

**COUNCILLORS' BULLETIN
WEDNESDAY, 7 JULY 2010**



South
Cambridgeshire
District Council

CONTENTS

1. Meetings and events from 8 to 23 July 2010

Date	Time	Name	Venue	Contact
Thu 8 Jul	10 am	Climate Change Working Group	Monkfield Room	Ian Senior
	2 pm	Cabinet	Swansley Room	Maggie Jennings
	2.30 pm	Member Access to Council's Secure Systems (Training)	Monkfield Room	Patrick Adams
Fri 9 Jul	10 am	Employment Committee Training	Mezzanine	Patrick Adams
Mon 12 Jul	2.30 pm	Member Access to Council's Secure Systems (Training)	Monkfield Room	Patrick Adams
	5 pm	South Cambridgeshire 'In Your Patch'	Kreis Viersen Room, Shire Hall	Michelle Rowe (Cambridgeshire County Council)
Tue 13 Jul	9 am	Planning Portfolio Holder's meeting (note new start time)	Council Chamber	Ian Senior
	11.15 am	New Communities Portfolio Holder's meeting	Council Chamber	Ian Senior
Wed 14 Jul				
Thu 15 Jul	10 am	Leader's Portfolio meeting	Jeavons Room	Maggie Jennings
Fri 16 Jul	10.30 am	Member Access to Council's Secure Systems (Training)	Monkfield Room	Patrick Adams
Mon 19 Jul	2 pm	South Cambridgeshire Traffic Management Area Joint Committee	Swansley Room	Michelle Rowe (Cambridgeshire County Council)
	11 am	Policy and Performance Portfolio Holder's meeting	Mezzanine	Maggie Jennings
Tue 20 Jul	5.30 pm	Finance and Staffing Portfolio Holder's meeting	Monkfield Room	Patrick Adams
	5.30 pm	Housing Portfolio Holder's meeting	Monkfield Room	Ian Senior
Thu 22 Jul	10 am	Constitution Review Working Party	Monkfield Room	Holly Adams
	2 pm	Council	Council Chamber	Holly Adams
Fri 23 Jul	2 pm	Cambridge City and South Cambridgeshire Local Strategic Partnership Board	The Guildhall, Cambridge	Patrick Adams

INFORMATION FOR DISTRICT COUNCILLORS

2. Member Access to Council's Secure Systems

At the request of the Policy and Performance Portfolio Holder, three separate one-hour sessions have been arranged to show Councillors how to use the new e-mail system. The dates are:

- Thursday 8 July 2010 from 10.30 am to 11.30 am
- Monday 12 July 2010 from 2.30 pm to 3.30 pm
- Friday 16 July 2010 from 10.30 am to 11.30 am

A session was also held on Tuesday 6 July 2010. All sessions will be held in the Monkfield Room on the first floor, and all members have been invited by e-mail and by post as well as through the Weekly Bulletin.

Members will need to bring their own laptops, to allow them to use the new system on their own machine and also to allow officers to check that the laptops can access the Council's wireless network. If you wish to attend but do not have access to a laptop, please let officers know and a computer will be provided for the training.

If you wish to attend one of these sessions, please contact [Patrick Adams](#), Senior Democratic Services Officer, 01954 713408. There can be a maximum of fifteen attendees per session.

3. South Cambridgeshire 'In Your Patch' 12 July 2010

SOUTH CAMBRIDGESHIRE 'IN YOUR PATCH'

MONDAY, 12TH JULY 2010

5.00 P.M. - 6.30 P.M.

KREIS VIERSEN ROOM, SHIRE HALL, CAMBRIDGE

AGENDA

1. WELCOME: Mark Kemp, Service Director: Highways and Access, Cambridgeshire County Council.
2. ANTI-SOCIAL BEHAVIOUR IN VILLAGES: To receive a presentation from Inspector Chris Savage, Cambridgeshire Constabulary, on action being taken to address anti-social behaviour in villages.
3. CRIME REDUCTION YOUTH WORK: To receive a presentation from Julie Bristow, Locality Youth Co-ordinator, Children and Young People's Services, on crime reduction youth work taking place in the District.
4. CONSULTATION ON THE LOCAL TRANSPORT PLAN – UPDATE REPORT (attached): To note the extended period of the public consultation for the new Local Transport Plan, and emerging results so far.
5. NEIGHBOURHOOD PANELS – PROGRESS REPORT (attached): To receive a report from Wendy Lansdown, Neighbourhood Panel Liaison Officer.
6. CAMBRIDGE CITY AND SOUTH CAMBRIDGESHIRE LOCAL STRATEGIC PARTNERSHIP BOARD – 23 JULY 2010: Gemma Barron, Partnerships Manager, South Cambridgeshire District Council, to report on the agenda for the meeting of the Partnership Board on 23 July 2010.
7. LOCAL ISSUES: County and District Councillors are invited to raise any local issues.
8. DATE OF NEXT MEETING & ITEMS FOR FUTURE MEETINGS:
Date: Monday, 1 November 2010 at 5.00p.m.

Future Items:

- Update on Adult Social Care for Elderly People
- Speed Limit Review Update
- First Responder Scheme – invite St John’s Ambulance
- Children’s Centres – Update
- Contact Centre

For more information about this meeting please contact Michelle Rowe at the County Council’s Democratic Services, Tel: 01223-699180 or by email at michelle.rowe@cambridgeshire.gov.uk

GENERAL INFORMATION

4. Local Transport Plan3 Leaflet

Redelivery of the Local Transport Plan3 leaflet commenced on 28 June and will be completed by 9 July. To assist Cambridgeshire County Council in monitoring delivery of the leaflet I would be grateful if you could let me know if you have had a copy of the leaflet posted through your letterbox. It would be useful to have the postcode for those that have received a copy of the leaflet. The County Council are also consulting with the distribution company on the distribution of the leaflets and are undertaking their own in house monitoring.

I would like to thank you all in advance for your assistance with this exercise.

Claire Spencer
Senior Planning Officer (Transport)
claire.spencer@scams.gov.uk

5. Rural Services Network Weekly Digest

The Rural Services Network is a group of over 250 service providers and local authorities working to establish best practice across the spectrum of rural service provision. The network has representation across the complete range of rural services. For general comments or enquiries, email: editor@ruralcity.co.uk

- [Prince unveils rural community fund](#): Prince Charles has launched an initiative to help Britain’s vulnerable rural communities.
- [Green light for local housing trusts](#): Local communities are to build their own homes without having to lodge specific planning applications.
- [Loyal customers boost rural firms](#): Financial independence and customer loyalty are helping rural businesses weather the economic downturn.

6. Weekly Planning List

To view the list of planning applications submitted in the past seven days, please visit the Council’s on-line [Planning Application Search](#). Once the page has loaded, select the relevant parish from the drop-down list, set the date period to ‘7 days’ and click the Search button **or** click the Advanced button, select a ward from the drop-down list, then set the date period to ‘7 days’ and click the Search button.

The system will provide a range of information on current and decided applications since 1948, including a brief description of the development, reference number, decision and the date of decision. More recent applications show the name and telephone number of the council officer who is dealing with the application.

Search results are presented in a collection of pages, the number of which depends on the number of results your search produces. Each page displays 30 results and there are navigation tools to allow you to browse these results.

EXECUTIVE DECISIONS TAKEN SINCE 30 JUNE 2010

In accordance with the [Access to Information Procedure Rules in Part 4 of the Council's Constitution](#), any executive decision shall be published normally within five days of being made. That record will bear the date on which it is published and will specify that the decision will come into force, and may then be implemented, on the expiry of 5 working days after the publication of the decision, unless called in for review by the Chairman of the Scrutiny and Overview Committee or by any five other councillors.

A list of decisions currently within the call-in period is available [on the Council's website](#).

Unless otherwise specified, the [Democratic Services Section](#) must be notified of any call in by **Wednesday 14 July 2010 at 5 pm**. All decisions not called in by this date may be implemented on **Thursday 15 July 2010**.

Any member considering calling in a decision is requested to contact the [Democratic Services Section](#) to determine whether any relevant amendments have been incorporated.

The call in procedure is set out in full in [Part 4 of the Council's Constitution, 'Scrutiny and Overview Committee Procedure Rules'](#).

7. **Government Review of Council Housing Finance: Proposals to Replace Housing Revenue Account (HRA) Subsidy System**

For the reasons given in the full consultation response (attached), the Council is concerned that the opening level of debt proposed has not fully taken into account all of the spending needs of the Council; therefore, the Housing Portfolio Holder **AGREES** that the Council recognises that the self-financing proposal is preferable in the long term to the current HRA subsidy regime, but it is, however, reluctant to proceed to an early voluntary implementation.

Decision taken and published Monday 5 July 2010; call-in expires at 5 pm on Monday 12 July 2010. Decision can be implemented from Tuesday 13 July 2010 if not called-in.

DECISIONS MADE BY OFFICERS AND REPORTED FOR INFORMATION

8. **Elite Athlete Award Scheme**

On the recommendations of the Elite Athletes Award Panel, which met on 2 June 2010, the Team Leader (Communities) has awarded Elite Athlete Award Scheme grants to the following applicants:

- Zoe Douglas, 12-year old tennis player from **Papworth Everard**, competing at a regional level, with a goal to represent the UK in ladies' tennis: £500
- Angus McLuskie, 12-year old rower from **Coton**, competing in national events: £500
- Philip Curtis, 32-year old triathlete from **Girton**, competing at a regional level in the 30-34 age group, aiming to win a medal at the European Athletics Championships in Barcelona: £250, in recognition of his commitment and dedication to his club and other athletes.
- Benedict Abbot-Gribben, 19-year old pole vaulter from **Stapleford**, participating at a regional level in the U20's category, and aiming to be selected for the GB U23 squad in the near future: £500.
- Elizabeth Clare Winter, 14-year old swimmer from **Over**, competing at a regional level in 100m and 200m freestyle. Would like to attain a top 10 placing in her events, with championship qualifying times: £500
- Sam Fleck, 17-year old tennis player from **Stapleford**, wishing to represent his chosen university in the University Games: £250
- Alfred Bennett, 14-year old fencer from **Sawston**, competing at a high level in his age group with a realistic aim to be selected for the 2014 games: £750.

Total awards - £3,250

Elite Athletes Award Scheme Budget for 2010/11 currently available is £24,680, including a carry-over of £4,680 from 2009/10.

OTHER INFORMATION

9. Newly-Published Items on modern.gov

Agendas

- Senior Management Team 7 July 2010 (intranet only)
- [Planning Portfolio Holder's Meeting 13 July 2010](#)
- [New Communities Portfolio Holder's Meeting 13 July 2010](#)

Reports

-

Decisions

- [Elite Athletes Award Scheme](#)
- [Government Review of Council Housing Finance: Proposals to Replace Housing Revenue Account \(HRA\) Subsidy System](#)

Minutes

- [Scrutiny and Overview Committee 24 June 2010](#)

Issues

- [Climate Change Working Group: Revised Terms of Reference](#)
- [Information and Communications Technology \(ICT\) Internal Audit Action Plan](#)
- [Materials Reclamation Facility \(MRF\) Tender Award](#)
- [Senior Railcards](#)
- [Use of Natural Resources: External Audit Progress Report and Council Response](#)

Library Items

- [Members' Allowances Scheme 2010-2011 and Allowances Paid since 2001](#)

Meetings

- NEW: Environmental Services Portfolio Holder's meeting 10 August 2010
-

10. Upcoming Training Sessions for Members

Subject:	Date:	Trainer:	For:	Contact:
Member Access to Council's Secure Systems	Thursday 8 July 2010 at 2.30 pm	Internal	All members (maximum 15 per session)	Patrick Adams
Employment Committee	Friday 9 July 2010	ABA Consultants	All members / substitute members of Employment Committee	Patrick Adams
Member Access to Council's Secure Systems	Monday 12 July 2010 at 2.30 pm	Internal	All members (maximum 15 per session)	Patrick Adams
Member Access to Council's	Friday 16 July 2010 at 10.30	Internal	All members (maximum 15	Patrick Adams

Secure Systems	am		per session)	
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11. SCDC Starters and Leavers

Starters

Joe Brown will start on 19 July 2010 as a Democratic Services Officer (fixed-term)

Emma Lowther started on 5 July 2010 as Communications Manager.

Jennifer Roberts started on 1 July 2010 as an Administrative Officer, Health and Environmental Services (fixed-term, maternity cover).

Transfer

Nigel Blazeby transferred on 1 July 2010 from Team Leader (West) to Development Control Manager.

Stephen Keerie seconded on 5 July 2010 from Revenues Assistant to Senior Business Support Officer for a period of 9 months.

SOUTH CAMBRIDGESHIRE 'IN YOUR PATCH'

**MONDAY, 12TH JULY 2010
5.00 P.M. - 6.30 P.M.**

KREIS VIERSEN ROOM, SHIRE HALL, CAMBRIDGE

AGENDA

- | TIMES | WELCOME | [oral] |
|--------------------|---|----------------|
| 1. 5.00p.m. | Mark Kemp, Service Director: Highways and Access, Cambridgeshire County Council. | |
| 2. 5.05p.m. | ANTI-SOCIAL BEHAVIOUR IN VILLAGES | [oral] |
| | To receive a presentation from Inspector Chris Savage, Cambridgeshire Constabulary, on action being taken to address anti-social behaviour in villages. | |
| 2. 5.25p.m. | CRIME REDUCTION YOUTH WORK | [oral] |
| | To receive a presentation from Julie Bristow, Locality Youth Co-ordinator, Children and Young People's Services, on crime reduction youth work taking place in the District | |
| 3. 5.50p.m. | CONSULTATION ON THE LOCAL TRANSPORT PLAN – UPDATE REPORT | [white] |
| | To note the extended period of the public consultation for the new Local Transport Plan, and emerging results so far. | |
| 4. 5.55p.m. | NEIGHBOURHOOD PANELS – PROGRESS REPORT | [pink] |
| | To receive a report from Wendy Lansdown, Neighbourhood Panel Liaison Officer. | |
| 5. 6.05p.m. | CAMBRIDGE CITY AND SOUTH CAMBRIDGESHIRE LOCAL STRATEGIC PARTNERSHIP BOARD – 23 JULY 2010 | [oral] |
| | Gemma Barron, Partnerships Manager, South Cambridgeshire District Council, to report on the agenda for the meeting of the Partnership Board on 23 July 2010. | |
| 6. 6.15p.m. | LOCAL ISSUES | [oral] |
| | County and District Councillors are invited to raise any local issues. | |

7. 6.25p.m. **DATE OF NEXT MEETING & ITEMS FOR FUTURE MEETINGS**

[oral]

Date

Monday, 1 November 2010 at 5.00p.m.

Future Items

- Update on Adult Social Care for Elderly People
- Speed Limit Review Update
- First Responder Scheme – invite St John’s Ambulance
- Children’s Centres – Update
- Contact Centre

For more information about this meeting please contact Michelle Rowe at the County Council’s Democratic Services, Tel: 01223-699180 or by email at michelle.rowe@cambridgeshire.gov.uk

**CONSULTATION ON THE LOCAL TRANSPORT PLAN – UPDATE
REPORT**

To: South Cambridgeshire 'In Your Patch'

Date: 12 July 2010

From: Karen Kitchener, Acting Transport Strategy Manager

1. Background

- 1.1 The purpose of this report is to inform members of the extended period of public consultation for the new Local Transport Plan (LTP3), and to highlight emerging results so far.
- 1.2 A presentation was given to this group on 9 February providing information on the Local Transport Plan process and to seek Members' views on our early proposals.

2. Public and stakeholder consultation

- 2.1 To inform the development of LTP3, we undertook a large scale stakeholder and public consultation between 18 January and 9 April 2010. The consultation focused on prioritising the proposed objectives and sought people's views about how we prioritise the measures and initiatives in the Plan.
- 2.2 The consultation consisted of leaflet/questionnaire delivery to every household in the county, 18 staffed exhibitions across the county, poster displays at public buildings as well as press releases, adverts in local newspapers and articles in other local publications. The consultation was also publicised via the County Council and District Council websites, and the questionnaire was available online. Stakeholders were written to and invited to respond to the consultation, and officers presented at a number of stakeholder meetings, including the Chambers of Commerce, the Greater Cambridge Partnership, Disability Cambridgeshire and the Community Transport Operators' Board.

Extension of the consultation

- 2.3 Issues were experienced with coverage of consultation leaflets and Members and Parish Councils brought to the attention of the Council, areas where leaflets appeared not to have been comprehensively delivered. In response, redelivery commenced to some 222,000 households across the county on 28 June, with a final consultation deadline of 30 July 2010. The printing and redelivery of leaflets is

entirely at the distribution company's expense. The online version of the questionnaire will also remain open until 30 July.

- 2.4 Stakeholders who did not respond during the initial consultation period have also been contacted to advise of the extension to 30 July, so as to offer a further opportunity to input in to the process.

3. Preliminary public consultation results

- 3.1 The full results of the consultation will be analysed and reports are scheduled to go before the County Council's Cabinet in September. The results of the consultation will also be made available on the County Council's website.
- 3.2 The headline results from the public consultation responses received to date are outlined below.
- 896 responses received so far (734 postal, 162 online)
 - 60% of respondents are between 45 and 74 years old
 - Of the five objectives for the Plan, 86% considered *Improve quality of life* to be important or very important, followed by 83% considering *Contribute to better safety, security and health* to be important or very important (see Table 1 for further detail)
 - In response to being asked to rank transport interventions, 50% of respondents ranked *Improve public transport* as the priority (see Tables 2 & 3 for further detail)

Table 1 Importance and priority of LTP3 objectives

	Very important + Important	Very Important + quite important	Not Important	Priority order
Support Economic Growth	72%	89%	8%	3
Tackle Climate Change	66%	82%	15%	5
Promote Equality of Opportunity	57%	83%	12%	4
Improve Quality of Life	86%	95%	2%	1
Contribute to Better Safety, Security and Health	83%	94%	3%	2

Table 2 Ranking of transport interventions

Intervention	Ranking (% of respondents)						Total
	1	2	3	4	5	6	
Improve Public Transport	50%	17%	14%	9%	5%	5%	100%
Improve Walking	7%	15%	26%	20%	19%	11%	100%
Improve Cycling	19%	26%	16%	16%	12%	11%	100%
Promote Travel Awareness	4%	10%	13%	17%	27%	28%	100%
Improve Safety	11%	18%	19%	24%	21%	6%	100%
Improve Roads (for cars)	12%	10%	9%	13%	13%	43%	100%

Table 3 Summary priority order of transport interventions (weighted rankings)

Intervention	Weighted score
1 Improve Public Transport	80.5%
2 Improve Cycling	65.2%
3 Improve Safety	58.7%
4 Improve Walking	55.0%
5 Improve Roads (for cars)	44.3%
6 Promote Travel Awareness	43.2%

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NEIGHBOURHOOD PANELS – PROGRESS REPORT

To: South Cambridgeshire In Your Patch

Date: 12 July 2010

From: Wendy Lansdown, Neighbourhood Panel Liaison Officer

1. Introduction and Update

- 1.1 The purpose of this report is to inform members of current issues and developments with regard to Neighbourhood Panels as a means of community engagement.

2. Latest Panel meetings in South Cambridgeshire

- 2.1 The panel meetings in the district take place in clusters. There have only been two meetings since the last In Your Patch meeting. Therefore an overview of the full round of meetings will be provided to the next In Your Patch.

The most frequently raised issues across the district include;

- Problem parking near rail stations in South Cambridgeshire. Councillors have had initial discussions with Police and the Highways team in relation to Meldreth, Shepreth and Foxton.
- Anti-social behaviour
- Highway safety issues
- Parking outside schools
- Speeding

3. Neighbourhood Panel development around the County

- 3.1 Neighbourhood Panel development continues to evolve differently in response to local needs in each of the districts. In summary, as follows:

- In East Cambridgeshire the panel process is now well established. With members of the County, District and Parish sitting on the panel and representatives from a variety of agencies attending including; the Constabulary, the Fire and Rescue Service and the local Housing Association.

The County Council, the District Council and other partner agencies are working together to continue to develop the Neighbourhood Panels within East Cambridgeshire; this includes enhancing the working with Parish Councils, seeking to provide an effective link

with community-led planning across the district and the engagement of young people in the process.

- In Huntingdonshire, five Neighbourhood Forums, which operate in a very similar way to the East Cambridgeshire Neighbourhood Panels, have been introduced; these forums include a panel comprising elected members of each of the three tiers of local government and officer representatives. This process, which begins its third round of meetings on 7 July 2010, will be subject to review, led by the District Council, following conclusion of the autumn 2010 round of meetings.

The first round of forum meetings (in the autumn of 2009) attracted a total of 196 attendees; this increased to 273 in the second round (in the spring of 2010).

- In Fenland, the second round of the six Community Fairs concluded in April 2010 – these achieved a good level of public attendance (increasing from 477 in the first round to 817 in the second). The Community Fairs (which include a Neighbourhood Forum meeting at the conclusion of each fair) have taken place at six-monthly intervals.

In addition, interim Neighbourhood Forum meetings were introduced after the first round of fairs to increase the frequency of opportunity for the public to engage with service providers and to set new neighbourhood priorities and to receive feedback on the previous priorities that had been set – these meetings achieved very low levels of attendance.

The six Community Fairs are currently “overseen” by five Neighbourhood Management Boards; these also meet at six monthly intervals.

- In Cambridge City, the Area Committees are more formal meetings which also include planning. The City members form the panel which County members are co-opted onto. The City Council has been exploring options of how to further engage and involve local people, using the existing Area Committees structure (which currently allows a 30 minutes Open Forum slot as part of the formal committee agenda).

4. The County Council’s Neighbourhood Panel review and the “Localism” agenda

- 4.1 Members were informed at the last South Cambridgeshire In Your Patch meeting that the County Council’s review of its participation in Neighbourhood Panels (or district area equivalent) had been concluded but that the conclusions and recommendations would not be reported to the Cabinet at the County Council in spring/summer of 2010 as

originally planned but be linked to work currently underway at a strategic level at the County Council focusing upon the “Localism” agenda.

- 4.2 It is, therefore, proposed to include the Neighbourhood Panel review as part of a wider report to the County Council’s Cabinet, drawing together the authority’s approach to Localism in the context of the Community Engagement Strategy. It is anticipated that this report will be presented to Cabinet in September.
- 4.3 Although no specific Localism proposals have yet been considered by members at the County Council, it is felt that Neighbourhood Panels/Forums will have a role to play in the delivery of such proposals
- 4.4 The review of the County Council’s approach to Neighbourhood Panels included reviewing the agreed aims of the panels.
- 4.5 It has been concluded that not only are the stated aims of the County Council and its partners for Neighbourhood Panels still relevant but they are very similar to the aims set out for Localism in the Green Paper.
- 4.6 Both the Localism agenda and the development of Neighbourhood Panels were discussed with the members of the Neighbourhood Panel Liaison Group – which consists of relevant officers of the County Council, the District Councils within Cambridgeshire, Cambridgeshire ACRE and the Cambridgeshire and Peterborough Association of Local Councils – at a meeting on 13 May 2010.

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DRAFT covering letter

Dear...

Please find enclosed the consultation response to the proposed reform of the HRA. This response is a personal response in my role as Portfolio Holder for Housing. The Council have yet to debate the issue in full but will be asked to consider their position in the Council meeting scheduled for 22 July 2010. I will write to you again if there is any update required to our position after that meeting.

The attached consultation response has been drafted by officers of the Council and also reflects a consultation exercise with the Tenant Participation Group.

While I support in principle the move to a self-financing system for council housing, I strongly oppose the imposition of such a significant debt on the Council as the price to be paid for that settlement. The response to the individual consultation questions sets out my reasons for this concern.

Yours...

HRA Reform Consultation – response from the Portfolio Holder for Housing South Cambridgeshire District Council.

1. What are your views on the proposed methodology for assessing income and spending needs under self –financing and for valuing each council's business?

1.1 The Council welcomes the proposal to unpool rents and service charges and create greater transparency.

1.2 The proposed uplift to the Management and Maintenance (M&M) allowance of 0.1% is disappointing. The impact of this on calculating the potential for debt transfer is compounded by the use of a notional rental income figure which is higher than that actually charged by the Council. This proposed uplift does not take account of the particular challenges faced by this Council with regard to providing services to a dispersed rural housing stock or the older age profile of our tenants.

1.3 Whilst the proposed uplift to the Major Repairs Allowance (MRA) of 50.4% is welcome, the low starting base of the MRA for South Cambridgeshire means that this figure does not reflect the true cost of maintaining our homes. With the uplift the MRA would be approximately £5M pa set against a spending need of £12M pa identified by the most recent stock condition survey.

1.4 Whilst the Council is still on course to meet the Decent Homes Standard before the end of 2010, there remains a backlog of essential works totaling £16M.

1.5 The Council is particularly concerned about the exclusion of disabled adaptations from the proposed financial model. South Cambridgeshire has a particularly high demand for disabled adaptations and in the STATUS tenant survey as well as a more recent survey of tenants it is reported that 40 - 50% of all households contain a member with a disability. The exclusion of disabled adaptations and spending on environmental works from the Government's calculations provides a false picture of the resources available to meet debt repayments.

1.6 By basing the reform proposal on the notional assumptions used for the subsidy regime the disadvantages for South Cambridgeshire have been carried forward. The Council accepts the need for a formula that properly reflects the differences in stock condition and management challenges across the country. It is felt however that these reasonable underlying assumptions produce an extreme outcome for South Cambridgeshire and that a limit to the percentage of total income that is allocated to debt should be set.

1.7 The Council welcomes the proposal to cease pooling of capital receipts. The Council has lost £9.5m over the past 6 years of house sale receipts to Government, and as a consequence has not been able to spend that money on maintaining and improving its housing stock.

2. What are your views on the proposals for the financial, regulatory and accounting framework for self-financing?

2.1 The proposal that local authorities maintain a separate balance sheet clearly setting out assets and liabilities is accepted as sensible accounting practice.

2.2 The rationale for a separate loan pool for housing is understood but the Council has concerns that this may limit its ability to use its finances flexibly to achieve overall best value for the Council. The Council seeks the power to invest, on commercial terms, its general fund investment pool in the HRA so minimising transaction costs and reducing credit risk overall.

2.3 The Council welcomes the flexibility to balance investment needs against debt reduction. With the high level of the proposed opening debt, this flexibility is essential to ensure the viability of the HRA in the first few years of a self-financing regime.

2.4 The proposed cap on borrowing at the opening self-financing level would not be problematic for the Council. It should be noted, however, that in the modelled debt curve provided with the prospectus, South Cambridgeshire is shown as having an increasing debt over the first four years as projected income is insufficient to meet the initial interest rate charges.

2.5 The Council has tested the proposed model using a range of assumptions and our actual spending figures. This shows that provided there is no requirement to repay any principal in the first few years and interest rates remain at the current low levels, then the HRA should be sustainable and there should be sufficient funding to maintain the decent homes standard. However, if interest rates were higher (say 6.5%) then, for the first few years, investment would fall below the level that the latest stock condition information shows is required.

2.6 Whilst the spend profile pattern at South Cambridgeshire District Council does follow that identified by the BRE, there is a significant discrepancy between the investment assumptions contained within notional model (around £4.6 M pa after the uplift) and the investment figures identified by the Council's stock condition survey (around £12M pa).

2.7 It is recognised that the Government needs to retain control over public sector borrowing and the Council accepts the need for the continued use of 'Item 8 determinations' to achieve this.

2.8 The Council's proposed business plan for stock transfer put to the tenants in June 2009 provided a capital sum to the Council and allowed a fully funded capital programme of around £12m per annum, a 15% uplift on revenue spending, and a peak debt of £80M. The self-financing proposal provides tenants with a considerably less favourable option. The proposed requirement to meet the self-financing sum of £188M if stock transfer were undertaken ahead of the scheme coming into operation would render a transfer of the Council's homes unviable.

2.9 The greater clarity offered on accounting for HRA and General Fund activity is welcome. The Council believes that it already meets this level of demarcation.

2.10 The Council accepts that the establishment of a self-financing system would mean the end of the 'safety net' of the HRA subsidy system. It is also appropriate that the housing regulator, the Tenant Services Authority (TSA), should play an important role in ensuring that landlords do not fail in their obligations to tenants.

2.11 Housing associations benefit from the TSA's regulatory framework and also have a range of options open to them such as mergers, to protect their service delivery obligations. These safeguards and options will not be in place for local authorities yet the HRA ring fence means that they are essentially stand alone

businesses. It is not clear at present how the role of the Audit Commission or Government Office can be extended to incorporate these dimensions. If the sustainability of a self-funding regime is to be protected these issues will need to be addressed and the Council would welcome some clarification of these issues.

2.12 The Council welcomes the announcement that future guidance will be forthcoming on the issue of leaseholder sinking funds.

3. How much new supply could this settlement enable you to deliver, if combined with social housing grant?

3.1 The lack of headroom in the early years and the potential for an increasing backlog of investment spending will limit the number of new homes that could be completed in the first 5 years. New supply is likely to occur in small incremental additions that arise out of remodelling opportunities.

3.2 The Council welcomes the opportunity that a 7% discount rate in the model provides to create headroom for the construction of new council housing. Later in the 30 year programme it may be possible to produce some new homes and over 30 years this could support up to 300 new homes, mainly in years 15 to 30 of the plan but with the possibility of two or three homes a year being built after year 5.

3.3 The local land supply is however very limited. The Council currently makes good use of S106 opportunities and rural exception sites to produce around 300 new affordable homes each year in partnership with local housing associations. It is not immediately obvious how the Council could improve upon this performance or offer better value for money by building homes itself particularly if this were reliant upon Homes & Communities Agency (HCA) grant funding.

4. Do you favour a self-financing system for council housing or the continuation of a nationally redistributive subsidy system?

4.1 The Council supports in principle the move to a self-financing system.

4.2 While this Council supports in principle the move to a self-financing system for council housing, it strongly opposes the imposition of such a significant debt on the Council as the price to be paid for that settlement. This Council paid off its debt in the early 1990's through the application of prudent financial planning and management and since that time it has been subject to capital receipts pooling which has reduced considerably its ability to fund the required capital programme to maintain and improve its housing stock. In taking over half of tenants' rents, the housing subsidy system has also had the effect of starving the Council's revenue funded management and maintenance services. The Council has brought this unfair taxation of its tenants to the Government's attention on a number of occasions.

4.3 In order to offer tenants an alternative means of securing future investment in the Council's housing stock, the Council made a stock transfer offer and this was rejected, meaning that self financing offers the only prospect at this time of increasing the resources available for the Council's housing stock.

4.4 Given the Council's experience above, it is concerned that future nationally determined changes may result in the self financing rules being amended at a later date and changing the basis upon which the Council is taking on self financing responsibilities.

5. Would you wish to proceed to early voluntary implementation of self-financing on the basis of the methodology and principles proposed in this document? Would you be ready to implement self-financing in 2011/12? If not, how much more time do you think is required to prepare for implementation?

5.1 The Council recognises that the self financing proposal is preferable in the long term to the current HRA subsidy regime. It is, however, reluctant to proceed to an early voluntary implementation.

5.2 Self financing could be implemented in time for 2011/12.

6. If you favour self financing but do not wish to proceed on the basis of the Proposals in this document, what are the reasons?

6.1 For the reasons given in this consultation response the Council is concerned that the opening level of debt proposed has not fully taken into account all of the spending needs of the Council.

6.2 The scale of the proposed opening debt would leave the Council very vulnerable to fluctuations in key variables such as interest rates and inflation.

6.3 The Council would wish to have some certainty from the CLG on the interest rates to be applied. The time period between the Council agreeing to the implementation of self financing and the date of the Government's confirmation would pose a critical period of exposure to interest rate movements. The Council, therefore, seeks a mechanism that provides some certainty of the rates to be applied on the settlement date.

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