020/21 onwards, once there is clarity at a national level.

Inclusion of strategic reinvestment funding of £142,000 per annum for 2019/20, (reducing to 2% or £95,000 from 2020/21), funded from any efficiency savings identified, for a 5 year period, beginning in 2019/20, allows the authority to either redirect resource into key areas or alternatively to hold off in the event of financial pressure, allowing the efficiency savings identified to contribute to an overall reduction in HRA expenditure in response to any national policy announcements. There is also the option in any one year, if efficiency savings are not identifiable, to waive any strategic reinvestment, thus negating the need to make savings which may detrimentally impact the delivery of key housing services.

An adjustment in respect of repairs expenditure in line with estimated stock changes is also assumed.

As part of the 2019/20 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.

Pending formal confirmation of the abolition of any higher value voids levy, any resource previously set-side for potential debt redemption is still assumed to be utilised to sustain the HRA or to be re-invested in new homes, recognising that this will mean that all loans will currently need to be re-financed as they reach maturity.

One of the key challenges for 2018/19 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 4.75%, 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 February 2019 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 (1) summarises the revenue budget position for the HRA for the period between 2018/19 and 2022/23, based upon inclusion of the amended financial assumptions that form part of the update to the HRA Self-Financing Business Plan, with **Appendix G (2)** providing a longer-term forecast.

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 currently being assumed.

HRA MTFS Conclusions

Updating the base assumptions for the HRA has not had a significantly different impact on the future financial projections for the housing business when compared with those made in January / February 2018.

Current financial modelling retains the assumption of the requirement to reduce rents by 1% for one further year from April 2019, and assumes a further year of deferral of the need to sell higher value

housing stock on the open market when it becomes void to meet a government levy, pending formal confirmation that the legislation will not be introduced at all.

However, in order to be in a position to appropriately re-invest existing and anticipated retained right to buy receipts, whilst still delivering a sustainable HRA over a 30 year period, although not currently necessary to seek further savings at this time, it is necessary to ensure that any new revenue or capital investment pressures are met by the delivery of corresponding efficiency savings.

This results in the recommendation to include an efficiency target for 2019/20 of £142,000, which represents 3% of general and repairs administration expenditure for the HRA. It is proposed to reduce this to a 2% target for the following 4 years from 2020/21 to 2023/24, which equates to £95,000 per annum.

This will retain flexibility in the HRA to respond to changes in national housing policy, whilst also allowing strategic investment to meet new and emerging priorities.

If we build in the unavoidable revenue pressures, savings and bids identified as part of the pre-budget process, as detailed in **Appendix D (2)**, the HRA can meet many of the increased costs with efficiency savings over the longer term, but has not yet fully identified sufficient resource to meet the level of additional investment proposed, with a shortfall of £102,740 for 2019/20, £98,740 for 2020/21, reducing to £58,030 ongoing from 2021/22. Work will continue in the lead up to setting the HRA budget in February 2019, to identify additional savings.

Incorporating updated assumptions without the proposed bids and savings means that sufficient resource is available to maintain a new build programme, at the level required to top up the estimated right to buy receipts, for a further 9 years, until 2027/28. This would deliver a sustainable business plan over the 30 year period.

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 Fixed Term Tenancies carries administrative cost and dictates the need for system change at a time when the Housing Management Information System is being re-procured</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. Minimum reserves are held to allow immediate investment if required. • 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 • Project Board for system replacement are aware of the potential need for changes to IT systems and have discussed this with suppliers as part of the tender process • Fixed term tenancies may now not be imposed, depending upon outcome of Housing Green Paper
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 • 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 • Policy on applying general capital receipts for strategic disposals only at point of receipt
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 • A business cases is required for all strategic acquisitions, disposals and one-off areas of significant investment • 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 • 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 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"> • Increased resources identified for income management. Performance closely monitored to allow further positive action if required.
<p>Rent income is under-achieved due to a major incident in the housing stock</p>	<ul style="list-style-type: none"> • Asset Management Plan in place to identify and address key issues in the housing stock to minimise likelihood of widespread incidents
<p>Changes to the right to buy rules and pooling regulations result in a continued high level of sales, with the associated commitment to deliver replacement units or pay over receipts with interest</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 competition in the property market impacts the ability to fund capital pressures from the sale of assets</p>	<ul style="list-style-type: none"> • Policy on applying general capital receipts for strategic disposals only at point of receipt
<p>Volatility and uncertainty in the property market impacts the ability to dispose of assets at appropriate values and within timescales required to meet any higher value voids levy</p>	<ul style="list-style-type: none"> • Reconsider appropriate level of HRA reserves to hold as a minimum once any levy vale is known • Retain capital receipts realised in advance of the levy in anticipation of the need for them • Await repeal of legislation to confirm that levy will not now be introduced

Appendix B

Business Planning Assumptions (Highlighting Changes)

Key Area	Assumption	Comment	Status
General Inflation (CPI)	2.2% for 2019/20, 2.1% for 2020/21 and 2% ongoing	General inflation on expenditure included at 2.6% for 2018/19, then 2.2%, 2.3% and 2% ongoing, per Bank of England projections.	Amended
Capital and Repairs Inflation	3.2% for 2019/20, 3.1% for 2020/21 and 3% ongoing	Based upon inflation as measured by the Retail Price Index (RPI), assuming this to be 1% above CPI over the longer-term. This concurs with the majority of current contracts held by the HRA.	Amended
Debt Repayment	Set-aside to repay debt if resource allows	Assumes set-aside to repay debt as loans reach maturity dates only if resource allows, after any surplus re-invested in income generating assets. No resource currently available.	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 2019/20.	Retained
Pay Inflation	1.3% Pay Progression plus: 2018/19 – 1.0% 2019/20 – 2.0% 2% ongoing	Assume allowance for increments at 1.3%. Pay inflation at 1% for 2018/19, then 2% for 2019/20 and ongoing, with a return to long-term government aim now from 2019/20, reflecting economic recovery.	Amended
Employee Vacancy Allowance	HRA share of £500,000 total	Employee budgets assume a vacancy allowance of £500,000 per annum for the Council as a whole, apportioned to the HRA on an FTE basis	Retained
Rent Increase Inflation	-1% from 2016/17 for 4 years, CPI plus 1% for 5 years, then CPI plus 0.5% from 2025/26	Rent decreases of 1% per annum per government guidelines from 2016/17 to 2019/20, then CPI plus 1% for 5 years, then reverting to inflation plus 0.5%. Assume CPI in preceding September is as above. Affordable rents and charges reviewed in line with Local Housing Allowance levels.	Retained
Rent Convergence	Void Only	Ability to move to target rent achieved only through movement of void properties directly to target rent.	Retained
External Lending Interest Rate	2%	Interest rates based on latest market achievement, including interest from Ermine Street Housing	Retained
Internal Lending Interest Rate	2%	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	2.8%	Assumes additional borrowing using Capita predictions of PWLB rates, currently 2.8%, including assumed certainty rate.	Retained

Key Area	Assumption	Comment	Status
Internal Borrowing Interest Rate	2.8%	Assume the same rate as external borrowing to ensure flexibility in choice of borrowing route.	Retained
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	20 for 3 years from 2018/19, then 15 sales ongoing	Retain assumption of 20 for 2018/19 to 2020/21 then 15 per annum ongoing from 2021/22.	Retained
Right to Buy Receipts	Settlement receipts excluded. Retained receipts included.	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 1/4/2017 and assumed available for intended use.	Retained
Void Rates	1.1%	Assumes 1.1% per annum from 2018/19 onwards.	Retained
Bad Debts	0.4% for 2018/19, then 0.5% from 2019/20	Bad debt provision of up to 0.5% over 2 years to reflect the requirement to collect 100% of rent directly for new benefit claimants, following phased implementation of Universal Credit by 2020.	Retained
Efficiency Target	£142,000 for 2019/20, the £95,000 per annum for 4 years	Inclusion of an efficiency target at £142,000 (3%) for 2019/20, then £95,000 (2%) per year ongoing, for 4 years from 2020/21.	Amended
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
Strategic Investment Fund	£142,000 for 2019/20, reducing to £95,000 for next 4 years	Creation of a Strategic Investment Fund to be able to facilitate new investment and respond to pressures. To be reviewed again as part of 2019/20 budget process.	Amended
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)
30/06/2014	190,149.46	3,624,577.44	12,081,924.80	30/06/2017	13,297,663.86	3,989,299.16	0.00	0.00
30/09/2014	542,412.66	4,166,990.10	13,889,967.00	30/09/2017	16,388,697.43	4,916,609.23	0.00	0.00
31/12/2014	490,971.13	4,657,961.23	15,526,537.43	31/12/2017	17,124,841.80	5,137,452.54	0.00	0.00
31/03/2015	417,089.12	5,075,050.35	16,916,834.50	31/03/2018	17,993,937.64	5,398,181.29	0.00	0.00
30/06/2015	417,483.31	5,492,533.66	18,308,445.53	30/06/2018	18,351,811.71	5,505,543.51	0.00	0.00
30/09/2015	527,469.65	6,020,003.31	20,066,677.70	30/09/2018			514,459.82	1,714,865.99
31/12/2015	446,035.59	6,466,038.90	21,553,463.00	31/12/2018			960,495.39	3,201,651.29
31/03/2016	330,902.72	6,796,941.62	22,656,472.07	31/03/2019			1,291,398.11	4,304,660.36
30/06/2016	310,654.33	7,107,595.95	23,691,986.49	30/06/2019			1,602,052.43	5,340,174.78
30/09/2016	687,638.85	7,795,234.80	25,984,115.96	30/09/2019			2,289,691.28	7,632,304.28
31/12/2016	1,410,994.28	9,206,229.08	30,687,430.25	31/12/2019			3,700,685.56	12,335,618.54
31/03/2017	592,869.81	9,799,098.89	32,663,662.95	31/03/2020			4,293,555.37	14,311,851.24
30/06/2017	1,045,231.05	10,844,329.94	36,147,766.45	30/06/2020			5,338,786.42	17,795,954.74
30/09/2017	412,813.15	11,257,143.09	37,523,810.29	30/09/2020			5,751,599.57	19,171,998.58
31/12/2017	527,534.91	11,784,678.00	39,282,259.99	31/12/2020			6,279,134.48	20,930,448.28
31/03/2018	330,590.84	12,115,268.84	40,384,229.45	31/03/2021			6,609,725.32	22,032,417.74
30/06/2018	1,008,074.19	13,123,343.03	43,744,476.75	30/06/2021			7,617,799.51	25,392,665.04

Page 88

Appendix D (1)

2018/19 HRA Mid-Year Revenue Budget Adjustments

Area of Income / Expenditure	Description	Budget Amendment in 2018/19 Budget (£)	Budget Amendment in 2019/20 Budget (£)	Comment
Budgeted (use of) / contribution to HRA Reserves pre MTFS		1,422,320		
HRA Summary Account				
Rent Income	The level of rent income anticipated has increased due to the deferral of the sale of higher value voids levy assumption, which had previously meant that voids would be held from October 2018.	(237,030)	Incorporated into base assumptions	One-Off and built into assumptions in future years
Depreciation	The level of depreciation charged to the HRA is expected to reduce significantly due to a review of asset lives, resulting in longer residual lives for many dwellings.	(3,425,370)	Incorporated into base assumptions	Built into assumptions in future years
Bad Debt Provision	The assumed level of contribution required to the bad debt provision is linked directly to a proportion of rental income in each year which is deemed to be unrecoverable.	1,110	Incorporated into base assumptions	One-Off and built into assumptions in future years
Direct Revenue Financing of Capital Expenditure (DRF)	Revenue funding of capital expenditure will be higher than anticipated in 2018/19 due to lower self-build receipts in year than anticipated.	738,000	0	One-off
Interest earned on HRA Balances	Increased interest due to the level of cash balances held.	(26,850)	Incorporated into base assumptions	One-Off and built into assumptions in future years
Total HRA Summary Account		(2,950,140)		
Total Mid-Year Revenue Changes		(2,950,140)		
Revised (use of) / contribution to HRA Reserves post MTFS		(1,527,820)		

Appendix D (2)

Summary of Early 2019/20 Budget Proposals

HRA Revenue Bids and Savings - 2019/20 Budget

The bids and savings listed below will be subject to review, challenge, further discussion with the Lead Cabinet Member for Housing and therefore potential change, before they are presented for decision at Cabinet and Council as part of the HRA Budget Setting Report in February 2019.

Category	Bid / Saving	Linked	Bid / (Saving)			
			2019/20	2020/21	2021/22	2022/23
Saving	Review of revenue funded property maintenance budgets and resulting net reduction in spending		(143,970)	(143,970)	(143,970)	(143,970)
Increased Income	To recognise the fee income associated with funding the new additional Development Project Officer roles and part time Project Support Officer for HRA New Build	A	(113,980)	(113,980)	(113,980)	0
Unavoidable Revenue Pressure	Employment of two Housing Assistants to manage the risk to the Housing Revenue Account due to the role out of Universal Credit		62,710	62,710	0	0
Reduced Income	None		0	0	0	0
Bid	Two additional Development Project Officers to support the work of the Council's Development Team	A	100,950	100,950	100,950	0
Bid	To fund a part time Project Support Officer for HRA New Build	A	13,030	13,030	13,030	0

Bid	Gas & Electrical Safety Compliance Software		15,500	15,500	15,500	15,500
Bid	Reviewing the Response Repairs, Voids and Packaged Works partnering contract in preparation to retender the work		25,000	0	0	0
Bid	Additional staffing resource in the Rent Recovery Team		77,500	77,500	77,500	77,500
Bid	HRA contribution to Communication Team		45,000	45,000	45,000	45,000
Bid	Revenue costs associated with fire door replacement programme		21,000	42,000	63,000	63,000
Total Net Bids / (Savings)			102,740	98,740	57,030	57,030

HRA Capital Bids and Savings

Category	Bid / Saving		Bid / (Saving)			
			2019/20	2020/21	2021/22	2022/23
Capital Bid	Review of capital investment in the housing stock and resulting net increase in investment		183,020	183,020	183,020	183,020
Capital Bid	Fire Door Replacement Programme		180,000	180,000	180,000	0
Total Net Capital Position Bids / (Savings)			363,020	363,020	363,020	183,020

Appendix E

2018/19 Mid-Year HRA Capital Budget Amendments

Area of Expenditure and Change	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
Total Housing Capital Plan Expenditure pre HRA MTFS	24,807	19,920	16,787	14,069	13,140
Improvements – Existing Stock and Other					
Changes in investment assumptions for varying stock numbers	(1)	45	140	245	287
Re-Provision of Existing Homes					
No change	0	0	0	0	0
HRA New Build					
Increase in the budget for Pembroke Way, Teversham based upon the latest cost information	0	17	0	0	0
Inclusion / virement of resource for the scheme at Linton Road, Great Abington	1,302	2,605	0	0	0
Inclusion / virement of resource for the scheme at Grace Crescent, Hardwick	785	3,141	785	0	0
Inclusion / virement of budget for acquisitions recognising the need to spend RTB receipts within deadlines	1,560	0	0	0	0
Changes in unallocated new build budget as specific schemes are identified and receive approval for virement and new pipeline schemes are incorporated into the unallocated budget	(9,361)	617	17,299	6,374	(1,476)
Reduction in unallocated Section 106 new build budget as specific schemes are identified and receive approval for virement	(250)	0	0	0	0
Inflation adjustment where inflation is now built in directly to specific budgets	0	0	0	0	(123)
Total Housing Capital Plan Expenditure post MTFS	18,842	26,345	35,011	20,688	11,828

Appendix F

New Build Investment Cashflow

New Build / Re-Development Scheme	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Robinson Court Re-Development	910	0	0	0	0	0	0	0	0	0
Pembroke Way, Teversham	483	353	0	0	0	0	0	0	0	0
Pampisford Road, Great Abington	200	0	0	0	0	0	0	0	0	0
High Street, Balsham	1,532	0	0	0	0	0	0	0	0	0
Woodside, Longstanton	249	0	0	0	0	0	0	0	0	0
Pannold Road, Waterbeach	94	0	0	0	0	0	0	0	0	0
Gibson Close, Waterbeach	1,444	0	0	0	0	0	0	0	0	0
Highfields, Caldecote	446	0	0	0	0	0	0	0	0	0
Linton Road, Great Abington	1,302	2,605	0	0	0	0	0	0	0	0
Grace Crescent, Hardwick	785	3,141	785	0	0	0	0	0	0	0
Acquisitions	1,560	0	0	0	0	0	0	0	0	0
Unallocated New Build / Acquisition	610	11,831	26,528	13,160	4,224	5,700	5,700	5,700	5,700	5,700
New Build - Section 106 funded	366	500	500	500	500	500	0	0	0	0
Total Expenditure	9,981	18,430	27,813	13,660	4,724	6,200	5,700	5,700	5,700	5,700
Use of Retained Right to Buy Funding										
Pembroke Way, Teversham	(97)	(71)	0	0	0	0	0	0	0	0
Pampisford Road, Great Abington	(45)	0	0	0	0	0	0	0	0	0

New Build / Re-Development Scheme	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
High Street, Balsham	(318)	0	0	0	0	0	0	0	0	0
Woodside, Longstanton	(75)	0	0	0	0	0	0	0	0	0
Bannold Road, Waterbeach	(28)	0	0	0	0	0	0	0	0	0
Gibson Close, Waterbeach	(289)	0	0	0	0	0	0	0	0	0
Highfields, Caldecote	(134)	0	0	0	0	0	0	0	0	0
Linton Road, Great Abington	(282)	(564)	0	0	0	0	0	0	0	0
Grace Crescent, Hardwick	(236)	(942)	(236)	0	0	0	0	0	0	0
Acquisitions	(468)	0	0	0	0	0	0	0	0	0
Unallocated New Build / Acquisition	(137)	(2,662)	(5,969)	(2,961)	(950)	(1,710)	(1,710)	(1,710)	(1,710)	(1,710)
Total Use of Retained Right to Buy Funding	(2,108)	(4,239)	(6,204)	(2,961)	(950)	(1,710)	(1,710)	(1,710)	(1,710)	(1,710)
Section 106 Funding										
High Street, Balsham	(105)	0	0	0	0	0	0	0	0	0
Gibson Close, Waterbeach	(97)	0	0	0	0	0	0	0	0	0
Linton Road, Great Abington	(250)	0	0	0	0	0	0	0	0	0
New Build - Section 106 funded	(366)	(500)	(500)	(500)	(500)	(500)	0	0	0	0
Total Section 106 Funding	(818)	(500)	(500)	(500)	(500)	(500)	0	0	0	0
Total to be funded from HRA Resources (DRF & MRR) and Sales Receipts	(7,055)	(13,691)	(21,109)	(10,199)	(3,274)	(3,990)	(3,990)	(3,990)	(3,990)	(3,990)
Total HRA Borrowing	0	0	0	0	0	0	0	0	0	0

Appendix G (1)

HRA Summary Forecast 2018/19 to 2022/23

Description	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
Income					
Rental Income (Dwellings)	(27,870,400)	(27,469,040)	(28,263,630)	(29,406,350)	(30,505,260)
Rental Income (Other)	(426,990)	(436,160)	(445,110)	(453,820)	(462,690)
Service Charges	(1,001,970)	(1,022,960)	(1,043,440)	(1,063,360)	(1,083,670)
Contribution towards Expenditure	(280,840)	(289,190)	(289,660)	(290,120)	(23,580)
Other Income	(120,320)	(122,970)	(125,550)	(128,060)	(130,620)
Total Income	(29,700,520)	(29,340,320)	(30,167,390)	(31,341,710)	(32,205,820)
Expenditure					
Supervision & Management - General	4,761,200	4,906,250	4,999,380	5,170,280	5,371,230
Supervision & Management - Special	1,826,420	1,849,210	1,615,560	1,655,540	1,696,580
Repairs & Maintenance	4,133,950	4,228,280	4,394,070	4,392,420	4,522,230
Depreciation – to Major Repairs Res.	6,455,470	6,667,640	6,863,330	7,031,310	7,121,940
Debt Management Expenditure	1,400	1,400	1,430	1,460	1,490
Other Expenditure	318,510	353,270	371,850	396,650	425,030
Total Expenditure	17,496,950	18,006,050	18,245,620	18,647,660	19,138,500
Net Cost of HRA Services	(12,203,570)	(11,334,270)	(11,921,770)	(12,694,050)	(13,067,320)
HRA Share of operating income and expenditure included in Whole Authority I&E Account					
Interest Receivable	(598,090)	(501,320)	(374,560)	(306,050)	(353,130)
(Surplus) / Deficit on the HRA for the Year	(12,801,660)	(11,835,590)	(12,296,330)	(13,000,100)	(13,420,450)
Items not in the HRA Income and Expenditure Account but included in the movement on HRA balance					
Loan Interest	7,178,920	7,178,920	7,178,920	7,178,920	7,178,920
Housing Set Aside	0	0	(4,250,000)	(1,121,000)	0
Appropriation from Ear-Marked Reserve	0	0	0	0	0
Depreciation Adjustment	0	0	0	0	0
Direct Revenue Financing of Capital	4,094,920	11,217,190	12,430,270	6,942,830	318,230
(Surplus) / Deficit for Year	(1,527,820)	6,560,520	3,062,860	650	(5,923,300)
Balance b/f	(10,096,300)	(11,624,120)	(5,063,600)	(2,000,740)	(2,000,090)
Total Balance c/f	(11,624,120)	(5,063,600)	(2,000,740)	(2,000,090)	(7,923,390)

Appendix G (2)

HRA 10 Year Summary Forecast 2018/19 to 2027/28

Description	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income										
Rental Income (Dwellings)	(27,870)	(27,469)	(28,263)	(29,407)	(30,505)	(31,204)	(31,771)	(32,241)	(32,708)	(33,186)
Rental Income (Other)	(427)	(436)	(445)	(454)	(463)	(472)	(481)	(491)	(501)	(511)
Service Charges	(1,002)	(1,023)	(1,043)	(1,063)	(1,084)	(1,104)	(1,126)	(1,149)	(1,172)	(1,195)
Contribution towards Expenditure	(281)	(289)	(290)	(290)	(24)	(24)	(25)	(25)	(26)	(26)
Other Income	(120)	(123)	(126)	(128)	(131)	(133)	(136)	(139)	(141)	(144)
Total Income	(29,700)	(29,340)	(30,167)	(31,342)	(32,207)	(32,937)	(33,539)	(34,045)	(34,548)	(35,062)
Expenditure										
Supervision & Management - General	4,761	4,906	4,999	5,170	5,371	5,538	5,718	5,907	6,102	6,302
Supervision & Management - Special	1,826	1,849	1,616	1,656	1,697	1,739	1,782	1,826	1,872	1,919
Repairs & Maintenance	4,134	4,228	4,394	4,393	4,522	4,604	4,694	4,794	4,887	4,981
Depreciation – to Major Repairs Res.	6,455	6,668	6,863	7,031	7,122	7,154	7,194	7,235	7,278	7,322
Debt Management Expenditure	1	1	1	1	1	2	2	2	2	2
Other Expenditure	319	353	372	397	425	455	465	477	488	499
Total Expenditure	17,496	18,005	18,245	18,648	19,138	19,492	19,855	20,241	20,629	21,025
Net Cost of HRA Services	(12,204)	(11,335)	(11,922)	(12,694)	(13,069)	(13,445)	(13,684)	(13,804)	(13,919)	(14,037)
HRA Share of operating income and expenditure included in Whole Authority I&E Account										
Interest Receivable	(598)	(501)	(374)	(306)	(352)	(441)	(504)	(521)	(538)	(598)
(Surplus) / Deficit on the HRA for the Year	(12,802)	(11,836)	(12,296)	(13,000)	(13,421)	(13,886)	(14,188)	(14,325)	(14,457)	(14,635)
Items not in the HRA Income and Expenditure Account but included in the movement on HRA balance										

Loan Interest	7,179	7,179	7,179	7,179	7,179	7,179	7,179	7,179	7,179	7,179	7,179
Housing Set Aside	0	0	(4,250)	(1,121)	0	0	0	0	0	0	0
Appropriation from Ear-Marked Reserve	0	0	0	0	0	0	0	0	0	0	0
Depreciation Adjustment	0	0	0	0	0	0	0	0	0	0	0
Direct Revenue Financing of Capital	4,095	11,217	12,430	6,943	318	3,678	3,700	8,649	5,723	6,261	
(Surplus) / Deficit for Year	(1,528)	6,560	3,063	1	(5,924)	(3,029)	(3,309)	1,503	(1,555)	(1,195)	
Balance b/f	(10,096)	(11,624)	(5,064)	(2,001)	(2,000)	(7,924)	(10,953)	(14,262)	(12,759)	(14,314)	
Total Balance c/f	(11,624)	(5,064)	(2,001)	(2,000)	(7,924)	(10,953)	(14,262)	(12,759)	(14,314)	(15,509)	

Appendix H

Housing Capital Investment Plan (5 Year Detailed Investment Plan)

Description	2018/19	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000	£'000
Improvements Existing Stock					
Water / Drainage Upgrades	80	81	83	85	86
Drainage Upgrades	310	340	351	0	0
Disabled Adaptations	849	866	883	901	919
Change of Tenancy - Capital	500	500	500	500	500
Rewiring	484	325	331	338	345
Heating Installation	1,980	2,081	2,123	2,165	2,208
Energy Conservation	1,020	220	241	262	268
Estate Roads, Paths & Lighting	15	15	16	16	16
Garage Refurbishment	52	53	54	55	56
Parking/Garages	86	87	89	91	93
Window Replacement	270	276	282	287	293
Re-Roofing	446	455	464	473	482
Full Refurbishments	200	200	200	200	200
Structural Works	10	10	10	10	10
Non-Traditional Refurbishment	0	0	0	0	0
Asbestos Removal	34	35	35	36	37
Kitchen Refurbishment	743	758	773	788	804
Bathroom Refurbishment	318	325	331	338	345
Assumed adjustment in spend for varying stock numbers	0	19	43	94	53
Total Improvements - Existing Stock	7,397	6,646	6,809	6,639	6,715
Other Improvements					
Sheltered Housing and Other Stock	110	50	50	50	50
Flats	20	20	20	20	20
Central / Departmental Investment	19	0	0	0	0
Total Other Improvements	149	70	70	70	70

Description	2018/19	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000	£'000
Re-Provision of Existing Homes					
Robinson Court, Gamlingay	910	0	0	0	0
Other Re-provision	0	0	0	0	0
Total Re-Provision of Existing Homes	910	0	0	0	0
HRA New Build / Acquisition					
Pembroke Way, Teversham	483	353	0	0	0
Pampisford Road, Great Abington	200	0	0	0	0
High Street, Balsham	1,532	0	0	0	0
Woodside, Longstanton	249	0	0	0	0
Bannold Drove, Waterbeach	94	0	0	0	0
Gibson Close, Waterbeach	1,444	0	0	0	0
Highfields, Caldecote	446	0	0	0	0
Linton Road, Great Abington	1,302	2,605	0	0	0
Grace Crescent, Hardwick	785	3,141	785	0	0
Acquisitions	1,560	0	0	0	0
Unallocated New Build / Acquisition Budget	610	11,831	26,528	13,160	4,224
Unallocated New Build / Acquisition - Section 106 funded	366	500	500	500	500
Total HRA New Build	9,071	18,430	27,813	13,660	4,724
Other HRA Capital Spend					
Shared Ownership Repurchase	300	300	300	300	300
Self-Build Vanguard - Up front HRA Land Assembly Costs	745	780	0	0	0
HRA Share of Corporate ICT Development	270	119	19	19	19
Total Other HRA Capital Spend	1,315	1,199	319	319	319
Total HRA Capital Spend	18,842	26,345	35,011	20,688	11,828
Inflation Allowance for New Build and Other HRA Spend	0	0	0	0	0
Total Inflated Housing Capital Spend	18,842	26,345	35,011	20,688	11,828

Description	2018/19	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000	£'000
Housing Capital Resources					
Right to Buy Receipts	0	0	0	0	0
Other Capital Receipts (Land and Dwellings)	0	0	0	0	0
Other Capital Receipts (Self-Build Plot Sales)	(1,600)	(2,080)	(640)	0	0
Major Repairs Reserve	(6,455)	(6,668)	(6,863)	(7,031)	(7,122)
Direct Revenue Financing of Capital	(4,095)	(11,217)	(12,430)	(6,943)	(318)
Other Capital Resources (Grants / Shared Ownership / S106 funding)	(4,011)	(2,141)	(8,874)	(3,753)	(3,438)
Retained Right to Buy Receipts	(2,108)	(4,239)	(6,204)	(2,961)	(950)
HRA CFR / Prudential Borrowing	0	0	0	0	0
Total Housing Capital Resources	(18,269)	(26,345)	(35,011)	(20,688)	(11,828)
Net (Surplus) / Deficit of Resources	573	0	0	0	0
Capital Balances b/f	(573)	0	0	0	0
Use of / (Contribution to) Balances in Year	573	0	0	0	0
Capital Balances c/f	0	0	0	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	(4,619.7)	(281.4)	0.0	(4,901.1)

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 2% for expenditure long term	Volatility in the economy could lead to an increase in expenditure inflation. Assume CPI for expenditure only of 3% ongoing.	Debt cap is breached by year 28, with inability to set a balanced budget from this point on.
Rents Inflation	1% reduction for 2019/20, then return to CPI plus 1% for 5 years, 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 after 2024/25, so assume CPI only from 2025/26.	Debt cap is breached by year 30, with inability to set a balanced budget from this point on.
Sale of Higher Value Assets	Assumed that payment is deferred until April 2020, with voids held from mid-2019/20	Assume that the primary legislation is repealed and the policy is not implemented at all.	The authority would have sufficient resource to either repay the entire housing debt at maturity, or to re-invest this sum in building new homes.
Direct Payments (Universal Credit)	Bad Debts at 0.5%	Evidence from the pilot authorities for direct payment indicated that collection rates may fall from over 99% to 95%. Assume bad debts at 5% from 2019/20.	There is insufficient resource to fulfil the new build investment aspired to in the next 5 years, so plans would need to be scaled back, or savings found elsewhere.

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 / re-pay the debt for the HRA in a self-financing environment, particularly in light of rent legislation that now imposes rent levels for the HRA. The debt cap, over which the HRA is not allowed to borrow, currently remains (with the exception of ability to bid for a fixed increase), although additional borrowing represents additional risk if the authority is not in control of its revenue streams.

Right to Buy Sales

The number of sales increased significantly from April 2012, but has now slowed and remains relatively consistent. The implications of continuation of sales at current levels from a revenue perspective are significant, with the potential loss of rental income being the major factor, unless lost units can be replaced with new build homes.

Right to Buy Retention Agreement

The resource currently retained in respect of 1-4-1 receipts continues to prove challenging to invest within the required timescales. Sufficient resource is included in the capital plan to ensure that existing retained receipts can be appropriately re-invested, subject to identifying and securing suitable schemes. 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. The outcome of a consultation surrounding changes to the rules around use of right to buy receipts is yet to be published.

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, required rent reductions of 1% per annum from April 2016 for four years. Although a return to increases of CPI plus 1% has been confirmed for the following 5 years, there is no indication of whether this will be legislatively imposed or what will happen from April 2025.

Housing Revenue Account – Revenue Uncertainties

Compulsion to Sell Higher Value Homes Levy

The Housing and Planning Act allowed the introduction of an annual levy, representative of the proportion of high value homes which may become vacant in any one year. In addition to the loss of rental income, the process to dispose of a large number of assets in any one year would be costly and administratively burdensome. It is likely, based upon the content of the Housing Green Paper that the secondary legislation required will not be passed, and the primary legislation may be repealed.

Pay Review

South Cambridgeshire District Council employees are subject to a local pay agreement, with 1% per annum assumed for 2018/19, and an earlier return to the previous assumption of 2% from April 2019. There is a risk that nationally agreed pay settlements may exceed the proposals made locally, based upon government indications and union demands, which may bring into question the assumptions made in respect of a local agreement.

Housing Revenue Account - Capital Uncertainties

Health and Safety Legislative Changes (Incl. External Wall Insulation / Cladding)

Recommendations for improved fire management practices and possible changes to building standards generally are now materialising, with further changes still anticipated. It is too early to know the full extent to which these changes will apply to the Council's HRA communal properties. Revised guidance and emerging legislative changes or best practice advice is being kept under close review, with external specialist advice to be used to improve our overall fire management practices where appropriate.

Right to Buy Sales and Retained Right to Buy Receipts

Interest in right to buy has been broadly maintained in the last two years. Under the terms of the agreement signed with CLG, the authority is currently 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. Although sufficient top up funding has been identified to match fund existing retained right to buy receipts, reliance is being placed on the sale of self-build plots to release resource elsewhere in the HRA to provide this funding and there are also challenges in identifying schemes that can deliver within the required timeframes. 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 authority's behalf.

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

Document is Restricted

This page is left blank intentionally.

Agenda Item 7

REPORT TO: Scrutiny and Overview Committee

18 October 2018

LEAD OFFICER: Head of Sustainable Communities and Wellbeing

Community Energy Grant Review 2018

Purpose

1. To consider changes to the Community Energy Grant scheme as recommended by the Grants Advisory Committee and the Climate & Environment Committee, and to make comments on the proposals prior to consideration by Cabinet.
2. This is not a key decision because funding for the Grant in the current financial year has already been agreed, and funding for the Grant in future years would be agreed through the annual financial process.

Recommendations

3. Scrutiny and Overview Committee is asked to review the report and make comments on the recommendations prior to consideration by Cabinet to inform their decision making.

Reasons for Recommendations

4. The purpose of the Community Energy Grant scheme is to support action leading to climate change mitigation and improved environmental sustainability. This aligns with emerging Council priorities.
5. Grants Advisory Committee and the Climate & Environment Committee are recommending to Cabinet:
 - (a) that the Community Energy Grant scheme is re-opened, and
 - (b) approval of the proposed amendments to the scheme guidance (Appendix A) and application form (Appendix B).

Background

6. The Community Energy Grant scheme first opened on 1 March 2018.
7. The Community Energy Grant scheme provides funding for voluntary and community sector groups, charities, parish councils seeking to deliver local energy saving and green initiatives in South Cambridgeshire. Applicants may apply for up to £3,000 for projects which must deliver one or more environmental benefits, for example reduced carbon emissions as a result of reduced energy consumption, or increased use of low carbon energy sources.

8. Eight applications were received before the scheme closed for review. These were reviewed by Grants Advisory Committee on 21 June 2018 with the result that all received the full funding requested. (One application was delayed pending further investigation and subsequently approved following the 7 July meeting).
9. The amount of funding made available through the Community Energy Grant fund in 2018/19 is £55,000.
10. Allocation of funding has been on a first-come first-served basis with the Council reserving the right to prioritise applications based on the funding available, the number and type of applications received at any given time, priorities for the financial year, value for money and the geographical spread and range of projects across South Cambridgeshire.
11. Applications are mainly submitted online, via a short online form. Paper copies are available where this is not possible.
12. On 24 May the Leader and lead Cabinet member for Finance decided to temporarily close the Community Energy Grants scheme (and the Community Chest) to allow elected members to review the schemes' criteria. It was also agreed that applications received on or before 31 May 2018 would be considered using the schemes' existing criteria.

Considerations

13. On 4 September a joint workshop of the Grants Advisory Committee and Climate Change and Environment Advisory Committee was held to review the Community Energy Grant scheme.
14. Minor changes to the scheme guidance and application process were put forward at this workshop and have been incorporated into the scheme documents, as provided, with changes tracked, in Appendix A (guidance) and Appendix B (application form).
15. The main changes put forward were:
 - Requirement for a short business case alongside the application form
 - Additional examples to be included in the list of what can be funded, viz pipe insulation, energy surveys, replacement heating systems
 - For applications concerning community buildings, encouragement to applicants to have an energy survey (professional or DIY using checklist) undertaken prior to application
 - Additional guidance on how to quantify environmental benefits.
16. Grants Advisory Committee has also requested that a short business case template be made available to applicants.

Options

17. Scrutiny and Overview Committee could review the report and make comments on the recommendations prior to consideration by Cabinet to inform their decision making.

Implications

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

Financial

19. This report is not seeking to amend the amount of funding available in the Community Energy Grant scheme. It is assumed that the funds, as agreed by Council in February remain in place for 2018/19.

Risk Management

20. Risk to the Council is managed via the documentation that is required of applicants plus agreement of the grant conditions.

Equality and Diversity

21. Depending on the amount of changes recommended it may be necessary to carrying out an EQIA screening.

Consultation responses

22. A joint workshop of the Grants Advisory Committee and Climate Change and Environment Advisory Committee was held on 4 September to review the Community Energy Grant scheme. The proposals for amendments in this report were made at that workshop.
23. Both the Climate and Environment Advisory Committee (20 September) and the Grants Advisory Committee (28 September) support the recommendations contained in this report.

Effect on Strategic Aims

24. The review will ensure that the Community Energy grant scheme reflects Council priorities.

Report Author: Gemma Barron, Head of Sustainable Communities and Wellbeing
Telephone: (01954) 713340

Siobhan Mellon, Development Officer, Sustainable Communities Team
Telephone: (01954) 713395

This page is left blank intentionally.

Appendix A



Guidance notes for Community Energy Grants 18/19

Revised September 2018

Formatted: Font: 11 pt

What is the Community Energy Grant Fund?

The Community Energy Grant fund is available to voluntary and community sector groups, charities and parish councils seeking to deliver local energy saving and green initiatives.

Who can apply?

Applicants must:

- Be a non-profit group or organisation based in South Cambridgeshire or benefiting South Cambridgeshire residents, OR a South Cambridgeshire parish council. Individuals, businesses and educational establishments are not eligible.
- Have a written constitution or mission statement
- Have an elected committee or representative steering group
- Be able to provide an up to date copy of their accounts and any relevant protection policies. Parish councils can signpost us to relevant online documentation and do not need to submit hard copies.

If you have questions about these requirements please contact us on duty.communities@scambs.gov.uk or 01954 713070

If your organisation does not have a written constitution, mission statement and/or relevant protection policies please contact Cambridge Council for Voluntary Service for advice in meeting these requirements. Please call 01223 464696 or email enquiries@cambridgecvs.org.uk

Eligibility Criteria - What must the project deliver?

Projects must deliver one or more environmental benefit, for example, ~~the installation of energy efficiency measures,~~ reduced ~~carbon greenhouse gas~~ emissions as a result of reduced energy consumption, or increased use of low carbon energy sources. ~~This Expected benefits~~ must be outlined in your application. ~~Please note these can be quantified in terms of greenhouse gas emissions savings or simply as energy savings. If using greenhouse gas emissions savings please use recent standard conversion factors as supplied by BEIS (UK government).~~

Formatted: Font: Italic

Formatted: Font: Italic

Formatted: Font: Italic

~~In the case of applications concerning community buildings, you are strongly encouraged to include a recent energy survey in your application. This could be a professional survey, or a simple DIY survey using a checklist as available online). Applications can be made for funding towards the cost of Grants can also be awarded for the purpose of energy surveys, for community buildings and village halls to allow organisations to investigate and consider which measures would be most suitable for their building.~~

Appendix A

Examples of what can be funded?

- Internal wall insulation
- Loft/roof insulation
- Pipe insulation
- Electric vehicle charging points
- Secondary glazing
- Replacement windows/doors
- Replacement Energy efficient lighting
- Replacement Energy efficient boiler/ heating system
- Battery storage for solar panel or other low carbon energy generation measures
- Energy surveys

Formatted: Font: 12 pt, Bold, Font color: Blue

Formatted: Font: 12 pt, Bold, Font color: Blue

What cannot be funded?

Grant funding cannot be awarded for/to:

- Renewable energy installations where it is intended to claim feed in tariffs or renewable heat incentive payments. (If public grants are used to fund any part of such installations, they become ineligible for such payments).
- On-going revenue costs or overheads (e.g. salaries, rent, advertising)
- Projects that replace funding by other public sector bodies (although it can be used to top up funding from other public sector bodies)
- Organisations that have previously received the maximum £3,000 of Community Energy Grant funding in the same financial year (including grants that may have been received for different projects, such as to fund the completion of an energy survey).
- Items that would only benefit individuals rather than community groups.
- Environmental education projects (please contact spep@scams.gov.uk to discuss alternative funding possibilities for environmental education projects).
- Kitchen appliances such as cookers and fridges (these may be fundable through the Community Chest)

~~**Please note that in any financial year (running from April to end of March) Community Groups and Parish Councils will only be eligible to receive either a Community Energy Grant, or a Green Energy Loan (set to launch later in the year). This is to ensure that funding is distributed to a broad range of organisations and projects.**~~

Comment [SM1]: Removed pending decision on Green Energy loan

How much can be applied for?

Appendix A

The maximum award is £3,000 per organisation in each financial year (April-March) and can be for 100% of the project's costs; however high demand for funding may mean that the Council is only able to make a contribution to your project.

When can groups apply?

Applications for Community Energy Grant funds can be accepted from 1 ~~March-April~~ each year. Groups can apply at any time during the financial year; while funds are available. Grants are allocated on a first come, first served basis.

What supporting documentation is required?

- A copy of your organisation's constitution or mission statement (except parish councils)
- A copy of your latest accounts (audited if available)
- A quote for the project
- A simple business case (you may wish to use the template at the end of this document)

In addition, the following will be required if relevant to the project:

- Public Rights of Way consent from landowner
- Building energy survey, or community building energy self-survey
- ~~Any other relevant material that would support your application, such as a recent energy survey if one has been completed, or a community building energy self-survey.~~

How will the grant be paid?

If successful, the applicant will receive the grant payment once we have received acknowledgement of the grant offer and acceptance of the terms and conditions.

What are the conditions of funding?

Groups that are awarded a grant will be expected to comply with the following conditions as a minimum:

- Funding must only be used for the agreed purpose and spent within 12-months of the award being made (unless otherwise agreed in writing)
- Publicity must take place acknowledging the award provided by South Cambridgeshire District Council
- Unused grant must be returned to South Cambridgeshire District Council
- An end of project evaluation must be submitted to South Cambridgeshire District Council within 3-months of project completion. Details about this are available on the SCDC website

Appendix A

Please note: **eligibility does not guarantee grant funding.** The Council reserves the right to prioritise based on funding available, number and type of applications received at any given time, priorities for the financial year, value for money, and the geographical spread and range of projects across South Cambridgeshire.

Any award will not be means tested but applicants will be expected to have sought other means of local funding, especially from the parish council who may have funds available through planning developments (S106).

For further information please contact:

Contact details: duty.communities@scambs.gov.uk or 01954 713070

Optional template for Business Case for Community Energy project

Formatted: Font: 16 pt

Project name:	
Applicant:	
Date:	
Reasons: <i>Why is the outcome needed?</i>	
Options: <i>Outline the options that have been considered to deliver the required outcome. Describe what the chosen option involves and the reason it was selected.</i>	
Benefits: <i>Identify each benefit that is claimed would be achieved by the outcome. Define current status and explain how measurement of improvements will be quantified. May include what will happen if the project is not done.</i>	
Risks: <i>Outline any risks facing the issue and how these will be managed.</i>	
Cost and Timescale: <i>Outline the estimated cost and timescale, including operating and maintenance costs and an appropriate contingency where relevant.</i>	
Investment Appraisal:	

Appendix A

Outline the balance between total costs against the value of the benefits anticipated over a period of time.

This page is left blank intentionally.

South Cambridgeshire District Council

Community Energy Grant Application Form 2018-19



Please ensure that you have read the guidance notes before completing this form.

A. Your details		Complete this section
1	Name of organisation	<input type="text"/>
2	Address of organisation	<input type="text"/>
3	Contact name and position (plus address if different from above)	<input type="text"/>
4	Telephone number	<input type="text"/>
5	E-mail	<input type="text"/>
6	Name of project	<input type="text"/>

B. About your organisation		Guidance
1	What does your organisation do?	Please state the overall aim of your organisation and describe the usual activities / services your organisation provides.

Appendix B

2 If your organisation is a charity, please provide your charity number.

3 Does your organisation have a bank account?

Yes

No

Is your organisation affiliated to another body? If Yes state which.

Please include any national or local bodies to which your organisation belongs.

C. About your proposal

Guidance

1 Which parishes will benefit from the funding?

Please note that projects based solely in one village are as important to us as those covering more than one village

2 How do you plan to use the funding? Please be specific in your reply and relate it to the eligibility criteria

Please remember that this fund is for one-off projects and purchases and should not be used for overheads, or relied upon in future years. Therefore, the sustainability of your project should be considered before submitting your application.

3 Outline the environmental benefit of your project. For example, reduced carbon emissions, reduced energy consumption or increased use of low carbon energy sources.

Please include details of the anticipated reductions, & estimated cost savings. & efficiencies

Appendix B

- 4 If you are working with any other organisations on this project, please provide the names of these groups and the nature of the relationship with your organisation.

- 5 How have you identified this energy measure as appropriate for your organisation? If you have undertaken an energy self-survey, or received professional advice, please provide details.

- 6 Please indicate an approximate date when your project is likely to be undertaken / started.

- 7 Does your organisation own the premises where the project is planned?

Yes No

If you are using rented facilities, do you have permission from the owner / leaseholder?

Yes No

- 8 Does your project require any regulatory consent? (Please indicate all that apply)

Planning Permission	
Listed Building Consent	
Building Regulations Approval	
County Highways Approval	
Faculty Approval (if a Church building)	

If yes, please give details.

Appendix B

- 9 Are your local District Councillors in support of your project? Please provide details.

D. Financing your project

Guidance

- 1 Does your parish council support your project? Please give details.

You should approach your parish council for support – they may have a local fund available for small projects, or monies from building developments (s106) that could be used for your project.

- 2 Do you have/hope to obtain other sources of income in relation to this project? If so, please give details, including the total from these sources.

This might include your own fundraising, other grants or sponsorship. Please be clear about the status of the funding e.g. secured or applied for.

- 3 Please give a breakdown of total estimated costs for your proposal?

Expenditure Item

Cost (£)

Please give as much detail as

Appendix B

Total Project Cost	£

possible and include ALL costs. We will also require an up to date copy of your accounts.

If you do not provide correct information, it may jeopardise your application's success.

4 Amount of funding requested from SCDC

E. Checklist and Declaration

In submitting this form I confirm that I have read and understood the criteria and general conditions under which any grant may be awarded. The information I have given in this form and any supporting documentation is correct to the best of my knowledge.

I understand that any grant given is discretionary and that eligibility does not confer an automatic right to receive grant aid.

I understand that no works/purchases should be undertaken until a grant offer has been made and accepted and that the grant may be reclaimed in part or in whole if the conditions of the grant offer are not adhered to.

It is my responsibility to ensure that all aspects of the project have been considered and that adequate risk assessment, insurances and training of personnel has been undertaken.

I have submitted the following documents in support of my application:

Required Documents

A copy of your organisation's constitution or mission statement (except parish councils)

A copy of your latest accounts (audited if available)

A quote for the project

[A simple business case for the project which provides an appraisal of the investment taking into account expected benefits, risks, costs and timescale.](#)

Other supporting documents

Appendix B

Public rights of Way Consent from landowner

Completed Community Building Energy Self Survey (if completed)

Any other material you feel would support this application (this may include a professional energy survey or audit if you have had one completed).

Signed

Print name & position
(if different from section A)

Date

F. What to do now

Send your postal application to:

**Sustainable Communities and Partnerships Team
South Cambridgeshire District Council
Cambourne Business Park
Cambourne
Cambridge
CB23 6EA**

Or sign, scan and return it, along with supporting documentation to: duty.communities@scambs.gov.uk

If you have any queries about the Community Energy Grant Scheme, please email duty.communities@scambs.gov.uk or call 01954 713070.

****PLEASE DO NOT STAPLE DOCUMENTS****

Agenda Item 8

REPORT TO: Scrutiny and Overview Committee

18 October 2018

LEAD OFFICER: Head of Sustainable Communities & Wellbeing

Mobile Warden Scheme Grants Review 2018

Purpose

1. To consider minor changes to the Mobile and Community Warden Scheme Grants for 2019/20 as recommended by Grants Advisory Committee, and to make comments on the proposals prior to consideration by Cabinet.
2. This is not a key decision.

Recommendations

3. Grants Advisory Committee is recommending that Cabinet
 - (a) approves the proposed changes to the Mobile and Community Warden Scheme Grant criteria and guidance notes for 2019/20, as set out at Appendix A; and
 - (b) agrees to Grants Advisory Committee carrying out a further review that will include geographical coverage of the schemes and the impact of further promotion of mobile and community warden schemes.

It is recommended that Scrutiny and Overview Committee considers this report and makes comment prior to consideration by Cabinet.

Reasons for Recommendations

4. The terms of reference for the Grants Advisory Committee state that the Committee's function is:

"To consider and make recommendations to the Portfolio Holder responsible for grants, or Cabinet as appropriate, including, but not limited to:

- Review of the Council's grant schemes to ensure they reflect Council priorities.
- Design of any new or revised grants schemes, including consideration of criteria and guidance applicable in respect of each scheme.
- Consideration of applications made under the Council's grants schemes."

5. Following a workshop of the Committee, which also included substitutes and officers, this report sets out proposed amendments to the existing Mobile and Community Warden Scheme Grants, which were agreed for recommendation by Grants Advisory Committee on 28 September 2018. The workshop looked at the current grant fund in detail, whether Committee members felt the Council should continue to grant fund Mobile and Community Warden Schemes and the criteria / guidance notes for the fund.

Background

6. Mobile and Community Wardens Schemes (sometimes called Community Care Schemes) exist in South Cambridgeshire to support older people to live independently in their homes and in the community they know, and which knows them.
7. The warden schemes are complementary to statutory care services and do not duplicate or replace the medical or social care services that individuals may also require. They can help to combat loneliness and social isolation and can provide significant benefits to clients at low cost (the total average weekly cost of operating the schemes is £12.70 per client). They are seen by clients and their families as a vital community-based service.
8. South Cambridgeshire District Council has been providing grant funding to Mobile and Community Warden Schemes for many years.
9. The Council's Mobile and Community Warden Scheme grant funding has historically been an annual grant funding programme. The scheme is usually launched in the Autumn, to allow time for applications to be made and assessed, and decision-making carried out in a timely manner prior to the beginning of the following financial year. All funding is awarded subject to Council approval of the budget.
10. The amount of funding in the grant fund has remained fairly stable and is fully committed each year. An inflationary increase has been added over the previous few years. The 2018/19 budget was 20,110 and has been fully spent.

Year	Amount (£)
2018/19	20,110
2017/18	19,250
2016/17	19,250
2015/16	19,000
2014/15	18,550
2013/14	17,900

11. The schemes funded in 2018/19 were:

Name of Scheme	Villages Covered	Operating Model
Cottenham	Cottenham	Community-led
Harston	Barrington, Harston, Hauxton, Newton, Orwell	Community-led
Haslingfield	Haslingfield	Community-led
Melbourn	Melbourn, Meldreth, Shepreth	Community-led
Milton	Milton	Parish-led
The Mordens & Litlington	Guilden Morden, Steeple Morden, Litlington, Bassingbourn	Community-led
Histon & Impington	Histon & Impington	Age UK
Swavesey	Swavesey	Age UK
Small Villages	Balsham, Western Colville, West Wrattling, Horseheath, West Wickham, Castle Camps, Shudy Camps	Age UK
Teversham	Teversham	Age UK
Linton	Linton	Age UK

A scheme has also recently been set up in Waterbeach (Age UK) and Stapleford is looking to set up a scheme.

Considerations

12. A workshop of the Grants Advisory Committee plus substitutes was held on 11 September 2018. Those able to attend were:
- Councillor Jose Hales
 - Councillor Clare Delderfield
 - Councillor Sue Ellington
 - Councillor Peter McDonald
 - Councillor Shrobona Bhattacharya
 - Councillor Bill Handley
 - Councillor Heather Williams
 - Gemma Barron, Head of Sustainable Communities and Wellbeing
 - Katherine Southwood, Project Officer
13. Following an in-depth discussion about the purpose of the mobile and community warden schemes, the group also looked at how the schemes operate. The group strongly supported the Council continuing to grant fund local schemes. The main reasons given were that the schemes support some of the most vulnerable members of the community and that the schemes supported over 250 people in the previous year. The Council's funding helps to support the schemes continue to operate and keep costs at an affordable for clients (the average weekly charge to a resident across the schemes is £6.43). In 2017/18 the Council's funding equals approximately 11% of the funding for the schemes operations, which generally also includes funding from parish councils, village charities, occasionally corporate donations and also client charges.

14. The different operating models were discussed. The group agreed that the various models allow for local difference. It was acknowledged that the schemes often deliver slightly different services, but that this was also seen as a positive because they have evolved for the local community in which they operate.
15. The group discussed the possibility of lengthening the scheme to be a three-year scheme rather than annual scheme. The benefit of a three-year scheme would be to provide assurance to the operator, however, it was felt that the number of clients and size of each scheme can vary significantly from year to year, and new schemes are also regularly being established. On balance it was felt that the fund should remain as an annual fund.
16. A few minor tweaks to the existing criteria / guidance notes were proposed (see Appendix A for complete tracked changes):
 - (a) State that charities should follow Charity Commission guidance: <https://www.gov.uk/government/organisations/charity-commission/about/publication-scheme>
 - (b) Require appropriate training for paid and voluntary staff, and the management committee or board of trustees e.g. safeguarding, scams awareness
 - (c) Add a reference to Making Tax Digital to ensure that relevant organisations are adhering to requirements.
17. The Council currently promotes mobile and community warden schemes via the new loneliness toolkit and also via the patch-based Development Officers. Whilst Grants Advisory Committee believes that more schemes, covering more of the district, are desirable, this will result in pressure on the current budget and could put existing schemes under pressure. Grants Advisory Committee would like to carry out a further review that will cover the geographical coverage of the scheme and the impact of further promotion of mobile and community warden schemes.

Options

18. Scrutiny and Overview Committee could review the report and make comments on the recommendations prior to consideration by Cabinet to inform their decision making.

Implications

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

Financial

20. This report is not seeking to amend the amount of funding available in the Mobile Warden Scheme Grants fund. It is assumed that the fund would be a similar level in 2019/20 should the grant fund continue. Grants Advisory Committee would like to carry out a further review of the Grant funding that will cover the impact of further promotion of mobile and community warden schemes.

Risk Management

21. Risk to the Council is managed via the documentation that is required of applicants plus agreement of the grant conditions. Annual monitoring takes place via the application process, or separately if a scheme does not apply the following year.

Equality and Diversity

22. Depending on the amount of changes recommended it may be necessary to carrying out an EQIA screening.

Consultation responses

23. None.

Effect on Strategic Aims

24. The recommended changes continue to reflect the Council priorities.

Report Author: Gemma Barron – Head of Sustainable Communities & Wellbeing
Telephone: (01954) 713340

This page is left blank intentionally.

South Cambridgeshire District Council



Grants for Mobile and Community Warden Schemes in South Cambridgeshire

Criteria and guidance notes 20XX-XX

Please note down your **reference number** on your application. If you tick *save for later* on your online form you will need your unique reference number to return to your form at a later time.

Section	Contents	Page
1	Summary	2
2	Timescales and deadlines	2
3	Eligibility criteria	2-3
4	Other information	3
5	Making your application	4

1. Summary

SCDC will allocate approximately £XX,XXX* of grant funding to Mobile and Community Warden Schemes in 20XX-XX.

*Budgets are unconfirmed until approval at Council on [DAY MONTH YEAR] and are subject to review, particularly in the light of the current situation regarding public sector finances. In applying to this scheme you are doing so in acknowledgement of this.

2. Timescales and deadlines

The following table outlines the various stages of the application and decision-making process:

Stage	Timescales
Scheme open for applications	XX November 20XX
Deadline for applications	5 pm, XX January 20XX
Allocation of funding decided	By XX February 20XX
Organisations notified of funding decisions	By XX March 20XX
Grants paid	From 1 April 20XX

3. Eligibility Criteria

Please note: SCDC will be happy to discuss the following with small groups and start-ups.

In order to be eligible to receive funding, organisations must:

- Be **independently**-set up for charitable (not-for-profit), benevolent or philanthropic purposes.
- Decide policy and overall management practice through a committee of elected, unpaid volunteers (a management committee or board of trustees).
- Have a constitution, mission statement or set of rules, aims and procedures.
- Meet relevant legal responsibilities, including those of an employer, and adopt, implement and monitor good employment practices, including having relevant insurances to cover operations.
- Research and meet the needs of South Cambridgeshire residents and be open to all eligible users as defined by the constitution or rules.
- Have systems and structures in place to manage their affairs efficiently, hold regular meetings to plan and monitor activities, keep minutes and circulate information to group members.
- Involve users and members in policy-making and management, where appropriate.

- Recruit and support volunteers in line with a volunteers policy, where appropriate.
- Adopt appropriate child and vulnerable adult protection, health and safety and **CRB Disclosure and Barring Scheme (DBS)** checking policies.
- Ensure appropriate training for paid and voluntary staff, and the management committee or board of trustees e.g. safeguarding, scams awareness
- Prepare budgets, keep relevant financial records (adhere to Making Tax Digital if relevant), monitor income and expenditure at least quarterly and prepare proper accounts. If part of a national or regional organisation, please only provide information relating to your branch.
- Please provide evidence of a 'business' account for the organisation, and of two cheque signatories. Please also submit your current audited accounts and annual report.
- Demonstrate a *need* for financial help. You will be asked for details of your policy on unrestricted reserves, based on Charity Commission guidelines (visit <https://www.gov.uk/government/publications/charities-and-reserves-cc19> for further information).
- Charge service users at an appropriate rate in line with other local services, where applicable. SCDC will not subsidise projects that are deemed to be under or over-charging clients.

4. Other information

- Only one application per organisation will be accepted. If in doubt, applicants should seek advice before making their application as changes cannot be made after the closing date for the scheme.
- Grant funding can be used for core costs and project costs where there is an identified and evidenced need.
- Applications will be accepted from individual organisations and from consortia, where one lead agency has been identified. For consortium applications, details must be given throughout of all partners involved and how grant funding will be allocated. The lead agency must consider funds held on behalf of partners as 'restricted'.
- Organisations in receipt of funding will need to submit monitoring information, details of which will appear in accompanying funding agreements and grant paperwork. Lead agencies in consortium applications will be responsible for monitoring project and financial information on behalf of partners.
- Funded organisations are expected to credit SCDC in any literature and to use the SCDC logo where appropriate. Logos will be provided.
- SCDC endeavours to put in place joint funding agreements and monitoring processes with other relevant funders where this is of benefit to the funded organisation.
- SCDC does not make match funding a requirement for this grant scheme. However, we do not expect to be the sole source of funding and applicants must show what other sources of funding have been sought.

- Funding agreements include a termination / variation clause which may result in the recouping of unused or misused funds. SCDC will endeavour to ensure Compact compliance at all times. Please visit <https://www.cambridgeshire.gov.uk/council/communities-&-localism/voluntary-sector/> for more information.

5. Making your application

- Applicants are encouraged to complete their application form on-line. If this is not possible please contact us for assistance.
- Applicants are required to complete all relevant sections of the form rather than attaching reports. This enables us to make a fair assessment of your organisation and eligibility for funding.
- Sections 2(g) and 3(d) ask for details of the geographical area/s your organisation's work covers. Please give information pertaining to South Cambridgeshire on a Ward or Parish basis, or state that the work will take place 'district wide' where relevant.
- For help with your application form please contact [FIRSTNAME LASTNAME] on firstname.lastname@scambs.gov.uk or 01954 713344.
- Your application form must be submitted by the deadline of **5 pm XX January 20XX**. We regret that **applications received after this date will not be considered**.
- **Please keep a record of your application number for future reference.**
- All applications will be acknowledged by post or email within 10 working days of receipt. If you do not receive an acknowledgement, please call to check that your application has been received.
- Funding allocations will be confirmed on XX February 20XX and organisations notified in writing by XX March 20XX.

Agenda Item 9



REPORT TO: Scrutiny and Overview Committee
Cabinet

18 October 2018
7 November 2018

LEAD OFFICER: Joint Director of Planning and Economic Development

Implementation – Adoption of Completed Supplementary Planning Documents (SPDs) (Land North of Cherry Hinton SPD & Cambridgeshire Flood and Water SPD)

Purpose

1. To adopt the Cambridgeshire Flood and Water SPD and Land North of Cherry Hinton (LNCH) SPD following the adoption of the South Cambridgeshire Local Plan, in September 2018. These SPDs were prepared in parallel with the South Cambridgeshire and Cambridge Local Plans, allowing further detail to be provided and assist with the implementation of specific proposals.
2. These are key decisions because both SPDs provide additional information in amplification of adopted Local Plan policies. The Cambridgeshire Flood and Water SPD provides detailed guidance for applicants developing proposals that are not at risk of flooding and include the use of sustainable drainage systems. The LNCH SPD provides further guidance on delivering an identified development site in the Council's emerging Local Plan.

Recommendations

3. It is recommended that Cabinet:
 - (a) APPROVES the adoption of the Cambridgeshire Flood and Water Supplementary Planning Document (with amendments listed in Appendix 1);
 - (b) APPROVES the adoption of the Land North of Cherry Hinton Supplementary Planning Document (with amendments listed in Appendix 1);
 - (c) DELEGATES any subsequent minor amendments and editing of the SPDs to the Joint Director for Planning and Economic Development.

Reasons for Recommendations

4. The Cambridgeshire Flood and Water SPD was originally adopted by the Council to support policies within the 2007 Development Control Policies DPD, but it included details regarding how it would supplement policies in the emerging Local Plan. The SPD has been amended to correct factual errors and to reflect changes made to the Council's adopted Local Plan (listed in Appendix 1). The approved SPD will provide detailed guidance for applicants developing proposals that are not at risk of flooding and include the use of sustainable drainage systems.

5. The SPD for Land North of Cherry Hinton, an allocation in both Cambridge and South Cambridgeshire, accords with the now adopted local plans of both Councils. It was approved for adoption by each Council in early 2018, in anticipation of each Local Plan being found sound and subsequently adopted. The SPD has been amended to correct factual errors and changes made to both Councils' adopted Local Plans (listed in Appendix 1). The approved SPD will guide the submission and determination of future applications for the site.

Background

Implementation - Adoption of completed Supplementary Planning Documents

6. During the Examination process, the Council took the decision to move forward with the preparation of one site specific SPD, Land North of Cherry Hinton jointly with Cambridge City Council and the development of the topic based Cambridgeshire Flood and Water SPD with five other local planning authorities in Cambridgeshire. This was a pragmatic response to the lengthy examination process, allowing further detail to be provided and assist with the implementation of specific proposals. As a result, two SPDs have been prepared in parallel with the South Cambridgeshire Local Plan. These have been prepared in accordance with the relevant regulations including public consultation. The final versions of the documents were formally agreed following debate at the Planning Portfolio Holder's meeting. A internet link to each of these meetings is provided in the 'Background Papers' section of this report. The table below sets out when each SPD was considered and agreed.

Supplementary Planning Document	Portfolio Holder's meeting
Cambridgeshire Flood and Water	8 November 2016
Land North of Cherry Hinton	20 March 2018

7. Both SPDs were also subject to Sustainability Appraisal Screening and Habitats Regulations Assessment Screening.
8. A review of these documents has been completed to ensure the SPDs remain consistent with the Local Plan (2018) as amended by the Main Modifications recommended by the Inspectors. A number of minor updates have been identified which relate to policy numbers in the final version of the Local Plan, amendments arising from the Main Modifications recommended by the Inspectors' and factual updates, however the substance of these documents remains unchanged. These proposed amendments are shown in Appendix 1.

Cambridgeshire Flood and Water SPD

9. The Cambridgeshire Flood and Water SPD has been produced by Cambridgeshire County Council in conjunction with South Cambridgeshire District Council and the four other local planning authorities in Cambridgeshire. A county wide SPD has been produced to ensure that Cambridgeshire has a consistent, locally appropriate approach to flood risk and water management. The SPD will support a number of South Cambridgeshire Local Plan policies related to climate change, water quality, sustainable drainage systems, design principles, biodiversity, green infrastructure and land contamination.

10. The Planning Portfolio Holder approved the SPD for adoption on the 8 November 2016 to support policies within the 2007 Development Control Policies DPD, but it included details regarding how it would supplement policies in the emerging Local Plan. Members at Cambridgeshire County Council endorsed the SPD in July 2016, but will not be formally adopting the SPD. Members at Cambridge City Council are to be recommended to adopt the SPD alongside the adoption of the Cambridge Local Plan on 18 October 2018. Members at the other three local planning authorities adopted the SPD in November 2016, December 2016 and early 2017.
11. Since the preparation of The Flood and Water Management SPD, the National Planning Policy Framework has been updated by Government. While there is a strengthening of wording around development bringing flood risk betterment, the implications of the updates are not significant enough to warrant an update to the SPD at this stage. It is therefore recommended instead to carry out a joint check/review of the document in 12 months' time to enable officers to take into account the following potential information and agree whether or not a formal review is required:
- Changes to National Planning Policy Guidance which is expected to be updated over the coming year.
 - Updated peak river flow and rainfall intensity allowances are expected in April 2019 following upcoming release of the new UKCIP climate change scenarios.
 - As part of the Council's early review of their Local Plan which will need to consider the updated flood and water evidence bases that will be required to inform the preparation of a joint Local Plan for Greater Cambridge.
 - As part of the preparation of the Non Statutory Strategic Framework the Combined Authority may be looking to undertake flood and water evidence work in partnership with all of the District Councils. The aim would be to collectively review the joint flood and water management infrastructure needs of the Cambridgeshire and Peterborough area over the coming decade. This project could be expected to produce updated Strategic Flood Risk Assessment and Water Cycle Study- type outputs to build upon existing Local Plan evidence bases.
 - Any additional policy or development management needs from the emerging Local Plans that the other Cambridgeshire LPAs are currently taking through the adoption process.

If the arising information does trigger a review it is intended that this will be carried out on a county-wide basis in conjunction with the full partnership of Cambridgeshire LPAs.

Land North of Cherry Hinton SPD

12. This is a cross boundary development and the South Cambridgeshire Local Plan allocates the site for residential-led development under Policy SS/3: Cambridge East. Land North of Cherry Hinton is similarly allocated in the Cambridge Local Plan 2018 for residential-led development under Policy 13: Cambridge East. The site has been allocated for development since the adoption of the Cambridge East Area Action Plan in February 2008, when the site was removed from the Cambridge Green Belt.

13. The Councils, as the Local Planning Authorities, have worked in partnership with local stakeholders to prepare an SPD that looks at how this residential-led allocation can be delivered successfully. The SPD will help guide the development of the area and will provide greater certainty and detail to support delivery of the site. It outlines the aspirations for the area, as well as the key issues, constraints and opportunities that will influence how new development will take place. The Councils have since received an outline planning application for the site including 1,200 dwellings and commensurate services and facilities.

Next Steps

14. In terms of status, both Councils' Local Plans are now adopted and therefore the SPDs will, subject to approval by Cabinet, have the weight of a Supplementary Planning Document in the planning decision making process. The SPDs will be published on the Council's website along with a notice to that effect.

Implications

15. There are no significant financial, legal or staffing implications for the Council.

Equality and Diversity

16. An Equality Impact Assessment (EIA) has been completed for both SPDs.
Cambridgeshire Flood and Water SPD: The EIA shows the SPD will have a neutral and / or positive impact on equality and diversity.

LNCH SPD: The EIA concluded that the SPD would not have any adverse effects on the needs of disabled people, older people and other local community members and minority groups.

Environmental

17. Cambridgeshire Flood and Water SPD: The SPD supports the delivery of sustainable developments and will ensure that developments are located, designed, and managed to take account of climate change.

LNCH SPD: This project has been rated as Net Low Positive; overall, it is considered that the LNCH SPD, alongside planning policy in the adopted Cambridge East Area Action Plan will have a net low positive climate change rating (rising to medium to high for some aspects). Although the precise detail is still to be developed, the SPD gives consideration to issues including water efficiency, reduction of energy demand and associated carbon emissions, climate change adaptation including designing out the risk of overheating, the use of sustainable drainage systems and the promotion of sustainable modes of transport.

Consultation responses

18. Cambridgeshire Flood and Water SPD: The consultation and communication arrangements for the SPD were carried as outlined in paragraphs 33 and 35 of the Cambridgeshire Flood and Water SPD committee report for the Planning Portfolio Holder's Meeting, 8 November 2016.

LNCH SPD: The consultation and communication arrangements for the SPD were carried as outlined in paragraphs 13 and 15 of the LNCH SPD committee report for the Planning Portfolio Holder's Meeting, 20 March 2018.

Consultation Statements have been prepared for both documents, setting out the consultation that was carried out. Following consultation, representations received were considered, and reported to the Planning Portfolio Holder meetings.

Effect on Strategic Aims

19. **A. LIVING WELL Support our communities to remain in good health whilst continuing to protect the natural and built environment**

Cambridgeshire Flood and Water SPD: The SPD supports the delivery of sustainable developments and will ensure that developments are located, designed, and managed to take account of climate change and flood risk. This will ensure that developments are safe for their lifetime and the inclusion of SuDS will help to make new developments more sustainable, aesthetically pleasing and provide amenity space for local residents.

LNCH and the other strategic developments form a key part of the sustainable development strategy contained in the submitted Local Plan. Preparation of the SPD will help ensure that the site is built in a way that supports healthy lifestyles and protects and brings overall benefits to the natural and built environment.

20. **B. HOMES FOR OUR FUTURE
Secure the delivery of a wide range of housing to meet the needs of existing and future communities**

LNCH and the other strategic sites are a key part of the Local Plan aim to support delivery of new homes to meet identified needs.

21. **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**

Preparing an SPD for the LNCH site means transport and digital infrastructure can be appropriately planned to accommodate growth.

22. **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**

The proposed approach to preparation of the LNCH SPD reflects this strategic aim.

Background Papers

These background papers were used in the preparation of this report:

- South Cambridgeshire Local Plan (2018)
<https://www.scambs.gov.uk/localplan>
- Report to the 8th November 2016 Planning Portfolio Holders meeting regarding the Cambridgeshire Flood and Water SPD
<http://scambs.moderngov.co.uk/ieListDocuments.aspx?CId=1059&MId=6771&Ver=4>
- Report to the 20th March 2018 Planning Portfolio Holders meeting regarding the Land North of Cherry Hinton SPD
<http://scambs.moderngov.co.uk/ieListDocuments.aspx?CId=1059&MId=7246&Ver=4>

Additional background papers for the Land North of Cherry Hinton SPD are available here: <https://www.cambridge.gov.uk/land-north-of-cherry-hinton-spd>

Appendices

- Appendix 1 - Implementation – Adoption of Completed Supplementary Planning Documents (SPDs)

Report Authors: Bruce Waller – Senior Planning Policy Officer
Telephone: (01223) 457171
David Roberts – Principal Planning Policy Officer
Telephone: (01954) 713348

Appendix 1 - SPD Adoption

Implementation – Adoption of Completed Supplementary Planning Documents (SPDs)

During the Examination process, the Council took the decision to move forward with the preparation of two SPDs. This was a pragmatic response to the lengthy examination process, allowing further detail to be provided and assist with the implementation of specific proposals. As a result, two SPDs have been prepared in parallel with the South Cambridgeshire Local Plan. These have been prepared in accordance with the relevant regulations including public consultation. The final versions of the documents have all been agreed by the Planning Portfolio holder following scrutiny at the relevant Planning Portfolio holder's meeting, with a recommendation for adoption as SPDs at the same time or shortly after, the adoption of the Local Plan.

The series of tables below set out each SPD and lists when it was agreed by the Planning Portfolio holder and scrutinised at the Planning Portfolio holder's meeting with the minor amendments required to ensure they are consistent with the new South Cambridgeshire Local Plan.

1. Cambridgeshire Flood and Water SPD

SPD Development			
South Cambridgeshire Local Plan 2018	District wide Policy CC/1: Mitigation and Adaptation to Climate Change Policy CC/7: Water Quality Policy CC/8: Sustainable Drainage Systems Policy CC/9: Managing Flood Risk Policy HQ/1: Design Principles Policy NH/4: Biodiversity Policy NH/6: Green Infrastructure Policy SC/12: Contaminated Land Policy TI/8: Infrastructure and New Developments		
Purpose	The SPD provides detailed supplementary guidance for applicants on developing proposals that: <ul style="list-style-type: none"> • Are not at risk of flooding and that do not increase the risk of flooding elsewhere, including providing guidance on the Sequential and Exception Tests, how to produce a Site Specific Flood Risk Assessment and measures that can be taken to manage flood risk; • Include the use of sustainable drainage systems (SuDS) that effectively manage surface water, are aesthetically pleasing, conserve, accommodate and enhance biodiversity and provide amenity for local residents; and • Either enhance the quality of the water environment and/or do not have an adverse impact on the quality of water bodies including rivers, lakes and groundwater. 		
Preparation	Produced by Cambridgeshire County Council, in partnership with the city and district councils, in their role as Lead Local Flood Authority	6 week public consultation	4 September - 16 October 2015
Approved for adoption	Planning Portfolio Holder's Meeting 8 November 2016		

Minor Amendments		
Section	Amendment	Reason
Note to reader	Amend to reflect adoption as SPD under the South Cambridgeshire Local Plan 2018	Local Plan now adopted.
1.1.1	Update hyperlink for the South Cambridgeshire Local Plan	To direct readers to the adopted Local Plan
Appendix A.6	Remove references to 2007 Development Control Policies DPD Reference to Policy HO/1 becomes Policy HQ/1 Amend: Policy SC/12: Contaminated Land Contamination	Factual correction

2. [Land North of Cherry Hinton SPD](#)

SPD Development			
South Cambridgeshire Local Plan 2018	South Cambridgeshire Local Plan: Policy SS/3, Cambridge East Cambridge Local Plan: Policy No. 13: Cambridge East; site allocation ref. R47		
Purpose	<ul style="list-style-type: none"> • The SPD helps guide the residential-led (1,200 homes) development of the area and provides greater certainty and detail to support delivery of the site. • It outlines the aspirations for the area, as well as the key issues, constraints and opportunities that will influence how new development will take place. The document includes the following key sections: <ul style="list-style-type: none"> ○ Introduction ○ Planning Policy Context ○ The Site and Surrounding Area ○ Vision and Key Principles ○ Framework Principles and Masterplan 		
Preparation	In partnership with Cambridge City Council and the site owners in 2017	8 week public consultation	2017
Approved for adoption	Development Plan Scrutiny Sub-Committee 13 February 2018 (City) Planning Portfolio Holder's Meeting 20 March 2018		

Minor Amendments		
Section	Amendment	Reason
Paragraph 2.9	Figure 5 illustrates Cambridge East which includes allocation R57R47.	Factual correction
Paragraph 3.70	Amend paragraph In taking the decision to allocate the site for development, the Council took into account noise evidence prepared by an expert noise consultant, which demonstrates on a preliminary basis that n Noise effects are expected to be within acceptable ranges and can be dealt with through normal design measures (see figure 36). The EIA process and detailed noise assessment will need to develop this further in support of a planning application, to the satisfaction of the Local Planning Authority.	Factual correction

Paragraph 5.39	Amend numbering of Policy 27 which is now Policy 28.	Amended in Local Plan
Paragraph 5.39	Amend Policy 28 title Policy 28: carbon reduction, community energy networks, sustainable design and construction, <u>and water use</u>	Amended in Local Plan
Paragraph 5.39	Amend Policy 35 title Policy 35: Protection <u>of human health</u> from noise and vibration	Amended in Local Plan
Paragraph 5.39	Amend Policy CC/4 title Policy CC/4: Water Efficiency Sustainable Design and Construction	Amended in Local Plan
Paragraph 5.84	Amend Policy 51 title Policy 51: Lifetime Homes and Lifetime Neighbourhoods Accessible Homes	Amended in Local Plan

Site Implementation update

- Outline planning application received for 1,200 residential units including a retirement living facility and a community centre

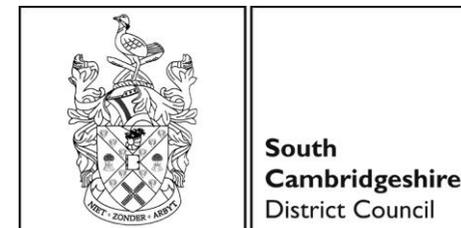
Scrutiny and Overview Committee Work Programme 2018/19

Meeting date	Agenda item	Topics identified for Task and Finish Groups (ongoing)
Every meeting	All Key Decision items prior to Cabinet Selected Non-Key Decision items prior to Cabinet Work programme Feedback from task and finish groups	<ul style="list-style-type: none"> • Barriers to Council procurement from SMEs • Crime in rural areas • Gypsy and Traveller needs and issues
November 2018	Items scheduled for December Cabinet Decision: <ul style="list-style-type: none"> • Countywide Disabled Adaptations Policy (Key) • Statement of Community Involvement (Key) • Quarterly Position Report (Non-Key) • Cambourne High Street 	
December 2018	Items scheduled for January Cabinet Decision: <ul style="list-style-type: none"> • Homeless Strategy (Key) • Elite Athletes Grant Support Scheme (Non-Key) 	
January 2019	Items scheduled for February Cabinet Decision: <ul style="list-style-type: none"> • Budget report: update on Government funding, draft Medium Term Financial Strategy and Corporate Plan priorities (Key) • Draft Greater Cambridge Housing Strategy (Non-Key) 	

This page is left blank intentionally.

NOTICE OF KEY AND NON KEY DECISIONS

To be taken under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 from 9 October 2018



Notice is hereby given of:

- Key decisions and Non Key Decisions that will be taken by Cabinet, individual Lead Cabinet Members 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 Bridget Smith
Councillor Aidan Van der Weyer
Councillor Tumi Hawkin
Councillor Hazel Smith
Councillor Philippa Hart
Councillor Neil Gough
Councillor John Williams

Leader of the Council
Deputy Leader
Planning
Housing
Customer Services and Business Improvement
Environmental Services and licensing
Finance

Key and non-key decisions expected to be made from 9 October 2018

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
Ice Rink Funding Agreement Update Key		Council	Expected in the month of October or November 2018	Part or all of the report may be exempt by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972	Leader of Council Alex Colyer, Executive Director	Report (publication date tbc)
Budget report Non-Key	Review of the Medium Term Financial Strategy, review and approval of Bids and Savings and Corporate Plan Priorities.	Cabinet	07 November 2018		Lead Cabinet member for Finance Suzy Brandes, Principal Accountant (General Fund & Projects)	Report (publication expected 30 October 2018)
Implementation-Adoption of Completed Supplementary Planning Documents Key	To adopt the Cambridgeshire Flood and Water SPD and Land North of Cherry Hinton (LNCH) SPD following the adoption of the South	Cabinet	07 November 2018		Deputy Leader of the Council Joint Director for Planning and Economic Development	Report (publication expected 30 October 2018)

Key and non-key decisions expected to be made from 9 October 2018

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
Page 150	Cambridgeshire Local Plan in September 2018. These SPDs were prepared in parallel with the South Cambridgeshire and Cambridge Local Plans, allowing further detail to be provided and assist with implementation of specific proposals.					
Housing Revenue Account (HRA) Medium Term Financial Strategy Key	To provide an update on the Housing Revenue Account (HRA) Business Plan with updated financial assumptions, recommending in year budgetary changes for the HRA and setting the budget strategy for 2019/20.	Cabinet Council	07 November 2018 29 November 2018	Part or all of the report may be exempt by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972	Lead Cabinet member for Housing Julia Hovells, Principal Accountant	Report (publication expected 30 October 2018) Report (publication expected 19 November 2018)
Adoption of Recycling and		Cabinet	07 November 2018		Lead Cabinet member for	Report (publication expected 30

Key and non-key decisions expected to be made from 9 October 2018

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
Waste Operational Policies Key					Environmental Services and Licensing Trevor Nicoll, Head of Waste Resources	October 2018)
Northstowe Strategic Collaborative Agreement Key Page 151	To approve the Strategic Collaborative Agreement with Homes England. This Agreement sets out how we will work together to use any capital receipt from the Northstowe Starter Homes equity model to invest into future affordable housing.	Cabinet	07 November 2018		Lead Cabinet member for Housing Julie Fletcher, Head of Housing Strategy	Report (publication expected 30 October 2018)
Mobile Warden Scheme Grants Criteria Non-Key	To consider changes to the Mobile Warden Scheme Grants as recommended by the Grants Advisory Committee.	Cabinet	07 November 2018		Gemma Barron, Head of Sustainable Communities and Wellbeing	Report (publication expected 30 October 2018)

Key and non-key decisions expected to be made from 9 October 2018

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
Community Energy Grants Criteria Non-Key Page 152	To consider changes to the Community Energy Grants guidance notes, which includes the criteria, as recommended by the Grants Advisory Committee and Climate and Environment Advisory Committee.	Cabinet	07 November 2018		Gemma Barron, Head of Sustainable Communities and Wellbeing	Report (publication expected 30 October 2018)
Sales of HRA Assets with Cumulative Total Over £1 million Key		Cabinet	07 November 2018	Part or all of the report may be exempt by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972	Lead Cabinet member for Housing Laurence Castle, Self/Custom Build Regional Manager	Report (publication expected 30 October 2018)
Rural Settlements List Non-Key	In order to facilitate the administration of Rural Rate Relief (Business Rates), the Council is required to determine annually	Lead Cabinet member for Finance	November/December 2018		Lead Cabinet member for Finance Katie Kelly, Revenues Manager	

Key and non-key decisions expected to be made from 9 October 2018

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
	the rural settlements within its area where the population of the settlement is less than 3,000 and to publish a list of settlements indicating their boundaries before 31 st December each year.					
<p>Great Abington former LSA Estate Neighbourhood Plan Non-Key</p>	To adopt ('make') the Neighbourhood Plan, subject to the Neighbourhood Plan successfully progressing through the preceding plan making stages.	Council, Lead Cabinet member for Planning	29 November 2018		Lead Cabinet member for Planning Jennifer Nuttycombe, Senior Planning Policy Officer	Report (publication expected 22 November 2018)
Licensing Act Policy Non-Key		Licensing Committee Council	17 October 2018 29 November 2018		Lead Cabinet member for Environmental Services and Licensing	Report (publication expected 9 October 2018) Report (publication expected 21 November 2018)

Key and non-key decisions expected to be made from 9 October 2018

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
Gambling Act Policy Non-Key		Licensing Committee Council	17 October 2018 29 November 2018		Lead Cabinet member for Environmental Services and Licensing Mike Hill, Director of Housing and Environmental Services	Report (publication expected 9 October 2018) Report (publication expected 21 November 2018)
Quarterly Position Report Non-Key	To provide a statement on the Council's position with regard to its General Fund, Housing Revenue Account (HRA) and capital budgets, corporate objectives, performance indicators and strategic risks.	Cabinet	05 December 2018		Lead Cabinet member for Customer Service and Business Improvement, Lead Cabinet member for Finance Suzy Brandes, Principal Accountant (General Fund & Projects)	Report (publication expected 27 November 2018)
Cambourne High Street Key		Cabinet	05 December 2018	Part or all of the report may be exempt by virtue of paragraph 3 of Part 1 of Schedule 12A	Lead Cabinet member for Finance Alex Colyer, Executive Director,	Report (publication expected 27 November 2018)

Key and non-key decisions expected to be made from 9 October 2018

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
				of the Local Government Act 1972	David Ousby, Housing Development Officer (Growth)	
Elite Athletes Grant Scheme Non-Key	To consider changes to the Elite Athletes Grant Scheme as recommended by the Grants Advisory Committee.	Cabinet	05 December 2018		Gemma Barron, Head of Sustainable Communities and Wellbeing	Report (publication expected 27 November 2018)
Compulsory Purchase Order of The Tree, Stapleford Non-Key	To consider the use of Compulsory Purchase Order powers with regard to The Tree, Stapleford and decide whether to make a recommendation to Council.	Cabinet	05 December 2018	Part or all of the report may be exempt by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972	Lead Cabinet member for Planning Kathryn Hawkes, Partnerships Officer	Report (publication expected 27 November 2018)
Localised Council Tax Support Scheme Non-Key		Cabinet Council	05 December 2018 21 February 2019		Lead Cabinet member for Finance Dawn Graham, Benefits Manager	Report (publication expected 27 November 2018) Report (publication expected 13 February 2019)

Page 10 of 11

Key and non-key decisions expected to be made from 9 October 2018

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
Statement of Community Involvement Key	To agree a Statement of Community Involvement for the preparation of the new Local Plan for Greater Cambridge.	Cabinet	05 December 2018		Lead Cabinet member for Planning Caroline Hunt, Planning Policy Manager	Report (publication expected 27 November 2018)
Countywide Disabled Adaptations Policy Key	To approve the Countywide Disabled Adaptations Policy. This will provide a joint county-wide approach as to how the Disabled Facility Grants can be spent.	Cabinet	05 December 2018		Lead Cabinet member for Housing Julie Fletcher, Head of Housing Strategy	Report (publication expected 27 November 2018)
Homeless Strategy Key	To approve a homeless strategy for South Cambridgeshire.	Cabinet	09 January 2019		Susan Carter, Housing Advice and Options Manager, Heather Wood, Interim Assistant Director of Housing (Statutory and Strategic Services)	Report (publication expected 31 December 2018)

Key and non-key decisions expected to be made from 9 October 2018

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
Draft Greater Cambridge Housing Strategy Non-Key	To agree that the draft Greater Cambridge Housing Strategy can go out to external consultation. This is a joint strategy with Cambridge City Council.	Cabinet	06 February 2019		Lead Cabinet member for Housing Julie Fletcher, Head of Housing Strategy	Report (publication expected 29 January 2019)
Decision Making/Governance for New Build Development Schemes Key	For Cabinet decision around a streamlined decision making process for new build development schemes.	Cabinet	06 March 2019		Lead Cabinet member for Housing Gill Anderton, Head of Housing (New Build)	Report (publication expected 28 February 2019)
Draft Resident Involvement Strategy Non-Key	To agree that the Draft Resident Involvement Strategy can go out to external consultation.	Cabinet	03 April 2019		Lead Cabinet member for Housing Peter Moston, Resident Involvement Team Leader	Report (publication expected 26 March 2019)
Non-Domestic Rates Discretionary Relief Policy	Annual Review of the Discretionary Rates Policy, to	Cabinet	May 2019		Lead Cabinet member for Finance	Report (publication date tbc)

Key and non-key decisions expected to be made from 9 October 2018

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Portfolio Holder and Contact Officer	Documents submitted to the decision maker
Review Non-Key	ensure any amendments arising from the Spring Budget are updated in a timely manner.				Katie Kelly, Revenues Manager	
Greater Cambridge Housing Strategy Key	To approve the adoption of the Greater Cambridge Housing Strategy	Cabinet	June 2019		Lead Cabinet member for Housing Julie Fletcher, Head of Housing Strategy	Report (publication expected 26 February 2019)
Resident Involvement Strategy Key	To approve the final Resident Involvement Strategy.	Cabinet	Date in 2019 to be confirmed		Lead Cabinet member for Housing Peter Moston, Resident Involvement Team Leader	Report (publication date tbc)