

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

Minutes of the Finance and Staffing Portfolio Holder's Meeting held on
Tuesday, 18 October 2011 at 6.00 p.m.

Portfolio Holder: Simon Edwards

Councillors in attendance:

Scrutiny and Overview Committee monitors: Roger Hall and Tumi Hawkins

Also in attendance: Lynda Harford, Ben Shelton and Nick Wright

Officers:

Philip Bird	Revenues Manager
Adrian Burns	Head of Accountancy
Alex Colyer	Executive Director, Corporate Services
Susan Gardner Craig	Human Resources Manager
Dawn Graham	Benefit Manager
Jean Hunter	Chief Executive
Philly Sewell	Democratic Services Officer

24. DECLARATIONS OF INTEREST

None.

25. MINUTES OF PREVIOUS MEETING

The Finance and Staffing Portfolio Holder agreed the minutes of the meeting held on 20 September 2011 as a correct record.

26. ORGANISATIONAL DEVELOPMENT STRATEGY

The Human Resources Manager outlined the new strategy and action plan, which aimed to support the achievement of the Council's objectives through the development of its people. The three elements of the Council's forward planning exercise had been drawn together to provide the focus on skill development for officers, e.g. strong leadership skills, and the evolution of the Member role.

It was noted that Councillors had made some suggestions that did not alter the tone or focus of the document, but made the wording more dynamic. Members were enthusiastic about the document, agreeing with its focus on development and positive aims.

The Finance and Staffing Portfolio Holder **approved** the People and Organisational Development Strategy and Action Plan for the Council, and **recommended** its implementation to Cabinet.

27. AGREEMENT OF LIST OF RURAL SETTLEMENTS FOR BUSINESS RATES PURPOSES 2012/13

The Revenues Manager reported the list for 2012/13 had changed from that of 2011/12 with the addition of Orchard Park. Previously it had been included in Histon & Impington, but now this settlement now had Constituted Parish Council and a population below 3,000.

Councillors found it very encouraging to see 60 small businesses benefitting from the rate relief scheme, and felt that the information should be disseminated more widely. It

was noted that the Council was required to publish this list of settlements indicating their boundaries before 31 December each year.

The Finance and Staffing Portfolio Holder **approved** the Rural Settlement List for 2012/13, and authorised its publication.

28. **POLICY FOR GRANTING LOCAL DISCOUNTS FOR COUNCIL TAX**

The Revenues Manager reported that this policy had been postponed from the Portfolio Holder's meeting on 21 June 2011 (minute 3 refers). Each case would be considered on its own merits, but the guidelines would ensure a consistent approach was taken.

It was established that the policy had been tightened to reflect exceptional financial circumstances only and, on the suggestion of the Portfolio Holder, each exceptional case would be taken to Cabinet to decide the duration and amount of any discount. This was to ensure any perception of bribery being possible was removed, and to ensure the Portfolio Holder could justify their recommendation. The Revenues Manager undertook to make the suggested adjustments to the policy.

Members queried what counted as exceptional circumstances, and were informed that it was aimed at residents who were experiencing financial hardship and could not pay owing to reasons beyond their control, and who were not eligible for any other discount or grant. Members noted that the legislation had been in place since 1992, though no formal policy had been previously drawn up. It was felt prudent to do so now to protect Council reputation should a customer take their case to the Ombudsman, and since the changes in welfare benefits.

The Finance and Staffing Portfolio Holder **agreed to adopt** the amended 'Protocol and Guidance for the Granting of Local Discounts for Council Tax' policy.

29. **PAY AWARD (COST OF LIVING INCREASE) 2011/12**

The Human Resources Manager reported that the Local Government Employers Association had informed local government trade unions that they would not be in a position to make any pay offer for 2011/12. Members noted that the majority of local Councils had opted to retain pay scales at current rates.

In response to local consultation, it was reported that Unison had submitted a request for a £250 raise to be granted to the lowest paid employees, which would impact 109 staff in total. This would total £23,000 in 2011/12 and have further impacts in forthcoming years. The Portfolio Holder felt that staff had been through a particularly difficult time with the implementation of the new Job Evaluation scheme, and a considered that a £250 raise for the 109 identified might be even more demoralising for other staff whose pay had gone down as a result of the scheme.

He stressed that a decision to retain pay scales was in no way a reflection of the value placed on SCDC employees. Members agreed appreciation is shown not just through money, but also through the support from Councillors and senior officers.

The Finance and Staffing Portfolio Holder **agreed** to confirm the Council's position to retain pay scales at the 2010/11 rates with no increase for the period 2011/12.

30. **VEOLIA PAY AWARD**

The Human Resources Manager reported that the group of staff that transferred from

Veolia Environmental in October 2010 under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) remained under their existing terms and conditions of employment, and were entitled to receive the pay award negotiated by Veolia for 2011/12.

This would give a 1.1% salary rise to 22 employees, totalling a £5,000 cost to the Council. Members noted that the pay scale of these employees was significantly lower than their colleagues in the refuse team (approximately a 25% difference), and that this pay award would remain until a strong reason presented itself to move those employees from their previous terms and conditions.

The Finance and Staffing Portfolio Holder **noted** the report.

31. FINANCE MONITORING REPORT FOR ALL SERVICES 2011/12

The Head of Accountancy presented the Financial Position, highlighting an underspend of £154,900 in the General Fund, which signified a movement of £13,800 from July. He also advised the Portfolio Holder of the expected favourable movement in Development Control, which reduced an expected shortfall from £215,000 to £100,000.

Members noted the underspend in the Refuse Collection budget owing to management of sickness levels, and congratulated the officers concerned.

The Finance and Staffing Portfolio Holder then **noted** the report.

32. WELFARE REFORM

The Benefit Manager reported that the Parliamentary Committee for Communities and Local Government published a document on 13 October 2011, which included a number of recommendations, the implications of which were still unclear at this time.

Members noted that:

- The replacement Localised Council Tax Benefit be delayed for at least a year.
- An estimated 10% reduction was to be made to the Government's budget, though claims from pensioners would be protected, and there was an inference that 'vulnerable people' would as well.
- 56% of claims in the South Cambs were made by pensioners, and 28% were from residents who were disabled or had children. Any cuts would therefore be made from the 16% remaining.
- The Housing Benefit should remain with Local Authorities (LAs)
- The Social Fund had transferred from DWP to Cambridgeshire County Council; the current suggestion was that it go to second tier authorities.
- The Single Fraud Investigations Service (CFIS) consultation would end on Friday 21 October 2011. Four options had been presented, summarised as follows:
 1. LA staff remain employed by LAs but operate under SFIS powers.
 2. LA staff remain employed by LAs in LA estate but are seconded to the DWP.
 3. LA staff become DWP employees but deliver investigation locally from the LA

estate.

4. LA staff become part of the DWP working within DWP estate as employees.

The preferred option for South Cambs was option 4 as it was felt this provided the best career move for those concerned. DWP were recommending option 1, and this was felt to be the expected outcome of the consultation.

The Portfolio Holder **noted** the report.

33. FORWARD PLAN

It was noted that the Government would now make significantly reduced cost loan facilities available to local authorities for the financing of the Housing Revenue Account self-financing scheme. As a consequence the Treasury and Debt Management Strategy 2011/12 issue would be changed to an information item for the Portfolio Holder's meeting on the 15 November 2011. The recommendation to Council would be made at the meeting on 21 February 2011.

The Executive Director (Corporate Services) informed the Portfolio Holder that, following a tendering exercise, he was recommending that Ernst and Young be appointed to develop an options appraisal regarding this issue. The Portfolio Holder felt it prudent to declare an interest regarding this appointment, by virtue of a discussion held with Ernst and Young on the prompting of Councillor Burkitt, held independently of officers. The Portfolio Holder stated that he had not been involved in the selection process.

34. DATE OF NEXT MEETING

The Finance and Staffing Portfolio Holder **noted** that his next meeting would be held on 15 November 2011 at 6pm.

The Meeting ended at 7.10 p.m.
