

South Cambridgeshire District Council

Minutes of a meeting of the Cabinet held on
Tuesday, 6 February 2024 at 10.00 a.m.

PRESENT:

Cabinet Members in attendance:

Bridget Smith	Leader of Council
Brian Milnes	Deputy Leader of the Council and Leader Cabinet Member for Environment
Henry Batchelor	Lead Cabinet Member for Environmental Services and Licensing
Bill Handley	Lead Cabinet Member for Communities
John Williams	Lead Cabinet Member for Resources
John Batchelor	Lead Cabinet Member for Housing
Tumi Hawkins	Lead Cabinet Member for Planning

Officers in attendance for all or part of the meeting:

Liz Watts	Chief Executive
John Murphy	Monitoring Officer
Peter Maddock	Head of Finance
Anne Ainsworth	Chief Operating Officer
Peter Campbell	Head of Housing
Pippa Turvey	Democratic Services Team Leader
Aaron Clarke	Democratic Services Technical Officer
Mark Deas	Senior Policy Planner
Chris Riches	Project Officer (Cost of Living)
Kevin Ledger	Senior Policy and Performance Officer
Duncan Vessey	Head of Ermine Street Housing
James Green	Liberal Democrat Political Assistant
Daniel Sillett	Conservative Political Assistant
Susan Carter	Service Manager – Housing Advice and Options
Farzana Ahmed	Chief Accountant

Councillor Anna Bradnam was in attendance, by invitation.

Councillors Heather Williams and Lisa Redrup were also in attendance.

1. Apologies for Absence

Apologies for absence had been received from Councillor Peter McDonald.

2. Declarations of Interest

There were no declarations of interest received.

3. Minutes of Previous Meeting

Cabinet authorised the Leader to sign, as a correct record, the minutes of the meeting held on Tuesday, 5 December 2023.

4. Announcements

There were no announcements from the Leader of the Council.

5. Public Questions

A statement had been received from a member of the public, Mr Daniel Fulton, which was set out in the supplementary document. Mr Fulton went on to state, in summary:

- It was suggested that information would be made public in the next few months detailing misconduct from a number of officers and Members of this Council.
- This conduct, it was stated, included interfering with the democratic process of the 2022 general election and judicial proceedings, as well as enlisting officers of the Cambridgeshire Constabulary to engage in intimidation and unlawful violence.

At this point, Councillor Bridget Smith, Leader of the Council advised Mr Fulton that it was inappropriate for this meeting of Cabinet to be used as a forum to comment on other public bodies and asked Mr Fulton to focus on matters relevant to South Cambridgeshire District Council.

Mr Fulton continued, in summary:

- It was suggested that the integrity of democratic institutions was undermined when public officials could not be prosecuted for criminal acts.
- Comment was made that the District Council could follow in the path of Cambridgeshire County Council, which provided a positive example of self-regulation by publishing the results of an internal investigation into the misconduct of one of its Members.
- It was stated that even a district council could act and work to confront wrongdoing, in order to ensure that such a situation did not arise again.

Councillor Bridget Smith commented that South Cambridgeshire District Council did not view itself as “just” a district council, but as an important part of the local government structure. Councillor Smith noted that Mr Fulton had made some serious accusations and would have to substantiate these with evidence. Mr Fulton was encouraged to send the Leader of the Council any such evidence of misconduct by officers or Members.

Mr Fulton stated that he was legally prohibited from sharing this information and that it was a matter for the courts as to when this could be shared.

6. Update from Scrutiny and Overview Committee

Cabinet noted the Scrutiny and Overview report summarising the meeting held on 18 January 2024. Councillor Anna Bradnam was in attendance on behalf of the Committee and advised that the committee were particularly keen to encourage Cabinet to consider options to enable council house tenants wishing to do so to foster additional children.

7. Draft 2024-25 Business Plan Action Plan

Councillor Bridget Smith, Leader of the Council, introduced the report and moved the recommendations. In so doing, Councillor Smith commented that the presentation of the document had been massively improved. It was further felt that the Council's priorities were clearly demonstrated within the report, along with the progress made by the Council.

The recommendations were seconded by Councillor Brian Milnes.

Cabinet Members raised the following points during consideration of the report:

- Members thanked officers for their work and members of the Scrutiny and Overview Committee for their comments, on which amendments had been based.
- It was noted that, on page 31, "water renewable" should be amended to "Waterbeach renewable".

In response to questions from non-Cabinet Members, the following points were raised:

- The Cabinet had stated its support, in principle, of an East-West rail link.
- It was commented that influence had already been exerted in relation to these plans, specifically in relation to the height of the embankment. Detailed plans were still pending and, once these were received, mitigation measures can be addressed as required.

Resolution

Cabinet agreed:

- a. To submit the Business Plan Action Plan 2024-2025 to Council for approval.
- b. To authorise the Chief Executive to make any minor wording changes required to final drafts, in consultation with the Leader.

Options Considered

There were no other options considered.

Reasons for Decision

The business plan action plan outlined clear and measurable objectives, outcomes and outputs for delivery in 2024-25 and beyond. It was used to ensure officer and financial resources were allocated appropriately.

8. Ermine Street Housing – Additional Growth

Councillor John Batchelor, Lead Cabinet Member for Housing, introduced the report and moved the recommendations. In so doing, Councillor Batchelor emphasised the success of Ermine Street Housing, which has acquired more than 500 houses, having a value of £120 million on a £100 million investment, and was contributing over £4 million a year in income. Additional investment was proposed to make best use of the expertise within the organisation.

The recommendations were seconded by Councillor John Williams, who lauded the success of the company in supporting housing within the district and travel-to-work area. It was noted that further investment would support the delivery of houses for families and single people and assist in the prevention of homelessness.

Councillor Anna Bradnam, made the following comments on behalf of the Scrutiny and Overview Committee:

- It was recognised that the Scrutiny and Overview Committee had asked a lot of questions on this item, as the additional investment proposed was significant, and were reassured on this front.
- Comment was further made that the committee had been satisfied with the explanation of how the loan would be handled, particularly that it would be drawn down in phases as needed.

Resolution

Cabinet agreed to recommend to Council approval:

- a. To allow Ermine Street Housing (ESH) additional borrowing from the Council of up to £20 million to take advantage of new investment opportunities where viability assessments provide a positive return with an interest rate of 1% above base rate. This arrangement is to be reviewed annually.
- b. To allow ESH to purchase single person properties for homeless people to prevent the use of expensive temporary accommodation, using the interest rate applying to ESH (currently 4.25%). This rate recognises the initiative as a 'spend to save' investment, providing savings to homelessness budgets.
- c. To allow the Head of Housing, in consultation with the Lead Cabinet Member for Housing, to authorise individual purchases (and therefore borrowing) up to the value of £2 million as per the current arrangements.
- d. To note that this proposal is subject to the agreement of the Ermine Street Housing Board.

Options Considered

Cabinet could have decided not to invest or have chosen a different form of investment.

Reasons for Decision

To ensure that Council as owner and sole shareholder of ESH was fully aware of the details surrounding the additional borrowing and risks associated with the proposal.

To take advantage of investment opportunities that would provide additional incomes streams to the Council.

To provide additional accommodation for single homeless people resulting in savings to homeless expenditure budgets.

9. Shire Homes Letting

Councillor John Batchelor, Lead Cabinet Member for Housing, introduced the report and moved the recommendations. In so doing, Councillor Batchelor recognised that Shire Homes Lettings fulfilled a significant part of the Council's statutory role in providing housing for homeless people.

The recommendations were seconded by Councillor Tumi Hawkins, who was pleased to note that the Council was executing its statutory obligations in an effective way.

In response to questions from non-Cabinet Members, the following points were raised:

- Shire Homes Letting provided approximately 100 units, which was not sufficient to match demand, however, work was ongoing to increase these numbers.
- The scheme tried to spread the supply of housing across the district, although it was recognised that the location and number of vacancies at any one time would be limited.

Resolution

Cabinet agreed to note the report.

Options Considered

The council used various forms of temporary accommodation to fulfil its statutory obligations including SCDC stock, specific Housing Association stock and hostel accommodation. When all other forms of temporary accommodation were full it was left with no choice but to use B&B accommodation which was both expensive and unsuitable for most households. This was not an acceptable long-term option for temporary accommodation and initiatives such as Shire Homes Lettings were developed to reduce the need for this. Due to Covid and the subsequent cost of living crisis the last few years had been challenging in terms of the need to use B&B, making the need for alternatives all the more important.

Reasons for Decision

To update Cabinet on the Shire Homes Lettings scheme and demonstrate its cost effectiveness compared to temporary accommodation, as well as the additional benefits it provides to families and individuals in housing need.

10. Authority Monitoring Report for Greater Cambridge 2022-2023

Councillor Tumi Hawkins, Lead Cabinet Member for Planning, introduced the report and moved the recommendations. In so doing, Councillor Hawkins advised that the Council had a statutory duty to publish the authority monitoring report, which included information on the number of houses delivered against the local plan, the number of affordable houses delivered, the level of employment space, and the number of neighbourhood plans created.

The recommendations were seconded by Councillor Brian Milnes, who thanked officers for the valuable report.

In response to questions from non-Cabinet Members, the following points were raised:

- References to the North East Cambridge site as a brownfield site related to the site itself and nothing else.

Resolution

Cabinet:

1. Agreed the Cambridge City Council and South Cambridgeshire District Council - Authority Monitoring Report for Greater Cambridge 2022-2023 (included as Appendix A) for publication on the Councils' websites.
2. Delegated any further minor editing changes to the Cambridge City Council and South Cambridgeshire District Council - Authority Monitoring Report for Greater Cambridge 2022-2023 to the Joint Director of Planning and Economic Development, in consultation with the Executive Councillor for Planning Policy and Transport.

Options Considered

To not publish the Authority Monitoring Report for Greater Cambridge 2021-2022.

Reason for Rejection: Government required that local planning authorities to publish an Authority Monitoring Report on an annual basis.

Reasons for Decision

Local authorities had a statutory duty to publish an Authority Monitoring Report (AMR) under The Planning and Compulsory Purchase Act 2004 and accompanying regulations.

11. State of the District – South Cambridgeshire

Councillor Bridget Smith, Leader of the Council, introduced the report and moved the recommendations. In so doing, Councillor Smith noted that the work had arisen from an informal recommendation of the recent Peer Review.

The recommendations were seconded by Councillor Henry Batchelor, who considered the report to be a valuable not only to the Council, but to residents as well.

Cabinet Members raised the following points during consideration of the report:

- It was noted that there was a typographical error in the document, and it was suggested that delegation be given to the Chief Executive to correct any other minor errors.

In response to questions from non-Cabinet Members, the following points were raised:

- The perception of the phrase 'state of the district' was discussed, and whether an alternative title could be used that did not have negative connotations.
- Comment was made that the phrase origination from the government wording of 'state of the nation' and was neutral.
- It was advised that the Cambridgeshire and Peterborough Combined Authority were responsibility for a retrofitting energy scheme, which was targeted at oil-dependent homes.
- Members felt that it was important that this document be used to its full potential.

Resolution

Cabinet agreed to:

1. Note the report, and
2. Authorise the Chief Executive to make any minor wording changes required to the final draft, in consultation with the Leader.

Options Considered

No other options were considered.

Reasons for Decision

To ensure robust and comprehensive information was readily available to aide effective communication and decision making within the council.

12. Capital Strategy

Councillor John Williams, Lead Cabinet Member for Resources, introduced the report and moved the recommendations. In so doing, Councillor Williams advised that the strategy had undergone an annual review with some minor changes as well as updates to meet the credential codes of 2021.

The recommendations were seconded by Councillor Bill Handley.

Resolution

Cabinet recommended to Full Council the updated Capital Strategy attached at Appendix A to the report which sets the policy framework for the development, management and monitoring of capital investment, including Capital Prudential Indicators.

Options Considered

The option of not adopting the revised Capital Strategy was not considered to be appropriate. Local authorities were accountable to their communities for how they spend their money and for ensuring that this spending was prioritised and represented value for money. Local politicians and officers operated within local governance frameworks of checks and balances to ensure that decision-making is lawful, informed by objective advice, transparent and consultative. Good governance meant that proper arrangements were in place to ensure that an authority's intended objectives were achieved and establishing a policy framework for the development, management and monitoring of all capital investment and the prioritisation of the Council's capital resources needed to be a key commitment to ensure that authorities remained financially sustainable and responded efficiently and effectively to service needs.

Reasons for Decision

To establish and approve an updated Capital Strategy that complies with CIPFA's revised Prudential Code for Capital Finance in Local Authorities (2021 edition) and Prudential Code Guidance Notes for Practitioners (2021 edition), CIPFA's Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes (2021 edition) and revised Statutory Guidance on Local Government Investments (3rd Edition) issued in February 2018.

13. Treasury Management Strategy

Councillor John Williams, Lead Cabinet Member for Resources, introduced the report and moved the recommendations. In so doing, Councillor Williams noted that the description of the minimal review position had been revised due to comments from the Peer Review.

The recommendations were seconded by Councillor Brian Milnes.

Resolution

Cabinet recommended to Council the updated Treasury Management Strategy attached at Appendix A to the report which sets the policy framework for the Council's treasury management activity, including (i) the Treasury Management Policy Statement, (ii) Minimum Revenue Provision Policy and (ii) Treasury Indicators.

Options Considered

The option of not adopting the revised Treasury Management Strategy was not considered to be appropriate. The CIPFA Code of Practice (2017) required the Council to approve the Strategy before the start of each financial year. Local politicians and officers operated within local governance frameworks of checks and balances to ensure that decision-making was lawful, informed by objective advice, transparent and consultative.

Good governance meant that proper arrangements were in place to ensure that an authority's intended treasury management objectives were achieved and a policy framework for the development, management and monitoring of all treasury management activity was established.

Reasons for Decision

To establish and approve an updated Treasury Management Strategy that complied with the Chartered Institute of Public Finance & Accountancy (CIPFA) revised Prudential Code for Capital Finance in Local Authorities.

14. Review of Revenue Reserves

Councillor John Williams, Lead Cabinet Member for Resources, introduced the report and moved the recommendations.

The recommendations were seconded by Councillor Brian Milnes.

Councillor Anna Bradnam, made the following comments on behalf of the Scrutiny and Overview Committee:

- A question was raised at the Scrutiny and Overview Committee around the delineation of earmarked reserved and, as a result, this was specifically listed in Appendix A to the report.
- It was noted that earmarked reserves were divided into separate pots for specific reasons.

Resolution

Cabinet recommended to Full Council:

- (a) That the Reserves as summarised at paragraph 12 of the report be released and transferred to the General Reserve or transferred to other reserves as appropriate on 31 March 2024.
- (b) That the movement in Reserves in 2023/2024 as set out in Appendix A, and the estimated balance of Reserves of £36.132 million, be noted.

Options Considered

The option of not reviewing Reserve and Provision balances was not considered

to be appropriate as otherwise valuable resource which may be needed elsewhere could be inappropriately allocated.

Reasons for Decision

To ensure that the Council regularly reviewed the balances held in established reserves to confirm that the allocations remained valid and thus still needed for the purposes outlined and that they were at the correct level to meet this requirement.

15. Summary General Fund Revenue Budget 2024/2025

Councillor John Williams, Lead Cabinet Member for Resources, introduced the report and moved the recommendations. In so doing, Councillor Williams noted that the Cambridgeshire and Peterborough Combined Authority Mayor's precept had been mistakenly omitted from the report. It was further advised that the report came at time of local government funding pressure, with many councils issuing 114 notices. South Cambridgeshire District Council had a track record of prudent and robust financial management, as highlighted by the recent Peer Review. It was recognised, however, that future pressures were anticipated.

The recommendations were seconded by Councillor Bridget Smith, who thanked the Lead Cabinet Member and officers for their work.

Resolution

Cabinet:

- a) Noted the detailed budgets presented at Appendix B, and summarised at Appendix A, with an estimated General Fund Gross Operating Expenditure for 2024/2025 of £76.731 million, estimated Gross Operating Income of £48.306 million and estimated General Fund Net Operating Expenditure of £28.425 million.
- b) Acknowledged the key factors which have led to the proposed 2024/2025 General Fund Revenue Budget, with service pressures summarised at Appendix C and offsetting efficiency savings/policy options summarised at Appendix D.
- c) Acknowledged that the 2024/2025 General Fund Revenue Budget gross expenditure is covered by forecast income sources (assuming no change in Government grant) and, therefore, any addition(s) to expenditure that are made by the Cabinet or Council will need to be met from the General Fund Balance.
- d) Approved the 2024/2025 General Fund Revenue Budget taking into account the statement by the Chief Finance Officer on the risks and robustness of the estimates as required under Section 25 of the Local Government Act 2003 (reproduced at Appendix F).

- e) Set the Council Tax Requirement for 2024/2025 at £11,688,650.
- f) Approved an increase in the District element of the Council Tax of £5 per annum, giving an average Band D Council Tax of £170.31, plus the relevant amounts required by the precepts of the Parish Councils, Cambridgeshire County Council, Cambridgeshire Police & Crime Commissioner, the Cambridgeshire Fire Authority, and the Cambridgeshire and Peterborough Combined Authority Mayor.
- g) Approved the estimates of the amounts required to be made under the Non-domestic Rating (Rates Retention) Regulations 2013 as set out in paragraphs 38 - 41.
- h) Approved the use of the additional income from the Business Rate Pool, estimated at £1,100,000 in 2024/2025, for transfer to the established Renewables Reserve for priority projects.
- i) Recommended to Council that it approves:
 - (i) The 2024/2025 General Fund Revenue Budget based on known commitments at this time and planned levels of Service/functions resulting in a Budget Requirement of £37.125 million.
 - (ii) The District Council Precept on the Collection Fund (Council Tax Requirement) of £11.689 million in 2024/2025 (based on the Provisional Government Settlement) and a Band D Council Tax of £170.31.

Options Considered

There were options to remove or add items to the budget but, based on previous Cabinet decisions and the detailed discussions held with spending officers, the General Fund Revenue Budget as presented included all items required to deliver council services and member priorities. The gross expenditure was covered by forecast income sources (assuming no change in Government grant) and, therefore, any addition(s) to expenditure that were required would need to identify matching savings and/or additional income if the proposed level of Council Tax was not to change.

Reasons for Decision

To enable the Cabinet to recommend to Full Council the 2023/2024 General Fund Revenue Budget.

16. Capital Programme 2024/25 to 2028/29

Councillor John Williams, Lead Cabinet Member for Resources, introduced the report and moved the recommendations. In so doing, Councillor Williams noted that opportunities to deliver and expanded Capital Programme were limited.

The recommendations were seconded by Councillor Henry Batchelor.

Resolution

Cabinet recommended to Full Council the revised General Fund Capital Programme outlined at Appendix A.

Options Considered

The option existed to vary the capital programme, but the allocations included reflected Business Plan priorities and decisions previously made by the Council, including the last update to the capital programme on 05 December 2023 and any further slippage identified since then.

Reasons for Decision

To enable the Cabinet to consider variations to the Capital Programme 2023/2024 to 2027/2028 that was approved by Cabinet at its meeting on 05 December 2023.

17. Housing Revenue Account Budget 2024/25

Councillor John Williams, Lead Cabinet Member for Resources, introduced the report and moved the recommendations. In so doing, Councillor Williams noted that to maintain the Council's ambitious housing stock at a decent standard, which was funded by Council tenants, it was proposed to increase rent levels.

The recommendations were seconded by Councillor John Batchelor, who emphasised that the maintenance of Council housing stock was funded through Council rents and that the realities of increased costs nationwide had to be recognised.

Resolution

Cabinet:

Housing Revenue Account (HRA): Revenue

- (a) approved the HRA revenue budget for 2024/2025 as shown in the HRA Budget Summary as presented at Appendix A.

HRA: Review of Rents and Charges

- (b) Approved that council dwelling rents for all social rented properties be increased by 7.7%, recognising that inflation measured by the Consumer Price Index (CPI) at September 2023, plus 1% results in an increase of 7.7%.
- (c) Approved that affordable rents (inclusive of service charge) are also increased by 7.7% in line with the increase for social rents.
- (d) Approved that rents for affordable shared ownership properties are

increased by 7.7% or RPI at January 2024 plus 0.5% whichever is the lower, from April 2024.

- (e) Approved that garage rents be increased by 7.7% in line with the increase for social rents.
- (f) Approved the proposed service charges for HRA services and facilities provided to both tenants and leaseholders, as shown in Appendix D.

HRA: Capital

- (g) Approved the required level of funding for new build investment between 2024/2025 and 2028/2029 to ensure that commitments can be met in respect of the investment of all right to buy receipts currently retained or anticipated to be received by the authority for this period. This expenditure will take the form of HRA new build, with the 60% top up met by other HRA resources.
- (h) Approved the HRA Medium Term Financial Strategy forecasts as shown in Appendix B.
- (i) Approved the Housing Capital Programme as shown in Appendix C.

Options Considered

There were a number of other options regarding budget setting, but the budget as presented represented the best use of resources within the constraints that existed.

Reasons for Decision

Account (HRA) Revenue Budget and Capital Programme.

18. General Fund Medium Term Financial Plan

Councillor John Williams, Lead Cabinet Member for Resources, introduced the report and moved the recommendations. In so doing, Councillor Williams advised that if the actions taken to protect against the anticipated fair funding review were removed, the Council would be in a surplus position for the next 5 years. Comment was made in relation to the difficulty in planning for the future when central government funding was set on an annual basis.

The recommendations were seconded by Councillor Brian Milnes.

Resolution

Cabinet:

- (a) Acknowledged the projected changes in service spending and the overall resources available to the Council over the medium term to 2028/2029.

(b) Recommended to Council the updated financial forecast at Appendix A.

Options Considered

The option existed of not approving the new MTFS.

Reasons for Decision

To ensure that Cabinet was aware of the financial challenges over the medium term, the key service and financial drivers of the financial forecast and the strategic response required to meet the financial challenge to ensure that the Council would be in a position over the medium term to deliver sustainable and affordable public services.

To provide Cabinet with an update of the financial position and forecasts for the General Fund over the medium term following a review of financial assumptions.

To enable Cabinet to recommend the financial forecasts to Council for approval in order to assist in the Council's financial planning.

19. Localised Council Tax Support Scheme 2024-25

Councillor John Williams, Lead Cabinet Member for Resources, introduced the report and moved the recommendations. In so doing, Councillor Williams noted that the revised banding scheme that had been introduced in recent years had been a success and would be continued.

The recommendations were seconded by Councillor Bill Handley.

Cabinet Members noted that there was a similar support scheme in place for housing support, with 40% of the Council's tenants having all or part of their rent paid through the benefits system. A further scheme had also been introduced to support those who didn't qualify in the first instance.

Resolution

Cabinet recommended to Council the continuation of the successful 2023/24 LCTS scheme, proposing a reasonable uprating of 6.7% for the upcoming financial year 2024/25.

Options Considered

Several options had been considered, including:

- a) No increase on calculation parameters
 - b) 3% increase on calculation parameters
 - c) Increase in calculation parameters in line with CPI in September 2023(6.7%)
- Options a and b were deemed potentially detrimental, leading to a reduction in

LCTS and an increased burden on residents with lower incomes. Therefore, option c, aligning with the CPI of September 2023 (6.7%), was recommended for its balanced approach and positive impact on the community.

Reasons for Decision

Amid the economic uncertainty associated with the current cost-of-living crisis, the revised LCTS scheme implemented in 2023/24 had not only facilitated South Cambridgeshire's residents in meeting their council tax obligations but had also streamlined staffing resources, resulting in operational efficiency.

The 2023/24 LCTS scheme demonstrated its commitment to supporting residents with an approach by incorporating an annual uprating of calculation parameters aligned with the Consumer Price Index as of September (CPI September 2023, 6.7%). This strategic measure not only reflected the council's dedication to addressing the cost of living but also ensured that the aim of supporting residents remains steadfast and effective.

**The Meeting ended at
11.05 a.m.**
