

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

Minutes of a meeting of the Cabinet held on
Thursday, 15 September 2016 at 6.00 p.m.

PRESENT: Councillor Peter Topping (Leader of the Council)
Councillor Nick Wright (Deputy Leader of the Council and Corporate & Customer Services Portfolio Holder)

Councillors:

Simon Edwards	Finance and Staffing Portfolio Holder
Lynda Harford	Housing Portfolio Holder
Mark Howell	Environmental Services Portfolio Holder
Robert Turner	Planning Portfolio Holder
Tim Wotherspoon	Strategic Planning Portfolio Holder
Nick Wright	Corporate & Customer Services Portfolio Holder and Deputy Leader

Officers in attendance for all or part of the meeting:

Alex Colyer	Executive Director, Corporate Services
Julie Fletcher	Head of Housing Strategy
Susan Gardner Craig	Human Resources Manager
David Harwin	Internal Audit Manager
Mike Hill	Health and Environmental Services Director
Jean Hunter	Chief Executive
Richard May	Policy and Performance Manager
Magen Powell	Senior Internal Auditor
Graham Watts	Democratic Services Team Leader

Councillors Anna Bradnam, Kevin Cuffley, Sue Ellington and Bridget Smith were in attendance, by invitation.

1. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Francis Burkitt.

2. MINUTES OF PREVIOUS MEETING

The minutes of the previous meeting held on 14 July 2016 were confirmed and signed by the Leader of the Council as a correct record.

3. DECLARATIONS OF INTEREST

No declarations of interest were made.

4. ANNOUNCEMENTS

Councillor Peter Topping, Leader of the Council, reported that a Peer Review would be carried out in November 2016. The review team would consist of a mix of elected Members and senior officers from other local authorities. At the conclusion of the review a written report would be submitted, consisting of recommendations for the Council to consider and take forward.

5. PUBLIC QUESTIONS

No public questions had been received.

6. POSITION STATEMENT 2016/17: FINANCE, PERFORMANCE AND RISK (Q1)

Cabinet considered a report which provided Members with a statement on the Council's position with regard to its General Fund, Housing Revenue Account and Capital budgets, corporate objectives, performance indicators and strategic risks.

Councillor Peter Topping, Leader of the Council, welcomed Councillor Nick Wright to the meeting who had recently been appointed as Portfolio Holder for Corporate and Customer Services and Deputy Leader of the Council.

Councillor Wright presented the report and highlighted key activities that had taken place in support of the Council's four strategic objectives of 'living well', 'homes for our future', 'connected communities' and 'an innovative and dynamic organisation', as set out in paragraph 8.

With regard to performance, Councillor Wright reported the replacement of the indicator entitled 'number of affordable homes started on exception sites' with a new key performance indicator as it was felt that this did not provide meaningful information to Members on performance delivery. It was noted that any performance indicator relating to the delivery of affordable housing should be aligned to the objectives within the Housing Strategy, which was due for renewal.

There was also a requirement for closer monitoring of Land Charges performance in respect of the indicator entitled 'average days taken to respond to Land Charges search requests'. Members were informed that processing times had exceeded the intervention level in the first three months of the year, but new officers had been appointed to some vacancies in the team which should see performance improve.

Cabinet also noted the incorporation of strategic risks around the devolution proposals, which would be subject to endorsement of the devolution deal by local authorities in Cambridgeshire and Peterborough. Councillor Topping reminded Members that the devolution proposals would be considered by South Cambridgeshire District Council at its extraordinary meeting scheduled to be held on 26 October 2016.

Councillor Simon Edwards, Portfolio Holder for Finance and Staffing, presenting the financial aspect of the report and emphasised that, as this related to the first quarter, this was a very early assessment of the Council's financial performance. He highlighted an issue at this stage with underspends but expected these to even out as the year progressed, falling within the 3% tolerance. As part of Councillor Edwards' presentation of the report, Members noted the following:

- the General Fund variance was £845,137;
- £637,274 under the Environmental Services heading relating to trade waste and shared service income;
- £564,525 related to planning income from development control and planning policy;
- 263,684 was in relation to strategic planning and transportation;
- the Housing Revenue Account variance was £320,141;
- the new homes programme variance was £295,651.

Councillor Anna Bradnam queried the inclusion of sewage costs in the Housing Revenue Account. It was anticipated that this may be in relation to the fifteen new Council houses that had been developed at Swavesey, but officers agreed to confirm this point and provide a written response to Councillor Bradnam.

Councillor Bridget Smith, Leader of the Opposition, referred to objective A 'support our communities to remain in good health whilst continuing to protect the natural and built environment' and an item under the 'what is still left to do' heading with regards to encouraging and facilitating the sharing of good practice between Parish Councils. She said that this Council had already built up a good understanding of parishes across the district, both through its officers and local Members. She saw the sharing of information as the key problem that needed to be addressed and asked how this would be taken forward.

Councillor Topping responded by saying that it would depend on the subject matter and that lots of issues were cross-cutting in terms of the specific Portfolio they related to. He advocated a team approach to this particular issue, but acknowledged that further work was required on the definition of what success looked like to certain aspirations contained within the document. He referred to the item entitled 'support local businesses to improve the health of their employees' as an example and wanted to see local businesses contacted to ascertain their views as to what they thought success would look like in this respect, from their perspective.

Councillor Smith referred to the Private Sector Stock Condition Survey that had been undertaken every five years and noted that more cost-effective methods of gathering relevant data were being explored. Mike Hill, Director of Health and Environmental Services, explained that this was initially being progressing through insurance companies who held significant information that may be useful to the Council in understanding its own stock in the same context. This was at a very early exploratory stage, primarily looking at providing the same information as the previous survey but without incurring the same expenditure.

In terms of the Strategic Risk Register, Councillor Edwards stated that homelessness had become the Council's most significant risk with likelihood and impact both scoring the highest possible score of five. He reported that Cambridge City Council was spending an additional £700,000 to address homelessness in the city, whereas South Cambridgeshire District Council had already allocated £400,000 as a preliminary budget to tackle this important issue. As the Medium Term Financial Strategy was no longer the Council's most significant risk Councillor Edwards was of the view that, subject to approval of the Efficiency Plan at a later item at this meeting, its risk should be lowered on the Register as a result.

Cabinet:

- (a) **NOTED** the Council's provisional financial position together with the performance and risk matters and contextual information set out in the report and Appendices A to C.
- (b) **ENDORSED** the suite of key performance indicators and Corporate Plan outcome measures attached at Appendices B1 and B2 of the report.
- (c) **APPROVED** the Strategic Risk Register and matrix set out in Appendices D and E of the report.

7. EFFICIENCY PLAN

Consideration was given to a report which set out the purpose and content of the Council's Efficiency Plan, as required by the Department for Communities and Local Government.

Councillor Simon Edwards, Portfolio Holder for Finance and Staffing, presented the report and stated the intention to use the Council's Medium Term Financial Strategy as a basis for the Plan, inline with guidance issued by the Department. It would reference key savings and income generation initiatives in the Medium Term Financial Strategy, namely commercialisation, shared services, office space utilisation, procurement efficiencies and refuse collection round optimisation.

As part of the provisional Local Government financial settlement it had been announced that authorities producing an Efficiency Plan could fix certain elements of the settlement for the four years, 2016/17 to 2019/20. These elements were the Revenue Support Grant, Transitional Grant and Rural Services Delivery Grant. In discussing the benefits and disadvantages of this four-year fix, Members agreed that this would enable the Council to budget with more confidence over that period.

Cabinet **AGREED** to the submission of an efficiency plan to the Department for Communities and Local Government and **DELEGATED** drafting and approval of the plan to the Executive Director (Corporate Services) as the Council's Section 151 Officer, in consultation with the Portfolio Holder for Finance and Staffing.

8. APPRENTICESHIPS

Cabinet considered a report outlining the Government's ambition to create more apprenticeship opportunities during the term of this parliament, with the main proposals being to:

- introduce an Apprenticeship Levy to be used for employer owned apprenticeship training;
- introduce annual apprenticeship targets for public sector bodies.

Councillor Simon Edwards, Portfolio Holder for Finance and Staffing, presented the report and highlighted that the Government was placing a duty on all public bodies which set a target of a minimum of 2.3% apprentices each year, out of a total headcount, for three years commencing in April 2017. It was noted that there would not be any financial penalty for failing to adhere to this target, however, figures for each public body would be published. Councillor Edwards was hopeful of being able to achieve the target, stating that it would be the aim not to increase the size of the establishment but instead seek to replace vacancies with apprenticeships in the first instance, rather than traditionally re-recruit.

Councillor Edwards made the point that the costs associated with the introduction of apprenticeships in the report made an assumption that they were all three-year apprenticeship schemes. He recognised that, depending on the area of work, some apprenticeships could be one, two or three year commitments consisting of different levels of technical ability depending on the job role and service area. He therefore sought agreement from Cabinet to request that officers gave further consideration to the pay scale for apprenticeships, rather than agreeing to the recommendation within the report to pay all apprenticeships a rate inline with the Grade 2 pay scale. This was from the perspective of creating incentives as well as salaries reflecting the level of work they would be undertaking.

Councillor Tim Wotherspoon, Portfolio Holder for Strategic Planning, referred to paragraph 33 which highlighted that Mears had been paying very low apprenticeship wages and was pleased to see that the Council had taken action in this respect.

Councillor Sue Ellington was supportive of the principle of apprenticeships but had a concern regarding their supervision and the additional work this would place on existing members of staff. She also sought clarification regarding accreditation for the qualifications they would be working towards. Susan Gardner-Craig, Human Resources Manager, confirmed that all apprentices would be working through their schemes via an accredited training provider, making the point that the Council already had links with Huntingdonshire Regional College and Cambridge Regional College.

Councillor Robert Turner, Portfolio Holder for Planning, referred to the very successful training scheme that was currently ongoing within the Council's planning section. A number of very enthusiastic young people were currently in post and being put through their qualifications, which he hoped would see them progress through the department. He was therefore very supportive of the apprenticeship proposals and keen to see them move forward, adding that they should lead to job retention with people wanting to stay in employment at the Council beyond their apprenticeship schemes.

Councillor Bridget Smith, Leader of the Opposition, was also pleased that action had been taken in respect of Mears and called for all of the Council's partners to be reviewed in the same way. Councillor Smith stated that breakdown rates were quite high for apprenticeships, due either to no adequate support for the learner or for the employer. She was therefore keen for adequate support to be put in place to ensure success of the initiative and also said that the salary rate for apprenticeships needed to be right in the first instance.

Councillor Nick Wright, Deputy Leader and Portfolio Holder for Corporate and Customer Service, reiterated Councillor Turner's positive comments regarding the apprenticeships in place within the Council's planning section. He made the point that parents needed to understand the excellent benefits and opportunities apprenticeships could provide and that University was not the only option for young people.

Councillor Lynda Harford, Portfolio Holder for Housing, referred to paragraph 22 of the report which stated that the Council's approach would be to turn apprentices into permanent employees. She was of the opinion that this was a fundamental part of attracting people to take up an apprenticeship.

Councillor Edwards closed by saying that it would be extremely positive for the Council to commit to additional apprenticeships as part of its establishment and urged local businesses and other partner organisations to do the same.

Cabinet:

- (a) **NOTED** the content of the report and the budget and funding implications.
- (b) **SUPPORTED** the Council's participation in the Government's Apprenticeship initiative which commences in April 2017.
- (c) **REQUESTED** that officers give further consideration to the pay scale for apprenticeships and that this be reported back through the Council's budget setting process.

9. INTERNAL AUDIT SHARED SERVICE

Cabinet considered a report which set out a business case for the establishment of an internal Shared Audit Service between Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council.

Councillor Peter Topping, Leader of the Council, presented the report and was of the opinion that a shared service for the internal audit function as proposed in the business case was the right thing to do. The rationale for its establishment was that it would provide the opportunity to deliver a more resilient and response service, resulting in:

- improved audit coverage that was of high quality;
- increased productivity;
- improved career opportunities for staff;
- increased potential for audit services to be offered commercially.

Councillor Nick Wright, Deputy Leader and Portfolio Holder for Corporate and Customer Services, agreed that this made absolute sense in that it was an opportunity to spread best practice across the three partner Councils.

Councillor Simon Edwards, Portfolio Holder for Finance and Staffing, said that this was a really good example of a shared service proposal that was not solely being put forward for financial reasons.

Cabinet **APPROVED** the business case, as set out in the supplement to the agenda, and **DELEGATED** authority to the Executive Director (Corporate Services) to make decisions and to take steps which are necessary, conducive or incidental to the establishment of an Internal Shared Audit Service in accordance with the business case.

10. FIVE YEAR LAND SUPPLY SITES AND LOCAL CONNECTION CRITERIA

Consideration was given to a report which set out a proposed approach as a starting point for the consideration at Planning Committee for the allocation of affordable housing on five year land supply sites with regards to local connection.

Councillor Lynda Harford, Portfolio Holder for Housing, presented the report and reflected that, under the rural exception sites policy, affordable housing schemes could be brought forward where a local housing need could be demonstrated. The site must be well related to facilities and services and the scale of the development must be appropriate to the size and character of the village, with housing need identified in order to qualify. She reported, therefore, that rural exception sites usually ranged in size from six to 20 dwellings.

It was noted, however, that sites coming forward under the five year land supply were much larger than general rural exception site schemes and were predominantly market housing, not specifically brought forward with the intention of addressing an identified local affordable housing need. Councillor Harford acknowledged the concerns of local Members in this respect and the fact that many of these were unplanned developments in small villages.

Councillor Harford reflected on the size of the Council's current housing waiting list, which comprised of approximately 1,700 applications. She was concerned that the affordable housing associated with these large developments would see some areas of the district having excessive affordable housing, beyond that specific area's local need, with other areas not having the same access to affordable homes. Councillor Harford therefore sought to address what she referred to as being an inequality and felt that the definition set out in option one of the report should be a starting point for the large number of affordable homes that would come forward as part of significant developments.

Councillor Nick Wright, Deputy Leader and Portfolio Holder for Corporate and Customer Services, congratulated Councillor Harford on the proposal which he said would make these developments much more acceptable from the perspective of individual villages. He added that the fact that this proposal would actively reduce the Council's housing waiting list meant, in his opinion, that it would be well received.

Councillor Robert Turner, Portfolio Holder for Planning, was fully supportive of the proposal, confirming that speculative planning applications were being received and considered by the Planning Committee which were often approved, either by the Committee or upon appeal, on sustainability grounds. By cascading the affordable housing aspect of these applications out to a greater area of the district, Councillor Turner agreed that this was an effective way of addressing the current inequality.

Councillor Bridget Smith, Leader of the Opposition, queried whether the Portfolio Holder for the Greater Cambridge City Deal had been consulted in the writing of the report, following consideration of this issue at the meeting of the City Deal Executive Board on 1 September 2016. It was noted that Councillor Francis Burkitt, Portfolio Holder for the Greater Cambridge City Deal, had been consulted on the content of the report who had outlined his support for the proposal.

Councillor Harford reiterated the key factor of the proposal was recognising that there were varying levels of housing need across the villages of the district. There was therefore a risk that if affordable housing was restricted just to those villages where development was taking place, the Council would be unable to re-home people from other villages in the district due to not having the stock available. She emphasised that the Council had a duty to all of its residents, with the proposal in the report seeking to ensure that the process of allocating affordable homes was fairer on a districtwide basis. She highlighted the point that this proposal was solely a starting point for discussions on the requirement for a local connection criteria on five year land supply sites.

Cabinet **APPROVED** option one in the report, as below, as a starting point for discussions on the requirement for a local connection criteria on five year land supply sites:

"The first eight affordable homes on each five year land supply site will be occupied by those with a local connection, the occupation of any additional affordable homes thereafter will be split 50/50 between local connection and on a districtwide basis.

If there are no households in the local community in housing need at the stage of letting or selling a property and a local connection applies, it will be made available to other households in need on a cascade basis looking next at adjoining parishes and then to need in the wider district, in accordance with the normal lettings policy for affordable housing. The number of homes identified for local people within a scheme will always remain for those with a local connection when properties become available to re-let."

The Meeting ended at 7.30 p.m.
