

South Cambridgeshire District Council

Minutes of a meeting of the Scrutiny and Overview Committee held on
Thursday, 18 January 2024 at 5.30 p.m.

PRESENT: Councillor Graham Cone – Chair
Councillor Stephen Drew – Vice-Chair

Councillors: Anna Bradnam Tom Bygott
Sue Ellington Sally Ann Hart
James Hobro Helene Leeming
Judith Rippeth Richard Stobart
Dr. Aidan Van de Weyer

Officers in attendance for all or part of the meeting:

Anne Ainsworth (Chief Operating Officer), Atef Sayed (Operations and Asset Manager), Philip Bird (Corporate Programme Manager), Peter Campbell (Head of Housing), Aaron Clarke (Democratic Services Technical Officer), Helen Cornwell (HR Service Manager), Bode Esan (Head of Climate, Environment & Waste), Farzana Ahmed (Chief Accountant), David Hill (Accountant), Stephen Kelly (Joint Director of Planning and Economic Development), Kevin Ledger (Senior Policy and Performance Officer), Peter Maddock (Head of Finance), Jeff Membery (Head of Transformation, HR and Corporate Services), John Murphy (Monitoring Officer), Michael Parsons (Waste Operations Manager), Ian Senior (Scrutiny and Governance Adviser), Alex Snelling-Day (Policy, Climate and Environment Team Manager), Katherine Southwood (Business Support Projects Team Leader), Pippa Turvey (Democratic Services Team Leader), Duncan Vessey (Head of Ermine Street Housing) and Liz Watts (Chief Executive)

Councillors Bridget Smith (Leader of the Council) and Heather Williams (Leader of the Opposition) were in attendance, by invitation.

Councillors Henry Batchelor (Lead Cabinet Member for the Environment), John Batchelor (Lead Cabinet Member for Housing), Libby Earle (Scrutiny and Overview Committee member), Bill Handley (Lead Cabinet Member for Communities), Dr Tumi Hawkins (Lead Cabinet Member for Planning) and Brian Milnes (Deputy Leader) were in attendance remotely.

1. Apologies for absence

Councillors Dr. Martin Cahn and John Williams (Lead Cabinet Member for Resources) sent apologies.

2. Declarations of Interest

Councillor James Hobro declared an interest as a non-Executive Director of Ermine Street Housing and withdrew from the Chamber during consideration of Item 8 (Ermine Street Housing – Additional Growth)

Councillor Richard Stobart declared an interest as a Director of both the South

Cambridgeshire Investment Partnership LLP and South Cambridgeshire Projects LLP.

3. **Minutes of Previous Meeting**

The Committee authorised the Chair to sign, as a correct records, the minutes of the meeting held on 16 November 2023 subject to the following:

Minute 5 – 2023-24 Quarter 2 Performance report

With reference to that part relating to Business Plan Objective 6c (Creating areas where people feel safe and communities thrive), the second sentence should say, “A suggestion was made that it would be useful to work with primary and secondary schools in an effort to identify mental health issues early on and before any formal referral process.”

With reference to Minute 6 (Health and Wellbeing Strategy) and Minute 7 (Bids and Savings – digital phone lines), the Scrutiny and Governance Adviser undertook to follow up on community transport and the continued functionality of ‘red button alarm systems’ and inform Committee members accordingly.

4. **Public Questions**

There were no public questions.

5. **Draft 2024-25 Business Plan Action Plan**

The Scrutiny and Overview Committee reviewed the draft Business Plan Action Plan for 2024-25 which reflected work that had been ongoing throughout 2023-24, the continuing evolution of Council priorities, and planned works coming forward from service areas.

The Scrutiny and Overview Committee recognised the importance of engaging with partner organisations (such as the Federation of Small Businesses) and Central Government.

The Scrutiny and Overview Committee welcomed an assurance from the Leader of the Council controls would be put in place to prevent space at South Cambridgeshire Hall from being rented out to businesses that could cause reputational harm to South Cambridgeshire District Council.

Having received responses to questions posed by Committee members, the Scrutiny and Overview Committee commended the draft Business Plan Action Plan to Cabinet together with the following additional recommendations.

Recommendation 1

That Cabinet agrees that the Business Plan Action Plan should emphasise the need to train and recruit more child-minders in order to help parents back into work.

Recommendation 2

That Cabinet agrees that the Business Plan Action Plan should encourage efforts, especially in new communities, to recruit more foster carers, and explore options for enabling its own council house tenants wishing to do so to foster additional children.

Recommendation 3

That Cabinet agrees that the Business Plan Action Plan should refer to ‘Cambourne 25’.

Recommendation 4

That Cabinet agrees that the Business Plan Action Plan should be reviewed for accessibility and readability from time to time.

Recommendation 5

That Cabinet considers the recruitment by South Cambridgeshire District Council of an Arts and Culture Officer to work in new communities and elsewhere in the District and to help secure funding from the Cambridge and Peterborough Combined Authority.

6. Detailed Directorate Draft Budgets 2024/25

The Scrutiny and Overview Committee reviewed the detailed General Fund budget packs for each of the Council's service areas.

In response to a question prompted by paragraph 13 of the report, the Head of Finance explained how the allocation of service charges had been simplified.

The Head of Finance noted a comment that an overview of the budgets as a whole would be helpful in identifying the Council's overall expenditure on things like performance development and youth engagement.

In response to an observation that there was a significant difference between estimates and actuals for food safety & water quality and health and safety at work, the Head of Climate, Environment and Waste said that the demand-led nature of such services made accurate prediction impossible. The Head of Finance reiterated that the simplified method of presenting the allocation of service charges meant that more detailed data, though available, was not shown in the information included in the appendices to the report, for example in relation to licensing.

Responding to a specific remark about the importance of data collection regarding zero-carbon communities, the Leader of the Council referred to the recent Peer Review's praise for how the Council used data and reminded the Committee about the proposed new data team. The Chief Executive invited Members to suggest areas in which more detailed data could add value.

Following further discussion and having received responses to questions asked by Committee members and reviewed the draft budgets at appendices 1 to 7 of the report, the Scrutiny and Overview Committee commended the detailed directorate draft budgets to Cabinet.

7. General Fund Medium Term Financial Strategy

The Scrutiny and Overview Committee reviewed the first draft of the Medium Term Financial Strategy (MTFS) which had previously been considered by Cabinet on 7 November 2023 and Full Council on 30 November 2023.

In response to a request for clarification, the Head of Finance summarised the likely implications of the Fair Funding Review expected in 2026-27. He undertook to reword the text in paragraphs 41 and 44 of the report to Full Council on 30 November 2023.

The Head of Finance noted concern over proposed amendments to paragraphs 13 and 22 of the draft MTFS 2024-29 and agrees to discuss the rationale with Councillor Heather Williams outside the meeting.

Replying to a general comment about budget setting, the Leader of the Council welcomed

recognition by the recent Peer Review of the robustness of the Council's investment strategy and its overall state of financial stability. The Chief Executive added that, instead of avoiding difficult financial decisions at this stage, the Council had already started to explore measures that would help to address the enormous challenges that would face local authorities such as South Cambridgeshire District Council in 2026-27 and beyond.

Responding to the Vice-Chair, the Leader of the Council reiterated that the Council was in a healthy financial position and stated that every effort would be made to ensure that the service to residents in 2026-27 would be no less favourable than it was currently.

Having been reassured by responses to questions asked by Committee members, the Scrutiny and Overview Committee commended by affirmation to Cabinet the draft MTFS subject to updated information which would become available through the budget process.

8. Ermine Street Housing - Additional Growth

The Scrutiny and Overview Committee reviewed a report seeking an increased investment from South Cambridgeshire District Council of £20 million to enable Ermine Street Housing to borrow further funds to take advantage of new investment opportunities as they arise. Such funding would also allow Ermine Street Housing to buy homes for single homeless people in South Cambridgeshire.

The Committee established that about £500,000 of this funding would come from Government Homeless Reduction grants to cover the modelling viability gap in acquiring homes for single homeless people in South Cambridgeshire. The Head of Housing said that the Council would seek to borrow the remaining £19.5 million from one or more sources at the most favourable rate of interest and then lend it to Ermine Street Housing either as a single sum or in tranches. Potential lenders included the Public Works Loan Board and those listed in the Council's Treasury Management Strategy. The Vice-Chair raised the possibility of the Scrutiny and Overview Committee revisiting the issue of where the Council will obtain the loan from prior to a final decision being made. The Chief Executive noted the distinction between the loan to Ermine Street, and how that loan would be funded by the Council and advised that scrutiny of the latter – the funding – would be dealt with through the Council's treasury management strategy which would be presented to all members at Full Council on 22 February 2024.

Responding to a question about risks, the Leader of the Council praised the robustness of Ermine Street Housing's business case, referring to the increase in the value the Company since its establishment and to the significant oversight to which it was subject. The current additional growth proposal offered major opportunities such as the opportunity to address unmet demand. Liability for the debt would remain with Ermine Street Housing. Referring to the potential homeless acquisitions the Head of Ermine Street said that the Company only ever bought properties that had been the subject to full property surveys and were fully health and safety compliant. Those properties would be managed and looked after by Shire Homes. All other acquisitions are subject to the same surveys and health and safety compliance. The Head of Housing assured the Committee that all risks to the Council were reviewed on a regular basis.

Following further associated discussion and having been reassured by the responses to questions asked by Committee members, the Scrutiny and Overview Committee commended to Cabinet by affirmation Ermine Street Housing's request for additional funding.

9. Work Programme

The Scrutiny and Overview Committee received and noted the work programme attached to the agenda.

The Meeting ended at 8.30 p.m.
