

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

COUNCIL MEETING
THURSDAY, 21 FEBRUARY 2019

AGENDA AND REPORTS

South Cambridgeshire Hall
Cambourne Business Park
Cambourne, Cambridge
CB23 6EA

EXCLUSION OF PRESS AND PUBLIC

The law allows Councils to consider a limited range of issues in private session without members of the Press and public being present. Typically, such issues relate to personal details, financial and business affairs, legal privilege and so on. In every case, the public interest in excluding the Press and Public from the meeting room must outweigh the public interest in having the information disclosed to them. The following statement will be proposed, seconded and voted upon.

"I propose that the Press and public be excluded from the meeting during the consideration of the following item number(s) in accordance with Section 100(A) (4) of the Local Government Act 1972 on the grounds that, if present, there would be disclosure to them of exempt information as defined in paragraph(s) of Part 1 of Schedule 12A of the Act (as amended)."

If exempt (confidential) information has been provided as part of the agenda, the Press and public will not be able to view it. There will be an explanation on the website however as to why the information is exempt.

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

TO: The Chairman and Members of the
South Cambridgeshire District Council

NOTICE IS HEREBY GIVEN that the next ordinary meeting of the **COUNCIL** will be held in the **COUNCIL CHAMBER - SOUTH CAMBRIDGESHIRE HALL** at **3.00 P.M. or at the conclusion of the Extraordinary Council meeting, whichever is the later**, on

THURSDAY, 21 FEBRUARY 2019

and I therefore summon you to attend accordingly for the transaction of the business specified below.

DATED this 13th day of February 2019

Beverly Agass
Chief Executive

The Council is committed to improving, for all members of the community, access to its agendas and minutes. We try to take all circumstances into account but, if you have any specific needs, please let us know, and we will do what we can to help you.

AGENDA

1. APOLOGIES

To receive apologies for absence from Members.

2. DECLARATIONS OF INTEREST

To receive declarations of interest from Members in respect of any business on the agenda.

3. REGISTER OF INTERESTS

Members are requested to inform Democratic Services of any changes in their Register of Members' Financial and Other Interests form.

4. MINUTES

To authorise the Chairman to sign the Minutes of the meeting held on 29 November 2019 as a correct record.

A confidential minute containing exempt information as defined in paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972 (as amended) is circulated for Members only at item 18 on the agenda.

(Pages 1 - 34)

5. ANNOUNCEMENTS

To receive any announcements from the Chairman, Leader, the Executive or the Head of Paid Service.

6. QUESTIONS FROM THE PUBLIC

6 (a) From Dr. Josiane Chuisseu

What are the procedures and timelines for actions when residents have reported issues with the upkeep of properties and more concerning when their tenants have been linked to substance misuse, intimidation and vandalism? What are the key performance indicators used by South Cambridgeshire Council to ensure that the properties it manages and the tenants in those properties adhere to the rules and laws in place?

7. PETITIONS

To note that no petitions have been received for discussion at this Council meeting.

8. TO CONSIDER THE FOLLOWING RECOMMENDATIONS:

8 (a) Pay Policy Statement (Employment & Staffing Committee, 17 January 2019)

The Employment Committee

RECOMMENDED THAT COUNCIL

Approve the Pay Policy Statement for 2019.

(Pages 35 - 46)

8 (b) Localised Council Tax Support Scheme (Cabinet - 5 December 2018)

Cabinet

RECOMMENDED THAT COUNCIL

Approve the Income Bands Discount Localised Council Tax Support Scheme (Option 2) for 2019/2020.

(Pages 47 - 64)

8 (c) Council Tax Empty Homes Premium (6 February 2019)

Cabinet

RECOMMENDED THAT COUNCIL

Approves the charging of an increased Council Tax Empty Homes Premium as set out in option 16A of the report of the Interim Executive Director.

(Pages 65 - 74)

8 (d) Business Plan 2019 - 2024 (Cabinet - 6 February 2019)

Cabinet

RECOMMENDED THAT COUNCIL

- (a) Approve the Business Plan (Appendix A), incorporating feedback from Scrutiny and Overview Committee.
- (b) Authorise the Chief Executive to make any minor wording changes required before publication, in consultation with the Leader of the Council.

(Pages 75 - 164)

8 (e) Medium Term Financial Strategy, General Fund Budget 2019-20 (including Council Tax setting), Housing Revenue Account Budget 2019-20 (including housing rents), Capital and Investment Strategies and Treasury Management Strategy (Cabinet, 6 February 2019)

Cabinet

RECOMMENDED THAT COUNCIL

Revenue and Capital – GF

- (a) Approve the revenue estimates for 2019-20 as shown in the **GF BSR Section 5 at Appendix 1** to this report.
- (b) Approve the precautionary items for the GF, **GF BSR Appendix B, Appendix 1** to this report.
- (c) Approve the GF revenue forecasts as set out in **GF BSR Section 6, Appendix 1** to this report.
- (d) Instruct the Executive Management Team to identify additional income / cumulative savings of £3m for the 5 years from 2019-2024.
- (e) Authorise that the use of the earmarked reserve for Business Efficiency initiatives is delegated to the Chief Executive, in consultation with the Lead Member for Finance, and that £1m is transferred into this reserve from the General Fund reserve. As at the end of 2017-18 financial year, the General Fund reserve stood at £7,751,000.
- (f) Authorise £500,000 of Planning earmarked reserves, budgeted to support the shortfall in income in the year 2018-19, but not required due to sufficient over budget income levels being achieved, to be budgeted to use towards Business Transformation programmes in Planning in 2019-20.
- (g) Approve the GF capital programme and associated funding up to the year ended 31 March 2024, as set out in **GF BSR Section 7, at Appendix 1** to this report.
- (h) Set the Council Tax Requirement for 2019-20 at £9,092,962.

- (i) Set the amount of Council Tax for each of the relevant categories of dwelling in accordance with Section 30(2) of the Local Government Finance Act 1992 on the basis of the District Council Tax for general expenses on a Band D property of £145.31 plus the relevant amounts required by the precepts of the Parish Councils, Cambridgeshire County Council, the Cambridgeshire Police and Crime Commissioner and the Cambridgeshire Fire Authority, details of those precepts and their effect included with the formal resolution attached at **Appendix 6**.

Revenue – HRA

- (j) Approve the HRA savings, increased income, unavoidable revenue pressures, bids and reduced income items, as summarised in Section 4, and detailed in **Appendix G (1) of the HRA Budget Setting Report at Appendix 2** to this report.
- (k) Approve the non-cash limit adjustments, as summarised in Section 4, and detailed in **Appendix G (1) of the HRA Budget Setting Report at Appendix 2** to this report.
- (l) Approve the resulting HRA revenue budget as shown in the HRA Summary Forecast 2018-19 to 2023-24 in **Appendix I of the HRA Budget Setting Report at Appendix 2** to this report.
- (m) Approve the retention of the balance of the 4-year efficiency savings target of £95,000 per annum from 2020-21 included as part of the 2018-19 HRA Medium Term Financial Strategy, and the corresponding Strategic Investment Fund for the same value.

Review of Rents and Charges

- (n) Approve that council dwelling rents for all social rented properties be reduced by 1% for the final year, in line with legislative requirements introduced as part of the Welfare Reform and Work Act, with effect from 1st April 2019.
- (o) Approve that affordable rents are reviewed in line with rent legislation, to ensure that rents charged are no more than 80% of market rent, with this figure then reduced by 1% as with social housing. Local policy is to cap affordable rents at the lower level of Local Housing Allowance, which will result in rent variations in line with any changes notified to the authority in this level, effective from 1st April 2019.
- (p) Approve inflationary increases of 2.2% in garage rents for 2019-20, in line with the base rate of inflation for the year assumed in the HRA Budget Setting Report.
- (q) Approve the proposed service charges for HRA services and facilities provided to both tenants and leaseholders, as shown in **Appendix B of the HRA Budget Setting Report, at Appendix 2** to this report.

Housing Capital

- (r) Approve the latest budget, spend profile and funding mix for each of

the schemes in the new build programme, as detailed in **Section 5 and Appendix E of the HRA Budget Setting Report at Appendix 2** to this report, recognising the most up to date information available as each scheme progresses through the design, planning, build contract and completion process.

- (s) Approve earmarking of the required level of additional funding for new build investment between 2019-20 and 2023-24 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 either take the form of HRA new build, with the 70% top up met by other HRA resources, acquisition of homes on the open market, or could alternatively be a grant made to a registered provider, where the registered provider will provide the 70% top up to build new homes.
- (t) Approve the capital budget proposals, detailed in **Appendix G (2) of the HRA Budget Setting Report at Appendix 2** to this report.
- (u) Approve the capital amendments, detailed in **Appendix H of the HRA Budget Setting Report**, which include the capital proposals in **Appendix G (2) of the HRA Budget Setting Report, at Appendix 2** to this report, along-side re-profiling of investment, increase and re-allocation of resource for new build schemes.
- (v) Approve the revised Housing Capital Investment Plan as shown in **Appendix J of the HRA Budget Setting Report at Appendix 2** to this report.

Capital and Treasury Management

- (w) Approve the Capital and Investment Strategies 2019-20 to 2023-24, **Appendix 3 and 3A**
- (x) Approve the borrowing and lending strategies for the year to March 2020, as included in the Treasury Management Strategy Statement in **Appendix 4**.
- (y) Approve the prudential indicators required by the Code for Capital Finance in Local Authorities for the year to 31 March 2020, included in **Appendix 4**.
- (z) Approve any unspent New Homes Bonus money allocated to the Greater Cambridge Partnership to be rolled into 2019-20.

(Notes:

1. Appendix 1A contains restricted information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended). Paragraph 3 relates to "Information relating to the financial or business affairs of any particular person (including the authority holding that information)." If Members wish to discuss the restricted information in the appendix it will be necessary to consider excluding the press and public from the meeting.

2. Members are asked to note that Appendix 6 to the Budget Setting Report – Formal Council Tax setting resolution for 2019-20 is **TO FOLLOW**
(Pages 165 - 380)

9. SWAVESEY BYEWAYS RATE 2019/20

The Swavesey Byeways Advisory Committee

RECOMMENDED THAT COUNCIL

Increases the level of the Swavesey Byeways rate from £1.10 to £1.20 per hectare for land within the charge paying area for the period 2019/20 in order to fund the required level of maintenance.

(Pages 381 - 392)

10. GREAT ABINGTON FORMER LAND SETTLEMENT ASSOCIATION ESTATE NEIGHBOURHOOD PLAN - MAKING (ADOPTING) THE NEIGHBOURHOOD PLAN

To set out the results of the referendum on the Great Abington Former Land Settlement Association (LSA) Estate Neighbourhood Plan and recommend that the Council makes (adopts) the Neighbourhood Plan.

(Pages 393 - 430)

11. CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

Attached are the reports summarising the work of the Cambridgeshire and Peterborough Combined Authority in October and November 2018.

(Pages 431 - 462)

12. MEMBERSHIP OF COMMITTEES AND OUTSIDE BODIES

To note and endorse the following change in substitute arrangements:-

Employment and Staffing Committee – The replacement of Councillors Bridget Smith and Aidan Van de Weyer by Councillors Peter McDonald and Clare Delderfield as substitutes on the committee.

To note and endorse any other changes in the membership of Committees which have been made in accordance with the wishes of the Leader of the political group to which the seat has been allocated

To consider appointing Councillor Pippa Heylings as the Council's representative on Natural Cambridgeshire, in place of Councillor Peter Fane.

To consider any other changes required in membership of outside bodies.

13. CALENDAR OF MEETINGS 2019/20

To approve the Calendar of Meetings 2019/20.

(Pages 463 - 466)

14. QUESTIONS FROM COUNCILLORS

A period of 30 minutes will be allowed for this item to include those questions where notice has been provided (as set out on the agenda below) and questions which may be asked without notice.

Members wishing to ask a question without notice should indicate this intention to the Democratic Services Team Leader prior to commencement of the item. Members' names will be drawn at random by the Chairman until there are no further questions or until the expiration of the time period.

14 (a) From Councillor Sarah Cheung Johnson

The previous administration approved the devolution deal which gave us the Combined Authority and the Mayor because we in South Cambs would benefit. Where is our fair share of the £100 million for affordable housing?

14 (b) From Councillor Bunty Waters

Is the Leader of the Council confident that the Council's Planning Department has sufficient capacity to handle the important phase 3 of the Northstowe planning application this summer?

14 (c) From Councillor Nick Wright

Cotton Farm Windfarm started operating in January 2013. Noise emissions were immediately experienced and recorded in Graveley. By 2016 these complaints exceeded 2000. The operators responded by working the turbines in curtailment and changing parts of the turbines. This resulted in new noise tests by Huntingdonshire District Council to establish whether the windfarm was operating in the terms of its planning condition. The noise complaints continue. Is the windfarm operating within the limits of its noise condition?

14 (d) From Councillor Peter Topping

Is the Leader satisfied that the drainage conditions issued with regard to the Persimmon development at Cottenham are sufficient to protect the residents from flood risk?

14 (e) From Councillor Sue Ellington

I have been made aware that the commercial paper recycling bin is to be removed from Swavesey church car park. This would indicate that there has been a change in policy which would previously have been discussed at a portfolio meeting and circulated as a decision. As this is no longer the practice, can the Leader enlighten us as to all the changes in waste and recycling policy and what efforts have been made to identify the implication?

14 (f) From Councillor Ruth Betson

The shared finance service between this Council and the City of Cambridge Council appears to have been terminated, with the majority of the officers being repatriated to the City of Cambridge. What officer resource exists going forward to support this Council in its financial and budgetary obligations?

14 (g) From Councillor Graham Cone

Following recent changes in the communications department where will responsibility of reprographics and print services be located?

14 (h) From Councillor Heather Williams

Where fees and charges are introduced for Council services, will these ever be applied retrospectively to our residents?

14 (i) From Councillor Shrobona Bhattacharya

Why Is the Council deliberately downplaying the success of the Cambourne Electronics and Robotics Club (CERC) that was supported by SCDC? The club has featured on BBC and ITV news channels and was shortlisted for national awards, and brings together 250 families, yet the previous South Cambs magazine for residents has not found a space to report its success. Can the lead member for communications explain this?

15. NOTICES OF MOTION

A period of 30 minutes will be allowed for each Motion to be moved, seconded and debated, including dealing with any amendments. At the expiry of the 30 minute period, debate shall cease immediately, the mover of the original Motion will have the right of reply before the Motion or amendment is put to the vote.

15 (a) Standing in the name of Councillor Peter Topping

The Council notes with growing concern the reduction in the numbers of affordable housing proposed for the new settlement at Waterbeach, set against the increase in the numbers of houses proposed, and calls for the Council to drive forward development of this important new community for the benefit of both current and future residents.

16. CHAIRMAN'S ENGAGEMENTS

To note the Chairman's engagements since the last Council meeting:

Date	Venue/Event	Attending
<u>December</u>		
Wed 12	Chairman's Reception. SCDC	Chairman Vice Chairman
Wed 12	Quiz Night. SCDC	Chairman Vice Chairman
Fri 14	Handing over of gifts to Fulbourn Hospital SCDC	Chairman Vice Chairman
Sun 16	Carol Service of 9 Lessons & Carols St Andrews Church, Girton	Chairman
Tue 18	Christmas Carol Service Huntingdonshire District Council All Saints Church, Huntingdon	Vice Chairman
<u>January</u>		
Sat 05	Cambridgeshire County Council's Gold Duke of Edinburgh Awards Ceremony Hinchingsbrooke School, Huntingdon	Vice Chairman
Wed 23	Staff Celebration Awards. SCDC	Chairman Vice Chairman
Fri 25	Funeral of Edgar Monk	Chairman
Sat 26	CamCrag Winter Fair & Sleep out (Chairman invited to speak) St Giles Church, Cambridge	Chairman
Sun 27	Holocaust Memorial Day Ceremony 2019 Great St Mary's Church, Cambridge	Vice Chairman
<u>February</u>		
Fri 01	Corpus Christi College, Annual Queenborough Feast	Chairman
Fri 01	Charity Fun Quiz, The Corn Exchange St Ives (Mayor of St Ives)	Vice Chairman

17. EXCLUSION OF PRESS AND PUBLIC

The press and public are likely to be excluded from the meeting during consideration of the following item in accordance with the provisions of Section 100(A)(4) of the Local Government Act 1972 (exempt information as defined in paragraph 3 of Schedule 12A (as amended) of the Act).

Paragraph 3 refers to information relating to the financial or business affairs of any particular person (including the authority holding that information).

18. MINUTES (EXEMPT)

A minute containing exempt information as defined in paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972 (as amended) has been circulated to Members of the Council only. The press and public are likely to be excluded from the meeting during any discussion on the accuracy of the exempt minute.

(Pages 467 - 472)

GUIDANCE NOTES FOR VISITORS TO SOUTH CAMBRIDGESHIRE HALL

Notes to help those people visiting the South Cambridgeshire District Council offices

While we try to make sure that you stay safe when visiting South Cambridgeshire Hall, you also have a responsibility for your own safety, and that of others.

Security

When attending meetings in non-public areas of the Council offices you must report to Reception, sign in, and at all times wear the Visitor badge issued. Before leaving the building, please sign out and return the Visitor badge to Reception.

Public seating in meeting rooms is limited. For further details contact Democratic Services on 03450 450 500 or e-mail democratic.services@scambs.gov.uk

Emergency and Evacuation

In the event of a fire, a continuous alarm will sound. Leave the building using the nearest escape route; from the Council Chamber or Mezzanine viewing gallery this would be via the staircase just outside the door. Go to the assembly point at the far side of the staff car park opposite the staff entrance

- **Do not** use the lifts to leave the building. If you are unable to use stairs by yourself, the emergency staircase landings have fire refuge areas, which give protection for a minimum of 1.5 hours. Press the alarm button and wait for help from Council fire wardens or the fire brigade.
- **Do not** re-enter the building until the officer in charge or the fire brigade confirms that it is safe to do so.

First Aid

If you feel unwell or need first aid, please alert a member of staff.

Access for People with Disabilities

We are committed to improving, for all members of the community, access to our agendas and minutes. We try to take all circumstances into account but, if you have any specific needs, please let us know, and we will do what we can to help you. All meeting rooms are accessible to wheelchair users. There are disabled toilet facilities on each floor of the building. Infra-red hearing assistance systems are available in the Council Chamber and viewing gallery. To use these, you must sit in sight of the infra-red transmitter and wear a 'neck loop', which can be used with a hearing aid switched to the 'T' position. If your hearing aid does not have the 'T' position facility then earphones are also available and can be used independently. You can get both neck loops and earphones from Reception.

Other Facilities

Facilities are available for nursing mothers. Please ask a member of staff for more information.

Toilets

Public toilets are available on each floor of the building next to the lifts.

Recording of Business and Use of Mobile Phones

We are open and transparent about how we make decisions. We allow recording, filming and photography at Council, Cabinet and other meetings, which members of the public can attend, so long as proceedings at the meeting are not disrupted. We also allow the use of social media during meetings to bring Council issues to the attention of a wider audience. To minimise disturbance to others attending the meeting, please switch your phone or other mobile device to silent / vibrate mode.

Banners, Placards and similar items

You are not allowed to bring into, or display at, any public meeting any banner, placard, poster or other similar item. Failure to do so, will result in the Chairman suspending the meeting until such items are removed.

Disturbance by Public

If a member of the public interrupts proceedings at a meeting, the Chairman will warn the person concerned. If they continue to interrupt, the Chairman will order their removal from the meeting room. If there is a general disturbance in any part of the meeting room open to the public, the Chairman may call for that part to be cleared. The meeting will be suspended until order has been restored.

Smoking

Since 1 July 2008, South Cambridgeshire District Council has operated a Smoke Free Policy. No one is allowed to smoke at any time within the Council offices, or in the car park or other grounds forming part of those offices.

Food and Drink

Vending machines and a water dispenser are available on the ground floor near the lifts at the front of the building. You are not allowed to bring food or drink into the meeting room.

Agenda Item 4

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

Minutes of a meeting of the Council held on
Thursday, 29 November 2018 at 2.00 p.m.

PRESENT: Councillor Dr. Douglas de Lacey – Chairman
Councillor Anna Bradnam – Vice-Chairman

Councillors: Philip Allen, Henry Batchelor, John Batchelor, Ruth Betson, Dr. Shrobona Bhattacharya, Tom Bygott, Dr. Martin Cahn, Grenville Chamberlain, Sarah Cheung Johnson, Gavin Clayton, Graham Cone, Dr. Claire Daunton, Clare Delderfield, Sue Ellington, Peter Fane, Neil Gough, Philippa Hart, Geoff Harvey, Dr. Tumi Hawkins, Pippa Heylings, Mark Howell, Steve Hunt, Alex Malyon, Tony Mason, Peter McDonald, Brian Milnes, Judith Rippeth, Deborah Roberts, Nick Sample, Bridget Smith, Hazel Smith, Dr. Ian Sollom, Peter Topping, Bunty Waters, Heather Williams, John Williams, Eileen Wilson and Nick Wright

Officers: Beverly Agass Chief Executive
Alex Colyer Executive Director
Kathrin John Democratic Services Team Leader
Rory McKenna Deputy Head of Legal Practice

In attendance: Bob Palmer Interim Executive Director (absent for Item 8(e)
– Appointment of Chief Finance Officer)
Howard Russell 3C Legal

1. APOLOGIES

Apologies for absence were received from Councillors Nigel Cathcart, Jose Hales, Bill Handley, Dawn Percival and Aidan Van de Weyer.

2. ALEX COLYER - EXECUTIVE DIRECTOR

The Chairman of the Council noted that Alex Colyer would be retiring as Executive Director at the end of December. Alex had been with South Cambridgeshire District Council since 2009 and had contributed enormously to the work of the Council, both in his role as Executive Director and as Acting Chief Executive. The Chairman, on behalf of the Council, placed on record his thanks to Alex for his hard work and dedication.

Councillor Bridget Smith, the Leader of the Council and Councillor Peter Topping, the Leader of the Opposition, both added their personal thanks to Alex for his support.

3. DECLARATIONS OF INTEREST

Declarations of interest were made as follows:-

Item 8(d) - Ermine Street Housing – Re-phasing of Lending

- Councillor John Batchelor declared a non-disclosable pecuniary interest in the above item in his capacity as one of the Council's representatives on the Ermine Street Housing Limited Board. He indicated his intention to withdraw from the meeting during discussion of the item.
- Councillor Ian Sollom declared a non-disclosable pecuniary interest in the above item in his capacity as one of the Council's representatives on the Ermine Street Housing

Limited Board. He indicated his intention to withdraw from the meeting during discussion of the item.

Item 14(f) – Notice of Motion from Councillor Eileen Wilson

- Councillor Tom Bygott declared a non-disclosable pecuniary interest in the above item as he lived opposite the site of the proposed Oakington Rural Travel Hub.

4. REGISTER OF INTERESTS

The Chairman reminder Members that they needed to update the Register of Interests whenever their circumstances changed.

5. MINUTES

The minutes of the meeting of the Council held on 27 September 2018 were confirmed as a correct record for signature by the Chairman.

With respect to exempt minute 19(a), Council **AGREED** that the minute contained exempt information, namely information relating to the financial or business affairs of the Council (and/or landowner), and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

The Chairman accordingly indicated that he proposed to deal with the exempt minute following item 16 on the agenda.

6. ANNOUNCEMENTS

There were no announcements.

7. QUESTIONS FROM THE PUBLIC

No questions from the public had been received.

8. PETITIONS

No petitions for consideration by the Council had been received.

9. RECOMMENDATIONS TO COUNCIL

9 (a) Review of the Statement of Gambling Act 2005 Policy (Licensing Committee - 17 October 2018)

Councillor Anna Bradnam, the Chairman of the Licensing Committee, proposed the recommendations of the Licensing Committee, at its meeting held on 17 October 2018, with regard to adoption of the Statement of Gambling Act 2005 Policy. Councillor Bradnam noted that a statement of this licensing policy was a requirement under Section 349 of the Gambling Act 2005. In preparing the revised policy statement, officers had given full regard to both the requirements of the Act itself and the guidelines issued by the Gambling Commission in September 2015, together with, where relevant, Council strategies. The draft policy had been subject to public consultation and four responses to the consultation had been received, although no changes had been recommended in relation to these responses. The Licensing Committee had considered the draft policy at its meeting on 17 October 2018 and had recommended it for approval, subject to minor

amendments. There was a requirement to publish the revised policy statement by 31 January 2019.

Council was advised of the need to delegate authority to the Director of Health and Environmental Services to make any final grammatical or typographical corrections to the policy statement before publication.

Councillor Deborah Roberts seconded the motion, noting that the policy statement had been subject to thorough consideration by the Licensing Committee.

Council by affirmation

RESOLVED:

1. That the Gambling Act 2005 Policy Statement, as set out at Appendix A to the submitted report, be adopted.
2. That the Director of Health and Environmental Services be authorised to make any final grammatical or typographical corrections required to the Policy Statement before publication.

9 (b) Review of the Statement of Licensing (2003 Act) Policy (Licensing Committee - 17 October 2018)

Councillor Anna Bradnam, the Chairman of the Licensing Committee, proposed the recommendations of the Licensing Committee, at its meeting held on 17 October 2018, with regard to adoption of the Statement of Licensing (2003 Act) Policy. Councillor Bradnam noted that a statement of this licensing policy was a requirement under Section 5 of the Licensing Act 2003. In preparing the revised policy statement, officers had given full regard to both the requirements of the Act itself and to revised guidelines issued in April 2018 by the Home Office. The revised policy had been subject to public consultation in July 2018, details had been circulated to all Responsible Authorities, together with persons or businesses who had been in contact with the Licensing section over the past year and it had also been published on the Council's website and circulated to Parish Councils. Three formal responses to the consultation had been received and based on these responses, minor changes had been recommended to the policy. The Licensing Committee had considered the draft policy at its meeting on 17 October 2018 and had recommended it for approval, subject to minor changes.

Councillor Bradnam invited Council to additionally delegate authority to the Director of Health and Environmental Services to make any final grammatical or typographical corrections to the policy statement before publication.

Councillor Heather Williams seconded the motion.

Council by affirmation

RESOLVED:

1. That the revised Licensing (2003 Act) Policy Statement, as set out at Appendix A to the submitted report, be adopted.
2. That the Director of Health and Environmental Services be authorised to make any final grammatical or typographical corrections required to the Policy Statement before publication.

9 (c) Housing Revenue Account (HRA) Medium Term Financial Strategy (MTFS) 2018/19 (Cabinet - 7 November 2018)

Council **AGREED** that Appendix L to the Housing Revenue Account (HRA) Medium Term Strategy (MTFS) contained exempt information, namely information relating to the financial or business affairs of the Council (and/or landowner), and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

The Chairman accordingly indicated that in the event of any discussion on the exempt appendix it would be necessary to exclude the press and public.

Councillor Hazel Smith, Lead Cabinet Member for Housing, proposed the recommendation of the Cabinet, at its meeting held on 7 November 2018, regarding the approval of the HRA MTFS 2018/19. In so doing, she referred to various developments since the HRA MTFS had been prepared, most notably the Government's announcement in the Autumn of the immediate lifting of the HRA borrowing cap and the consequent need to build capacity to take advantage of that opportunity. A report on the Green Paper was expected in the new year. The Lead Cabinet Member for Housing further commented that there were now 2,438 households on the housing waiting list and provision of affordable homes therefore needed to be a high priority. She noted that it would be necessary to update her Foreword to the HRA MTFS to reflect those changes and any subsequent developments before the final version came to Council as part of the budget setting process.

Councillor John Williams seconded the motion.

Councillor Mark Howell asked the Lead Cabinet Member for Housing:

- (a) Whether it would be possible to build the 149 houses referred to on page 99 for £114k each?
- (b) Whether the 4% penalty interest payable referred to on page 104 was an extra 4% per year or at the end of 3 years and if the interest had to be repaid, this would be 3 year's compound interest?
- (c) With respect to proposals on page 106, whether this would also be done for Ermine Street Housing?
- (d) With respect to page 112, what action was being taken on rent arrears, particularly having regard to the changes to Universal Credit?
- (e) With respect to page 128 and the time limited S106 agreement, whether a guarantee could be given that these would not be returned to the developer?

In response, the Lead Cabinet Member for Housing:

- (a) Reminded Members that 30% of the cost of the houses could be funded by right to buy receipts and noted that roll forward budgets from Section 106 commuted sums were also available in the HRA capital fund to support the development of new build properties. The average cost per house was estimated to be in the region of £167k to £170k.

- (b) Explained the basis on which the interest was calculated where Right to Buy Receipts were not spent within three years, noting that at the end of the three years the interest of 4% above the base rate was compounded and was therefore punitive. She referred to her recent attendance at the Homes 2018 event where another local authority had indicated that it did not attempt to spend receipts in order to avoid the risk of having to repay the punitive interest.
- (c) Reminded the Council that the priorities for Ermine Street Housing were currently to generate income for the Council and to be a good landlord. Whilst it was anticipated that the priorities for Ermine Street Housing would be reviewed at the appropriate time, its role was currently to generate income and it was necessary to charge a market rent.
- (d) Was pleased to report that the level of rent arrears in the previous month had been the lowest for some time. The Council was monitoring the impact of Universal Credit and working to support a small number of families.
- (e) Advised that the Council was aware of the deadlines for spending the commuted Section 106 sums for affordable housing and would be working to make sure that these sums were spent within those timescales.

Councillor Sue Ellington noted that whilst rent arrears for current tenants had gone down from £424,032 at the end of March to £413,314 at the end of September, there had been a corresponding increase in former tenants' arrears by approximately £31,000. She asked whether the reduction in current tenants' rent arrears was attributable to eviction of any former tenants. The Lead Cabinet Member for Housing indicated that she would arrange to provide a written response to Councillor Ellington, but referred to the difficulty of securing repayment of arrears from former tenants.

Council by affirmation

RESOLVED:

To approve the HRA Medium Term Financial Strategy as set out in **Appendix 1** to the report, to include:

- noting changes in financial assumptions as detailed in **Appendix B** to the HRA MTFS.
- mid-year revenue budget changes, as detailed in **Appendix D (1)** to the HRA MTFS, which impact future forecasts for the HRA.
- mid-year capital budgets changes, as detailed in **Appendix E** to the HRA MTFS, to include recognition of the virement of resource of £1,560,000 from the unallocated acquisition / new build budget for the acquisition of market dwellings, to ensure that right to buy receipts are appropriately reinvested in 2018/19.
- updates in the new build budget and the new build schemes included in the Housing Capital Investment Plan, incorporation of the latest budgetary figures in respect of approved new build schemes, inclusion of new pipeline schemes with associated budgetary provision and re-phasing of expenditure in line with anticipated build timetables.
- changes in anticipated receipt and use of capital resources for the HRA, as included in **Appendix H** to the HRA MTFS.
- noting the HRA budget strategy for 2019/20, to include the exemplification of efficiency savings of £142,000, to facilitate the creation of a corresponding strategic investment fund also of £142,000 for 2019/20, with both reducing to

- £95,000 per annum from 2020/21 onwards for a further 4 years.
- noting the early proposals for bids and savings in the HRA, as detailed in **Appendix D (2)** to the HRA MTFS in advance of formal consideration as part of the HRA Budget Setting Report in February 2019.

9 (d) Ermine Street Housing - Re-phasing of Lending (Cabinet - 7 November 2018)

Council **AGREED** that Appendix A to the report of the Head of Finance contained exempt information, namely information relating to the financial or business affairs of the Council (and/or landowner), and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

The Chairman accordingly indicated that in the event of any discussion on the exempt appendix it would be necessary to exclude the press and public.

Councillor John Williams proposed the recommendation of the Cabinet, at its meeting held on 7 November 2018, with regard to the re-phasing of lending to Ermine Street Housing. He noted that the Council had approved a business plan for Ermine Street Housing in November 2015 which provided for the Council to lend the Company up to £100 million to acquire a portfolio of 500 properties over a 5 year period. The pace of acquisition had increased in the current year and approval to re-phase the lending was now being sought to enable the Company to complete the acquisition opportunities currently presented.

Councillor Dr. Tumi Hawkins, in seconding the motion, commented on the positive work of Ermine Street Housing and noted that the proposal did not involve providing additional monies, rather a re-phasing of lending already agreed by the Council.

Councillor Peter Topping referred to comments in paragraph 10 of the report regarding the opportunities in the housing market arising from uncertainty surrounding Brexit and asked whether in view of the potential risks associated with turbulence in the market, re-phasing the lending was a wise approach. He also requested the Lead Cabinet Member for Finance to comment further on the proposal in the context of reference previously made to the desirability of adopting an ethical approach with regard to Ermine Street Housing.

Councillor Nick Wright referred to earlier indications that the future of the Ermine Street Housing would be reviewed and questioned whether the proposal to facilitate the business expansion reflected a change in the administration's approach to Ermine Street Housing.

Councillor Mark Howell spoke strongly in support of the proposal and of the work of Ermine Street Housing.

The Executive Director advised that the Council was being invited to lend to property assets and that this represented a long term hold strategy. It was anticipated that there would be fluctuations in the market but if there was no need to sell the assets in a downturn, the long term hold strategy would secure that they continued to generate a return that was acceptable to the Council.

Councillor John Williams remarked that any good business ought to be subject to regular review and that there was a need to look at the objectives of Ermine Street Housing to ensure that they aligned with the revised objectives of the Council. The new administration had different housing and investment strategies and therefore it was appropriate to review how these strategies could be delivered. The future role of Ermine

Street Housing would form part of the new Housing Strategy. It was important that Ermine Street Housing continued to trade successfully and the purpose of the recommendation was to seek the Council's agreement to bring forward lending to enable the Company to progress with the acquisition of houses already in pipeline. The uncertainties in the housing market associated with the implications of Brexit had presented the opportunity to acquire more properties than originally anticipated and Ermine Street Housing had taken advantage of that opportunity. Councillor John Williams reiterated however that it was proposed to review Ermine Street Housing to ensure that it would deliver the objectives of the Council.

Council by affirmation

RESOLVED:

To bring forward lending of £13 million to Ermine Street Housing into 2018/19 by re-phasing the Capital Programme and bringing forward budget from future years to enable the Company to continue the business expansion as agreed by Cabinet and Council in November 2015.

9 (e) Appointment of Chief Finance Officer (Section 151) (Employment & Staffing Committee - 7 November 2018)

Councillor Henry Batchelor, the Chairman of the Employment and Staffing Committee, proposed the recommendation of the Committee following its meeting on 7 November 2018, with regard to the appointment of an Interim Section 151 Officer in the light of the forthcoming retirement of the incumbent. He reminded the Council that it was obliged to appoint a suitably qualified officer as Section 151 Officer to be responsible for the proper administration of its financial affairs. Councillor Henry Batchelor noted that the candidate proposed for appointment was suitably qualified.

Councillor John Williams seconded the motion.

Councillor Grenville Chamberlain was concerned at the cost of the appointment, suggesting that the fee paid to the interim might exceed the salary paid to the Prime Minister. He noted that the cost would be met by salary savings from vacant posts but was mindful that the costs would be borne by Council tax payers.

Councillors Nick Wright and Peter Topping questioned why the Council had not entered into an arrangement to share a Section 151 Officer with another authority.

Councillor Mark Howell re-iterated earlier concerns about the cost of the interim appointment.

Councillor John Williams indicated that it was not intended that the interim appointment would exceed 6 months. He additionally spoke about the challenges experienced in obtaining the services of a suitably qualified individual and that the Council would be negligent if it failed to ensure that an appropriately qualified and experienced officer was in place who was able to fulfil the statutory responsibilities involved. Councillor John Williams further confirmed that the option of a sharing arrangement with neighbouring authorities had been explored, but had not proved fruitful.

The Chairman noted that voting upon appointments was not subject to a recorded vote.

Upon being put to the vote, with 28 votes in favour, 11 against and no abstentions, Council

RESOLVED

To appoint Mr Robert Palmer as Interim Section 151 Officer with effect from 1 January 2019.

The Chairman, on behalf of the Council, welcomed Mr Palmer to South Cambridgeshire District Council.

10. CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY

The Council noted reports prepared by the Cambridgeshire and Peterborough Combined Authority summarising the work of the Authority during September 2018.

The Council's representatives on the Combined Authority were invited to comment on the reports, as summarised below.

Councillor Bridget Smith, the Leader of the Council, provided an update on the following issues:

- The Combined Authority had established a number of committees. She was a member of the Housing Committee and Councillor Eileen Wilson was a member of the Skills Committee.
- The Housing Committee had met in the previous week and had considered its terms of reference. She was continuing the work of her predecessor, Councillor Peter Topping, in fighting to ensure that South Cambridgeshire received its fair share of the £100m affordable housing fund and that such funding was allocated on the grounds of greatest housing need by reference to a business case. Additionally, she had emphasised the increased complexity in preparing scheme bids for the important strategic sites in South Cambridgeshire.
- The boundaries of the Business Board (previously the Local Enterprise Partnership) would now be coterminous with those of the Combined Authority.
- The Combined Authority was starting work to take on health and social care.
- The outcome of the Business Rates retention bid was still awaited.
- The recommendations in the Cambridgeshire and Peterborough Independent Economic Review (CPIER) report had now been accepted by the Combined Authority and actions developed to respond to those recommendations.

Councillor Philip Allen reported that the Overview and Scrutiny Committee had met twice since September. As reported in the press, the Mayor had acknowledged underestimating the cost of his administration's running costs and that he should have supported the Cambourne to Cambridge busway. The Overview and Scrutiny Committee had received a detailed presentation from the Interim Chief Finance Officer on the Medium Term Financial Plan. The Interim Chief Finance Officer had referred to various on-going feasibility studies and had highlighted the need to prioritise schemes. The Committee felt that it was finally beginning to receive the level of detail needed in order effectively to carry out its role.

Councillor Peter Topping reported that he had substituted for Councillor Chamberlain at a meeting of the Overview and Scrutiny Committee. At the meeting the Housing Director had indicated that the Combined Authority had not received bids from South Cambridgeshire for the £100m affordable housing fund. Councillor Topping acknowledged the earlier comments by the Leader about the particular difficulties in bringing forward schemes in South Cambridgeshire, but understood that South Cambridgeshire's previous Director of Housing had schemes in the pipeline and

accordingly he urged that the Council put forward bids for affordable housing.

Councillor Tony Mason noted that the next Audit Committee meeting would take place in the following week and therefore there was no update for this meeting.

The Chairman then invited questions to the Council's representatives.

Councillor Deborah Roberts expressed concern at the current operation of the Combined Authority, in particular highlighting the increase in the running costs of the organisation. She therefore asked whether the Leader felt that the concerns about the running of the Authority and its apparent lack of accountability were being acknowledged by the Combined Authority and, if not, whether there was a need for an independent review of the Authority.

Councillor Brian Milnes recalled a criticism of the former East of England Development Agency that it spent £1 for every £4 it invested and was concerned that the Combined Authority might be moving in that direction. He therefore asked the Leader to impress upon the Combined Authority the need for frugality in its operations.

Councillor Bridget Smith, the Leader of the Council:

- Took on board Councillor Topping's comments about making bids for affordable housing and acknowledged the need to ensure the submission of bids in order to secure funding. She reported that the Whittlesford development by Clarion Homes was funded by the Combined Authority and also noted that the last forward plan listing developments to be funded had included the scheme for 880 key worker houses at Northstowe. The Leader accepted that there had been a desire for schemes to be suitably developed before submitting bids, but lessons had been learned and the intention was now to submit bids at the earliest appropriate opportunity
- Responded to the first question from Councillor Deborah Roberts by indicating her view that the level of challenge and questioning in relation to the operation and transparency of the Combined Authority was beginning to have a positive effect. Meetings were now more productive, it appeared that mistakes were being acknowledged and apologies given. The change in the political composition of the Board meant that there could now be proper challenge and debate and an opportunity to hold people to account. Whilst unable to explain the reasoning for the underestimate of the costs of operation of the Combined Authority, she was aware that this was being examined. A new Interim Chief Finance Officer had been appointed and had brought a fresh perspective to reviewing the finances of the organisation and other high calibre staff had been engaged.
- Reported, with respect to the second question from Councillor Deborah Roberts, that she, together with the Leader of Cambridge City Council, had called for the commissioning of an independent organisational review to give assurance as to the impact, independence and transparency of the Combined Authority. This proposal had not been approved, but a review was being undertaken by the two interim Chief Executives which would focus on the internal staffing structure.
- Concluded that the Combined Authority appeared to be moving in the right direction and that she felt relatively optimistic. She acknowledged that South Cambridgeshire District Council was a partner in the Combined Authority and that it was important to play its part in the organisation to make it work.

Council **RECEIVED** the reports summarising the work of the Cambridgeshire and Peterborough Combined Authority in September 2018.

11. MEMBERSHIP OF COMMITTEES AND OUTSIDE BODIES

Council noted that Councillor Philippa Hart was standing down as the Council's representative on the Francis John Clear Almshouses, Melbourn and was invited to consider whether to appoint a replacement representative.

The Chairman noted that there was no other obvious candidate amongst the existing councillors and it was understood that the charity wished to appoint former Councillor Val Barrett to the role, but pointed out that she was not in a position to represent the Council.

The Chairman accordingly proposed that the Council should decline the invitation to appoint a representative in order to enable the charity to make a direct appointment. Councillor Bunty Waters seconded the motion.

No other changes to memberships of committees or outside bodies were reported by Group Leaders.

Council accordingly by affirmation

RESOLVED:

To decline the invitation to appoint a representative to the Francis John Clear Almshouses, Melbourn, in order to enable the charity to make a direct appointment.

12. APPOINTMENT TO THE INDEPENDENT REMUNERATION PANEL

The Council was reminded that, at its last meeting, it had been reported that a member of the Independent Remuneration Panel (IRP) had indicated that he did not wish to be appointed for a further three year term of office. The Council had accordingly authorised the Executive Director and the Chairman of the Independent Remuneration Panel to undertake a recruitment and selection process to identify a new member of the panel and to recommend a candidate for appointment.

The interview process had taken place on 21 November 2018 and the Council received an update outlining the recommendations of the Executive Director and Chairman of the IRP in respect of the appointment of a new member of the panel.

The Chairman of the Council accordingly moved the recommendation which was duly seconded by the Leader of the Council.

Councillor Peter Topping referred to the circulation of timesheets to holders of Special Responsibility Allowances asking them to record time spent on tasks associated with their offices and asked if this was pre-empting the work of the IRP. It was noted that this exercise was being undertaken purely to gather data for the benefit of the IRP.

Council by affirmation

RESOLVED:

To appoint Mr Grant Osbourn as a member of the Independent Remuneration Panel for the remainder of the three year term of office ending on 31 July 2021.

13. URGENT EXECUTIVE DECISION

The Council received an information report from the Monitoring Officer on a decision

taken as a matter of urgency and which had been exempted from call-in under Scrutiny and Overview Procedure Rules 12.18 – 12.20. Rule 12.19 provided that decisions taken as a matter of urgency must be reported to the next available meeting of the Council.

The report indicated that a decision had been taken by Cabinet, at its meeting held on 24 September 2018, to agree the submission of the Business Rates Pilot Scheme 2019/20 bid, as detailed in the report of the Monitoring Officer. The Government's deadline for submission of bids had been 25 September 2018. The decision had therefore needed to be implemented before the expiry of any call-in period in view of the deadline set by the Government for submission of bids.

Council **NOTED** the report.

14. QUESTIONS FROM COUNCILLORS

14 (a) From Councillor Pippa Heylings

It has been reported in the press that Swindon Borough Council has stopped collecting plastics for recycling to ensure that there is no risk of it ending up in overseas landfill or worse. Will the Lead Member for Environmental Services advise what mechanisms are in place to track the ultimate disposal routes for our plastic waste?

Councillor Neil Gough, the Lead Cabinet Member for Environmental Services and Licensing, reported on his understanding that Swindon Borough Council had now reversed its decision to stop collecting plastic. He commented that all waste producers, including councils, had a duty of care responsibility to check that waste was only transferred to an appropriately licensed person or company and to keep records to demonstrate this. This provided an audit trail to track materials to end destinations. The Council and Amey were subject to this duty of care obligation and records were maintained to demonstrate compliance. Each month Amey provided the Council with details of outlets for materials during the previous month and the Council then reported this information quarterly to the Environment Agency. Since June 2018, the Cambridge and Peterborough Waste Partnership (RECAP) had put in place measures to enable closer scrutiny of the information provided by Amey. The Environment Agency had carried out duty of care checks on all councils responsible for waste collections in June 2018. South Cambridgeshire's measures had been reviewed and found to be appropriate.

By way of a supplementary question, Councillor Pippa Heylings asked what percentage of plastic in the blue bin was incinerated. The Lead Cabinet Member for Environmental Services and Licensing advised that the bulk of recycled plastic could be re-used. However, where plastic was not of a sufficient quality or was contaminated, it could not be reprocessed. 10 – 15% of plastic in South Cambridgeshire was not of a sufficient grade to be recycled.

14 (b) From Councillor Nick Wright

Is the Cabinet member, the lead for planning, happy with the performance of the planning service?

Councillor Dr. Tumi Hawkins, the Lead Cabinet Member for Planning, observed that the Council processed a significant number of planning applications when compared to some other districts. She also referred to the impact of the delay in approval of the Local Plan and the absence of a five year housing supply on service delivery. The Lead

Cabinet Member for Planning drew attention to the availability of data regarding planning performance for all authorities on the GOV.UK website and pointed out that of 201 shire districts, South Cambridgeshire had handled the 5th largest number of applications and double the number received by some neighbouring authorities. The Council was meeting the target for determining applications within 8 weeks (the district average was 83% and South Cambridgeshire was meeting the national target of 84%). In addition to meeting performance targets, the Council had avoided designation, including in relation to appeals allowed. In that context, the Lead Cabinet Member for Planning noted that performance in relation to appeals allowed reflected the number of speculative applications which had been received owing to the lack of an identified 5 year housing land supply. There had been a significant improvement in planning service performance over the past 12 months owing to the hard work of the officers across the service. Whilst she recognised that there was still work to do, the Lead Cabinet Member for Planning thanked the officers for their efforts in driving forward the improvement of the service to date.

Councillor Nick Wright, as a supplementary question, asked whether reports on performance of the planning service could be submitted to Scrutiny and Overview Committee in the same way as had happened when the performance of customer services had been subject to monitoring. The Lead Cabinet Member for Planning indicated that she was content for reports on performance of the service to be presented to Scrutiny and Overview Committee.

14 (c) From Councillor Steve Hunt

Residents are experiencing service issues and delays in their interactions with Planning. This has caused a significant amount of work for Members and officers dealing with the resulting queries and complaints. Would the Lead Member for Planning comment on the current situation, and advise Members of the initiatives that are being undertaken to improve the level of service?

Councillor Dr. Tumi Hawkins, the Lead Cabinet Member for Planning, acknowledged that the planning service faced challenges. She reminded Members that in the previous Council it had been agreed to establish a shared Greater Cambridge planning service which had been launched in April 2018. The focus now was on implementing the new structure and driving forward more efficient and agile working. A new customer engagement officer had been appointed who was developing an improved customer strategy and revised customer complaints procedures. Other corporate improvements would include better management of customer calls and emails so that planning officers could focus on their core professional work. The new ICT system would bring significant improvements to workflows and customer notifications and customers would be able to track the status of their applications and receive various alerts. The Lead Cabinet Member for Planning recognised that there were still performance issues to be addressed, but asked for Members to support officers as they worked to develop a high performing planning service.

As a supplementary question, Councillor Steve Hunt asked if Members would also be able to interrogate the new ICT system to track the status of applications so that they could help to keep constituents informed and troubleshoot where necessary. The Lead Cabinet Member for Planning indicated her expectation that Members would have access to the system, albeit that they might not see all of the detail. However, she would get back to Councillor Hunt to confirm the position.

14 (d) From Councillor Graham Cone

Given that the administration has pledged to continue running Ermine Street Housing (despite previous criticism), can I please ask what changes have been made to the business model?

Councillor John Williams, the Lead Cabinet Member for Finance, commented that, as in any good business, it would be appropriate to monitor and review the operation of Ermine Street Housing and to make sure that its priorities aligned with those of the Council. Additionally it would be necessary to consider the implications of the lifting of the Housing Revenue Account borrowing cap and the continuing market uncertainties associated with Brexit for the activities of Ermine Street Housing. The Lead Cabinet Member for Finance reminded the Council that, earlier in the meeting, it had approved a re-phasing of lending to Ermine Street Housing and that an updated Business Plan would be published in February 2019. He reiterated however that it would be necessary to review Ermine Street Housing to ensure that it was delivering the Council's new priorities.

Councillor Graham Cone, as a supplementary question, asked what the difference of approach of the new administration would be to Ermine Street Housing? The Lead Cabinet Member for Housing reaffirmed that Ermine Street Housing would be subject to review and that the Housing Strategy, which was due to be coming to Cabinet at its next meeting prior to public consultation, would provide further clarification on the future proposed direction of the Company.

14 (e) From Councillor Ruth Betson

I was recently advised that there have been a number of submissions for the Discharge of Conditions regarding West Cambourne which the District Council decided not to consult Cambourne Parish Council on. Local Parish Councils, especially those with a dedicated Planning Committee, have a major stake in large developments within or near to their boundaries – will this administration confirm that consultation, with sufficient lead time, will be made in future with Cambourne Parish Council and any other local Parish Councils dealing with major developments?

Councillor Tumi Hawkins, the Lead Cabinet Member for Planning, commented that the input of parish councils into the planning process was much appreciated and that it was certainly the intention to ensure that effective consultation took place. She confirmed that Cambourne Parish Council had been sent notifications of discharges of conditions submissions which was the normal process for discharges of conditions and the process which happened for Northstowe discharges of conditions. The Parish Council had been formally consulted on the design code condition and further details about the communications sent could be provided to Councillor Betson on request. It was the firm intention to continue to carry out effective consultation with parish councils and the Lead Cabinet Member for Planning indicated that if any parish had concerns about consultation they should raise this with their Local Member.

Councillor Betson asked whether the Lead Cabinet Member for Planning felt that it was a good use of the Full Council's time to deal with such issues or whether the reintroduction of Portfolio Holder Meetings, at which issues of this nature could have been raised in the past, should be considered? The Lead Cabinet Member for Planning responded that the governance changes had been agreed by Cabinet collectively and pointed out that Members could always raise this or other similar issues via email or telephone.

14 (f) From Councillor Peter Topping

To ask the Council's representative on the Board of the Greater Cambridge Partnership if he has any views on the proposed off-road route for the A428 busway?

The Chairman of the Council noted that the question from Councillor Topping was addressed to Councillor Van de Weyer who was not present at the meeting. A written response would therefore be sent to Councillor Topping and appended to the minutes.

14 (g) From Councillor Sue Ellington

In April 2018 the draft Health and Wellbeing Strategy was ready to be brought to be considered by Cabinet and Council. Can the Lead member for Housing and Health explain why this has not been brought forward or does this administration not feel it important to embody health and wellbeing in every element of Council policy and activity?

The Lead Cabinet Member for Housing responded that it was the Project Initiation Document that had been prepared but not signed off prior to the election. No work had started on the Health and Wellbeing Strategy at that time. She had decided to review the document before work on the strategy had commenced to ensure that it would be aligned to the new administration's priorities. The Project Initiation Document had now been reviewed and work to progress a strategy was under way, starting with gathering the relevant data. The County Council's Director of Public Health, Liz Robin, had indicated that the existing County-wide Health and Wellbeing Strategy had been extended for another year while a new joint strategy was prepared with the Peterborough Health and Wellbeing Board. As a result, the original plans to bring forward a revised Health and Wellbeing Strategy was on hold. In the meantime the Council would be preparing its own Health and Wellbeing Strategy which would feed into the County-wide document and would set out the administration's commitment to health and wellbeing in everything the Council did. The Lead Cabinet Member for Housing also advised that the administration continued to support Councillor Ellington's work on tackling loneliness and social isolation across the District. The social isolation toolkit was now on line and had received over 1600 views.

Councillor Ellington highlighted the importance of equipping staff with the appropriate skills and knowledge in relation to mental health issues and asked, as a supplementary question, if mental health first aid training was still offered to staff. The Lead Cabinet Member for Housing acknowledged the importance of raising mental health awareness and indicated that she was confident that HR would be arranging such training for staff.

14 (h) Expiry of Question Time

The Chairman declared that the thirty minutes allowed for questions had expired and therefore there would be insufficient time to answer the questions from Councillors Mark Howell and Grenville Chamberlain. The Councillors would be provided with written responses.

15. NOTICES OF MOTION**15 (a) Standing in the name of Councillor Pippa Heylings**

Councillor Pippa Heylings moved the following motion as set out on the agenda:-

"Last month, world-leading scientists gave their starkest warning yet about the impacts of

climate change if we do not make urgent and unprecedented changes to reduce GHG emissions. We are already feeling the effects in the UK of increased intensity and frequency of storms, flooding and heatwaves. We are also experiencing growing problems with water scarcity and air pollution. **This motion proposes that South Cambs shows responsible climate leadership by supporting the transition to "Zero Carbon by 2050" in the next Local Plan.** This would enable planners, developers, businesses and residents to maximise the opportunities of green technology whilst decoupling emissions from our rapid growth agenda. As a local authority, we have the power to influence this transformation. Planning has an important role to play in supporting the transition to zero carbon, not just in terms of building-related energy but also transport-related emissions and the infrastructure required to support growth. This also includes some of the "softer issues" such as the role of green infrastructure and urban design approaches that can enable people to live lower carbon lifestyles. A zero carbon approach is also the most effective way to drive down fuel poverty and ensure warm homes for the most vulnerable in our society, whilst providing clean air for all."

In moving the motion, Councillor Pippa Heylings highlighted the climate and health emergency that the world was facing, noting that in the previous month leading climate scientists had issued their starkest warning yet about the lack of action to stem global warming. Even though all world leaders had agreed in 2015 to keep global temperatures to 2°C above pre-industrial levels and to seek to limit temperature increases further to 1.5°C, an Intergovernmental Panel on Climate Change report had indicated that the world had already warmed by 1°C. A recently issued Met Office report had also warned of possible future climate scenarios in the UK, including more extreme weather events, increasing summer temperatures and droughts, wet winters and flooding. Councillor Heylings highlighted the potential consequential impacts, including for agriculture, water availability and public health, together with the likely increased demands on services. She noted that the Secretary of State for the Environment had recently asked the National Committee on Climate Change to explore a zero carbon target. Moreover both the Greater London Authority and Cambridge City Council had already adopted a target for transition to zero carbon by 2050, whilst Bristol City and Manchester City Councils had set targets of 2030 and 2038 respectively. In arguing in support of the adoption of the zero carbon target, Councillor Heylings commented on the action which the Council could take in support of the objective, highlighting, in particular, the significant role that planning could play. In the joint local plan with Cambridge City Council the Council could work towards designing homes that were energy efficient, used renewable energies, storage and sharing facilities; ensuring that developments were well served by low carbon transport links and that the natural capital assets in the District were harnessed. Councillor Heylings therefore argued in support of the need for the Council to show ambitious climate leadership by supporting the transition to zero carbon by 2050 in the next Local Plan.

Councillor Peter Topping seconded the motion. He welcomed the proposal, noting the potential for a global crisis arising from climate change within 30 years. He commented on the significant changes in Cambridge and South Cambridgeshire over the last 30 years but reflected on the even more significant changes that would be experienced in the next 30 years. Councillor Topping referred to a presentation at a conference he had attended on the Oxford/Cambridge arc which had highlighted the need for development along the arc to be managed in the way which Councillor Heylings had articulated. The National Planning Policy Framework stated very clearly that the planning system should support transition to a low carbon future and had clarified that local authorities could set higher energy efficiency standards for new developments. Councillor Topping observed that the Council had a good record on innovation, citing the installation of solar panels on tenants' roofs as an example. He argued that it was important for the Council to be clear with developers coming forward that zero carbon was not an aspiration to be nodded to

but a requirement that the Council would expect to see integrated into their proposals.

Council by affirmation

RESOLVED:

To agree the following motion:

Last month, world-leading scientists gave their starkest warning yet about the impacts of climate change if we do not make urgent and unprecedented changes to reduce GHG emissions. We are already feeling the effects in the UK of increased intensity and frequency of storms, flooding and heatwaves. We are also experiencing growing problems with water scarcity and air pollution. **This motion proposes that South Cambs shows responsible climate leadership by supporting the transition to "Zero Carbon by 2050" in the next Local Plan.** This would enable planners, developers, businesses and residents to maximise the opportunities of green technology whilst decoupling emissions from our rapid growth agenda. As a local authority, we have the power to influence this transformation. Planning has an important role to play in supporting the transition to zero carbon, not just in terms of building-related energy but also transport-related emissions and the infrastructure required to support growth. This also includes some of the "softer issues" such as the role of green infrastructure and urban design approaches that can enable people to live lower carbon lifestyles. A zero carbon approach is also the most effective way to drive down fuel poverty and ensure warm homes for the most vulnerable in our society, whilst providing clean air for all.

15 (b) Standing in the name of Councillor Peter Topping

Councillor Peter Topping moved the following motion:

"This Council has always supported the hard-working parish councils that do so much for the villages of South Cambridgeshire. The decision made by the Liberal Democrat Administration to bar parish councils from accessing the Community Chest funding is already causing surprise and dismay among small villages. This Council calls on the administration to re-consider its decision."

Councillor Topping spoke of his concern that parish councils were no longer able to apply for Community Chest funding. He argued that parish councils were at the centre of their villages and that it was wrong that those who, as parish councillors, worked hard to represent and promote the interests of their villages, were now unable to seek Community Chest funding for local projects. He noted the argument that parishes could precept to fund projects but referred to previous instances where, for example, bids from schools had been rejected on the basis that funding could be accessed from an alternative source. Councillor Topping believed that the Grants Advisory Committee could use its discretion carefully to evaluate any grant bids and argued that there was a precedent and ability to manage the process without excluding parish councils. He explained that in some cases, bids for Community Chest funding could leverage bigger sums from other grants providers, such as the Big Lottery Fund. In that context, he noted that bigger grants providers required bidders to demonstrate an appropriate level of governance and process but suggested that this was not necessarily appropriate or practicable for smaller community groups and, as parish councils already had the necessary structures in place, this created a level of inefficiency. Councillor Topping therefore encouraged the Council to review the decision to preclude parish councils from applying for Community Chest funding and to take account of the impact of the decision on the parish councils who were working hard to look after the interests of their villages.

Councillor Heather Williams seconded the motion.

During discussion on the motion:

- Councillor John Williams, the Lead Cabinet Member for Finance, observed that unlike the District Council, parish councils did not have a cap on the amount of Council Tax they were able to raise. He acknowledged that there were a number of very small parishes where it would be difficult for the parish to raise any meaningful level of precept and an exemption had been made for such parishes. However many parish councils would be able to precept for the cost of particular projects. The Lead Cabinet Member for Finance reported that the Community Chest scheme still allowed the Council to provide funding to grass roots based community groups and indeed £10k of grants had recently been approved to village community groups from all over the District and for a variety of schemes. However the revised scheme meant that parishes needed to precept for specific projects in their villages.
- Councillor Bridget Smith, the Leader of the Council, acknowledged the point raised by Councillor Topping about trigger funding. However she noted that parish councils could also provide trigger funding to support community groups. The constraints now facing the District Council in terms of its funding meant that it had to ensure that its limited resources were focused on the right priorities. At the recent Cabinet and Parish Liaison Forum, discussions had taken place on the scope for more decisions being taken at a local level and the power for parishes to raise precepts to respond to local priorities had been acknowledged.
- Referring to the earlier comments regarding the limited resources available, Councillor Nick Wright was sceptical that changes in the Council's financial circumstance since May 2018 were such as to justify the change in policy to exclude parish councils from the Community Chest scheme.
- Councillor Peter McDonald indicated that the parish councils within his ward were cognisant of the pressures on the Council's resources and understood the reasons for the change in the policy. He also pointed out that there had been cross party agreement at the Grants Advisory Committee for the changes to the Community Chest policy.
- Councillor Sarah Cheung Johnson was also mindful that the policy appeared to have received cross party support and was disappointed that any dissent to the proposals had not been aired at Grants Advisory Committee. She also felt that it was not appropriate to conflate how much the Council valued its parish councils with this policy change.
- Councillor Cheung Johnson and Councillor Clare Delderfield did not agree that community groups would find it difficult to develop their own governance arrangements to underpin bid submissions and felt that such groups would be able to prepare bid submissions without support from parish councils.
- Councillor Sue Ellington indicated that she did not recall a vote being taken on the matter at the Grants Advisory Committee so suggested it would not be accurate to say that there had been unanimous agreement. As the only member of her group on the Committee she had tried to work in a constructive way and concerns around the position of small villages that were unable to precept had been raised as part of the policy review.
- Councillor Philippa Hart commented that grants decisions used to be made solely by the relevant Lead Cabinet member and expressed the view that the introduction of the Grants Advisory Committee had achieved a more transparent and inclusive arrangement for reviewing applications.
- Councillor John Batchelor agreed that large villages would be able to precept for the cost of any specific projects. However he had reservations about where the line was

drawn to define those parishes which were deemed small and therefore able to apply for Community Chest funding. He understood that only 6 parishes in the District fell within this category. Councillor John Batchelor felt that other smaller parishes did not have the infrastructure to organise locally and suggested that the definition of smaller parishes might merit review.

- Councillor Heather Williams, in seconding the motion, shared earlier expressed concerns about where the line was drawn to define which parishes were “small” for the purposes of the policy. She noted that only parish councils or parish meetings with less than 160 registered electors could currently apply for Community Chest Funding and cited how this criterion affected parishes in her ward. Councillor Heather Williams also pointed out that Council Tax was collected on the basis of households, not electorate, and felt that the link to the number of electors was unfair as not everyone qualified for inclusion on the electoral roll. Additionally she noted that whilst small community groups could apply for funding, if the scheme was on parish council land, the parish council was expected to contribute 50% of the cost and felt this discouraged proactive groups from being able to apply for funding.
- Councillor Topping, in summing up, echoed several points made earlier in the debate.

Upon being put to the vote, votes were cast as follows:-

In favour (11):

Councillors Ruth Betson, Dr. Shrobona Bhattacharya, Tom Bygott, Grenville Chamberlain, Graham Cone, Sue Ellington, Mark Howell, Peter Topping, Bunty Waters, Heather Williams and Nick Wright.

Against (27):

Councillors Philip Allen, Henry Batchelor, John Batchelor, Anna Bradnam, Dr. Martin Cahn, Sarah Cheung Johnson, Gavin Clayton, Dr. Claire Daunton, Dr. Douglas de Lacey, Claire Delderfield, Neil Gough, Philippa Hart, Geoff Harvey, Dr. Tumi Hawkins, Pippa Heylings, Steve Hunt, Alex Malyon, Tony Mason, Peter McDonald, Brian Milnes, Judith Rippeth, Nick Sample, Bridget Smith, Hazel Smith, Ian Sollom, John Williams, Eileen Wilson.

Abstain (1):

Councillor Peter Fane

The motion was therefore declared lost.

15 (c) Standing in the name of Councillor Grenville Chamberlain

Councillor Grenville Chamberlain moved the following motion as set out in the agenda:-

“This Council has a well-earned reputation for being effective and efficient, as a peer review carried out two years ago confirmed. Its officers are hard-working and enterprising. The Liberal Democrat Leader and Cabinet have decided to spend £50,000 on management consultants to decide "how the Council could best focus on delivering its priorities". This Council is disappointed that the resources of the council's senior management are not being used to this purpose, and regards the decision as indicative of a lack of leadership and purpose, and calls for the money to be re-allocated to delivery of front-line services.”

Councillor Chamberlain spoke in support of his motion and expressed the view that the Chief Executive was ably equipped to carry out the review being undertaken. He indicated that members of his group would also be willing to assist with the review in order to allow the £50,000 to be spent on service delivery rather than employment of management consultants.

Councillor Graham Cone seconded the motion.

During discussion:-

- Councillor Neil Gough commented that the peer review had highlighted the need to provide clarity on a number of areas, including setting the new political and managerial leadership style and direction; partnership working models and commercialisation. He indicated that the review would focus on effectiveness and efficiency of service delivery and how to maximise the potential of the organisation and was being undertaken with staff involvement and engagement. Councillor Gough acknowledged that the Council had a talented and hard working officer group but felt that the consultants would be able to bring a perspective on what was happening in the broader world of organisational change and to provide an evidence base to support decisions being taken to prepare the organisation for the challenges in the next 5 to 10 years. He argued that the review represented an investment, not a cost, in ensuring that the right experience was available to help craft an appropriate way forward to maximise the value and effectiveness of the organisation.
- Councillor Tom Bygott was sceptical about the value consultants would add, noting that consultants used information gathered from within the organisation and this could be done internally. Councillor Bygott believed that the Chief Executive should lead the review, that councillors should set the vision for the organisation and that it was not necessary to spend money on engaging consultants.
- Councillor Nick Wright supported the earlier comments of Councillor Bygott.
- Councillor Philippa Hart pointed out that the Peer Review had been conducted two years earlier and that there had been no follow up visit. She was concerned that a number of the Peer Review recommendations had not been addressed, including defining what commercialisation meant for the Council, its strategy and approach to shared services and its role in shaping growth in the area. The consultants had been engaged to enable an evidence base to be established to underpin future decisions on the Council's future. Councillor Hart also emphasised that staff were being involved in the process, noting that a number of staff workshops had already taken place.
- Councillor Peter Topping asked whether the Council's leadership had considered asking the LGA to support the review which, he argued, would have been a more cost effective solution and bearing in mind also that the LGA had undertaken the Peer Review. He questioned the value the consultants could add to the process and was concerned at spending £50,000 on their engagement.
- Councillor Howell was concerned that the Council could no longer afford to provide Community Chest grant funding to parish councils but could commission consultants at a cost of £50,000.
- Councillor Bridget Smith, the Leader of the Council, confirmed that the Council had consulted with the LGA with regard to the review. She expressed the view that there had been little change at the Council for the last 10 years and referred to the importance of having an independent review of the scope for doing things better. The Leader emphasised the importance placed on working in partnership with staff and highlighted the extent of engagement already under way. She also reported that the opportunity was being taken to engage with other local authorities to see if there were any examples of best practice or learning that the Council could take on board.

- Councillor Heather Smith acknowledged the importance of maintaining high staff morale and asked whether there were any mechanisms for staff to give confidential feedback. In response, the Chief Executive confirmed that there was an opportunity for staff to submit comments on a non-attributable basis. She commented that the review presented a chance for the Council to look at how it could be fit for the future and that it was important to involve staff in that journey.
- Councillor Graham Cone, as the seconder of the motion, indicated his confidence in the ability of the Council's senior management team to conduct the review without recourse to consultants and argued that the money could be better spent.
- Councillor Chamberlain, in summing up, referred to earlier comments suggesting that an aim of the review was to provide clarity on leadership and strategic direction and maintained that this was the role of the leadership working with the Chief Executive. He also disputed any suggestion that the Council had not played an active role in supporting economic development, commenting that South Cambridgeshire was a world leader in the development of successful businesses. Councillor Chamberlain concluded by calling for the £50,000 to be returned to front line services.

Upon being put to the vote, votes were cast as follows:-

In favour (11):

Councillors Ruth Betson, Dr. Shrobona Bhattacharya, Tom Bygott, Grenville Chamberlain, Graham Cone, Sue Ellington, Mark Howell, Peter Topping, Bunty Waters, Heather Williams and Nick Wright.

Against (27):

Councillors Philip Allen, Henry Batchelor, John Batchelor, Anna Bradnam, Dr. Martin Cahn, Sarah Cheung Johnson, Dr. Claire Daunton, Dr Douglas de Lacey, Claire Delderfield, Peter Fane, Neil Gough, Philippa Hart, Geoff Harvey, Dr. Tumi Hawkins, Pippa Heylings, Steve Hunt, Alex Malyon, Tony Mason, Peter McDonald, Brian Milnes, Judith Rippeth, Nick Sample, Bridget Smith, Hazel Smith, Ian Sollom, John Williams, Eileen Wilson.

Abstain (0)

The motion was accordingly declared lost.

15 (d) Standing in the name of Councillor Heather Williams

Councillor Heather Williams moved the following motion as set out in the agenda:

“That this Council looks to adopt a premature and neonatal baby leave policy that extends maternity leave and provides additional paternity leave for SCDC employees, in the event of having a premature or neonatal baby.”

In so doing, Councillor Heather Williams outlined the driver for her motion and spoke from personal experience of the challenges of having a baby in a neonatal unit. She explained that having a premature or sick baby in a neonatal intensive care unit (NICU) or a special care baby unit (SCBU) was an extremely traumatic experience for a new mother. Pointing out that paternity leave had to be taken within 56 days of the birth of child, Councillor Heather Williams noted that this might be difficult in the case of fathers of premature and neonatal babies. For example, two babies on her daughter's ward had marked the anniversary of 100 days on the ward. Fathers were often unable to be present to bring their babies home unless they took leave. Councillor Heather Williams

noted that whilst some mothers had family to support them, others did not and needed to rely more on their partners. Mothers might similarly need more support from their partners if they had undergone a caesarean section and were unable to drive. The experience for mothers and fathers of neonatal babies was likewise exacerbated where specialist hospital beds were not available locally and mothers were placed in hospitals some distance from their homes. Additionally, Councillor Heather Williams highlighted the financial impact of having a premature baby. She explained that premature babies were more susceptible to infections and illnesses which further impacted on the length of stay in neonatal units. Whilst the support of the medical staff was excellent, Councillor Heather Williams highlighted the serious emotional trauma experienced by mothers of neonatal babies and noted the incidence of development of post traumatic stress disorder. She concluded by reporting that other councils such as Waltham Forest Council and the Greater London Authority had adopted premature and neonatal baby leave policies and felt that it was important for South Cambridgeshire to introduce a similar policy to provide certainty for staff unfortunate enough to find themselves in that situation.

The motion was seconded by Councillor Graham Cone.

The Chairman of the Council noted that the motion contained unquantified financial implications and accordingly moved the following procedural motion under Council Standing Order 14.10(g):

“That the motion be referred for consideration by the Employment and Staffing Committee.”

The procedural motion was seconded by Councillor Henry Batchelor.

Council by affirmation:

RESOLVED:

That the following motion be referred for consideration by the Employment and Staffing Committee:

That this Council looks to adopt a premature and neonatal baby leave policy that extends maternity leave and provides additional paternity leave for SCDC employees, in the event of having a premature or neonatal baby.

15 (e) Standing in the name of Councillor Philip Allen

Councillor Philip Allen moved the following motion as set out on the agenda:-

“While this Council recognises the urgent need for high-quality public transport connections between Cambourne, Bourn Airfield and Cambridge, which will be delivered through the Greater Cambridge Partnership (GCP), it believes that it is essential that decisions are made on the basis of publicly scrutinised evidence and advice to ensure that the best choices are made.

This Council therefore welcomes the undertaking from the GCP to publish the evidence relating to the northern off-road route as a first step towards a robust comparison, building on the work in the Combined Authority’s recently published Arup report, between that northern route and the southern route via Coton, both of which meet the new requirement of the Combined Authority that any route be CAM-compliant.

This Council also acknowledges the commitment to ongoing work with the local communities along the proposed routes and calls for close engagement with representatives of the A428 Local Liaison Forum (LLF) throughout the process of the development of the outline business case for the Cambourne to Cambridge project.

This Council welcomes the offer from GCP officers to look at plans to introduce interim on-road measures along Madingley Road on Madingley Hill, which the ward councillors for Coton, along with the LLF, have been calling for.”

In moving his motion, Councillor Allen acknowledged the need for the GCP to deliver high quality public transportation between Cambourne and Cambridge but argued that decisions needed to be made on the basis of properly evaluated publicly available evidence and should not ignore the outcome of public consultation. He acknowledged that some progress had been made and welcomed the undertaking given by the GCP to publish evidence regarding the northern off-road route as a first step to enabling a comparison between that route and the southern route via Coton, both of which could be segregated and therefore CAM compliant. Councillor Allen felt that it was important to understand how the proposal aligned with future transport plans, including those for Girton interchange, the Cambridge Autonomous Metro (CAM) and connections to the wider network. He noted that he had raised the issue with the Mayor at the Combined Authority’s Overview and Scrutiny Committee and had been advised that a fuller evidence base would be published shortly. Councillor Allen felt it was vital that regular engagement continued with the local communities along the route and with the A428 Local Liaison Forum (LLF) and its technical group. The offer of GCP officers to investigate the introduction of interim on-road measures on Madingley Hill, as called for by Local Members and the LLF, was also welcomed. Councillor Allen concluded by reiterating the need for full evidence to be available for public scrutiny which addressed the wider economic benefits, environmental impacts and funding implications, together with further assurances around connectivity.

The motion was seconded by Councillor Ian Sollom.

During discussion:-

- Councillor Tom Bygott welcomed the call for publication of evidence, but opposed the motion because of the reference to the on-road measures along Madingley Road and felt it was important to speak on behalf of local residents who might be affected. He acknowledged the strength of feeling in Coton but understood that the on-road route was intended to be in addition to, not instead of, an off road route and expressed the view that it would not be cost effective to proceed with two projects with the associated disruption to residents and that the on-road route would simply divert resources away from the main project. Moreover, referring to the earlier motion passed on adopting the target to transition to zero carbon by 2050, Councillor Bygott argued that the Council should support the CAM metro option rather than a diesel bus solution, having regard to both environmental and health considerations.
- Councillor Ruth Betson indicated that she could not support the motion because of the inclusion of the reference to the on-road measures on Madingley Road. She commented on the congestion already experienced along Madingley Road and was concerned that the disruption associated with work to implement the interim on-road measures would exacerbate the existing problems.
- Councillor Bridget Smith, the Leader of the Council, noted that because of the expiration of the question time earlier in the meeting she had not responded to the question from Councillor Chamberlain which also related to the Cambourne to Cambridge route and indicated that she would do so now. She commented that until May, she had been the Vice-Chair of the LLF. During her two years in that role the

focus of the LLF had been on calling for an independent evidence base to inform considerations around the project and potential routes. Councillor Bridget Smith noted that the LLF had been successful in persuading the GCP and the Combined Authority to commission some independent work which had resulted in the Arup report, although she recognised that the report had fallen short of what some had hoped to see. She commented on the importance of the Council remaining engaged in the process, noting that stating outright opposition at this stage, would shut down the opportunity for engagement and further dialogue. The Council needed to be part of the process and to be able to engage with the relevant parties in order to influence the outcomes and to ensure that, at the point at which a decision was made, there were proper evidence based choices on the table.

- Councillor Grenville Chamberlain was sceptical as to whether there had been a detailed examination by the GCP to date of an alternative route and suggested that a solution involving the Girton Interchange, with a route running alongside the A428, might be a preferable option. He indicated support for most of the motion, other than the reference to the on-road measures along Madingley Road in the final paragraph. As an amendment to the motion, he accordingly moved:

“That the final paragraph of the motion be deleted.”

- Councillor Nick Wright seconded the amendment.
- Councillor Philip Allen indicated that he was not prepared to incorporate the amendment within his motion.

During discussion upon the amendment:-

- Councillor Peter Topping indicated his general support for the motion, other than the proposal for the introduction of interim on-road measures along Madingley Road. He expressed the view that if Councillor Allen could accept the amendment, it would be possible to send a clear message to the GCP and Combined Authority that there was a united approach on this issue.
- Councillor Ian Sollom provided further background and context on the proposal for interim on-road measures on Madingley Road. He explained that these works would be within the bounds of the existing carriageway, would not give rise to major disruption and would be a “quick win” in terms of an earlier contribution towards improving congestion and traffic flow. Councillor Sollom noted the need for work on various transport proposals, including the development of a strategic outline business case for CAM metro, to align before progress could be made on the main route. Therefore it appeared prudent to progress with the interim measures which could be undertaken with relatively little impact to address congestion. He reiterated earlier expressed views about the need for development of an alternative off-road CAM compliant route for comparison purposes. Councillor Sollom emphasised that the on-road route was different to that which had been consulted on previously and had not formed part of the GCP Executive Board’s report as the GCP Transport Director needed to undertake further investigations and discussions with the LLF technical group.
- Councillor Ruth Betson indicated that further information was needed about the new proposals for an on-road solution along Madingley Road and likely timescales for implementation. She commented that the A428 was already suffering increased congestion as a result of traffic avoiding the roadworks on the A14 and highlighted the significant congestion and journey delays already experienced along Madingley Road. Councillor Betson therefore expressed the view that any further disruption connected with the new on-road route would be unacceptable.

- Councillor Philip Allen acknowledged Councillor Bygott's concerns on behalf of his constituents on Madingley Road and appreciated that any full on-road scheme along the lines previously proposed, involving gantries for example, would impact on local residents. He explained that these proposed on-road measures would be delivered a long time before construction of any off-road route, with the aim of tackling congestion now. Councillor Allen accepted that there would be a short time whilst the work was actually taking place when there would probably be some disruption, but thereafter congestion would be alleviated.

Upon being put to the vote, votes on the amendment were cast as follows:-

In favour (12):

Councillors Ruth Betson, Dr. Shrobona Bhattacharya, Tom Bygott, Grenville Chamberlain, Graham Cone, Dr. Douglas de Lacey, Sue Ellington, Mark Howell, Peter Topping, Bunty Waters, Heather Williams and Nick Wright.

Against (25):

Councillors Philip Allen, Henry Batchelor, John Batchelor, Anna Bradnam, Dr. Martin Cahn, Sarah Cheung Johnson, Dr. Claire Daunton, Clare Delderfield, Peter Fane, Neil Gough, Philippa Hart, Geoff Harvey, Dr. Tumi Hawkins, Pippa Heylings, Steve Hunt, Alex Malyon, Tony Mason, Peter McDonald, Brian Milnes, Nick Sample, Bridget Smith, Hazel Smith, Ian Sollom, John Williams and Eileen Wilson

Abstain (0):

The amendment was declared lost.

During further discussion upon the motion:

- Councillor Ian Sollom, responding to the earlier point from Councillor Betson about the need for more detail on any on-road measures proposed on Madingley Road, clarified that the final paragraph of the motion simply welcomed the offer from GCP officers to look at plans to introduce such measures. The motion did not provide any definitive proposals as to what those measures might include and therefore if Members wished to see further details for such a scheme, he suggested that they should vote in favour of the motion. Councillor Sollom agreed with Councillor Topping that it would be desirable to demonstrate to the GCP that the Council was united on the motion and wished to see a full range of proposals coming forward and accordingly urged all Members to vote in favour of the motion.
- Councillor Philip Allen was pleased to note the apparent large degree of support for the motion and acknowledged comments regarding the need to protect residents in villages. He hoped that the reassurances given around the limited amount of disruption likely to be associated with the on-road measures on Madingley Road would be sufficient to enable all Members to support the motion. Referring to earlier comments, he indicated that he too would share concerns about any proposal which did not involve using clean efficient vehicles. In concluding his summing up, he indicated his hope that any decision on the future off-road route would be made on the basis of robust evidence.

Upon being put to the vote, votes were cast as follows on the motion:

In favour (25):

Councillors Philip Allen, Henry Batchelor, John Batchelor, Anna Bradnam, Dr. Martin Cahn, Sarah Cheung Johnson, Dr. Claire Daunton, Clare Delderfield, Peter Fane, Neil Gough, Philippa Hart, Geoff Harvey, Dr. Tumi Hawkins, Pippa Heylings, Steve Hunt, Alex Malyon, Tony Mason, Peter McDonald, Brian Milnes, Nick Sample, Bridget Smith, Hazel Smith, Ian Sollom, John Williams and Eileen Wilson

Against (12):

Councillors Ruth Betson, Dr. Shrobona Bhattacharya, Tom Bygott, Grenville Chamberlain, Graham Cone, Dr. Douglas de Lacey, Sue Ellington, Mark Howell, Peter Topping, Bunty Waters, Heather Williams and Nick Wright.

Abstain (0):

Council

RESOLVED

While this Council recognises the urgent need for high-quality public transport connections between Cambourne, Bourn Airfield and Cambridge, which will be delivered through the Greater Cambridge Partnership (GCP), it believes that it is essential that decisions are made on the basis of publicly scrutinised evidence and advice to ensure that the best choices are made.

This Council therefore welcomes the undertaking from the GCP to publish the evidence relating to the northern off-road route as a first step towards a robust comparison, building on the work in the Combined Authority's recently published Arup report, between that northern route and the southern route via Coton, both of which meet the new requirement of the Combined Authority that any route be CAM-compliant.

This Council also acknowledges the commitment to ongoing work with the local communities along the proposed routes and calls for close engagement with representatives of the A428 Local Liaison Forum (LLF) throughout the process of the development of the outline business case for the Cambourne to Cambridge project.

This Council welcomes the offer from GCP officers to look at plans to introduce interim on-road measures along Madingley Road on Madingley Hill, which the ward councillors for Coton, along with the LLF, have been calling for.

15 (f) Standing in the name of Councillor Eileen Wilson

Councillor Eileen Wilson moved the following motion, as set out on the agenda:

"The Greater Cambridge Partnership is consulting on a proposed Rural Travel Hub at Oakington, which is served by the Guided Busway. The aim is to link up public transport, cycling and walking routes. This proposal could provide an attractive alternative to car journeys, promote health and wellbeing as well as helping to reduce congestion in and around Cambridge. For a village like Cottenham, with planning permission for over 500 new homes and the potential for ever increasing car usage, the Rural Travel Hub could encourage people to choose public transport over cars.

There is, however, no provision for any form of public transport linking Cottenham to

Oakington. Without such a transport link, it would be very difficult for residents who can't or don't cycle to access the Guided Busway, but even for those who do cycle, it would be a dangerous journey without a safer cycle route.

Further, any proposed Rural Travel Hubs require decent, onward travel options that are good value, timely and dependable. Instead, many residents along the Busway route find the service patchy, expensive and, at peak times, frustratingly impossible to board when buses arrive full. These proposals, however, do not make provision for additional services on the Guided Busway at peak times.

This Council, therefore, calls on the Combined Authority to bring forward the outcome of the strategic review of commercial, subsidised and community transport. It is only with these provisions that the residents of villages like Cottenham could, at last, look forward to having the integrated, streamlined public transport provision that will make car use the less favourable option."

In moving her motion, Councillor Wilson spoke of the importance of strategic transport proposals taking account of the need for connectivity with rural villages. She noted that the GCP was currently undertaking a consultation on the Rural Travel Hub at Oakington, with a deadline for responses of 7 January 2019. Whilst a number of residents of Cottenham and Rampton appeared to be supportive of the proposal for the travel hub, they were unsure of how they would be able to access it as there was no public transport available. Moreover there was little or no parking proposed at the travel hub. Councillor Wilson questioned how residents could respond to such consultations when half of the offer appeared to be missing. She noted that when the Guided Bus and the Cambridge North Railway Station had been built there had been an assumption that a direct public transport link would be available from Cottenham, but this had not proved to be the case. The rural travel hub would provide the opportunity to put this right if an integrated travel solution was offered. Councillor Wilson noted that the anticipated expansion of the population of the village from 6,000 to 8,000 people would only lead to more cars on the road without an efficient and integrated public transport offer. She argued that the Combined Authority strategic transport review and initiatives proposed by the GCP must take account of the needs of villages which at present appeared to have been overlooked in their plans. Councillor Wilson therefore called for a fast, efficient, integrated transport system that took account of the needs of residents of villages.

Councillor Sarah Cheung Johnson seconded the motion.

Council, by affirmation

RESOLVED:

The Greater Cambridge Partnership is consulting on a proposed Rural Travel Hub at Oakington, which is served by the Guided Busway. The aim is to link up public transport, cycling and walking routes. This proposal could provide an attractive alternative to car journeys, promote health and wellbeing as well as helping to reduce congestion in and around Cambridge. For a village like Cottenham, with planning permission for over 500 new homes and the potential for ever increasing car usage, the Rural Travel Hub could encourage people to choose public transport over cars.

There is, however, no provision for any form of public transport linking Cottenham to Oakington. Without such a transport link, it would be very difficult for residents who can't or don't cycle to access the Guided Busway, but even for those who do cycle, it would be a dangerous journey without a safer cycle route.

Further, any proposed Rural Travel Hubs require decent, onward travel options that are good value, timely and dependable. Instead, many residents along the Busway route find the service patchy, expensive and, at peak times, frustratingly impossible to board when buses arrive full. These proposals, however, do not make provision for additional services on the Guided Busway at peak times.

This Council, therefore, calls on the Combined Authority to bring forward the outcome of the strategic review of commercial, subsidised and community transport. It is only with these provisions that the residents of villages like Cottenham could, at last, look forward to having the integrated, streamlined public transport provision that will make car use the less favourable option.

16. CHAIRMAN'S ENGAGEMENTS

The Council noted those engagements attended by the Chairman and Vice-Chairman of the Council since the last meeting.

17. EXCLUSION OF PRESS AND PUBLIC

Council

RESOLVED:

To exclude the press and public from the meeting during consideration of the following item of business in accordance with Section 100A (4) of the Local Government Act 1972 on the grounds that, if present, there would be a disclosure to them of exempt information as defined in paragraph 3 of Schedule 12A of the Act (as amended).

18. EXEMPT MINUTE

Further to Minute 5, Minute 19(a) of the meeting of the Council held on 27 September 2018 (which contained exempt information as defined in paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972 (as amended)) was approved as a correct record, subject to inclusion of a reference to Councillor Peter Topping having read out comments made by Councillor Bridget Smith at a previous Council meeting on the subject of the ice rink.

Councillor Heather Williams also made a request that future minutes should include the surname and forename of any Councillor where more than one Member had that same surname.

19. CAMBRIDGE ICE ARENA FUNDING AGREEMENT

Council received the recommendations of the Scrutiny and Overview Committee, at its meeting held on 22 November 2018, together with the report of the Executive Director, regarding the Cambridge Ice Arena funding agreement (which were not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972).

Councillor Grenville Chamberlain, the Chairman of the Scrutiny and Overview Committee, moved the recommendations of the Committee, which were seconded by Councillor Brian Milnes.

Detailed discussion took place and Members asked a number of questions which were responded to by the 3C Legal Advisor and the Executive Director.

An amendment to include an additional caveat in respect of the extension of the loan facility was proposed by Councillor Tumi Hawkins and seconded by Councillor Brian Milnes.

On being put to the vote, votes were cast on the amendment as follows:-

In favour (17):

Councillors Phillip Allen, Henry Batchelor, Dr. Martin Cahn, Dr. Claire Daunton, Peter Fane, Neil Gough, Philippa Hart, Geoff Harvey, Dr Tumi Hawkins, Pippa Heylings, Steve Hunt, Tony Mason, Peter McDonald, Brian Milnes, Nick Sample, Hazel Smith, John Williams.

Against (13):

Councillors John Batchelor, Ruth Betson, Dr. Shrobona Bhattacharya, Anna Bradnam, Tom Bygott, Grenville Chamberlain, Graham Cone, Dr. Douglas de Lacey, Mark Howell, Ian Sollom, Peter Topping, Heather Williams and Nick Wright.

Abstain (3):

Councillors Clare Delderfield, Bridget Smith and Eileen Wilson

The amendment was accordingly declared **carried**.

Councillor John Williams proposed "that the question be now put" in accordance with Council Standing Order 14.11(a) (ii).

Councillor Mark Howell seconded the procedural motion.

The procedural vote was approved by affirmation.

Upon being put to the vote, votes were cast on the substantive motion as follows:

In favour (32):

Councillors Philip Allen, Henry Batchelor, John Batchelor, Ruth Betson, Dr Shrobona Bhattacharya, Anna Bradnam, Tom Bygott, Dr. Martin Cahn, Grenville Chamberlain, Graham Cone, Dr. Claire Daunton, Dr. Douglas de Lacey, Clare Delderfield, Peter Fane, Neil Gough, Philippa Hart, Geoff Harvey, Dr. Tumi Hawkins, Pippa Heylings, Mark Howell, Steve Hunt, Tony Mason, Peter McDonald, Brian Milnes, Nick Sample, Bridget Smith, Hazel Smith, Ian Sollom, Peter Topping, Heather Williams, John Williams and Eileen Wilson.

Against (0):

Abstain (0):

Council

RESOLVED:

1. That the independent report which concludes that the project is capable of completion within the forecast final account, be noted.

2. That the extension of the loan facility to be provided to Cambridge Leisure and Ice Centre (CLIC) from £1.85m to £2.4m be approved, subject to the caveats recommended by Scrutiny and Overview Committee and to an additional caveat agreed at this meeting.
3. That the additional actions as recommended by the Scrutiny and Overview Committee be approved.
4. That, subject to completion of all outstanding matters, authority be delegated to the Chief Finance Officer, in consultation with the Lead Cabinet Member for Finance, to undertake further actions as specified in the report of the Executive Director.

The Meeting ended at 6.29 p.m.

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Appendix to the Minutes of the Meeting of the Council held on 29 November 2018

Written Responses to Councillors' questions

- (i) Minute 9(c): Housing Revenue Account (HRA) Medium Term Financial Strategies (MTFS) 2018/19

Former Tenants Arrears –Question from Councillor Sue Ellington

Extract from draft minutes:

“Councillor Sue Ellington noted that whilst rent arrears for current tenants had gone down from £424,032 at the end of March to £413,314 at the end of September, there had been a corresponding increase in former tenants' arrears by approximately £31,000. *She asked whether the reduction in current tenants' rent arrears was attributable to eviction of any former tenants.* The Lead Cabinet Member for Housing indicated that she would arrange to provide a written response to Councillor Ellington, but referred to the difficulty of securing repayment of arrears from former tenants.”

Response from the Lead Cabinet Member for Housing

During the period 1st April 2018 - 30th September 2018, there were 9 tenancies subject to eviction proceedings, 4 of which resulted in the tenancies being ended. The termination of these tenancies added just over £15k of additional former tenant arrears, around 50% of the total.

The remainder of the increase in “former tenant arrears” was due tenancies ending for other reasons whilst still owing rent. These include the sad occasions when a tenant dies when there is a notional period of arrears for accounting purposes until keys are returned, or if a tenant hands in keys and gives up a tenancy without giving 4 weeks notice.

Arrears from former tenants are very difficult for the team to recover and are unlikely to be cost effective to do so for the value of rent owed.

- (ii) Minute 14(d) - Question from Councillor Peter Topping:

To ask the Council's representative on the Board of the Greater Cambridge Partnership if he has any views on the proposed off-road route for the A428 busway?

Response from the Deputy Leader of the Council:

As the Council's representative on the Executive Board of the GCP, I do indeed have views on the proposed off-road route for the Cambourne to Cambridge public transport link.

Prior to the meeting of the GCP Board on 6 December, the expression of views might have led to suggestions of pre-determination. However, as I am writing this after that meeting, I do not have this constraint.

I am yet to be convinced that any of the proposals before us is the 'right' solution for creating the new high quality public transport route from Cambourne and Bourn Airfield to Cambridge that we need for the delivery of Bourn Airfield as well as to support more broadly the sustained economic growth of the Greater Cambridge region.

The decision of the GCP on 6 December 2018 was to consult on the Madingley Mulch to Cambourne section of the route and to develop the outline business case for the whole route, with a view to a decision in October 2019.

During this process, I will be working with officers, local residents and other stakeholders on the large number of outstanding issues, including the environmental impacts, the landscape and heritage impacts, the realistic journey improvement, the ability of the scheme to achieve modal shift, the onward links to employment destinations to the north and the south of Cambridge, the wider economic benefits that can be attributed to the scheme, and the links to the emerging CAM plans.

Alongside the formal decision taken on 6 December, I am very pleased to have agreed a number of other things with the GCP, notably publication of the work done previously on the northern route options, undertaking to examine interim bus priority measures on Madingley Hill and ongoing engagement between the project officers and the LLF, in particular the LLF technical group, throughout the business case development process.

(iii) Minute 14(h) - Question from Councillor Mark Howell

Housing Capital Receipts are used to supply much needed housing for the residents of South Cambridgeshire. Can the Leader please guarantee that Housing Capital Receipts from South Cambridgeshire District Council will not be given to Central Government?

Response from the Lead Cabinet Member for Housing

This administration's approach to the use of Right-to-Buy receipts to fund 30% of new build council programme is exactly the same as that of the previous Conservative administration and we will continue to do all we can to avoid handing money back to the government. There is a well-developed pipeline of sites and houses being rigorously worked on by officers. The retained Right to Buy receipts from the sale of council homes are ring-fenced for the provision of affordable housing. The timeframe for spending is 3 years from its receipt. If the money is not spent within the timeframe then it must be returned to the Treasury with interest (at 4% above the Bank of England base rate, charged from date of receipt). To date our small Development team of 2 continue to successfully secure sufficient schemes on-site to ensure this spend by each quarterly deadline, with an element of acquisition of existing market homes where new build schemes have not come forward quickly enough. The new build has mainly been achieved by building useful relationships with key local developers and ensuring that we make successful competitive offers for the S106 affordable housing contribution on sites against other offers from our local Registered Providers. As a council that owns no developable land or larger sites (in comparison to the City Council for example) we are currently reliant upon securing sufficient S106 and exception-site opportunities to ensure Right to Buy spend. In future, and following the lifting of the HRA Borrowing Cap, officers are

exploring opportunities to expand the Council's development operation to continue to effectively spend Right to Buy receipts. To show our commitment to new Council houses, we are also looking to bring in additional new build development project officers to drive the current and future site pipeline forwards to help us ensure greater certainty of spend and increased numbers of new builds.

(iv) Minute 14(h) – Question from Councillor Grenville Chamberlain

Will the Leader confirm that she will continue to support the LLF's opposition to the proposed corridor from the Madingley roundabout to Grange Road?

Response from the Leader of the Council:

Until May, I was the Vice-Chair of the Local Liaison Forum (LLF). During my two years in that role, the focus of the LLF was on calling for a proper evidence base and, in particular, for an independent evidence base, to inform considerations around the project and potential routes. At the point at which I stood down, the LLF had been successful in persuading the GCP and the Combined Authority to commission some truly independent work which has resulted in the Arup report, although I recognise that the report has fallen short of what some had hoped to see.

It is important for the Council to remain engaged in the process. If I were to state my outright opposition at this stage, this would shut down the opportunity for engagement and it is important that we are "in it, to win it". We need to be part of the process and able to engage with the relevant parties in order to influence the outcomes and to ensure that, at the point at which a decision is made, there are proper evidence based choices on the table. If we signal our outright opposition prematurely, we lose the opportunity to be influential and to be part of the conversation. It is therefore vitally important that we remain part of the dialogue in order to influence the outcomes.

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Agenda Item 8a



South
Cambridgeshire
District Council

REPORT TO: Council

21 February 2019

LEAD CABINET MEMBER: Lead Cabinet Member for Finance

LEAD OFFICER: Head of People and Organisational Development

PAY POLICY STATEMENT

Purpose

1. To approve the Pay Policy Statement for 2019.

Recommendations

That Council approve the Pay Policy Statement (Appendix A).

Reasons for Recommendations

2. In January 2018, the Council approved the Pay Policy Statement for the authority. This policy has been reviewed and updated with 2018/2019 pay and organisational structures and job titles.
3. This report sets out the requirements of the Localism Act 2011 sections 38 to 40, in relation to the development of a Pay Policy Statement for South Cambridgeshire District Council. It appraises Members of the definitions and principles, such as transparency and affordability.
4. The report also fulfils the requirement under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 which private and public sector employers to report annually, the difference between the average hourly rate of pay for male and female employees.

Background

5. The 2011 Hutton Review of Fair Pay recommended a requirement to openly compare the policies on remuneration for chief officers, and details of how decisions are made about the salaries of the highest paid officers and how that relates to the lowest paid.
6. The Localism Act 2011 requires English local authorities to produce a statutory Pay Policy Statement for each financial year. The Pay Policy Statement must be approved by a resolution of Full Council and must include pay and other remuneration for chief officers and other employees, including the lowest paid.

7. The DCLG statutory guidance on the Localism Act refers to "Openness and accountability in local pay" and covers such matters as pay fairness in the public sector by increasing transparency over pay and tackling disparities between the lowest and the highest paid in public sector organisations.
8. Remuneration is defined widely, to include pay, charges, fees (such as returning officer fees), allowances, and benefits in kind, pension, termination payments, performance bonus and severance payments. The statement should also refer to the authority's approach to the re-employment of officers and, in particular senior officers who have returned to a local authority into a similar senior officer role.
9. The Council's strategy must be one of balancing between securing and retaining high-quality employees whilst maintaining pay equality and avoiding excessive pay rates. In developing the policy the authority must be satisfied that its policy is workable, affordable and reasonable and, that it will instil public confidence.
10. In November 2015 the Government indicated its intention to go ahead with proposals to introduce a cap on exit payments for employees in the public sector. This has been included within the Enterprise Bill 2015. Regulations have been drafted and subjected to consultation during 2016. There has been further consultation on this during 2017 however there is still no indication of the timeline for final approval.
11. Relevant council employment and pension policies will be revised once the full details and implications are known in relation to the regulations concerning termination arrangements and exit payments.
12. The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 require larger private and public sector employers (250+ employees) to report annually the difference between the mean and median average hourly rate of pay for male and female employees, gender bonus gap and the number of men and women across salary quartiles. Both sets of regulations came into force on 31 March 2017, with the first reports falling due by 30 March 2018 in the public sector and by 4 April 2018 in the private sector. The report has been updated to reflect this requirement.

Considerations

13. The Council made provision in the medium term financial strategy (MTFS) for a 1% pay increase for 2018/2019 financial year. This was in addition to 1.3% to cover incremental rises. South Cambridgeshire District Council agrees annual pay awards through local negotiation with the recognised trade unions (GMB and Unison).
14. The Council, through negotiation with the trade unions, agreed the pay award for 2018/2019 at 1%. This is part of a two-year deal with a 2% increase for 2019/2020 but is subject to Council approval of the Budget.

Implications

Financial

15. Salaries referred to in the Pay Policy Statement are within current budgets.
16. Implications for a pay award above current budgets and equalling more than the amount in the MTFS would need Full Council approval.



Legal

17. The Localism Act 2011 requires the Council to have a Pay Policy Statement.

Staffing

18. Pay and benefits for Council employees remains a key element in terms of attracting and retaining talent and therefore delivering first class services. The Council's pay and reward strategy has been developed to ensure that employee pay is based on a fair and transparent evaluation process.

Equality and Diversity

19. The Council's pay grade structure and job evaluation scheme and method meets the requirements of the Equalities Act.

Consultations (including from the Youth Council)

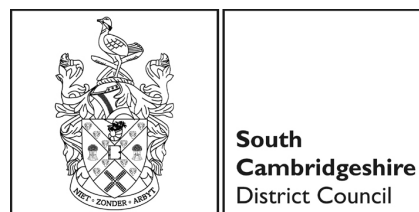
20. Employment Committee considered the Pay Policy Statement at its meeting on 17 January 2019.
21. Trade Unions were fully involved in the Job Evaluation project and, as such, were consulted throughout the process of achieving the Single Status Agreement and pay and grading structures. Employees were consulted and balloted on the Single Status Agreement, which details the Council's approach to pay and benefits.
22. The Council has negotiated with Trade Unions in relation to the annual pay award. Unions consulted with their members on the terms of the pay deal.

Background Papers

19. The following background papers were used in the preparation of this report:
- Local Government Association and ALACE guidance dated November 2011
DCLG Code of recommended practice for Local Authorities on transparency
September 2011
 - Department for Business & Skills - Guidance on Enterprise Bill
 - The Equalities Act 2010 (Specific Duties and Public Authorities) Regulations
2017
 - www.gov.uk/government/consultations

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PAY POLICY STATEMENT 2019

The Localism Act 2011 ('the Act') (sections 38 to 40) requires English local authorities to produce a Pay Policy Statement for each year. The Act states that the policy must include the Council's approach to pay and other remuneration for Chief Executive, chief officers and other employees, including the lowest paid.

The Act defines remuneration widely, to include pay, charges, fees, allowances, benefits in kind, pension and termination payments.

The Pay policy Statement:

- must be approved formally by Full Council by the end of March each year
- can be amended during the year

1.0 Scope

1.1 The Pay Policy Statement applies to the following posts at South Cambridgeshire District Council:

- Chief Executive (Head of the Paid Service)
- Executive Director (Section 151 Officer)
- Joint Director Planning and Economic Development
- Directors
- Heads of Service

2.0 Salary

2.1 The current salary scales for Chief Executive, Executive Directors, Directors, and Heads of Service are presented in the table below.

	Pay point	Pay point	Pay point	Pay point	Pay point	Pay point
Chief Executive	111,461	114,645	117,829	121,013	124,199	127,382
Executive Directors	90,230	93,415	96,598	99,782	102,967	106,152
Director (Grade11)	72,152	74,950	77,749	80,550	83,347	86,149
Assistant Director and Head of Service (Grade 10)	61,267	63,445	65,621	67,798	69,976	72,152
Head of Service (Grade 9)	53,491	55,047	56,602	58,157	59,712	61,267

3.0 Pay Awards

3.1 The Council has local arrangements for the negotiation of annual pay awards with trade unions recognised by the council, namely GMB and Unison. Reference is made to the nationally negotiated pay award for Chief Executives, Chief Officers and other local government employees. The national negotiating bodies are:

- Joint Negotiating Committee for Chief Executives
- Joint Negotiating Committee for Chief Officers
- National Joint Committee for Pay and Conditions of Service for Local Government

The Council will also have regard to the Living Wage Foundation rate when it agrees annual pay awards for its staff each year. The Council, however, does not intend to seek formal accreditation from the Living Wage Foundation.

4.0 Terms and Conditions of Employment

4.1 The terms and conditions of employment for the Chief Executive are determined in accordance with collective agreements, negotiated by the Joint Negotiating Committee for Chief Executives.

4.2 The terms and conditions of employment for the Executive Directors are determined in accordance with collective agreements, negotiated by the Joint Negotiating Committee for Chief Officers.

4.3 The terms and conditions of employment for the Directors and Heads of Service are determined in accordance with collective agreements, negotiated by the National Joint Committee for Pay and Conditions of Service for Local Government.

4.4 These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

5.0 Remuneration on Recruitment

5.1 The Council will approve the appointment of the Head of the Paid Service, Executive Directors, Chief Finance Officer (S151) and Monitoring Officer and, following the recommendation of such appointments by the Employment Committee or Sub-committee of the Council, which must include at least one member of the Executive. The full Council may only make or approve the appointment of these posts where no well-founded objection has been made by any member of the Executive. The salary on recruitment will be within the current salary range of these posts at that time.

5.2 The Employment Committee or Sub-Committee of the Council, which must include at least one member of the Executive, will appoint Directors. An offer of employment as a Director can only be made where no well-founded objection from any member of the Executive has been received. The salary on recruitment will be within the current salary range of these posts at that time.

- 5.3 Appointment of Assistant Directors and Heads of Service is the responsibility of the Chief Executive or his/her nominee and may not be made by Councillors. The salary on recruitment will be within the current salary range of these posts at that time.

Rules governing the recruitment of the Chief Executive, Executive Directors, Directors, Assistant Directors and Heads of Service are set out in the Council's constitution in section: Part 4 Rules of Procedure - Officer Employment Procedure Rules.

6.0 Bonus Payments

- 6.1 There are no bonus arrangements payable to the Chief Executive, Executive Directors, Directors, Assistant Directors or Heads of Service.

7.0 Progression through Pay Grades

- 7.1 The salary of employees within the scope of this policy rises by increments to the top point of their salary grade, subject to good performance. Progression through the pay grade is determined by assessment of the employee's performance against competencies and objectives in line with the Council's Performance and Development Review process.

8.0 Salaries over £100,000

- 8.1 The posts of Chief Executive and Executive Directors are the only posts that carry salaries of over £100,000.

9.0 Publication of salary data

- 9.1 Salary data for the Chief Executive, Executive Directors, Directors, Assistant Directors and Heads of Service is published on the Council's website

For the Chief Executive and Executive Directors this includes name, job title, actual salary, expenses and any election fees paid. For Directors, Assistant Directors and Heads of Service this includes salary by post title.

This Pay Policy Statement once approved by Full Council will be published on the Council's website.

[Senior Staff salaries](#)

10.0 Expenses

- 10.1 The expenses which may be payable to the Chief Executive, Executive Directors, Director, Assistant Director or Head of Service are as follows:

- Car/Motorcycle/Bicycle allowance – these are stated in the Council’s Mileage policy which is set out in the Single Status Agreement approved by trade unions in May 2012.
- Re-imbusement of travel and subsistence – this is in accordance with the Council’s stated policy as at June 2011
- Payments under the eye test scheme as stated within the Council’s Health & Safety policy

11.0 Recruitment and Retention Policies

Market Factor Supplements and Golden Hellos

- 11.1 There are occasions when the salary determined by the grading for a post results in an inability to successfully recruit to or retain staff in particular posts or specific occupational areas, this may be due to fluctuations in the job market supply. These recruitment and retention problems can affect ability to deliver services to our residents. In such cases it may be appropriate to pay a Golden Hello and/or market supplement in addition to the salary where there is evidence to justify that market factors are the “material reason” for the post attracting a higher rate of pay than other posts graded similarly. Any Golden Hello or additional market supplement will be made in accordance with the Council’s Golden Hello or Market Supplement Policy.

12.0 Other Benefits

- 12.1 The Council’s Childcare Voucher scheme was closed to new members from October 2018, the scheme has been replaced by a Government tax-free childcare scheme. Employees who were members of the Childcare Voucher scheme prior to the closing date will remain able to use the scheme until such time as they change job/employer or the Council stops supporting the scheme. This scheme is delivered in conjunction with Sodexo Say Care Childcare Voucher as the Provider.
- 12.2 The employees within the scope of this policy are entitled to participate in the Council’s Cycle For Work Scheme whereby employees can sacrifice part of their salary to lease cycles for travel to work. The amount sacrificed is exempt for income tax and national insurance contributions and therefore represents a saving for participating employees.

13.0 Severance Payments

- 13.1 Severance payments are made in accordance with the Council’s Organisational Change and Redundancy policy and are calculated in the same way for all staff.
- 13.2 Employees with more than two years service will be entitled to redundancy pay in line with local government guidelines and statutory calculations. Where the employee is entitled to a redundancy payment, the calculation is based on the employee’s actual weekly pay.

- 13.3 The Council provides career counselling and out placement support for employees facing redundancy, this includes job search and interview skills.
- 13.4 Settlement agreements will only be used in exceptional circumstances where they represent best value for the Council.

14.0 Pension and Pension Enhancements

- 14.1 All employees within the scope of this policy are entitled to and, receive pension contributions from the Local Government Pension Scheme (LGPS). This is a contributory scheme and they contribute between 8.5 and 11.4% of their salary to the scheme. Changes to the LGPS regulations were implemented in April 2014, and this changed contribution rates and changed the scheme from a final salary scheme to a career average (CARE) scheme.
- 14.2 The employer contribution rate is currently 17% i.e. the council contributes 17% of pensionable pay to the pension of a member of staff within the pension scheme. The rate of 17% is the same for all staff. The rate is reviewed every 3 years following a valuation of the fund by the appointed actuaries. The next review will be in 2019 with the outcome being effective from 2020/2021.

15.0 Election Fees

- 15.1 The Returning Officer is the person who has the overall responsibility for the conduct of elections. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Although appointed by the Council the role of the Returning Officer is one of a personal nature and distinct and separate from their duties as an employee of the Council. Elections fees are paid for these additional duties and they are paid separately to salary.

The Chief Executive is the Council's Returning Officer.

The fees for Parliamentary, Police Commissioner, national referendums and Euro Elections are set by the Government.

The fees for County Council elections are set by the County Council. The fees for the Combined Authority Mayoral election are set by the combined authority.

Fees for Parliamentary, European Elections and district elections are pensionable.

Fees for local elections are set locally and are currently £373.72 per contested ward and £55.20 per uncontested ward.

Other officers, including senior officers within the scope of this policy, may receive additional payment for specific election duties.

16.0 Relationship to lowest paid employees

- 16.1 The lowest pay grade of the Council's pay structure is Grade 1. For this reason we have chosen staff employed on Grade 1 as our definition of the 'lowest paid' for the purposes of this policy. Ratios are based on base salary and do not include other payments.

Grade 1 currently ranges from £13,934 to £15,603 per annum. The lowest paid employee on the council's pay scale is currently £13,934 per annum.

The Chief Executive's current salary scale ranges from £111,461 to £127,382.

The current ratio between the highest and the lowest pay points is - 1:9.1

The current ratio between the Chief Executive's current salary and the lowest pay point is 1:9.1

The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff.

- 16.2 The gender balance of the highest grades of SCDC earners is 60% females to 40% males.

17.0 Gender Pay Gap Reporting

- 17.1 In 2017 new equality regulations were introduced on Gender Pay reporting. South Cambridgeshire District Council is required to publish information under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017. The definitions and types of information to be reported are defined in the regulations and to aid understanding the definitions are shown below, together with the data. The data was produced on 31 March 2017 and published on the Government's portal.

17.2 The mean gender pay gap

The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees. This is shown as a percentage.

The mean gender pay gap is – **5.86%** in favour of females

A **mean** average involves adding up all of the numbers and dividing the result by how many numbers were in the list.

17.3 The median gender pay gap

The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees (see regulation 9). This is shown as a percentage.

The median gender pay gap is **-13.18%** in favour of females

A **median** average involves listing all of the numbers in numerical order. If there is an odd number of results, the median average is the middle number. If there is

an even number of results, the median will be the mean of the two central numbers.

17.4 The median bonus gender pay gap

The median bonus gender pay gap is not applicable as we do not pay bonuses.

17.5 The proportion of males and females in each quartile pay band

This calculation requires an employer to show the proportions of male and female full-pay relevant employees in four quartile pay bands, which is done by dividing the workforce into four equal parts.

There are four sections (called quartiles) with an equal number of employees in each section (or as close as possible to this). The quartiles (from the lowest to highest) are called the lower quartile, the lower middle quartile, the upper middle quartile, and the upper quartile.

Quartile	Female	Male	Grand Total	Female %	Male %
1. Lower Quartile	30	100	130	23.08%	76.92%
2. Lower Middle Quartile	70	60	130	53.85%	46.15%
3. Upper Middle Quartile	81	49	130	62.31%	37.69%
4. Upper Quartile	70	60	130	53.85%	46.15%

17.6 The mean and median figures in points 17.2 and 17.3 above reflect the fact that the Council's workforce in the bottom quartile is mainly male as the Council directly employs refuse operatives and drivers in a shared service for two Councils (SCDC and Cambridge City Council).

18.0 Tax Avoidance

18.1 The Council takes tax avoidance seriously and will seek to appoint individuals to vacant positions using the recruitment procedures on the basis of contracts of employment and apply direct tax and National Insurance deductions from pay through the operation of PAYE.

18.2 Where consultants are recruited the Council will seek to avoid contractual arrangements which could be perceived as being primarily designed to reduce significantly the rate of tax paid by that person, such as paying the individual through a company effectively, controlled by him or her.

18.3 These principles will be embedded in contract clauses and guidance for managers when employing consultants.

19.0 Re-engagement of former South Cambridgeshire District Council staff within the scope of this policy

- 19.1 All permanent or fixed term posts are advertised in accordance with the council's recruitment policies and appointment is made on merit, in accordance with the rules governing the recruitment of the Chief Executive, Executive Directors, Directors, Assistant Directors and Heads of Service set out in the Council's constitution in section: Part 4 Rules of Procedure - Officer Employment Procedure Rules.
- 19.2 Interim management appointments are made in accordance with the council's procurement policies and the provisions for contract for services.
- 19.3 Chief Executive, Executive Director, Directors
The Council will not normally re-engage under a contract of services or re-employ any individual who has previously been employed by the Council and, on ceasing to be employed, is in receipt of a severance or redundancy payment.

20.0 Apprentices

- 20.1 The Council has engaged a number of apprentices. The apprentice roles are created by services as development opportunities to support the apprenticeship programme. These roles are usually existing posts within service area structures. Apprentices are paid at Grade 1 during the term of their apprenticeship.
- 20.2 The Council currently has 5 Apprentices – 1 x Communications, 2 x Housing, 1 x HR, 1 x Contact Centre. In addition, the Planning Service will maximise the apprenticeship opportunities as part of its career development programme.

Publication of the Pay Policy Statement

This pay policy statement once approved by Full Council will be published on the Council's website.

Agenda Item 8b



REPORT TO: Council 21 February 2019

LEAD CABINET MEMBER: Lead Cabinet Member for Finance

LEAD OFFICER: Executive Director

Localised Council Tax Support Scheme 2019-2020

Purpose

1. To approve the Localised Council Tax Support Scheme for 2019-2020

Recommendations

2. That Council approves the Localised Council Tax Support Scheme for 2019-20
- Option 2 - Income Bands Discount Localised Council Tax Support Scheme

Reasons for Recommendations

3. The proposed scheme will enable residents to have more certainty in respect of the amount of Council Tax they have to pay. The Banded scheme would result in fewer amendments to Council Tax Support and as a result less amendments to the amount of Council Tax payable.
4. The recommended scheme has been designed so that those claiming LCTS should not in the main be worse off, as the main principles of the current scheme will remain. The changes relate largely to more administration aspects.
5. The current LCTS scheme which has broadly replicated the former Council Tax Benefit scheme, is considered not be fit for purpose going forward as the rollout of Universal Credit (UC) continues.
6. The projected increased workload with continuation of the current scheme cannot be delivered within the current staffing structure.
7. The introduction of Universal Credit (UC) will mean significant changes for residents. The design of UC and its direct links to HMRC earnings data mean that residents in receipt of UC will see a significant number of changes to their LCTS entitlement over the year. If the current scheme remains in place some residents will have changes in their entitlement and payments from month to month.
8. The option recommended has been implemented successfully by other Local Authorities where UC has been in place for a longer period.

Background

9. A report was presented to Cabinet with regards to several options for LCTS for 2019-2020, and the decision was taken to consult on two options.
10. The option supported by members was a banded discount scheme as this was a longer-term option and a further radical change to the design of scheme would not be required in the short to medium term.
11. The current LCTS scheme has been in operation since April 2013. The amount of Council Tax support has reduced year on year and has been consistently less than the amount estimated. The number of households receiving LCTS is decreasing despite an increase in the number of residential properties in South Cambridgeshire.
12. The consultation lasted 6 weeks, ending on the 11 November 2018, with 379 responses received; this is significantly more than previous LCTS consultations where responses have on each occasion been less than 100. The results can be found in APPENDIX A
13. The Universal Credit (UC) Full Service rollout for the majority of South Cambridgeshire commenced on 17 October 2018; it is estimated that by the end of 2018/19, 15% of residents, who would have previously received Housing Benefit, will be receiving their housing costs as part of a UC Award.
14. The introduction of UC will change the landscape for LCTS as changes to UC are more frequent. UC is calculated monthly by the DWP and where the customer is working is assessed using HMRC earnings data.
15. The initial modelling suggests that there could be in the region of 1800 cases on UC by the end of 2019/20. This could double the number of notified changes the team has to process based on initial predictions the number of processed changes could increase from 25,000 to 50,000.

Considerations

16. The outcome of the consultation on the question of how South Cambridgeshire should change Council Tax Support for working age people was just over half of all those who responded (51%) support continuing with the current scheme.
17. The current LCTS scheme has been in place since April 2013 with relatively few amendments and is well understood by residents.
18. The consultation outcome also confirms that of those who did not support continuing with the current scheme (182); 70% (127) supported a change to an Income Band Discount scheme rather than the alternative Fixed Period scheme.
19. The introduction of Full-Service UC in October 2018 means most working age residents who would have claimed housing costs as part of a Housing Benefit now have to make a claim for UC and a separate claim for LCTS with the Council.
20. Under the current LCTS scheme any change in income or circumstances requires the LCTS to be reassessed. The resident then receives a new Council Tax bill after the reassessment confirming a resulting change to the amount of Council Tax payable.
21. The opportunity has been taken to review the learning, experience and current best practice from Local Authorities where full service UC has already been implemented. It is apparent that there are a limited number of options which are considered viable on a medium to long term basis for LCTS.

22. The consultation reflected on those options which were considered as viable as well as the current scheme in place.
23. Those Local Authorities with similar LCTS scheme to South Cambridgeshire where Full-Service UC has been in place for a longer period have encountered significant issues
24. The issues which have been highlighted are shown :-
 - Residents receiving multiple bills and are confused as to what do they need to pay
 - Increased number of residents receiving LCTS who are subject to recovery action
 - Increased contact from residents via telephone and in person
 - Increased administration for Revenues and Benefits team
 - Reduction in collection rates for Council tax for those in receipt of UC and LCTS
25. The issues highlighted are a consequence of LCTS changing each time UC is amended.
26. The recommend option is on the basis that not changing scheme would be detrimental to residents and the Council; and the consideration of the issues which other Local Authorities have encountered.
27. It is considered that the current LCTS will not be fit for purpose going forward as the rollout of UC continues.
28. The recommended option is therefore option 2 – Income Bands Discount scheme despite resident’s preference of continuing with the current LCTS scheme.
29. The administration of LCTS will still result in changes to income being processed; although a proportion of these changes the processing will be automated. A new Council Tax bill will only be issued when a change would result in a move of income band or cancellation of entitlement.
30. The option of Banded Discount Scheme (Option2) is preferred by residents and only minor amendments will be required annually. The Fixed Benefit period scheme (option1) may be a shorter-term option and could in the future require significant amendments so that the administration could be sustained.

Options for Localised Council Tax Support Scheme

- Option 1:
 - Amended the scheme based on Fixed Benefit periods based on risk for UC Claimants and harmonise the rules within LCTS to match those currently within Housing Benefit to enable the scheme administration to be simplified.
 - Working age Scheme to harmonise the rules with those in Housing Benefit to enable the administration of the scheme to be simplified
- Option 2: Amended scheme based on Income Bands Discount Scheme for LCTS for working age claimants.
- Option 3 – Continue with the current LCTS scheme

Implications

Financial

31. Based on the options detailed within this report, either LCTS scheme as modelled should be affordable in the context of the Council's Medium-Term Financial Strategy (MTFS) but full costing cannot be assessed as the numbers of claimant and claims for UC cannot be confirmed.
32. The modelled cost of the agreed scheme is a key component in setting the Council Tax base. This is required to be set by the 31 December 2018, following initial consultations with parish councils.
33. The introduction of UC is likely to result in further reductions in the grant the Council receives towards the cost of the administration of Housing Benefit. The notification of any reduction is likely to be received at the end of 2018; modelling has been undertaken to estimate the likely reduction to enable this to be included in the MTFS.

Legal

34. The Scheme must be agreed by Council before the end of February 2019 following consultation with residents on any proposed changes to the LCTS scheme.

Staffing

35. The implementation of a major change to the LCTS scheme could require a large amount of extra resource within the Customer Contact Centre. The proposed option (2) is expected to limit any extra resource requirement.
36. Option 1 - Would see a significantly smaller number of residents affected at the start of the 2019/20 financial year with those numbers increasing gradually as new claims for Housing Benefit are replaced with claims for UC.
37. Option 2 - Would result in all working age claimants of LCTS being affected at the start of 2019/20 financial year. As the design of the scheme will not result in residents being worse off this is unlikely to result in an increase in contact with the council regarding the change in LCTS and the amount they pay towards their Council Tax.
38. The cost of LCTS is shared between the major preceptors but this excludes the costs of administering the scheme; any increases to staffing costs fall directly to this Council.

Risk Management

39. A significant economic downturn could result in an increase in demand for Council Tax Support the cost of which would be borne by all the major preceptors and in excess of budget framework.
40. As already noted in this report the introduction of UC may result in a further reduction in the administration grant payment from the DWP, this has been modelled and an estimated reduction provided which will enable it to be included within the MTFS proposed.

South Cambridgeshire District Council Reduction Scheme

41. A copy of the South Cambridgeshire District Council Reduction Scheme has been published with this report on the Council's website and a hard copy is available to Members on request.

Background Papers

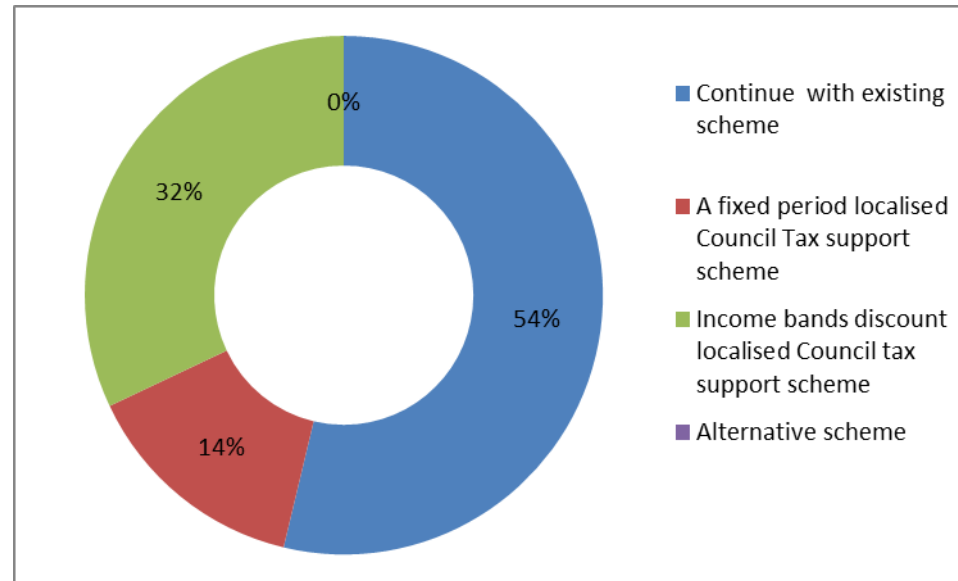
South Cambridgeshire District Council Reduction Scheme S13a and Section 1a Local Government Finance Act 1992.

The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2018

Report Author: Dawn Graham – Benefits Manager
Telephone: (01954) 713085

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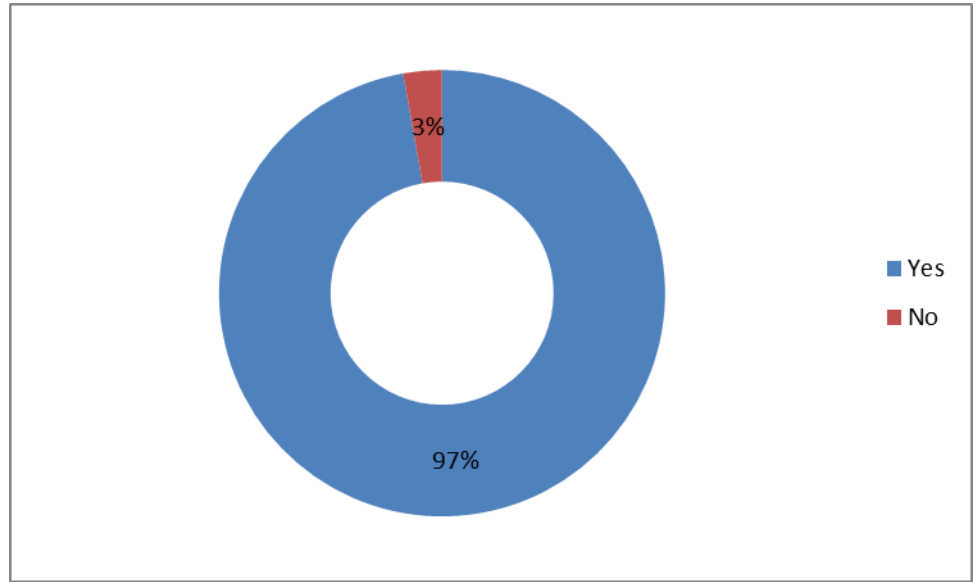
1. How should South Cambridgeshire change the Council Tax support for working age people?



Answer Choices

	Responses	
• Continue with existing scheme (Option 1)	54%	151
• A fixed period localised Council Tax support scheme (Option2)	14%	40
• Income bands discount localised Council tax support scheme (Option3)	32%	90
• If you have any further comments or alternative options or suggestions to make on the Council Tax support scheme please use the space below to register them. (* no alternatives offered by comments made only)	0%	38

2. Do you live in South Cambridgeshire?



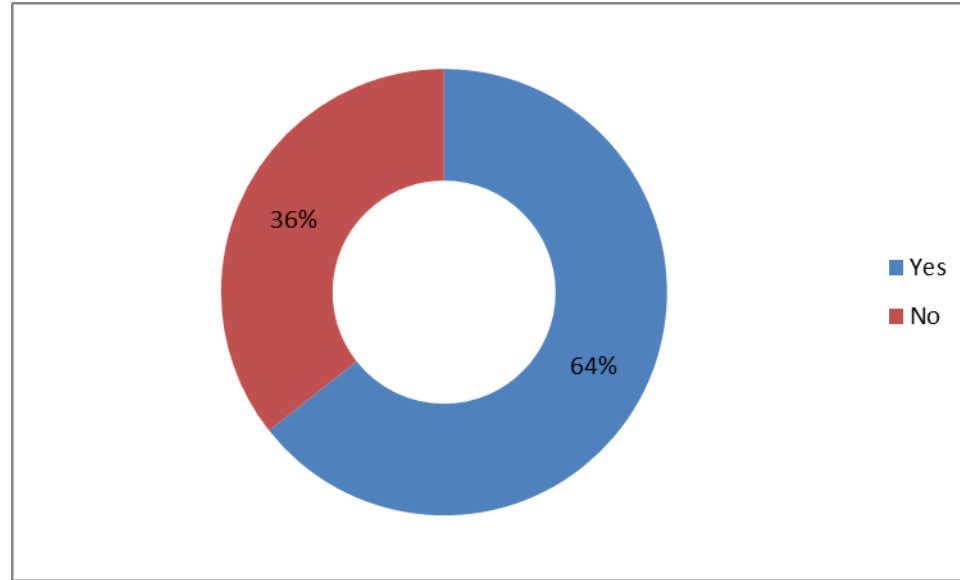
Answer choices

- Yes
- No

Responses

97%	278
3%	8

3. Do you pay Council Tax?



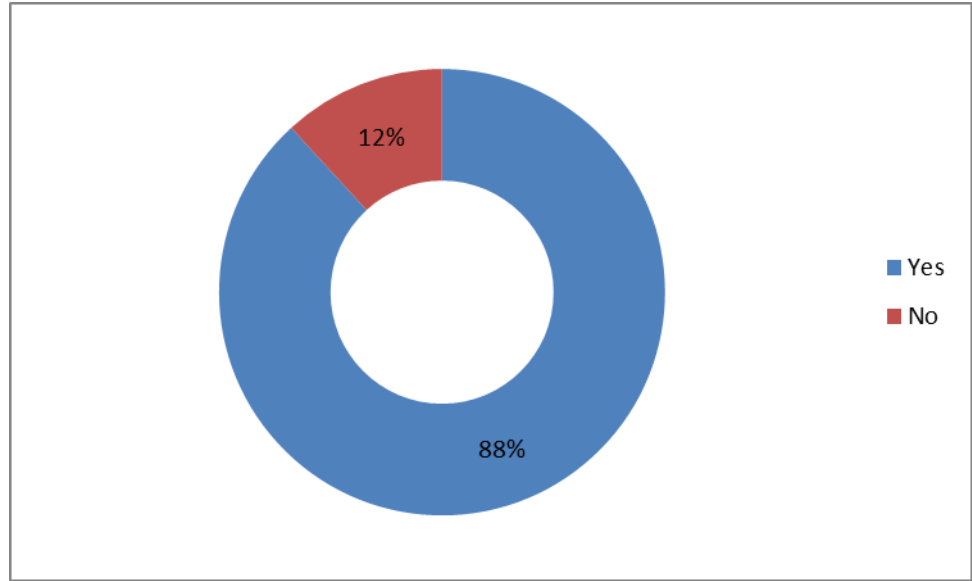
Answer choices

- Yes
- No

Responses

64%	177
36%	98

4. Do you currently receive Council Tax Support?



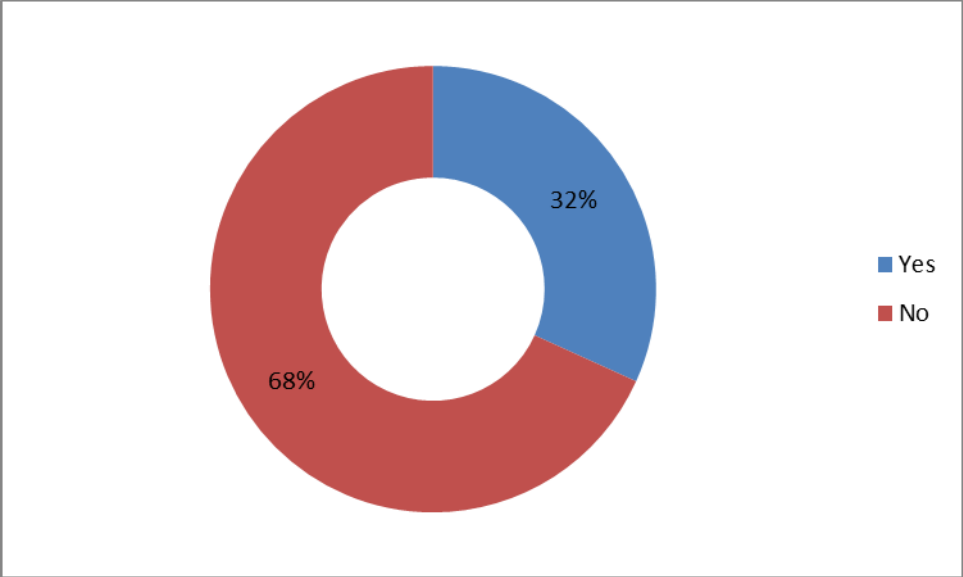
Answer choices

- Yes
- No

Responses

88%	246
12%	33

5. Do you work full or part-time?



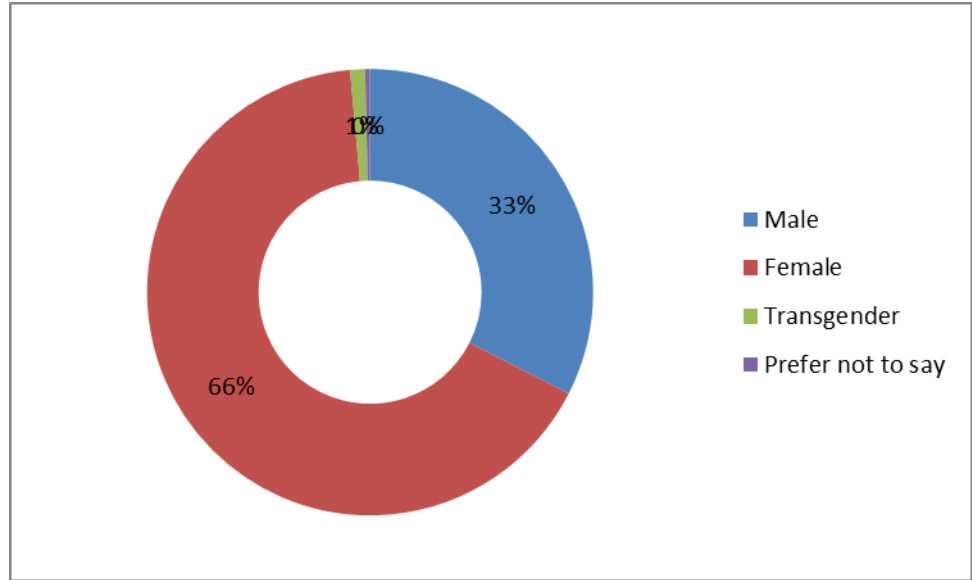
Answer choices

- Yes
- No

Responses

32%	88
68%	189

6. What's your gender?



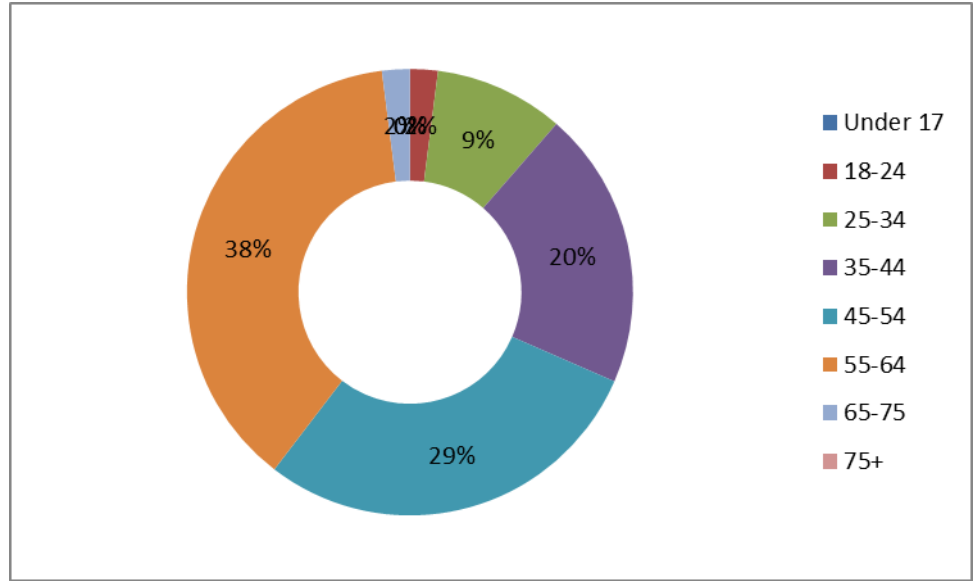
Answer choices

- Male
- Female
- Transgender
- Prefer not to say

Responses

33%	91
66%	185
1%	3
0%	1

7. What is your age group?



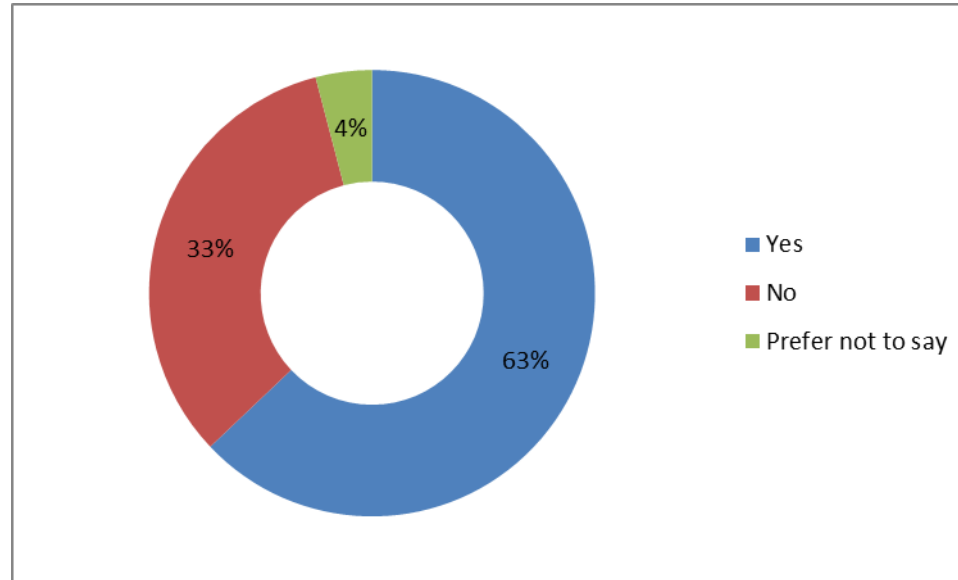
Answer choices

- Under 17
- 18-24
- 25-34
- 35-44
- 45-54
- 55-64
- 65-75
- 75+

Responses

0%	0
2%	6
9%	28
20%	60
29%	86
38%	112
2%	6
0%	0

8. Do you consider yourself as having a disability or long term physical or mental health condition?



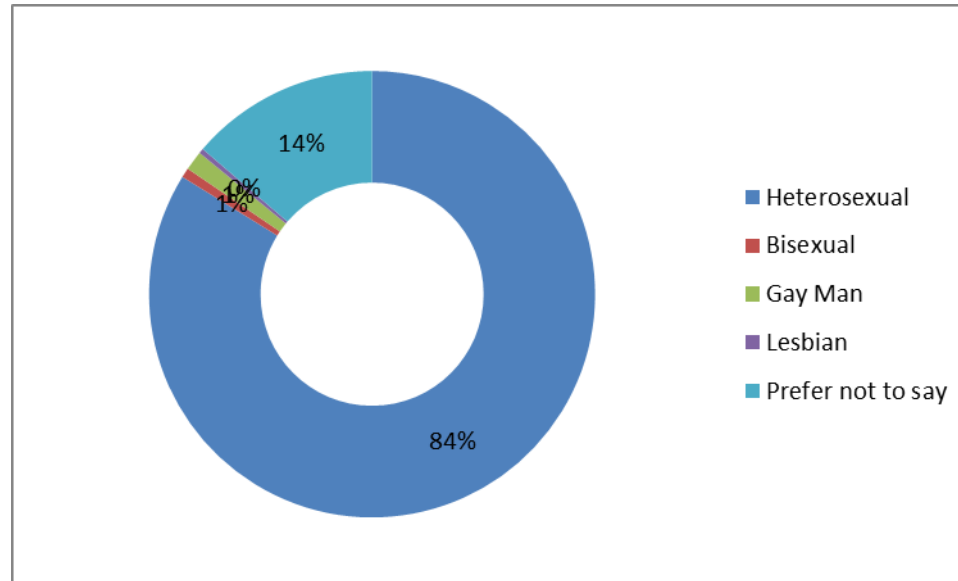
Answer choices

- Yes
- No
- Prefer not to say

Responses

63%	185
33%	97
4%	12

9. What do you consider your sexual orientation to be?



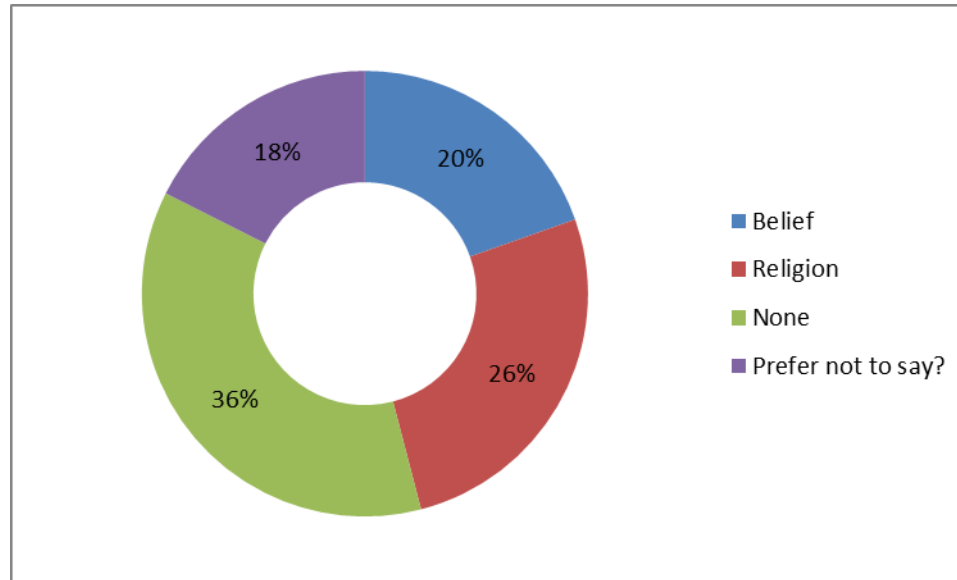
Answer choices

- Heterosexual
- Bisexual
- Gay Man
- Lesbian
- Prefer not to say

Responses

84%	238
1%	2
1%	4
0%	1
14%	39

10. Do you consider yourself to have a religion/belief?



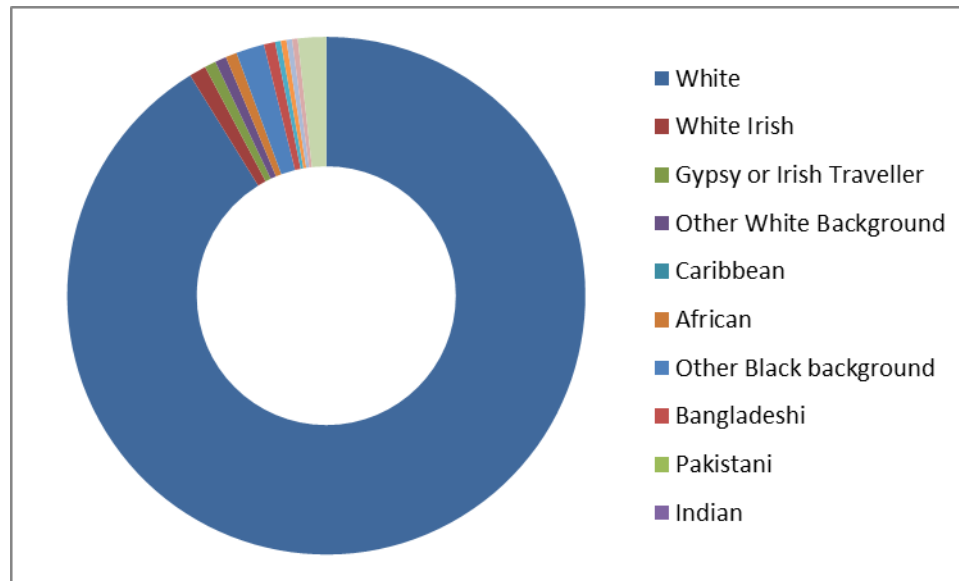
Answer choices

- Belief
- Religion
- None
- Prefer not to say?

Responses

20%	58
26%	78
36%	108
18%	52

11. In which of the ethnic groups below do you feel that you belong?



Answer choices

- White
- White Irish
- Gypsy or Irish Traveller
- Other White Background
- Caribbean
- African
- Other Black background
- Bangladeshi
- Pakistani
- Indian
- Chinese
- Other Asian Background
- Arab
- Other ethnic group
- Prefer not to say

Responses

91%	259
1%	3
1%	2
1%	2
0%	0
1%	2
2%	5
1%	2
0%	0
0%	0
0%	1
0%	1
0%	1
0%	1
2%	5

Agenda Item 8c



REPORT TO: Council

21 February 2019

LEAD CABINET MEMBER: Lead Cabinet Member for Finance

LEAD OFFICER: Interim Executive Director – Corporate Services

Council Tax Empty Homes Premium

Purpose

1. To seek approval from Council to utilise recent legislative changes to increase the Council Tax empty homes premium, to act as an incentive to bring empty homes back into use.
2. This is a key decision because it is significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions, and it was first published in the November 2018 Forward Plan.

Recommendations

3. It is recommended that Council approves the charging of an increased Council Tax Empty Homes Premium, as set out in option 16A, and agreed by Cabinet on 6th February 2019.

Reasons for Recommendations

4. Charging the additional premium would further incentivise owners of empty properties to take steps to get their properties back into use. Homes that are empty for long periods are more likely to fall into disrepair and can attract anti-social behaviour.

Background

5. Within the regulations that govern the administration and collection of Council Tax, a number of exemptions apply where properties are empty for specified reasons. For example, an exemption could apply where the liable party has passed away and the executors become liable, or where a property is left empty as the liable party has moved away to receive care. Full details of circumstances under which such exemptions apply can be found in APPENDIX A.
6. Since April 2013, local authorities have had discretion to set some discounts and exemptions locally. These include for properties that are empty and those undergoing major structural repair. The government also allowed billing authorities to charge an additional 50% of the Council Tax on properties that had been empty for more than two years.
7. For the purposes of this charge, the legislation defines an empty property as one that is "empty and substantially unfurnished". The calculation period for the empty homes premium does not start with a change of ownership, but rather from the date that the property became empty. Therefore it is sometimes the case that the additional premium is payable from the date of purchase, where properties have already been empty for more than two years.

8. At a meeting of the full council in January 2013, it was agreed that the levels of locally-set discounts would be as follows:

Undergoing Major Structural Repair	100% discount up to 12 months
Empty and Substantially Unfurnished	no discount
Empty and Substantially Unfurnished for more that 2 years	50% additional premium

9. In November 2018, new legislation was passed to allow billing authorities to increase the premium charged on homes left empty for more than two years, by the following proportions:

1st April 2019 – 100% additional premium on properties empty for two years or more
 1st April 2020 – 200% additional premium on properties empty for five years or more
 1st April 2021- 300% additional premium on properties empty for ten years or more

Considerations

10. There has been much publicity around the subject of empty homes over the past few years which has highlighted that empty homes could be utilised to provide extra housing for those that are in need.
11. It is inevitable that there will always be some empty homes in the district, however it is widely accepted that properties left empty for long periods of time deteriorate more quickly, and may also attract anti-social behaviour which could negatively impact on communities.
12. The reasons for which properties are left empty can be varied and complex, although for many of the homes left empty across the district the reasons remain unclear.
13. As at 1st November, there were 180 homes in the district that were being charged the additional premium. Of these, the periods for which they had been empty are as follows:

Empty between 2-5 years = 100 properties
 Empty between 5-10 years = 41 properties
 Empty more than 10 years = 39 properties

14. The total average band D Council Tax charge in South Cambridgeshire is £1,745.51. Based on this figure, the annual charge for an average band D property empty for more than ten years would increase as follows:

2018 charge	(50% premium)	£2,618.26
2019 charge	(100% premium)	£3,491.02
2020 charge	(200% premium)	£5,236.53
2021 charge	(300% premium)	£6,982.04

15. The Council has a general discretion to reduce or remit Council Tax payable under section 13a of The Local Government Finance Act 1992 (as inserted by section 76 of the Local Government Act 2003). Where hardship is experienced, residents may apply for assistance via this route. Applications under section 13a are considered on a case by case basis, and would need to set out the financial hardship experienced,

along with details of action taken by the council tax payer to reduce the hardship. The full cost of any reductions via this route would be borne solely by the Council, and so decisions on such applications would need to consider the interests of all council tax payers.

Options

16. The options available in this matter are as follows:

- A) Increase the empty homes premium as permitted in law and outlined at point 9 of the report
- B) Retain the empty homes premium at the rate of 50%
- C) Remove the empty homes premium

Option 1 would act as an incentive for homeowners to take action to bring their property back into use, especially where homes have been empty for more than five years. Whilst there may be some dissatisfaction from those currently paying the 50% premium, when the views of all residents that participated in the consultation are combined, nearly 59% were in favour of increasing the premium. APPENDIX B contains the full details.

Option 2 would see the premium retained at the rate of 50% additional charge. Whilst this should still act as an incentive for some, there currently remains 80 properties where the charge has been imposed since 2013 that are still empty, 39 for more than 10 years now. Retaining the charge at the current level is unlikely to result in a reduction in the number of homes empty for more than 5 years.

Option 3 would see the empty homes premium being removed in its entirety, also removing the incentive for homeowners to take action to get their properties back into use. This option could lead to an increase in the number of long-term empty homes in the district.

Implications

17. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

18. In 2017, just over £130,000 was charged in empty homes premium. The amount retained by South Cambridgeshire District Council was around £17,000, with the remainder shared proportionately with major preceptors. In 2018, the forecast yield for South Cambridgeshire District Council is expected to be in the region of £20,000.

Legal

19. The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 was enacted on 1st November 2018, amending section 11B of the Local Government Finance Act 1992 to provide for the increased premium to be charged. Advice has been sought from the 3C Legal and no concerns raised.

Consultation responses

20. Throughout November 2018, residents were consulted on the proposed changes. 180 letters were sent directly to the homeowners currently paying the additional premium, along with information regarding our Shire Homes Lettings scheme. 32 responses were received. In addition, an online consultation was launched which received 82 responses. The responses have been collated and can be found in APPENDIX B.
21. In addition to the three questions shown in APPENDIX B, residents were also asked if they were aware of any other measures that would encourage owners of empty properties to get them back into use. 63 comments were received, and these will be used by the Housing Strategy team to inform a review of the Empty Homes Strategy, expected in 2019.

Effect on Strategic Aims

Aim 1 – Housing that is affordable for everyone to live in

22. Charging the additional premium would further incentivise owners of empty properties to take steps to get their properties back into use.

Background Papers

Where [the Local Authorities \(Executive Arrangements\) \(Meetings and Access to Information\) \(England\) Regulations 2012](#) require documents to be open to inspection by members of the public, they must be available for inspection: -

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and
- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

Report Author: Katie Kelly- Revenues Manager
Telephone: (01954) 713335

Understanding Your Council Tax Bill



Where to find key information about your Council Tax bill

Account reference number

Details of any discounts or exemptions

COUNCIL TAX BILL 2018/2019

Account Number: 10101XXXXX

Reason for Bill: New Year Billing

Date of Issue: 01/04/2018

MR AND MRS EXAMPLE
A FARM HOUSE
HIGH STREET
OLD VILLAGE
CAMBRIDGESHIRE
CB55 5EE

Address of property giving rise to charge:
A FARM HOUSE
HIGH STREET
OLD VILLAGE
CAMBRIDGESHIRE
CB55 5EE

The above property is in band C

	% Change	Value of Change	Charge
Cambridgeshire County Council			
Cambridgeshire County Council Adult Social Care*			
South Cambridgeshire District Council			
Cambridgeshire Police Authority			
Cambridgeshire Fire Authority			
Great Abington			
Total Annual Charge			
Council Tax charge for period 01/04/18 to 31/03/18			
Total Amount Payable:			
			£xxx.xx

PAYMENT METHOD: YOUR ACCOUNT IS PAID BY DIRECT DEBIT

DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT

If you have difficulties paying this bill or if you are on a low income, you may be entitled to help towards this charge. Please see overleaf for our contact details.

POST OFFICE PP Payment You can now pay at any Post Office or PayPoint using this barcode

9828 2127 0900 1010 1000 378

3118

Property Information including Council Tax Band

How your bill is calculated

Total amount payable

Instalment dates and amounts

How to pay

Details of how and when to pay can be found on the reverse of your bill. Alternatively, full details can be found on our website at www.scambs.gov.uk

Most people already pay their Council Tax by Direct Debit.

The Council Tax you pay funds a wide range of public services across the district and county area. To find out more about how the money you pay is spent, including details of the Adult Social Care Precept, please visit the following websites:

Cambridgeshire County Council
www.cambridgeshire.gov.uk/council/finance-and-budget/council-tax

Cambridgeshire Police & Crime Commissioner
www.cambridgeshire-pcc.gov.uk/money/budget

Cambridgeshire Fire Authority
www.cambsfire.gov.uk/about-us/financial-documents-655.aspx

South Cambridgeshire District Council
www.scambs.gov.uk/your-council-tax

If you do not have access to the internet and would like a copy of this information, please contact us using the details on your bill.

About Council Tax

There is one Council Tax bill per property whether it is owned or rented, and the people that live in the property would normally have to pay. The amount charged is dependant on the Council Tax Band of the property, which is allocated by the Valuation Office Agency (VOA) according to the open market value at 1 April 1991. More information can be found at www.gov.uk/council-tax-bands

Band	Range of Values	Proportion of Band D Tax payable
A	Up to and inc. £40,000	6/9
B	£40,001 to £52,000	7/9
C	£52,001 to £68,000	8/9
D	£68,001 to £88,000	1
E	£88,001 to £120,000	11/9
F	£120,001 to £160,000	13/9
G	£160,001 to £320,000	15/9
H	More than £320,000	2

If you have reason to think your band may be wrong, such as a material change in the value of the property, you can appeal to the Valuation Office Agency. You can contact them on **03000 501 501** or write to them at: Council Tax East, Valuation Office Agency, Ground Floor, Ferrers House, Castle Meadow Road, Nottingham, NG2 1AB.

Disabled Band Reduction Scheme

If you or someone that lives with you is disabled and you have a second bathroom, kitchen or other room to meet their needs, you may be entitled to a reduction equivalent to 25% of Council Tax Band.

These reductions ensure that disabled people do not pay more tax on account of the space needed because of a disability. If your home has any special fixtures that have been added for a disabled resident which may affect the overall value of the property and you don't think this has been taken into account in the valuation band, please contact the Valuation Office Agency.

Discounts, Exemptions and Reductions

Eligibility for discounts, exemptions and reductions depend on individual circumstances, and broad examples are shown below. If you think any of these may apply to you or someone you know, please contact us as soon as possible.

The Council also has discretion to reduce the amount of Council Tax payable for situations that are not covered by national discounts and exemptions. This can be used for individual cases, or to locally determined classes of property.

Am I entitled to a Discount?

The Council Tax bill assumes that there are at least two adults living in a property, but if there is only one adult living in a property as their main home they can apply for a 25% discount. If there is more than one adult living in a property, other adults may not be counted for Council Tax if they are:

- Full-time students, student nurses or apprentices
- Members of visiting forces or certain international institutions
- Being looked after in care homes
- Severely mentally impaired
- Staying in certain hostels or night shelters
- In prison (except those in prison for non payment of Council Tax or a fine)
- 18 & 19 year olds at or just left school where child benefit is still in payment
- Caring for someone with a disability who is not their spouse, partner or child under 18
- Permanently resident in hospital
- Some careworkers, usually for charities
- Members of religious communities, such as monks or nuns

Other discounts may apply where:

- The property is uninhabitable as a result of undergoing major structural repair
- The property is an annexe which is used as part of the main property, or is used by a relative of the occupier of the main property as their sole or main residence
- You have to live elsewhere as a condition of your job

Under a local scheme set by South Cambridgeshire District Council, there is no discount for empty properties or second homes. For those properties that have been empty and unfurnished for more than two years, an extra 50% charge applies.

Should my property be Exempt?

A property can be exempt from the Council Tax charge in the following circumstances:

Exemption Class	An Unoccupied Property that is:
B	Owned by a charity (exempt for up to six months)
D	Left empty by someone who has gone to prison
E	Previously occupied by a person now in permanent residential care
F	Empty where the liable person/owner has died and the executors or personal representatives are now liable (exempt for up to six months from grant of probate)
G	Empty because occupation is forbidden by law
H	Waiting to be occupied by a minister of religion
I	Left empty by someone who has moved to receive care by reason of old age, disablement or illness
J	Left empty by someone who has moved to provide care to another person
K	Owned by and last occupied by a student
L	In possession of the mortgagee
Q	The responsibility of a bankrupts' trustee
R	A site for an individual caravan, mobile home or mooring
T	Linked to, or in the grounds of, another property and may not be let separately due to planning restrictions
An Occupied Property where:	
M/N	All the residents are students
P	At least one liable person is a member of visiting armed forces
S	All the residents are less than 18 years of age
U	All the residents are severely mentally impaired
V	At least one liable person is a foreign diplomat
W	The property is annexed to a family home and occupied by that family's elderly or disabled relatives

What if I am on a low income?

South Cambridgeshire District Council operates a Local Council Tax Support scheme, where residents on low incomes can access financial support towards their Council Tax bill. Full details of the scheme, along with an electronic application form, can be found on our website at www.scamb.gov.uk/benefits

Is your bill correct?

Please check your bill carefully to make sure all of the details are correct. If you have had a change in your circumstances which may affect your entitlement to any reduction, discount or exemption, you must let us know within 21 days, otherwise you may have to pay a penalty.

If you disagree with the charge eg you believe a discount should apply or you are not the liable person, you must contact us to submit an appeal. Following consideration, if the decision is not changed you can appeal to the Valuation Tribunal at www.valuationtribunal.gov.uk

Empty Homes Premium Consultation – 82 ONLINE RESPONSES

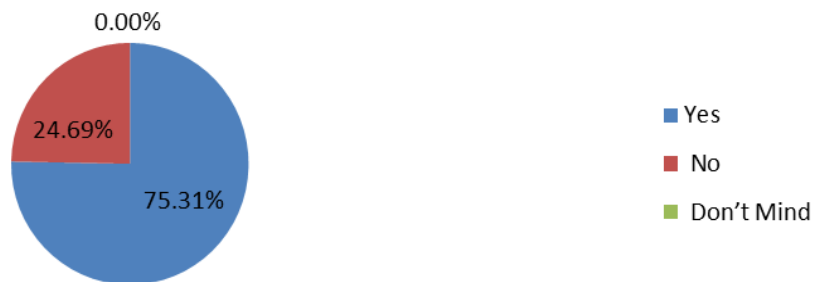
Do you think that SCDC should encourage owners of empty properties to get them back into use?



Are you in favour of charging additional council tax on homes that have been empty and substantially unfurnished for more than two years?



Do you think the Council should implement increases to the empty homes premium?



Empty Homes Premium Consultation – 32 RESPONSES FROM THOSE CURRENTLY CHARGED THE ADDITIONAL PREMIUM

Do you think that SCDC should encourage owners of empty properties to get them back into use?



Are you in favour of charging additional council tax on homes that have been empty and substantially unfurnished for more than two years?



Do you think the Council should implement increases to the empty homes premium?



Empty Homes Premium Consultation – ALL 114 RESPONSES

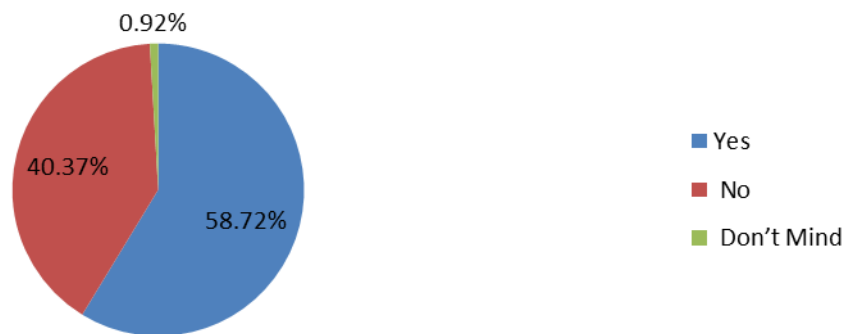
Do you think that SCDC should encourage owners of empty properties to get them back into use?



Are you in favour of charging additional council tax on homes that have been empty and substantially unfurnished for more than two years?



Do you think the Council should implement increases to the empty homes premium?



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Agenda Item 8d



REPORT TO: Council
LEAD CABINET MEMBER: Leader of the Council
LEAD OFFICER: Chief Executive

21 February 2019

Business Plan 2019-24

Purpose

1. The Council has worked to develop a new Business Plan for 2019-24. This report presents the proposed Business Plan for 2019-24 to Council for consideration.
2. The Business Plan (Appendix A) has been recommended to Council by Cabinet at their meeting on 6 February.
3. The report also presents the outcomes of a public consultation that was carried out between 19 November and 7 January. This consultation has provided valuable feedback from local people and given communities an opportunity to engage with and shape the plan.

Recommendations

4. Recommended the Council:
 - a) Approve the Business Plan (Appendix A), incorporating feedback from Scrutiny and Overview Committee;
 - b) Authorise the Chief Executive, in consultation with Portfolio Holders, to prepare detailed implementation plans and associated performance measures and ensure these are reflected in directorate service plans and quarterly position reports during 2019/20; and
 - c) Authorise the Chief Executive to make any minor wording changes required before publication, in consultation with the Leader of the Council.

Reasons for Recommendations

5. The Business Plan sets out the overarching priorities for the Council and details the actions that are currently planned to be carried out up until 2024. The plan is updated each year. The Business Plan is used to ensure officer and financial resources are allocated appropriately to achieve the actions and objectives detailed within it.
6. The Business Plan informs the subsequent agreement of annual service plans, prepared by the Council's directorates, setting out service, team and individual objectives, aligned to the vision and aims that have been set.

Background

7. In advance of a detailed Business Plan being prepared for 2019-24, residents, businesses, parish councils, partners, councillors and staff were asked for their views on a proposed high-level set of priorities. The consultation ran for just over six weeks and closed on 7 January. A longer consultation period than normal was carried out, so people had extra time to respond due to the Christmas and New Year period.
8. The four priority areas people were asked their views on were:

(a) Economic Development

There is a booming economy in South Cambridgeshire and Cambridge. But this isn't growth that we can take for granted. As the recent Cambridgeshire and Peterborough Independent Economic Review identified this growth needs to be nurtured and sustained. We must also encourage and support small businesses that provide local jobs in our villages.

(b) Homes that are affordable for everyone to live in

The high cost of housing in the district means that home ownership is difficult for many people, even those on good incomes. Good quality market housing that meets the needs of people of all ages will be important. This includes high environmental standards and good transport links to make sure the cost of living in the home is affordable once all bills are considered. Alongside market housing, there is a need to accelerate Council house building and deliver more social housing too. These allow local families to live near to where they grew up, places of work and support network.

(c) Climate and Environment

The Council can examine what it can do to reduce its carbon footprint, to include the environment as a consideration in its dealings with others and to act as a showcase for environmental responsibility. We also need to understand the impact of climate change on our district, integrate this into our policies and actions, and consider how we can incorporate climate change impact measures on many levels into new housing and employment developments.

(d) A 21st Century Council

We need to ensure that we have a skilled and talented workforce that can serve our local communities. We will also need to develop income generation initiatives to help maintain high quality services and outcomes - harnessing technology where appropriate to help improve access to services and enable us to respond to customers through a variety of channels

Consultation Responses

9. Almost eight out of every ten people who responded agreed that each of the proposed priority areas suggested should be focused on by the Council. The percentage breakdown is below:
 - (a) Economic development (79%)
 - (b) Homes that are affordable for everyone to live in (79%)
 - (c) Climate and environment (78%)
 - (d) 21st century council (77%)
10. The survey also gave an opportunity to provide more detailed feedback on each of the above priority areas. A summary of the key issues that were raised, plus details of how this feedback has gone on to shape the development of the Business Plan, is

included below. A more detailed breakdown of consultation responses is attached at Appendix B.

Growing Local Businesses and Economies (title changed following consultation)

11. Feedback on the economic development priority showed that the most common perceived barrier to achieving the aims set out within it was transport (47%). The main theme was the need to make it easier to get to places of work without relying solely on the car. Around 10% of people also highlighted access to housing and housing affordability, availability of rural broadband and concerns over balancing growth with the need to maintain what makes South Cambridgeshire a great place to live. When asked if there was anything else that should be focussed on, transport was once again the top concern with 36% of people saying this barrier needs to be addressed. 20% of people also said that there needs to be enough emphasis in the plan on people already living and working in the district.
12. Following consultation, the economic development priority has been developed to reflect the above areas of feedback. The title of the priority area has been changed to 'growing local businesses and economies' and actions developed to provide increased focus on people who are already living and working in the district. Actions have also been added to reflect work that is planned to improve environmentally friendly transport links and to increase the availability of rural broadband.

Housing that is affordable for everyone to live in

13. Affordability was the key issue raised when people were asked about the proposed housing priority (26% of respondents). Their views were mixed and included the need for more social housing, more help for first time buyers to get a foot on the property ladder and stepping up efforts to make homes cheaper to run through measures such as better insulation. One junior doctor said that they cannot afford to buy a home in the district and will be moving to another part of the country because of the price of housing. Transport was once again mentioned with 14% of respondents saying this is a barrier to housing that is affordable to live in. When people were asked what else the Council should focus on under the housing priority, 18% of people said transport should be more of a focus when the Council considers housing. There was a range of responses on the best way to tackle this. They included concentrating more on delivering alternatives to the car, to making sure the car is focussed on more when housing is considered.
14. The consultation responses were for the most part supportive of the high level aims of this priority. In particular, the aims that have been developed as part of this priority reflect the feedback that was received in relation to the quality and range of housing available, as well as the creation and development of thriving communities that are serviced by improved transport links.

Being green to our core (title changed following consultation)

15. Transport was again the key focus (27%) in the responses the Council received on the climate and environment priority. The bulk of the responses centred on the need for greener transport. Waste and fly tipping was the second most popular area of response with 20% of people commenting. Responses ranged from the need for more resources to tackle fly tipping and to try and secure higher penalties, to more focus on making recycling easier. When asked what else the Council should be focusing on as part of the climate and environment priority, tackling transport issues

(31%), investing and supporting renewable energy generation (18%) and higher quality of insulation and energy generation as standard on new homes/offices (15%) were highlighted. Improving the energy efficiency of homes and office blocks included a suggestion of the Council trying to make solar panels mandatory.

16. Responses relating to this priority largely confirmed the areas of focus that were presented under the Climate and Environment heading within the consultation. However, since consultation the Council has further developed an ambitious set of targets within this priority, including becoming a Zero Carbon Council by 2050. Business Plan actions have also been developed to address concerns around transport, such as looking into how electric vehicle charging points can be delivered across the district, as well as work that will be undertaken to speed up fly-tip response and increase rates of recycling.

A modern and caring Council (title changed following consultation)

17. Customer service was the most important area of focus (21%) under this priority. Communities said they wanted the Council to be accessible and for it to be easier to contact the right person. There were also mixed responses to the use of technology for people to get things done online. There was support for investment in technology, but customers also wanted to make sure that it was still possible to speak to someone over the phone or face-to-face if necessary. When asked what other things the Council should focus on, 25% of people said the Council needs to be efficient and work smarter. People wanted to see quicker decisions and for the Council to be working with other councils to ensure no duplication of work. Although 77% of people supported the principle of the areas of work proposed under the 21st century Council priority, 12% of people questioned the title. The comments received suggest the '21st century Council' title is confusing and many people would already expect any business to be acting in a way fit for the 21st century.
18. Following consultation feedback, the title of this priority has been altered to 'a modern and caring Council', to better capture the overarching intentions and reduce confusion around the purpose and meaning of the priority. The delivery of continual service improvement and excellent results for local people has been placed very much at the core of the actions falling within this priority, including through the retention and development of staff, as well as the use of technology to improve access to services.

Budget consultation responses

19. The consultation also asked people for their views on our budget, a proposed £5 per year increase in Council Tax for the average band D home and for comments on how the Council can bridge the funding gap due to ongoing national cuts to the grants we receive to deliver services. The most popular response (18% of respondents) was for the Council to make sure income was being generated to bridge some of the gap. 13% of people also said they were concerned about cuts to services as they did not want service quality to reduce. The consultation also saw 13% of people explicitly say they support increasing Council Tax by the amount proposed, with one respondent adding that they feel our proportion of Council Tax is too low. Only 5% of respondents said Council Tax was too high.
20. The above responses are particularly reflected within the 'a modern and caring Council' priority, which includes a focus on generating new and innovative sources of income, as well as attracting and developing staff, investing in technology and reviewing the way that we carry out tasks, all as part of a commitment to deliver continuous improvement for South Cambridgeshire's business and residents.

Consultation method and next steps

21. The Council took a new approach to gathering views on the Business Plan this year. Rather than asking for views on a detailed plan, which could be interpreted as complete, views were gathered in advance of the detailed plan being drafted. By asking for views on a set of high level priorities in advance of the detail being completed it has increased the number of responses we have received. Responses were also received from at least one person living or working in almost half of South Cambridgeshire communities.
22. Survey Monkey – an online tool – was used to gather feedback. Three unique links to the survey were set up to help us gather information about where respondents originated from. The most popular route for respondents was by seeing the consultation on social media – 102 responses. Second most popular was through our website (this included people who saw the consultation in South Cambs Magazine and went online), 61 responses. A further five responses originated from a direct appeal to businesses through the Council's e-newsletter.
23. The consultation also achieved feedback from a good spread of age groups. However, under-18s were under represented with only one response. Some respondents also preferred not to disclose their age range. The breakdown was:
 - (a) 18 to 35 – 18%
 - (b) 36 to 50 – 29%
 - (c) 51 to 64 – 36%
 - (d) 65 and over – 13%
24. It is recognised that the Council cannot deliver all the services which the community require and want on its own. The Business Plan reflects the need to continue to work in partnership to deliver services. These include the Council's work with Registered Social Landlords to deliver the Housing Strategy, with the Police on Community Safety and as a constituent member of the Greater Cambridge Partnership and Cambridgeshire and Peterborough Combined Authority.
25. A summary document that makes the Business Plan easy for parishes, businesses and communities to understand will be developed once the aims and priorities included in it has been agreed by Council.

Options

26. The attached Business Plan has been recommended to Council by Cabinet. Council is recommended to approve the Business Plan for 2019-24.
27. Council could choose to request further amendments prior to the Business Plan being agreed.

Implications

28. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

29. The Council's Medium Term Financial Strategy 2019-24 and Budget Estimates for 2019-20, take into consideration the priorities in the Council's Business Plan to make sure they can be resourced.

Legal

30. The Business Plan forms an integral part of the Council's Budget and Policy Framework and therefore is reserved for Council approval as required by the Constitution.

Risk Management

31. Once agreed, the Business Plan sets out the priorities for the Council to deliver. The actions and timescales for delivery are monitored and reported on as standard.

Equality and Diversity

32. Updated and new impact assessments form part of the implementation of Council actions during 2019-2020.

Climate Change

33. 'Being green to our core' has been identified as a key theme included in the Council's proposed Business Plan. In doing so, the Business Plan states that the Council will "create a cleaner, greener and zero-carbon future for our communities." This will be achieved through the delivery of a range of actions, as detailed at Appendix A.

Effect on Strategic Aims

34. The Business Plan is the vehicle for the effective delivery of the Council's priorities.

Background Papers

- 35.
- (a) Proposed Business Plan 2019-24 (Appendix A)
 - (b) Summary of public consultation (Appendix B)
 - (c) District Profile: An Economic, Social and Environmental Summary Profile of South Cambridgeshire (Grant Thornton, 2017) (Appendix C)

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Business Plan 2019-24

What we're about

Putting the heart into South Cambridgeshire by:

- Building homes that are affordable to live in
- Helping business to grow
- Being green to our core
- Putting our customers at the centre of everything we do

Our Priority Areas

Growing local businesses and economies – We will support businesses of all sizes, including rural enterprise and farming, to help create new jobs and opportunities near to where people live.

Housing that is affordable for everyone to live in – We will build vibrant communities in locations where people have good access to facilities and transport links, so they can genuinely afford to lead a happy and healthy life.

Being green to our core – We will create a cleaner, greener and zero-carbon future for our communities.

A modern and caring Council – We will provide our customers with high-quality services, strive to reduce costs, build on what we are good at to generate our own income and make decisions in a transparent, open and inclusive way.

Growing local businesses and economies

Focus	Action	Measure
We will make it easy to do business in South Cambridgeshire	Create a new plan to support the South Cambridgeshire economy and local businesses	<ul style="list-style-type: none"> • Create and agree the plan by November 2019
	Deliver support to start-ups and small businesses that is not available elsewhere to help them grow, create new local jobs and deal with the impacts of Brexit	<ul style="list-style-type: none"> • Delivery of actions in our business support plan • Number of new start-ups and small business growth by 2024 • Promote Brexit business support events
	Create a business team with a single point of contact for business enquiries	<ul style="list-style-type: none"> • Establishment of a Business Team by the end of March 2020
	Change the way our services are delivered so they are easier for businesses to easily get what they need	<ul style="list-style-type: none"> • Carry out review and change our business processes by the end of 2020
	Increase the number of businesses we have regular contact with to find out more about their needs and provide them with support	<ul style="list-style-type: none"> • Development of a business engagement plan by the end of 2019 • Create a programme of business events each year
	Work with parish councils and village-based businesses to support local economies	<ul style="list-style-type: none"> • Hold two events by the end of March 2020, including one for smaller parishes, to gather information on how we can best support local economies
	Establish a specialist single point of contact to support businesses through the planning process	<ul style="list-style-type: none"> • A dedicated Planning point of contact in place for businesses by end of 2019
	Identify gaps in the land and premises available for businesses across the district so these can be addressed in our next Local Plan to inform the local	<ul style="list-style-type: none"> • Complete study into employment land by November 2019



Focus	Action	Measure
	plan review	<ul style="list-style-type: none"> Increased number of affordable, secure, small workspaces in villages once Local Plan is agreed
	Work with parish councils to help start-ups and home-based businesses to find workspace in villages they can use to talk and share ideas with other business people	<ul style="list-style-type: none"> Number of drop-in and hot desk spaces secured in villages
	Help local small businesses to secure Council contracts by making sure the procurement process is simple and they know what opportunities are available	<ul style="list-style-type: none"> Number of local small businesses securing Council contracts
We will help our village businesses thrive	Work with partners to make sure that businesses have excellent broadband and mobile phone access and speed across the district	<ul style="list-style-type: none"> Improve broadband coverage and reduce mobile phone blackspots
	Work with parish councils and partners to promote local supply chains	<ul style="list-style-type: none"> Develop a toolkit for parish councils wishing to promote local business, including the use of a website or app
	Identify trends in rural crime and work through the Crime and Disorder Reduction Partnership to support rural businesses	<ul style="list-style-type: none"> Reduction in rural crime
	Promote a new village-based website/app to parishes to encourage local people to use their shops and food outlets so that high streets are retained and expanded	<ul style="list-style-type: none"> Take-up of new solution in communities by 2024
We will help our businesses be green	Provide information and advice to help businesses to understand the benefits of generating their own energy, improving their energy efficiency, increasing water and waste recycling	<ul style="list-style-type: none"> Number of businesses improving their carbon footprint
	Help businesses invest in renewable technologies through providing a brokerage service	<ul style="list-style-type: none"> Investigate and set up a brokerage service by the end of 2020
We will promote the area for visitors and investment	Develop a new programme of activities with partners to promote foreign direct investment into the local	<ul style="list-style-type: none"> Programme in place by the end of March 2021

Focus	Action	Measure
	area to create new jobs	<ul style="list-style-type: none"> Number of companies relocating into South Cambridgeshire.
	Promote South Cambridgeshire to visitors through Visit Cambridge and Beyond	<ul style="list-style-type: none"> Increased tourism and increased take up of visitor accommodation Increased length of stay in the district Improved visitor information on our website
We will improve environmentally friendly transport links	Improve walking, cycling and public transport links between existing villages and employment sites	<ul style="list-style-type: none"> Successful delivery of new or improved travel routes
	Make sure homes and jobs are close together or can be accessed by good walking, cycling and public transport links	<ul style="list-style-type: none"> Local Plan policies support delivery of transport links Successful delivery of new or improved travel routes
We will help people living here have the skills and housing they need to work locally	Work with partners to identify the skills needed by local employers in specific small areas of the district	<ul style="list-style-type: none"> Report on skills needs throughout South Cambridgeshire by end of March 2021 Consider outcome of skills report and develop an action plan
	Review in consultation with major employers, planning and housing policies for Key Workers, Essential Workers and those who move to the area to take up a new job	<ul style="list-style-type: none"> Number of houses directly associated with employment



Housing that is affordable for everyone to live in

Focus	Action	Measure
We will deliver a range of well-designed high-quality new homes across the district to meet need and provide real choice	Increase the number of Council homes built each year to support people on lower incomes. These will include high energy standards and renewable energy where possible	<ul style="list-style-type: none"> • Increase the average number of Council homes built from 35 to 70 per year
	Identify the need for housing for Essential Local Workers and promote models of delivery with businesses and developers	<ul style="list-style-type: none"> • Number of homes granted planning permission for Essential Workers each year
	Work with developers at agreed large developments, and those where building has stalled, to ensure the number of homes needed in the area are delivered	<ul style="list-style-type: none"> • Delivery rate of new homes above projections each year (1,830 homes in December 2017 housing trajectory. This will be reviewed in March 2019)
	Work with housing partners to bid for Combined Authority funding to help get developments off the ground or increase the number of homes built	<ul style="list-style-type: none"> • Quarterly update on potential schemes • Review of submission of deliverable sites and schemes to the Combined Authority by 2022 • Number of affordable homes funded via Combined Authority by 2022
	Support self-builders to build high quality homes	<ul style="list-style-type: none"> • Make available 12 Council owned plots in 2019, and a further 14 in 2020
	Clearly set out the opportunities and challenges for housing in the Greater Cambridge area and ways to address them to deliver high quality and energy efficient homes for everyone	<ul style="list-style-type: none"> • Complete and publish the Greater Cambridge Housing Strategy by June 2019



Focus	Action	Measure
<p>We will create thriving communities where people can live, work and play</p>	<p>Deliver walking, cycling and public transport improvements that provide alternatives to the private car by working with local communities and partners</p>	<ul style="list-style-type: none"> • Influence Greater Cambridge Partnership and Combined Authority to deliver solutions that meet the needs of South Cambridgeshire residents • Transport improvements delivered through the Greater Cambridge partnership and Combined Authority • Produce a business case to explore a new community transport scheme to serve the northern villages in South Cambridgeshire by September 2021
	<p>Deliver a new sports pavilion, community centre and civic hub (containing health, library and community facilities) at Northstowe</p>	<ul style="list-style-type: none"> • Complete construction of sports pavilion by end of March 2021/22 • Complete construction of community centre by the end of March 2022/23 • Civic Hub designed, and construction contract awarded by December 2022
	<p>Set out where and how new homes and communities will be built across the Greater Cambridge area by preparing:</p> <ul style="list-style-type: none"> • A new Joint Local Plan for Greater Cambridge with Cambridge City Council • An Area Action Plan for North East Cambridge with Cambridge City Council 	<ul style="list-style-type: none"> • Carry out Local Plan issues and options consultation in the autumn of 2019 • Carry out North East Cambridge preferred option consultation in Autumn 2019
	<p>Give local people and communities more</p>	<ul style="list-style-type: none"> • Hold at least 24 events a year



Focus	Action	Measure
	<p>chances to help shape our future places through:</p> <ul style="list-style-type: none"> • Running engagement events • Reviewing Supplementary Planning Documents and Village Design Statements with community input 	<ul style="list-style-type: none"> • Adopt eight Village Design Statements by March 2020
	Support communities of all sizes to create and adopt Neighbourhood Plans to help shape the future development in their villages	<ul style="list-style-type: none"> • Number of areas supported to develop a neighbourhood plan each year • Number of neighbourhood plans adopted each year
	Support the delivery of homes on the edge of villages, where planning permission would not ordinarily be given for market housing (known as rural exception sites)	<ul style="list-style-type: none"> • Work with at least ten parishes a year to bring forward affordable housing • Number of new affordable homes on rural exception sites given planning permission each year • Number of new affordable homes built on rural exception sites each year
	Encouraging more people to participate in active and healthy lifestyles	<ul style="list-style-type: none"> • Deliver our free family fun day, Parklife, in 2019 to help people try out new activities • Increase the number of sporting activities we deliver, or deliver in partnership, for all ages and abilities each year • Draft a Health and Wellbeing Strategy by December 2019
We will raise the standards of new homes and communities to meet our green agenda pledge	Produce Sustainable Design and Construction planning guidance to help shape new low energy/carbon development which strengthens links with	<ul style="list-style-type: none"> • Consult on and agree a Sustainable Design and Construction Supplementary Planning Document by March 2020



Focus	Action	Measure
	existing communities	<ul style="list-style-type: none"> Require developers to consider and plan for an energy secure, zero-carbon future Produce a Biodiversity Supplementary Planning document within the Local Plan process Strengthen communities by integrating new and existing communities through good design and by promoting cycling and pedestrian links
	Improve the energy efficiency of existing Council housing to reduce carbon impact and running costs	<ul style="list-style-type: none"> Carry out an audit of energy efficiency of existing housing stock relative to zero carbon target by March 2020 Establish the investment needed and work programme for insulation measures over the next five years to close the gap on the zero-carbon target by March 2024 Number of Council houses improved, and the energy saving achieved Feedback on the benefit of warmer and cheaper to run homes from tenants
We will prevent homelessness and provide support for vulnerable people	Create new plan to prevent as many people as possible finding themselves homeless in South Cambridgeshire	<ul style="list-style-type: none"> Complete and publish the Homeless Review and Strategy by July 2019
	Increase the number of homes we have available for people who are at risk of becoming homeless and cannot afford to pay private sector rent	<ul style="list-style-type: none"> Increase the stock of homes with Shire Homes Lettings by 10 a year
	Provide dedicated support to people in receipt of Universal Credit, including our	<ul style="list-style-type: none"> Monitor referrals to Citizens Advice Bureau for financial advice



Focus	Action	Measure
	own tenants, to ensure they can continue to manage finances and pay their rent	<ul style="list-style-type: none"> • Monitor impact of Universal Credit on homeless prevention caseloads by September 2019 • Review Council tenants rent arrears on an ongoing basis to provide help as early as possible
	Implement a new initiative with partners in Peterborough and Cambridgeshire to prevent homelessness at an early stage	<ul style="list-style-type: none"> • Work with partners to implement early homelessness prevention Trailblazer action plan by 31 March 2020 • Number of homelessness preventions
	Work with national, regional and local partners to support the needs of refugees and asylum seekers	<ul style="list-style-type: none"> • Options explored with partners by March 2020



Being green to our core

Focus	Action	Measure
We will become a Zero Carbon Council	In recognition of the global climate and health emergency, develop an action plan to deliver a zero-carbon future for South Cambridgeshire	<ul style="list-style-type: none"> • Gather evidence to establish a carbon baseline by December 2019 • Establish the resources and budget needed to address the zero-carbon pledge for the end of March 2021 budget • Run a zero-carbon conference to develop scenarios and learn from best practice to drive decarbonisation by 2050 • Commit to a medium-term carbon action plan by April 2020 • Not use avoidable single use plastic in our offices
We will increase green energy generation and promote environmentally friendly energy consumption	Explore opportunities for renewable energy generation and maximise the energy efficiency of the Council offices and estate.	<ul style="list-style-type: none"> • Complete an assessment of investment opportunities at our Cambourne office and Waterbeach Depot by June 2019 • Commission green energy project(s) to fully invest the Renewable Energy Fund by end of March 2021 • Reduction in grid energy usage • Renewable energy generated onsite
	Provide support and guidance to community groups for projects that will reduce reliance on fossil fuels and promote behaviour change to help achieve the zero-carbon target	<ul style="list-style-type: none"> • Reenergise the Sustainable Parish Energy Partnership and investigate opportunities for helping local groups secure grant funding to kick start projects by the end of April 2019



Focus	Action	Measure
	Upgrade stock of 1,800 footway lights to LED, which will reduce energy consumption and save Parish Councils 60-70% on energy usage	<ul style="list-style-type: none"> • Completion of footway lighting upgrade to LED by March 2021 • Reduction in cost and energy consumption of footway lighting for Parish Councils
	Look into how electric vehicle charging points can be delivered in the district	<ul style="list-style-type: none"> • Investigate by September 2019 whether Council owned footway lighting stock could provide public electric charging points
We will maintain and improve air quality across the district	Develop and implement a joint Air Quality Strategy and action plan with Cambridge City Council	<ul style="list-style-type: none"> • Consult on and agree a joint air quality strategy and action plan by December 2019
	Reduce carbon footprint and impact on air quality of the Council's activities	<ul style="list-style-type: none"> • Investigate options for changing bin lorry fleet to more environmentally friendly vehicles, including electric • Install electric vehicle charging points at our Cambourne and Waterbeach offices for staff, members and visitors



Focus	Action	Measure
	Install new air quality monitors in hotspots across the district to monitor particulate levels (for example, pm2.5, pm10 and NOx) to establish baseline and inform air quality strategy	<ul style="list-style-type: none"> • Determine locations for monitors - prioritising schools, road junctions and new housing developments by April 2020 • Install monitors to establish air quality baseline and data to inform strategy by September 2020
	Regularly monitor the air quality along the A14	<ul style="list-style-type: none"> • Annual A14 air quality monitor reports to inform action plan • Data on air quality compliance
	Review our Taxi Licensing Policies to incentivise taxi operators and drivers to improve air quality	<ul style="list-style-type: none"> • Consult with local taxi operators and drivers on introducing air quality emission standards and incentives for taxis by September 2019 • Introduce quarterly emissions spot checks for taxis • By September 2019, deliver a high-level assessment to set-up a network of electric vehicle charging points across the district.
We will protect and enhance the district's heritage and environment	Influence the planning and delivery of new major transport routes, such as the proposed East West rail line linking Cambridge and Oxford, to ensure the environment is fully considered at the planning stage and a net gain to natural capital is delivered	<ul style="list-style-type: none"> • Environmental Impact Assessments are undertaken for all new major transport routes • Planning of transport routes to include consideration of air quality standards, measures to deliver a net gain to natural capital, and achieve carbon neutrality



Focus	Action	Measure
	<p>We will identify sites and opportunities for tree-planting and habitat enhancement to offset the environmental impact of developments in the district</p>	<ul style="list-style-type: none"> • Carry out an assessment to identify natural capital opportunities and strategic open space for tree-planting and biodiversity/carbon offsetting by end of March 2020 • Adopt Developing with Nature Toolkit as part of new Biodiversity Supplementary Planning Document by end of March 2020
	<p>Work with Parish Councils to develop Conservation Area Management Plans and Village Design Statements</p>	<ul style="list-style-type: none"> • Complete four Conservation Area Action Plans by March 2021 • Complete eight Village Design Statements by the end of March 2020
	<p>Run an annual campaign with communities and partners to reduce the environmental impact of fly tipping</p>	<ul style="list-style-type: none"> • Increase community awareness of fly-tipping to increase quantity and quality of the reporting for investigation. • Increase in the use of our bulk waste collection service • The number of people who engage in the fly-tipping campaign through social media analytics • The number of direct actions we have carried out with local community support to resolve persistent fly-tipping problems (surveillance, gating, notices) • Employ an additional partnership officer through the Cambridgeshire waste partnership to coordinate fly-tipping intelligence and awareness by May 2019



Focus	Action	Measure
	<p>Create a new toolkit for parishes and communities so they know how they can prevent and tackle fly-tipping</p>	<ul style="list-style-type: none"> • Publish new information by October 2019 to support joint community action on fly-tip prevention.
	<p>Speed-up the way we respond to residents' reports and clear up fly-tips</p>	<ul style="list-style-type: none"> • Implement a new system to speed up the process by July 2019 • By May 2019 employ an additional partnership officer (RECAP) to coordinate fly-tipping intelligence and awareness.
<p>We will reduce the total amount of waste we generate as a community</p>	<p>Run an annual programme of resident and community education and promotional campaigns to reduce the amount of black bin waste per household, increase recycling rates and reduce recycling contamination</p>	<ul style="list-style-type: none"> • Demonstrate successful progress towards the national recycling rate of 65% by 2035. • By April 2020 reduce black bin waste from 450 kg per household in 2017/18 to 425 kg per household • By April 2020 increase blue bin recycling from 195 kg per household in 2017/18 to 205 kg per household • Keep blue bin recycling contamination below 6%
	<p>Change and improve the way we provide a waste and recycling service to our communities in response to expected future changes in national policy and legislation. This will include taking part in Government consultations</p>	<ul style="list-style-type: none"> • Present options for the redesign of South Cambridgeshire waste collections service by April 2020 • Participate in consultations on Deposit Return Scheme, household recycling collection, extended waste producer responsibility and consultation on food waste collection.



Focus	Action	Measure
	Reduce waste and encourage recycling at events held in South Cambridgeshire	<ul style="list-style-type: none"> • Develop a guide for reducing waste and encouraging recycling at local events held in South Cambridgeshire by March 2020 • By March 2020 our Safety Advisory Group will include advice on reducing waste and encouraging recycling at events as standard
	Help schools to be more environmentally friendly by promoting a single use plastic pledge for South Cambridgeshire	<ul style="list-style-type: none"> • Number of schools engaged in single use plastic pledge • Recycling improvements achieved through single use plastic pledge • Promote the benefits of the 'Eco-schools' scheme to all South Cambridgeshire schools by March 2022



A modern and caring Council

Focus	Action	Measure
We will retain and develop our staff to achieve excellent results for local people	Review the shape of the organisation to ensure that the skills and resources are aligned to priorities	<ul style="list-style-type: none"> • Complete review of the organisation by the end of April 2019
	Introduce a new model of working at the Council so we can deliver the ambitions of the Council and respond to our communities	<ul style="list-style-type: none"> • Begin implementation programme for new operating model in May 2019
	Review our staff benefits package and recruitment processes to ensure that we attract the best talent	<ul style="list-style-type: none"> • Complete a review of benefits package and recruitment processes by March 2021 • A reduction in the number of vacancies that are difficult to fill • Staff turnover maintained at healthy level • Complete and analyse an annual staff satisfaction survey to monitor benefits package • Deliver actions in the Organisational Development Strategy



Focus	Action	Measure
	Be an equal opportunities employer and an employer of choice for people with disabilities and ethnic minorities	<ul style="list-style-type: none"> • We will sign up to the ‘Disability Confident scheme’ by March 2020 • Increase in applications for jobs by people with disabilities and ethnic minorities
	Creation and implementation of a revised programme of staff training and development	<ul style="list-style-type: none"> • Monitor the number of members of staff accredited through the relevant professional institute • An annual increase in the number of apprentices • The introduction of a mentoring programme by March 2020
We will generate new and innovative sources of income to invest in services for local people	Develop options to generate income by investing in the district in line with the criteria set out in the Council’s investment strategy	<ul style="list-style-type: none"> • A list of business opportunities to come forward by the end of March 2020 for income generation • Number of business cases developed and implemented • Income generated from investments
	Review how we make best use of our premises, including to generate an income and reduce impact on the environment	<ul style="list-style-type: none"> • Increase in income from rental or events at our premises
	Expand and grow the commercial waste collection service	<ul style="list-style-type: none"> • Develop a focused marketing and growth plan for trade waste by the end of April 2019 • Improve the online information and presence for the trade waste service by July 2019. • Increase profit from the trade waste



Focus	Action	Measure
		service by an additional £50,000 by April 2020
We will support and celebrate South Cambridgeshire communities	Provide grants to community and voluntary groups to help them carry out projects to benefit local people	<ul style="list-style-type: none"> Run Council grants scheme throughout the year to assess and award funding
	Creation of an annual celebratory event for volunteers	<ul style="list-style-type: none"> Carry out annual event by the end of March 2020 Feedback from communities and people attending the celebration of voluntary work
We will reduce costs and improve customer service	Review the way we carry out tasks to ensure they are as efficient as possible, including the work we do with partners and shared services	<ul style="list-style-type: none"> Efficiencies identified and implemented in service reviews Increased customer satisfaction Increase funding secured from partnership and other grants available
	Put the customer at the centre of everything we do by embedding it in the organisation's culture to deliver continuous improvement	<ul style="list-style-type: none"> Key performance indicators Implement a new process to track and monitor our journey and successes by March 2020
	Develop and support Councillors to ensure that they can best serve their communities	<ul style="list-style-type: none"> Carry out a programme of Member development and training as part of the Organisational Development strategy
	Review current customer complaints process and help staff resolve issues at first point of contact	<ul style="list-style-type: none"> Resolution of complaints at first point of contact to achieve a 10% improvement Customer satisfaction results
We will use technology to improve access to Council services for businesses and	Make it easier for customers to report, pay and apply for services online, including	<ul style="list-style-type: none"> Increase in the number of transactions customers can carry out online



Focus	Action	Measure
residents	being able to track progress of requests	<ul style="list-style-type: none"> • Deliver savings and business efficiencies outlined within agreed project plan • 25% reduction in phone calls by March 2022
	Provide new technology to our officers so they can get more done for communities whilst out in the district	<ul style="list-style-type: none"> • By end of 2020 all desk-based Council staff will be able to work remotely, as they would in the office • Recruitment and retention of staff improved
	Introduce live web-streaming of Council meetings to help people engage in democratic process	<ul style="list-style-type: none"> • Web-streaming made available for public to access by end of June 2019



Business Plan 2019-24 Consultation Feedback Analysis

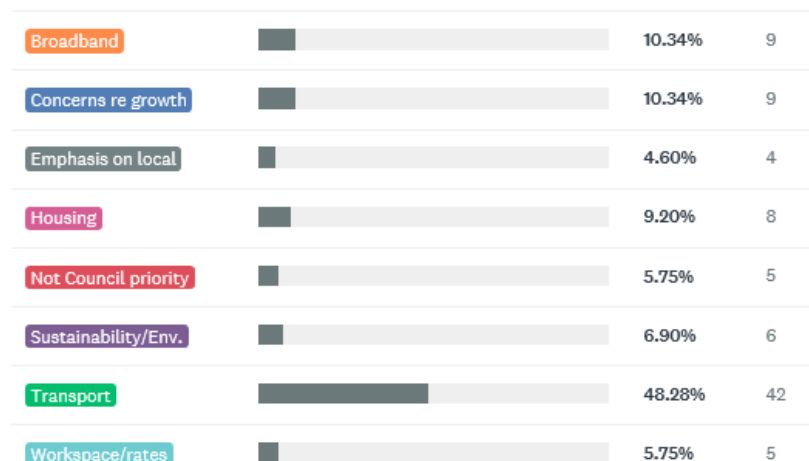
Almost eight out of every ten people who responded agreed that each of the proposed priority areas should be focused on by the Council. The percentage breakdown is below:

- (a) Economic development (79%)
- (b) Homes that are affordable for everyone to live in (79%)
- (c) Climate and environment (78%)
- (d) 21st century council (77%).

Many of the responses to the below consultation questions echoed support for the priorities. The information below provides a summary where respondents have provided a more detailed response in relation to particular actions.

What are your views on the things we plan to focus on as part of the economic development priority?

87 answered with the following response themes identified.



Broadband – High speed broadband and internet coverage identified as important for the Economic Development Priority.

Sample responses include:

“South Cambs priority should be to get super fast broadband coverage 100%! “

“You should do more to encourage small enterprises to establish themselves in the villages. A focus on rural broadband should help.”

Emphasis on local - Response indicated importance of supporting local businesses and communities.

Sample responses include:

“While growth is good, it should be appropriate and not overwhelming. Emphasis on small local enterprise is particularly appropriate to reduce commuting.”

“Too biased towards business. Money matters but so does quality of life, which results from good environment and happy communities. Improve life for existing residents, we don't need to grow.”

Concerns re growth – Responses indicated concerns with growth or certain types of growth.

Sample responses include:

“More housing will be disastrous! So far people cannot afford to live in these new homes and they are mainly for people who work in science & tech.”

“Be careful with the rate of growth that we don't stifle the pleasure of living.”

Not Council Priority – Responses indicated that this should not be a priority for the Council.

Sample responses include:

“You need to concentrate on Council business first.”

“Focus on a few objectives rather than trying to do so much as resources at the Council are stretched.”

Housing – Housing identified as important for Economic Development Priority.

Sample responses include:

“Job growth needs to be balanced with transport links and housing availability.”

“Housing - it is never affordable and is causing chaos on the roads!”

Transport - Transport identified as important for Economic Development Priority.

Sample responses include:

“Rural connectivity is absolutely key, ensuring that resident employees are able to easily access workplaces. Use of low environmental impact, sustainable transport methods should be a priority.”

“Make it easy to get to work by other means than the car.”

“Finding ways to improve transport links so that car use is minimised is vitally important. However, it must not be assumed that everyone will cycle. I am not convinced that people will readily cycle more than 3 to 4 miles to work. Ensuring that broadband speeds throughout South Cambs are improved is vital. With increasing numbers of home workers, faster broadband is essential.”

“Siting of new businesses and the transport links to them as if you cannot get the people to the jobs easily, then there will be major issues.”

Sustainability/Env. - Response indicated importance of sustainability and in places raised concerns around environmental impact of growth.

Sample responses include:

“Sustainability is more important than constant growth.”

“I see nothing about particularly supporting community business initiatives or promoting ethical business. Also nothing about protecting the environment from impact of economic growth (what about rise in traffic? air pollution? for example). It appears to be economic growth at any cost.”

Workspace/rates - Response indicated importance of affordable workspace and rates for small businesses and start ups.

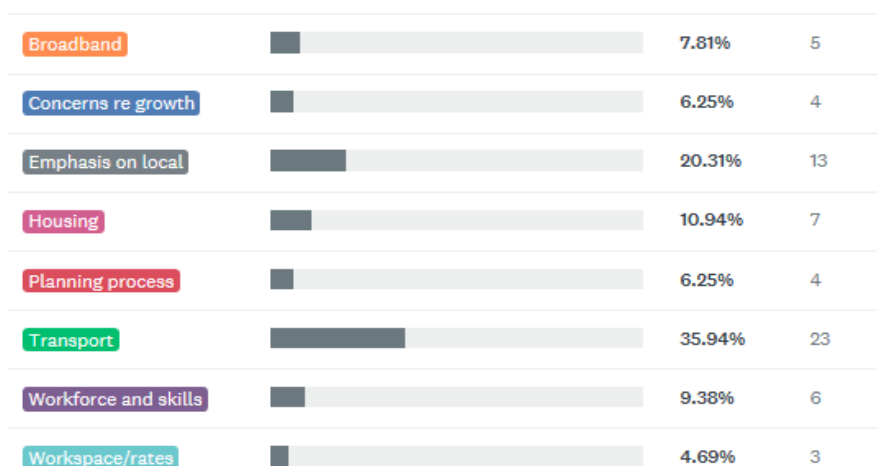
Sample responses include:

“Accessing suitable affordable workspace is difficult - there isn't enough and competition for rent from better off business is tough.”

“Cheaper business rates for start-ups and small units for start-ups.”

Are there any other things you think we should focus as part of our economic development priority?

64 answered with the following response themes identified.



Broadband - High speed broadband and internet coverage identified as important for the Economic Development Priority.

Sample responses include:

“Connectivity in the sense of improving mobile signal and 4G internet which is frequently unavailable in the villages.”

Concerns re growth – Responses indicated concerns with growth or certain types of growth.

Sample responses include:

“Brownfield site development rather than reducing the green belt.”

“Your entire plan is skewed towards improving things for people coming into the area, whereas you should be improving things for people (homes and businesses) already here. Transport is a mess - the roads cannot cope with the existing traffic, yet you are allowing more homes to be built.”

Emphasis on local - Response indicated importance of supporting local businesses and communities.

Sample responses include:

“Jobs for existing residents close to where they live, not in business parks that require transport infrastructure.”

“Your entire plan is skewed towards improving things for people coming into the area, whereas you should be improving things for people (homes and businesses) already here. Transport is a mess - the roads cannot cope with the existing traffic, yet you are allowing more homes to be built.”

“Scope out all employment areas & growth prospects - rural economies may be subsumed by more glamorous new technologies business”

Housing – Housing identified as important for Economic Development Priority.

Sample responses include:

“Affordable housing is key. Without this, employees have to travel further and are under more stress.”

“More council housing and houses for older residents.”

Planning process – Business friendly and efficient planning process identified as important for Economic Development Priority.

Sample responses include:

“Improve the planning process for new businesses.”

“Planning advise help line.”

Transport - Transport identified as important for Economic Development Priority.

Sample responses include:

“Jobs for existing residents close to where they live, not in business parks that require transport infrastructure.”

“Economic development won't be possible unless infrastructure and existing frameworks are improved. You cannot have one without the other.”

Workforce/rates – Response indicated importance of affordable workspace and rates for small businesses and start ups.

Sample responses include:

“Working with businesses so that they have opportunities that can be filled by local young people, helping to encourage them to stay in the area.”

“I don't see in your stated intentions any reference to dealing with the number of older people, who are an incredible resource given support to stay economically active via some incentive programme and support.”

“Attract more people to live/work South Cambs by making it a better place to live. What of our Council tax provides or supports real community activities for village residents? Hearts of villages are still diminishing as they have done over the last decades. Why would I set up a

business in a village, when there's nowhere to go for lunch, no sports or entertainment facilities? Attracting talent into a South Cambs village, as opposed to setting up in Cambridge or other well-connected town is unlikely to be successful without a really ambitious and focussed strategy.”

Workspace and costs – Response indicated importance of affordable workspace and rates for small businesses and start ups.

Sample responses include:

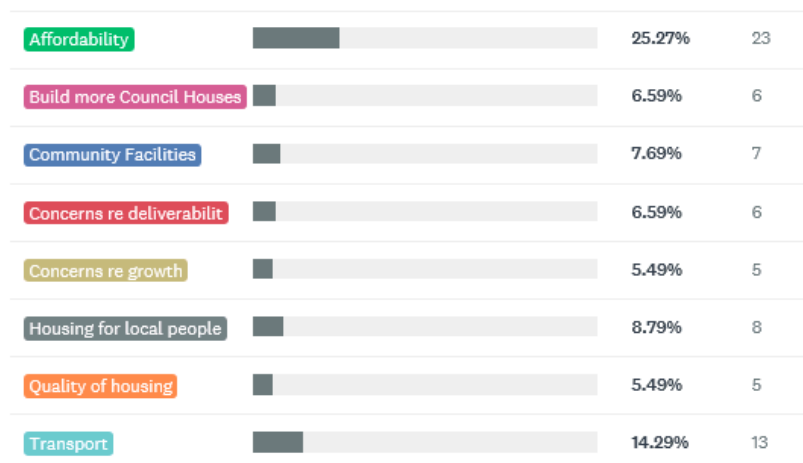
“Need to allocate more land for traditional industrial uses with affordable rents, and not just hi tech (high rent) business parks.”

“Small units for start-ups.”

“Reducing business rates for properties on high streets.”

What are your views on the things we plan to focus on as part of the housing priority?

91 answered with the following response themes identified.



Affordability - Response indicated importance of truly affordable housing provision.

Sample responses include:

“Building more affordable social housing.”

“Making affordable housing for young (first time buyers).”

“The emphasis with new houses should be to encourage smaller properties that young people can afford.”

“Low running cost, i.e. excellent insulation, combined heat and power, solar PV, rainwater harvesting, MVHR.”

“I work extremely hard as a junior doctor but can't afford to buy a house due to the extortionate house prices (several colleagues in the same boat). Therefore, will be leaving the region with the loss of yet another doctor.”

“Do you have the power to stop foreign ownership or stop second home ownership? Because that is what makes the housing unaffordable.”

Build more Council houses – Building more Council houses identified as important for the Housing priority.

Sample responses include:

“Council house building needs to be much more than doubled.”

“Increasing council housing significantly is critical in ensuring that people on low to medium wages are able to live in the area and curtailing disproportionately high house prices and rental rates.”

Community Facilities – Provision of community facilities and amenities identified as important for the Housing priority.

Sample responses include:

“We do not just need houses, we also need amenities as well, parks, shops, GP surgeries and sports.”

“Emphasis on communities is good, but you don't say what it means. For instance, do not permit significant housing developments without considering and probably increasing the capacity of local schools.”

Concerns re deliverability – Responses indicated concerns with deliverability of actions within this priority.

Sample responses include:

“Its all well and good saying housing that is affordable to all, but you don't say how you plan on doing this. The market is owned by the private sector and share holders. Again, focus on things that the Council can actually control and do.”

“You could not afford to build enough council houses to house all the people who can't afford to buy a house in South Cambridgeshire at the moment. A lot of the new houses have little or no garden, and there is nowhere for children to play. Even people with good jobs can't afford to buy a house in South Cambridgeshire, or even to rent a house. Any 'low-cost' housing that you build will just be sold at the market rate in a few years time, so you'd be using our money to line other people's pockets.”

“Too many things to focus on.”

Concerns re growth – Responses indicated concerns with growth or certain types of growth.

Sample responses include:

“Building houses is not compatible with your stated aim of tackling climate change.”

“South Cambs already has too many planned housing developments.”

“Woking with developers to speed up delivery of new homes should not be via a cut rate planning process with rushed local consultation.”

Quality of Housing – Quality of Housing identified as important for the Housing priority.

Sample responses include:

“Quality homes should be delivered, with sympathy for the character and capacity of the places they are being put. A lot of the current development seems low quality and opportunistic, with little consideration to service capacity, transport links etc. Cambridgeshire housing market needs to cool, with not more and more houses being built.”

“Housing at both ends of the scale i.e. affordable properties for young people and opportunities for older people to downsize without having to move away. The latter are particularly want quality properties.”

Housing for local people – Housing for local people identified as important for the Housing priority

Sample responses include:

“Helping new homes fit into a village context and helping villages accept more homes for local people.”

“You’re forgetting local people”

Transport - Transport identified as important for the Housing priority.

Sample responses include:

“You need to recognise that despite providing walking/cycling/public transport links, people will still use cars, so the infrastructure must support this.”

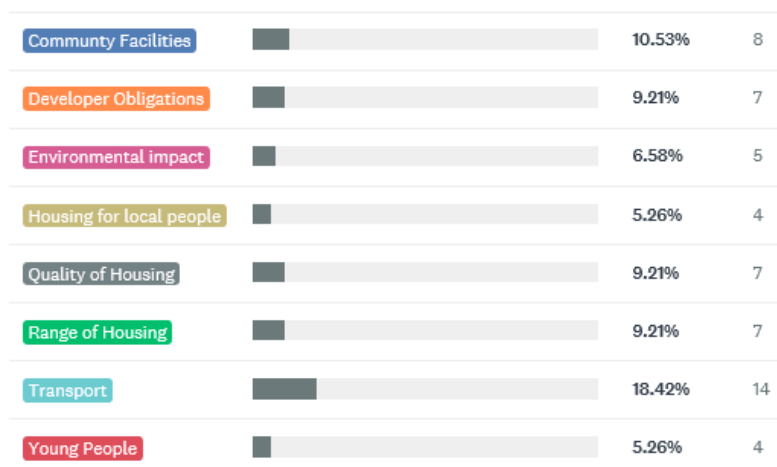
“Increased housing = increased transport need. Public transport needs to be increased and made affordable.”

“Great that there’s a focus on sustainable transport when thinking of new developments. Enabling safe cycling / walking is key to a healthy lifestyle and managing congestion.”

“Only allow additional housing if there is a traffic plan in place first.”

Are there any other things you think we should focus on as part of our housing priority?

76 answered with the following response themes identified.



Community Facilities – Provision of community facilities and amenities identified as important for the Housing priority.

Sample responses include:

“Don't keep allowing housing to be built without the provision of GP surgeries, schools, shops, road improvements and parking.”

Developer Obligations – Ensuring that developers meet their obligations identified as important for the Housing priority.

Sample responses include:

“Ensuring that all developers meet their obligations to build the required proportion of social housing in their developments, and that no developer is allowed to wriggle out of this requirement due to claims about the impact on their profits.”

“Do not allow developers to drop the % of affordable houses once works start. This happens everywhere all too often. Ensure ongoing management of street furniture and horticulture.”

Environmental impact – Environmental impact identified as important for the Housing priority.

Sample responses include:

“Maintain green areas and open land for environmental reasons. Consider impact of increased housing on floods.”

“Most importantly find a way to improve environmental credentials of new buildings. Plan for droughts by demanding grey water tanks are constructed.”

Housing for local people – Housing for local people identified as important for the Housing priority.

Sample responses include:

“People who want to stay in their village.”

“Concentrate on improving the living space for existing residents, instead of providing overflow housing for rail commuters.”

Quality of Housing – Quality of Housing identified as important for the Housing priority.

Sample responses include:

“More oversight on rental properties required: high rents, overcrowding, poorly maintained properties, poor and unhealthy living conditions, unscrupulous deposit deductions.”

“Balancing numbers with quality.”

Range of Housing – Range of housing identified as important for the Housing priority

Sample responses include:

“Can we work with developers to create lifetime homes-which allow attics to be converted at low cost, wet rooms on ground floor, stair lift electrics and garages which can be converted to granny accommodation all these options are available in Milton Keynes and houses have

the necessary planning permission that residents can have this work completed with less delay. Would mean more settled communities as residents would need to move less.”

“Built prefab smaller affordable bungalow/houses.”

“Housing for older people needs to be built - there’s a lot of housing in villages and an aging population. If those older people had homes that they wanted to down size to in the area that would free up housing for young families.”

Transport - Transport identified as important for the Housing priority

Sample responses include:

“Ensure that there are sufficient parking spaces available for the houses built so roads are not blocked with parked cars.”

“Ensuring adequate infrastructure. This is often a failure where growth happens in small increments.”

“Public transport is so important, I think you should do far more by actually investing in or supporting bus transport so that it’s far, far more extensive, and cheaper than currently.”

Young people – Help for young people to find suitable housing identified as important for the Housing priority

Sample responses include:

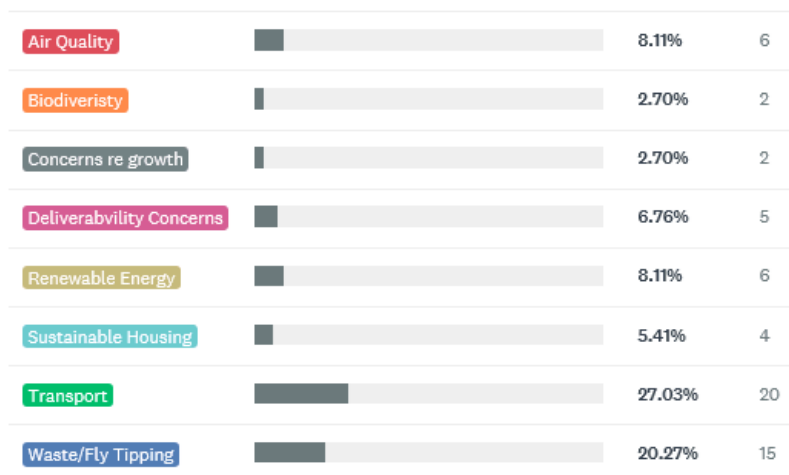
“Shared equity starter homes, lease to buy are two areas I would prioritise to help younger people.”

“Young people need help getting a deposit together in order to get mortgages-help needed with some enterprising thinking in order to achieve that.”

“Affordable housing to doctors in training. Important to attract and retain expertise in the region otherwise impact on medical care for the community will suffer greatly.”

What are your views on the things we plan to focus on as part of the climate and environment priority?

74 answered with the following response themes identified.



Air Quality – Air quality identified as important for the climate and environment priority

Sample responses include:

“How does the maintaining and improving air quality tally with what is happening on the A10 through my village Harston, where traffic is predicted to massively rise in the coming decade with much worse air pollution (it is already terrible).”

“Air quality in villages is not so good now. This should be a priority, but everyone needs to make a difference.”

Biodiversity – Biodiversity and/or protection of habitat and wildlife identified as important for the climate and environment priority

Sample responses include:

“OK but no mention of supporting/promoting biodiversity and different habitats.”

“You should also protect farmland, trees and wildlife.”

Concerns re growth – Responses indicated concerns around impact of growth on climate and environment priority.

Sample responses include:

“Preserving the green belt.”

“More cars = more fumes. More houses = more cars”

Deliverability concerns - Responses indicated concerns around ability to positively impact global problems.

Sample responses include:

“Local councils cannot force the change needed in single use plastic waste. Large multinationals and supermarket chains have to take responsibility for this.”

“The climate will do whatever it wants without your involvement and the environment could be greatly improved by the Council cleaning up open spaces and carrying out street cleaning.”

Renewable energy – Investment in renewable energy identified as important for the climate and environment priority

Sample responses include:

“The Council could lead the way in renewable energy provision on growth sites, especially energy storage and electric vehicle charging.”

“Especially think the focus on green energy is good.”

Sustainable Housing - Sustainable housing and greening measures identified as important for the climate and environment priority

Sample responses include:

“Supporting public to use green energy.”

“Have stated minimum standards for new homes, such as solar panels, water and electric, insulation etc.”

Transport – Transport identified as important for the climate and environment priority.

Sample responses include:

“Reduce the number of cars entering the city by limiting access by car. More park and ride, more complete cycle ways and walking areas.”

“Again, public transport is so key - what does "working with partners" actually mean? I'd like to see you lobby hard AGAINST the proposed Park & Ride extension, in favour of genuine rural buses that usefully go right to where people live, often enough and cheaply enough to be viable and attractive as an option.”

“Very important for the east-west train line to be developed and run well. Current train service with high cost, (lack of) punctuality and the frequent need to go through London means it is cheaper, quicker and less stressful to drive.”

“Create carbon/traffic-free zones in towns; encourage car share operators; e-bike operators into the county.”

“Environmentally-friendly transport for all communities, not just new ones, should be a priority.”

Waste / Fly Tipping – Waste and recycling, and/or fly tipping identified as important for the climate and environment priority

Sample responses include:

“Weekly blue bin collection.”

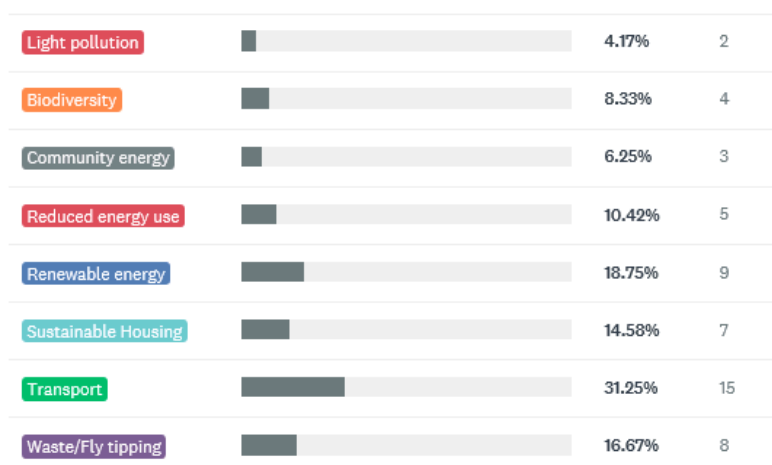
“Make recycling easier for householders.”

“Tougher penalties for fly-tipping.”

“More money to combat fly-tipping”

Are there any other things you think we should focus on as part of our climate and environment priority?

48 answered with the following response themes identified.



Light pollution – Light pollution identified as important for the climate and environment priority.

Sample responses include:

“Cut the use of unnecessary light. When I walk my dogs of an evening in parts of Cambourne I don't need a torch because the wasteful light from the sports pitches can make the surrounding land areas not dark. A Dark Skies policy should be instituted.”

Biodiversity - Biodiversity and/or protection of habitat and wildlife identified as important for the climate and environment priority.

Sample responses include:

“Protecting farmland, trees, rivers/streams, wildlife and other open spaces that contribute to the quality of life in South Cambridgeshire. You don't mention them much in your vision of the future.”

Community energy – Community energy schemes and projects identified as important for the climate and environment priority.

Sample responses include:

“More community wind power schemes.”

“I would be interested in community wide solar panel installation.”

“Support for community energy generation.”

Reduced energy use – Reduced energy usage identified as important for the climate and environment priority.

Sample responses include:

“Grants/low interest for homes to retrofit green energy appliances e.g. grey water recycling, rain water capture, solar, wind etc.”

“Cut the use of unnecessary light.”

Renewable energy – Renewable energy identified as important for the climate and environment priority.

Sample responses include:

“Investing in green energy initiatives, especially things like solar panels on private houses.”

“Supporting green energy companies.”

Sustainable Housing – Sustainable housing and greening measures identified as important for the climate and environment priority.

Sample responses include:

“Mandatory solar panels for all new housing/office blocks, enforced by Planning department.”

“Fast construction using well insulated, portable factory-built models with energy sources from below ground.”

Transport – Transport identified as important for the climate and environment priority.

Sample responses include:

“Reduce car use, have more electric charging points now that electric car use is finally increasing.”

“Public transport and cycle ways”

“Reduction in the amount of road building.”

“Follow Holland’s example in removing cars from the road.”

Waste/Fly tipping – Waste and recycling, and/or fly tipping identified as important for the climate and environment priority.

Sample responses include:

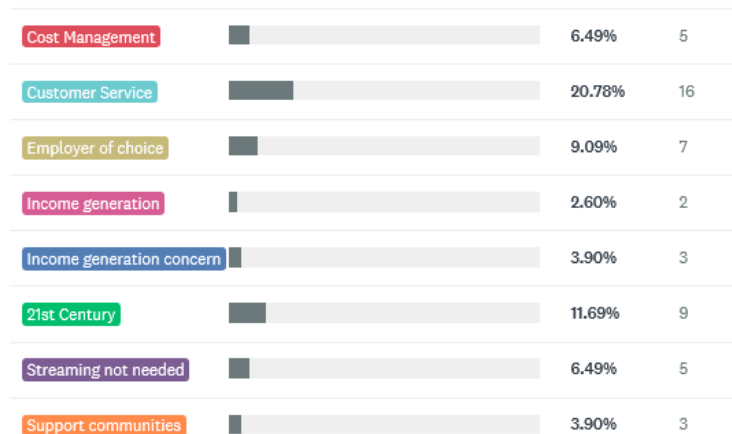
“Better education and enforcement on littering.”

“Our Cllr promised before he was elected that the A428 would be the subject of a litter clean up.”

“I claimed my kitchen caddy but had to take time off work to drive to Cambourne to do it. That’s not convenient or environmentally conscious.”

What are your views on the things we plan to focus on as part of the 21st Century Council priority?

77 answered with the following response themes identified.



Cost Management – Management of costs identified as important for the 21st century Council priority.

Sample responses include:

“I think you should focus on giving a great service while keeping costs low. Some things seem to have disappeared from your service – it’s unfair to keep raising taxes while cutting services.”

“Do not spend time on it unless it reduces money.”

“Dramatically remove costs. Modernise and reduce staff.”

Customer Service – Customer service identified as important for the 21st century Council priority.

Sample responses include:

“Important to be accessible.”

“Make it easier for the public to contact the right person.”

“You are reducing the face-to-face element in a bid for cost-saving and a blind reliance on technology. This can lead to customer frustration and alienation. Sometimes speaking to a person is best.”

“Continue to move towards more digital services, easily accessed and with good feedback.”

“Focus on enabling those residents who are able to access services online and also provide support to residents who can’t access the internet.”

Employer of choice – Becoming an employer of choice and importance of the right level and types of staffing identified as significant in relation to the 21st century Council priority.

Sample responses include:

“Interested in becoming an employer of choice especially for those with disabilities. Is there are Disability Policy for staff?”

“There needs to be enough staff of the right quality.”

“Employ people from all age groups. They have different ideas and amounts of experience – all valuable.”

Income generation – Income generation identified as important for the 21st century Council priority.

Sample responses include:

“Generating income to invest in services.”

Invest in a rival bus company to generate income and improve links within the district.

Income generation concern – Concern raised about how the Council goes about generating an income.

Sample responses include:

“I think ‘generating your own income’ is good in principle but should be handled carefully as it’s the government’s roll to put in place the infrastructure and incentives for local businesses, not to replace them.”

“I understand the need for money, but who would you be investing in? What would you be doing to raise income? Would it involve selling off property for example?”

21st Century – Comments indicated that the 21st Century Council priority could be undertaken as part of a continual effort to strive for improvement, or that the title is unclear.

Sample responses include:

“These are worthy aims, but nothing particularly 21st Century. Just keep driving improvement as every organisation should.”

“It is a continual task for any large organisation to review processes, satisfy customers, partners and employees and be cost efficient.”

Streaming not needed – Comments that questioned whether web-streaming of Council meetings should be included as a priority.

Sample responses include:

“Not sure if live web-streaming is a priority. The County abandoned it because no-one was really interested.”

“Live streaming will merely result in grandstanding and Council members performing for votes.”

“I wish I could believe people want live streaming of council meetings, but I think other things are more important.”

Support communities – Community support identified as important for the 21st century Council priority.

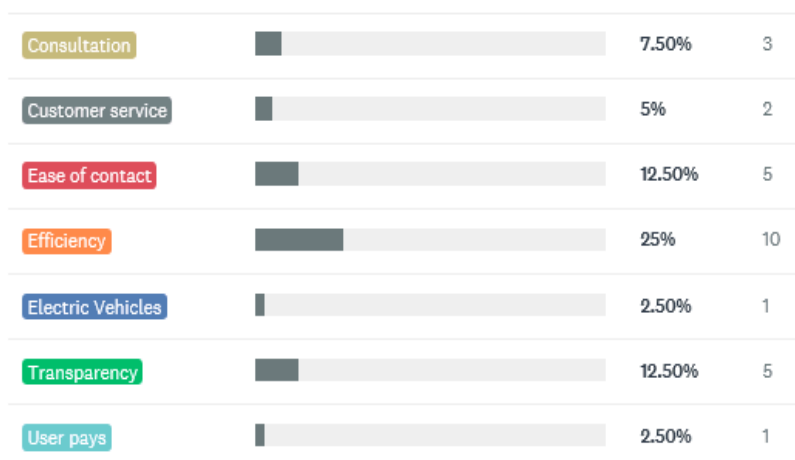
Sample responses include:

“Some focus on identifying and supporting volunteer and NGO type organisations or individuals and creating viable partnerships is vital.”

“Supporting and celebrating volunteer groups that benefit the community.”

Are there any other things you think we should focus on as part of the 21st Century Council priority?

40 answered with the following response themes identified.



Consultation – Consultation with residents and businesses identified as important for the 21st century Council priority.

Sample responses include:

“Ensuring your Councillors are working with their communities.”

“Carry out surveys to establish how much people locally are prepared to pay for services provided by SCDC. For too many years the aim has been to keep the overall charge to residents and businesses low. There seems to me no reason why local people and businesses should not pay more Council Tax to cover the cost of services provided.”

Customer service – Customer service identified as important for the 21st century Council priority.

Sample responses include:

“Treating people with respect and training your staff to do the same.”

Ease of contact – Ease of contact identified as important for the 21st century Council priority.

Sample responses include:

“You are hard to reach. Consider a drop in clinic in the centre of Cambridge to facilitate direct interaction. Have a front office in town and back office in Cambourne.”

“Drop in sessions in villages.”

Efficiency – Efficiency and working smartly identified as important for the 21st century Council priority.

Sample responses include:

“Speed of decision and implementation.”

“Working smartly with other council’s not duplicating on workloads, sharing staff where possible so you can invest more in tech and staff the community needs.”

Transparency – Transparency identified as important for the 21st century Council priority.

Sample responses include:

“Communication with the public is key so when an answer is required please give it.”

Do you have any comments on our budget, finances or how we bridge the funding gap?

62 answered with the following response themes identified.

Collaboration		4.84%	3
Concern re cuts		12.90%	8
Concern re investment		6.45%	4
Ctax too high		4.84%	3
Reduce activities		8.06%	5
Generate income		17.74%	11
Increase business rates		3.23%	2
Staff/CLlr costs		14.52%	9
Support Ctax increase		12.90%	8

Collaboration – Collaboration identified as important to the way in which the funding gap is addressed.

Sample responses include:

“Try collaborations with other organisations/councils to find savings.”

“Work closer with other businesses, NHS, police etc to bridge the gap. All businesses are struggling financially better collaboration could save money?”

Concern re cuts – Answers indicated concern that cuts would lead to reduced service quality.

Sample responses include:

“Look at options to generate money rather than cutting services which are valued by residents.”

“There is little fat to cut so any savings point to a lowering of service standards.”

Concern re investments - Answers indicated concern with the level of risk involved with certain investment options.

Sample responses include:

“Betting on the housing market seems dangerous.”

“It does not seem sensible to invest in property in an area where prices are at their highest.”

“Be realistic about capacity to deliver innovation. Be mindful of risks associated with commercial options.”

Ctax too high – Answers indicated a concern around levels of Council Tax.

Sample responses include:

“Awareness of the already heavy burden of council tax on families in an expensive part of the country.”

“Council tax is too high, and some residents do not pay any. People focus on the poor, but some people work hard and only just manage to support themselves each month.”

Reduce activities – Answers included either specific or general ideas about how the Council should reduce its activities or services.

Sample responses include:

“You are at serious risk of widening the funding gap by being too ambitious.”

“Black bin collection should be cut down to a monthly collection all year to encourage recycling.”

“Make some tough decisions about what people really need. It’s amazing what we don’t need when we’re asked to actually pay for it. I expect very little of my district council for the council tax I pay. Some of your residents expect the world.”

Generate income – Answers included either specific or general ideas about how the Council should generate income.

Sample responses included:

“Focus on generating income and not on cutting services. The Council should be able to find ways to invest in housing and commercial developments that also generate income.”

“Continue to be ambitious in the programme to bring toward housing and generate income.”

“Run your own services instead of contracting out and sell those services as well?”

Increase Business Rates – Answers indicated that business rates could be raised to help address the funding gap.

Sample responses include:

“There are some very wealthy companies in Cambridge. Could you not increase rates on office space (with deductions for small business)?”

“Small extra taxes on hotels and universities and colleges. They benefit greatly from their location - we just pay higher costs for the same; it’s only fair.”

Staff/Cllr costs – Answers indicated that the Council should seek to reduce staff and/or Councillor costs to help address the funding gap.

“Less management and more frontline staff.”

“Reducing managers’/councillors’ travel expenses.”

“Lower salaries for top staff, much lower pension costs in line with private sector.”

Support Ctax increase – Answers indicated support for increasing Council Tax to help address the funding gap.

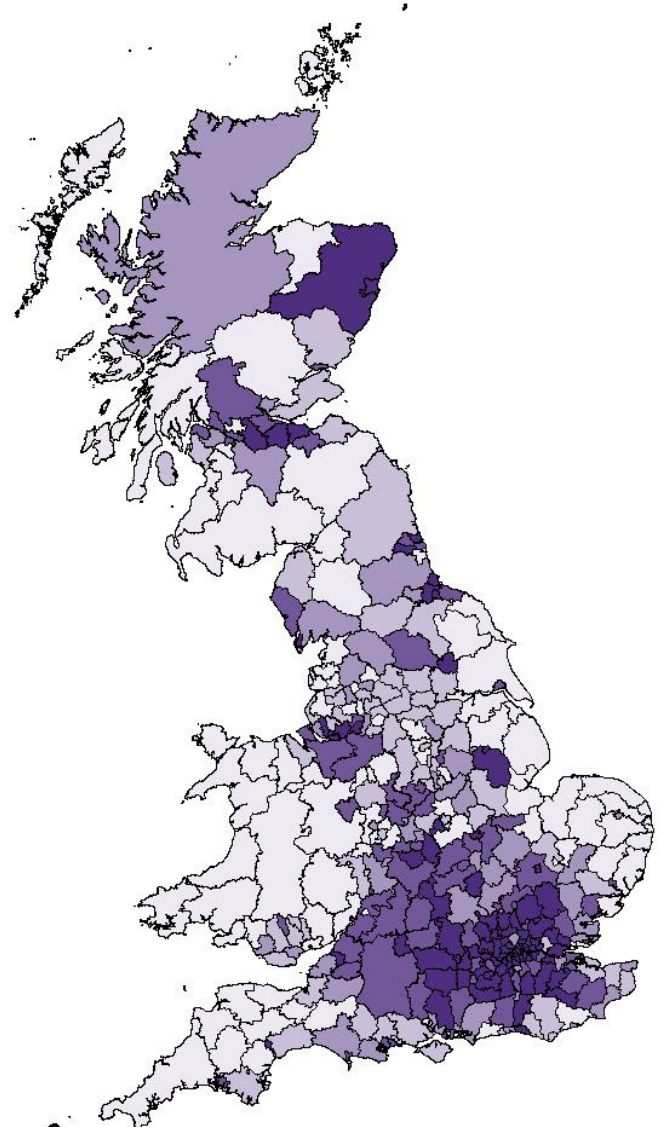
“I strongly support the aim to increase CT by £5 each year.”

“This is an area with large pockets of affluence and so I see no reason not to raise council tax. It’s also time that council tax bandings were reviewed against properties to reflect more accurately the affluence of the householder.”

“Generating more income is fine but Council tax can be increased. The amount charged by SCDC is too low.”

September 2017

District Profile:
An Economic, Social and Environmental Summary Profile of
South Cambridgeshire



About Place Profiles

Place Profiles are computer generated reports that provide a high-level analysis of an area, telling a 'story of place'. The reports can be created at a range of different spatial levels and on a number of different topics, with Summary Place Profiles providing an overall assessment of economic, social and environmental conditions. Place Profiles set an area within its wider context, comparing performance with neighbouring areas, as well as regional and national averages. They are illustrated with maps and charts and include all supporting data. Using the very latest data at the time of creation, Place Profiles have a wide range of research and policy applications.

More information about the profiles and how to purchase further copies is available at the end of this report.

About Place Analytics

Place Analytics is a research and analysis service that helps organisations to understand the economic, social and environmental characteristics of people and places.

Our data, toolkits and resources are available online, providing organisations with an unrivalled set of decision support tools. Through our Place Insight and Customer Insight services we help them achieve a better understanding of places, customers and communities. Through our Places Profiles service, we provide a comprehensive analysis of an area, telling a 'story of place'.

Summary Profile Introduction

The summary report looks at the performance of South Cambridgeshire, according to how well the district scores on a range of selected benchmark indicators of economic, social and environmental well being. An important context for the analysis is the shift towards a more knowledge based economy in Britain. This concept, which is the Government's vision for spreading economic prosperity throughout the UK and for competing in the global economy, is reflected in regional economic strategies and local economic development strategies. One of the aims of this report is to relate thinking on the knowledge economy to wider social and environmental considerations; relating economic competitiveness to sustainable development and quality of life issues.

This summary profile can be used to inform policy development and to act it as a framework for monitoring and evaluating progress towards a district's various policy goals. The report can also be used as an evidence base to inform Total Place and the wider place shaping agenda. More detailed Place Profiles for each topic area are also available.

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Economy Introduction

This summary report assesses the present state of the local economy in South Cambridgeshire in terms of its competitiveness at the sub-regional, regional and national levels. Strong economic foundations are critical to the future success of an area, creating quality employment opportunities for local people. This profile examines five aspects of economic development that need to be 'joined-up' in the context of strategy, partnership and practical initiatives:

- Economic performance
- Industrial Structure
- Business and Enterprise
- Skills and Qualifications
- Labour Market

The report starts by presenting the data for the main composite measures for each aspect of the economy in South Cambridgeshire. Each one of these topics is then dealt with in turn. Finally, the composite measures form the basis of the spider chart analysis which sets out how South Cambridgeshire rates against the national median for the scores. The spider chart also forms the basis of the list of statistical nearest neighbours (those areas in the country with the most similar profiles on this combination of composite measures). Finally, a summary report card for each aspect of economic development is presented. This is based on the quintile where the district falls on each of the measures ('A' representing the strongest performance, ranging to 'E' representing the weakest).

Economy Summary Introduction

Areas	Economic scale: score (score) 2015	Productivity: score (score) 2015	Economic change: score (score) 2015	Industrial structure: score (score) 2015	Bus & enterprise: score (score) 2015	Skills and quals(res): score (score) January-December 2016	Labour market: score (score) March 2017
Cambridge	145.88	106.94	156.82	123	104.61	118.15	97.71
East Cambridgeshire	45.08	118.55	207.64	67.94	90.32	101.1	111.19
Fenland	50.24	128.99	63.94	54.53	82.01	86.82	105.39
Huntingdonshire	107.58	109.58	96.85	84.54	96.64	98.67	106.74
Peterborough	142.62	92.81	127.02	119.03	109.8	83.71	102.29
South Cambridgeshire	108.54	104.56	186.23	159.28	99.17	111.63	111.32
Cambridgeshire	N/A	N/A	169.55	112.76	97.76	N/A	N/A
East of England	99.83	104.53	172.48	93.84	98.66	97.75	104.04
National Average	100	100	100	100	100	100	100

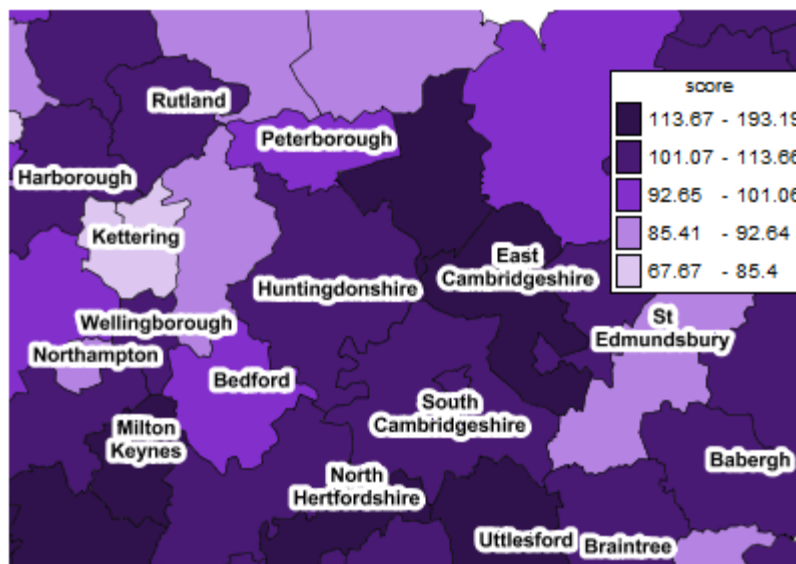
Economic Performance

Strong economic foundations are critical to the future success of an area, creating quality employment opportunities for local people. Our economic performance profile measures the productivity, scale and growth of the economy in South Cambridgeshire. Productivity measures the relative performance of the economy in an area, by combining Gross Value Added (GVA) per job with workplace earnings. In contrast, economic scale examines the absolute size of the economy and is derived from an area's share of Great Britain's total GVA and employment base. Finally, economic growth is assessed by an area's change in total employment, giving an indication of the growth/decline of the local economy.

South Cambridgeshire is ranked 125 out of 380 districts on our economic productivity score, placing it in the top 40% of districts nationally.

The map shows the performance of districts within Cambridgeshire on our overall productivity score. The areas with very dark shading score highly and those with very light shading score poorly.

With a score of 104.56, South Cambridgeshire is in the top 40% of districts.



Source: Annual Survey of Hours and Earnings; GVA by Local Authority

Looking in more detail at South Cambridgeshire's economic performance we find that:

- Relative to other districts, the size of the economy in South Cambridgeshire is above the national median, with an economic scale score of 108.54. By comparison, the East of England score is 104.53 and the national average is 100.
- The average gross weekly earnings of those working in South Cambridgeshire are very high, with the district ranking in the top 20% of districts nationally. Average gross weekly earnings in South Cambridgeshire are £663, compared with £549 in Cambridgeshire and £527 nationally.
- Gross value added (GVA) per job in South Cambridgeshire is high, with the area ranking in the top 40% of districts nationally. GVA per job in South Cambridgeshire is £57,731, compared with £56,647 nationally.
- South Cambridgeshire has a large sized employment base, with the area ranking in the top 40% of districts nationally. It accounted for 0.26% of all employees in Great Britain.
- The share of national GVA in South Cambridgeshire is high by national standards, with the area ranking in the top 40% of districts nationally. It accounted for 0.27% of all GVA in Great Britain.
- Between 2014 and 2015, the total number of employees in South Cambridgeshire changed by 4.74%. This reflects a quite strong level of economic growth by national standards, placing South Cambridgeshire in the top 20% of districts nationally.

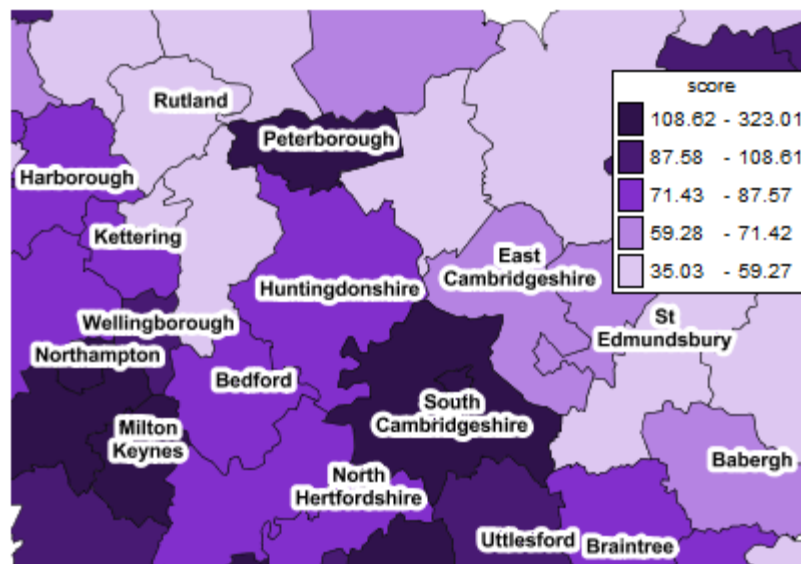
Industrial Structure

Throughout the global economy, the critical structural trend is the growth of the knowledge economy. Our industrial structure profile assesses South Cambridgeshire from this knowledge economy perspective. We distinguish between knowledge-based production (aerospace, electrical machinery manufacture, printing and publishing, and chemicals and energy) and knowledge-based services (telecommunications, computing, R & D, finance and business services, and recreational and cultural services). These industrial groupings are based on European Commission and OECD definitions, where individual industries are classified as knowledge-based if graduates make up at least 25 per cent of their workforce.

South Cambridgeshire is ranked 13 out of 380 districts on our industrial structure score, indicating a knowledge economy that performs in the top 20% of districts nationally.

The map shows the performance of districts within Cambridgeshire. The areas with very dark shading score highly and those with very light shading score poorly.

With a score of 159.28, South Cambridgeshire is in the top 20% of districts and is in the sub region that is in the top 20% of sub regions nationally.



Source: The Business Register and Employment Survey (BRES)

Looking in more detail at South Cambridgeshire's industrial structure we find that:

- Knowledge intensive sectors in South Cambridgeshire accounted for 35.37% of total employment in 2015. By comparison, the Cambridgeshire figure was 25.04%, the East of England figure was 20.84%, and the national figure was 22.21%.
- Employment in knowledge-driven production is well above the national median, with the district ranking in the top 20% of districts. It has 4.89% of employment in this sector. This compares with 3.14% in Cambridgeshire and 2.4% nationally.
- Employment in knowledge-driven services is well above the national median, with the district ranking in the top 20% of districts. It has 30.48% of employment in this sector. This compares with 21.9% in Cambridgeshire and 19.81% nationally.
- South Cambridgeshire has a very small public sector, with 20.72% of employment in this sector. This compares with 26.18% in Cambridgeshire and 26.81% nationally.
- Between 2007 and 2015, employment in knowledge-driven sectors in South Cambridgeshire changed by 3.94%. This places South Cambridgeshire in the top 40% of districts nationally. By comparison the sector changed nationally by -1.81%.

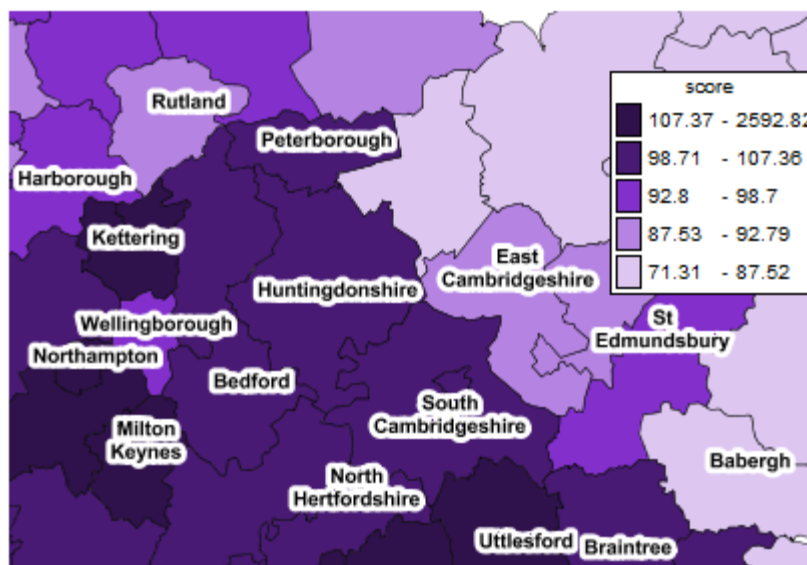
Business and Enterprise

A dynamic local enterprise culture is vital for the long-term competitiveness and overall success of any local economy. Our business and enterprise profile uses the Place Analytics Business and Enterprise Score to assess the extent of an enterprise culture in South Cambridgeshire. The score is composed of the new business formation rate, the business survival rate and the growth in business stock over the last 5 years. This profile also references other measures including the number of businesses per head of population and average business size.

South Cambridgeshire is ranked 146 out of 380 districts on our business and enterprise score, indicating an enterprise culture that performs in the top 40% of districts nationally.

The map shows the performance of districts within Cambridgeshire on our business and enterprise score. The areas with very dark shading score highly and those with very light shading score poorly.

With a score of 99.17, South Cambridgeshire is in the top 40% of districts and is in the sub region (Cambridgeshire) that is in the middle 20% of sub regions nationally.



Source: Business Demography: Enterprise Births & Deaths, Local Units by Broad Industry Group: Urban/Rural

Looking in more detail at South Cambridgeshire's business and enterprise performance we find that:

- The business density of South Cambridgeshire is very high by national standards, with 70.39 businesses per 1000 head of population. By comparison, the Cambridgeshire score is 59.38 and the national average is 56.58.
- The new business formation rate in South Cambridgeshire is low, with the area ranking in the bottom 40% of districts nationally. In 2015, 11.37% of all businesses registered for VAT compared with 13.02% in Cambridgeshire and 14.44% nationally.
- The 24 month business survival rate in South Cambridgeshire is very high by national standards, with the district ranking in the top 20% of districts nationally. Of all of the VAT registered businesses in 2009, 78.84% were still trading in 2015.
- The self-employment rate in South Cambridgeshire is high by national standards, with the district ranking in the top 40% of districts nationally. In 2017, the self-employment rate was 15.07%, compared with 14.54% in the East of England and 14.3% nationally.
- Between 1998 and 2016, the total business stock in South Cambridgeshire changed by 70.58%. This change places the area in the middle 20% of districts nationally. Over the same time period, the number of businesses in Cambridgeshire changed by 75.35%.

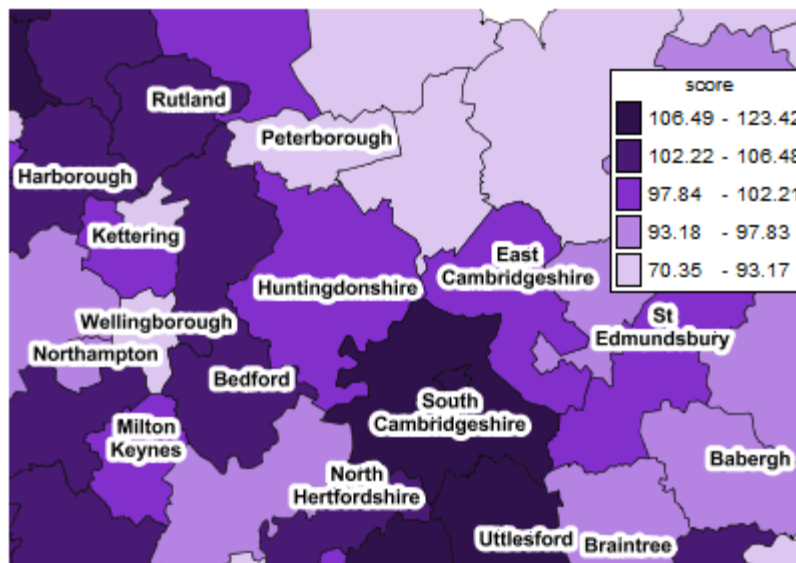
Skills and Qualifications

Human capital is a prerequisite of a successful knowledge economy. The resident workforce should ideally be characterised by a good blend of academic and vocational skills. In our overall assessment of skills and qualifications in South Cambridgeshire, we have used a composite measure based on each of the four NVQ levels, with greater weighting attached to the higher levels. We also provide GCSE rates, as a precursor to the future potential workforce and a measure of the quality of local schools.

South Cambridgeshire is ranked 39 out of 379 districts on our skills and qualifications score, indicating a resident workforce that performs in the top 20% of districts by national standards, in terms of human capital.

The map shows the performance of districts within Cambridgeshire on our skills and qualifications score. The areas with very dark shading score highly and those with very light shading score poorly.

With a score of 111.63, South Cambridgeshire is in the top 20% of districts.



Source: Annual Population Survey

Looking in more detail at South Cambridgeshire's skills and qualification's performance we find that:

- The proportion of the working age resident population qualified below NVQ level 2 in South Cambridgeshire is low, with the area ranking in the bottom 40% of districts nationally. In 2016, 12.67% of working age residents had either NVQ level 1 or no qualifications, compared with 17.05% in the East of England and 14.66% nationally.
- The proportion of the working age resident population qualified to NVQ level 2 in South Cambridgeshire is low, with the area ranking in the bottom 40% of districts nationally. In 2016, 17.9% of working age residents were qualified to NVQ level 2, compared with 21.16% in the East of England and 19.72% nationally.
- The proportion of the working age resident population qualified to NVQ level 3 in South Cambridgeshire is very low, with the area ranking in the bottom 20% of districts nationally. In 2016, 15.96% of the working age population held 2 A-Levels or equivalent, compared with 19.30% in the East of England and 19.34% nationally.
- The proportion of the working age resident population qualified to NVQ level 4 and above in South Cambridgeshire is very high, with the area ranking in the top 20% of districts nationally. In 2016, 51.23% held a degree or equivalent, compared with 38.24% nationally.

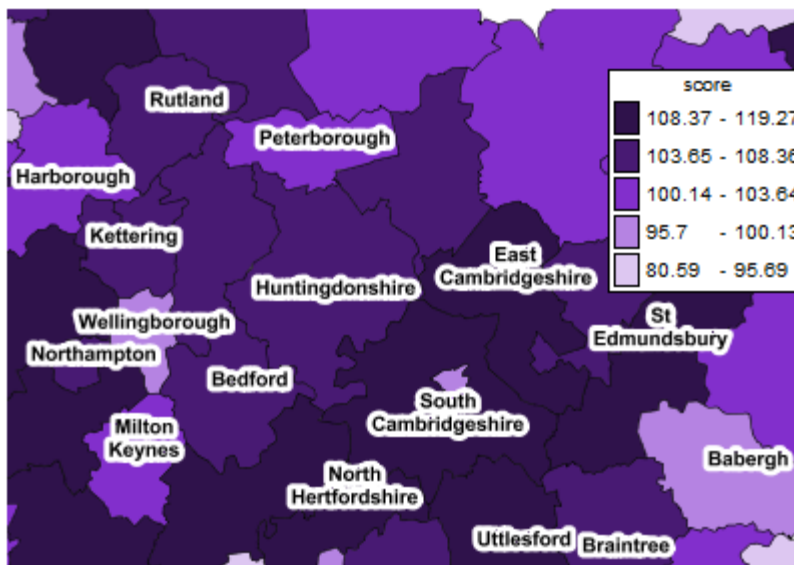
Labour Market

In this profile we use the employment rate as an overall measure of labour market performance in South Cambridgeshire, but also present a range of other measures, such as unemployment, youth unemployment and long-term unemployment rates to provide a fuller analysis of labour market conditions.

South Cambridgeshire is ranked 33 out of 379 districts on our labour market score, indicating participation rates within the resident working age population that are in the top 20% of districts nationally.

The map shows the performance of districts within Cambridgeshire. The areas with very dark shading score highly and those with very light shading score poorly.

With a score of 111.32, South Cambridgeshire is in the top 20% of districts.



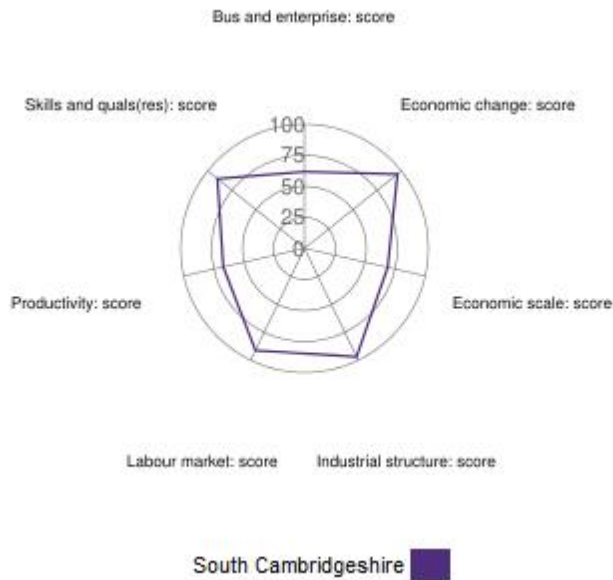
Source: Annual Population Survey

Looking in more detail at South Cambridgeshire's labour market performance we find that:

- The proportion of the resident working age population who are in employment in South Cambridgeshire is very high, with the area ranking in the top 20% of districts nationally. In South Cambridgeshire, 82.6% of the resident working age population are in employment, compared with 77.2% in the East of England and 74.2% nationally.
- The proportion of the working age population who are unemployed in South Cambridgeshire is very low, with the district ranking in the bottom 20% of districts nationally. In South Cambridgeshire, 0.3% of people are claiming job seekers allowance in 2017, compared with 0.8% in the East of England and 1.1% nationally.
- The proportion of the working age population who are in long-term unemployment in South Cambridgeshire is low, with the district ranking in the bottom 40% of districts nationally. In South Cambridgeshire, 23.1% of people who are unemployed have been claiming job seekers allowance for at least 12 months, compared with 27.5% in the East of England and 32.7% nationally.
- Between March 2007 and March 2017, the employment rate in South Cambridgeshire changed by 0.98%. This places South Cambridgeshire in the middle 20% of districts nationally. By comparison the employment rate changed nationally by 2.2%.

Economic Summary Indicators

The spider chart is a way of showing how South Cambridgeshire rates against the national median on the summary economic indicators. Data for every district in Great Britain is converted into a percentile score, with the top ranking area scoring 100 and the bottom zero. The national median is shown by the 50th percentile.



Nearest Neighbours

For the indicators in the spider chart shown above, the areas in the country with the most similar profiles area shown opposite. These are statistically the nearest neighbours to South Cambridgeshire, with Vale of White Horse in Milton Keynes, Oxfordshire and Bucks being the most similar on the summary economic indicators.

Rank	Place Name	Sub Region
1	Vale of White Horse	Milton Keynes, Oxfordshire and Bucks
2	Tunbridge Wells	Kent & Medway
3	Runnymede	Surrey
4	Reigate and Banstead	Surrey
5	Wokingham	Berkshire
6	West Berkshire	Berkshire
7	Trafford	Greater Manchester
8	Mole Valley	Surrey
9	Surrey Heath	Surrey
10	Sutton	London South

Economic Scorecard

The economic 'scorecard', shows how South Cambridgeshire stands nationally and within its region. The 'scorecard' assesses the state of South Cambridgeshire in terms of the composite economic development measures. The scores represent the quintile where the district falls on each of the measures ('A' representing the strongest performance, ranging to 'E' representing the weakest).

Composite measure	Sub-region score	Region score	National Score	Summary
Economic Scale An 'A' Represents areas with the largest economic scale	C	A	B	The share of national GVA in South Cambridgeshire is high by national standards, with the area ranking in the top 40% of districts nationally. It accounted for 0.27% of all GVA in Great Britain.
Productivity An 'A' Represents areas with the highest levels of productivity	E	C	B	South Cambridgeshire is ranked 125 out of 380 districts on our economic productivity score, placing it in the top 40% of districts nationally.
Economic change An 'A' Represents areas with the highest rates of growth	B	A	A	Between 2014 and 2015, the total number of employees in South Cambridgeshire changed by 4.74%. This reflects a quite strong level of economic growth by national standards, placing South Cambridgeshire in the top 20% of districts nationally.
Industrial Structure An 'A' Represents areas with the highest proportion of knowledge intensive employment	A	A	A	South Cambridgeshire is ranked 13 out of 380 districts on our industrial structure score, indicating a knowledge economy that performs in the top 20% of districts nationally.
Business & enterprise An 'A' Represents areas/ with the highest levels of business information, growth and survival	C	C	B	South Cambridgeshire is ranked 146 out of 380 districts on our business and enterprise score, indicating an enterprise culture that performs in the top 40% of districts nationally.
Skills & qualifications An 'A' Represents areas with the most skilled population	B	A	A	South Cambridgeshire is ranked 39 out of 379 districts on our skills and qualifications score, indicating a resident workforce that performs in the top 20% of districts by national standards, in terms of human capital.
Labour market An 'A' Represents areas with the highest employment rates	A	A	A	South Cambridgeshire is ranked 33 out of 379 districts on our labour market score, indicating participation rates within the resident working age population that are in the top 20% of districts nationally.

Glossary of terms

Economic change score	This score provides an index of the percentage short term change in the total number of employees (by workplace) in relation to the national average
Economic scale	Economic Scale indicates the size of an areas economy. It is created by weighting the areas GVA (Gross Value Added) by the areas employment. These two indicators are then indexed to the Great Britain average
Productivity score	This indicator shows the productive capacity of an area. It is generated from GVA per head which is indexed to the GB value
Knowledge-driven production	This refers to manufacturing industries such as aerospace, electrical machinery manufacture, printing and publishing, and chemicals and energy.
Proportion of employment in Knowledge-driven services	This workplace based figure provides the proportion of all employed persons working in the following "Knowledge-driven" services: Telecomms, computer & related services, R&D (61, 53.20, 62, 72), Finance, business services (64, 66, 69.10, 69.20, 73.20, 70.22, 64.20, 71.1, 71.2, 73.1, 78.1-78.3, 80.30, 80.10, 74.20, 82.11,82.19,74.30, 82.20), Air transport services (51), & Recreational & cultural services (90, 93, 91). All figures in brackets are 2007 Standard Industrial Classification (SIC) codes. SIC Codes group similar industries together in a nationally recognised coding system
Proportion of employment in Public Services sectors	This workplace based figure provides the proportion of all employed persons working in Public Services. The "Public services" sector can be defined as: Public admin/defence (84); Education (85); Health and social work (86), residential care activities (87) and other human health activities (88). All figures in brackets are 2007 Standard Industrial Classification (SIC) codes. SIC Codes group similar industries together in a nationally recognised coding system.
Business and enterprise score	This is an indicator of the enterprise of businesses within the locality. The higher the score, the more business enterprise in an area. Business enterprise takes into consideration an areas business formation rate, the change of in VAT registered business stock, and new business survival rates. Each one of these 3 indicators was indexed to the GB value (business formation rates and new business survival rates were treble weighted), and then all 3 indices were summed and averaged
Skills and qualifications score GB=100 (residence based)	This composite presents an index of the qualifications of an areas workforce, relative to the GB value. A higher score indicates a high level of local area qualifications amongst the labour market. Skills and qualifications scores are generated from summing the weighted percentages of an areas workforce qualified below NVQ2, at NVQ2, NVQ3 and NVQ4 and above, with each indicator indexed to the GB value. The sum of these indices are then divided by 4 to gain an overall composite
Labour market score	This residence based indicator provides the proportion of people aged 16-59/64 (men/women) in employment indexed to the national average to provide a comparable figure in relation to the national trend

Data Sources and Definitions

Economic change score	This score provides an index of the percentage short term change in the total number of employees (by workplace) in relation to the national average
Economic scale	Economic Scale indicates the size of an areas economy. It is created by weighting the areas GVA (Gross Value Added) by the areas employment. These two indicators are then indexed to the Great Britain average
Productivity score	This indicator shows the productive capacity of an area. It is generated from GVA per head which is indexed to the GB value
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Skills and qualifications score GB=100 (residence based)	This composite presents an index of the qualifications of an areas workforce, relative to the GB value. A higher score indicates a high level of local area qualifications amongst the labour market. Skills and qualifications scores are generated from summing the weighted percentages of an areas workforce qualified below NVQ2, at NVQ2, NVQ3 and NVQ4 and above, with each indicator indexed to the GB value. The sum of these indices are then divided by 4 to gain an overall composite
Labour market score	This residence based indicator provides the proportion of people aged 16-59/64 (men/women) in employment indexed to the national average to provide a comparable figure in relation to the national trend

Source: Place Insight; Annual Business Inquiry and Annual Survey of Hours and Earnings (National Statistics website (Nomis: www.nomisweb.co.uk) Crown copyright material is reproduced with the permission of the Controller Office of Public Sector Information (OPSI)); Business start-ups and closures: VAT registrations and de-registrations; GVA by Local Authority (National Statistics website:

www.statistics.gov.uk. Crown copyright material is reproduced with the permission of the Controller Office of Public Sector Information (OPSI)).

Society Introduction

This summary report provides a social profile of South Cambridgeshire in terms of the demographic characteristics of its local communities and the issues which affect them most. The report examines nine aspects of South Cambridgeshire's social profile:

- Age, Ethnicity, Households, and Migration and Change
- Occupational Structure
- Prosperity
- Deprivation and Inequality
- Health
- Crime

The report starts by presenting the data for the main composite measures for each aspect of the social profile of South Cambridgeshire. Each one of these topics is then dealt with in turn. Finally, the composite measures form the basis of the spider chart analysis which sets out how South Cambridgeshire rates against the national median for the scores. The spider chart also forms the basis of the list of statistical nearest neighbours (those areas in the country with the most similar profiles on this combination of composite measures). Finally, a summary report card for each aspect of economic development is presented. This is based on the quintile where the district falls on each of the measures ('A' representing the strongest performance, ranging to 'E' representing the weakest).

Social Summary Introduction

Areas	C- Age: mean (years) 2011	C- Hhld size: average (number) 2011	C- Ethnicity: non-White (%) 2011	C- Population: change (1991-2011) (%) 2011	Occ (res): k-driven (score) (score) March 2017	Prosperity: score (score) 2014/15	IMD: Deprivation score (GB=100) (score) 2015	Health: score (score) 2013-2015	Crime: score (score) 2017
Cambridge	35.56	2.3	17.49	30.62	146.02	127.44	70.64	101.01	144.72
East Cambridgeshire	40.19	2.4	3.75	30.48	113.26	100.2	62.21	102.34	48.56
Fenland	42.07	2.31	2.76	24.31	70.64	80.16	130.3	99.16	95.27
Huntingdonshire	39.92	2.41	5.2	18.7	109.26	101.14	60.58	101.89	74.93
Peterborough	36.92	2.46	17.47	20.56	78.8	82.35	142.11	99.02	155.36
South Cambridgeshire	40.08	2.45	6.7	22.59	125.48	125.56	41.37	102.9	60.02
Cambridgeshire	38.88	2.4	9.73	23.57	N/A	N/A	89.44	N/A	N/A
East of England	40.2	2.37	9.18	17.12	101.36	109.96	105.65	100.91	88.73
National Average	39.4	2.36	14.03	15.12	100	100	100	100	100

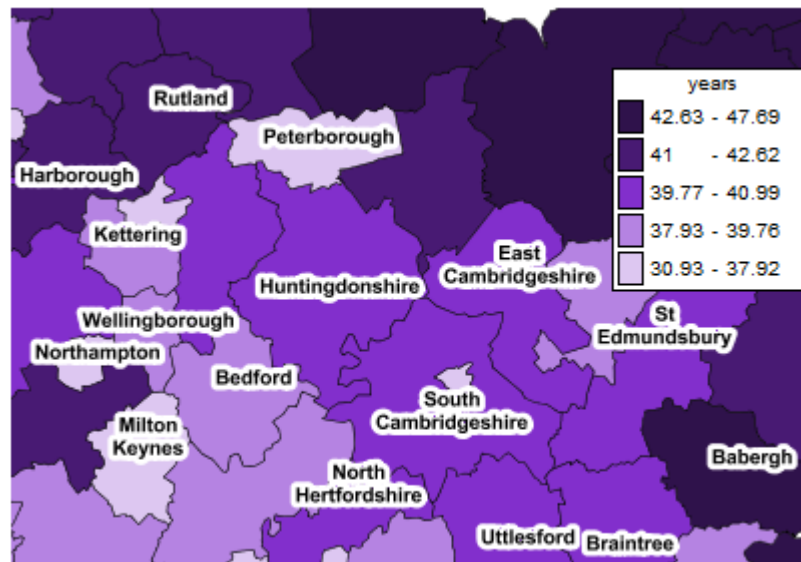
Age

Demographic characteristics have a fundamental influence on the social and economic development of an area. The age distribution of residents has implications for long-term economic activity rates and spending power (with a younger profile) or current and future social care resourcing (with an older or aging population). This age profile assesses South Cambridgeshire according to a number of indicators, including the age breakdown of residents, dependency ratios and birth rates.

South Cambridgeshire is ranked 188 out of 348 districts on the average age of residents, indicating an average age in the middle 20% of districts nationally.

The map shows the average age of residents in districts within Cambridgeshire. The areas with very dark shading have higher average ages and those with very light shading have lower average ages.

With an average age of 40.08 years, South Cambridgeshire is in the middle 20% of districts nationally and is in a sub region that has an average age in the lowest 40% of sub regions nationally.



Source: Census 2011

Looking in more detail at South Cambridgeshire's age profile we find that:

- The proportion of the resident population aged 0-14 was estimated at 18.46% in 2011, which is high by national standards, with South Cambridgeshire ranking in the top 40% of districts. By comparison, the Cambridgeshire figure was 17.64% and the national average was 17.64%.
- The proportion of the resident population aged 15-24 was estimated at 10.68% in 2011, which is very low by national standards, with South Cambridgeshire ranking in the bottom 20% of districts. By comparison, the Cambridgeshire figure was 13.37% and the national average was 13.1%.
- The proportion of the resident population aged 25-44 was estimated at 26.92% in 2011, which is high by national standards, with South Cambridgeshire ranking in the top 40% of districts. By comparison, the Cambridgeshire figure was 28.33% and the national average was 27.38%.
- The proportion of the resident population aged 45-64 was estimated at 27.34% in 2011, which is average by national standards, with South Cambridgeshire ranking in the middle 20% of districts. By comparison, the Cambridgeshire figure was 25.11% and the national average was 25.44%.
- The proportion of the resident population aged 65 and over was estimated at 16.61% in 2011, which is low by national standards, with South Cambridgeshire ranking in the bottom 40% of districts. By comparison, the Cambridgeshire figure was 15.54% and the national average was 16.45%.
- The number of live births per 1000 of the resident population was 11.95 in 2010, which is average by national standards. This placed South Cambridgeshire in the middle 20% of districts. By comparison, the Cambridgeshire figure was 13.55 and the national figure was 12.93.

- The dependency ratio (the ratio of economically dependent people to those who are economically active) in South Cambridgeshire is 0.57. This is average by national standards. By comparison, the Cambridgeshire figure is 1.29 and the national figure is 0.52.

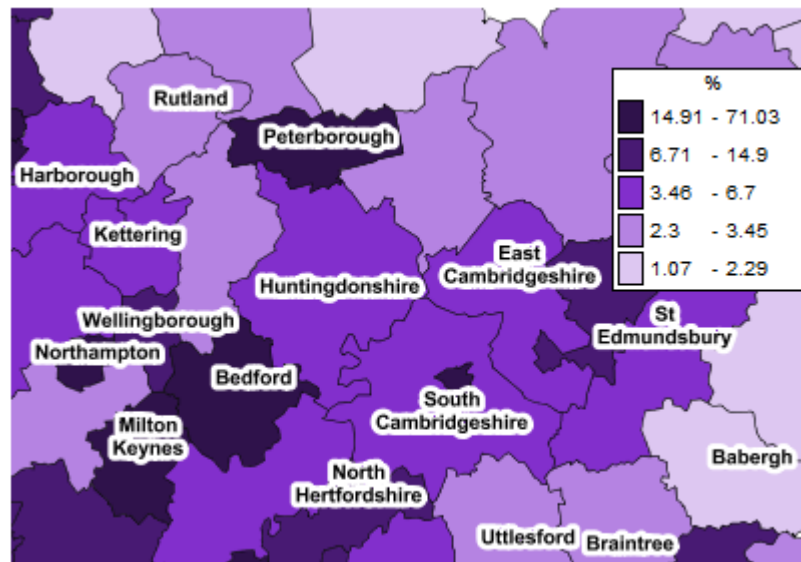
Ethnicity

Demographic characteristics have a fundamental influence on the social and economic development of an area. Understanding the extent of ethnic diversity is important both for being able to target policies at different communities and for the impact on community cohesion and involvement. This ethnicity profile assesses South Cambridgeshire according to the proportions of different ethnic groups and the extent of ethnic fractionalisation (a measure of ethnic diversity).

South Cambridgeshire is ranked 140 out of 348 districts on the proportion of its population classified as Non-White, placing the area in the middle 20% of districts nationally.

The map shows the proportion of the population classified as Non-White in districts within Cambridgeshire. The areas with very dark shading have higher levels of Non-White residents and those with lighter shadings have lower levels.

With 6.7% of its residents classified as Non-White, South Cambridgeshire is in the middle 20% of districts and is in a sub region that is in the top 40% of sub regions nationally on the proportion of the population that is Non-White.



Source: Census 2011

Looking in more detail at South Cambridgeshire's ethnicity profile we find that:

- The proportion of the population classified as White was 93.3%, which is average by national standards, with South Cambridgeshire ranking in the middle 20% of districts. By comparison, the Cambridgeshire average was 90.27% and the national figure was 85.97%.
- The proportion of the population classified as from a Mixed background was 1.7%, which is high by national standards, with South Cambridgeshire ranking in the top 40% of districts. By comparison, the Cambridgeshire average was 1.99% and the national figure was 2.18%.
- The proportion of the population classified as Asian or British Asian was 2.92%, which is high by national standards, with South Cambridgeshire ranking in the top 40% of districts. By comparison, the Cambridgeshire average was 4.91% and the national figure was 6.81%.
- The proportion of the population classified as Black or Black British was 0.85%, which is average by national standards, with South Cambridgeshire ranking in the middle 20% of districts. By comparison, the Cambridgeshire average was 1.26% and the national figure was 3.33%.
- The proportion of the population classified as Chinese or any other ethnic background was 1.23%, which is high by national standards, with South Cambridgeshire ranking in the top 40% of districts. By comparison, the Cambridgeshire average was 1.56% and the national figure was 1.71%.

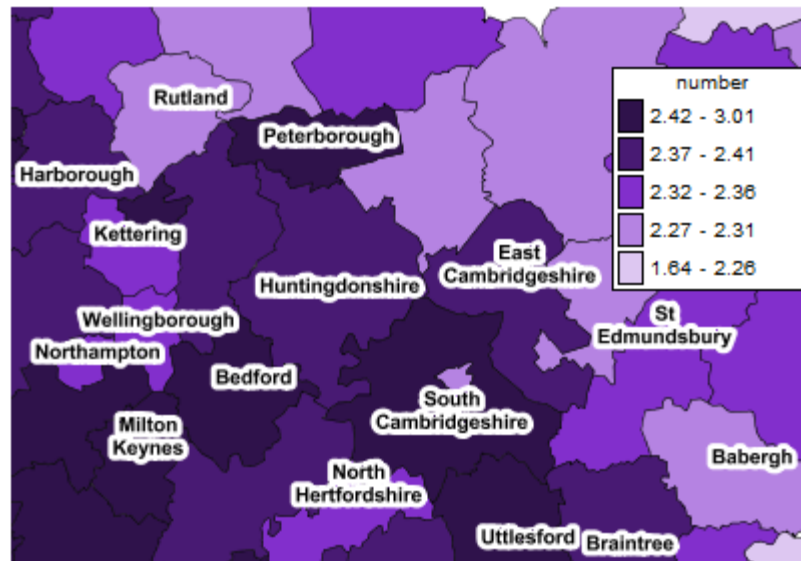
Household Structure

Demographic characteristics have a fundamental influence on the social and economic development of an area. The size and structure of households has implications for planning, housing demand and entitlement to benefits. This household structure profile assesses South Cambridgeshire according to household composition and overall average household size.

South Cambridgeshire is ranked 55 out of 348 districts on the average household size, placing the area in the highest 20% of districts nationally.

The map shows the average household size in districts within Cambridgeshire. The areas with very dark shading have higher and those with very light shading have lower averages.

With an average household size of 2.45 people, South Cambridgeshire is in the highest 20% of districts and is in a sub region that has an average age in the highest 40% of sub regions nationally.



Source: Census 2011

Looking in more detail at South Cambridgeshire's household profile we find that:

- The proportion of one person households was 24.64% in 2011, which is very low by national standards, with South Cambridgeshire ranking in the bottom 20% of districts. By comparison, the Cambridgeshire average was 27.68% and the national figure was 30.25%.
- The proportion of households with married couples but no dependent children was 28.22% in 2011, which is very high by national standards, with South Cambridgeshire ranking in the top 20% of districts. By comparison, the Cambridgeshire average was 26.01% and the national figure was 23.75%.
- The proportion of households with married couples and dependent children was 25.08% in 2011, which is very high by national standards, with South Cambridgeshire ranking in the top 20% of districts. By comparison, the Cambridgeshire average was 21.52% and the national figure was 19.29%.
- The proportion of lone parent households was 6.82% in 2011, which is very low by national standards, with South Cambridgeshire ranking in the bottom 20% of districts. By comparison, the Cambridgeshire average was 8.37% and the national figure was 10.65%.

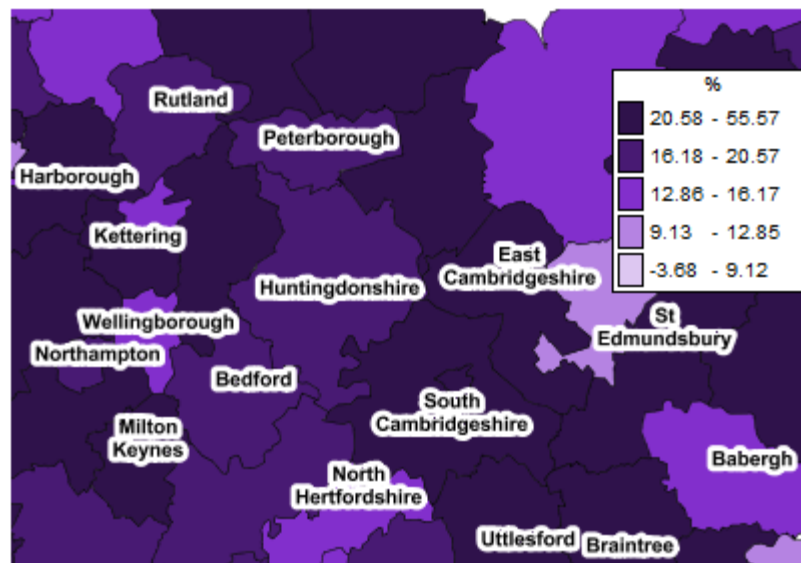
Migration and Change

Demographic characteristics have a fundamental influence on the social and economic development of an area. Population change has an impact on levels of economic growth through the size of the resident workforce and on the demand for services such as health, education and housing. This migration and change profile assesses South Cambridgeshire according to the long-term level of population change (based on mid-year population estimates), measures of population churn and in-migration. New National Insurance registrations are also used as a proxy for overseas immigration.

South Cambridgeshire is ranked 37 out of 348 districts on long-term change in its resident population, placing the area in the highest 20% of districts nationally.

The map shows the change in population for districts within Cambridgeshire. The areas with very dark shading have higher levels of population change and those with very light shading have lower levels.

With a change in population of 22.59%, South Cambridgeshire is in the top 20% of districts and is in the sub region that is in the top 20% of sub regions nationally.



Source: Census 1991, Census 2011

Looking in more detail at South Cambridgeshire's migration and change profile we find that:

- The proportion of residents who had moved into South Cambridgeshire from other parts of the UK was 5.91% in 2011, which was very high by national standards, with the area ranking in the top 20% of districts. By comparison, the Cambridgeshire average was 5.2% and the East of England figure was 2.17%.
- According to the last Census, the proportion of residents who had moved into South Cambridgeshire from outside the UK was 1.11% in 2011, which was high by national standards, with the area ranking in the top 40% of districts. By comparison, the Cambridgeshire average was 1.73% and the East of England figure was 0.97%.
- The proportion of residents who had moved out of South Cambridgeshire at the last Census was 6%, which was very high by national standards, with the area ranking in the top 20% of districts. By comparison, the Cambridgeshire average was 5.34% and the East of England figure was 2.14%.
- The proportion of the working age population who were overseas nationals registered for National Insurance in South Cambridgeshire was 1.4% in 2017. This measure is a proxy for the proportion of the workforce who are economic migrants from overseas and provides a more recent figure on the level of in-migration from outside of the UK. For South Cambridgeshire, this reflected a high level of immigration by national standards, with the area ranking in the top 40% of districts. By comparison, the East of England figure was 1.7% and the national figure was 1.88%.

- The net level of migration in South Cambridgeshire in 2014 was 0.41%, which was high by national standards, with the area ranking in the top 40% of districts. By comparison, the Cambridgeshire average was -0.01% and the East of England figure was 0.32%.

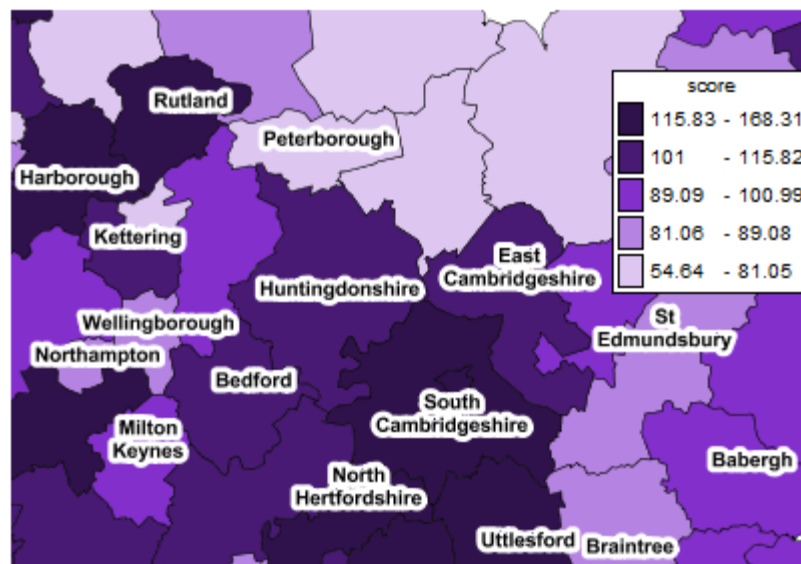
Occupations

The occupational structure of an area gives a useful indication of the progress being made towards developing a diverse, prosperous, knowledge-based economy. Knowledge-driven activities generate increased demand for 'higher end' occupations including managerial, professional and technical workers. In our assessment of the occupational profile of South Cambridgeshire we have considered the proportion of the working population employed in the four main NVQ-linked occupational groups (based on the standardised competences and skills requirements of each occupation). Our overall score, however, is based on the number of professional managerial and technical workers - or 'knowledge workers'.

South Cambridgeshire is ranked 46 out of 378 districts on our knowledge worker score, indicating a resident workforce that performs in the top 20% of districts nationally.

The map shows the performance of districts within Cambridgeshire on our knowledge worker score. The areas with very dark shading score highly and those with very light shading score poorly.

With a score of 125.48, South Cambridgeshire is in the top 20% of districts.



Source: Annual Population Survey

Looking in more detail at South Cambridgeshire's occupational profile we find that:

- The proportion of knowledge workers in South Cambridgeshire is very high by national standards, with 57.04% of the working population classified as professional, managerial or technical workers. By comparison, the East of England figure is 46.08%, and the national figure is 45.46%.
- The proportion of the working population who are in elementary occupations in South Cambridgeshire is very low by national standards, with 7.28% in Level 1 Occupations. By comparison, the East of England figure is 10.04% and the national figure is 10.76%.
- The proportion of the working population who are in lower skilled occupations in South Cambridgeshire is very low by national standards, with 25.18% in Level 2 Occupations. By comparison, the East of England figure is 33.23% and the national figure is 33.37%.
- The proportion of the working population who are in skilled occupations in South Cambridgeshire is very low by national standards, with 20.17% in Level 3 Occupations. By comparison, the East of England figure is 24.88% and the national figure is 24.68%.
- The proportion of the working population who are in managerial occupations in South Cambridgeshire is very high by national standards, with 47.37% in Level 4 Occupations. By comparison, the East of England figure is 31.85% and the national figure is 31.19%.

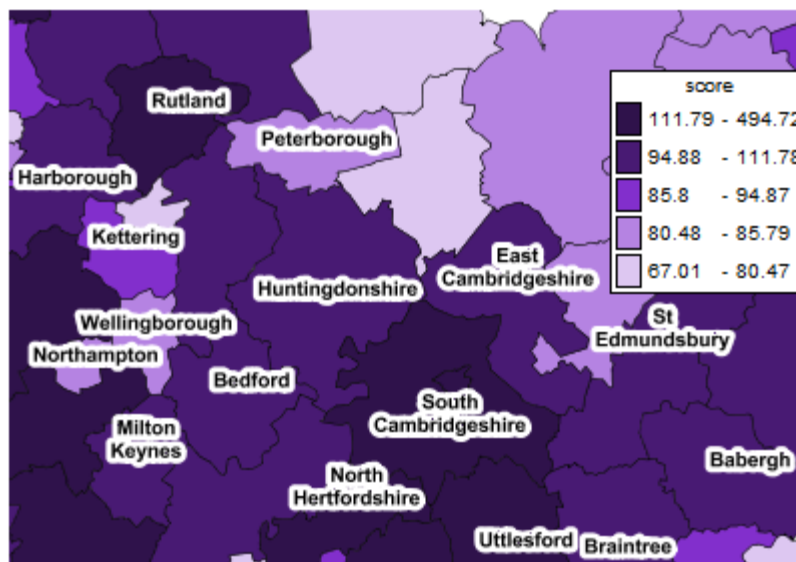
Prosperity

Nationally, there is a strong correlation between the presence of knowledge workers and levels of prosperity in the local population. This profile assesses levels of prosperity and wealth in South Cambridgeshire by measuring the average total income of residents. There is also a strong correlation nationally between income and house prices, and we therefore present data on average house prices in relation to South Cambridgeshire and its neighbours. The profile also looks at car ownership and the average number of rooms, although these are only proxy measures of wealth because they can also be affected by whether residents are in rural or urban locations.

South Cambridgeshire is ranked 45 out of 379 districts on our prosperity score, indicating incomes amongst the resident population in the top 20% of districts nationally.

The map shows the performance of districts within Cambridgeshire. The areas with very dark shading score highly and those with very light shading score poorly.

With a score of 125.56, South Cambridgeshire is in the top 20% of districts.



Source: Survey of Personal Incomes(SPI)

Looking in more detail at South Cambridgeshire's prosperity profile we find that:

- At £40,100, the average total income in South Cambridgeshire is well above the national median, with the area ranking in the top 20% of districts nationally. By comparison, the Cambridgeshire figure is £33,200 and the national figure is £31,974.
- At £409,411, the average house price in South Cambridgeshire is very high, with the area ranking in the top 20% of districts nationally. By comparison, the East of England figure is £262,890 and the national figure is £288,406.
- Average annual incomes have increased at a low rate between 2000 and 2014/2015. The growth of 54.83% in average incomes places the area in the bottom 40% of districts nationally. By comparison incomes grew nationally by 62.42%.
- The average number of rooms per household in South Cambridgeshire was very high, with the district ranking in the top 20% of districts nationally. In 2011, the average number of rooms per household was 6.2, compared with 5.71 in Cambridgeshire and 5.4 nationally.
- The number of households with two or more cars in South Cambridgeshire was very high, with the district ranking in the top 20% of districts nationally. In 2011, 48.64% of households had access to two or more cars, compared with 38.02% in Cambridgeshire and 32.16% nationally.

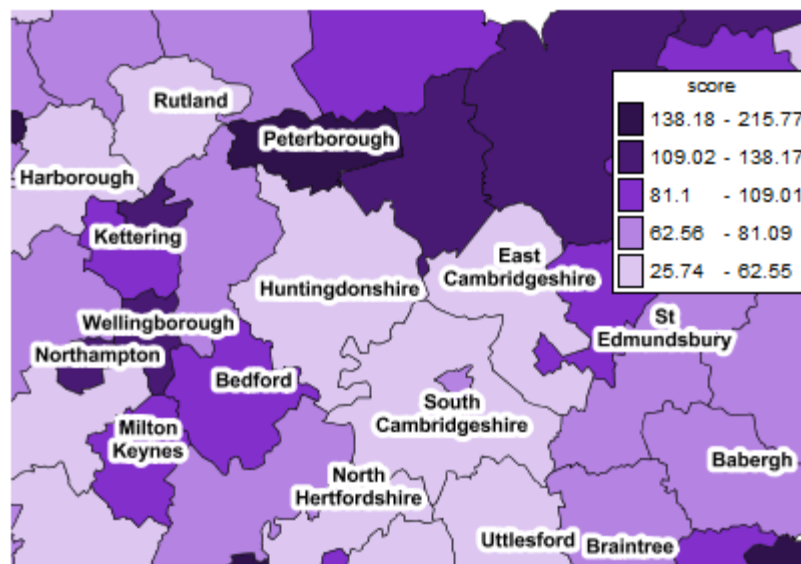
Deprivation

The Government's standard measure of deprivation and inequality in England is the Index of Multiple Deprivation (IMD). Our deprivation profile assesses conditions within South Cambridgeshire according to a number of aspects of deprivation, including disadvantage in education; income; employment; health; and housing. The Place Analytics inequality indicator is designed to highlight any large differences in deprivation; this can illuminate pockets of deprivation at the small area level within the wider area. The inequality indicator is measured as the difference between the highest and lowest ranking super output area (SOA) at each geographical level.

South Cambridgeshire is ranked 316 out of 326 districts on our deprivation score, putting it in the 20% least deprived districts nationally.

The map shows the performance of districts within Cambridgeshire. The areas with very dark shading have higher levels of deprivation and those with very light shading have lower levels.

With a score of 41.37, South Cambridgeshire is in the 20% least deprived of districts and is in a sub region.



Source: LA Summaries IMD 2015

Looking in more detail at South Cambridgeshire's deprivation profile we find that:

- The inequality score highlights pockets of deprivation by calculating the difference between the highest and lowest scoring SOAs within the district. A higher score indicates higher levels of inequality. The inequality score for South Cambridgeshire is very low by national standards, with the district ranking in the 20% least deprived of districts on inequality.
- The employment domain score is very low by national standards, with the district ranking in the 20% least deprived districts.
- The education domain score is very low by national standards, with the district ranking in the 20% least deprived districts.
- For the income domain score, South Cambridgeshire is ranked in the 20% least deprived districts.
- The housing domain score is high by national standards, with the district ranking in the 40% most deprived districts.
- The crime domain score is very low by national standards, with the district ranking in the 20% least deprived districts.
- For the health domain score, South Cambridgeshire is ranked in the 20% least deprived districts.

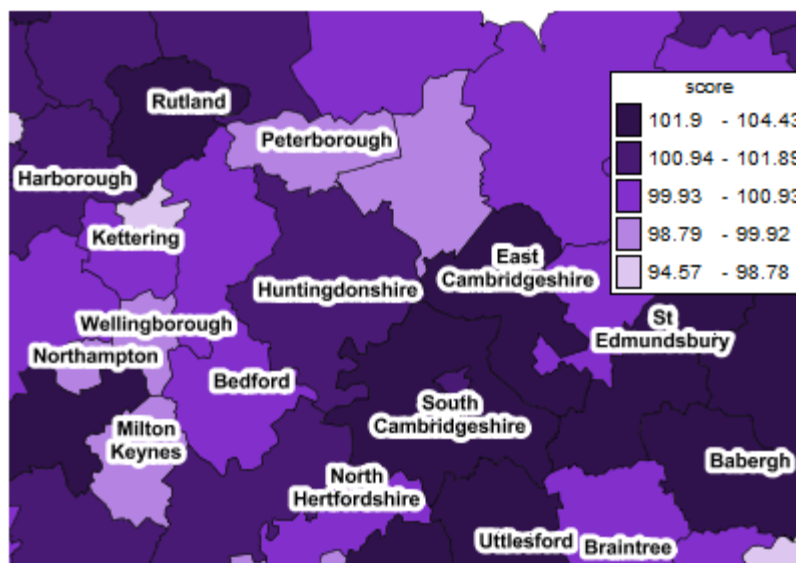
Health

Nationally, there have been major improvements in public health over the course of the last century, with big increases in life expectancy. However, this overall picture masks significant geographical variations and health inequality. Our health profile assesses South Cambridgeshire according to a number of health indicators, including life expectancy, expected prevalence of smoking and obesity, infant mortality and standardised mortality ratios.

South Cambridgeshire is ranked 10 out of 324 districts on our health score, indicating standards of health that are in the top 20% of districts nationally. Our health score indexes life expectancy at birth to the national average.

The map shows the performance of districts within Cambridgeshire on our health score (life expectancy indexed to the national average). The areas with very dark shading score highly and those with very light shading score poorly.

With a score of 102.9, South Cambridgeshire is in the top 20% of districts.



Looking in more detail at South Cambridgeshire's health profile we find that:

- At 3.39 per 1000 population, the infant mortality rate in South Cambridgeshire is average, with the area ranking in the middle 20% of districts nationally. By comparison, the East of England figure is 3.35 and the national figure is 3.89.
- At 63.62%, the proportion of the population who are obese in South Cambridgeshire is estimated to be low, with the area ranking in the bottom 40% of districts nationally. By comparison, the East of England figure is 65.61% and the national figure is 64.8%.
- At 12.8%, the proportion of the population who smoke in South Cambridgeshire is estimated to be very low, with the area ranking in the bottom 20% of districts nationally. By comparison, the East of England figure is 16.62% and the national figure is 16.93%.
- At 113.33 per 100,000 people, the cancer mortality rate in South Cambridgeshire is very low, with the area ranking in the bottom 20% of districts nationally. By comparison, the East of England figure is 132.02 and the national figure is 138.78.

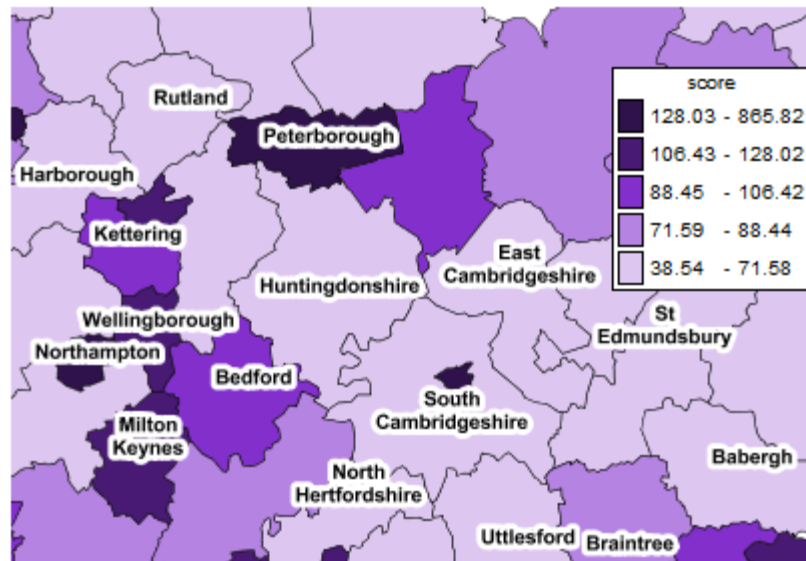
Crime

Crime levels affect an area's 'liveability', and reflect the socioeconomic conditions of the area and its surroundings. Nationally, there have been some reductions in crime over recent years, although the introduction of the National Crime Recording Standard in 2002 boosted national crime figures. This crime profile assesses South Cambridgeshire according to a number of crime related indicators, including total offences per 1000 residents, vehicle crime, violent crime, burglaries and the change in total offences over time.

South Cambridgeshire is ranked 276 out of 301 districts on our crime score, indicating levels of crime that are in the lowest 20% of districts nationally.

The map shows the performance of districts within Cambridgeshire. The areas with very dark shading have higher crime levels and those with very light shading have lower crime levels.

With a score of 60.02, South Cambridgeshire has crime levels that are in the lowest 20% of districts.



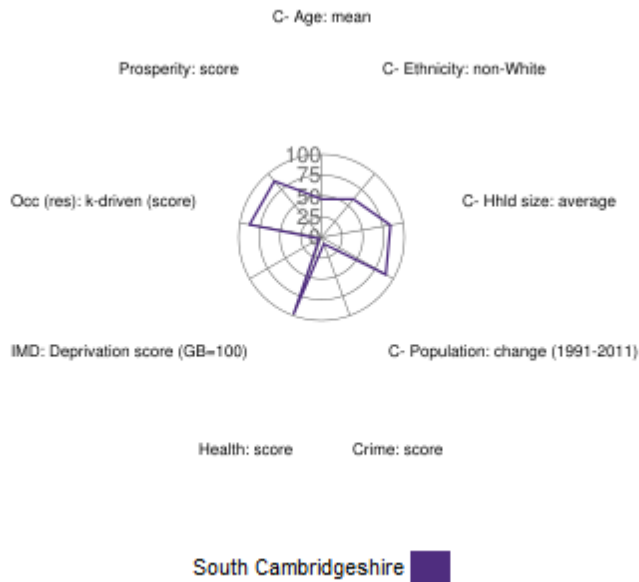
Source: Recorded crime for seven key offences and BCS comparator: Local Authorities

Looking in more detail at South Cambridgeshire's crime profile we find that:

- There were 40.29 offences per 1,000 residents in 2017 in South Cambridgeshire. By comparison, the East of England figure was 60.85 and the national figure was 68.85.
- There were 9.52 violent crimes per 1,000 residents in 2017, which is very low by national standards, with South Cambridgeshire ranking in the lowest 20% of districts. By comparison, the East of England figure was 16.68 and the national figure was 18.58.
- There were 5.37 vehicle crimes per 1,000 residents in 2017, which is average by national standards, with South Cambridgeshire ranking in the middle 20% of districts. By comparison, the East of England figure was 5.73 and the national figure was 6.63.
- There were 2.51 dwelling burglaries per 1,000 residents in 2017, which is average by national standards, with South Cambridgeshire ranking in the middle 20% of districts. By comparison, the East of England figure was 2.87 and the national figure was 3.37.
- Between 2003 and 2017, the total number of crimes in South Cambridgeshire changed by - 25.56%. Compared with the levels of change seen nationally, this is above the national average placing South Cambridgeshire in the highest 40% of districts.

Society Summary Indicators

The spider chart is a way of showing how South Cambridgeshire rates against the national median on the summary social indicators. Data for every district in Great Britain is converted into a percentile score, with the top ranking area scoring 100 and the bottom zero. The national median is shown by the 50th percentile.



Nearest Neighbours

For the indicators in the spider chart shown above, the areas in the country with the most similar profiles area shown opposite. These are statistically the nearest neighbours to South Cambridgeshire, with East Hertfordshire in Hertfordshire being the most similar on the summary social indicators.

Rank	Place Name	Sub Region
1	East Hertfordshire	Hertfordshire
2	Uttlesford	Essex
3	Harborough	Leicestershire
4	Elmbridge	Surrey
5	Tunbridge Wells	Kent & Medway
6	Mid Sussex	Sussex
7	East Cambridgeshire	Cambridgeshire
8	Tonbridge and Malling	Kent & Medway
9	South Oxfordshire	Milton Keynes, Oxfordshire and Bucks
10	Bracknell Forest	Berkshire

Society Scorecard

The society 'scorecard', showing how South Cambridgeshire stands nationally and within its region. The 'scorecard' assesses the state of South Cambridgeshire in terms of the composite social measures. The scores represent the quintile where the district falls on each of the measures ('A' representing the strongest performance, ranging to 'E' representing the weakest). For demographic data a score has not been included but the overall ranking on the main composite measure is known.

Composite measure	Sub-region score	Region score	National Score	Summary
Age		-		South Cambridgeshire is ranked 188 out of 348 districts on the average age of residents, indicating an average age in the middle 20% of districts nationally.
Ethnicity		-		South Cambridgeshire is ranked 140 out of 348 districts on the proportion of its population classified as Non-White, placing the area in the middle 20% of districts nationally.
Average household size		-		South Cambridgeshire is ranked 55 out of 348 districts on the average household size, placing the area in the highest 20% of districts nationally.
Population Change		-		South Cambridgeshire is ranked 37 out of 348 districts on long-term change in its resident population, placing the area in the highest 20% of districts nationally.
Occupations An 'A' Represents areas with the highest proportion of knowledge workers	B	A	A	South Cambridgeshire is ranked 46 out of 378 districts on our knowledge worker score, indicating a resident workforce that performs in the top 20% of districts nationally.
Prosperity An 'A' Represents areas with the highest average incomes	B	A	A	South Cambridgeshire is ranked 45 out of 379 districts on our prosperity score, indicating incomes amongst the resident population in the top 20% of districts nationally.
Deprivation An 'A' Represents areas with the lowest levels of deprivation	A	A	A	South Cambridgeshire is ranked 316 out of 326 districts on our deprivation score, putting it in the 20% least deprived districts nationally.
Health An 'A' Represents areas with the highest score for life expectancy	A	A	A	South Cambridgeshire is ranked 10 out of 324 districts on our health score, indicating standards of health that are in the top 20% of districts nationally. Our health score indexes life expectancy at birth to the national average.
Crime An 'A' Represents areas with the lowest crime rates	B	A	A	South Cambridgeshire is ranked 276 out of 301 districts on our crime score, indicating levels of crime that are in the lowest 20% of districts nationally.

Glossary of terms

Average age	The mean age of the resident population
Proportion of population classified as non-White	The percentage of people classified as White and Black Caribbean, White and Black African, White and Asian, Other Mixed, Caribbean, African, Other Black, Indian, Pakistani, Bangladeshi, Other Asian, Chinese or Other Ethnic Group. Classifications are based
Average household size	The mean number of people living within a household
Long-term change in resident population	Percentage change in the number of residents within the area, between 1991-2011
Knowledge worker score	This residence based figure provides an index of proportion of the working age population who are employed in Knowledge occupations based on SOC groups (1) Managers and Senior Officials; (2) Professional occupations; (3) Associate Professional and Technical occupations, based on place of residence. The figures in brackets are Standard Occupational Classification 2000 (SOC) codes. SOC codes are nationally recognised occupational groupings designed to capture type of work and the associated skills necessary for the job. These major SOC groups include the following occupations Corporate & Senior Officials, Production managers, Functional managers Quality and Customer Care, Financial Institutions and Office, Distribution Storage and Retail, Protective Service Officers, Health and Social Services, Farming, Horticulture, Forestry and associated fields, Hospitality & Leisure and Other Service Industries managers; Science Professionals; Engineering; Info & Communication Technology; Health; Teaching; Research; Legal; Business & Statistical; Architects; Town Planners; Surveyors Public Service Professionals; Librarians and Related Professionals; Science and Engineering Technicians; Draughtspersons & Building Inspectors and IT Service Delivery Occupations; Health Associate Professionals; Therapists; Social Welfare Associate Professionals; Protective Service Occupations; Artistic and Literary Occupations; Design Associate Professionals; Media Associate Professionals; Sports and Fitness Occupations; Transport Associate Professionals; Legal Associate Professionals; Business & Finance Associate Professionals; Sales & Related Associate Professionals; Conservation Associate Professionals and Public Service Associate Professionals. This is in relation to the national average, providing an indication of the level of knowledge sector employment relative to the national trend
Prosperity score	The mean average total income indexed to the national average. Total income figures are based on taxable income including all employees; pension recipients and self-employed people. The figures are defined by local authority area and are residence based
Deprivation score	The deprivation score provides an index of the overall deprivation score, indexed to the national average. This provides a measure of relative deprivation in relation to the national average. The Index of Multiple Deprivation; average SOA score provides a weighted average figure for the levels of deprivation in a given area. The Index of Multiple Deprivation (IMD) is an overall relative measure of deprivation constructed by combining seven domains of deprivation according to their respective weights, as described below. The larger the score, the more deprived the area (and the lower its rank). The domains were combined using the following weights to produce the overall Index of

	Multiple Deprivation: Income Deprivation (22.5%), Employment Deprivation (22.5%), Education, Skills and Training Deprivation (13.5%), Health Deprivation and Disability (13.5%), Crime (9.3%), Barriers to Housing and Services (9.3%), Living Environment Deprivation (9.3%)
Health score	The health score provides an index of the average life expectancy at birth, of all residents in relation to the national average. This provides a figure of relative life expectancy within the national context
Crime score	This indicator provides an index of the total number of offences per 1,000 resident population. Total offences include theft from vehicles; dwelling burglary; robberies and violent offences. The index is to the GB average, providing a figure which is relative to the national trend

Data Sources and Definitions

Average age	The mean age of the resident population
Proportion of population classified as non-White	The percentage of people classified as White and Black Caribbean, White and Black African, White and Asian, Other Mixed, Caribbean, African, Other Black, Indian, Pakistani, Bangladeshi, Other Asian, Chinese or Other Ethnic Group. Classifications are based
Average household size	The mean number of people living within a household
Long-term change in resident population	Percentage change in the number of residents within the area, between 1991-2011
Knowledge worker score	This residence based figure provides an index of proportion of the working age population who are employed in Knowledge occupations based on SOC groups (1) Managers and Senior Officials; (2) Professional occupations; (3) Associate Professional and Technical occupations, based on place of residence. The figures in brackets are Standard Occupational Classification 2000 (SOC) codes. SOC codes are nationally recognised occupational groupings designed to capture type of work and the associated skills necessary for the job. These major SOC groups include the following occupations Corporate & Senior Officials, Production managers, Functional managers Quality and Customer Care, Financial Institutions and Office, Distribution Storage and Retail, Protective Service Officers, Health and Social Services, Farming, Horticulture, Forestry and associated fields, Hospitality & Leisure and Other Service Industries managers; Science Professionals; Engineering; Info & Communication Technology; Health; Teaching; Research; Legal; Business & Statistical; Architects; Town Planners; Surveyors Public Service Professionals; Librarians and Related Professionals; Science and Engineering Technicians; Draughtspersons & Building Inspectors and IT Service Delivery Occupations; Health Associate Professionals; Therapists; Social Welfare Associate Professionals; Protective Service Occupations; Artistic and Literary Occupations; Design Associate Professionals; Media Associate Professionals; Sports and Fitness Occupations; Transport Associate Professionals; Legal Associate Professionals; Business & Finance Associate Professionals; Sales & Related Associate Professionals; Conservation Associate Professionals and Public Service Associate Professionals. This is in relation to the national average, providing an indication of the level of knowledge sector employment relative to the national trend

Prosperity score	The mean average total income indexed to the national average. Total income figures are based on taxable income including all employees; pension recipients and self-employed people. The figures are defined by local authority area and are residence based
Deprivation score	The deprivation score provides an index of the overall deprivation score, indexed to the national average. This provides a measure of relative deprivation in relation to the national average. The Index of Multiple Deprivation; average SOA score provides a weighted average figure for the levels of deprivation in a given area. The Index of Multiple Deprivation (IMD) is an overall relative measure of deprivation constructed by combining seven domains of deprivation according to their respective weights, as described below. The larger the score, the more deprived the area (and the lower its rank). The domains were combined using the following weights to produce the overall Index of Multiple Deprivation: Income Deprivation (22.5%), Employment Deprivation (22.5%), Education, Skills and Training Deprivation (13.5%), Health Deprivation and Disability (13.5%), Crime (9.3%), Barriers to Housing and Services (9.3%), Living Environment Deprivation (9.3%)
Health score	The health score provides an index of the average life expectancy at birth, of all residents in relation to the national average. This provides a figure of relative life expectancy within the national context
Crime score	This indicator provides an index of the total number of offences per 1,000 resident population. Total offences include theft from vehicles; dwelling burglary; robberies and violent offences. The index is to the GB average, providing a figure which is relative to the national trend

Source: Place Insight; Midyear population estimates; Sub-national Population projections by sex and quinary age groups; 2001 Census (National Statistics website: www.statistics.gov.uk. Crown copyright material is reproduced with the permission of the Controller Office of Public Sector Information (OPSI)).

Environment Introduction

This summary report looks at a number of aspects of the environment and equality of life in South Cambridgeshire. In this profile, we consider the environment in terms of:

- Housing affordability
- Commercial and industrial property
- Transport and connectivity
- Amenities
- The natural environment

The report starts by presenting data for the main composite measures for each aspect of South Cambridgeshire's environment. Each one of these topics is then dealt with in turn. Finally, the composite measures form the basis of the spider chart analysis which sets out how South Cambridgeshire rates against the national median for the scores. The spider chart also forms the basis of the list of statistical nearest neighbours (those areas in the country with the most similar profiles on this combination of composite measures). Finally, a summary report card for each aspect of economic development is presented. This is based on the quintile where the district falls on each of the measures ('A' representing the strongest performance, ranging to 'E' representing the weakest).

Environmental Summary Introduction

Areas	Affordability: score (score) 2016	Floorspace: change (score) (score) 2012	Connectivity: score (score) 2005	Amenities: score (score) 2013	Natural environment: score (score) 2013
Cambridge	79.85	96.33	227.95	1575.58	53.13
East Cambridgeshire	97.8	107.44	14.36	36.14	155.18
Fenland	108.82	112.24	5.46	32.94	125.41
Huntingdonshire	102.47	111.63	16.46	54.98	126.66
Peterborough	107.25	110.99	22.61	150.17	71.12
South Cambridgeshire	95.88	133.95	13.01	40.41	132.68
Cambridgeshire	N/A	112.34	28.73	71.96	106.47
East of England	91.02	104.13	59.2	87.89	107.78
National Average	100	100	100	100	100

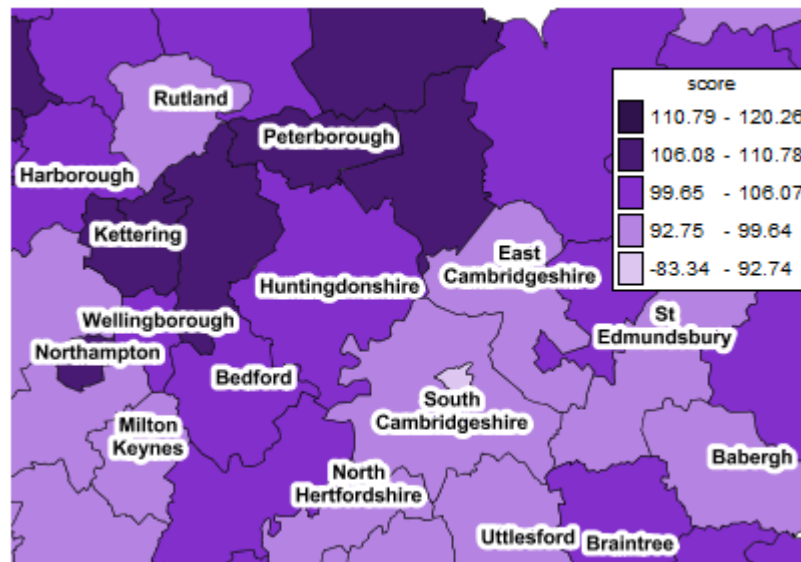
Housing

While housing affordability is a national problem, its impacts are not evenly spread. While the previous boom in house prices in London and the South East is well documented, some areas in the North and Midlands continued to suffer from persistent low demand. Within this housing profile, housing is considered in terms of affordability (assessed on the basis of the ratio between average earnings and average house prices), tenure and housing condition information.

South Cambridgeshire is ranked 247 out of 346 districts on our affordability score, indicating that the area is in the bottom 40% of districts nationally in terms of affordability.

The map shows the affordability score for districts within Cambridgeshire. The areas with very dark shadings have greater housing affordability and those with very light shading are less affordable.

With a score of 95.88, South Cambridgeshire is in the bottom 40% of districts.



Source: Ratio of house price to residence-based earnings (lower quartile and median) ONS

Looking in more detail at South Cambridgeshire's housing profile we find that:

- The proportion of households that were owner occupied within South Cambridgeshire was 70.26% in 2011. This places South Cambridgeshire in the top 40% of districts nationally. By comparison, the Cambridgeshire figure was 64.48, the East of England figure was 67.6, and the national figure was 63.57%.
- The proportion of households that were social rented within South Cambridgeshire was 14.25% in 2011. This places South Cambridgeshire in the middle 20% of districts nationally. By comparison, the East of England figure was 15.7%, and the national figure was 17.69%.
- The proportion of households that were private rented within South Cambridgeshire was 11.96% in 2011. This places South Cambridgeshire in the bottom 40% of districts nationally. By comparison, the East of England figure was 14.7%, and the national figure was 16.84%.
- South Cambridgeshire has seen a high growth in average house prices between 2006 and 2016 of 53.95%. This places the area in the top 40% of districts nationally. By comparison, average prices changed nationally by 31.1%.

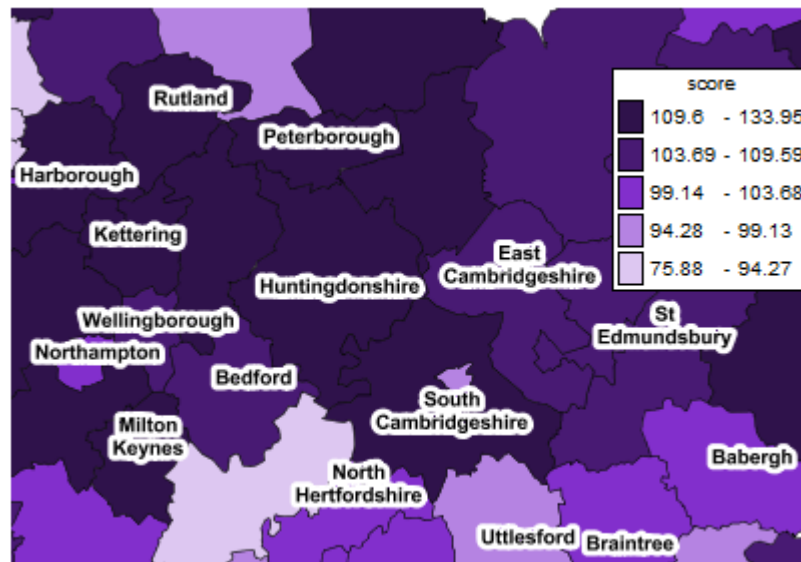
Commercial Floorspace

This commercial and industrial property profile assesses the type of floorspace within South Cambridgeshire and the rate of change that has occurred over recent years. The overall score is based on the net change in the amount of commercial and industrial floorspace since 2004. It presents an overall picture of the type of floorspace within the district and the extent of growth/decline according to type of floorspace.

South Cambridgeshire is ranked 1 out of 348 districts on our floorspace change score, indicating a level of growth in the top 20% of districts nationally.

The map shows the performance of districts within Cambridgeshire. The areas with very dark shading score highly and those with very light shading score poorly.

With a score of 133.95, South Cambridgeshire is in the top 20% of districts and is in the sub region that is in the top 20% of sub regions nationally.



Source: Commercial and Industrial Floorspace and Rateable Value Statistics

Looking in more detail at South Cambridgeshire's commercial property profile we find that:

- The proportion of floorspace that is in industrial use is low, with the area ranking in the bottom 40% of districts nationally. In 2012, 58.14% of total floorspace was in industrial use, compared with 64.49% in Cambridgeshire and 60.51% nationally.
- The proportion of floorspace that is in retail use is very low, with the area ranking in the bottom 20% of districts nationally. In 2012, 11.26% of total floorspace was in retail use, compared with 17.57% in Cambridgeshire and 22.13% nationally.
- The proportion of floorspace that is in office use is very high, with the area ranking in the top 20% of districts nationally. In 2012, 30.6% of total floorspace was in office use, compared with 17.95% in Cambridgeshire and 17.36% nationally.
- South Cambridgeshire has seen a growth of 24.2% in the amount of industrial floorspace between 2002 and 2012. This places it in the top 20% of districts nationally. By comparison the amount of industrial floorspace changed nationally by -4.86%.
- South Cambridgeshire has seen a growth of 58.25% in the amount of office floorspace between 2002 and 2012. This places it in the top 20% of districts nationally. By comparison the amount of office floorspace changed nationally by 10.95%.
- South Cambridgeshire has seen a growth of 29.1% in the amount of retail floorspace between 2002 and 2012. This places it in the top 20% of districts nationally. By comparison the amount of retail floorspace changed nationally by 5.17%.

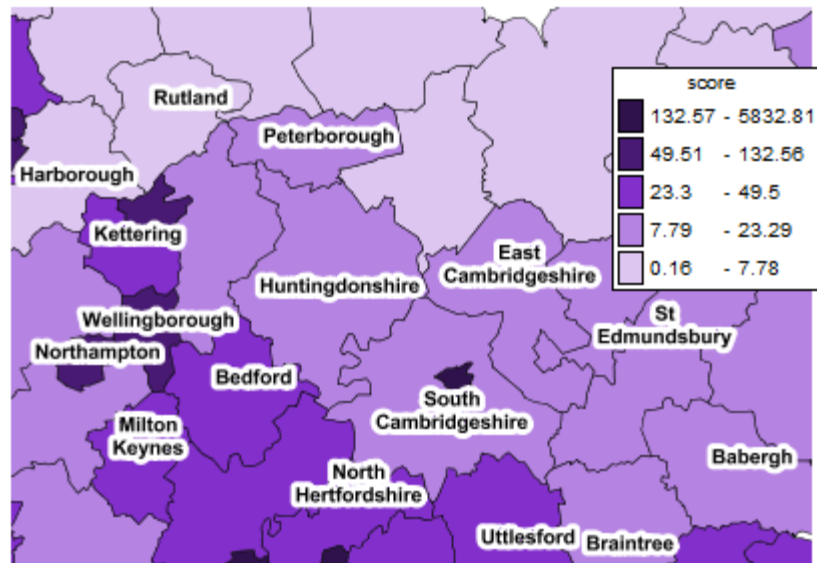
Transport and Connectivity

Accessibility and connectivity have a major influence on an area's ability to attract business and investment. This transport and connectivity profile assesses South Cambridgeshire using a composite of measures, including distance from London, a 'Local Hub' Index (the concentration of transport hubs such as motorway junctions, airports, ports and mainline railway stations), and the 'Contiguity Index' (a score based on an area's proximity to transport hubs in neighbouring places).

South Cambridgeshire is ranked 265 out of 379 districts for its overall connectivity score, indicating an area that performs in the bottom 40% of districts nationally on levels of connectivity to intercity rail, motorways and airports.

The map shows the performance of districts within Cambridgeshire. The areas with very dark shading score highly and those with very light shading score poorly.

With a score of 13.01, South Cambridgeshire is in the bottom 40% of districts and is in a sub region that is in the middle 20% of sub regions nationally.



Source: AA

Looking in more detail at South Cambridgeshire's transport and connectivity profile we find that:

- The national average for the proportion of people who travelled to work by car was 62.66% in 2011. By comparison the South Cambridgeshire figure of 67.87% placed it in the middle 20% of districts nationally.
- The proportion of residents who travelled to work within South Cambridgeshire by public transport was 8.18% in 2011. This was average, placing the area in the middle 20% of districts nationally. By comparison the national figure was 16.4%.
- The proportion of residents who travelled to work within South Cambridgeshire by foot or bicycle was 14.48% in 2011. This was high, placing the area in the top 40% of districts nationally. By comparison the national figure was 13.61%.
- With a score of 87.68, net commuting in South Cambridgeshire was high in 2011, with the area ranking in the top 40% of districts. Net commuting reflects the relative levels of work being taken by residents in the area: a higher score implies that more workers coming into the area to work and a lower score implies that residents are travelling outside the area to work.
- The average travel to work time for residents in South Cambridgeshire is average, with the area ranking in the middle 20% of districts nationally. The average travel to work time of 20 minutes compares with a Cambridgeshire average of 18.83 minutes and a national average of 20.32 minutes.
- The proportion of residents who work outside South Cambridgeshire was 62.37% in 2011. This

- was high, placing the area in the top 40% of districts nationally.
- At 71.08, the number of journeys per sq km in South Cambridgeshire is low, with the area ranking in the bottom 40% of districts nationally.

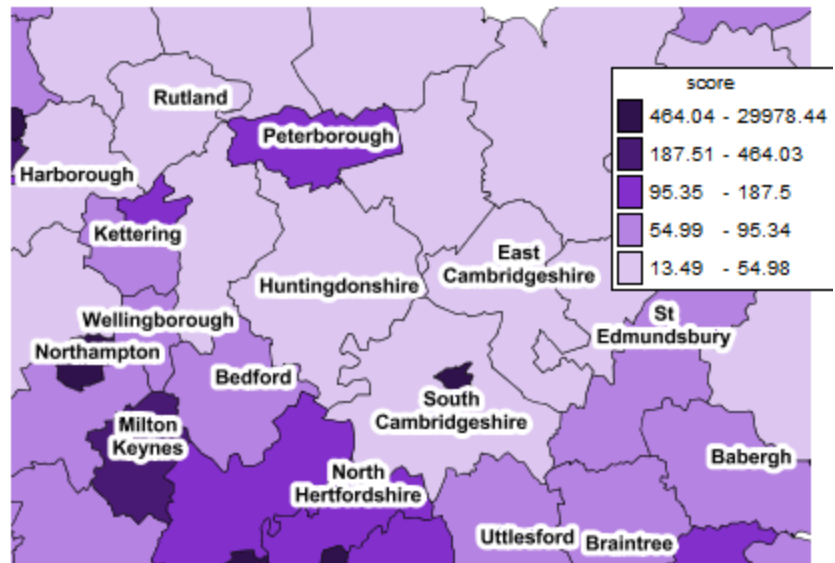
Amenities

The local amenities profile assesses South Cambridgeshire in terms of a combination of indicators, including the density of national heritage sites and listed buildings, the availability of cultural amenities (such as cinemas, theatres and libraries), café culture, retail floorspace and employment in hotels and restaurants. The level of local amenities is important for a good quality of life for local residents, making an area an attractive place to live and for tourists to visit. It should also be borne in mind that the local and cultural amenities scores are heavily skewed towards large cities, particularly London.

South Cambridgeshire is ranked 311 out of 348 districts on our overall score, indicating a standard of local amenities that is in the bottom 20% of districts nationally.

The map shows the local amenities score of districts within Cambridgeshire. The areas with very dark shading score highly and those with very light shading score poorly.

With a score of 40.41, South Cambridgeshire is in the bottom 20% of districts and is in a sub region that is in the bottom 40% of sub regions nationally.



Source: Place Insight; Treasures of Britain; BFI Film & Television Handbook; UK Theatres Online; Michelin Guide to Hotels, Restaurants and Pubs; ArtGuide.co.uk; Annual Business Inquiry (National Statistics website (Nomis: www.nomisweb.co.uk)). Crown copyright material is reproduced with the permission of the Controller Office of Public Sector Information (OPSI); Commercial and Industrial Floorspace and Rateable Value Statistics, Green Flag awards.

Looking in more detail at South Cambridgeshire's amenities profile we find that:

- The cultural amenities score in South Cambridgeshire was 42.96. This places South Cambridgeshire in the bottom 20% of districts nationally. By comparison, the Cambridgeshire score was 77.5, the East of England score was 89.91, and the national score was 100.
- The number of national heritage sites per 000 sq m in South Cambridgeshire was 4.43. This places South Cambridgeshire in the bottom 40% of districts nationally. By comparison, the Cambridgeshire average was 18.29, the East of England average was 17.37, and the national average was 65.37.
- The number of listed buildings per 000 sq m in South Cambridgeshire was 2.88. This places South Cambridgeshire in the middle 20% of districts nationally. By comparison, the Cambridgeshire average was 2.38, the East of England average was 2.99 and the national average was 2.64.
- The proportion of employment in hotels and restaurants in South Cambridgeshire is 4.76%. This places South Cambridgeshire in the bottom 20% of districts nationally on this measure. This compares with 5.52% in Cambridgeshire, 6.45% in East of England and a national average of 7.15%.
- The amount of retail floorspace in South Cambridgeshire was 173 (in 000 sq m). This places

South Cambridgeshire in the bottom 40% of districts nationally. By comparison, the amount of retail space in Cambridgeshire was 1565 (000 sq m) and the amount in East of England was 11661 (000 sq m).

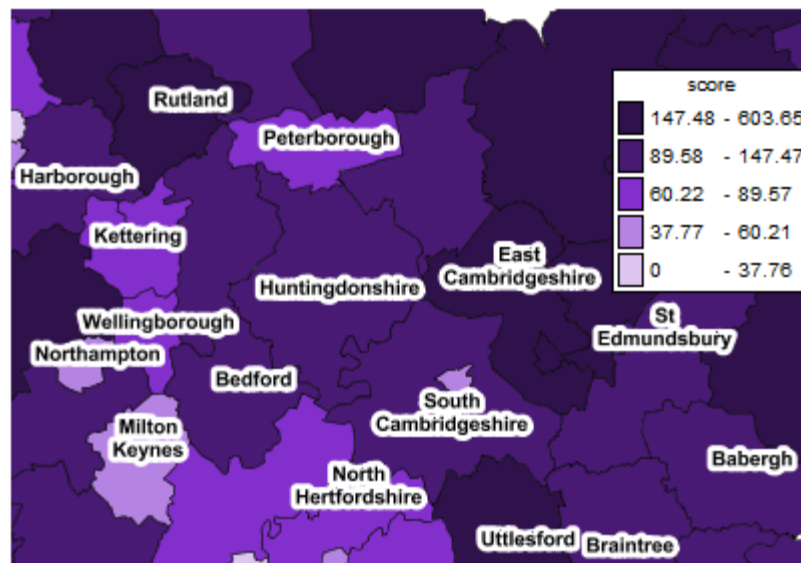
Environment

The natural environment is a subjective theme, which makes benchmarking problematic. This profile assesses the natural environment of South Cambridgeshire in terms of areas of outstanding natural beauty, green space, green belt and heritage coast. We also consider tranquillity and weather. The quality of the natural environment has implications for a modern knowledge economy, which is associated with a decentralised geography of employment as workers try to find a good work-life balance. Indicators are heavily skewed, with towns, cities and urban areas scoring poorly and rural areas scoring well.

South Cambridgeshire is ranked 82 out of 325 districts for its overall natural environment score, putting it in the top 40% of districts nationally.

The map shows the performance of districts within the Cambridgeshire area. The areas with very dark shading score highly on our natural environment score and those with very light shading score poorly.

With a score of 132.68, South Cambridgeshire is in the top 40% of districts and is in a sub region that is in the top 40% of sub regions nationally.



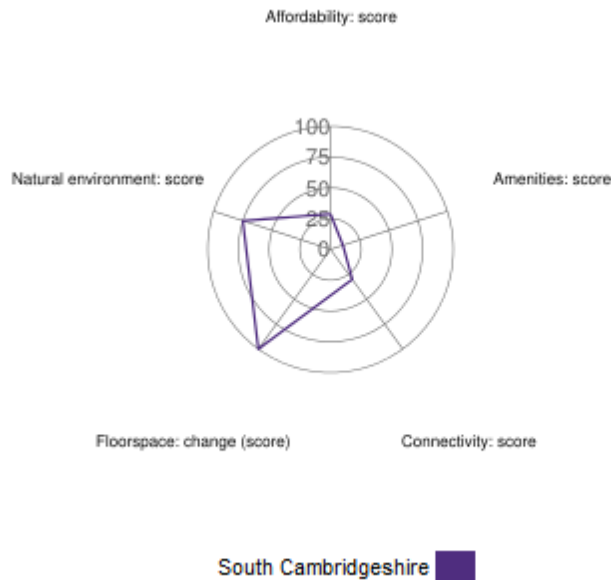
Source: Natural England; GreenFlag awards; Generalised Land Use Database; Indices of Deprivation; Met office average weather readings

Looking in more detail at South Cambridgeshire's environment profile we find that:

- The natural beauty score - comprising Areas of Outstanding Natural Beauty, Blue Flag Beaches, heritage coastlines, ancient woodland, nature reserves, national parks and environmentally sensitive areas - in South Cambridgeshire is 3.41. This places South Cambridgeshire in the bottom 20% of districts nationally. By comparison, the Cambridgeshire score was 5.66, the East of England score was 43 and the national score was 100.
- The air quality score, measured as part of the Index of Multiple Deprivation, in South Cambridgeshire was 0.87. This placed South Cambridgeshire in the bottom 40% of districts nationally. By comparison, the East of England score was 0.99 and the national score was 1.12.
- The tranquillity score, as measured by population density, in South Cambridgeshire was 162.5. This places South Cambridgeshire in the top 40% of districts nationally. By comparison, the Cambridgeshire score was 113.38, the East of England score was 87.96 and the national score was 100.
- The average weather score, as measured by average sunshine hours, average rainfall and average temperature in South Cambridgeshire was 112.18. This placed South Cambridgeshire in the top 40% of districts nationally. By comparison, the Cambridgeshire score was 112.18, the East of England score was 109.91 and the national score was 100.

Environmental Summary Indicators

The spider chart is a way of showing how South Cambridgeshire rates against the national median on the summary environmental indicators. Data for every district in Great Britain is converted into a percentile score, with the top ranking area scoring 100 and the bottom zero. The national median is shown by the 50th percentile.



Nearest Neighbours

For the indicators in the spider chart shown above, the areas in the country with the most similar profiles area shown opposite. These are statistically the nearest neighbours to South Cambridgeshire, with Daventry in Northamptonshire being the most similar on the summary environmental indicators.

Rank	Place Name	Sub Region
1	Daventry	Northamptonshire
2	Stratford-on-Avon	Coventry & Warwickshire
3	Broadland	Norfolk
4	Test Valley	Hampshire & The Isle of Wight
5	South Northamptonshire	Northamptonshire
6	Mid Suffolk	Suffolk
7	Teignbridge	Devon & Cornwall
8	Rutland	Lincolnshire & Rutland
9	East Devon	Devon & Cornwall
10	East Cambridgeshire	Cambridgeshire

Environment Scorecard

The environment 'scorecard', showing how South Cambridgeshire stands nationally and within its region. The 'scorecard' assesses the state of South Cambridgeshire in terms of the composite environmental and quality of life measures. The scores represent the quintile where the district falls on each of the measures ('A' representing the strongest performance, ranging to 'E' representing the weakest).

Composite measure	Sub-region score	Region score	National Score	Summary
Housing affordability An 'A' Represents areas with the most affordable residential property	E	D	D	South Cambridgeshire is ranked 247 out of 346 districts on our affordability score, indicating that the area is in the bottom 40% of districts nationally in terms of affordability.
Commercial floorspace An 'A' Represents areas with the highest rate of growth in commercial and industrial property	A	A	A	South Cambridgeshire is ranked 1 out of 348 districts on our floorspace change score, indicating a level of growth in the top 20% of districts nationally.
Transport & connectivity An 'A' Represents areas with the most rail, motorway and transport links	E	D	D	South Cambridgeshire is ranked 265 out of 379 districts for its overall connectivity score, indicating an area that performs in the bottom 40% of districts nationally on levels of connectivity to intercity rail, motorways and airports.
Amenities An 'A' Represents areas with the highest access to local cultural and leisure amenities	D	E	E	South Cambridgeshire is ranked 311 out of 348 districts on our overall score, indicating a standard of local amenities that is in the bottom 20% of districts nationally.
Natural environment An 'A' Represents areas with the highest natural environment score	B	B	B	South Cambridgeshire is ranked 82 out of 325 districts for its overall natural environment score, putting it in the top 40% of districts nationally.

Glossary of terms

Affordability score	By dividing the house price for a given area by its earnings, we produce a ratio which serves as an indicator of relative affordability. A higher ratio indicates that on average, it is less affordable for a resident to purchase a house in their local authority district. Conversely, a lower ratio indicates higher affordability in a local authority. While there are many more factors that influence affordability, the simple ratio provides an overview of geographic differences across England and Wales. All areas are then ranked and the score for each area reversed such that the area with the largest index score is attributed the lowest, and vice versa. This calculation was performed so that the most affordable areas would have the highest affordability score.
Floorspace change score	This score provides an index of the percentage change in the area of floor space used in the commercial sector. Commercial floor space is defined as all floor space used for non-domestic purposes including retail, office and industrial activities. This provides a score showing the change in floor space in relation to the national floor space change
Connectivity Score GB=100	The connectivity index is based on proximity to and presence of airports; number of rail stations (excluding the underground); ports and motorway junctions. The resulting figure provides a indication of the areas connectivity, with figures over 100 indicating a higher than average level of connectivity
Local amenities score	This score measures the level of amenities provision in an area. A higher score indicates that an area has a greater level of provision.
Natural beauty score	This score measures how the beauty of an area's natural environment. A higher score indicates that an area has a more beautiful natural environment.

Data Sources and Definitions

Affordability score	Property prices are an overall average of property prices covering detached; semi-detached; terraced and flats/maisonettes in a local authority area. The average house price is an average taken over four quarterly house price data releases. The earnings data is workplace based and taken from the Survey of Hours and Earnings. Calculated by taking the ratio of average house price in the area to average gross weekly earnings as a proportion of the same ratio in England & Wales. All areas are then ranked and the score for each area reversed such that the area with the largest index score is attributed the lowest, and vice versa. This calculation was performed so that the most affordable areas would have the highest affordability score.
Floorspace change score	The difference between the total amount of commercial floorspace in most recent and start years as a proportion of that in the start year, indexed to the GB average. Commercial floor space is defined as all floor space used for non-domestic purposes including retail, office and industrial activities and 'other' bulk premises. This provides a score showing the change in floor space in relation to the national floor space change.
Connectivity Score GB=100	Based on proximity to and presence of airports; number of rail stations (excluding the underground); ports and motorway junctions. The

	number of these services in the area was calculated, weighted by proximity to major airports (Gatwick, Edinburgh, Glasgow, Bristol, Stansted, Birmingham) as a proportion of land area and indexed to the GB average (GB = 100).
Local amenities score	This indicator takes into consideration: cultural amenities (sports arenas; cinemas; zoos; theme parks; major event venues; Visit England attractions; Michelin starred restaurants; performing arts venues; cathedrals); national heritage sites; retail floorspace; employment in amenities-provision (as a proxy). Each are divided by the land area, then scored in relation to the national figure. The individual scores are then added, and scored again to give the overall figure.
Natural beauty score	The following datasets were all indexed to their component national average: Areas of Outstanding Natural Beauty; Blue Flag Beaches (denoting high quality beaches); heritage coastlines; ancient woodland; nature reserves; national park designations and designation as an environmentally sensitive area. The average of these indices is used to provide the final score.

Source: Place Insight; Commercial and Industrial Floorspace and Rateable Value Statistics; Previously Developed Land Survey; ONS

Ordering further Place Profiles

Place Profiles are available at District and Ward level. The reports are produced using the latest information, with Summary Place Profiles providing a high level overview of local conditions. More detailed profiles are also available on the following topics:

Economy

Economic Performance
Industrial Structure
Business and Enterprise
Skills and Qualifications
Labour Market

Society

Age
Ethnicity
Households
Migration and Change
Occupations
Prosperity
Deprivation
Health
Crime

Environment

Housing
Commercial Property
Transport and Communications
Amenities
Natural Environment

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Agenda Item 8e



**South
Cambridgeshire
District Council**

REPORT TO: Council 21 February 2019

LEAD CABINET MEMBER: Lead Cabinet Member for Finance

LEAD OFFICER: Interim Executive Director – Corporate Services

Medium Term Financial Strategy, General Fund Budget 2019-20 (including council tax setting), Housing Revenue Account Budget 2019-20 (including housing rents), Capital and Investment Strategies and Treasury Management Strategy

Purpose

- 1.1 Council is asked to consider and approve the attached financial strategies and budgets.
- 1.2 As part of the 2019-20 budget process, the range of assumptions upon which the General Fund (GF) Medium-Term Financial Strategy and Housing Revenue Account (HRA) Medium-Term Financial Strategy are based have been reviewed considering the latest information available, culminating in the preparation of the Budget Setting Reports.
- 1.2 The Budget Setting Reports provide an overview of the review of the main assumptions. They set out key parameters for the detailed recommendations and final budget proposals and are the basis for the finalisation of the 2019-20 budgets.
- 1.3 The resulting recommendations refer to the strategy outlined in the Budget Setting Reports.
- 1.4 The Budget Setting Reports are presented to Cabinet and Council, to allow consideration, scrutiny and approval of revenue and capital expenditure and resources which form part of the GF and HRA budgets and proposals for the review of rents and service charges.
- 1.5 This is a key decision because it results in the authority incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budgets and it was first published in the October Forward Plan.

Recommendations

- 2 Council is asked to:-

Revenue and capital – GF

- (a) Approve the revenue estimates for 2019-20 as shown in the **GF BSR Section 5 at Appendix 1** to this report.
- (b) Approve the precautionary items for the GF, **GF BSR Appendix B, Appendix 1** to this report.
- (c) Approve the GF revenue forecasts as set out in **GF BSR Section 6, Appendix 1** to this report.
- (d) Instruct the Executive Management Team to identify additional income / cumulative savings of £3m for the 5 years from 2019-2024.
- (e) Authorise that the use of the earmarked reserve for Business Efficiency initiatives is delegated to the Chief Executive, in consultation with the Lead Member for Finance, and that £1m is transferred into this reserve from the General Fund reserve. As at the end of 2017-18 financial year, the General Fund reserve stood at £7,751,000.
- (f) Authorise £500,000 of Planning earmarked reserves, budgeted to support the shortfall in income in the year 2018-19, but not required due to sufficient over budget income levels being achieved, to be budgeted to use towards Business Transformation programmes in Planning in 2019-20.
- (g) Approve the GF capital programme and associated funding up to the year ended 31 March 2024, as set out in **GF BSR Section 7, at Appendix 1** to this report.
- (h) Set the Council Tax Requirement for 2019-20 at £9,092,962.
- (i) Set the amount of Council Tax for each of the relevant categories of dwelling in accordance with Section 30(2) of the Local Government Finance Act 1992 on the basis of the District Council Tax for general expenses on a Band D property of £145.31 plus the relevant amounts required by the precepts of the Parish Councils, Cambridgeshire County Council, the Cambridgeshire Police and Crime Commissioner and the Cambridgeshire Fire Authority, details of those precepts and their effect included with the formal resolution attached at **Appendix 6**.

Revenue – HRA

- (j) Approve the HRA savings, increased income, unavoidable revenue pressures, bids and reduced income items, as summarised in Section 4, and detailed in **Appendix G (1) of the HRA Budget Setting Report at Appendix 2** to this report.
- (k) Approve the non-cash limit adjustments, as summarised in Section 4, and detailed in **Appendix G (1) of the HRA Budget Setting Report at Appendix 2** to this report.
- (l) Approve the resulting HRA revenue budget as shown in the HRA Summary Forecast 2018-19 to 2023-24 in **Appendix I of the HRA Budget Setting Report at Appendix 2** to this report.

- (m) Approve the retention of the balance of the 4-year efficiency savings target of £95,000 per annum from 2020-21 included as part of the 2018-19 HRA Medium Term Financial Strategy, and the corresponding Strategic Investment Fund for the same value.

Review of Rents and Charges

- (n) Approve that council dwelling rents for all social rented properties be reduced by 1% for the final year, in line with legislative requirements introduced as part of the Welfare Reform and Work Act, with effect from 1st April 2019.
- (o) Approve that affordable rents are reviewed in line with rent legislation, to ensure that rents charged are no more than 80% of market rent, with this figure then reduced by 1% as with social housing. Local policy is to cap affordable rents at the lower level of Local Housing Allowance, which will result in rent variations in line with any changes notified to the authority in this level, effective from 1st April 2019.
- (p) Approve inflationary increases of 2.2% in garage rents for 2019-20, in line with the base rate of inflation for the year assumed in the HRA Budget Setting Report.
- (q) Approve the proposed service charges for HRA services and facilities provided to both tenants and leaseholders, as shown in **Appendix B of the HRA Budget Setting Report, at Appendix 2** to this report.

Housing Capital

- (r) Approve the latest budget, spend profile and funding mix for each of the schemes in the new build programme, as detailed in **Section 5 and Appendix E of the HRA Budget Setting Report at Appendix 2** to this report, recognising the most up to date information available as each scheme progresses through the design, planning, build contract and completion process.
- (s) Approve earmarking of the required level of additional funding for new build investment between 2019-20 and 2023-24 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 either take the form of HRA new build, with the 70% top up met by other HRA resources, acquisition of homes on the open market, or could alternatively be a grant made to a registered provider, where the registered provider will provide the 70% top up to build new homes.
- (t) Approve the capital budget proposals, detailed in **Appendix G (2) of the HRA Budget Setting Report at Appendix 2** to this report.
- (u) Approve the capital amendments, detailed in **Appendix H of the HRA Budget Setting Report**, which include the capital proposals in **Appendix G (2) of the HRA Budget Setting Report, at Appendix 2** to this report, alongside re-profiling of investment, increase and re-allocation of resource for new build schemes.
- (v) Approval of the revised Housing Capital Investment Plan as shown in **Appendix J of the HRA Budget Setting Report at Appendix 2** to this report.

Capital and Treasury Management

- (w) Approve the Capital and Investment Strategies 2019-20 to 2023-24, **Appendix 3 and 3A**
- (x) Approve the borrowing and lending strategies for the year to March 2020, as included in the Treasury Management Strategy Statement in **Appendix 4**.
- (y) Approve the prudential indicators required by the Code for Capital Finance in Local Authorities for the year to 31 March 2020, included in **Appendix 4**.
- (z) Approve any unspent New Homes Bonus money allocated to the Greater Cambridge Partnership to be rolled into 2019-20.

Reasons for Recommendations

- 3 The GF and HRA Budget Setting Reports, Treasury Management Strategy and Capital and Investment Strategies are presented for decision following consideration and review of the both internal and external factors which affect the council's financial position.

Executive Summary

- 4 The budget setting report provides an opportunity to consider any changes in the financial context of both the GF and the HRA, allowing review of external factors such as inflation and interest rates. It provides the opportunity to update assumptions in respect of the day to day operation of the business and allows recognition of the anticipated impact of major changes in national housing policy as legislation is passed and information surrounding the anticipated regulations begins to emerge.
- 5 The report requests approval of the revenue and capital budgets for the GF for 2019-20 and of the council tax requirement for 2019-20 and the District council tax on a band D property, with the formal resolution being presented elsewhere on this agenda.
- 6 The report also requests approval to set both rents and service charges for 2019-20 and both the revenue and capital budgets for the HRA for 2019-20, in the context of longer-term financial forecasts.
- 7 The report also provides an opportunity to consider key strategic risks and levels of reserves. Furthermore, it presents the impact of several sensitivities to which both the GF and HRA are subject.

Background

- 8 The HRA is a ring-fenced area of the Council's activity and represents the landlord activity which the authority carries out as a stock retaining authority. All other council activities are accounted for within the GF.
- 9 Budgets are set in February of each year, following presentation and consideration of the budget setting reports. MTFs for both the GF and HRA are presented for consideration and approval in November each year, allowing review of key assumptions and the resulting impact on the business. These MTFs set out the strategic approach to budget setting for the following year, in the context of longer-term forecasts.

Considerations

- 10 These are set out in detail in the appendices :-
- Appendix 1 – General Fund (GF) Budget Setting Report
 - Appendix 2 – Housing Revenue Account (HRA) Budget Setting Report
 - Appendix 3 – Capital and Investment Strategies 2019-20 to 2023-24
 - Appendix 4 – Treasury Management Strategy Statement 2019-20 to 2021-22
 - Appendix 5 – Financial Administration (S 25 Report)
 - Appendix 6 – Formal council tax setting resolution for 2019-20 (**To Follow**)
- 11 Consideration needs to be given to the fluid nature of some of the assumptions that are required to be incorporated into the financial forecasting for the HRA, particularly in relation to the impact of some of the anticipated changes in national housing policy, where confirmation of detailed changes to regulations are awaited in some areas following consultation. This has resulted in the deferral of some assumptions and best estimates of the impact at a local level, until confirmation is available.
- 12 Assumptions will need to be continually reviewed and amended as information is made available and any changes in the economic environment become apparent.
- 13 The draft revenue and capital estimates for both the GF and HRA are published alongside this report and can be viewed at the following link:
<http://scambs.moderngov.co.uk/ecCatDisplay.aspx?sch=doc>

Options

- 14 The HRA Budget Setting Report identifies the financial impact of a few scenarios for the future of the business, modelling the impact of changes in key assumptions and presented as part of the sensitivity analysis at **Appendix F** of the report, appended at **Appendix 2** to this report.

Financial

- 15 As detailed in the report and appendices.

Legal

- 16 The pressure to reduce budgets and the continuation of a poor financial settlement could adversely affect the provision of statutory services. Officers will be required to seek legal advice in relation to a few the national changes in housing policy as the regulations are released by Central Government.

Staffing

- 17 The commitment to seek efficiency savings in both the GF and HRA over the medium term may have implications for staff, all of which will be fully explored with Human Resources once they are known.

Risk Management

- 18 Risks and controls concerning financial projections in the MTFs are included in the strategic risk register.
- 19 A summary of the key risks to the GF MTFs are summarised in section 8 to the GF BSR included at Appendix 1.

20 An annual update to the assessment of the key risks which the HRA faces in financial terms was included as part of the HRA Medium Term Financial Strategy in November 2018.

Equality and Diversity

21 There are potential equality and diversity implications associated with some of the bids and savings proposed in this report. Where proposed budgetary changes are anticipated to have an equalities impact, the service manager responsible for the area will need to complete an Equalities Impact Assessment.

Climate Change

22 There is no direct climate change impact associated with this report.

Consultation responses (including from the Youth Council)

23 There has been no formal tenant or leaseholder consultation in the preparation of this strategic report. Detailed consultation with tenants and leaseholders may be required as part of the preparation of future reports, particularly if savings are being proposed that may affect service delivery, with service levels impacted.

Effect on Strategic Aims

24 The determination of the budget, council tax and rents will provide resources for the council to continue its services to achieve all its strategic aims as far as possible within the current financial constraints.

Background Papers

Where the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 require documents to be open to inspection by members of the public, they must be available for inspection: -

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and
- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

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Budget-Setting Report 2019-20



**February
2019**

2019-20

South Cambridgeshire
District Council

Version Control

Version No.	Revised version / updates for:	Content / Items for Consideration
1	Executive Management Team (EMT) (21 November 2018)	Initial budget overview and budget proposals
2	Informal Cabinet (9 January 2019)	Review and approval of the draft Budget report
3	Scrutiny & Overview Committee (22 January 2019)	Review and approval of the draft Budget report
4	Cabinet (6 February 2019)	Proposals to Council Incorporating updates relating to; - Final Local Government Finance Settlement 2019/20 and grant determinations
Current	5 Council (21 February 2019)	Approved Budget-Setting Report incorporating - Decisions of Council - Appendix 6 Council Tax Setting following receipt of County Council, Police and Fire Authority precepts

Anticipated Precept Setting Dates

Cambridgeshire Police and Crime Commissioner	Cambridgeshire & Peterborough Fire Authority	Cambridgeshire County Council
31 January 2019	8 February 2019	11 February 2019

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Section 1

Introduction

Purpose

The Budget-Setting Report (BSR) is designed to provide an integrated view of the council's finances and outlook. It covers General Fund (GF) revenue and capital spending, highlighting the inter-relationships between the two and the resultant implications. Detailed budget proposals for the Housing Revenue Account (HRA) are presented and considered separately from this report.

On 7 November 2018, the Cabinet reviewed the Medium Term Financial Strategy (MTFS). The MTFS set out the financial strategy for the council in light of local and national policy priorities, external economic factors and the outlook for public sector funding. The MTFS also reviewed key assumptions and risks, thereby confirming the framework for detailed budget work for 2019- 20 and beyond.

The BSR reviews the impacts of developments since the MTFS and sets the financial context for the consideration of detailed recommendations to be made at council on 21 February 2019. The document proposes a detailed budget for the next financial year, and indicative budget projections for the following four years.

Background

The financial planning context for the BSR is set by the MTFS. This identified a total net savings requirement of £3.0m over the next 5 years after taking into account changes to base assumptions and pressures and savings identified at that time.

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m
Annual savings requirement	0.00	1.10	1.00	0.90	0.00
Cumulative savings requirement	0.00	1.10	2.10	3.00	3.00

*this is after the annual vacancy saving of £0.5m allocated across the council

These savings requirements stem from significant reductions in government funding, unavoidable cost increases and pressures. Considerable levels of risk and uncertainty remain, including the possible impacts of the review of business rates retention and associated additional responsibilities, appeals resulting from business rates revaluation as at April 2017 and the future of New Homes Bonus. Whilst the council has a record of identifying and delivering savings through service reviews and value for money improvements, many such savings have already been delivered and it is becoming more difficult to identify and deliver further savings and efficiencies.

The council continues to deliver a programme of on-going transformation targeted at the way it delivers services and interacts with residents, tenants and other parties. There is an increasing emphasis on identifying and implementing proposals for income generation to make the council more financially sustainable. This BSR builds on what has been achieved with particular emphasis on the continuing delivery of transformation projects.

Key dates

The key member decision-making dates are as follows:

Date	Task
2019	
9 January	Informal Cabinet
22 January	Scrutiny and Overview Committee
6 February	Cabinet recommends the budget to Council
21 February	Council approves the budget and sets the council tax for 2019-20

Section 2

Local and national policy context

Local policy context

Corporate Plan

The Corporate Plan provides a key component of the local policy context setting a direction of travel for the council which responds to the future financial outlook.

Revisions to corporate priorities have emerged from discussions between Cabinet and the Executive Management Team. The Corporate Plan is currently being revised to reflect these new priorities and it will be brought forward for approval alongside the budget in February 2019.

Partnership working

South Cambridgeshire District Council (SCDC) works in partnership with a range of other bodies where this can bring additional benefits to the people who live, work and study in our area, especially when this leads to a pooling of resources and skills to achieve a common aim.

The Greater Cambridge Partnership

The council is working with Cambridgeshire County Council, Cambridge City Council, the University of Cambridge and the Cambridgeshire and Peterborough Combined Authority – Business Board (formerly the Greater Cambridge Greater Peterborough Local Enterprise Partnership) to deliver infrastructure, housing and skills targets as agreed with Government in the Greater Cambridge City Deal. The deal consists of a grant of up to £500 million, to be released over a 15 to 20 year period, expected to be matched by up to another £500million from local sources, including through the proceeds of growth.

The City Deal will help Greater Cambridge to maintain and grow its status as a prosperous economic area. The deal is working to:

- accelerate the delivery of 33,500 planned homes

- enable delivery of 1,000 extra affordable new homes on rural exception sites
- deliver over 420 new Apprenticeships for young people
- provide £1bn of local and national public sector investment, enabling an estimated £4bn of private sector investment in the Greater Cambridge area
- create 44,000 new jobs
- create a governance arrangement for joint decision making between local councils

The Partnership is currently developing proposals for transport improvements to enable people, goods and ideas to move more quickly, reliably and sustainably between centres of research, innovation and enterprise, and between places of residence, work and study.

One aspect of this is likely to be proposals to tackle congestion, and this may require ways of managing the number of vehicles on the most congested routes at the most congested times of the day. Whatever proposals are ultimately implemented may have impacts on SCDC services, including potentially budgetary implications. The service and financial impact of such measures will be factored into the council's financial planning in more detail as the impacts become clearer.

The Partnership is also supporting delivery of affordable housing and a skills system that equips more young local people with the skills they need to engage in the knowledge-based industries that comprise the Cambridge Cluster.

The Partnership is also bringing together public, private and academic experts to develop and exploit "smart city" technologies to help identify and address the challenges that Greater Cambridge faces.

The council, with other local authority partners, have agreed to create an investment and delivery fund from a proportion of New Homes Bonus (NHB). As a result of this, the budget considers the application of funds from NHB, earmarking future uncommitted funding in line with the expected levels of contribution to the fund.

Cambridgeshire and Peterborough Combined Authority

In November 2016, eight organisations¹ in Cambridgeshire, including South Cambridgeshire District Council, agreed a devolution deal with the government to form the Cambridgeshire

¹ Cambridge City Council; Cambridgeshire County Council; East Cambridgeshire District Council; Fenland District Council; Huntingdonshire District Council; Peterborough City Council; South Cambridgeshire District Council; Greater Cambridge Greater Peterborough Local Enterprise Partnership

and Peterborough Combined Authority (CPCA). The deal gives delegated powers to the Combined Authority and a new elected Mayor and brings funding to the region. Following elections on 5 May 2017, James Palmer was elected as Mayor for the CPCA.

The CPCA will receive funding and powers from Central Government in a number of areas including:

- o £100 million to deliver new homes over a five-year period in Peterborough and Cambridgeshire which includes affordable, rented and shared ownership housing, plus £70m for Cambridge City Council to deliver at least 500 new council homes.
- o £20 million a year funding over 30 years to support infrastructure and boost economic growth in the region

The key ambitions for the CA include:

- o doubling the size of the local economy
- o accelerating house building rates
- o improving transport and digital infrastructure.

It has been agreed that the CPCA costs will be funded from the gain share grant and therefore there will be no charge to SCDC for this. The Mayor has the power to raise a precept (i.e. a separate additional element of council tax to fund the running costs of the Mayoral office). The earliest this could take effect is from 2019/20.

The Combined Authority (but not the Mayor) can levy constituent councils to make a contribution towards its functions but this would need to be unanimously agreed by those authorities through the budget making process for the CPCA. Each Council could also decide voluntarily to make a financial contribution to the CPCA.

Cambridgeshire's economy should benefit from the additional investment and improved infrastructure in the local area that the CPCA brings.

Shared services

The council currently shares some services with neighbouring councils. Benefits include improvements in service delivery, efficiencies and greater resilience.

The following services are delivered in two or three way partnerships with Cambridge City Council (CCC), Huntingdonshire District Council (HDC) and West Suffolk (St Edmundsbury Borough Council and Forest Heath District Council):

With CCC and HDC:

- a) 3C Building Control
- b) 3C ICT
- c) 3C Legal
- d) Housing Development Agency
- e) Home Improvement Agency

With CCC:

- (i) Greater Cambridge Shared Waste Service
- (ii) Greater Cambridge Shared Internal Audit
- (iii) Greater Cambridge Shared Planning
- (iv) Payroll

With West Suffolk

- (v) Homelink (Shared service for Cambridgeshire and West Suffolk with 36 users)

Staff pay deal

The Council has agreed a two year pay deal with staff. The deal comprises improvements in pay and conditions as well as:

- 1% increase on all pay points with effect from 1st April 2018
- 2% increase on all pay points with effect from 1st April 2019

The 2018/2019 budget already included provision for 1% pay increase. The MTFS and 2019/2020 budget will reflect the 2% increase on pay as part of the two year deal. This deal also included enhancements to some terms and conditions, the costs of which have also been budgeted for. The Lead Cabinet Member can approve pay increases within approved budgets.

External factors

The European Union (EU)

- (vi) There is still a considerable amount of uncertainty as to the effect of the United Kingdom (UK) leaving the EU with regard to interest rates, inflation and business investment combined with associated business rates generation and retention. As presently understood, the UK will leave the EU on 29 March 2019, with a transition period lasting until midnight on 31 December 2020.

Inflation rates

- (vii) Inflation used to drive expenditure and income assumptions in the GF financial planning have been based on the Bank of England and Office of Budget Responsibility (OBR) forecasts. The percentage currently applied in the MTFS is 2%, reflecting the Government target for CPI. The Bank of England's November 2018 forecast shows a fall from 2.2% predicted rate for 2018-19 to 2.1%, increase from 2.0% to 2.1% for 2019-20, and a return to 2% rate by late 2021.

Interest rates on deposits

- (viii) The council lends its cash balances externally on a short-term basis, with a view to generating a return that can be spent on delivering council services whilst managing both security and liquidity of the cash. Members of the Bank of England Monetary Policy Committee (MPC) unanimously increased the bank rate to 0.75% (previously 0.50%) on 1st August 2018, the previous increase was on 2nd November 2017, when the Committee voted to increase the Bank Rate to 0.50%.
- (ix) Rates available to investors continue to be exceptionally low. Our assumption relating to the rates at which we can lend out our cash balances have been maintained.

Interest rates on external borrowing

- (x) Loans are being taken out this year to fund lending to the Ermine Street Housing and to fund the Capital Programme. Estimates included in the BSR assume borrowing at the current rates available from PWLB.

Currency exchange rates and import tariffs

- (xi) Reducing value of sterling has had a negative impact on the procurement costs of the Council. Further increase in the value of foreign currencies is likely to cause additional pressure on the budget.
- (xii) Any potential tariffs on goods imported from the EU could increase the cost of material the council uses to achieve its Housing objectives.

National policy context

Government spending announcements

In his Spring 2018 statement, the Chancellor revised the government's pledge to eliminate the budget deficit from 2025 to "mid-2020s". A budget deficit revision could have considerable impact on the medium-term outlook for local government funding.

Two fiscal reports in July, from the OBR and Treasury, highlighted the pressures on public finances. Pressures on health, pensions and social care dominate long-term projections. When recent public sector pay awards are factored in, the future course of local government funding becomes very challenging.

Whilst reduced contributions to the EU will fund some additional demand, much will be used to maintain existing agricultural, scientific research and infrastructure support, with additional funding for Health also expected from this source.

Despite a fall in median incomes, higher levels of employment which are largely determined by the pace of economic growth, should translate into improvements in income tax revenues.

Local government finance

2019/20 and future years

The 2016/17 settlement offered councils a four-year settlement, giving greater certainty of funding until the end of the spending period. For the Council, this settlement gives certainty over Revenue Support Grant (RSG) and Business rates tariff and top-up payments. Effectively, RSG is to be phased out over the 4-year timeframe, with a proposal for negative RSG to be eliminated through the mechanism of the overall business rates settlement.

Provisional settlement announced on 13 December 2018 made no significant changes to funding allocations compared to prior year. This settlement forms the final year of the multi-year funding settlement accepted by 97% of councils in return for publishing efficiency plans.

Business rates retention is due to be increased to 75% from 2020, alongside a reform of the business rates system. 15 pilot areas for testing 75% rates retention have been announced, in addition to the pilots originally launched in 2017 in devolution deal areas, which will continue on existing basis in 2019-20. There is concern over the reset of the system which will take effect from 2020/21. This will update baselines and may remove a significant amount of the additional funding that has arisen through growth since the system was established.

While the use of Negative RSG has not been implemented, from 2020-21, this could be replaced by a downward adjustment to a local authority's business rates tariffs and top ups for the less grant-dependent authorities.

Rural Services Delivery Grant has been kept on the same level as in 2018-19, in recognition of the extra costs of providing services in rural communities.

The Government shares CIPFA's concerns about the scale of borrowing for commercial purposes in some local authorities. MHCLG and HM Treasury are considering further potential interventions. It is not expected that the Council's investment strategy will be affected by these measures.

The 2019 Spending Review will confirm overall local government resourcing from 2020/21. Therefore, uncertainty remains for that year and beyond. Consultations on the Fair Funding Review and reform of business rates retention have been released on 13 December 2018 alongside the settlement.

This MTF5 assumes that, except for the removal of the negative RSG, the level of Settlement Funding Assessment (SFA) will be as indicated in the 2017/18 settlement, included in the February 2017 BSR and as shown below. There is considerable uncertainty relating to SFA for 2020/21, 2021/22 and 2022/23, as this is beyond the current parliamentary term and after the implementation of the change to the business rates retention.

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Revenue Support Grant (RSG)	-	-	-	-	-
Rural Services Grant	131	-	-	-	-
Business rates baseline	2,605	2,674	2,725	2,725	2,725
Total SFA - per 2017/18 finance settlement	2,735	2,674	2,725	2,725	2,725

New Homes Bonus

The New Homes Bonus (NHB) was launched in 2010 as a non-ringfenced payment to all local authorities based on the number of new homes added each year within its area. The eligible amount was then paid for each of a period of 6 years.

A cut of approximately two-thirds of the funding available for NHB was announced in the 2015 Spending Review, followed by a technical consultation on the future of the scheme. The outcome of the technical consultation was published alongside the provisional settlement in December 2016. This confirmed the expected direction of travel, 'sharpening the incentive' for councils to deliver new housing. Specifically:-

- The length of NHB payments was cut from six to five years in 2017/18, and further reduced to four years from 2018/19 onwards.
- A national baseline, or 'deadweight', of 0.4% was introduced, below which NHB will not be paid. The government has retained the option of adjusting this baseline, effectively providing a mechanism to control the total NHB payable to councils. The Council receives 80% of NHB payable on increases in housing stock above the 0.4% deadweight, with the County Council receiving the remaining 20%.
- From 2018/19 the government will consider withholding NHB payments from councils without a local plan, and for houses built following planning appeals. Work continues to complete the processes for adopting the Local Plan but the specifics including timing are also dependent on the Planning Inspection process.

The government has included ways of implementing reductions in NHB for houses built following planning appeals in its technical consultation of the local government finance settlement. At present no reductions have been included in the council's forecasts.

The table below includes estimates of future NHB payments based on expected housing completions and the years of payment and deadweight indicated in the government's consultation response. Any changes in these factors could materially impact these estimates. NHB is currently used to fund both revenue and capital spending related principally to growth and place. Along with partners, the Council has committed 40% of NHB funding each year to a City Deal Investment and Delivery Fund, with remaining amounts reserved for schemes to mitigate the impacts of the A14 upgrade. However, the council's revenue expenditure and A14 mitigation take priority over the contribution to the City Deal Investment and Delivery Fund. If NHB reduces, it is the contribution to this Fund that would be impacted first. Greater reductions may require savings in revenue or capital

spending, with the spending listed above being considered against other spending priorities.

NHB receipt estimates, based on the current criteria, projections of future housing completions and empty homes brought back into use, are shown below.

New Homes Bonus	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
Confirmed NHB funding at February 2018 BSR	3,010	1,994	943	530	-
Estimated NHB receipts for 2018/19	-	478	478	478	478
Estimated NHB receipts for 2019/20	-	-	1,147	1,147	1,147
Estimated NHB receipts for 2020/21	-	-	-	1,398	1,398
Estimated NHB receipts for 2021/22	-	-	-	-	1,364
Potential New Homes Bonus Total	3,010	2,473	2,569	3,552	4,387

Council Tax

The recently released technical consultation on the finance settlement indicates that district councils will be able to raise Band D council tax by £5 per annum. The Budget has been modelled on the basis that this level of increase will be allowed throughout the 5 year period. Differences also arise from changes in the modelled tax base.

Council tax Band D rate	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
February 2019	145.31	150.31	155.31	160.31	165.31
Resulting council tax yield	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
February 2019	9,093	9,644	10,204	10,766	11,218

2018 Budget Statement

The government published the Budget on 29 October 2018.

The key political message from this Budget is that it heralds “the end to austerity”. This has an important political message: that is, the Government will not cut public spending just to balance the budget. Instead, additional funding for the Local Government has been announced for both 2018-19 and 2019-20.

However, the improved fiscal forecasts rely on the economy meeting expectations: a recession (or external shock, such as a disorderly Brexit) could easily upset these plans. For

now, though, the prospects for public spending – and for local government as well – are starting to look more positive.

Borrowing is still only accepted to invest in infrastructure and innovation targeted at improving productivity. It was expected at the time of prior year budget that funding for local government would be flat (0%) but that growth in council tax yield (Band D and taxbase) could give local government overall growth in resources of about 2.6% per year. This now looks low compared to the average increase in public sector spending of 3.2%.

This gives grounds for some optimism for overall funding for local government in the next spending review period. Nothing has been released about the process and timetable for the Spending Review with the Budget, even if priorities are evident from the additional funding that has been announced. These priorities are: defence, schools, police and prisons/ justice.

For the first time in a long time, local government has been given a prominent role in the Budget, the Adult Social Care precept and the increase in business rate retention (to 75% in 2020-21) were mentioned, as well as the removal of the cap on borrowing in the housing revenue account.

Changes were announced in business rates relief:

- (a) The Government is going to cut business rates by one-third for retail properties with a rateable value below £51,000 for 2 years from April 2019, subject to state aid limits. The Government will fully fund the cost of the relief.
- (b) There will be £657m co-funding to help local authorities manage the changing pressures on the local high street. Local authorities will be asked to draw-up plans to change underused retail areas to residential use, and these will be accompanied by changes in the rules of compulsory purchase orders and use orders.
- (c) The £1,500 local newspaper discount will be extended for another year.
- (d) And local authorities will be able to award mandatory business rate relief to public lavatories, whether publicly or privately owned. Broadly half of any relief will be funded by local authorities.

Longer term decisions on overall local government funding will be made in the 2019 Spending Review. This was the government's second Autumn Budget, the next statement being an early 2019 forecast from the OBR followed by a Spring Statement.

Section 3

General Fund resources

Local government finance settlement 2019/20

In December 2015, as part of the provisional local government settlement, a four year funding guarantee was offered to councils that submit an efficiency plan. The council's plan has been accepted by government, confirming revenue support grant (RSG) and baseline levels of business rates for 2016-17 to 2019-20.

On 13 December 2018 the Government announced the provisional settlement for 2019-20. There have not been great changes from methodology announced by the Secretary of State in 2016/17, which ensures that local councils delivering similar services receive a similar percentage change in settlement core funding for those services.

Rural Services Delivery Grant has been increased overall. This keeps the grant at the same level as it was in 2018-19. This is in line with our MTFS assumptions.

The New Homes Bonus national baseline will stay at 0.4%. The Government has decided to provide additional funding in 2019-20 so that the baseline can remain at 0.4% (as it did in 2018-19).

There are no changes to the council tax thresholds. As expected, the Government has decided to "directly eliminate" Negative RSG in 2019-20 using foregone business rates. The Government's objective to increase the local business rate share to 75% from 2020 was re-stated.

The provisional settlement provides funding figures for 2019-20. However, certain elements are subject to the funding guarantee described above.

Uncertainty remains for 2020-21 and beyond as government continues to develop business rates retention scheme. Based on the Government announcements, it is likely that retention will be 75%. However, there is still work relating to identifying further responsibilities to devolve to councils to match higher levels of business rates retention and a review of needs and distribution, now known as the Fair Funding Review. The government has confirmed expectations that the Fair Funding Review will be finished in time for implementation in April 2020.

Core spending power

Element of core spending power (£000)	2018-19	2019-20 Provisional	Change
Settlement Funding Assessment (SFA) - per 2019-20 provisional settlement	2,546	2,605	2%
Compensation for under-indexing the business rates multiplier	58	85	45%
Rural Services Grant	105	131	24%
New Homes Bonus (NHB) grant ¹	3,010	2,473	(18%)
Council tax income ¹	8,658	9,042	4%
Core spending power	14,403	14,336	(0%)

¹ – Figures based on government projections

There are no material changes in the SFA from that included in BSR 2018, as this funding was guaranteed following the government's acceptance of the council's efficiency plan. However, Rural Services Delivery Grant was increased to £131k, rather than being retained at 2017/18 levels as expected.

Future prospects

While the level of Settlement Funding Assessment (SFA) for 2019/20 remains stable as indicated in the 2018/19 settlement, there is considerable uncertainty relating to the SFA for 2020/21, 2021/22 and 2022/23, as this is beyond the current parliamentary term and after the possible implementation of 75% business rates retention. It is now thought that the tier split may be changed. The outcome of the Fair Funding Review and a probable baseline reset create further uncertainty. Therefore, in the absence of better information, the overall SFA has been assumed to remain close to 2019/20 levels.

The final settlement will provide confirmed amounts for the SFA for 2019/20. However, NHB and therefore core spending power is not guaranteed by the multiyear settlement.

Local retention of business rates

The SFA approach enables local authorities to benefit directly from supporting local business growth. The assessment includes a baseline level of business rates receivable (indexed linked from an initial assessment in 2013/14) with the level of rates receivable above that being taken by government as a 'tariff' – which will be used to 'top up' local authorities who would receive less than their funding level. Government intends that this will be fixed until 2020.

In addition, the council can retain 50% of any business rates collected above the assumed baseline level, paying the remainder to central government as a 'levy'. If business rates income falls to less than 92.5% of the baseline, the council receives a 'safety net' payment so that any loss of income below the baseline is capped at 7.5%

One of the challenges faced by all authorities is effectively predicting the level of movement in the business rate tax base. This is dependent on accurately forecasting the timing and incidences of new properties, demolitions and significant refurbishments – together with the consequent effect on valuations. This is further complicated by the need to assess the level of appeals that will be lodged successfully against new / revised valuations, together with their timing.

Although there has been growth in the tax base in the area since the scheme started in 2013/14, there have also been significant reductions as a result of the settling of appeals against rateable value (including backdated aspects).

Forecasting the effects and timing of new development and redevelopment on the area's tax base remains difficult. Significant changes include the introduction of three Enterprise Zones within the district at Cambourne, Waterbeach and Northstowe, and the transfer of Papworth Hospital facilities to Cambridge, followed by redevelopment of the Papworth site. The business rates taxbase could also be impacted by an outstanding application from a network provider to transfer their hereditaments from the council's list to the central list. Together, the potential loss of business rates income from the Papworth site and the network provider have impacted forecasts of business rates income to the council by around £600k per year.

There are also significant uncertainties around the operation of the business rates retention scheme in the next few years.

The DCLG began working with local authorities and other interested parties in 2016 on changes to the local government finance system to pave the way for the implementation of 100% business rate retention. Progress on the design of any future scheme was halted by the General Election and it became clear that there was unlikely to be the capacity for government to consider the primary legislation required for 100% retention. However, as part of the settlement announcement in December the DCLG gave some indication about the future shape of Business Rates Retention.

The Secretary of State has announced that the local share in the Business Rates Retention Scheme (BRRS) will increase from 50% to 75% in 2020/21.

The review is likely to rebalance the distribution of business rates away from district councils towards those authorities with social care responsibilities, for example by changing the tariff and top up payments, or the relative shares of income between the tiers of local government. The government has also indicated that the increase in the retention percentage will mean the transfer of additional responsibilities to local government.

It remains difficult to forecast the appeals position accurately. There was a business rates revaluation at 1 April 2017. Alongside this there was a move to a process of 'Check, Challenge, Appeal' in respect of valuations. Nationally there has been very little activity in respect of businesses appealing their rateable values and this makes the appeals position for the 2017 list particularly challenging.

There are also uncertainties in respect of residual 2010 list appeals, with appeals settled elsewhere in the country having knock-on effects nationally. NHS Foundation Trusts, including those in the city, are also pursuing a claim for award of mandatory charitable relief, backdated a number of years.

Given these uncertainties, the BSR takes a cautious approach to forecasting business rates income, particularly after the changes due in 2020-21, where figures from the council's advisers, Pixel, are used.

New Homes Bonus

The allocation of NHB for 2019/20 was announced by the DCLG in December 2018 and formed the basis for BSR 2019-20. An illustrative amount for 2019-20 was provided within the provisional finance settlement, see above. The provisional settlement confirms that the length of time that the bonus is paid for will be four years as expected. The threshold over which the bonus is paid will remain at 0.4% for 2019-20.

The settlement provides illustrative NHB allocations to authorities for 2018-19 and 2019-20 by apportioning the total available funding over councils on the basis of the percentage allocation for 2017-18. The table below includes updated estimates of future NHB payments based on expected housing completions, four years of payment for bonus awarded in 2018/19 and thereafter and 0.4% deadweight threshold. Any changes in these factors could materially affect these estimates.

NHB projections	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	2022-23 £000
MTFS November 2017	3,038	3,181	4,066	5,617	
MTFS January 2018	3,010	3,006	2,565	4,089	
MTFS January 2019	3,010	2,473	2,569	3,552	4,387

NHB is currently used to fund £1.8m of General Fund expenditure and small amounts of revenue expenditure on infrastructure projects supporting growth. Currently remainder NHB is set aside as a contribution to the Greater Cambridge Partnership Investment and Delivery Fund, if there are any remaining amounts, these are reserved for the A14 upgrade contribution. Due to the reduction in NHB funding receipts, it has been agreed to reduce GCP funding allocation from 40% in 2018-19 to 30% in 2019-20.

The draft settlement for 2019/20 was surprising as it did not deliver the much predicted further reduction in NHB funding. In fact the settlement included an additional £20m of funding so that the qualifying criteria could be maintained at the 2018/19 level. Despite this welcome additional funding, there remains a concern that the implementation of the Fair Funding Review from 2020/21 will still see a significant reduction and possibly at some point an end to NHB. As the picture becomes clearer, budgets in future years will need to be amended for contributions to the Greater Cambridge Partnership and A14. Any attempt to construct a strategy for NHB at this point would not have any reasonable foundation, although to reflect the concern the amount of NHB used to support the General Fund in the MTFS has been reduced in future years.

Fees and charges

Proposals for increases to fees and charges in Health and Environmental Services are set out in Appendix A.

Earmarked and specific funds

In addition to general reserves, the council maintains a number of earmarked and specific funds held to meet major expenditure of a non-recurring nature or where the income has been received for a specific purpose but not yet spent.

The major earmarked and specific funds are listed below with balances as at 1 April 2018, committed spend in the current year, projected balance as at 31 March 2019 and proposed spend in 2019-20.

General Fund Revenue Reserves - £18,729k

New Homes Bonus GCP Reserve - £4,610k

Of the NHB monies the authority receives from the Government, at least £1.8m are used towards GF expenditure previously funded by Housing & Planning Delivery Grant or to meet Local Plan and associated costs. It had been agreed between the Greater City Partnership partners for 40% of NHB receipts to be set aside to meet the GCP costs. Contributions of £500k in 2016-17 and £1,124k in 2017-18 were paid using the balance on this reserve and another £58.3k is expected to be billed in 2018-19. Due to reducing amounts paid out as NHB, from 1 April 2019 it has been agreed that only 30% of the money will be set aside to meet GCP costs. However, current projections indicate that to maintain contributions to GF at the current levels, the Council may have to use more than 70% of the receipts, leaving shortfall in GCP contributions.

New Homes Bonus A14 upgrade Reserve - £3,674k

The A14 contribution of £5m will eventually come from this reserve. Initial contributions to this reserve were funded from remainder of NHB after contribution to GF and GCP's 40%. No surpluses are forecast to remain to continue making contributions to this reserve from NHB money, therefore another source of funding needs to be found to provide remaining £1,326k for A14 upgrade costs. A possible source of funding is the Business Rates Growth Reserve, see below.

Renewables Reserves - £2,111k

Set up at the end of 2015/16 in order to fund an investment programme to build new sources of renewable energy. A proposal for use of these funds prepared by the Policy team has been approved by the Cabinet on 7 February 2018. This will utilise £1.2m element of the reserve arising from the Business Rates received from the Renewable Energy sources and permitted to be retained locally at 100% in order to be reinvested back in Renewable Energy. At the meeting of the 20th September 2018, the Climate and Environment Committee agreed to recommend to Cabinet a continuation of the current strategy, which sees retained renewable energy business rates earmarked through the Renewables Reserve for investment in green energy projects. There are 2 bids submitted for the use of this reserve in 2019-20, PP2 and HES15, totalling £437k, this is in addition to funding of £242,917 agreed earlier.

Business Rates Growth Reserve - £6,230k

Retained funds from the 100% Business Rates pilot. At the time the funds were made available, it was not clear if there was any restrictions on expenditure funded by this pilot, therefore funds were put in a reserve pending further clarifications from the Government. This reserve could be used to fund the A14 upgrade funding shortfall, see above.

Pension Deficit Reserve - £637k

An allocation from employer pension contributions to meet the current deficit on the Cambridgeshire Local Government Pension Scheme over the next few years. This reserve is being topped up and depleted through the year to smooth the pension contribution requirements.

Planning Enforcement Reserve - £500k

Established to meet legal and other costs arising from planning enforcement actions. This reserve is to be maintained in case of major enforcement and will be topped back up if used.

Business Efficiency Reserve - £240k

Set aside to meet costs associated with council actions, implementation of the Business Improvement and Efficiency Programme and Commercialisation Programme projects and the Shared Services Programme. Annual contribution of £50k is currently budgeted for transfer to this reserve. Some years ago, the Leaders of Cambridge City Council, Huntingdonshire District Council and SCDC had committed £200k of this reserve towards the costs of the 3C Programme Office over two years. This reserve was reduced by £60k to cover the costs of the 3C Shared Services Hub for 2016/17 and a further £40k relating to the

budgeted costs of the 3C Shared Services Hub for 2017/18, making the two year cost of the 3C Shared Services Hub £100K instead of £200k. A bid HR1 (Implementation of Customer Service portal) for £130k is made for use of this reserve in 2019-20. It is proposed that this reserve is topped up by £1m from the General Fund reserves.

It is also proposed that the use of this reserve is delegated to the Chief Executive, in consultation with the Lead Member for Finance.

Homelessness Reserve - £261k

This reserve was set up to transfer Flexible Homelessness Support Grant not utilised in year 2017/18. In Year 2018/19 we received a Flexible Homelessness Support Grant allocation of £219,318, which will be transferred to the reserve. Projected draw on the reserve in 2018/19 is £124,000, made up of homelessness staffing £84,000 and Housing Benefit nil subsidy £40,000. Projected 2018/19 year end reserve balance of the reserve is £260,927.

In Year 2019/20 Flexible Homelessness Support Grant allocation of £363,686 is expected to be transferred to reserve. Projected draw on the reserve in 2019/20 is £236,571, made up of homelessness staffing (18/19 bid) £117,571, trailblazer contribution (19/20 bid) £20,000, Shire Homes Lettings (19/20 bid) £59,000.00 and Housing Benefit nil subsidy £40,000. Projected 2019/20 year end reserve balance is £388,042.

Taxi Licencing Reserve - £102k

Fund has been built up recently from excess income generated through the service compared to how much it costs to administer the function. Excess fee income must be re-invested back into the service or licence fees reduced to offset this excess sum on account. Plans are in-place to draw-down from this fund by employing additional resource to cope with the high demand whilst keeping the licensing fee within current levels in the short term.

Business Accommodation Reserves - £43k

Includes the Cambourne Office reserve of £23k relating to the access road and the Facilities Reserve of £75k created in 2015/16 to spread the cost of repairs. There is a separate capital reserve specifically for capital improvements to the Cambourne office (see below). It is planned that the reserves relating to the Cambourne office and Facilities improvements will be used to fund the office refurbishment programmes in the current year.

Land Charges - Appropriations - £99k

Set aside to either provide capital investment in Land Charges e.g. electronic service delivery or to offset unforeseen revenue demands that accrue but cannot be recovered through the current fee structure, set at the start of the year. The reserve has been

accumulated in recent years from high income levels which have out-stripped costs; a significant amount was withdrawn from this reserve in 2016-17, and a revenue bid approved for 2018-19 will use the £19k that was balance on the reserve at the time of the bid. By its nature, this reserve can only be utilised through the Land Charges function.

Private Stock Condition Survey - £90k

Set aside to fund a future survey on the condition of private housing in the district. This is part of a Housing Standards initiative. It was a statutory obligation imposed on local authorities to undertake a survey of this nature every 5 years - £15k is set aside from budget each year to meet these 5-year costs.

Children & Young People- £75k

Set side to fund the current and future costs of the South Cambridgeshire and Cambridge City Children and Young People Area Partnership. SCDC provide the financial support and administer the finances on behalf of the South Cambridgeshire and Cambridge City Children and Young Peoples Area Partnership. This is a partnership reserve shared with the County.

Business Hub- £57k

Reserve set up in 2015/16 to support the Business Hub initiative. Funds in this reserve include funds from the County Council (originally £72K), which cannot be used without their consent.

Planning Reserves - £1,326k

Planning Policy reserve - £568k

Planning Policy reserve was created in 2017-18 with the funds allocated from

- Roll over from year 2016-17 relating to the Local Plan (£223,877);
- Topped up from the underspend projected to occur this year and to be used for future "commissioning" of SCDC specific policy work from the shared planning service policy team.

Major Developments Fees and Parish Liaison Reserve - £149k

This reserve has been established from pre-app and planning application fees received in respect of major developments, to be called on as and when necessary to ensure planning teams are resourced to support and progress applications for those developments.

This includes the balance remaining from the Planning Enforcement Reserve when it was decided to reduce that reserve from a maximum of £1m to £500,000, set aside to fund two

two-year fixed term posts, one in housing and one in planning, to support parish liaison and site development initiatives. It is expected that this reserve will be used to cover Planning bids for funds in 2018-19, including the cost of setting up the shared service.

It is now not expected that this reserve will be depleted in line with the budget for 2018-19, it is therefore proposed that £500k of this reserve is used in 2019-20 instead to fund a transformation programme for the Planning Service.

Growth Agenda Reserve - £346k

Northstowe Reserve - £128k

Transfer of DCLG Capacity Funding income to reserve. This amount was previously incorrectly carried forward as receipt in advance is £144k in Growth Agenda Reserve. A further £202k is PPAs received in advance in 2017-18 in relation to future projects.

Northstowe reserve has been established from pre-app and planning application fees received in respect of Northstowe, identified separately in recognition of its importance, to be called on as and when necessary to ensure planning teams are resourced to support and progress applications for the Northstowe development.

S106 Admin Fees - £109k

Transfer of S106 Admin fees transferred to Reserve to cover future S106 Admin Officer costs.

Brownfield Sites Reserve - £30k

DCLG Brownfields Sites income transferred to Reserve for future use.

Capital Reserves - £1,494k

Refuse Collection reserve - £887k

Refuse Supervisors' vehicles - £76k

This is a sinking fund being built-up to fund future replacement vehicles for the Shared Waste Service. There is also a sum of £61k set aside for replacement of Supervisors' vehicles.

Street Cleansing reserve - £391k

This is a sinking fund being built-up to fund future replacement vehicles for the Street Cleansing Service.

Air Quality monitoring - £6k

The reserve was set up to fund replacement of equipment used for Air Quality monitoring.

Footway Lighting reserve - £87k

The reserve was set up in 2015-16 to fund the future planned replacement programme of those lights identified as of higher priority in the electrical and safety inspection survey undertaken recently.

Community Development - Capital - £5k

This reserve has been given up to provide extra Community Chest funding in 2017/18.

GF Revenue Reserves - Other - £296k

Travellers Site Reserve - £81k

This fund has built-up in the last two years from the excess rental income generated from the two Council owned sites at Milton and Whaddon. Both sites have had capital injected in them recently and as such are relatively newly developed with low maintenance costs, meaning rental income has out-stripped the costs of running the sites. The money on this fund could be used for future capital improvements in the sites or used to counter-balance unexpected and therefore unbudgeted day-to-day running costs.

RCV (Refuse Collection Vehicle) Sinking Fund - £41k

This is a revenue fund which we make contributions to as an insurance against heavy maintenance and repair costs that may be incurred on RCV's beyond their warranty period e.g. new engine or gearbox which aren't budgeted for within the running maintenance budget. Previously, these heavy costs would be covered under the contract lease agreement but SCDC are moving away from this policy to one of asset ownership.

South Cambs Crime & Disorder Partnership - £33k

Partnership reserve held on behalf of the South Cambridgeshire Crime & Disorder Reduction Partnership. Any decision to utilise spend from this is made at Board level.

Air Quality Monitoring x2 - £29k + £6k

These are in respect of two separate s106 agreements, one at Northstowe (£29k) and one on the Cambridge NW development site (£6k). These s106 contributions will have conditions attached to them ensuring that the funds are spent in accordance with the purpose set out in the agreement.

Street Cleansing Vehicles Sinking Fund - £24k

As RCV, but in respect to Street Cleansing vehicles.

Health & Environmental Services - £24k

Council was successful in securing funding from Improvement East towards a new systems thinking process design. Funds from this are earmarked towards the facilitation of better mobile working strategy within the H&ES department.

Economic Development - £13k

Council was successful in securing funding from Improvement East towards a new systems thinking process design. Funds from this are earmarked towards the facilitation of better mobile working strategy within the H&ES department.

Waterbeach Depot - £10k

There is an annual £5k appropriation into this fund (jointly funded with Cambridge City Council) as an insurance against any unexpected maintenance costs which as tenants, we would be expected to cover. It is proposed that a ceiling level be set for this so that when it reaches this point e.g. £20k, no more extra money is put in, only replenishments up to the £20k.

Tax base and council tax

Tax base

The tax base is one element in determining both the level of council tax to be set and the amount it is estimated will be collected. This calculation is governed by regulation and the formal setting of the tax base is delegated to the council's Chief Finance Officer to enable notification to be made to the major precepting authorities during January each year.

The tax base reflects the number of domestic properties in the district expressed as an equivalent number of band D properties, calculated using the relative weightings for each property band. The calculation of the tax base takes account of various discounts (for example a 25% discount for single adult households) exemptions and reliefs. Allowances are also made for the projected growth in the number of dwellings as well as including a deduction assumed for non-collection.

The tax base for 2019/20 has been calculated as 62,576.3. This reflects a 1.9% increase in the tax base compared with 2018-19.

Collection fund

Operation of the fund

The collection fund is a statutory fund, maintained by billing authorities such as the council, into which income from council tax and business rates is recorded and out of which respective amounts set for the year, are paid to the council and precepting bodies.

Council tax thresholds

Under the Localism Act, local authorities are required to hold a local referendum if they propose to increase Council tax above the relevant limit set by the Secretary of State.

In recent years this threshold has been set at 2%, with some shire districts, including this council, permitted to increase their element of council tax by up to £5, where this is higher than 2%. For 2019-20, the government has proposed that all shire districts can raise council tax for a band D property up to 3% or £5, whichever is higher. As a £5 increase is equivalent to 3.6%, this council does not have the option to propose an increase above £5 without holding a referendum.

The overall effect of the referendum requirements is such that a local authority would need to have reasonable expectation of public support for a level of council tax increase deemed to be excessive compared to the threshold, if acting in a prudent manner.

Council tax level

The option presented in this report is to increase Council tax by £5 p.a. in 2019/20 and each year thereafter.

	District council tax 2018-19 £	District council tax 2019-20 £	Difference £
Band A	93.54	96.87	3.33
Band B	109.13	113.02	3.89
Band C	124.72	129.16	4.44
Band D	140.31	145.31	5.00
Band E	171.49	177.60	6.11
Band F	202.67	209.89	7.22
Band G	233.85	242.18	8.33
Band H	280.62	290.62	10.00

Section 4

General Fund revenue budgets

Revised budget 2018-19

GF revenue budgets for the current year (2018-19) were reviewed as part of the MTFS. No adjustment of 2018-19 revenue budgets is proposed, as budgets are monitored monthly through the review of variances and forecast outturns, and management actions taken to ensure that spending is controlled and income optimised.

Budget 2019-20

Detailed budget estimates have been prepared for 2019-20, incorporating pressures, savings and additional income identified in the MTFS in November 2018. The resulting budget estimates are presented in Section 5. The GF revenue projections for 2019-20 to 2023-24 have been reviewed and changes proposed. These proposals are listed below and the resulting GF revenue forecast is presented in Section 6.

Directorate	Estimate 2018-19	Estimate 2019-20	Difference
Corporate Services - overheads	5,745	6,293	548
Directorate overheads			
Environmental Health	115	88	-27
Housing Management Service	31	31	0
Planning Admin	273	615	342
Total Directorate Overheads	419	734	315
Total overheads recharged to services	6,164	7,027	863
Service expenditure including overhead recharges			
Corporate Services	6,399	6,004	-395
Health & Environmental Services	6,639	7,247	608
Housing (General Fund)	1,373	1,561	188
Planning	4,727	5,247	520
Overheads not included in recharges	85	130	45
Total service expenditure	19,223	20,189	966

Precautionary items

These are items of expenditure, which may or may not occur and are listed in Appendix B. The Lead Member for Finance and the Chief Finance Officer have delegated authority to approve such expenditure. A budget of £75k has been assigned for precautionary items, but if this is, exceeded spending up to the level indicated would be met from reserves.

Bids and Savings

Revenue and capital bids are submitted for review, assessment and recommendation to council for funding. Tables of bids to be recommended are attached in Appendix C(a) – Revenue, and Appendix C(b) – Capital.

Strategy to deliver net savings target

There are a number of ways that the council will address the net savings target:

- The council's housing company, Ermine Street Housing Limited (ESH), will have its business plan and objectives reviewed to ensure these align with the emerging priorities in the Council's new Corporate Plan. To date, returns forecast in the company's business plan have been achieved a year ahead of schedule. However, whilst increased returns are expected to be significant, the timing and amounts are dependent on the local housing market and general economic factors. The MTFs includes returns estimated in line with the latest ESH business plan and these will need to be reviewed in subsequent versions if the objectives of ESH are significantly revised.
- A programme of transformation and service review will be developed to ensure that the council is 'fit for the 21st century'.
- Further opportunities will be sought to identify and develop income streams through the commercialisation of council services where appropriate.
- Opportunities for investment of council funds, for example, in commercial property and green energy projects, will be pursued.

All of the items mentioned above are intended to generate recurring savings rather than single year items such as salary underspends.

Section 5

General Fund: Expenditure and funding 2019-20

NET EXPENDITURE	Estimate 2018-2019 £000	Estimate 2019-2020 £000
Directorate		
Corporate Services - overheads	5,745	6,293
Corporate Services	6,399	6,004
Health & Environmental Services	6,639	7,247
Housing (General Fund)	1,373	1,561
Planning	4,727	5,247
Items not included within Recharges - 09/01/18	85	130
Net Direct Service Expenditure	19,223	20,189
City Deal Funding Contribution	922	742
Savings not included in Service estimates	(449)	-
Expenditure on Precautionary Items	75	75
Council Actions	50	50
Net Service Expenditure	19,820	21,056
Internal Drainage Boards	198	202
Cost of borrowing to fund Capital spend	-	9
Interest on Balances	(1,702)	(2,004)
Capital Charges, MRP, etc.	(864)	(887)
Net District Council General Fund Expenditure	17,452	18,376
Appropriation to/(from) Earmarked Reserves	(443)	(390)
Appropriation to/(from) General Reserve	-	604
New Homes Bonus	(3,010)	(2,473)
General Expenses (Budget Requirement for capping purposes)	14,000	16,117
Revenue Support Grant	191	-
Rural Services Grant	(105)	(131)
(Surplus)/Deficit on Collection Fund re Council Tax	-	(82)
Retained Business Rates and Grant	(5,470)	(6,811)
Demand on Collection Fund to be raised from council taxpayers	8,617	9,093

Section 6

Five year General Fund revenue forecast 2018-19 to 2023-24

Five year General Fund revenue forecast is presented below:

MEDIUM TERM FINANCIAL STRATEGY General Fund	2018/19	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	5 year
	Budget	Projection	Budget	Budget	Budget	Budget	Budget	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Inflation forecast for income and services			2.2%	2.0%	2.0%	2.0%	2.0%	
Employee costs	17,416	16,799	19,196	21,633	22,246	22,833	23,330	126,037
Service costs (net of income and recharges)	1,808	1,685	993	(607)	(619)	(632)	(644)	176
Cumulative savings from prior year(s)				-	(1,100)	(2,100)	(3,000)	(3,000)
Net direct service expenditure	19,223	18,484	20,189	21,026	20,527	20,102	19,686	120,013
Expenditure not included in service costs								
Precautionary items	75	-	75	75	75	75	75	375
Funding for Council Actions (transfer to Earmarked Reserve)	50	50	50	50	50	50	50	300
Rollovers from 2017-18 to 2018-19		84						84
Internal Drainage Boards	198	198	202	206	210	214	219	1,249
MRP on 2018-19 Capital bids			176	178	178	183	115	829
Total expenditure before bids	19,546	18,815	20,692	21,535	21,039	20,624	20,144	122,850
New bids in 2019-20				443	474	363	520	1,799
Additional MRP requirement due to Capital Bids				106	106	89	21	321
Cost of borrowing to fund the Capital spend (3% assumed rate)			9	6	7	10	15	48
Expenditure including bids in the year	19,546	18,815	20,701	22,089	21,627	21,086	20,701	125,019

MEDIUM TERM FINANCIAL STRATEGY General Fund	2018/19	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	5 year
	Budget	Projection	Budget	Budget	Budget	Budget	Budget	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income and savings not included in service income								
Reversal of Depreciation included in Service costs	(864)	(1,063)	(1,063)	(1,063)	(1,063)	(1,063)	(1,063)	(6,381)
Revenue Support Grant	191							-
Rural Services Grant	(105)	(105)	(131)	(105)	(105)	(105)	(105)	(655)
New Homes Bonus Contribution to GF	(2,088)	(2,088)	(1,731)	(1,798)	(1,798)	(1,519)	(1,200)	(10,134)
Interest on balances including ESH growth per Business plan	(1,702)	(2,004)	(2,004)	(2,637)	(2,743)	(2,736)	(2,728)	(14,852)
Retained Business Rates	(5,470)	(5,553)	(6,811)	(3,439)	(3,490)	(3,543)	(3,596)	(26,061)
Council Tax	(8,616)	(8,616)	(9,093)	(9,644)	(10,204)	(10,766)	(11,218)	(59,541)
(Surplus)/Deficit on Collection Fund		(99)	(82)					(181)
Appropriations to/(from) Earmarked Reserves	(443)	(443)	(390)					(833)
Total income and funding not from services	(19,097)	(19,972)	(21,305)	(18,686)	(19,404)	(19,732)	(19,910)	(118,638)
Additional income/(savings) requirement to maintain working balance in the year	(449)	1,157	604	(3,403)	(2,223)	(1,355)	(789)	(6,380)
Potential appropriations to/from General Fund Reserve	-	1,157	604	(2,303)	(1,223)	(455)	(789)	(3,380)
Remaining cumulative savings requirement after appropriations		-	-	(1,100)	(1,000)	(900)	-	(3,000)
General Fund Reserve balances	(6,751)	(7,908)	(8,512)	(6,209)	(4,986)	(4,531)	(3,742)	

Section 7

Capital

The GF capital programme is summarised below:

Capital Programme	Revised	Budget	Budget	Budget	Budget	Budget
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	£'000	£'000	£'000	£'000	£'000	£'000
General Fund	34,506	36,361	40,584	23,263	23,019	23,267
Housing Revenue Account	18,637	27,031	35,851	21,947	12,000	13,616
Total Capital Expenditure	53,143	63,392	76,435	45,210	35,019	36,883
Financed By:						
Capital Receipts	(4,718)	(6,860)	(8,822)	(5,066)	(4,233)	(3,094)
S106 Agreement Contribution (ring fenced for Housing)	(4,026)	(3,058)	(9,342)	(4,253)	(3,937)	(1,404)
Cambridgeshire County Council (DFG)	(312)	(630)	(630)	(630)	(630)	(630)
Revenue	(5,095)	(12,622)	(12,603)	(7,323)	0	(2,435)
Housing Capital Reserve	(6,727)	(6,689)	(6,868)	(7,032)	(5,714)	(8,567)
Revenue Contribution from HRA towards software etc	(43)	(419)	(19)	(19)	(19)	(19)
Internal Borrowing - re Commercial Vehicles	(846)	0	(214)	(442)	(342)	(665)
Internal Borrowing - re other projects	0	0	0	(146)	0	0
External funding from CCC for Waste Vehicle	0	0	(61)	(67)	0	(68)
Earmarked Reserves	(922)	(607)	(5,187)	(233)	(144)	0
External Borrowing	(30,455)	(32,507)	(32,689)	(20,000)	(20,000)	(20,000)
	(53,143)	(63,392)	(76,435)	(45,210)	(35,019)	(36,883)

NET EXPENDITURE - General Fund	Revised	Budget	Budget	Budget	Budget	Budget
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Directorate/Cost centre	£'000	£'000	£'000	£'000	£'000	£'000
CORPORATE SERVICES - OVERHEADS						
ICT Development :						
PC Refresh Programme	15	10	10	10	10	10
New Server Technologies					15	15
Share Point Portal Server		10	10	10	10	10
Government Connect		5	5	5	5	5
Network security		10	10	10	10	10
Housing management system		387	8	8	4	4
Financial Management System (FMS)	130	10	10	10	10	10
Revenues / Benefits System	28					
Cash Receipting System		69				
Aerial Photography Refresh		15				
Desktop Transformation Programme	180	53		89	89	89
Customer Portal to Website	15					
Telephony Replacement		150				
Secure Phone Payments		34				

NET EXPENDITURE - General Fund	Revised 2018-19	Budget 2019-20	Budget 2020-21	Budget 2021-22	Budget 2022-23	Budget 2023-24
South Cambridgeshire Hall :	£'000	£'000	£'000	£'000	£'000	£'000
Secure Storage Facility at SC Hall	30					
Fire Escape Enclosures	50					
Planning Shared Service- Adaptions for flexible working on first floor	28					
Enhancement of ground floor facilities and catering provision	233					
Ground Floor Adaptations	130					
CORPORATE SERVICES DIRECTORATE						
Advance funding for housing company pilot scheme	28,055	12,507	12,689			
CLIC investment	2,400					
Contribution towards A14 upgrade			5,000			
Investment Strategy		20,000	20,000	20,000	20,000	20,000
CORPORATE SERVICES TOTAL	31,294	33,260	37,742	20,142	20,153	20,153

NET EXPENDITURE - General Fund	Revised	Budget	Budget	Budget	Budget	Budget
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
HEALTH & ENVIRONMENTAL SERVICES DIRECTORATE	£'000	£'000	£'000	£'000	£'000	£'000
Greater Cambridge Shared Waste Service :						
Team Manager Vehicles		59	23			
Refuse Collection Vehicles	846		275	508	342	734
Land Drainage :						
Tractors		80			80	
Flail Mowers		37	10		37	
Trailer	8		8			
Street Cleansing :						
Pavement Street Sweepers	67					
Mechanical Road Sweeper and Truck Replacements				305	305	305
Environmental Protection :						
Air Quality Monitoring Equipment		50				
Noise Monitoring Equipment		16				
Environmental Services Enforcement Vehicle		20				
Footway Lighting :						
LED Pilot Scheme		350				
HEALTH & ENVIRONMENTAL SERVICES TOTAL	921	721	462	741	486	734

NET EXPENDITURE - General Fund	Revised 2018-19	Budget 2019-20	Budget 2020-21	Budget 2021-22	Budget 2022-23	Budget 2023-24
HOUSING DIRECTORATE (GENERAL FUND)	£'000	£'000	£'000	£'000	£'000	£'000
Required GF Share of HRA Capital Expenditure	10	10	10	10	10	10
Repurchase of General Fund Sheltered Properties	1,100	1,100	1,100	1,100	1,100	1,100
Grants for the provision of Social Housing	502	500	500	500	500	500
Improvement Grants/Loans :						
Home Repairs Assistance	100	100	100	100	100	100
Disabled Facilities						
Mandatory	490	660	660	660	660	660
Discretionary	10	10	10	10	10	10
HOUSING (GENERAL FUND) TOTAL	2,212	2,380	2,380	2,380	2,380	2,380
PLANNING DIRECTORATE						
ICT new Planning system	80					
PLANNING TOTAL	80					
Gross Capital Expenditure (General Fund)	34,506	36,361	40,584	23,263	23,019	23,267

NET EXPENDITURE - General Fund	Revised	Budget	Budget	Budget	Budget	Budget
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed Assets	2,869	2,584	1,625	1,993	1,749	1,997
Revenue Expenditure funded from Capital under Statute (REFCUS)	31,637	33,777	38,959	21,270	21,270	21,270
	34,506	36,361	40,584	23,263	23,019	23,267
Financed By:						
Capital Receipts	(1,702)	(1,698)	(1,284)	(1,373)	(1,384)	(1,384)
S106 Agreement Contribution (ring fenced for Housing)	(502)	(500)	(500)	(500)	(500)	(500)
Cambridgeshire County Council (DFG)	(312)	(630)	(630)	(630)	(630)	(630)
Housing Capital Reserve	(298)					
Revenue Contribution from HRA towards software etc	(43)	(419)	(19)	(19)	(19)	(19)
Internal Borrowing - re Commercial Vehicles	(846)		(214)	(442)	(342)	(665)
External funding from CCC for Waste Vehicle			(61)	(67)		(68)
Earmarked Reserves	(349)	(607)	(5,187)	(233)	(144)	0
External Borrowing	(30,455)	(32,507)	(32,689)	(20,000)	(20,000)	(20,000)
	(34,506)	(36,361)	(40,584)	(23,263)	(23,019)	(23,267)

Housing Revenue Account	Revised	Budget	Budget	Budget	Budget	Budget
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Improvements - Existing Stock						
Water / Drainage Upgrades	80	81	83	85	86	88
Drainage Upgrades	310	310	310	0	0	0
Disabled Adaptations	849	866	883	902	920	938
Change of Tenancy - Capital	500	500	500	500	500	500
Rewiring	484	325	332	338	345	352
Heating Installation	1,980	2,020	2,062	2,103	2,145	2,188
Energy Conservation	1,020	200	204	208	213	217
Estate Roads, Paths & Lighting	15	60	61	63	64	65
Garage Refurbishment	52	53	54	55	56	57
Parking/Garages	86	149	153	156	159	163
Window Replacement	270	276	282	287	293	299
Re-Roofing	446	455	464	473	483	493
Full Refurbishments	200	200	200	200	200	200
Structural Works	10	250	250	250	250	250
Non-Traditional Refurbishment	0	0	0	0	0	0
Asbestos Removal	34	60	61	63	64	65
Kitchen Refurbishment	743	723	739	753	768	784
Bathroom Refurbishment	318	282	288	294	299	305
Fire Door Replacement Programme	0	180	184	187	0	0
Assumed adjustment in spend for varying stock numbers	0	10	38	77	42	(62)
Total Improvements - Existing Stock	7,397	7,000	7,148	6,994	6,887	6,902
Other Improvements						
Sheltered Housing and Other Stock	110	50	50	50	50	50
Flats	20	20	20	20	20	20
Central / Departmental Investment	19	0	0	0	0	0
Total Other Improvements	149	70	70	70	70	70

Housing Revenue Account	Revised	Budget	Budget	Budget	Budget	Budget
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Re-Provision of Existing Homes						
Robinson Court, Gamlingay	910	0	0	0	0	0
Total Re-Provision of Existing Homes	910	0	0	0	0	0
HRA New Build						
Pembroke Way, Teversham	483	353	0	0	0	0
Pampisford Road, Great Abington	200	0	0	0	0	0
High Street, Balsham	1,532	0	0	0	0	0
Woodside, Longstanton	249	0	0	0	0	0
Bannold Drove, Waterbeach	94	0	0	0	0	0
Gibson Close, Waterbeach	1,444	0	0	0	0	0
Highfields, Caldecote	446	0	0	0	0	0
Linton Road, Great Abington	1,302	2,605	0	0	0	0
Grace Crescent, Hardwick (Rented)	785	3,141	785	0	0	0
Grace Crescent, Hardwick (Shared Ownership)	521	2,084	521	0	0	0
Burton End, West Wickham	0	730	0	0	0	0
Acquisitions	1,560	0	0	0	0	0
Unallocated New Build / Acquisition Budget	300	9,573	25,890	13,369	4,224	5,700
Unallocated New Build / Acquisition - Section 106 funded	0	216	500	500	500	500
Total HRA New Build	8,916	18,702	27,696	13,869	4,724	6,200

Housing Revenue Account	Revised	Budget	Budget	Budget	Budget	Budget
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Other HRA Capital Spend						
Shared Ownership Repurchase	300	300	300	300	300	300
Self-Build Vanguard - Up front HRA Land Assembly Costs	695	540	618	695	0	0
HRA Share of Corporate ICT Development	270	419	19	19	19	19
Total Other HRA Capital Spend	1,265	1,259	937	1,014	319	319
Total HRA Capital Spend	18,637	27,031	35,851	21,947	12,000	13,491
Inflation Allowance	0	0	0	0	0	125
Total Inflated Housing Capital Spend	18,637	27,031	35,851	21,947	12,000	13,616
Housing Capital Resources						
Right to Buy Receipts	0	0	0	0	0	0
Other Capital Receipts (Land and Dwellings)	0	0	0	0	0	0
Other Capital Receipts (Self-Build Plot Sales)	(977)	(1,266)	(1,477)	(1,688)	(1,900)	0
Major Repairs Reserve	(6,429)	(6,689)	(6,868)	(7,032)	(5,714)	(8,567)
Direct Revenue Financing of Capital	(5,095)	(12,622)	(12,603)	(7,323)	0	(2,435)
Other Capital Resources (Grants / Shared Ownership / S106 funding)	(3,524)	(2,558)	(8,842)	(3,753)	(3,437)	(904)
Retained Right to Buy Receipts	(2,039)	(3,896)	(6,061)	(2,005)	(949)	(1,710)
Retained Right to Buy Receipts (Used by Registered Provider)	0	0	0	0	0	0
HRA CFR / Prudential Borrowing		0	0	(146)	0	0
Total Housing Capital Resources	(18,064)	(27,031)	(35,851)	(21,947)	(12,000)	(13,616)
Net (Surplus) / Deficit of Resources	573	0	0	0	0	0
Capital Balances b/f	(573)	0	0	0	0	0
Use of / (Contribution to) Balances in Year	573	0	0	0	0	0

Section 8

Risks and reserves

Risks and their mitigation

Risks and sensitivities

The council is exposed to a number of risks and uncertainties, which could affect its financial position, and the deliverability of the proposed budget. These risks include:

- Savings plans may not deliver projected savings to expected timescales;
- Assumptions and estimates, such as inflation and interest rates, may prove incorrect;
- Funding from central government (NHB and other grants) may fall below projections;
- The actual impact and timing of local growth on the demand for some services may not reflect projections used;
- The economic impact of the United Kingdom leaving the European Union may impact the council's income and expenditure, for example, planning fee income and inflation on good and services;
- Increases in council tax and business rates receipts due to local growth may not meet expectations;
- Business rates appeals, which may be backdated to 2010, may significantly exceed the provision set aside for this purpose. In particular, claims for mandatory charitable relief in relation to NHS hospitals may adversely impact business rates income;
- The business rates revaluation, which came into effect in April 2017, may reduce business rates receipts and increase the level of appeals;
- The impact of 100%/75% business rates retention, coupled with any additional responsibilities handed down to the council at that time and the outcome of the Fair Funding Review, may create a net pressure on resources;
- New legislation or changes to existing legislation may have budgetary impacts; and
- Unforeseen capital expenditure may be required.

Section 25 Report

Section 25 (s. 25) of the Local Government Act 2003 requires that the Chief Financial Officer (CFO) reports to the authority, when it is making the statutory calculations required to determine its council tax or precept, on the following:

- The robustness of the estimates made for the purposes of the calculations, and
- The adequacy of the proposed levels of financial reserves.

This includes reporting and taking into account:

- the key assumptions in the proposed budget and to give a view on the robustness of those assumptions;
- the key risk areas in the budget and to assess the adequacy of the council's reserves when reviewing the potential financial impact of these risk areas on the finances of the council; and
- it should be accompanied by a reserves strategy

This report has to be considered and approved by full council as part of the budget approval and council tax setting process.

The majority of the material required to meet the requirements of the Act has been built into the key reports prepared throughout the corporate budget cycle, in particular:

- MTFS 2018
- The Corporate plan and the budget reports to the February cycle of meetings.

This reflects the fact that the requirements of the Act incorporate issues that the council has, for many years, adopted as key principles in its financial strategy and planning; and which have therefore been incorporated in the key elements of the corporate decision-making cycle.

This also reflects the work in terms of risk assessment and management that is built into all of the key aspects of the council's work.

The Section 25 report will be included as Appendix 5 to the main MTFS report.

General reserves

GF reserves are held as a buffer against crystallising risks, and to deal with timing issues and uneven cash flows. As such, the level of reserves required is dependent on the financial risks facing the council, which will vary over time. The prudent minimum balance (PMB) and target level of GF reserves were reviewed and confirmed in the MTFS. No further changes are recommended at this time.

GF reserves	£m
November 2016 MTFS / February 2017 BSR – Recommended levels	
- Target level	3.00
- Minimum level	2.50

The projected levels of reserves for the budget setting period, based on the proposals included in this report, and assuming that all net savings requirements are delivered, are as follows:

Description	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	2022-23 £000	2023-24 £000
Balance as at 1 April (b/fwd)	(6,751)	(7,908)	(8,512)	(6,209)	(4,986)	(4,531)
Contribution (to) / from reserves	(1,157)	(604)	2,303	1,223	455	789
Balance as at 31 March (c/fwd)	(7,908)	(8,512)	(6,209)	(4,986)	(4,531)	(3,742)

GF BSR Appendix A

Fees and charges

The council's constitution delegates the approval of fees and charges to the relevant portfolio holder, with the exception of the HRA rents and charges, which are to be recommended by the Cabinet to Council for approval.

HRA rents and charges are addressed in the HRA BSR, presented in Appendix 2 to the main MTFS report.

Home Improvement Agency fees

Approval of Cabinet is requested to delegate the decision in respect of any variation in fees to be charged by the Home Improvement Agency (HIA), to the Director of Housing and Environmental Services, following agreement of the proposed level of charges by the Shared HIA Board. Although a consistent fee needs to be agreed for the HIA, the formal approval of each of the three partner authorities is required, as the fees are payable as part of the capital Disabled Facilities or Repair Assistance Grants awarded by each Council.

An increase in fees may be necessary to replace the annual revenue support for the HIA, which is being progressively reduced by Cambridgeshire County Council and the Clinical Commissioning Group, as part of wider plans for the future funding and delivery of Disabled Facilities Grants through the Better Care Fund across Cambridgeshire as a whole. Revenue support from the Clinical Commissioning Group is withdrawn in full from April 2018.

Health and Environmental Services fees

- (a) Appendix 1 shows the recommended fees and charges for 2019/20. A short explanation of how the fees have been calculated is included below:

Active & Healthy 4 Life

- (b) Fees are set in discussion with the sports centres and are paid directly to the sports centres. The fees cover part of the cost of the initial assessment, gym sessions and part of the cost of the final assessment. The sports centres cover the majority of the assessment costs to enable the cost to clients to be kept to a minimum to encourage participation. The district council covers the cost of managing the scheme.
- (c) Fees were last amended in 2014 when the running of the scheme was brought in-house.
- (d) 2018/19 saw a marked increase in the number of participants referred-to and completing the scheme. This has resulted in an increase in class numbers. Any increased costs are being covered by the extra income made from increased participation. No change to charges is recommended.

Adult Friendly Netball League

- (e) The Adult Friendly Netball League has been running in South Cambridgeshire since 2008, building on the success of the 'Women Try Netball' programme which encourages women to get active. Approximately 1/2 of women and 1/3 of all men in England are damaging their health through inactivity. Physical inactivity directly contributes to one in six deaths in the UK². Netball is a sport that many women have taken part in at school and benefits their social, physical and mental wellbeing.
- (f) The fees charged to participating teams aims to cover the cost of the hire of courts for the duration of the league (alternate weeks, ten sessions) plus a tournament at the end. Each team also pays a £5 umpire fee each week direct to the umpire to cover umpire expenses. The fee does not cover the cost to the Council for facilitating the league.
- (g) In 2018 the cost per team was increased to £75. This was to account for the fact that there were 12 teams in the league (usually 14 to 16 teams per year). This resulted in income of £900. The cost of the court hire was £929.
- (h) Assuming 12 teams participate in 2019/20 the fee will remain at £75. It is proposed that any changes to the number of participating team will be used to recalculate the cost per team in order to cover the cost of court hire.

- (i) Despite increases, the cost per team continues to compare favourably with other not-for-profit, constituted local netball leagues.

Let's Get Moving

- (j) Let's Get Moving is a programme wholly funded by Public Health at Cambridgeshire County Council.
- (k) The programme runs a number of activities across the District, and the charges are calculated based on the covering the costs of room hire at each venue.
- (l) All activities currently cover their individual running costs, and the cost to the participant ranges from £2.50 - £3 per session.

Sports Camps

- (m) Camps on offer in 2018/19 were netball, athletics, and Quick Cricket/Rounders.
- (n) Fees are benchmarked against other equivalent camps held across the county. The fees are set at a level aimed at cost recovery, which takes into account the cost of the venue, instructors, first aiders and administration.
- (o) The fee was last increased in 2018/19. This was a considerable increase of 20% for single day bookings, and 11% for booking multiple days or participants. A small discount is available when booking more than one child onto a camp or for booking multiple days.
- (p) Total expenditure for 2018/19 was £14,405. Total income in the same period was £15,220. It is proposed that the fees for 2019/20 remain £24 for single bookings, and £20 for bookings eligible for discount. These fees allow for 2% increase in costs owing to inflation; and will continue to cover costs in the event of a marked increase in bookings eligible for the discounted rate.
- (q) SCDC are in the process of implementing an online payment system which could potentially remove some back-office admin costs from the process.

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Appendix 1: Proposed Health and Wellbeing Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
Active & Healthy 4 Life Fees (i) Initial assessment (ii) Gym sessions (one hour each x 24) (iii) Final assessment	Discretionary H&W PFH	£8.00 £3.00 £8.00	£8.00 £3.00 £8.00	None
Adult Friendly Netball League Fees a) Team participation fee	Discretionary H&W PFH	£75.00	£75.00	None
Let's Get Moving Fees (i) 1 hour session (ii) 1.5hour session (including refreshments)	Discretionary H&W PFH	£2.50 £3.00	£2.50 £3.00	None
Sports Camps (a) One day attendance (b) Two or more days attendance (per day) (c) Two or more siblings attendance on one or more days (per day)	Discretionary H&W PFH	£24.00 £20.00 £20.00	£24.00 £20.00 £20.00	None

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
1. ENVIRONMENTAL PROTECTION ACT 1990 / POLLUTION PREVENTION CONTROL ACT 1999 / PPC REGULATIONS 2000				

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
Standard process (includes solvent emission activities)	Statutory fee set by DEFRA	£1650	£1650	Statutory fees set by DEFRA
Additional fee for operating without a permit	Restructured for 2018/19	£1188	£1188	
PVRI, and Dry Cleaners		£155	£155	
PVR I & II combined		£257	£257	
VRs and other Reduced Fee Activities		£362	£362	
Reduced fee activities: Additional fee for operating without a permit		£99	£71	
Mobile plant**		£1650	£1650	
for the third to seventh applications		£985	£985	
for the eighth and subsequent applications		£498	£498	
<i>Where an application for any of the above is for a combined Part B and waste application, add an extra £310 to the above amounts</i>			£808	

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
Annual subsistence charge				
Standard process Low		£772 (+£103)*	£772 (+£104)*	<p>* The additional amounts in brackets must be charged where a permit is for a combined Part B and waste installation.</p> <p>Where a Part B installation is subject to reporting under the E-PRTR Regulation, add an extra £103 to the above amounts</p>
Standard process Medium		£1161 (+£156)*	£1161 (+£156)*	
Standard process High		£1747 (+£207)	£1747 (+£207)	
PVRI, and Dry Cleaners L/M/H		£79/£158/£237	£79/£158/£237	
PVR I & II combined L/M/H		£113/£226/£341	£113/£226/£341	
VRs and other Reduced Fees		£228/£365/£548	£228/£365/£548	
Mobile plant, for first and second permits L/M/H**		£646/£1034/£1506	£646/£1034/£1506	
for the third to seventh permits L/M/H		£385/£617/£924	£385/£617/£924	
eighth and subsequent permits L/M/H		£198/£316/£473	£198/£316/£473	
Late payment Fee		£52	£52	
Transfer and Surrender <ul style="list-style-type: none"> • Standard process transfer • Partial transfer • New Operator at Low Risk Reduced Fee Activity • Surrender: all Part B activities • Reduced fee activities: 	Statutory: DEFRA			Not applicable Statutory Fee
a)Transfers – Service Stations, Waste Oil Burners <0.4MW and Dry Cleaners		£169.00	£169.00	
b)Partial transfer		£497.00	£497.00	
		£78.00	£78.00	
		£0.00	£0.00	
		£0.00	£0.00	

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
Temporary Transfer for Mobiles (iii) First Transfer (iv) Repeat Following Enforcement or Warning	Statutory: DEFRA	£53.00 £53.00	£53.00 £53.00	Not applicable Statutory Fee
Substantial Change s10 & s11 (d) (e) Standard process (f) (g) Standard process where the substantial change results in a new PPC activity (h) Reduced fee activities Reduced fee activities are; Service Stations, Vehicle Refinishers, Dry Cleaners and Small Waste Oil Burners under 0.4MW	Statutory: DEFRA	£1005.00 £1579.00 £98.00	£1050.00 £1650.00 £102.00	Not applicable Statutory Fee
LAPPC Mobile Plant Charges (if not subject to simplified Permits) 1 Application Fee – No. of Permits 1 2 3 4 5 6 7 8 and over 2 Subsistence Fee – No. of Permits 1 2 3 4 5 6 7 8 and over	Statutory: DEFRA	£1650.00 £1650.00 £985.00 £985.00 £985.00 £985.00 £985.00 £985.00 £498.00 (Low/Med/High)	£1650.00 £1650.00 £985.00 £985.00 £985.00 £985.00 £985.00 £985.00 £498.00 (Low/Med/High)	Not applicable Statutory Fee

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
LA-IPPC Charges (Part A2)				
	Statutory: DEFRA			
a) Application		£3363.00	£3363.00	Fee set by DEFRA Every subsistence charge includes the additional £104 charge to cover LA extra costs in dealing with reporting under the E- PRTR Regulation
b) Additional Fee for Operating without a Permit		£1188.00 £1446.00	£1188.00 £1447.00	
c) Annual Subsistence – Low		£1610.00 £2333.00	£1611.00 £2334.00	
d) Annual Subsistence – Med			£3363.00	
e) Annual Subsistence – High				
f) Substantial Variation substantial variation (where 9 (2) (a) or 9 (2)(B) of the scheme applies)		£235.00 £698.00 £698.00	£235.00 £698.00 £698.00	
g) Transfer		£52	£52	
h) Partial Transfer				
i) Surrender				
Late Payment fee (new)				
Newspaper Advertisements				
Newspaper adverts may be required under EPR at the discretion of the LA as part of the consultation process when considering an application (see Chapter 9 of the General Guidance Manual). This will be undertaken and paid for by the LA and the charging scheme contains a provision for the LA to recoup its costs				

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
2. LICENCES				
Game Dealer	Statutory: Game Act 1831 & Game Licensing Act 1860	Nil	Nil	
Scrap Metal dealers licence Mobile licence Site licence	Discretionary H&ESPFH	£185.00 £230.00	£189.00 £235.00	Legislation governed by Scrap Metal Dealers Act 2013. Fee currently covers cost of administrating the service
Sex Shop Establishment	Discretionary H&ESPFH			Fees to be consistent with neighbouring authorities and ensure recovery of costs.
(i) Initial application		£3,800	£3,800	
(ii) Renewal		£690	£690	
Acupuncture, Ear Piercing, Tattooing & Electrolysis	Discretionary : H&ESPFH			To facilitate the identification of bona fide skin piercing businesses registration fees to be kept at cost
Business registration		£120.00	£122.00	
Personal Registration		£120.00	£122.00	
Mobile unit		£120.00	£122.00	
Mesotherapy & Dermal Fillers		£120.00	£122.00	Introduction of new fees to cover personal and mobile activities
Houses in Multiple Occupation meeting the legal definitions	Legal formula	New Application £750.00 per 5yr period Renewal £450 per 5yr period New applications 01.04.18 onwards £375 per 1yr licence	New Application £750.00 per 5yr period Renewal £450 per 5yr period New applications 01.04.18 onwards £375 per 1yr licence	Appropriate fee commensurate with costs of admin and inspections

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
Caravan Sites = Mobile Homes Act 2013	Discretionary			
Licence fee application 0-2 Units		£30	£130.00	Fees set at cost recovery of administering the service Annual fee for 0-2 units set at a level to encourage registration
Licence fee application 3 – 9 units		£158.00	£260.00	
Licence fee – application 10 units or more		£265.00	£390.00	
Annual fee 0- 2 units		£20	£95.00	
Annual fee 3 to 9 units		£158.00	£245.00	
Annual fee 10 units or more		£210	£355.00	
Licence variation fee		£20	£85.00	
Transfer application fee		£30	£85.00	
Miscellaneous changes to existing licence details		£30	£85.00	

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
Animal Welfare Licence	Discretionary			To encourage the start-up of small businesses and ensure that health & safety and animal welfare visits are made and appropriate advice given to proprietors. Charges are to cover the cost of Officers' time, administration on-costs all new Dog breeding establishments are subject to inspection, all others are risk based
Application Fee (all activities)	:H&ESPFH		£65.00	
Maintenance Fee (except exhibiting animals)::			£175.00	
1 Year			£345.00	
2 Year			£520.00	
3 Year				
Copy of licence, change of details not requiring an inspection			£10.50	
<ul style="list-style-type: none"> • Boarding of Animals: 				
Initial Rating or re-rating Inspection Fee:				
Up to 10 animals			£101.00	
11 – 30 animals			£135.00	
31 – 60 animals			£168.00	
61 – 99 animals			£201.00	
100+ animals			£235.00	
Variation of a licence requiring a re-inspection:				
Up to 10 animals			£101.00	
11 – 30 animals			£135.00	
31 – 60 animals			£168.00	
61 – 99 animals			£201.00	
100+ animals			£235.00	
<ul style="list-style-type: none"> • Dog Breeding 				
Initial rating or re-rating inspection fee			£35.00 + vet fee	
Variation of a licence requiring a re-inspection			£35.00 + vet fee	
<ul style="list-style-type: none"> • Hiring of Horses 				
Initial rating or re-rating inspection fee			£35.00 + vet fee	
Variation of a licence requiring a re-inspection			£35.00 + vet fee	
<ul style="list-style-type: none"> • Selling animals as pets 				
Initial rating or re-rating inspection fee			£168.00	
Variation of a licence requiring a re-inspection			£168.00	
<ul style="list-style-type: none"> • Exhibiting animals 				
Initial rating or re-rating inspection fee			£100.00	
Maintenance fee (3 years)			£520.00	
Variation of a licence requiring a re-inspection			£101.00	

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
Dangerous Wild Animals	Discretionary : H&ESPFH	£88.00 Plus relevant vet fees	£90.00 Plus relevant vet fees	To recover costs of inspection Officer's time with administrative on-costs veterinary costs borne by applicant where required
Zoos (6 year licence)	Discretionary : H&ESPFH	Actual costs involved	Actual costs involved	To cover the cost of providing the service with acknowledgment of the demands of animal welfare and public safety. Actual Officer costs (including vet & other officials' fees) for year together with any other charges incurred in the admin of zoo licensing
Street Trading	Discretionary : H&ESPFH			Simplified fee structure to recover costs of administering, monitoring & inspecting street trading provisions
4 Mobile Traders in villages up to 2 nights a week		£240.00	£245.00	
5 Over 2 nights a week		£450.00	£459.00	
Layby traders	Discretionary : H&ESPFH	£787.00 (including rates)	£803.00 (including rates)	Simplified fee structure to recover costs of administering, monitoring & inspecting provisions

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
3. HACKNEY CARRIAGE & PRIVATE HIRE VEHICLE LICENSING				
Driver's Licence <ul style="list-style-type: none"> • Grant • Renewal • Fee for knowledge base test for drivers – new applicants only • Replacement badge 		£220.00 £120.00 £50.00 £10.00	£225.00 £123.00 £50.00 £10.00	Recovery of the whole costs of the Hackney Carriage and Private Hire vehicle licensing system so that the costs of the service are borne by the user. Vehicle application fee to include door stickers from 2018
Operator's Licence (1yr) <ol style="list-style-type: none"> 1. Single vehicle 2. Two vehicles 3. Three to five vehicles 4. Six to ten vehicles 5. Eleven to Twenty vehicles 6. Twenty one vehicles and above 7. Name/address change to existing licence 		£98.00 £170.00 £228.00 £300.00 £362.00 £500.00 £10.00	£100.00 £173.00 £233.00 £306.00 £369.00 £510.00 £10.00	Legislation introduced in October 2015 requires Local Authorities to offer a fee for a Five year operator licence
Operator's Licence (5yr) <ol style="list-style-type: none"> i. Single vehicle ii. Two vehicles iii. Three to five vehicles iv. Six to ten vehicles v. Eleven to Twenty vehicles vi. Twenty one vehicles and above 	Discretionary : H&ESPFH	£430.00 £780.00 £1020.00 £1290.00 £1520.00 £2175.00	£439.00 £796.00 £1040.00 £1316.00 £1520.00 £2218.00	Small reduction in vehicle renewal fee reflects the streamlining and improved efficiency of the process
Vehicle Licensing (including inspection) <ul style="list-style-type: none"> • Grant (plate/ door signage stickers included) • Door signage - magnetic (on request) • Renewal • Replacement plate 		£145.00 £100.00 £20.00	£148.00 10.00 £102.00 £20.00	
Replacement PH Door signage (stickers x2)		£15.00	£15.00	
Replacement PH Door signage (magnetic x2)			£25.00	
Replacement H/C logo		£20.00	£20.00	

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
Small Lottery Licence 1. Grant 2. Renewal	Statutory: Gambling Act 2005	£40.00 £20.00	£40.00 £20.00	Not applicable Statutory Fee
Licence to Kill Game • Full year • Part year • Occasional	Statutory	£6.00 £4.00 £2.00	£6.00 £4.00 £2.00	Not applicable Paid to post office and then income transferred to SCDC half yearly Statutory Fee

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
Stray Dogs Seizure fee	Statutory: The Environmental Protection (Stray Dogs) Regulations 1992	Prescribed seizure fee £25.00	Prescribed seizure fee £25.00	Charge structure to reflect SCDC administration, transportation and kennelling costs Subject to contract changes
Seizure with transport and/or kennelling	Other charges Discretionary ESPFH	£57.00 Transportation/ Admin Fee Kennelling Fee £20.00 per day + VAT Veterinary Fees if applicable	£57.00 Transportation/ Admin Fee Kennelling Fee £20.00 per day + VAT Veterinary Fees if applicable	

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
<p>Water Sampling (Private Water Supplies Regulations 2009)</p> <p>Analysis, Sampling and Risk Assessment cost/year:</p> <ul style="list-style-type: none"> • Risk assessment (each assessment) • Sampling (each visit)¹ • Investigation (each investigation) • Granting an authorisation (each authorisation) • Analysis <ul style="list-style-type: none"> - Reg 10 analysis (small domestic) - Check monitoring (basic analysis) - Audit monitoring (chemicals etc.) <p>¹ No fee is payable where a sample is taken and analysed solely to confirm or clarify the results of analysis of a previous sample</p>	<p>Discretionary: H&ESPFH (up to maximum prescribed in Regulations)</p>	<p>Recovery of costs - max annual total cost:</p> <p style="text-align: center;">£500</p> <p style="text-align: center;">£100</p> <p style="text-align: center;">£100</p> <p style="text-align: center;">£100</p> <p style="text-align: center;">£25</p> <p style="text-align: center;">£100</p> <p style="text-align: center;">£500</p>	<p>Recovery of costs - max annual total cost:</p> <p style="text-align: center;">£500</p> <p style="text-align: center;">£100</p> <p style="text-align: center;">£100</p> <p style="text-align: center;">£100</p> <p style="text-align: center;">£25</p> <p style="text-align: center;">£100</p> <p style="text-align: center;">£500</p>	
<p>Food Health Certificate</p>	<p>Discretionary: ESPFH</p>	<p>£140.00 plus VAT</p>	<p>£140.00 (no VAT)</p>	<p>Fees set at a level which recovers Council costs at a commercial rate without costs being set so high that it inhibits local businesses from exporting food</p>

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
4. Refuse & Recycling Service	Discretionary: H &ES PFH			
Hazardous Domestic Collections Per item, fridge/freezer/CRT monitor/TV/Microwave etc.		£25.00	£25.00	
Bulky Domestic Collections Bulky Household Waste two to three items(excluding hazardous waste items)		£30.00	£30.00	
Per item (after three) Max 9		£5.00	£5.50	
Emptying of contaminated bin/additional empty (per bin)			£30.00	
Clearance of rubbish from bin stores		By quote	By quote	
Annual 2 nd green bin charge – per additional 240 litre (October to October)		£35.00	£35.00	
Annual 2 nd green bin charge – Per additional 140 litre (October to October)		£30.00	£30.00	
Additional garden waste capacity for flats (per 1100 litre bin)			£75.00	
Bins				
Delivery of bin(s) for new property		£75.00	£77.50	
Additional approved black bin – large families etc		£50.00	£50.00	
Delivery of a replacement black bin (damaged/stolen)		£50.00	£50.00	
Delivery of a replacement green/blue bin (damaged /stolen)		Nil	Nil	
Additional blue bin charge		Nil	Nil	
Recycling Kitchen Caddy Sacks ((in packs of 50)		£3.00	£3.00	
Recycling Kitchen Caddy Sacks ((In packs of 10) Inc. delivery		£4.49	£4.49	

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
5. TRAINING COURSES				
Food Hygiene Level 2	Discretionary: ESPFH	£75.00 (General Public)	£75.00 (General Public)	Set at costs competitive with external organisations to encourage attendance at Environmental Health courses
Food Hygiene Level 3		£305.00	£305.00	
Health & Safety Level 2		£67.00	£67.00	
Health & Safety Level 3		£300.00	£300.00	

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	Council policy when setting the fee/charge
6. OTHER FEES AND CHARGES				
Staff involved in civil litigation	Discretionary: ESPFH	Varies due to specific Officer & time involved	Varies due to specific Officer & time involved	To cover staff costs
Provision of information – Local Land charge searches	Discretionary: ESPFH	£150 Maximum fee	£150 Maximum fee	To recover costs of administration and officer time in researching and reporting on environmental information.
Supply of specific information from records	Statutory: The Freedom of Information and Data Protection (Appropriate Limit and Fees) Regulations 2004	As listed in SCDC FOI Policy & Procedure April 2009	As listed in SCDC FOI Policy & Procedure April 2009	Fees vary due to nature of request (see SCDC web site FOI Fee Structure)
Officers offering chargeable advice including enforcement charges where legislation permits	Discretionary: ESPFH	£64/hr	£66/hr	To ensure that where services can be charged for SCDC covers as a minimum the cost of that advice or actions
Serving of improvement notices under the Housing Act 2004	Power to charge for serving improvement notices	£64/hr Max charge £250	£66/hr Max charge £250	New fee to cover officer time in preparation and serving of notices

Appendix 2: H&ES Fees and Charges 2019/20

Type of fee/ Charge	Fee/charge set by	Fee/Charge 2017/18	Proposed Fee/Charge 2018/19	Council policy when setting the fee/charge
Removal & Disposal of Abandoned Vehicles <ul style="list-style-type: none"> • Removal • Storage (per day) • Disposal 	Statutory: Refuse Disposal (Amenity) Act 1978 Removal, Storage & Disposal of Vehicle (Prescribed Sums & Charges) Regulations 1989 as amended	Removal £105.00 Storage £12.00 per day Disposal £85.00	Subject to contractual changes Removal 120.00 Storage £20.00 per day Disposal £85.00	Not applicable Statutory fee

Appendix 2: H&ES Fees and Charges 2019/20

Offence	Fee/charge set by Legislation	Fee/Charge 2018/19		Proposed Fee/Charge 2019/20		Council policy when setting the fee/charge
		Full amount of penalty	FP reduced if paid within 10 days	Full amount of penalty	FP reduced if paid within 10 days	
Depositing Litter	Environment al Protection Act 1990	£75.00	£50.00	£150	£50.00	Not applicable Statutory fee Reduction is a discretionary matter
Littering from a vehicle	Regulation 4 LOVR			£150	£50.00	
Section 55 offences – dog related offences	Clean Neighbourhood & Env Act 2005	£75.00	£50	£75.00	£50	
Smoking ban offences (smoking in a public place & failure to display 'no smoking' signs)	Sec 9 Health Act			Smoking: £50 No 'No Smoking' sign: £200	Smoking: £30 No 'No Smoking' sign: £150	
Failure to Produce Waste Transfer Note	Control of Pollution (Amendment) Act 1989	£300.00	£180.00	£300.00	£180.00	
Failure to Produce Waste Carriers Licence	Environment al Protection Act 1990	£300.00	£180.00	£300.00	£180.00	
Abandoning a Motor Vehicle	Sec 2(A)1 RD(A)/ Sec 10 CNEA	£200.00	£120.00	£200.00	£120.00	
Exposing 2 or more vehicles for sale on a road	Clean Neighbourhood & Environment Act 2005	£100.00	£60.00	£100.00	£60.00	
Repairing vehicle on the road	Clean Neighbourhood & Environment Act 2005	£100.00	£60.00	£100.00	£60.00	
Breach of a Community Protection Notice	Sec 48 Anti Social Behaviour, Crime and Policing Act 2014	N/A	N/A	£100	£65	
Breach of a Public Spaces protection Order	s.63 and/or s.67, Anti social Behaviour, Crime and Policing Act 2014	N/A	N/A	£100	£65	Full amount is statutory Reduced fee is discretionary

Appendix 2: H&ES Fees and Charges 2019/20

Offence	Fee/charge set by Legislation	Fee/Charge 2017/18	Proposed	Offence	Fee/charge set by Legislation	Fee/Charge 2017/18
Deface any Property by painting, writing, etc. (Graffiti & fly posting)	Anti-Social Behaviour Act 2003	£75.00	£50.00	£150.00	£50.00	Not applicable Statutory fee
Painting or affixing things to a structure on the Highway	Highways Act 1980	£75.00	£50.00	£150.00	£50.00	
Failure to place waste in prescribed container (Household)	Environmental Protection Act 1990	£100.00	£60.00	£110.00	£60.00	
Failure to place waste in prescribed container (Commercial)	Environmental Protection Act 1990	£100.00	£60.00	£110.00	£60.00	
Unauthorised distribution of literature on designated land	Environmental Protection Act 1990	£75.00	£50.00	£150.00	£50.00	
Noise from dwellings	Noise Act 1996	£100.00	No reduction	£110.00	£60.00	
Noise from licensed premises	Noise Act 1996	£100.00	No reduction	£500.00	No reduction	
Fly tipping Fixed penalty charge	Environmental Protection Act 1990	£400	£240	£400	£240	

Appendix 2: H&ES Fees and Charges 2019/20

Licensing Act 2003 – Fees (Statutory)

Premises/Club Licence	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	
Band A	£100.00	£100.00	Fee set by Central Government
Band B	£190.00	£190.00	
Band C	£315.00	£315.00	
Band D	£450.00	£450.00	
D and Primary Business Alcohol Sales x 2	£900.00	£900.00	
Band E	£635.00	£635.00	
E and Primary Business Alcohol Sales x 3	£1, 905.00	£1, 905.00	

Annual Fee	Fee/Charge 2018/19	Proposed Fee/Charge 2018/19	
Band A	£70.00	£70.00	Fee set by Central Government
Band B	£180.00	£180.00	
Band C	£295.00	£295.00	
Band D	£320.00	£320.00	
Band E	£350.00	£350.00	

Additional fees for large venues and events

Number in Attendance at any one time	Fee/Charge 2018/19	Proposed Fee/Charge 2019/20	
5,000 to 9,999	£1, 000	£1, 000	Fee set by Central Government
10,000 to 14,999	£2, 000	£2, 000	
15,000 to 19,999	£4,000	£4,000	
20,000 to 29,999	£8, 000	£8, 000	
30, 000 to 39,999	£16,000	£16,000	
40, 000 to 49, 999	£24, 000	£24, 000	
50, 000 to 59, 999	£32, 000	£32, 000	
60, 000 to 69, 000	£40, 000	£40, 000	
70, 000 to 79,999	£48, 000	£48, 000	
80, 000 to 89, 999	£56, 000	£56, 000	
90, 000 and over	£64, 000	£64, 000	
Temporary Events	£21 per event	£21 per event	

**Schedule of Maximum Fees – Gambling Act 2005
(Council has set maximum fee permitted)**

Classes of premises licence	Maximum non-conversion application fee in respect of provisional statement premises	Maximum non-conversion application fee in respect of other premises	Maximum annual fee	Maximum fee for application to vary licence	Maximum fee for application to transfer a licence	Maximum fee for application for reinstatement of a licence	Maximum fee for application for provisional statement
Regional casino premises licence	£8,000	£15,000	£15,000	£7,500	£6,500	£6,500	£15,000
Large casino premises licence	£5,000	£10,000	£10,000	£5,000	£2,150	£2,150	£10,000
Small casino premises licence	£3,000	£8,000	£5,000	£4,000	£1,800	£1,800	£8,000
Converted casino premises licence			£3,000	£2,000	£1,350	£1,350	
Bingo premises licence	£1,200	£3,500	£1,000	£1,750	£1,200	£1,200	£3,500
Adult gaming centre premises licence	£1,200	£2,000	£1,000	£1,000	£1,200	£1,200	£2,000
Betting premises (track) licence	£950	£2,500	£1,000	£1,250	£950	£950	£2,500
Family entertainment centre premises licence	£950	£2,000	£750	£1,000	£950	£950	£2,000
Betting premises (other) licence	£1,200	£3,000	£600	£1,500	£1,200	£1,200	£3,000

These fees are currently set at the maximum amount

Schedule of Abandoned Vehicles Fees – Road Traffic Act 1988 (Retention and Disposal of Seized Motor Vehicles) (Amendment) Regulations 2008

Table 1 – Regulation 6(2)

	1	2	3	4	5
1	Vehicle position and condition	Vehicle equal to or less than 3.5 tonnes MAM	Vehicle exceeding 3.5 tonnes MAM but equal to or less than 7.5 tonnes MAM	Vehicle exceeding 7.5 tonnes MAM but equal to or less than 18 tonnes MAM	Vehicle exceeding 18 tonnes MAM
2	Vehicle on road, upright and not substantially damaged or any two wheeled vehicle whatever its condition or position on or off road	£150	£200	£350	£350
3	Vehicle, excluding a two wheeled vehicle, on road but either not upright or substantially damaged or both.	£250	£650	Unladen—£2000	Unladen—£3000
				Laden—£3000	Laden—£4500
4	Vehicle, excluding a two wheeled vehicle, off road, upright and not substantially damaged	£200	£400	Unladen—£1000	Unladen—£1500
				Laden—£1500	Laden—£2000
5	Vehicle, excluding a two wheeled vehicle, off road but either not upright or substantially damaged or both	£300	£850	Unladen—£3000	Unladen—£4500
				Laden—£4500	Laden—£6000

Table 2 – Regulation 6(3)

	1	2	3	4	5
1	Two wheeled vehicle	Vehicle, not including a two wheeled vehicle, equal to or less than 3.5 tonnes MAM	Vehicle exceeding 3.5 tonnes MAM but equal to or less than 7.5 tonnes MAM	Vehicle exceeding 7.5 tonnes MAM but equal to or less than 18 tonnes MAM	Vehicle exceeding 18 tonnes MAM
2	£10	£20	£25	£30	£35

Appendix 3: Waste Services Fees and Charges 2019/20

	2018/19	2019/20
Hazardous Domestic Collections		
Per item (Fridge / Freeze / CRT Monitor / TV / Microwares etc)	£25.00	£25.00
Domestic Collections		
Bulky Collections		
One to three items (excluding hazardous items)	£30.00	£30.00
More than three items (per item) Max 9	£5.00	£5.50
Charge to empty contaminated bin / additional empty (per bin)		£30.00
Clearance of rubbish from bin stores	By Quote	By Quote
Annual 2nd green bin charge - per additional 240 litre (October to October)	£35.00	£35.00
Annual 2nd green bin charge - per additional 140 litre (October to October)	£30.00	£30.00
Additional garden waste capacity for flats (per 1100l bin)		£75.00
Bins		
Delivery of bin(s) for new property (up to NEW Additional approved black bin - Large families etc.	£75.00	£77.50
Delivery of a replacement black bin (damaged /stolen)	£50.00	£50.00
Delivery of a replacement green/blue bin (damaged /stolen)	£50.00	£50.00
Additional blue bin charge	FOC	FOC
Recycling Kitchen Caddy Sacks (in packs of 50)	FOC	FOC
Recycling Kitchen Caddy Sacks (in packs of 10) including delivery	£3.00	£3.00
	£4.49	£4.49

GF BSR Appendix B

Precautionary items

These are items of expenditure over which there is some doubt as to whether they will occur, but if they did, the council would be required to meet them. If the spending need does arise on any item, delegated authority has been given to the Lead Cabinet Member for Finance and the Chief Finance Officer to approve such expenditure (to be met from reserves), up to the level indicated for the relevant year:

	Total approved £000	Used in 2018-19 to Jan 2019 £000
Precautionary Items for 2018/19		
Homelessness - additional accommodation	60	0
DWP grant reduction - Universal Credit roll out	50	0
Additional use of credit cards - related fees	15	0
Awarded Watercourses - emergency works	15	0
Contaminated Land - remedial works	82	0
Clearance of Private Sewers	6	0
National Assistance Burials Act	5	10
District Emergencies	50	0
Material Price Managed Through MRF Contract	50	0
Fuel Inflation above the CPI allowance	20	0
Community Street Cleansing Initiative	30	
Total	383	10

Precautionary Items for 2019/20		
Homelessness - additional accommodation	60	
Waste MRF Contamination	100	
Potential cost of Holiday/Overtime back pay claims	70	
District By-Election	10	
National Assistance Burials Act	10	
Additional support for 3C ICT	50	
Total	300	

GF BSR Appendix C(a) – Bids and Savings – Revenue bids

Category	Reference	Title	Description	2019/20	2020/21	2021/22	2022/23	2023/24
	Reference	Title	Description	2019/20	2020/21	2021/22	2022/23	2023/24
Bid	RB2	Additional resource required to support residents through the implementation of Universal Credit	Bid for staffing resources to aid the implementation of UC full service across SCDC. Key areas are Rents, OPHB and LCTS. The bid includes a Revenues and Benefits Support officer (grade 4) focussed on OPHB / LCTS / CTAX, a Contact Centre apprentice and 50% of a Recovery Officer (grade 4), split Council Tax (GF) Rents (HRA) 50/50. There is a separate HRA bid for 2xRent Officers and the other 50% of Recovery Officer post.	66,292	69,127	72,062	75,092	78,218
Unavoidable Revenue Pressure	RB2b	New bid for Grant Reduction-Universal Credit Implementation transfer of payment of Housing Costs to DWP	The introduction of UC may reduce the grant the Council receives from Department or Work and Pensions towards the cost of administer Housing Benefit. Modelling has been undertaken to estimate the likely reduction. The alternative to proving finance would be that 1.5 staff would need to be redeployed or may redundant. The processing times for HB, Council Tax Support, Discretionary Housing Payment would increase; which if severe could result in DWP intervention in respect of Housing Benefit. 2017/18 is significant year for SCDC as UC is introduced district wide as new claimants claim they will no longer claim hb but still claim CTS. Budget for year 2018-19 included £50k provision for the grant reduction and this is now part of the base budget. The bid shows the incremental increase on that cost.	12,270	29,953	29,953	29,953	29,953

GF BSR Appendix C(a) – Bids and Savings – Revenue bids

Bid	DS1	Establishment of post to support the Council's overview and scrutiny function - Democratic Representation Budget (F57)	Establishment of post of Scrutiny & Governance Adviser to support the development of an effective, evidence-based & outward looking scrutiny and overview function at SCDC through provision of advice, research & other support. The new post is required to support the new system of pre-decision scrutiny, monthly committee meetings & ambitious programme of scrutiny reviews through task & finish groups. No dedicated support or capacity exists to project manage the delivery of scrutiny reviews or undertake research. The Lead Cabinet Member for Customer Service & Business Improvement & Chairman of Scrutiny & Overview Committee support the establishment of a dedicated resource to enable the ambitions for the overview and scrutiny function to be achieved.	40,884	41,293	41,706	42,123	42,544
Bid	DS2	Establishment of Cabinet Support Officer post - Democratic Representation Budget (F57)	Establishment of Cabinet Support Officer post to provide a specialist support service to the Leader, Deputy Leader & Cabinet overall & overseeing the delivery of support services for Members & the Civic Function. At present the Chief Executive's EA provides some secretarial support for the Leader but there is insufficient capacity to provide the more dedicated support needed by the Leader or to support the wider Cabinet. This post will provide enable the Leader & Cabinet more effectively to carry out their roles. This post would also line manage a proposed new role of Members' Resource Officer ensuring that there is more resilience and greater flexibility in covering workloads.	34,817	35,465	35,517	35,872	36,231

GF BSR Appendix C(a) – Bids and Savings – Revenue bids

Bid	DS3	Establishment of Resource Officer (Members) post - Democratic Representation Budget (F57)	Establishment of Resource Officer post to contribute to the operation of the Democratic Services Team, providing support services for the Civic function. The post is needed to provide the capacity to support the Civic Function which is proposed to transfer from the Chief Executive's team to Democratic Services. This would free up capacity amongst the Democratic Services Officers to respond to the increased committee support workload associated with the new political management structure.	9,160	9,452	9,746	10,044	10,344
Bid	PP2	Establishment of a temporary post for two years initially to support the Council's Green Energy Investment Agenda (F02)	Establishment of post of Climate and Environment Officer to progress the Council's Green Energy investment agenda, particularly in relation to projects falling under the Re:fit programme and other projects for direct investment in green energy. This will be a fixed term post for a period of two years and will aim to be financial self-supporting. The primary objectives of the post will be to identify and implement projects with a view to generating income for the Council and to drive the SCDC green agenda.	42,917	44,567			
Funding	PP2a	Withdrawal from Earmarked Reserves	Withdrawal from Renewables reserve to fund bid PP2	(42,917)	(44,567)			
Bid	PP5	Restructuring of the Council's Policy, Performance & Projects function (F02)	Establishment of a post of Senior Policy, Performance & Project Officer (grade 7) and 2 Policy, Performance & Project Officers to support the development of an effective, evidence-based & outward looking function at SCDC through provision of advice, research & other support. The structure will be kept under review.	125,146	127,881	132,175	135,086	138,088

GF BSR Appendix C(a) – Bids and Savings – Revenue bids

Saving	PP6	Vacancies in Policy and Performance team	There are currently 4 vacancies in the Policy and Performance team the savings would fund the additional posts.	(165,885)	(169,203)	(172,587)	(176,038)	(179,559)
Unavoidable Revenue Pressure	FM7	Security guard	To employ a contract security guard that holds the relevant SIA accreditation that can deal with site security for ten hours per day and will include covering securing the site at the end of daily business. This is a trial for 1 year, with effectiveness of this solution reviewed for next budget.	36,400				
Unavoidable Revenue Pressure	HR1	Implementation of Customer Service portal	To provide project management and business analysis support for fast and complete implementation of the new customer services portal. It is envisaged that this will include business capacity and project management resource.	130,000				
Funding	HR2	Withdrawal from Earmarked Reserves	Withdrawal from Business Efficiency reserve to fund bid HR1	(130,000)				
Unavoidable Revenue Pressure	ICT1	ICT Security Enhancements	In June 2018 the government released the 'Cyber Security Minimum Standards' framework. This standard attempts to reduce and detect Cyber Attacks on ICT systems and council services. Failure to implement this would leave all councils under 3C support open to undetected attacks and failure to meet minimum government standards. The solution involves two discrete systems (1) centralised log and event monitoring and (2) automated remediation of security vulnerabilities. Both of these areas were highlighted recently within audit. Full cost: Year 1: 90k, year 2 onwards £75k. This is a 3 way initiative therefore HDC share will be £30k and £25k respectively.	30,000	25,000	25,000	25,000	25,000

GF BSR Appendix C(a) – Bids and Savings – Revenue bids

Unavoidable Revenue Pressure	ICT2	MS Licensing (Business Case Revenue)	Prior to the 3C ICT Shared Service Microsoft Licensing was a capital expense. With the implementation of Office 365 this cost was removed from SCDC budget. Consequently, SCDC had no budget for MS Licensing to transfer to 3C ICT, this bid is to correct that assignment.	50,000	50,000	50,000	50,000	50,000
Income	ICT3	Income Management System Replacement - revenue saving	The scope of this work is to replace the whole income solution with a more cost-effective product that enables the councils to improve services to customers. There have been a lot of industry improvements in recent years and we could offer more digital payment options and integration with online forms and applications.		(10,600)	(14,500)	(14,500)	(14,500)
Unavoidable Revenue Pressure	ICT5	Secure Telephone Payments - PCI DSS	Cambridge City Council (CCC), Huntingdonshire District Council (HDC) and South Cambridgeshire District Council (SCDC) are currently not compliant with the Payment Card Industry Data Security Standard (PCI DSS). All are working together with 3C ICT to support becoming compliant with PCI DSS. Customers can currently call both the Call Centre and back office services to make payments. These payments are processed by an agent using the Capita Paye.net system for all three councils. This system complies from a data entry perspective but the telephone connection is a risk as the user currently reads out their sensitive card/ personal details. We no longer record or store calls that include sensitive card data but there is a risk calls on our network could be compromised and the data stolen.	9,000	9,000	9,000	9,000	9,000

GF BSR Appendix C(a) – Bids and Savings – Revenue bids

Saving	ICTR2	Adjusted Revenue Budget due to resubmitted 3cICT Business Case - effect of a prior year bid	As per the revised 3C ICT Business Plan adopted by the Cabinet in April 2018, these are the savings proposed by the re-modelled 3C ICT business case.	(25,000)	(40,000)	(64,000)	(64,000)	(64,000)
Bid	PI1	Resource to lead a project to develop a process for sharing information on planning permissions and development	The Property Information Project was initiated in 2016 as a corporate project, with a view to developing a better understanding and intelligence on housing delivery and to improve data sharing across the organisation. The project has not progressed due to lack of resource capacity to lead and implement it, however the need remains, not only to inform monitoring (e.g. planning and s106 monitoring, revenues monitoring), but also to inform dwelling and financial forecasts. The bid is to fund a fixed term project manager and business analyst posts to review current processes and implement appropriate systems and procedures to meet the desired outcome.	43,354				
Funding	PI1a	Withdrawal from Earmarked Reserves	Withdrawal from Earmarked Reserves to fund bid PI1	(43,354)				

GF BSR Appendix C(a) – Bids and Savings – Revenue bids

Bid	SHL1	Homelessness Prevention work via Shire Homes Lettings - private sector leasing scheme	The Council set up a private sector leasing scheme, through a SCDC owned company - Shire Homes Lettings. The first property was taken on In September 2017 with an aim to increase to 40 by the end of 2018/19. The scheme provides affordable, good quality privately rented accommodation for those at risk of homelessness or currently homeless, helping to minimise the need for temporary accommodation especially, for example, expensive B&B accommodation. There is already an approved budget of £182,000 however the SHL Business plan shows increased costs taking into account an increase in the number of properties (10 per year), rental increases and staffing/ management costs. The Council receives a flexible homeless support grant which can be used to cover these costs. To date we know this grant will continue to be provided until 2019/20.	59,000	86,000	109,000	133,000	146,000
Bid	HGF10	Maintain a self-build register	The authority has a statutory duty to maintain a self-build register and a statutory planning duty to provide permissioned, serviced self-build plots to meet the need identified on the register. A budget bid of £15,290 is made to the General Fund as part of the 2019/20 budget process (rising to £30,290 from 2020/21) to meet the costs of maintaining a statutory self-build register, where initial grant funding is being phased out and the sub-regional rollout anticipated has not been possible.	15,290	30,290	30,290	30,290	30,290

GF BSR Appendix C(a) – Bids and Savings – Revenue bids

Bid	HGF1	Contribution to extend Cambridgeshire and Peterborough Trailblazer work	<p>Short term funding was secured to for a Cambridgeshire and Peterborough Trailblazer project in 2017. The aim of the project was to create a multi-agency approach to homeless prevention, including earlier work with families at risk of homelessness, training and awareness raising with other agencies to spot the signs of potential homelessness and to take action, and a landlord rents and solutions service to support landlords and their tenants. The project is due to end in June 2019, and discussions have started with partners on the possibility of extending the project due to the excellent work achieved and progress made. Agreement is therefore sought to enable us to contribute to the continuing work of the Cambridgeshire and Peterborough Trailblazer project subject to further negotiation and discussion with other partners. Sufficient resources for this will be available from the Council's flexible homeless support grant.</p>	20,000				
Income	HGF2	Flexible Homeless Support Grant	<p>Bids SHL1 and HGF1 will be funded through the Council's Flexible Homeless Support Grant during 2019/20 - we have not had any indication that this grant will not continue beyond that (although the amounts have been different every year), but neither have we had any confirmation for after 2019/20. Grant received in 2018-19 is approximately £210k, this is ringfenced. Some of it is used towards temporary accommodation costs and homelessness prevention payments (claimed back via Housing Benefit)</p>	(79,000)	(79,000)	(79,000)	(79,000)	(79,000)

GF BSR Appendix C(a) – Bids and Savings – Revenue bids

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Bid	HGF8	Study to identify suitable and available sites for accommodating gypsy & travellers/caravan dwellers	<p>Local Plan Inspector's Report indicated that the needs of gypsy & travellers no longer meeting the PPTS definition should be addressed through the plan review. The Housing Needs Assessment 2016 identified an additional need for 61 pitches for those that no longer meet the definition and provision of 12 plots for Travelling Showpeople. Given the increase in unauthorised encampments, and the costs associated with moving on/clear up, a transit/emergency stopping place should also be provided.</p> <p>This Bid is seeking revenue funding to commission a study to identify suitable and available sites and the funding streams available to deliver sites. Previously (approx 2 years) funds had been made available for a planning officer specialising in G&T issues but this post could not be recruited to.</p>	30,000				
Bid	HES1	Housing in Multiple Occupancy (HMO) Licensing	<p>In October 2018, legislation changes the definition of properties defined as Housing in Multiple Occupancy (HMO's) - properties with 5+ people from two or more separate households. HMO's are required to be licensed by SDC. It is anticipated that this legislative change will lead to a significant increase in the number of HMO's throughout the district, currently 73. It is anticipated that there could be up to 500 HMO's meeting the new definition.</p> <p>This proposal is to fund a temporary two-year full-time position. The role will identify all premises within the district which require licensing; inspect all new HMO's; and enforce against non-compliance to ensure a high standard of housing availability for communities within South Cambs. Undertaking 122 inspections in 2 years will make the role self financing.</p>	45,000	46,000			
Income	HES23	Income from HMO Licences	<p>Assuming we will issue 122 licences @£750 = £91,500, would cover the cost of the temporary position. However, we are not certain of the timing of when the licences will be issued.</p>	(68,625)	(22,875)			

GF BSR Appendix C(a) – Bids and Savings – Revenue bids

Bid	HES3	Volunteer Groups - Continue with Officer support with recycling and cleansing groups in City and South Cambs	<p>The service has a number of volunteers (150+) that work with our coordinator to improve their local environment and reduce waste.</p> <p>The volunteer support the service by helping out at local events; distributing leaflets to local residents; acting as a focal point in your community for recycling issues; talking to local groups about recycling; displaying posters on local notice boards; undertaking sweeping and community education events. This post will also support with compositing advice to offset changes to garden waste service. The officer will support residents to reduce contamination in the dry recycling thus reducing contract fee.</p> <p>The bid is to secure funding for a two-year period after which the programme will be reviewed</p> <p>The cost is to be shared between City and South Cambs 33/66 - ie £20k/£40k respectively.</p>	40,000	40,000			
Bid	HES8	Continuation of Healthy New Towns programme and roll-out to other growth sites in South Cambs	<p>The Northstowe Healthy New Towns Programme Manager post has been funded by NHS England between 28 November 2016 and 31 March 2019. The programme has achieved the following outcomes, which would not have been possible without the Programme Manager post: modelling tools to help understand number & type of housing for older people across district, additional investment from developer (£4.7m), age proofing development plans, early work on new care model (onward investment by CCG agreed). Funding for further three years would enable continuation to translate plans into reality, healthy living programme with community, ongoing collaboration with research partners and sharing learning and development of good practice with other sites. Includes salary, NI & pension. Seeking partner funding.</p>	57,764	60,023	60,635		

GF BSR Appendix C(a) – Bids and Savings – Revenue bids

Bid	HES4	MRF cost – reduction in income and increase costs (with current contract and market) under Amey contract	The pressure is due to changes in the world commodity market which has led to a fall in the secondary material value and an increase in the quality requirements of material for recycling. The cost is to be split between City and South Camb 50/50 - ie £100k per council.	100,000	100,000	100,000	100,000	100,000
Unavoidable Revenue Pressure	HES9	Property Growth	Property growth has a direct impact on that total cost of collection for over 3000 households built, the service requires an additional vehicle and 3 staff. The revenue cost for vehicle and staff in £155k per year. This calculation is for the service not just SCDC. The growth figures come from Greater Cambridge Housing Trajectory which shows greater growth in City in early years, which them balanced in future years. This updates the 2018-19 assumptions	(83,000)	69,000	221,000	221,000	465,000
Income	HES10	Property Growth	Contribution from CCC towards HES9	41,500	(787)	(55,490)	(55,490)	(158,353)
Income	HES11	Chargeable additional Garden Waste	There are currently approximately 3,000 additional garden waste bins being used by SCDC residents, from April 2019 this service will become chargeable. To dovetail into Cambridge City Council additional garden waste system the annual charge will operate from October to September at an annual charge of £35 per year. To enable sign up there will be a reduced charge of £20 per bin for resident from April 2019 to September 2019. It is estimated that this will generate net income of £20k for this period. In October 2019 subscribers will be charged £35 per bin for the full year – this will generate a net income of £60k for the period October 2019 – September 2020, and in following years this will increase to generate a net income of £70k in each October-September period.	(50,000)	(65,000)	(70,000)	(70,000)	(70,000)

GF BSR Appendix C(a) – Bids and Savings – Revenue bids

Bid	HES14	Support for Climate Change & Environment Advisory Committee	The new Climate Change and Environment Advisory Committee will be developing a work programme (to be agreed by Cabinet). In order to support the Committee, progress new actions, research good practice and lead the implementation of related change, a Grade 6 Development Officer post will be essential to support this. It is suggested that the post is funded via savings from the vacant Head of Environment Commissioning post (vacant from 25/09/18). It is likely that this post would be filled with an existing member of staff and that position back-filled. The saving is from a Grade 8 to a Grade 6. Costs include salary, NI and pension.	42,917	45,026	47,174		
Bid	HES30	Air Quality Resource officer	An air quality resource officer, a grade 3 post, to support the Capital bid HES22 using savings from HES23.	26,692	27,780	29,205		
Saving	HES23	Support for Climate Change & Environment Advisory Committee	The saving from the vacant post	(69,724)	(71,118)	(72,541)	(73,992)	(75,471)
	Total Net Bids / (Savings)	Total Net Bids / (Savings)	Total Net Bids / (Savings)	350,898	442,706	474,346	363,440	519,784

GF BSR Appendix C(b) – Bids and Savings – Capital bids

Category	Reference	Title	Description	2019/20	2020/21	2021/22	2022/23	2023/24
Bid	ICT7	Council Anywhere Hardware (62 devices)	Budget required to provide staff with ICT hardware which will allow them to work more collaboratively and flexibly; supporting the transformational change SCDC are striving towards. This will support the creation of future savings as a result of services becoming significantly more efficient and productive through the use of technology.	53,457				
Income	ICT7	Council Anywhere Hardware (62 devices)	Recharge to City for the above costs	(17,819)	(17,819)	(17,819)		
Bid	ICT10	Income Management System Replacement	The scope of this work is to replace the whole income solution with a more cost-effective product that enables the councils to improve services to customers. There have been a lot of industry improvements in recent years and we could offer more digital payment options and integration with online forms and applications.	69,000				
Saving	ICT10a	Income Management System - existing budget	Current budget in the Capital programme will no longer be required, so can be used towards funding the new system	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Unavoidable capital expenditure	ICT11	Telephony Replacement	The telephone system at South Cambridgeshire District Council (SCDC) is a BT Avaya CS1000 (Nortel) set up which has been in place since 2004. The system is currently in support but due to being in place for 14 years needs to be updated as it is no longer the most cost efficient or effective service available. The system is at its limit for extra extensions unless more licences are purchased, and the 2 ISDN 30s that form the core of the system are a reasonably expensive solution in the current market. The system offers limited scalability and no redundancy/failover or disaster recovery.	150,000				

GF BSR Appendix C(b) – Bids and Savings – Capital bids

			<p>The set up uses Nortel handsets which are end of life with no new units available for purchase, thus restricting the ability for SCDC to roll out more desks with these handsets provided. Recent purchases had to be 2nd hand and getting increasingly hard to source.</p> <p>The provision identified will fund a replacement. Investigation will be proposed to identify and implement technology to support the Council Anywhere programme eg. VOIP.</p>					
Unavoidable capital expenditure	ICT13	Secure Phone payments	<p>Cambridge City Council (CCC), Huntingdonshire District Council (HDC) and South Cambridgeshire District Council (SCDC) are currently not compliant with the Payment Card Industry Data Security Standard (PCI DSS). All are working together with 3C ICT to support becoming compliant with PCI DSS.</p> <p>Customers can currently call both the Call Centre and back office services to make payments. These payments are processed by an agent using the Capita Paye.net system for all three councils. This system complies from a data entry perspective but the telephone connection is a risk as the user currently reads out their sensitive card/ personal details. We no longer record or store calls that include sensitive card data but there is a risk calls on our network could be compromised and the data stolen.</p> <p>There are a number of technology solutions available that would take us out of scope for PCI DSS for phone payments and reduce the risk of credit card fraud. These options are currently being investigated and we are awaiting costings for additional options. We have used option 4 for costing this bid.</p> <p>Details for options obtained so far can be viewed in the attached draft Business Case.</p>	34,000				
Bid	HES15	Footway Lighting Service	<p>The bid is to enable the Footway Lighting LED Upgrade Project to progress; Year one funding of £376k was secured in 2017, from the Renewables Fund, with a capital bid for Year 2 costs being made to include the results of the High</p>	350,000				

GF BSR Appendix C(b) – Bids and Savings – Capital bids

			<p>Level Assessment (HLA) under the Re:fit programme. Unfortunately, due to delays in negotiating the Re:fit Access Agreement it has not been possible to carry out the HLA this time.</p> <p>This year two bid is therefore the capital cost necessary to complete the LED upgrade of all SCDC footways lights.</p>					
Funding	HES15	Footway Lighting Service	Withdrawal from Renewables Earmarked Reserve	(350,000)				
Unavoidable capital expenditure	HES20	Waste Service vehicles	<p>Scheduled replacement vehicles and additional vehicles for growth for service this includes vehicles for City and SCDC waste and SCDC Streets service.</p> <p>Figure for replacement vehicle cost net of existing budget for refuse collection and supervisor vehicles</p>	259,000	40,000	531,000	369,000	704,000
Unavoidable capital expenditure	HES21	Waste Service vehicles	<p>Scheduled replacement vehicles and additional vehicles for growth for service this includes vehicles for City and SCDC waste and SCDC Streets service. Figure for costs for vehicle growth.</p>		185,000	185,000		185,000
Bid	HES22	Mobile air quality monitors	<p>The Council is currently developing a new air quality strategy, which is being presented to the Climate and Environment Advisory Group. It is anticipated that one of the Actions to deliver the new strategy will be extend the Council's current air quality network, particularly in relation to particulates, throughout the district at identified hotspots or other areas of concern, in order to build an evidence based assessment of current local air quality throughout the entire district which will be essential in delivering the strategy objectives.</p> <p>The bid is an initial estimate for the purchase of mobile air quality monitors, diffusion tube chemical monitors and additional fixed continuous particulate monitoring stations. There is a budget rollover of £50k from 2017-18 to 2018-19 for purchase of Air Quality monitors, but the full cost of the required equipment is £100k</p>	50,000				

GF BSR Appendix C(b) – Bids and Savings – Capital bids

			Total All Net Capital Position Bids / (Savings)	587,638	197,181	688,181	359,000	879,000
			MRP	0	148,929	148,929	131,929	64,110
			Total with MRP	587,638	346,110	837,110	490,929	943,110

GF BSR Appendix D – Earmarked and specific funds

Fund	Balance at 31 March 2018 £000	Committed spend in 2018-19 £000	Projected balance at 31 March 2019 £000	Bids submitted for 2019-20 £000
Revenue reserves				
New Homes Bonus GCP Reserve	(4,668)	58	(4,610)	
New Homes Bonus A14 upgrade Reserve	(3,674)		(3,674)	
Business Rates Growth	(6,230)		(6,230)	
Renewables Reserve	(2,666)	555	(2,111)	£87,484 were requested to fund bid PP2 (Establishment of a temporary post for two years initially to support the Council's Green Energy Investment Agenda), of which 37,107 relates to year 2019-20, and £350k for bid HES15 (Footway Lighting Service). £200,000 is committed on the basis of the strategy agreed by the Cabinet in February 2018 and a further £42,917 relates to year 2019-20 of 2018-19 bid, total £630,024 expenditure projection.
Pension Deficit Reserve	(637)		(637)	
Planning Enforcement Reserve	(500)		(500)	
Business Efficiency Reserve	(240)		(240)	£130k requested to fund bid HR1 (Implementation of Customer Service portal) Proposed transfer of £1m from General Fund reserve to fund further efficiency initiatives.
Homelessness Reserve	(166)	(95)	(261)	Homelessness Support Grant allocation = £364k to be transferred to reserve. Projected draw on the reserve in 2019/20 is £237k: £197k in bids and £40k Housing Benefit Support
Taxi Licencing Reserve	(147)	45	(102)	£57,125 withdrawal planned to utilise the potential surplus being built in the reserve in 2018-19.
Business accommodation reserves	(141)	98	(43)	
Land Charges- appropriations	(118)	19	(99)	
Private Stock Condition Survey	(90)		(90)	
Children & Young People	(75)		(75)	
Business Hub	(57)		(57)	
Subtotal	(19,409)	680	(18,729)	

GF BSR Appendix D – Earmarked and specific funds

Planning reserves (revenue)				
Planning Policy	(568)		(568)	
Major Developments and Parish Liaison Fees Reserve	(472)	323	(149)	It is now not expected that this reserve will be depleted in line with the budget for 2018-19, it is therefore proposed that £500k of this reserve is used in 2019-20 instead to fund a transformation programme for the Planning Service.
Growth Agenda and Northstowe Reserve	(473)		(473)	
S106 Admin Fees	(109)		(109)	
Planning Fee Reserve excl Growth agenda	(179)	179	0	
Service Contingency- Planning	(100)	100	0	
Planning other	(92)	95	3	
Brownfield Sites Reserve	(30)		(30)	
Subtotal	(2,023)	697	(1,326)	
Other	(296)		(296)	
Total General Fund Revenue Earmarked reserves	(21,728)	1,377	(20,351)	
Capital reserves				
Refuse Collection sink fund	(647)	(240)	(887)	
Supervisors' vehicles sink fund	(61)	(15)	(76)	
Street Cleansing sink fund	(310)	(81)	(391)	
Air Quality Monitoring	(106)	100	(6)	
Footway Lighting	(87)		(87)	
Cambourne Office	(83)	83	0	These funds were spent on improvements following a fire risk assessment.
Heritage Initiatives and historic buildings	(40)	40	0	
Community Development - Capital	(5)		(5)	
Other	(42)		(42)	
Total General Fund Capital Earmarked reserves	(1,381)	(113)	(1,494)	
Total General Fund Earmarked reserves	(23,109)	1,264	(21,845)	

GF BSR Appendix D – Earmarked and specific funds

Breakdown of "Other" in GF Revenue				
Travellers Site Reserve	(81)		(81)	
RCV's Sinking Fund	(41)		(41)	
South Cambs Crime & Disorder Partnership	(33)		(33)	
Air Quality Monitoring	(29)		(29)	
Street Cleansing Vehicles Sinking Fund	(24)		(24)	
Health & Environmental Services	(24)		(24)	
Economic Development Portfolio Reserve	(13)		(13)	
Waterbeach Depot	(10)		(10)	
Land Charges- new burdens grant	(9)		(9)	
Swavesey Byeways Fund	(6)		(6)	
Contributions-Cambridge Sports Lake Trust	(6)		(6)	
Insurance All Risks	(6)		(6)	
Air Quality Monitoring	(6)		(6)	
Community Chest Grants	(3)		(3)	
Webb's Hole Sluice	(3)		(3)	
2012/13	(1)		(1)	
Total General Fund Revenue Earmarked reserves "Other"	(296)		(296)	

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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South Cambridgeshire District
Council
Housing Revenue Account
Budget Setting Report
2019/20

**February
2019**

Version Control

	Version	for :	Anticipated Content
	1	Draft	Draft content for consultation - EMT
	2	Scrutiny and Cabinet	Member Scrutiny
Current	3	Council	Recommended final budget proposals
	4	FINAL	Final version for publication following Council

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Section 1

Introduction

Foreword by the Lead Cabinet Member for Housing

Housing is one of our administration's top priorities, and especially good quality housing which is affordable for people to live in, near to where they work. We have just over 2,400 households on our waiting list, so council house-building needs to be a high priority.

We have welcomed the government's announcement of the lifting of the borrowing cap on HRA borrowing and will be building our capacity, increasing the rate of building new council homes to take advantage of that opportunity when appropriate. Any further borrowing will be subject to a vote in Council, as was the case when we took on the original £205m debt, and the timing will depend on our using available carried-forward balances first.

The early phases of Welfare Reform have already presented some challenges to us, and we have resources in this budget to support tenants some of whom are now receiving Universal Credit, in the expectation that their numbers would increase. The roll-out to further types of claimants has just been halted, so we await further information from the government.

The expected contents of the Green Paper on housing and tenancy reform responding to the Grenfell Tower tragedy have been widely leaked, but there is more to come. We have already taken action to replace some of the fire doors in our flat blocks, and we will need to respond to anything that is relevant to us once it is published.

We have housing stock that is largely energy-efficient and in a good state of repair and we need to improve it where we can, and keep it in that condition.

Background

Housing Revenue Account budgets continue to be set in the context of a 30-year business plan, which is reviewed in November and February of each year.

The HRA Budget Setting Report covers both HRA revenue and capital spending. As the authority's landlord account, the HRA accounts for all services to tenants and leaseholders and is the account into which the proceeds of the rent and landlord service charges are credited.

Resource available to invest in housing is dependent upon the income streams for the Housing Revenue Account, the most significant of these being the rental income for the housing stock. The authority is now required to comply with a national approach to rent setting, where rents will be reduced by 1% for the last of 4 years, from April 2019, after which rent increases will return to inflation as measured by CPI, plus 1% for the following five years.

With income reducing in the short-term, it is imperative that the Housing Revenue Account continually reviews its priorities for investment, considering:

- The level of investment required in the existing housing stock
- The need to spend on landlord service (management and maintenance)
- The need to support, and potentially set-aside to repay, housing debt
- The ability to identify resource for investment in new affordable housing
- The ability to invest in new initiatives, income generating activities and discretionary services (i.e.; support)

There is a key requirement to ensure that the HRA can support a significant level of housing debt whilst also ensuring ongoing delivery of housing services. As at April 2018, the authority was supporting a housing debt of £204,429,000. The current policy does not assume set-aside of resource to allow for repayment of housing debt, but instead assumes the resource is used to deliver a new build programme in the medium term, in an attempt to ensure sustainability of the HRA.

Section 2

Review of National and Local Policy Context and External Factors

Review of National Policy Context

National Rent Setting Policy

The legislation approved as part of the Welfare Reform and Work Bill 2015, requires local authority landlords and registered providers to continue to apply a 1% rent reduction for the last of 4 years, from April 2019.

In respect of affordable rents, the government has required local authorities to determine what 80% of the market rent would be for a property, and to apply the 1% reductions to this rent level, with the resulting sum being the maximum which a local authority can charge at the end of the 4 year period.

After this, the authority is expected to return to the previous national rent policy of increases at CPI plus 1% per annum for a period of 5 years, with a government consultation in November 2018 surrounding the detailed approach to this and the proposed approach to the regulation of local authority rents in the future. The consultation indicates that local authority rents will from April 2020 be regulated by the Regulator of Social Housing, in line with all other registered providers of social housing. The consultation also indicates the intention to retain the requirement for social housing providers to ensure that combined rent and service charges for affordable rented properties are capped at the maximum of 80% of market rent upon re-let, but intend to introduce protection at the rate of CPI plus 1% for any re-let to an existing tenant.

For those properties still charged at the transitional social rents, which are still well below target social rent levels, the authority is expected to increase rents only in void properties to achieve convergence, recognising that the target rents will still reduce by 1% for a further year.

Housing Green Paper

Consultation on the Ministry of Housing, Communities and Local Government green paper 'A new deal for social housing' concluded on 6 November 2018. The formal outcome of the consultation and any resulting change in legislation is now awaited.

The five key principles in the consultation document were:

- a safe and decent home with a sense of security and ability to get on in life;
- improving and speeding up how complaints are resolved;
- empowering residents, ensuring voices are heard and landlords held to account;
- tackling stigma and celebrating thriving communities, challenging stereotypes
- building needed social homes ensuring a springboard to home ownership.

The consultation considered a vast number of points, including:

- introduce further safety measures in social housing and reviewing the decent homes standard and engaging residents in how to ensure homes are safe
- improve mediation for residents, ensuring access to advice and support, review process for the handling of complaints.
- review performance reporting, regulation and resident engagement
- Tackle stigma in social housing, provide good neighbourhood management, tackle anti-social behaviour.
- Strike a balance between funding housing associations to *deliver* new homes, and increase borrowing caps to allow local authorities' to build more, boost community led housing, increase supply of new homes by providing certainty over longer-term funding, support the development of more shared ownership homes.

The final point has been addressed in advance of the formal outcome of the consultation, with the abolition of the HRA borrowing cap and issue of an amending determination to implement this with immediate effect.

Mandatory Disposal of High Value Housing Stock

The Housing and Planning Act 2016 allowed Central Government to choose to impose a financial levy on stock owning authorities in respect of the assumed sale of higher value vacant housing stock.

The Housing Green Paper 'A new deal for social housing', indicates a clear commitment from government to revoke the legislation that would allow the levy to be introduced, with the following statement made:

'Therefore to increase councils' confidence to plan ambitious house building programmes, we are confirming in this Green Paper that the Government will not bring the Higher Value Assets provisions of the Housing and Planning Act 2016 into effect. We will look to repeal the legislation when Parliamentary time allows'.

As a result of this, the assumption that the authority will be required to dispose of assets to meet a levy was deferred until April 2020, with our financial modelling assuming that we do not begin to hold any voids until October 2019, pending confirmation that the legislation will be formally repealed in the outcome of the green paper.

The HRA Budget Setting Report retains this assumption, as at the time of writing this report, the outcome of the green paper had not been published. Scenario modelling is incorporated to demonstrate the impact on the HRA of the abolition of this policy, as is now hoped.

Welfare Reforms

Universal Credit

Universal Credit full service in Cambridge started 17th October 2018.

Tenants needing to apply for one of the six legacy benefits for the first time will need to apply for Universal Credit instead. Existing legacy benefit claimants will be 'naturally migrated' to Universal Credit if they have a prescribed change in their circumstance. To support existing housing benefit claimants (unless temporary or supported accommodation) with the transition to Universal credit, an additional payment of two weeks housing benefit is made.

Tenants in temporary or specified accommodation will receive Universal Credit for their living costs but housing benefit for their Housing Costs.

As part of the Delivery Partnership Agreement, requests for Personal Budgeting Support are being accommodated by Cambridge Citizens Advice Bureau (CAB). Whilst there has been low take up via the referral process, some Universal Credit customers are still able to contact Cambridge CAB directly. From April 2019, DWP will be funding PBS through a national partnership with Citizens Advice.

With high numbers of changes in the current benefit caseload, it is expected that many tenants will move to Universal Credit due to one of the specified changes in circumstances. From early 2020 to December 2023, a process of managed migration was expected to move remaining housing benefit claimants to Universal Credit, but recent announcements mean that this may now continue in a more phased manner, but with the same overall end date. Details of how and when are being considered by government.

Bids have been included in the HRA budget process, included within this report, to allow the recruitment of additional staff to:

- Support tenants through the transition period
- Provide advice and guidance, to include; how and where to claim Universal Credit, debt and budgeting advice, signposting to support agencies
- Make regular contact with claimants to ensure payments are made on an ongoing basis
- Liaise with DWP to arrange direct payment where applicable
- Enhance recovery action to minimise arrears
- Intervene in serious arrears cases to ensure arrears are collected, whilst also reducing the risk of homelessness

Benefit Cap

The project to manage the impact of the reduced Benefit Cap is progressing well and is continuing to support those affected. The Council is contacting those potentially affected, with a number of these households having been identified as receiving incomes that exempt them

from the cap or having started work or increased their hours of work which will remove them from the cap. Application of the cap was a rolling programme.

At the end of August 2018, 21 HRA tenants were impacted. The council has contacted all those affected to support and advise them. Some tenants may need short term Discretionary Housing Payments (DHP's) to support them until they are able to improve their circumstance. DHPs are used extensively to support those affected by welfare reforms. Officers have been working with tenants to find solutions that work for them.

Removal of the Spare Room Subsidy

Numbers of customers affected by the removal of the spare room subsidy continue to reduce slowly and currently there are 248 HRA tenants affected by the reform, with 193 impacted by a reduction of 14% and 29 by 25%. There are currently 17 HRA tenants who receive Discretionary Housing Payments to help towards their rent due to removal of spare room subsidy.

Limiting the Child Element to two children

From 1 April 2017, new benefit claims and current benefit claims which increase the family element above two children, do not have additional child elements included in the Housing Benefit calculation. There are some exemptions for multiple births, result of abuse and adoption, or similar.

It will not impact on current claimants with more than two children, unless they have more children, then the child allowances will not increase, subject to the above exemptions. There were 13 families claiming Housing Benefit where this restriction is in place when this was last reviewed.

Local Housing Allowance (LHA) Restriction

Social sector rents used in the calculation of Housing Benefit and the Housing Costs element of Universal Credit were anticipated to be restricted to the prevailing Local Housing Allowance rates from April 2019, with the rates being the maximum Housing Benefit payable, towards both rent and any service charges.

Following a number of representations at national level, at the present time, Government have indicated that they will not apply the Local Housing Allowance restriction to tenants in supported housing, nor the wider social rented sector.

Supported Accommodation Review

A review of the funding of this type of accommodation has taken place; the government has decided that none of the suggested proposals will be taken forward. Housing Benefit will remain in place to fund this accommodation.

It is the DWP's intention "to develop a robust oversight regime" of supported accommodation. We welcome this, as supported accommodation has historically been an area where local authorities sustain significant subsidy losses. There remains a risk to council finances, although this has no direct impact on the HRA.

Right to Buy Sales

During 2017/18, 40 right to buy applications were received and recorded, resulting in 20 completions. This compares to 65 applications in the previous year, which gave rise to 33 completions.

The table below highlights the activity over the last 5 years, with projections for the following 5 years:

Status	Year	RTB Sales
Actual Sales	2013/14	28
	2014/15	29
	2015/16	23
	2016/17	33
	2017/18	20
Estimated Sales	2018/19	20
	2019/20	20
	2020/21	20
	2021/22	15
	2022/23	15

In the first 7 months of 2018/19, 31 right to buy applications were received and 8 sales completed, supporting a view that interest remains relatively low following the peak that the threat of 'Pay to Stay' was believed to cause in 2016/17.

It is difficult to predict future sales, although the current low level of initial interest in the scheme, coupled with small interest rate rises and the continued uncertainty surrounding the basis for leaving the European Union, indicate that interest is likely to remain low, at least in the short term.

For the HRA Budget Setting Report 20 sales are assumed from 2018/19 for 3 years, reducing to 15 per annum from 2021/22 onwards.

Right to Buy Receipts

At 31 March 2018, the authority held £6,710,256 of right to buy receipts under the retention agreement with CLG, to be spent within 3 years of their original receipts date, to fund the delivery of new social housing, with a maximum of 30% of any dwelling being funded via this mechanism. Currently, the balance must be funded from the Council's own resources, or through borrowing, and the receipts cannot be used on replacement dwellings or dwellings receiving any other form of public subsidy.

With the latest increase in the Bank of England base rate taking the rate to 0.75%, any penalty interest payable on receipts not re-invested appropriately will now be at the rate of 4.75%.

A government consultation, which closed on 9 October 2018, considers the following amendments to the regulations surrounding the use and application of retained right to buy receipts:

- Extending the spending deadline from 3 to 5 years for receipts currently held, whilst retaining the 3 year timeframe for any future receipts received.
- Increasing the level of right to buy receipts which can be used to finance a new home from the current cap of 30%, to 50% in respect of social rented homes, where authorities

meet the eligibility criteria for the Affordable Homes Programme and can demonstrate a need for social housing over other affordable housing.

- Deter the use of receipts for acquisition of existing market homes by limiting the value of an acquisition to the cost of delivery of a new home as determined by Homes England and the Greater London Authority. This would mean a cap on the value of an acquisition for South Cambridgeshire District Council of £167,000.
- Allowing right to buy receipts to be used to fund shared ownership homes as well as rented.
- Allowing land held by the General Fund to be transferred to the HRA for the delivery of affordable homes at zero value, but with some suggestion a time limit may be imposed on how long the General Fund will have had to hold the land prior to transfer.
- Consideration of changes to allow transfer of receipts to a Housing Company or ALMO (Arm's Length Management Organisation), subject to some constraints.
- Allowing a 3 month 'interest free' window after each quarter to allow authorities to make decisions about whether to retain or pay over receipts.

The outcome of the consultation is still awaited at the time of writing this report.

Appendix D summarises the latest position in respect of receipts held and appropriately re-invested, highlighting that although a deadline has not yet been breached, the timing of investment through our capital programme is still critical if we are to avoid payment of any penalties.

As in previous years, a small number of strategic acquisitions have taken place in 2018/19 thus far, to ensure that sufficient resource had been invested by September 2018.

Newly arising receipts continue to be retained at the end of each quarter, subject to the delegated approval of the Executive Director (Corporate Services), with the Lead Cabinet Member for Housing informed if the recommendation were to be to pay receipts directly back to Central Government.

Any additional capital spending, and top up funding, required as a result of decisions to retain right to buy receipts are built into the Housing Capital Investment Plan at the next available opportunity.

Review of Local Policy Context

Housing Stock

South Cambridgeshire District Council Housing Revenue Account owns and / or manages the following properties, broken down by category of housing provided:

Housing Category	Actual Stock Numbers as at 1/4/2018	Estimated Stock Numbers as at 1/4/2019
General Housing (Incl. use as Temporary Housing)	4,169	4,182
Sheltered Housing	1,056	1,056
Sheltered Housing – Equity Share	78	78
Miscellaneous Leased Dwellings	11	11
Shared Ownership / FTB Dwellings	57	63
Total Dwellings	5,371	5,390

A breakdown of the housing stock by property type is demonstrated in the table below:

Stock Category (Property Type)	Actual Stock Numbers as at 1/4/2018	Estimated Stock Numbers as at 1/4/2019
Bedsits	20	20
1 Bed	1,046	1,059
2 Bed	2,364	2,379
3 Bed	1,865	1,856
4 Bed	71	71
5 Bed	1	1
6 Bed	4	4
Total Dwellings	5,371	5,390

Leasehold Stock

The Housing Revenue Account continues to maintain the freehold in respect of flats, sold under the right to buy process on long leases. Services continue to be provided to these properties in respect of repairs and improvements to communal areas and services for common facilities.

Support for Vulnerable People

South Cambridgeshire District Council is currently contracted with the County Council to deliver a reduced level, £267,000 per annum, of tenure neutral support services to older people across the district, with a contract term of 3 years from April 2018, and an option to extend for one further year from April 2021.

The County Council are currently undertaking a review of housing related support, with the aim to achieve savings of £1 million. It is not yet known how this will impact the above contract.

External Factors

Strategic decision making continues to be impacted by factors outside of the control of the authority, with judgements having to be made about the likely direction of travel for many of these.

Appendix A provides details of the latest assumptions being incorporated into the financial forecasts, with any amendments since the last iteration of the business plan highlighted.

Section 3

Housing Revenue Account Resources

Rent

Rent Arrears, Bad Debt Provision and Void Levels

Performance in the collection of current tenant debt worsened during 2017/18, and is marginally worse still by December 2018, when compared to the same point in the previous year.

At the end of December 2018, current tenant arrears stood at £456,466 and former tenant arrears at £154,892, compared with £424,032 and £105,551 retrospectively at 31 March 2018. Although there are always some seasonal fluctuations in arrears levels throughout the year, the upward trend anticipated due to welfare reform changes continues to impact. The position is being carefully monitored, with staff working proactively with tenants in arrears. The long-term position is still anticipated to become more challenging now that the full rollout of direct payment is underway.

The level of annual contribution to the bad debt provision was reviewed again as part of the HRA Medium Term Financial Strategy, with the increased contribution of 0.4% for 2018/19 and 0.5% from 2019/20 retained. This assumption has not been amended as part of this HRA Budget Setting Report.

At 31 March 2018, the provision for bad debt stood at £352,054, representing 66.5% of the total debt outstanding at the time.

The estimated value of rent not collected as a direct result of void dwellings in 2017/18 was £324,024, representing a void loss of 1.14%, with higher than desired levels partly due to 'management' voids held pending disposal or re-development of a site.

At the end of 2017/18, 43 properties were unoccupied, representative of 0.8% of the housing stock, with approximately 14% of these being intentionally held vacant pending disposal, reconfiguration or re-development. At the end of December 2018, 52 properties were vacant according to the rent system, with approximately 4 of these being intentionally held vacant included in this.

The current assumption of 1.1% voids in general housing is still considered appropriate for the longer-term.

Rent Restructuring and Rent Levels

The authority still lets property on two differing rent levels, social rent and affordable rent, with the latter capped locally at the level of the Local Housing Allowance.

Property specific rent restructured target social rents still apply for the socially rented stock held in the HRA, but the requirement to reduce social housing rents, by 1% for a final year, means that target rents will continue to reduce in line with this. The authority still has the ability to close the gap between target social rent and the actual rent being charged for a dwelling, only when a property becomes void.

The average target 'rent restructured' social rent at the time of writing this report in 2018/19 across the socially rented housing stock was £106.53, with the average actual rent charged being £101.24, both recorded on a 52 week basis. At the time of writing this report, 35% of the social rented housing stock was being charged at target rent levels, compared with 31% in the previous year.

The gap between actual and target rent levels now equates to an annual loss of income of approximately £1,320,275 across the HRA, compared with the income assumption in the HRA Self-Financing Debt Settlement, where convergence was anticipated well before now.

There were 99 new build or acquired properties charged at the higher 'affordable rent' levels, equivalent to the Local Housing Allowance at the end of November 2018, with 11 of these being shared ownership homes.

Rent Setting

Rent levels continue to be set by Council in February of each year, following consideration at Cabinet.

From April 2019, the authority is required to apply the last year of a four year rent cut in social housing rents of 1% per annum.

In respect of longer-term financial forecasts, the assumption of a return to the previous policy of increasing rents by CPI (as measured at the preceding September), plus 1% each year, for 5 years from April 2020, is retained.

For affordable rented homes, the current requirement for local authorities is to determine what 80% of the market rent is for each dwelling, and ensure that the combined rent and service charges levied for a property does not exceed this level, minus the 1% reduction required each year for the four years from April 2016 remains. As local policy limits affordable rents to the Local Housing Allowance level (approximately 58% of market rent) from the point of introduction, it is argued that the 4 year reduction has already been applied for these properties at inception. As a result, affordable rents for 2019/20 will be reviewed in line with the Local Housing Allowance.

Service Charges

Service charges continue to be levied for services that are not true landlord functions, and are provided to some tenants and not others, depending upon the type, nature and location of the property. Some service charges are eligible for housing benefit, depending upon the nature of the service.

The approach to setting service charge levels for 2019/20 is detailed at **Appendix B**.

Other Sources of Income

Garages

The Housing Revenue Account had 953 residential garages at 1st April 2018, which are outside the curtilage of the dwelling. Approximately 263 garages were vacant at the time of compiling this report.

A number of the vacant garages have been identified as needing repairs or major works prior to being ready to let, or are being considered for demolition, disposal, self-build sites or re-development.

A two tier charging structure is applied for garages, with one rate for garages rented to tenants, and another for rental of garages by others, with the latter being subject to VAT at the prevailing rate. If a tenant holds more than two garages, VAT is also payable.

Other Property

In addition to dwellings held for rent, the HRA has a number of communal rooms and hub offices in sheltered schemes. Currently the costs of these buildings are recovered through service charges levied to residents.

A review of these assets is in progress to ensure that they are either well utilised for the purpose intended, or that consideration is given to alternative options for the use of each site, generating an income for the HRA where possible. Extensive consultation is being carried out as part of this review to ensure that all local views are taken account of.

Interest / Investment Income

The Housing Revenue Account receives interest on general or ear-marked revenue balances, any funds set-aside in the major repairs reserve or the revenue debt repayment reserve, any unapplied capital balances and in respect of any internal lending to the General Fund.

The interest rates available to the Council generally remain low, and market recovery is slow, although lending to Ermine Street Housing still provides a better return than lending to external third parties currently.

Other External Funding

In addition to income direct from service users, the Housing Revenue Account anticipates receiving external funding in the following forms:

- Section 106 Funding – The authority has a policy in respect of Section 106 Commuted Sums, which allows the first call on these to be to fund the delivery of new build affordable housing in the Housing Revenue Account. The assumption that this funding is utilised to deliver new affordable homes is incorporated into the Housing Capital Investment Plan.
- Support Funding – The authority expects to receive £267,000 per annum for tenure neutral support provided to older people across the district, with a contract which can be extended up to March 2021.

Earmarked & Specific Funds

Earmarked Funds – Revenue Reserves

In addition to General Reserves, the Housing Revenue Account still maintains a number of earmarked or specific funds. **Appendix C** details the current level of funding in these reserves.

Self-Insurance Fund

This is maintained to mitigate the risks associated with the authority self-insuring its housing stock. Costs in lieu of insurance claims are charged to the HRA in year, with the reserve available to meet any higher than anticipated remedial costs, allowing the HRA time to react to the additional expenditure incurred.

Major Repairs Reserve

A statutory reserve credited with depreciation in respect of the housing stock each year, with funding then in the Housing Capital Investment Plan, to meet the capital cost of works to HRA assets, or alternatively to repay housing debt.

HRA Set-Aside for Potential Debt Repayment or Future Re-Investment

Change in national housing policy, and the continued desire to invest resource in new build to replace lost stock and appropriately spend retained right to buy receipts, impacts the ability to set-aside resource to repay debt. This means the authority will have no alternative but to re-finance a significant proportion of the loan portfolio as each loan matures. The approach of using an ear-marked reserve, as opposed to making a formal voluntary revenue provision (VRP), allows the HRA to retain flexibility over the use of the limited resource that is available for set aside in the future.

Earmarked Funds – Capital Receipts

Right to Buy Attributable Debt Ear-Marked Capital Receipt

The HRA retains an element from all right to buy receipts over and above those assumed in the self-financing settlement, in recognition of the debt held in respect of the asset. These sums are held in a separate ear-marked capital reserve, allowing them to be utilised to repay debt should the authority so choose, or alternatively reinvest as deemed appropriate.

Right to Buy Retained One-for-One Ear-Marked Capital Receipt

With the Right to Buy Receipt Retention Agreement still in force, this reserve ensures that resource is separately identified for re-investment, and if necessary, repayment purposes.

Section 4

Housing Revenue Account Budget

Revised Budget - 2018/19

In-Year Budget Amendments

Service budgets for the current financial year are not reviewed as part of the budget setting process for the coming year, and any variations against the budget set are reported at outturn. Exceptions are made, however, in respect of items which are significant in nature, or which will materially affect projections for the budget year if amendments are not made in year.

For 2018/19 the only in year changes are in respect of the level of rent income expected to be received for the year, the associated change in bad debt provision, the anticipated interest that will be received by the HRA, directly impacted by the latest spending assumptions in the Housing Capital Investment Plan and the level of revenue funding of capital required based upon updates for other funding sources. The changes are summarised in the table below:

2018/19 Revised Budget	Original Budget February 2018 £	HRA MTFS November 2018 £	HRA BSR Proposed Changes £	HRA BSR January 2019 £
Net HRA Use of / (Contribution to) Reserves	991,120	(1,527,820)		
Savings / Increased Income			(138,490)	
Unavoidable Revenue Bids			450	
Non-Cash Limit Adjustments			966,710	
Revised Net HRA Use of / (Contribution to) Reserves				(699,150)
Variation on previously reported projection				828,670

The above figures include rollover approvals from 2017/18 in the second column, in addition to any changes approved as part of the Medium Term Financial Strategy in November 2018, with the net increase in the planned use of reserves identified in the current year, as part of the January 2019 committee cycle, incorporated in the right-hand column.

The net increase in costs for 2018/19 will result in a greater call on the use of Housing Revenue Account reserves than previously anticipated.

Budget - 2019/20

Overall Budget Position

Following changes made as part of the HRA Medium Term Financial Strategy in November 2018, the approach to setting the HRA budget for 2019/20 included a requirement to identify £142,000 of efficiency savings or areas where increased income could be generated for 2019/20, reducing to £95,000 for the following 4 years.

Efficiency savings identified will be used to create a corresponding Strategic Investment Fund for the same value, effectively to allow the re-allocation of resource across the service to ensure that housing priorities are met.

Proposed savings and any identified increases in income are detailed in **Appendix G (1)**, with the savings partially offset by unavoidable revenue pressures and reduced income in some areas.

The table below show a summary of the proposals included at **Appendix G (1)**, showing a net over-achievement against the £142,000 target set for 2019/20, before the impact of any non-cash limit adjustments. Savings are predominantly in respect of revenue repairs, where reductions have been proposed across a number of key areas of delivery.

Savings and increased income identified are partially offset by unavoidable revenue pressures. Once the proposed bids are incorporated, the position moves to one of an overall under-achievement against the balanced position sought, with strategic investment requests exceeding the new efficiency savings offered.

Proposal Type	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Efficiency Target Included	142,000	95,000	95,000	95,000	95,000
Reduction required to meet Efficiency Target	142,000	237,000	332,000	427,000	522,000
2019/20 Budget Items					
Savings	(239,090)	(239,090)	(239,090)	(239,090)	(239,090)
Increased Income	(246,600)	(246,600)	(246,600)	(132,620)	(132,620)
Unavoidable Revenue Pressures	63,130	63,130	420	420	420
Reduced Income	0	0	0	0	0
Net Savings Position (above) / below Efficiency Target Requirement	(280,560)	(185,560)	(153,270)	55,710	150,710

Proposal Type	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Strategic Investment Fund	(142,000)	(95,000)	(95,000)	(95,000)	(95,000)
Cumulative Strategic Investment Fund	(142,000)	(237,000)	(332,000)	(427,000)	(522,000)
Bids	297,980	293,980	314,980	201,000	201,000
Net Position (above) / below Strategic Investment Fund	155,980	56,980	(17,020)	(226,000)	(321,000)

Proposal Type	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Combined Position					
Net Position (above) / below Net HRA Efficiency / Investment Assumptions	(124,580)	(128,580)	(170,290)	(170,290)	(170,290)
Non-Cash Limit Adjustments	1,051,620	0	0	0	0
Net Position for the HRA (above) / below overall assumptions	927,040	798,460	628,170	457,880	287,590

The proposed bids and savings result in a position which is above the desired cash limit, and despite non-cash limit adjustments which affect the position for 2019/20 only, a balanced HRA revenue budget can be set over the 30 year life of the business plan, with minimal short-term borrowing. The level of general reserves currently held, along-side the use of funds set-aside for debt redemption, allow the HRA to fund both the required investment in the housing stock over the next 30 years and meet commitments in respect of new build housing in the medium term. If the authority is to attempt to utilise retained right to buy receipts to build homes for HRA ownership in the long-term, consideration will need to be given to where further savings may be found from or whether the authority is prepared to borrow and increase its overall housing debt.

During 2019/20, if the final details of some of the proposed changes in national housing policy are clear, particularly receipt of confirmation that the higher value voids levy legislation has been repealed, a further review of the strategic position for the HRA will be undertaken.

The overall revenue budget position for the Housing Revenue Account for 2019/20 is presented in **Appendix I**. A balanced budget can be set for 2019/20, assuming the delivery of savings as identified.

Section 5

Housing Capital Budget

Stock Investment and Decent Homes

Stock condition data is continually updated in respect of the housing stock, improving the information held to inform future decision making. The authority has procured, as part of a joint exercise with Cambridge City Council, updated software to record and report asset management data, as part of a wider project to implement a fully integrated housing management information system. The successful supplier of the new Housing Management Information System is Orchard, with ProMaster being their asset management offering and a mobile working solution provided by a third party, Kirona.

At 31 March 2018, 95.25% of the housing stock was reported as decent, compared with 93.75% at 31 March 2017, with 248 properties that were considered to be non-decent (in addition to refusals by tenants to access the property and undertake the necessary works), and another 96 anticipated to become non-decent during 2018/19.

In addition to decent homes investment, in 2018/19 the authority is still investing in energy conservation initiatives, such as external wall insulation and topping up of loft insulation. The budget for this type of discretionary investment has however been reduced significantly from April 2019 onwards, when the current programme of external wall insulation finishes.

Other investments include more controllable high heat retaining electric storage systems and investment in renewable energies where appropriate such as air source heat pumps. Health and safety work is being undertaken to upgrade the Councils fire doors in flats that have been identified through testing following the tragic event of Grenfell to be non-compliant this is being followed up with a rolling programme of door replacement and annual safety assessment.

Emergency lighting is being installed in flat blocks and smoke alarms have been installed that are linked to the emergency alarms in sheltered housing.

Changes proposed in the level of investment in the housing stock are detailed at **Appendix H**, with capital bids and savings identified at **Appendix G (2)**. The latest Housing Capital Investment Plan is included at **Appendix J**.

New Build & Re-Development

New Build and Re-Development Schemes Completed

At the time of writing this report 67 new homes had been completed since April 2012, all of which were built as affordable rented homes, with a further 13 shared ownership homes also completed.

Scheme	Status	Estimated Affordable Units	Scheme Composition	Scheme
Fen Drayton Road, Swavesey	Completed May 2016	20	4 x 1 Bed House 10 x 2 Bed House 5 x 3 Bed House 1 x 4 Bed House	Fen Drayton Road, Swavesey
Horseheath Road, Linton	Completed July 2016	4	1 x 2 Bed Bungalow 2 x 2 Bed Flat 1 x 2 Bed House	Horseheath Road, Linton
Hill Farm, Foxton	Completed January 2017	15	4 x 1 Bed House 6 x 2 Bed House 5 x 3 Bed House	Hill Farm, Foxton
Robinson Court, Gamlingay	Completed August 2018	6 plus 4 shared ownership and 4 market sale	4 x 1 Bed Flat 2 x 2 Bed Flat 2 x 1 Bed House (Shared Ownership) 2 x 2 Bed House (Shared Ownership) 2 x 2 Bed House (Market Sale) 2 x 3 Bed House (Market Sale)	Robinson Court, Gamlingay
Pampisford Road, Great Abington	Completed April 2018	6 plus 2 shared ownership	2 x 1 Bed Flat 2 x 2 Bed House 1 x 2 Bed Bungalow 2 x 2 Bed Bungalow	Pampisford Road, Great Abington

Scheme	Status	Estimated Affordable Units	Scheme Composition	Scheme
			(Shared Ownership) 1 x 3 Bed House	
Bannold Road, Waterbeach	Completed April 2018	16 plus 7 shared ownership	6 x 1 Bed Flat 6 x 2 Bed Flat 4 x 2 Bed House 2 x 2 Bed House (Shared Ownership) 5 x 3 Bed House (Shared Ownership)	Bannold Road, Waterbeach
Total		67 rented 13 shared ownership 4 market sale		Total

New Build and Re-Development Schemes on Site or Approved to Proceed

The table below updates the position in respect of schemes either in progress or with Lead Cabinet Member approval, based upon previous versions of the business plan, confirming their status and the current budget allocation which is required for each of the schemes, with the budgeted cashflow included at **Appendix E**.

Scheme	Status	Estimated Affordable Units	Indicative Scheme Composition (Subject to Change)	Scheme Budget (Gross of subsidy / capital receipts)
Pembroke Way, Teversham	Planning approved	5	2 x 1 Bed Flat 1 x 1 Bed Bungalow 2 x 2 Bed House	876,960
Woodside, Longstanton	On site	3	3 x 2 Bed House	422,230
Balsham Buildings, High Street, Balsham	On site	9 plus 4 shared ownership	7 x 1 Bed Flat 2 x 2 Bed Flat 4 x 2 Bed House (Shared Ownership)	1,848,900
Gibson Close, Waterbeach	On site	6 plus 3 shared ownership	4 x 1 Bed Flat 2 x 2 Bed House 3 x 2 Bed House (Shared Ownership)	1,452,340
Highfields, Caldecote	On site. Contract to be signed shortly	3	1 x 1 Bed House 2 x 2 Bed House	448,960

Scheme	Status	Estimated Affordable Units	Indicative Scheme Composition (Subject to Change)	Scheme Budget (Gross of subsidy / capital receipts)
Linton Road, Great Abington	On site	13 plus 5 shared ownership	6 x 1 Bed Flats 2 x 2 Bed House 5 x 3 Bed House 2 x 2 Bed House (Shared Ownership) 3 x 3 Bed House (Shared Ownership)	3,907,000
Grace Crescent, Hardwick (Rented)	On site	27	16 x 1 Bed Flats 9 x 2 Bed Houses 1 x 3 Bed House 1 x 4 Bed House	4,711,480
Grace Crescent, Hardwick (Shared Ownership)	Developer on site. Contract agreed and to be signed shortly	12 shared ownership	6 x 2 Bed Flat (Shared Ownership) 4 x 2 Bed House (Shared Ownership) 2 x 3 Bed House (Shared Ownership)	3,125,540
Burton End, West Wickham	Planning approved. Not yet in contract	3 plus 1 shared ownership	1 x 1 Bed Bungalow 1 x 2 Bed Bungalow 1 x 2 Bed House 1 x 3 Bed House (Shared Ownership)	730,020
Total		69 rented 25 shared ownership		17,523,430

New Build and Re-Development Schemes in the Pipeline

There are a number of schemes where feasibility work is being carried out with a view to building out the sites for the HRA directly, or alternatively negotiations are in progress with developers, for the HRA to acquire the affordable housing on existing new build development schemes. These schemes do not yet have formal approval, and as such have not yet been built in to the Housing Capital Investment Plan on a scheme specific basis. Instead an unallocated new build budget is included, which when a scheme receives Housing Director and Lead Member approval, allows resource to be vired from this unallocated new build / acquisition budget to the scheme specifically to allow monitoring of progress.

The current list of pipeline schemes is included in **Confidential Appendix K**, due to the commercial sensitivity surrounding some of the early stage negotiations.

Some schemes deliver only new provision of affordable rented housing and as such will be eligible for 30% of the scheme to be funded using retained right to buy receipts. Many of the schemes, in order to be planning policy compliant, include a mix of affordable rented and intermediate housing (usually shared ownership). Shared ownership dwellings are not currently eligible for use of retained right to buy resource, but instead can be part funded using Section 106 commuted sums if they are available.

New Build – Other (including use of RTB Funding)

The pipeline new build schemes in **Confidential Appendix K** would be sufficient to ensure that the authority can appropriately re-invest all of the right to buy receipts currently retained, if the majority of the offers made are successful, and South Cambridgeshire District Council subsequently contract to acquire the new build affordable homes on all of these sites. It is, however, unlikely that all of the pipeline schemes will proceed with the Council as the registered provider partner, and therefore other options continue to be explored.

The assumption has been retained, that the authority utilise resource previously set-aside for the potential redemption of housing debt, combined with revenue resource that can be released as a result of capital receipts that have been received from the sale of HRA land and dwellings on the open market in recent years, or that are anticipated to be received from the sale of self-build plots, to fund building new homes. This is anticipated to provide sufficient resource to allow the appropriate re-investment of existing and anticipated retained right to buy receipts in the medium term, without the immediate need to pass any funding to a registered provider.

Self-Build Plots

Following identification, as part of the HRA Medium Term Financial Strategy, that the sale of self-build plots is not realising the capital receipts originally anticipated, a full review of the Self-Build business case was undertaken. The review highlighted an impact for the General Fund in respect of the costs of maintain a self-build register once government grant is exhausted, but also reviewed the role of HRA land in the provision of plots.

As part of the self-build pilot, a gross capital receipt of £250,000 was originally assumed, with costs of £50,000 to prepare the plot for sale, resulting in a net capital receipt to the HRA of £200,000 per plot. This assumption was reduced to a gross capital receipt of £160,000 as part of the HRA Medium Term Financial Strategy, based upon the market offers received for the first few plots.

As part of the review of the business case, updated external expert valuation advice was sought in respect of the potential values for plots in the pipeline, with a resulting view that in current market conditions, with economic uncertainty at present, future plots may have gross value in the region of £105,526 using mid-point valuations where ranges were provided.

The cost of preparing plots for sale was also reviewed, with an average cost of £38,594 to date. With revised plot values and cost, the net receipt to the HRA would be £66,932, which when compared to an average value of £12,493 for the site as amenity land, still delivers a return to the HRA, whilst also facilitating an additional home in the district. On the basis that it is not cost effective for the HRA to develop these single or minimal dwelling sites itself, the Executive Management Team considered and approved the business case review at a meeting in November 2018, agreeing to continue with the sale of the identified HRA land as self-build plots.

As a result, the revised costs and anticipated land receipts have been incorporated into this iteration of the HRA business plan for forecast purposes, but recognising that the HRA is required to ensure that best value is achieved on a plot by plot basis, achieved and demonstrated by marketing the dwelling on the open market.

19 sites (25 potential plots) are currently being progressed, with 3 single plot sites and 1 triple plot site in receipts of bids to date and a further site approved for marketing. 4 further sites have outline planning permission and 4 are at the pre-planning stage. Others are still undergoing investigation and feasibility work.

The table below details sites which already have approval for disposal:

Location	Status	No. of plots
Benet Close, Milton	Approved bid	1
Macaulay Avenue, Great Shelford	Approved bid	3 (Custom Build)
Cambridge Road, Balsham	Approved bid	1
Blacksmiths Close, Babraham	Approved bid	1
Horseshoes Lane, Weston Colville	Approved for sale	1
Total		7

Section 106 Funding

Commuted Sums Money received in lieu of Affordable Housing

Commuted sum payments received through the planning process, in lieu of the delivery of affordable housing, are made available in the first instance to the HRA to invest in affordable homes.

The Council currently holds £4.43m in commuted sums for affordable housing. The following table provides an update of when current sums held have to be spent (year-end prior to deadline date), against the resource committed to date

Year	Section 106 sum to be spent	Cumulative Section 106 sum to be spent	Resource committed / spent General Fund	Resource committed / spent HRA	Cumulative resource still to be committed
	£	£	£	£	£
2018/19	49,927	49,927	50,000	817,880	-
2019/20	571,040	620,967	0	283,900	-
2020/21	235,518	856,485	0	0	-
2021/22	94,500	950,985	0	0	-
2022/23	293,180	1,244,165	0	0	92,385
2023/24	68,824	1,312,989	0	0	161,209

2024/25	381,213	1,694,202	0	0	542,422
2025/26	2,236,454	3,930,656	0	0	2,778,876
2027/28	494,614	4,425,270	0	0	3,273,490
			50,000	1,101,780	

Commitments to date include:

Scheme	Fund	2018/19 £	2019/20 £	Ongoing £
Emmaus – 10 en-suite bed-spaces	General Fund	50,000	0	0
High Street Balsham – contribution towards delivery of 4 shared ownership homes	HRA	104,600	0	0
Gibson Close, Waterbeach – contribution towards 3 shared ownership homes	HRA	97,180	0	0
Linton Road, Great Abington – contribution towards 5 shared ownership homes	HRA	250,000	0	0
Grace Crescent, Hardwick – contribution towards 12 shared ownership homes	HRA	366,100	233,900	0
Burton End, West Wickham – contribution to 1 shared ownership home	HRA	0	50,000	0
		867,880	283,900	0

With £3,273,490 of resource still to be re-invested, and a commitment to invest the sum in new HRA homes wherever possible, expenditure of £500,000 per annum, and associated Section 106 match funding has been retained in the Housing Capital Plan for the next 5 years.

As the resource can't currently be combined with retained right to buy receipts for the delivery of a specific social rented housing dwelling, it is likely, although not guaranteed, that the funds will be utilised predominantly to deliver other forms of affordable and intermediate housing, such as shared ownership or shared equity.

Asset Acquisitions & Disposals

Consideration continues to be given to the strategic acquisition or disposal of assets, in line with the current HRA Acquisition and Disposal Policy.

The Right to Buy Retention Agreement allows the acquisition of existing dwellings, as an alternative to building new homes, although new supply remains the priority. Acquisition is a valid option when new build is not possible within a quarterly deadline for the use of retained receipts. If a decision is taken at the end of a quarter that there is a risk that new build schemes will deliver in the required timeframes, resources can be vired from the unallocated new build / acquisition budget into the budget for direct market acquisition.

In 2018/19 to date, 6 properties have been acquired on the open market. There are no further planned acquisitions this year, but the option is retained in case new build investment does not proceed as currently anticipated.

Receipts from individual asset disposals are only recognised in the HRA's reserves when received, and after all relevant costs have been provided for, whilst there are assumptions incorporated about the level of receipts from the sale of self-build plots, allowing planned utilisation of the funds to release resource elsewhere in the HRA to facilitate the appropriate reinvestment of retained right to buy receipts. Any delay in the receipt of these capital sums will significantly impact the authority's ability to spend right to buy receipts appropriately.

As part of the quarterly decision as to whether the authority should retain right to buy receipts, pass them to a registered provider, or as a last resort pay them over to central government, officers need to consider the progress in respect of the sale of self-build plots and any other capital receipts which may have been received by that point in any year. There is a risk judgement that needs to be made as part of this quarterly decision making process.

Capital Bids, Savings and Re-Phasing

There are capital bids incorporated as part of the 2019/20 HRA Budget Setting Report, alongside a number of areas of re-allocation and re-phasing.

Detailed changes are presented in **Appendix H** and capital bids are described in **Appendix G(2)**, with the overall financial and presentational impact of the following items being incorporated into the Housing Capital Investment Plan presented at **Appendix J** :

- Inclusion of a bid to reflect a net increase in the housing capital planned maintenance programme, including a proposed increase in Estate Roads & Lighting £44,700, Parking/Garages £62,440, Structural Works £240,000, Asbestos Removal £25,220, partially offset by reductions in Drainage Upgrades £30,600, Heating Installation £61,200, Energy Conservation £20,400, Kitchen Refurbishment £34,240 and Bathroom Refurbishment £42,900.
- Inclusion of a bid for £183,020 for the replacement of fire doors, in line with updated legislative requirements.
- Adjustments to budgets for new build schemes that have now received approval, recognising the need to vire resource from the unallocated new build budget to scheme specific budgets, as identified in **Appendix H**.
- Re-phasing of new build schemes as identified in **Appendix H**.
- Re-phasing of the unallocated new build programme utilising retained right to buy receipts, recognising the current schemes in the pipeline and their estimated delivery timescales.
- Adjustment to the level of resources held for works to new build dwellings and to meet the cost of inflation, as a result of the changes above.

Section 6

HRA Treasury Management

Background

Statutorily, the Housing Revenue Account is required to set a balanced budget, including recognition of the revenue implications that arise from capital financing decisions.

HRA Borrowing

As at 1 April 2018, the Housing Revenue Account was supporting external borrowing of £205,123,000 in the form of 41 maturity loans with the Public Works Loans Board (PWLB), with rates ranging between 3.44% and 3.53%. The loans have varying maturity dates, with the first £5,000,000 due to be repaid on 28th March 2037 and the last loan on 28th March 2057.

The HRA Capital Financing Requirement (HRA CFR) stood at £204,429,000 due to a small amount (£694,000) of internal borrowing from the HRA by the General Fund. The General Fund is required to pay the HRA annual interest on the internal borrowing as part of the Item 8 Determination for the HRA. The interest rate payable to the HRA can be determined by the authority, but must be deemed reasonable and stand up to external scrutiny from auditors.

Recent changes in legislation mean that the HRA is no longer subject to a borrowing debt cap. The authority can borrow within its HRA as long as it can demonstrate that the HRA can support the borrowing and that the resource is being utilised in the provision of social or affordable housing.

The authority may now choose to borrow to deliver additional affordable housing to ensure that the authority can maintain a programme of new build affordable housing over the longer-term.

The 2019/20 HRA Budget Setting Report does not review the potential sources of lending (ie; Internal, Inter-Authority, Public Works Loans Board, Market) types of borrowing, lengths of loans or rates available for taking out any additional borrowing at this stage. This will need to be undertaken at the point at which any borrowing is considered as part of the coming year's budget.

Debt Repayment / Re-Investment

Set-Aside for Repayment of HRA Debt

The current debt repayment strategy for the HRA, not to set-aside resource to repay housing debt, but to instead invest resource in new build housing, assumes the need to re-finance the borrowing when loans mature.

The potential debt repayment or re-investment reserve stood at £8,500,000 at 1 April 2018, with the current assumption being that this will be re-invested in order to extend the life of the business plan, once other resources are exhausted.

Regular consideration will need to be given, in the context of the current financial climate, whether the authority wants to retain the current re-investment strategy, or re-consider some element of set-aside if resources allow.

Section 7

Summary and Overview

Uncertainties and Risk

Risk Assessment

Consideration is given to any changes in the perceived level of internal or external risk that the housing service is subject to, ensuring that the authority is able to sustain a financially viable Housing Revenue Account.

The authority maintains a risk register, incorporating specific risks affecting the Housing Revenue Account, considering the likelihood and impact associated with each risk, and the mitigation in place to counteract these. The risk register is regularly reviewed and updated.

HRA Reserves

Housing Revenue Account General Reserves

General reserves are held to help manage risks inherent in financial forecasting. Risks include changes in legislative and statutory requirements, inflation and interest rates, unanticipated service needs, rent and other income shortfalls and emergencies. The reserve allows the authority time to respond to unanticipated events, without an immediate and unplanned impact on service delivery.

For the Housing Revenue Account the minimum level of reserves of £2m is proposed to be retained, recognising the need to safeguard the Council against the risk and uncertainty in the current financial and operational environment for housing.

Financial Assumptions and Sensitivity

The current financial assumptions, reviewed and used as part of this report, are detailed in **Appendix A**, and are derived from information available at the time of preparing this report, utilising both historic trend data and specialist expert advice and opinion, where required.

In making financial assumptions there will always be a number of alternative values that could have been used. To mitigate the risks associated with this, modelling of key sensitivities is undertaken to provide context to the financial impact that a change in an assumption will make.

Appendix F provides details of the key sensitivities modelled in the preparation of the HRA Budget Setting Report 2019/20.

Options and Conclusions

Overview

The budget for 2019/20 has been constructed in the wider context of the national position for social housing. The authority still seeks to achieve a balance in investment against key housing priorities as follows, although this still proves challenging:

- Investment in the existing housing stock
- Investment in the delivery of new affordable homes
- Investment in new initiatives and income generating activities
- Spend on landlord services (i.e. housing management, responsive and void repairs)
- Support for, and potential repayment of, housing debt

A 1% rent cut for a final year, the time and top up constraints currently associated with the retention and re-investment of right to buy receipts and the rollout of Universal Credit locally, continue to pose significant financial challenges for the HRA into the future.

Summary and Conclusions

As part of the 2018/19 HRA Medium Term Financial Strategy an efficiency target of £142,000 was set for 2019/20, reducing to £95,000 for the following 4 years was incorporated into future financial forecasts.

Net revenue savings have been identified from 2019/20, which deliver against the target set for the year.

From a capital perspective, a number of bids have been made for the period from 2019/20 onwards, to include the introduction of a new door replacement programme based upon the latest safety advice and a net increase in the investment in the existing housing stock.

The business plan allows for the continuation of a small programme of new build housing, sufficient to utilise current and anticipated retained right to buy receipts, up to 2029/30, i.e.; for a further 11 years. After this point, there will not be resource available to build new homes without borrowing to do so, or to repay any significant proportion of the existing housing debt, unless further savings are identified or assumptions change with a positive impact on the financial forecasts for the HRA.

Once the authority has formal confirmation that the sale of higher value voids legislation is to be repealed and the outcome of a number of other housing consultations is known, it will be necessary to undertake a strategic review of the financial position for the HRA, with a view to balancing any revenue savings to be sought going forward, with the need to have a 30 year capital investment plan which can be fully funded, whilst also meeting aspirations to deliver new affordable homes.

Any review will include:

- Reviewing spending on HRA revenue services, both management and maintenance
- Reviewing spending on the existing housing stock, to include both decent homes and discretionary expenditure
- Exploring alternative delivery models for the provision and ongoing management of social housing

- Exploring alternative delivery models to maintain a new build housing programme
- Exploring the potential to borrow further within the HRA now that the borrowing cap has been lifted
- Reconsidering the long-term approach to debt set aside, in the context of the current financial climate

During February 2019, both Cabinet and Council will consider the budget proposals for the HRA, prior to decision.

The HRA Budget Setting Report recommends, in summary:

- Approval of changes in property rents, with social housing rents subject to a 1% rent cut from April 2019, whilst new affordable rents will be reviewed to ensure that rents and charges are no higher than 80% of market rent, less the 1% reductions from April 2019. Locally affordable rents are set at Local Housing Allowance level, which ensures that this is the case without the need for detailed review on a property by property basis, and as such rents will be adjusted in line with revised Local Housing Allowance rates.
- Approval of garage rents as detailed in **Appendix B**
- Approval of service charges as detailed in **Appendix B**
- Approval of the unavoidable revenue pressures, reduced income, savings and increased income summarised in Section 4 of this report, and include in detail at **Appendix G(1)**
- Approval of the HRA revenue budget for 2019/20 as shown in **Appendix I**
- Approval of any capital bids and savings as detailed at **Appendix G(2)**
- Approval of the Housing Capital Programme for 2018/19 to 2023/24 as shown in **Appendix J**
- Agreement to retention of the balance of the £95,000 efficiency target and corresponding Strategic Investment Fund for 4 years from April 2020, to ensure that a balanced revenue budget can be set for the next 30 years, alongside a sustainable capital investment programme, whilst emerging priorities are also addressed

Business Planning Assumptions

Appendix A

Business Planning Assumptions (Highlighting Changes)

Key Area	Assumption	Comment	Status
General Inflation (CPI)	2.2% for 2019/20, 2.1% for 2020/21 and 2% ongoing	General inflation on expenditure included at 2.6% for 2018/19, then 2.2%, 2.3% and 2% ongoing, per Bank of England projections.	Retained
Capital and Repairs Inflation	3.2% for 2019/20, 3.1% for 2020/21 and 3% ongoing	Based upon inflation as measured by the Retail Price Index (RPI), assuming this to be 1% above CPI over the longer-term. This concurs with the majority of current contracts held by the HRA.	Retained
Debt Repayment	Set-aside to repay debt if resource allows	Assumes set-aside to repay debt as loans reach maturity dates only if resource allows, after any surplus re-invested in income generating assets. No resource currently available.	Retained
Capital Investment	Partial Investment Standard	Base model assumes a partial investment standard in the housing stock, compared with a basic decent homes standard. This will be reviewed again during 2019/20.	Retained
Pay Inflation	1.3% Pay Progression plus: 2019/20 – 2.0% 2% ongoing	Assume allowance for increments at 1.3%. Pay inflation at 2% for 2019/20 and ongoing, with a return to long-term government aim now from 2019/20, reflecting economic recovery.	Retained
Employee Vacancy Allowance	HRA share of £500,000 total	Employee budgets assume a vacancy allowance of £500,000 per annum for the Council as a whole, apportioned to the HRA on an FTE basis	Retained
Rent Increase Inflation	-1% for 2019/20. CPI plus 1% for 5 years, then CPI plus 0.5% from 2025/26	Rent decrease of 1% for 2019/20, then CPI plus 1% for 5 years, after which revert to inflation plus 0.5%. Assume CPI in preceding September is as above. Affordable rents and charges reviewed in line with Local Housing Allowance levels.	Retained
Rent Convergence	Void Only	Ability to move to target rent achieved only through movement of void properties directly to target rent.	Retained
External Lending Interest Rate	2%	Interest rates based on latest market achievement, including interest from Ermine Street Housing	Retained

Key Area	Assumption	Comment	Status
Internal Lending Interest Rate	2%	Assume the same rate as anticipated can be earned on cash balances held, so as not to detriment the General Fund over the longer term.	Retained
External Borrowing Interest Rate	3.03%	Assumes additional borrowing using current PWLB rates, currently 3.03%.	Amended
Internal Borrowing Interest Rate	3.03%	Assume the same rate as external borrowing to ensure flexibility in choice of borrowing route.	Amended
HRA Minimum Balances	£2,000,000	Maintain HRA minimum balance at £2,000,000, pending a review once the impact of the higher value voids levy and other housing policy changes are clear.	Retained
Right to Buy Sales	20 for 3 years from 2018/19, then 15 sales ongoing	Retain assumption of 20 for 2018/19 to 2020/21 then 15 per annum ongoing from 2021/22.	Retained
Right to Buy Receipts	Settlement receipts excluded. Retained receipts included.	Debt settlement receipts excluded as assumed to fund General Fund housing capital expenditure. Anticipated one-for-one receipts included. Debt repayment proportion reported as at 1/4/2018 and assumed available for intended use.	Retained
Void Rates	1.1%	Assumes 1.1% per annum from 2018/19 onwards.	Retained
Bad Debts	0.4% for 2018/19, then 0.5% from 2019/20	Bad debt provision of up to 0.5% over 2 years to reflect the requirement to collect 100% of rent directly for new benefit claimants, following phased implementation of Universal Credit by 2020.	Retained
Efficiency Target	£142,000 for 2019/20, then £95,000 for 4 years	Inclusion of an efficiency target at £142,000 (3%) for 2019/20, then £95,000 (2%) per year ongoing, for 4 years from 2020/21.	Retained
Responsive Repairs Expenditure	Adjusted pro rata to stock changes	An assumption is made that direct responsive repair expenditure is adjusted annually in line with any change in stock numbers.	Retained
Strategic Investment Fund	£142,000 for 2019/20, reducing to £95,000 for next 4 years	Creation of a Strategic Investment Fund to be able to facilitate new investment and respond to pressures. To be reviewed again as part of 2019/20 budget process.	Retained
Service Reviews and Restructures	On case by case basis	Service review outcomes assumed to deliver to the HRA as indicated in the review business case, and incorporated once impact is known.	Retained

Service Charges

Appendix B

Charge Description	Charge Basis	Current Charges 2018/19 (£)	Proposed Charges 2019/20 (£)	Increase (%)	Increase (£)
General Housing					
Use and Occupation Fee	Weekly	As per Target Rent	As per Target Rent	-1%	Variable
Sewage	Weekly	4.65 to 5.56	As per Anglian Water Standard Rates	TBC	TBC
White Goods Charge (per item)	Weekly	1.50	1.50	0%	0.00
Management Charge (Third Party)	Weekly	As per third party charge	As per third party charge	TBC	TBC
General Stock - Flats					
Blocks with Door Entry	Weekly	3.37	3.44	2.2%	0.07
Blocks without Door Entry	Weekly	2.24	2.29	2.2%	0.05
General Sheltered Schemes					
Sheltered Charge (Staffing)	Weekly	4.78 to 6.44	4.93 to 6.63	Variable	Variable
Communal Premises Charge	Weekly	0.00 to 15.61	0.00 to 16.63	Variable	Variable
Grounds Maintenance Charge	Weekly	0.23 to 2.35	0.26 to 2.32	Variable	Variable
Communal Heating / Lighting (Elm Court)	Weekly	7.71	7.48	(3%)	(0.23)
Water (Elm Court)	Weekly	2.72	2.24	(17.6%)	(0.48)
White Goods Charge (per item)	Weekly	1.50	1.50	0%	0.00
Alarm Charge	Weekly	3.00	3.00	0%	0.00
Mobile Alarm Solution	Weekly	3.50	3.50	0%	0.00
Elderly Equity Share (As per Sheltered Housing recovered quarterly, plus charges below)					
External Property Repairs	Quarterly	14.30 to 28.34	5.85 to 30.16	Variable	Variable
Management Fee (10%)	Quarterly	9.23 to 34.06	7.80 to 34.45	Variable	Variable
Temporary Accommodation					
Temporary Let Charge	Weekly	32.00	32.00	0%	0.00
Community Alarm Service					
Council Supplied Alarm	Weekly	4.47	4.47	0%	0.00

Group Alarms	Weekly	4.47	4.47	0%	0.00
Mobile Alarm Solution	Weekly	5.47	5.47	0%	0.00
Installation Charge (Within 30 mile radius)	One-Off	30.00	30.00	0%	0.00
Installation Charge (Outside 30 mile radius)	One-Off	36.00	36.00	0%	0.00
Replacement Pendant Charge	One-Off	50.00	50.00	0%	0.00
Garage and Storage Unit Rents					
Garages or Storage Unit Rented to Tenant	Weekly	8.75	8.94	2.2%	0.19
More than 2 Garages Rented to Tenant	Weekly	8.75 plus VAT	8.94 plus VAT	2.2%	0.19 plus VAT
All Other Garage and Storage Unit Rentals	Weekly	11.84 plus VAT	12.10 plus VAT	2.2%	0.26 plus VAT
Leasehold Charges for Services					
Solicitors' pre-sale enquiries	One-Off	110.00	110.00	0%	0.00
Copy of lease	One-Off	30.00	30.00	0%	0.00
Re-mortgage Enquiry/Copy of Insurance schedule	One-Off	30.00	30.00	0%	0.00
Notice of Assignment/Notice of Charge/Notice of Transfer	One-Off	90.00	90.00	0%	0.00
Deed of Variation – Administration plus CCC Solicitor fees and own solicitor	One-Off	50.00 550.00+	50.00 550.00+	0%	0.00
Home Improvements – Administration Only Inclusive of Surveyor Visit	One-Off	30.00 125.00	30.00 125.00	0%	0.00
Retrospective consent for improvements	One-Off	Above + 25.00	Above + 25.00	0%	0.00
Registering sub-let details	One-Off	50.00	50.00	0%	0.00
Advice interview for prospective purchasers	One-Off	50.00	50.00	0%	0.00

HRA Earmarked & Specific Funds

Appendix C

2018/19 (£'000)

HRA Earmarked & Specific Revenue Funds (£'000)

Self-Insurance Reserve

	Opening Balance	Contributions	Expenditure to November	Current Balance
Self-Insurance Reserve	(1,000.0)	0.0	0.0	(1,000.0)

Debt Set-Aside (Revenue)

	Opening Balance	Contributions	Expenditure to November	Current Balance
Debt Set-Aside	(8,500.0)	0.0	0.0	(8,500.0)

HRA Earmarked & Specific Capital Funds (£'000)

Debt Set-Aside (Capital)

	Opening Balance	Contributions	Expenditure to November	Current Balance
Debt Set-Aside	(4,619.7)	(265.8)	0.0	(4,885.5)

Major Repairs Reserve

	Opening Balance	Contributions	Expenditure to November	Current Balance
MRR	0.0	0.0	0.0	0.0

RTB Retained Receipts Reserve

	Opening Balance	Contributions	Expenditure to November	Current Balance
RTB Retained Receipts	(6,710.3)	(1,146.4)	624.2	(7,232.5)

Capital Receipts

	Opening Balance	Contributions	Expenditure to November	Current Balance
Capital Receipts	(573.2)	(1,692.1)	0.0	(2,265.3)

Retained Right to Buy Receipts

Appendix D

Quarter date for Receipt	Retained 1-4-1 Receipt Value (Per Quarter)	Retained 1-4-1 Receipt Value (Cumulative)	Amount of New Build Expenditure Required (Cumulative)	Deadline for Receipt to be spent on New Dwelling	Qualifying Spend by Deadline (Cumulative)	Retained 1-4-1 Receipt Spent (Cumulative)	Balance of Retained 1-4-1 Receipts to be Spent or Paid to CLG (Cumulative)	Further New Build Spend Required by Deadline (Cumulative)
30/06/2014	190,149.46	3,624,577.44	12,081,924.80	30/06/2017	13,297,663.86	3,989,299.16	0.00	0.00
30/09/2014	542,412.66	4,166,990.10	13,889,967.00	30/09/2017	16,388,697.43	4,916,609.23	0.00	0.00
31/12/2014	490,971.13	4,657,961.23	15,526,537.43	31/12/2017	17,124,841.80	5,137,452.54	0.00	0.00
31/03/2015	417,089.12	5,075,050.35	16,916,834.50	31/03/2018	18,016,710.40	5,405,013.12	0.00	0.00
30/06/2015	417,483.31	5,492,533.66	18,308,445.53	30/06/2018	18,374,584.47	5,512,375.34	0.00	0.00
30/09/2015	527,469.65	6,020,003.31	20,066,677.70	30/09/2018	20,097,445.54	6,029,233.66	0.00	0.00
31/12/2015	446,035.59	6,466,038.90	21,553,463.00	31/12/2018			436,805.24	1,456,017.46
31/03/2016	330,902.72	6,796,941.62	22,656,472.07	31/03/2019			767,707.96	2,559,026.53
30/06/2016	310,654.33	7,107,595.95	23,691,986.49	30/06/2019			1,078,362.28	3,594,540.95
30/09/2016	687,638.85	7,795,234.80	25,984,115.96	30/09/2019			1,766,001.13	5,886,670.45
31/12/2016	1,410,994.28	9,206,229.08	30,687,430.25	31/12/2019			3,176,995.41	10,589,984.71
31/03/2017	592,869.81	9,799,098.89	32,663,662.95	31/03/2020			3,769,865.22	12,566,217.41
30/06/2017	1,045,231.05	10,844,329.94	36,147,766.45	30/06/2020			4,815,096.27	16,050,320.91
30/09/2017	412,813.15	11,257,143.09	37,523,810.29	30/09/2020			5,227,909.42	17,426,364.75
31/12/2017	527,534.91	11,784,678.00	39,282,259.99	31/12/2020			5,755,444.33	19,184,814.45
31/03/2018	330,590.84	12,115,268.84	40,384,229.45	31/03/2021			6,086,035.17	20,286,783.91
30/06/2018	1,008,074.19	13,123,343.03	43,744,476.75	30/06/2021			7,094,109.36	23,647,031.21
30/09/2018	138,294.39	13,261,637.42	44,205,458.05	30/09/2021			7,232,403.75	24,108,012.51

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New Build Investment Cashflow

Appendix E

New Build / Re-Development Scheme	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget
	£'0	£'0	£'0	£'0	£'0	£'0
Robinson Court Re-Development	910	0	0	0	0	0
Pembroke Way, Teversham	483	353	0	0	0	0
Pampisford Road, Great Abington	200	0	0	0	0	0
High Street, Balsham	1,532	0	0	0	0	0
Woodside, Longstanton	249	0	0	0	0	0
Bannold Road, Waterbeach	94	0	0	0	0	0
Gibson Close, Waterbeach	1,444	0	0	0	0	0
Highfields, Caldecote	446	0	0	0	0	0
Anton Road, Great Abington	1,302	2,605	0	0	0	0
Grace Crescent, Hardwick (Rented)	785	3,141	785	0	0	0
Grace Crescent, Hardwick (Shared Ownership)	521	2,084	521	0	0	0
Burton End, West Wickham	0	730	0	0	0	0
Acquisitions	1,560	0	0	0	0	0
Unallocated New Build / Acquisition	300	9,573	25,890	13,369	4,224	5,700
New Build - Section 106 funded	0	216	500	500	500	500
Total Expenditure	9,826	18,702	27,696	13,869	4,724	6,200
Use of Retained Right to Buy Funding						
Pembroke Way, Teversham	(97)	(71)	0	0	0	0
Pampisford Road, Great Abington	(45)	0	0	0	0	0
High Street, Balsham	(318)	0	0	0	0	0
Woodside, Longstanton	(75)	0	0	0	0	0
Bannold Road, Waterbeach	(28)	0	0	0	0	0
Gibson Close, Waterbeach	(289)	0	0	0	0	0

New Build / Re-Development Scheme	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget
	£'0	£'0	£'0	£'0	£'0	£'0
Highfields, Caldecote	(134)	0	0	0	0	0
Linton Road, Great Abington	(282)	(564)	0	0	0	0
Grace Crescent, Hardwick	(236)	(942)	(236)	0	0	0
Burton End, West Wickham	0	(164)	0	0	0	0
Acquisitions	(468)	0	0	0	0	0
Unallocated New Build / Acquisition	(69)	(2,155)	(5,825)	(2,005)	(949)	(1,710)
Total Use of Retained Right to Buy Funding	(2,039)	(3,896)	(6,061)	(2,005)	(949)	(1,710)
Section 106 Funding						
High Street, Balsham	(105)	0	0	0	0	0
Gibson Close, Waterbeach	(97)	0	0	0	0	0
Linton Road, Great Abington	(250)	0	0	0	0	0
Grace Crescent, Hardwick (Shared Ownership)	(366)	(234)	0	0	0	0
Burton End, West Wickham	0	(50)	0	0	0	0
New Build - Section 106 funded	0	(216)	(500)	(500)	(500)	(500)
Total Section 106 Funding	(818)	(500)	(500)	(500)	(500)	(500)
Total to be funded from HRA Resources (DRF & MRR) and Sales Receipts	(6,969)	(14,306)	(21,135)	(11,218)	(3,275)	(3,990)
Total HRA Borrowing	0	0	0	(146)	0	0

Key Sensitivity Analysis

Appendix F

Topic	Business Plan Assumption	Key Sensitivity Modelled	Financial Impact
General Inflation	General Inflation using CPI at 2% for expenditure long-term	Volatility in the economy could lead to an increase in external costs. 1% increase in general inflation for expenditure only for the life of the plan.	Long-term borrowing is required by year 10 if existing commitments are to be met.
Sale of Higher Value Voids Levy	Assumed deferred payment from April 2020	Assume that the primary legislation is repealed and the policy is not implemented at all.	By year 30 of the business plan there would be sufficient resource to redeem approximately 93% of the HRA debt or alternatively to re-invest this sum in new homes.
Capital and Planned Revenue Investment Real Increase Inflation	Capital and Planned Revenue Investment Inflation at 3% in the longer-term	A real increase of 1% is allowed for building inflation for the longer-term. Assume that real inflationary increase required is 2% for remaining life of the plan.	Long-term borrowing is required by year 10 if existing commitments are to be met.
Direct Payments (Universal Credit)	Bad Debts at 1.5%	Evidence from the pilot authorities for direct payment indicated that collection rates may fall from 99% to 95%. Assume bad debts at 5% from 2019/20.	Long-term borrowing is required by year 3 if existing commitments are to be met.

Revenue Budget Proposals

Appendix G (1)

HRA Revenue Bids and Savings - 2019/20 Budget

Category	Bid / Saving	Description	Linked Proposal	Bid / (Saving)			
				2019/20	2020/21	2021/22	2022/23
Saving	Review of revenue funded property maintenance budgets and resulting net reduction in spending	Proposed reduction to revenue programme (Internal Paintwork £10,000, Garden Works £43,610, Specialist Investigations £31,000, Asbestos Surveys £40,930, External Property Works £61,110, Maintenance of Disabled Adaptations £20,410, Internal Works £49,080, Flats £16,470), partially offset by increases to Revenue Programme (Cyclical Works - Revenue £28,320, Heating Service Contracts £61,290, Electrical Surveys £22,770 and response repairs £73,280 to offset adjustment for stock reductions.		(87,160)	(87,160)	(87,160)	(87,160)
Saving	Reduction in budgets for sheltered housing	A review of budgets across the sheltered housing service has resulted in a marginal reduction in anticipated spending.		(12,660)	(12,660)	(12,660)	(12,660)
Saving	Reduction in recharges and operational overheads and inflation not required	A review of recharge and overhead budgets, coupled with only applying inflation to budgets where required, results in a net saving to the HRA from 2019/20.		(139,270)	(139,270)	(139,270)	(139,270)
Increased Income	To recognise the fee income associated with funding the new additional Development Project Officer roles and pert	This increased income proposal links to a bid for two Development Project Officer roles (new build) and a part time Project Support Officer. It is anticipated that the roles will be self sustaining for at least 3 years through the fee arrangement of 1.95% for each new build scheme to cover the costs of the post to deliver capital projects. Additional new build	A	(113,980)	(113,980)	(113,980)	0

	time Project Support Officer for HRA New Build	homes increase the rental income to the HRA and deliver new homes as part of the councils core objectives.					
Increased Income	Increased rent income	Additional rent income is anticipated from 2019/20 based upon the latest stock numbers, void predictions and rent levels being charged.	B	(90,920)	(90,920)	(90,920)	(90,920)
Increased Income	Increased service charge income	Additional service charge income is anticipated from 2019/20, particularly in respect of sheltered housing charges.		(41,700)	(41,700)	(41,700)	(41,700)
Unavoidable Revenue Pressure	Employment of two Housing Assistants to manage the risk to the Housing Revenue Account due to the roll out of Universal Credit	The proposal is to employ two fixed term Housing Assistants on a grade 4 to support Universal Credit (UC) claimants to ensure they pay their rent, support the Housing Officers to chase rent arrears in conjunction with the Rent Recovery Team and support the Neighbourhood Support Officer (NSO) dedicated to dealing with high level complex arrears cases. In addition to their primary function they will also be expected to undertake Tenancy Audit surveys. It is expected that as UC rolls out this will become their focus. As evidence of spend to save the NSO dedicated to high level rent arrears recovered over £18k within an estimated 6 months period. The proposal will also help people sustain their tenancies thus avoiding eviction and homelessness.		62,710	62,710	0	0
Unavoidable Revenue Pressure	Increase in bad debt provision	The increase in rent income from 2019/20 drives a corresponding increase in the level of resource required to be set aside to meet the cost of bad debt.	B	420	420	420	420

Reduced Income	None	N/A		0	0	0	0
Bid	Two additional Development Project Officers to support the work of the Council's Development Team	The current and projected pipeline will more than double the workload of the Development Team - therefore two additional officers are required to join the existing Development Project Officer and Head of Development (new build) to deliver the additional new build council housing and bring further new build schemes into contract in future years. The overall expected programme of investment 2019-2022 of circa £48m generates an in house fee based on the 1.95% fee charge of circa £832k over the 3 years. Netting off existing staff costs there is sufficient income to self sustain these additional posts and to allow work to begin to generate income to continue to cover the posts. These posts are self financed from internal fees charged. Please note : from year 4 the current pipeline and budget assumptions may not support the continuation of these 2 new posts.	A	100,950	100,950	100,950	0
Bid	To fund a part time Project Support Officer for HRA New Build	We have approval for a part time Project Support Officer to cover the work of the self build/modular housing 'team'. This bid seeks to extend this role to a full time role with the additional half role covering work to support the new build development team. The role would be wholly funded from the internal development fee charged on each and every new build scheme that starts on site. The overall expected programme investment 2019-2022 of circa £48m generates an in house fee based on the 1.95% fee charge of circa £832k over the 3 years. Netting off existing staff costs there is sufficient income to self sustain these additional posts and to allow work to begin to generate income to continue	A	13,030	13,030	13,030	0

		to cover the posts. This post is self financed from internal fees charged.					
Bid	Gas & Electrical Safety Compliance Software	This software automatically checks certification for gas and electrical installations to ensure correct completion of the documentation, full statutory compliance and produces error reports where compliance is not achieved. It replaces a manual operation. The total number of certificates can exceed 10,000 per year. This will monitor all compliance requirements relating to gas and electrical safety, and may be expanded into other areas of compliance such as fire risk and energy performance over time.		15,500	15,500	15,500	15,500
Bid	Reviewing the Response Repairs, Voids and Packaged Works partnering contract in preparation to retender the work	The bid is to employ specialist advice, subject to procurement, to take forward the consultation with Members, residents, staff and other stakeholders on the options available for the delivery of the Response Repairs, Voids and Packaged Works contract. The contract has been extended and will end in March 2020. Consultation on the options and the consequences both contractual and financial need to be fully understood by all parties. This will enable procurement to be undertaken in 2020/21, giving a year for potential mobilisation.		25,000	0	0	0
Bid	Additional staffing resource in the Rent Recovery Team	Additional staffing input is anticipated to be required to tackle collection rent and recovery of arrears once Universal Credit begins to roll out more widely.		77,500	77,500	77,500	77,500
Bid	HRA contribution to Communications Team	The HRA is required to make a contribution towards the cost of the Corporate Communications Team, who support both General Fund and HRA Services for the Council.		45,000	45,000	45,000	45,000
Bid	Revenue costs associated with fire door	A capital programme to replace fire doors will result in an increase in revenue expenditure to ensure that doors are serviced and		21,000	42,000	63,000	63,000

	replacement programme	maintained appropriately.					
Total Net Bids / (Savings)				(124,580)	(128,580)	(170,290)	(170,290)

HRA Non-Cash Limit Adjustments - 2019/20 Budget

Category	Bid / Saving	Description	Linked Proposal	Bid / (Saving)			
				2019/20	2020/21	2021/22	2022/23
Non-Cash Limit	Increase in direct revenue funding of capital expenditure	An increase in the revenue resource to fund capital expenditure is anticipated in 2019/20 as a direct result of reductions in the level of self-build receipts anticipated and delays in the receipt of shared ownership sales income.		1,104,550	0	0	0
Non-Cash Limit	Increase in interest due to the HRA	Based upon the latest cash balance projections for 2019/20, the HRA is expected to receive a greater sum in interest earned for 2019/20		(47,900)	0	0	0
Non-Cash Limit	Marginal increase in depreciation	Based upon the latest estimated stock numbers, the level of depreciation anticipated to be charged in 2019/20 is marginally lower than previously assumed		(5,030)	0	0	0
Total Net Non-Cash Limit Adjustments				1,051,620	0	0	0

Capital Budget Proposals

Appendix G(2)

Category	Bid / Saving	Description	Linked Proposal	Bid / (Saving)			
				2019/20	2020/21	2021/22	2022/23
Capital Bid	Review of capital investment in the housing stock and resulting net increase in investment	Net Increase to HRA capital property maintenance programme. Proposed increase in Estate Roads & Lighting £44,700, Parking/Garages £62,440, Structural Works £240,000, Asbestos Removal £25,220, partially offset by reductions in Drainage Upgrades 30,600, Heating Installation £61,200, Energy Conservation £20,400, Kitchen Refurbishment £34,240 and Bathroom Refurbishment £42,900.		183,020	183,020	183,020	183,020
Capital Bid	Compliance - Fire Door Replacement Programme	Funding to allow replacement of fire doors in line with revised fire safety legislative requirements		180,000	180,000	180,000	0
Total Net Capital Position Bids / (Savings)				363,020	363,020	363,020	183,020

Capital Budget Amendments

Appendix H

Area of Expenditure and Change	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
Total Housing Capital Plan Expenditure per HRA MTFS	18,842	26,645	35,011	20,688	11,828
Improvements – Existing Stock					
Removal of inflationary element of drainage upgrade works	0	(30)	(41)	0	0
Reintroduction of budget for structural works to dwellings	0	240	240	240	240
Reduction in investment for heating installation	0	(61)	(61)	(62)	(63)
Reduction in discretionary investment in energy conservation	0	(20)	(37)	(54)	(55)
Increased investment in works to parking areas	0	62	64	65	66
Increased investment in estate roads, paths and lighting	0	45	45	47	48
Increased investment in asbestos removal works	0	25	26	27	27
Reduction in investment in kitchen replacements	0	(35)	(34)	(35)	(36)
Reduction in investment in bathroom replacements	0	(43)	(43)	(44)	(46)
Introduction of a door replacement programme	0	180	184	187	0
Other minor changes	0	0	1	1	2
Adjustment to decent homes investment due to anticipated stock changes	0	(9)	(5)	(17)	(11)
Other Improvements					
No changes	0	0	0	0	0
Re-Provision of Existing Homes					
No changes	0	0	0	0	0
Acquisition and New Build					
Inclusion of scheme specific budget for Grace Crescent, Hardwick (Shared Ownership)	521	2,084	521	0	0
Inclusion of scheme specific budget for Burton End, West Wickham	0	730	0	0	0
Adjustment to unallocated new build budget based upon latest spending approvals	(310)	(2,258)	(638)	209	0
Adjustment to unallocated S106 new build budget based upon latest spending approvals	(366)	(284)	0	0	0

Area of Expenditure and Change	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
Other HRA Capital Spend					
Adjustment to budgets for self-build plot preparation costs, based upon latest costs per plot and number of anticipated plots to be brought forward	(50)	(240)	618	695	0
Inflation Allowance					
No change	0	0	0	0	0
Total Housing Capital Plan Expenditure per HRA BSR	18,637	27,031	35,851	21,947	12,000

HRA Summary 2018/19 to 2023/24

Appendix I

Description	2018/19 £0	2019/20 £0	2020/21 £0	2021/22 £0	2022/23 £0	2023/24 £0
Rental Income (Dwellings)	(28,008,880)	(27,559,960)	(28,371,710)	(29,502,500)	(30,592,100)	(31,293,900)
Rental Income (Other)	(426,990)	(652,630)	(666,130)	(679,250)	(692,630)	(706,290)
Service Charges	(1,001,970)	(1,064,860)	(1,086,230)	(1,107,010)	(1,128,210)	(1,149,830)
Contribution towards Expenditure	(280,840)	(288,720)	(289,180)	(289,620)	(23,070)	(23,530)
Other Income	(120,320)	(120,960)	(123,500)	(125,970)	(128,490)	(131,060)
Total Income	(29,839,000)	(29,687,130)	(30,536,750)	(31,704,350)	(32,564,500)	(33,304,610)
Supervision & Management - General	4,761,200	5,122,850	5,291,080	5,509,220	5,754,630	5,970,250
Supervision & Management - Special	1,826,420	1,814,680	1,856,040	1,904,970	1,739,260	1,783,830
Repairs & Maintenance	4,133,950	4,151,390	4,276,230	4,276,010	4,405,700	4,485,980
Depreciation – to Major Repairs Res.	6,455,470	6,662,610	6,868,450	7,032,300	7,124,360	7,156,730
Debt Management Expenditure	1,400	1,400	1,430	1,460	1,490	1,520
Other Expenditure	318,950	470,320	487,730	511,330	538,330	567,020
Total Expenditure	17,497,390	18,223,250	18,780,960	19,235,290	19,563,770	19,965,330
Net Cost of HRA Services	(12,341,610)	(11,463,880)	(11,755,790)	(12,469,060)	(13,000,730)	(13,339,280)
HRA Share of operating income and expenditure included in Whole Authority I&E Account						
Interest Receivable	(631,380)	(546,220)	(343,510)	(210,870)	(271,230)	(379,200)
(Surplus) / Deficit on the HRA for the Year	(12,972,990)	(12,010,100)	(12,099,300)	(12,679,930)	(13,271,960)	(13,718,480)
Items not in the HRA Income and Expenditure Account but included in the movement on HRA balance						
Loan Interest	7,178,920	7,178,920	7,178,920	7,179,640	7,181,830	7,181,830
Housing Set Aside	0	0	(6,833,000)	(1,667,000)	6,100,000	2,094,000
Appropriation from Ear-Marked Reserve	0	0	0	0	0	0
Direct Revenue Financing of Capital	5,094,920	12,621,740	12,603,300	7,322,950	0	2,434,560
(Surplus) / Deficit for Year	(699,150)	7,790,560	849,920	155,660	9,870	(2,008,090)
Balance b/f	(10,096,300)	(10,795,450)	(3,004,890)	(2,154,970)	(1,999,310)	(1,989,440)
Total Balance c/f	(10,795,450)	(3,004,890)	(2,154,970)	(1,999,310)	(1,989,440)	(3,997,530)

Housing Capital Investment Plan

Appendix J

Description	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000	£'000
Improvements - Existing Stock						
Water / Drainage Upgrades	80	81	83	85	86	88
Drainage Upgrades	310	310	310	0	0	0
Disabled Adaptations	849	866	883	902	920	938
Change of Tenancy - Capital	500	500	500	500	500	500
Rewiring	484	325	332	338	345	352
Heating Installation	1,980	2,020	2,062	2,103	2,145	2,188
Energy Conservation	1,020	200	204	208	213	217
Estate Roads, Paths & Lighting	15	60	61	63	64	65
Garage Refurbishment	52	53	54	55	56	57
Parking/Garages	86	149	153	156	159	163
Window Replacement	270	276	282	287	293	299
Re-Roofing	446	455	464	473	483	493
Full Refurbishments	200	200	200	200	200	200
Structural Works	10	250	250	250	250	250
Non-Traditional Refurbishment	0	0	0	0	0	0
Asbestos Removal	34	60	61	63	64	65
Kitchen Refurbishment	743	723	739	753	768	784
Bathroom Refurbishment	318	282	288	294	299	305
Fire Door Replacement Programme	0	180	184	187	0	0
Assumed adjustment in spend for varying stock numbers	0	10	38	77	42	(62)

Description	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000	£'000
Total Improvements - Existing Stock	7,397	7,000	7,148	6,994	6,887	6,902
Other Improvements						
Sheltered Housing and Other Stock	110	50	50	50	50	50
Flats	20	20	20	20	20	20
Central / Departmental Investment	19	0	0	0	0	0
Total Other Improvements	149	70	70	70	70	70
Re-provision of Existing Homes						
Robinson Court, Gamlingay	910	0	0	0	0	0
Other Re-provision	0	0	0	0	0	0
Total Re-provision of Existing Homes	910	0	0	0	0	0
HRA Acquisition and New Build						
Pembroke Way, Teversham	483	353	0	0	0	0
Campisford Road, Great Abington	200	0	0	0	0	0
High Street, Balsham	1,532	0	0	0	0	0
Woodside, Longstanton	249	0	0	0	0	0
Bannold Drove, Waterbeach	94	0	0	0	0	0
Gibson Close, Waterbeach	1,444	0	0	0	0	0
Highfields, Caldecote	446	0	0	0	0	0
Linton Road, Great Abington	1,302	2,605	0	0	0	0
Grace Crescent, Hardwick (Rented)	785	3,141	785	0	0	0
Grace Crescent, Hardwick (Shared Ownership)	521	2,084	521	0	0	0
Burton End, West Wickham	0	730	0	0	0	0
Acquisitions	1,560	0	0	0	0	0

Description	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000	£'000
Unallocated New Build / Acquisition Budget	300	9,573	25,890	13,369	4,224	5,700
Unallocated New Build / Acquisition - Section 106 funded	0	216	500	500	500	500
Total HRA New Build	8,916	18,702	27,696	13,869	4,724	6,200
Other HRA Capital Spend						
Shared Ownership Repurchase	300	300	300	300	300	300
Self-Build Vanguard - Up front HRA Land Assembly Costs	695	540	618	695	0	0
HRA Share of Corporate ICT Development	270	419	19	19	19	19
Total Other HRA Capital Spend	1,265	1,259	937	1,014	319	319
Total HRA Capital Spend	18,637	27,031	35,851	21,947	12,000	13,491
Inflation Allowance for New Build and Other HRA Spend	0	0	0	0	0	125
Total Inflated Housing Capital Spend	18,637	27,031	35,851	21,947	12,000	13,616
Housing Capital Resources						
Right to Buy Receipts	0	0	0	0	0	0
Other Capital Receipts (Land and Dwellings)	0	0	0	0	0	0
Other Capital Receipts (Self-Build Plot Sales)	(977)	(1,266)	(1,477)	(1,688)	(1,900)	0
Major Repairs Reserve	(6,429)	(6,689)	(6,868)	(7,032)	(5,714)	(8,567)
Direct Revenue Financing of Capital	(5,095)	(12,622)	(12,603)	(7,323)	0	(2,435)
Other Capital Resources (Grants / Shared Ownership / S106 funding)	(3,524)	(2,558)	(8,842)	(3,753)	(3,437)	(904)
Retained Right to Buy Receipts	(2,039)	(3,896)	(6,061)	(2,005)	(949)	(1,710)
HRA CFR / Prudential Borrowing	0	0	0	(146)	0	0

Description	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000	£'000
Total Housing Capital Resources	(18,064)	(27,031)	(35,851)	(21,947)	(12,000)	(13,616)
Net (Surplus) / Deficit of Resources	573	0	0	0	0	0
Capital Balances b/f	(573)	0	0	0	0	0
Use of / (Contribution to) Balances in Year	573	0	0	0	0	0
Capital Balances c/f	0	0	0	0	0	0
Right to Buy Receipts						

Note: Generally available capital receipts from the sale of properties under the right to buy as assumed in the self-financing debt settlement, have been excluded on the basis that they are utilised to fund general fund housing capital expenditure, i.e.; Disabled Facilities Grants and Repairs Assistance Grants.

Appendix 3

Capital and Investment Strategies 2019-20 to 2023-24

1. Introduction

1.1 The Capital Strategy forms a key part of the council's overall corporate planning framework. It provides the mechanism by which the council's capital investment and financing decisions can be aligned with the council's overarching corporate priorities and objectives over a medium term, five years, planning horizon.

1.2 The strategy sets the framework for all aspects of the council's capital expenditure; including planning, prioritisation, management and funding. The strategy has direct links to the council's corporate Asset Management Plan (AMP) and forms a key part of the council's Medium Term Financial Strategy (MTFS).

1.3 In addition to the Capital Strategy, the Council is now required to have an Investment Strategy, and this is attached as Appendix 3 A.

1.4 The key aims of the Capital Strategy are to:

- Provide a clear context within which proposals for new capital expenditure are evaluated to ensure that all capital investment is targeted at meeting the council's vision, aims, approaches and actions;
- Deliver projects that focus on delivering revenue benefits in the form of spend to save, spend to earn or generate growth in revenue income;
- Set out how the council identifies, programmes and prioritises capital requirements and proposals arising from business plans, service plans, the AMP and other related strategies;
- Consider options available for funding capital expenditure and how resources may be maximised, to generate investment in the area, to determine an

affordable and sustainable funding policy framework whilst minimising the ongoing revenue implications of any such investment;

- Identify the resources available for capital investment over the MTFS planning period; and
- Establish effective arrangements for the management of capital expenditure including the assessment of project outcomes, budget profiling, deliverability, and the achievement of value for money.

2. Capital programme needs and priorities

2.1 Underlying the Capital Strategy is the recognition that the financial resources available to meet corporate priorities are constrained in the current economic and political climate. Central government support for capital investment has reduced significantly over the last few years, along with these reductions is the recognition that the council must rely on internal resources and find ways in which investment decisions can be either self-sustaining or generate positive returns both in terms of meeting corporate objectives and producing revenue savings.

2.2 Against the background of limited central government support the AMP identifies the total capital investment needed to support the Council's aims and objectives such as housing and economic development.

2.3 Significant investment in council housing over the last few years has succeeded in producing a property portfolio generally at or above the decent homes standard and, the delivery of a new build programme with the first 80 new properties being completed already. Imposed reductions in property rent of 1% for 4 years from April 2016 and the threat of the need to sell high value voids impacted the Council's ability to continue this level of programme in the longer term, necessitating a strategic review of assets, service delivery and financing. In the short term the new build programme has been maintained by utilising resources previously ear-marked for potential debt redemption, but this does mean that the authority will need to re-finance its housing debt when it matures. A commitment to repeal the sale of high value voids legislation and the removal of the HRA borrowing cap mean that a longer-term program of new build can now be developed.

2.4 As the majority of the council's assets are housing there are limited opportunities to raise capital receipts through disposals, therefore the limited capital resources

available through grant, capital receipts and private sector contributions are prioritised to maximise outputs with minimum ongoing future revenue costs.

2.5 Capital investment in the council's wholly owned subsidiary, Ermine Street Housing (ESH), offers the opportunity to realise interest receipts which will contribute to the council's revenue funding.

2.6 Cambridgeshire is an area of growth with the Greater Cambridge Partnership (formerly City Deal) offering financial support to deliver infrastructure to facilitate the delivery of homes and business space, as set out in the draft local plans for Cambridge City and South Cambridgeshire council areas. This will in turn contribute towards council funding in the longer term in the form of additional council tax and business rates receipts.

2.7 Another opportunity is the designation of Enterprise and Development Zones, including sites at Cambourne Business Park, Cambridge Research Park and Northstowe, which have the potential to offer incentives to enable the creation of new businesses and employment.

2.8 In detail:

- **Economic Investment:** The council will continue to seek investments that generate longer term growth. These projects will yield a combination of revenue generation (business rates or interest), jobs and capital infrastructure investment, based on sound business cases.
- **Existing Housing:** Significant investment has been made in recent years to raise the standard of council dwellings to meet the government's decent homes standard. In addition to the decent homes investment the authority has previously invested in energy conservation projects such as external wall insulation, solar energy initiatives and renewable heating sources. Reduced energy conservation programmes will continue but with the investment level lower due to the reductions in rental income.
- **New Housing Supply and Housing Partnerships:** South Cambridgeshire District Council are no longer formerly part of the joint venture with Cambridge City Council to deliver a shared governance Housing Development Agency, but continue to work closely with the authority on strategic housing delivery issues. South Cambridgeshire District Council are now managing a new build programme in-house, which is anticipated to deliver an average of just over 50 new homes per

annum to meet local housing need. Opportunities to work with the Combined Authority to deliver new affordable homes in the district are also being fully explored.

- **Corporate Property:** To manage its maintenance liability the council is rationalising its office accommodation through sub-let of office space, providing a contribution to ongoing revenue savings. A process of on-going reviews will identify potential alternative use of office buildings and car park for capital investment to generate long term revenue savings.
- **ICT:** The council's ICT service is shared with Cambridge City and Huntingdonshire District Councils, appropriate investment into ICT hardware and software will be undertaken on a case by case basis, the primary focus being improved technologies on a spend to save basis.
- **Refuse and Recycling Collection:** A shared trade and domestic waste collection service with Cambridge City Council supported by capital investment will achieve long term revenue savings through service rationalisation and vehicle efficiencies.
- **Community Projects:** Capital grants to other organisations where the council incurs no staff or other recurring costs; these organisations are expected to raise additional capital resources from the National Lottery, Sports Council, etc. The council has a funding toolkit on its website to assist organisations seeking funding.

3. Governance

3.1 The council has various mechanisms in place which seek to ensure that there is an integrated approach to addressing cross-cutting issues and developing and improving service delivery through its capital investment in pursuance of the council's over-arching aims.

3.2 An integrated service and financial planning process is followed. Within this framework all proposals for capital investment are required to demonstrate how they contribute to the council's aims and objectives. The evaluation process for investment proposals aligns corporate objectives with costs and benefits ensuring delivery of efficiency and value for money. Investment appraisal forms and the criteria for prioritising capital bids are available to managers on the Council intranet.

3.3 Specific governance processes include:

- Democratic decision making and scrutiny processes which provide overall political direction and ensure accountability for the investment in the capital programme.

These processes include:

- The Council which is ultimately responsible for approving investment and the capital programme;
 - The Cabinet which is responsible for setting the corporate framework and political priorities to be reflected in the capital programme, Cabinet receiving quarterly monitoring reports;
 - The Scrutiny and Overview Committee which is responsible for scrutiny of the Capital Strategy and capital programme.
-
- Officer groups which bring together a range of service interests and professional expertise. These include:
 - The Executive Management Team which has overall responsibility for the strategic development, management and monitoring of the capital programme;
 - Corporate Management Team, providing service manager review and monitoring of key areas;
 - Specific project boards with wide ranging membership, for example the Greater Cambridge Partnership Board;
 - Management teams which overview reports for investments prior to Executive Management Team and Cabinet approval;
 - Management groups created to oversee significant capital projects as required.

3.4 Council assets are kept under review, valuations of land and property being undertaken by a professionally qualified valuer every five years, with an annual review at year end to ensure material changes in asset value are accounted for. The Corporate Asset Management Plan, Housing Revenue Account Business Plan and capital programme ensuring a comprehensive forward plan of maintenance and improvement work is maintained and delivered.

4. Funding strategy

- 4.1 In general terms, the major source of capital funding available to the council has been grant approvals allocated by central government to specific or non-specific projects. This is a diminishing resource and where a priority is identified alternative funds need to be sourced.
- 4.2 There are a range of other potential funding sources which may be generated locally either by the council or in partnership with others. Each project or programme will be subject to the approval process to include funding and lifetime costings of the asset going forward.
- 4.3 New sources of funding are being identified in partnership with neighbouring authorities and organisations, for example the Greater Cambridge Partnership.
- 4.4 Unallocated capital receipts received prior to April 2012 are available for general use and as such will be used for GF and/or HRA capital expenditure. Capital receipts received after April 2012 primarily relate to HRA property and land sales, the use of which is subject to detailed national regulations and associated guidance. The HRA Business Plan and council capital programme provide details of anticipated capital receipts and the proposed use of these within the constraints imposed.
- 4.5 The council sets aside a Minimum Revenue Provision (MRP) for debt repayment in accordance with its MRP policy as set out in the Treasury Management and Investment Strategy presented alongside this Capital Strategy.
- 4.6 The Capital Strategy considers all potential funding options open to the council and aims to maximise the financial resources available for investment in service provision and improvement within the framework of the MTFs. The main sources of capital funding are summarised below:
- Central government
 - Grants are allocated in relation to specific programmes or projects and the council would seek to maximise such allocations, developing appropriate projects which reflect government and partnership led initiatives and agendas while addressing the needs of the district.
 - A significant amount of current funding is in the form of the New Homes Bonus (NHB) part of which is allocated to fund future capital infrastructure through the Greater Cambridge Partnership.

- Third party funding
 - Capital grants represent project specific funding for capital projects, in addition to those from central government, more usually received from quasi-government sources or other national organisations. In developing capital proposals, the council will seek to maximise such external contributions, subject to any related grant conditions being consistent with the council's policy, aims and outcomes.

- Private contributions
 - The council will also seek to implement the new Community Infrastructure Levy to support on-going investment.
 - The council will continue to work with the private sector to utilise or re-purpose redundant assets to facilitate regeneration and employment creation.

- Locally generated funding
 - The council has discretion to undertake prudential 'unsupported' borrowing under the Prudential Code. This discretion is subject to compliance with the Code's regulatory framework which requires any such borrowing to be prudent, affordable and sustainable.
 - Given the pressure on the council's revenue budget in future years, prudent use will be made of this discretion in cases where there is a clear financial benefit such as invest to save, spend to earn or regeneration schemes which do not increase expenditure in the longer term.

- Capital receipts from asset disposal
 - Most disposals relate to dwellings sold under the government right to buy scheme, the scheme allows the retention of some of the receipts subject to certain conditions i.e. used to fund the delivery of new social housing to a maximum of 30% of any dwelling funded through this method, the balance being funded from the council's own resources or through borrowing.
 - Capital receipts from asset disposal are a finite funding source and it is important that a planned and structured manner of disposals is created to support the priorities of the council. Cash receipts from the disposal of surplus assets are to be used to fund new capital investment as and when received, with restrictions on the use of HRA receipts for any other purpose.

- Lease finance
 - where alternative funding is not available for vehicles or minor equipment and the revenue budget does not allow for a full capital repayment and there is a robust business case then the option of leasing may be considered.

- Revenue
 - Capital expenditure may be funded directly from revenue as specific budget provision, however, the pressures on the council's revenue budget and council tax levels limits the extent to which this may be exercised as a source of capital funding for the General Fund. Revenue is used extensively to support the HRA programme, whilst maintaining the minimum level of reserves.

4.7 Council resources will be allocated to programmes based on asset values to manage long term yield and revenue implications. Where possible capital receipts will be focussed on those assets with short term life span, e.g. vehicles and equipment, and the unsupported borrowing on long term assets e.g. land and buildings.

5. Capital programme

5.1 The council's capital programme and its funding for 2019/2020 to 2023/24 is summarised below. The detailed capital programmes for the GF and HRA can be found in the relevant Budget Setting Report (BSR).

Capital Programme 2019/20 to 2023/24

Capital Programme	Estimate 2019/2020 £'000	Estimate 2020/2021 £'000	Estimate 2021/2022 £'000	Estimate 2022/2023 £'000	Estimate 2023/2024 £'000
General Fund	36,361	40,584	23,263	23,019	23,267
Housing Revenue Account ¹	27,031	35,851	21,947	12,000	13,616
Total Capital Expenditure	63,392	76,435	45,210	35,019	36,883
¹ – HRA capital expenditure excludes the contribution to corporate ICT and therefore differs from totals in the HRA BSR.					
Financed by:					
Capital Receipts	(6,860)	(8,822)	(5,066)	(4,233)	(3,094)
S106 Agreement Contribution	(3,058)	(9,342)	(4,253)	(3,937)	(1,404)
Cambridgeshire CC (DFG)	(630)	(630)	(630)	(630)	(630)
Revenue	(12,622)	(12,603)	(7,323)	0	(2,435)
Housing Capital Reserve	(6,689)	(6,868)	(7,032)	(5,714)	(8,567)
Revenue Contribution from HRA towards software etc.	(419)	(19)	(19)	(19)	(19)
Internal Borrowing re Commercial vehicles	0	(214)	(442)	(342)	(665)
Internal Borrowing re other projects	0	0	(146)	0	0
External funding from CCC for Waste Vehicles	0	(61)	(67)	0	(68)
Earmarked Reserves	(607)	(5,187)	(233)	(144)	0
External Borrowing	(32,507)	(32,689)	(20,000)	(20,000)	(20,000)
	(63,392)	(76,435)	(45,210)	(35,019)	(36,883)

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APPENDIX 3 A - INVESTMENT STRATEGY

1. Introduction

The Local Government Act 2003 (the Act) and supporting regulations requires the Council to 'have regard to' the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code, the CIPFA Treasury Management Code of Practice (the Code) and MHCLG Investment Guidance (the Guidance) to ensure that the Council's capital investment plans are affordable, prudent and sustainable.

In February 2018 the Secretary of State issued new guidance on Local Government Investments (the Guidance), which widened the definition of an investment to include all the financial assets of a local authority as well as other non-financial assets held primarily or partially to generate a profit. This wider definition includes investment property portfolios as well as loans made to wholly owned companies or associates, joint ventures or third parties. The Guidance applies for financial years commencing on or after 1 April 2018.

The Guidance requires the Strategy to be approved by Full Council on an annual basis and sets out the disclosure and reporting requirements. Any mid-year material changes to the Strategy will also be subject to Full Council approval.

The Guidance sets out the Government's position on borrowing in advance of need, which is that Authorities must not borrow more than, or in advance of their needs, purely to profit from the investment of the extra sums borrowed. The Council must have regard to the Guidance but is able to depart from it where such departure can be justified.

The Council has noted and has had regard to the Guidance. It has decided to depart from the Guidance in this instance, and within the parameters set out in this Strategy, for the purposes of delivering Business Plan objectives and maintaining a robust financial position. The Council has set out within this Strategy its approach to risk and risk mitigation, including the requirement for fully tested and scrutinised business cases, due diligence indicators and regular and formal reporting and scrutiny of investment decisions and performance.

2. The Strategy

The Strategy aims to provide a robust and viable framework for the acquisition of commercial property investments and pursuance of redevelopment and regeneration opportunities that can deliver positive financial returns for the Council.

Investments will be focussed within the District, the Greater Cambridge Partnership area and the Travel to Work Area as shown in [Appendix 3A.5](#).

Investment relating to the Strategy will be directed towards three streams of activity:

2.1. Stream 1

Prime and close to prime commercial real estate investment let on long leases to good covenants which will provide a secure long-term income over and above their ability to pay back the purchase price debt.

The contributions from Stream 1 investments will include:

- ◆ Yield / profit
- ◆ Long term capital uplift

2.2. Stream 2

Investment which can generate regeneration or economic development benefits **as well as** positive financial returns for the Council. Financial returns for the Council may come in the form of increased business rates income, New Homes Bonus where the investment is within the District and residential letting income from Build to Rent developments.

The contributions from Stream 2 investments will include positive financial returns for the Council, and may also include the following:

- ◆ Investing in climate and environmental initiatives
- ◆ Investing in Social Capital
- ◆ Redeveloping Council owned assets
- ◆ Building homes and commercial premises
- ◆ Using public land and buildings to achieve long-term socio-economic development within the District and wider Greater Cambridgeshire Area, as identified in the Local Plan and [Appendix 3A.5](#)

2.3. Stream 3

Investment partnerships with third party developers to deliver new homes that will include:

- ◆ Acquisition of 3rd party land
- ◆ Include public sector and bank debt
- ◆ Incorporation of grants and other funding
- ◆ A sharing of risk and reward between partners

The investment assessment criteria for all three streams are shown in [Appendix 3A.1a](#)

3. Financing the Strategy

The Council will fund the investment property acquisitions by utilising the most appropriate and efficient funding strategy available at the time of purchase. The Council has the option of utilising prudential borrowing, capital receipts, and reserves and may consider other structures such as joint ventures with pensions and insurance funds. Financing decisions will link to the Council's Medium Term Financial Strategy and Treasury Management Strategy.

4. Governance Arrangements

It is necessary to have a framework for determining which properties and development opportunities should be invested in.

A dedicated Officer level Property Selection Team (PST) will be formed and structured as outlined in [Appendix 3A.4](#). This team will advise a Property Investment Governance Board (PIGB) on potential purchases and development opportunities that meet the pre-determined selection criteria contained within the Strategy. The PST will identify investment opportunities based on the selection criteria set out in this Strategy, will carry out all necessary due diligence and will present a full business case to the PIGB for approval.

The structure of the PIGB is also outlined in [Appendix 3A.4](#). The purpose of the PIGB is to challenge and scrutinise investment opportunities identified by the PST, ensuring that only credible options are progressed, and providing the forum for the strategic management of the overall portfolio of investments, consistent with the aims of the Strategy.

The PIGB will assist the Executive Director in his decision making by reviewing, challenging and approve the progression or rejection of property investments.

To enable the timely and decisive decision making which is essential in this type of industry, to respond to opportunities as they arise, regular meetings of the PIGB will be scheduled.

Decisions delegated to the Executive Director will be subject to fulfilment of the minimum criteria set out within the Strategy, satisfaction with the business case and risk assessment, and will have regard to the approval of the PIGB.

Acquisitions and development opportunities that do not meet the minimum criteria set out within the Strategy may still be considered where they would bring other compelling benefits to the District, but would require Cabinet approval.

5. Capacity, Skills and Use of External Advisors

The Guidance requires that elected members and officers involved in the investment decision making process have appropriate capacity, skills and information to enable them to take informed decisions as to whether to enter into a specific investment. In addition, it places a duty on the Council to ensure that advisors negotiating deals on behalf of the Council are aware of the core principles of the prudential framework and the regulatory regime in which the Council operates.

The Council will appoint specialist advisors to provide training to ensure that relevant officers and members have the required skills to make informed decisions and assess the associated risks. This training will take place before any investment decisions associated with the Strategy are considered. The PST will include representatives from Legal Services and Corporate Finance, who will ensure that advisors and officers negotiating deals are aware of the Council's financial and regulatory frameworks.

The Council recognises that investing in land and properties to generate yield and capital returns is a specialist and potentially complex area. The Council will engage the services of professional property, legal and financial advisors, where appropriate, to access specialist skills and resources to inform the decision-making process associated with this Strategy.

The Council recognises that it is responsible for property investment decisions at all times and will ensure that undue reliance is not placed upon our external service providers and will maintain sufficient in-house expertise to manage the procurement of investments, through the PST.

6. Prudential Indicators

The Guidance requires local authorities to develop quantitative indicators that allow Councillors and the public to assess a local authority's total risk exposure as a result of commercial property investment decisions.

The indicators associated with the Council's proposed Commercial Property Investment Strategy are detailed below.

6.1. Debt to Net Service Expenditure (NSE) Ratio

This indicator measures the gross debt associated with Commercial Property Investments as a percentage of the Council's net service expenditure, where net service expenditure is a proxy for the size and financial strength of a local authority.

Estimate £'000	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Limit
Gross Debt	-	20,000	40,000	60,000	80,000	100,000	
NSE	18,815	20,701	22,089	21,627	21,086	20,701	
Debt to NSE Ratio	0%	97%	181%	277%	379%	483%	500%

The indicator shows that the debt level proposed by the Strategy will be approximately up to 5 times the level of the Council's net revenue budget if the proposed investment in the Strategy is funded solely from borrowing.

Given that the Strategy will take the risk profile of investments into account in the decision-making process and the Council sees property investments as a long-term investment this ratio is reasonable. A maximum limit of 500% has been set for this indicator.

6.2. Commercial Income to NSE Ratio

This indicator measures the Council's dependence on the income from commercial property investments to deliver core services.

Estimate £'000	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Limit
Commercial income	2,004	2,600	3,200	3,800	4,400	5,000	
NSE	18,815	20,701	22,180	21,718	21,177	20,786	
Commercial income to NSE Ratio	10.7%	12.6%	14.4%	17.5%	20.8%	24.1%	30%

The additional income generated from the investments set out within this Strategy will be equivalent to 24% of the Council's Net Service Expenditure by 2023/24. This ratio is considered reasonable and includes the revenues generated from Ermine Street Housing. A maximum limit of 30% has been set for this indicator.

6.3. Investment Cover Ratio

This indicator measures the total net income from property investments compared to interest expense.

Estimate £'000	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Commercial income	2,004	2,600	3,200	3,800	4,400	5,000
Interest cost	-	594	1,188	1,782	2,376	2,970
Investment cover Ratio	n/a	4.38	2.69	2.13	1.85	1.68

The indicator shows that the net income from property investments is expected to be at least 1.68 times higher than the anticipated interest expense.

6.4. Loan to Value (LTV) Ratio

This indicator measures the amount of debt compared to the total asset value. In the period immediately after purchase it is normal for the directly attributable costs of purchasing commercial property investments to be greater than the realisable value of the asset (e.g. because of non-value adding costs such as stamp duty). The initially high LTV ratio in 2019/20 is due to the inclusion of the assets of Ermine Street Housing that have been purchased from reserves. A decrease in the loan to value ratio from 2020/21 reflects that debt finance will be raised through Public Works Loan Board borrowings and property values are expected to remain constant, however borrowings will be repaid.

Estimate £'000	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Total debt	-	20,000	40,000	60,000	80,000	100,000
Total asset values	63,553	86,597	128,478	153,509	177,559	201,715
LTV Ratio	-	4.33	3.21	2.56	2.22	2.02

Each year the Council will assess whether assets purchased via the Strategy retain sufficient value to provide security of investment using the fair value model in *International Accounting Standard 40: Investment Property*. If the fair value of assets is not sufficient to provide security for the capital investment the Strategy will provide detail of the mitigating

actions that are being taken, or are proposed to be taken, to protect capital investment.

6.5. Target Income Returns (Yield)

This indicator shows net revenue income compared to equity and is a measure of achievement of the property portfolio. The net return is shown after making allowance for financing and borrowing costs.

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Target income returns	-	2.5%	2.5%	2.5%	2.5%	2.5%

6.6. Gross and Net Income

Estimate £'000	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Gross Income:	3,728	5,046	6,509	8,690	9,397	10,107
Net Income	2,004	2,600	3,200	3,800	4,400	5,000

The net income target of £2.6m in 2019/20 to £5M by 2023/24 from Commercial Property Investments is not currently incorporated into the Council's financial projections for the period up to 2023/24. This income will need to be delivered if current service delivery is to be maintained by the Council.

The non-achievement of this income will require the identification of alternative savings proposals, which may result in cuts in service.

The achievement of the target income required from the Strategy will be closely monitored as part of the Council's standard budget monitoring process.

6.7. Operating Costs

Estimate £'000	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Operating Costs	59	233	259	260	260	260

The above operating costs relate to the cost of the Council's PST. The costs shown reflect the cost of managing the procurement of assets under this Commercial Property Investment Strategy and developing the future pipeline of investments.

Additional operating costs may be incurred as a result of the purchase of Commercial Investment Properties. Any such costs will be factored into the financial appraisals as part of the purchase assessment to ensure that target net rates of return are achieved. This indicator may therefore be revised once investments are made.

6.8. Vacancy Levels and Tenant Exposures

Estimate £'000	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Operating Costs	0%	0%	0%	0%	0%	0%

This indicator measures and sets targets for the void periods within the property portfolio.

The target of 0% reflects the strong tenant covenant strengths that will be required under the Stream 1 investment criteria. Void periods will be factored into the financial appraisals as part of the assessment criteria where relevant, therefore this indicator may be revised once investments are made.

Appendix 3A.1 - PROPERTY INVESTMENT STREAM 1

1. Objective

The objective of the Stream 1 investment criteria is to establish a framework for the identification of commercial property investments which, if acquired, would provide the Council with a positive rental return and capital growth.

The investment criteria are designed to ensure that funds are invested in properties that deliver yield and security commensurate with the Council's risk appetite.

Each potential investment will be evaluated to ensure the income received is sufficient to provide an acceptable rate of return following the payment of borrowing costs, acquisition costs, management fees and any running costs.

Purchases will take regard of the need to diversify the Council's property portfolio to manage risks across the entire portfolio.

2. Market Analysis and Background

As with other forms of investment at their most basic level, property investment is a trade-off between risk and return. A traditional well diversified property portfolio (spread across different property sectors and geographical regions) will deliver long term rental and capital growth with relatively low risk. Prime property in the target regions covered by this Strategy will typically provide an initial yield of between 5-7% with the additional prospect of capital growth leading to a higher total return to the Council.

The Strategy will adopt the same underlying principle of diversification in acquiring property investments offering a similar return profile. The three main property sectors will be included (industrial, office and retail) and in turn, these will be additionally diversified on criteria including location, the lease term and lot size. When added to the existing portfolio this will assist in protecting the Councils overall risk and return profile should an individual property investment cease to be income producing (for example, it is undergoing refurbishment or awaiting a new tenant).

3. Property Acquisition Methodology

Identification, consideration and recommendation of assets suitable for acquisition will be undertaken by the PST in conjunction with outside specialist guidance and support, procured in accordance with the Council's Contract Procedure Rules.

The PST and appointed agents will undertake a search of the market which will include approaches and introductions of opportunities direct from the sellers, their agents and third parties.

Introductions from third party agents will be accepted on a first come first served basis by verbal or written communication to the PST. If after the introduction the Council wishes to pursue the purchase further written agreement on the "basis of engagement" and fees will be required.

The use of independent consultants will be required to assess properties prior to bidding and any purchase will be subject to due diligence on all physical, financial and legal aspects of the property to address its suitability as an asset for long term security and growth.

All investments considered for purchase will undergo qualitative and quantitative appraisal to establish portfolio suitability which will consider rental levels, location, property type, rent review and lease expiry pattern, tenant(s), industry sector, tenure, lease covenants, market exit constraints and physical and environmental factors. In addition, 3rd party advice will be called upon where specialist market knowledge is required.

Property investment markets are, in general, controlled by national and regional commercial property agencies and establishing links and relationships with several such property agents is the best method of sourcing suitable properties for acquisition. Staffing resources

will need to be made available to source suitable property assets for acquisition that match the criteria set under the Strategy. This can be done by both recruitment into the PST team and by employing additional external expertise as required.

4. Minimum Investment Criteria

For a Stream 1 property investment to be considered by the PIGB for recommendation to the Executive Director it must: -

- 4.1.** Achieve a minimum weighted score of 100 from the investment criteria matrix shown in [Appendix 3A.1a](#);
- 4.2.** Have an Net Initial Yield of 5% after making allowance for purchasers costs;
- 4.3.** Be accompanied by a full business case prepared by the PST.

Each potential property investment will undergo a qualitative and quantitative appraisal and risk assessment to establish portfolio suitability and the legal and financial implications of the purchase. The findings of these appraisals will be reported to the PIGB as part of the business case. [Appendix 3A.1b](#) details the specific areas that will be included in the business case as a minimum.

All acquisitions, where relevant, will be subject to building and plant survey, independent advice and valuation.

An investment opportunity that does not meet the minimum criteria under investment stream 1 may have separate investment or regeneration benefits and therefore may be considered separately under Stream 2 of the strategy.

5. Risk Management

5.1. Financing Risk - As with all investments, there are risks that capital values and rental values can fall as well as rise. To mitigate against future unfavourable market forces, Stream 1 acquisitions will be made on the basis that the Council is willing and capable of holding property investments for the long term i.e. 35 years +. This will ensure income and capital returns are considered over the long term thereby smoothing out any cyclical economic/property downturns.

Where the purchase of a property is reliant on increases in borrowing the business case will factor in fixed rate borrowing costs. By utilising fixed rate borrowing options the Council will be protected from future increases in financing costs.

5.2. Portfolio Risk – void periods. To mitigate the risk of void periods where the property is either partially or fully vacant, or a tenant has defaulted on its rental obligations, the investment portfolio will be actively managed. The investment criteria specified in the scoring matrix will tend to favour secure property investments i.e. high-quality buildings in prime locations, thus mitigating the risk of void periods on re-letting.

Void periods for commercial investment properties acquired under this Strategy will be monitored and vacancy levels will be reported to the PIGB throughout the year so that they can be actively managed.

6. Portfolio Management

Newly purchased property acquired under this Strategy would be added to the existing portfolio and Corporate PPM would undertake asset and property management to maintain and improve the performance of an investment property; or additional specialist resources may need to be bought in as necessary. This would include ensuring statutory and regulatory compliance, tenant compliance, landlord responsibilities, securing receipt of rents, dealing with voids and insurance matters. The costs associated with these areas would be considered in the financial appraisal for the property acquisition.

The property asset management will be subject to an annual review and incorporated within the Property Asset Management Plan (PAM) which is presented to Full Council annually.

APPENDIX 3A.1a Investment Criteria Matrix

The PST will score the property against the scoring criteria shown below in order of priority. The minimum score for Stream 1 at least 100 out of a maximum score of 184; this is equivalent to at least the 54th percentile of the maximum. There will however be a trade-off between the level of return and the score. For example, a high return would reflect higher risk and consequently a lower score; conversely, a lower level of return would reflect a lower level of risk and a higher score.

The table below shows the suggested scoring criteria to be applied when considering an investment property.

Score		4	3	2	1	0
Scoring Criteria	Weighting Factor	Excellent / very good	Good	Acceptable	Marginal	Unacceptable
Location	12	Major Prime	Micro Prime	Major Secondary	Micro Secondary	Tertiary
Tenancy Strength	10	Single tenant with strong financial covenant	Single tenant with good financial covenant	Multiple tenants with strong financial covenant	Multiple tenants with good financial covenant	Tenants with poor financial covenant strength / vacant
Tenure	9	Freehold	Lease 125 years plus	Lease between 50 & 125 years	Lease between 20 & 50 years	Lease less than 20 years
Occupiers lease length	5	Greater than 10 years	Between 7 and 10 years	Between 4 and 7 years	Between 2 and 4 years	Less than 2 years; vacant
Building Quality / obsolescence	4	Newly Built	Recently refurbished	Average condition and likely to continue to be fit for current use for 25+ years	Aged property with redevelopment potential	Nearing end of useful life / unlikely to continue when lease expires
Repairing obligations	4	Full repairing and insuring	Internal repairing – 100% recoverable	Internal repairing – partially recoverable	Internal repairing – no recoverable	Landlord
Lot size	2	Between £6m and £12m	Between £4m & £6m or £12m and £18m	Between £2m & £4m or £18m and £20m	Between £1m & £2m or £20m & £25m	Less than £1m or more than £25m

Investment Criteria Definitions

Location - property is categorised as prime, secondary or tertiary in terms of its location desirability. For example, a shop located in the best trading position in a town would be prime, whereas a unit on a peripheral neighbourhood shopping parade would be considered tertiary.

Tenancy Strength – the financial strength of a tenant determines the security of the property’s rental income. A financially weak tenant increases the likelihood that the property will fall vacant. The minimum acceptable financial strength for any given tenant will be determined through financial appraisal of company accounts and the use of appropriate methods of risk assessment and credit scoring. To minimise management and risk, the preference will be for single occupancy investments wherever possible.

Tenure – anything less than a freehold acquisition will need to be appropriately reflected in the price. If leasehold, is the lease free from unencumbered/onerous terms? Is the rent periodically reviewed to take into account inflation and upward market movement?

Occupational Lease Length – the lease term will determine the duration of the tenant’s contractual obligation to pay rent. The most attractive investments offer a long lease with a strong tenant covenant. The lease term will reflect any tenant break clauses.

Building Quality – a brand new or recently refurbished building will not usually require capital expenditure for at least 15 years. This is attractive for income investors requiring long term rental income with the minimum of ongoing capital expenditure.

Repairing Obligations – under a Full Repairing & Insuring Lease (FRI), the tenant is responsible for the building’s interior and exterior maintenance / repair. The obligation is limited to the building’s interior under an Internal Repairing & Insuring Lease (IRI). The preference will be to favour FRI terms (or FRI by way of service charge i.e. all costs relating to occupation and repairs are borne by the tenants and administered through a service charge).

Lot Size – to maintain portfolio balance the preference will be for no single property investment to exceed £12m for a single let property.

In addition to the above criteria the PIGB and the Executive Director should, when assessing the merits of an investment, specifically consider compatibility with all SCDC policies on matters relating to use such as: -

- Alcohol or tobacco production or sale;
- Animal exploitation;
- Environmentally damaging practices;
- Gambling;
- Pornography.

APPENDIX 3A.1b - Stream 1 Business Case

The PST will prepare a business case for Stream 1 investments where the minimum weighted score target has been met. The business case will include the following as a minimum:

a) Financial Appraisal

A detailed financial appraisal setting out the projected income and costs associated with a potential acquisition along with an assessment of the proposed financing options and associated risks and considerations.

b) Lease Classification

A lease should be classified, for accounting purposes, as an operating lease rather than finance lease, to ensure that all rental income can be treated as revenue income (rather than a mix of capital receipt and revenue income). Operating leases are those where the risks and rewards of ownership are retained by the lessor (the Council) and must meet certain criteria. The main criteria being that the lease term should not be for the major part of the property's economic life and at the start of the lease, the total value of minimum lease payments (rents) should not amount to a significant proportion of the value of the property.

c) Risk Management Assessment

A detailed risk assessment of the potential purchase, including but not limited to:

- Specific risks associated with individual assets:
- Tenant default on rental payment (covenant risk)
- Risk of failure to re-let (void risks)
- Costs of ownership and management
- Differing lease structures (e.g. rent review structure, lease breaks).
- Sector risk (portfolio spread)

Market Risks, including risks of structural change or market failure, which may affect the market as a whole or particular subsectors or groups of property:

- Illiquidity upon sale (e.g. lot size, transaction times, availability of finance)
- Failure to meet market rental expectations (forecast rental growth)
- Failure to meet market yield expectations (forecast yield shift)
- Risk of locational, economic, physical and functional depreciation through structural change
- Risks associated with legislative change (e.g. planning or changes in fiscal policy)

d) Portfolio Assessment

An assessment to establish suitability against the Council's existing property portfolio which will consider rental levels, location, property type, rent review and lease expiry patterns, industry sector, tenure, lease covenants, market exit constraints and physical and environmental factors.

e) Report on Title

To confirm ownership.

APPENDIX 3A 1.2 - PROPERTY INVESTMENT STREAM 2

1. Objective

The objective of the Stream 2 investment criteria is to establish a framework for the identification of properties or land for redevelopment. These opportunities may deliver placemaking or economic development benefits, as defined in the Councils Business Plan, **as well as** positive financial returns for the Council in the form of future revenue income streams or capital uplifts. Future revenue income streams could include increases in retained business rates income and New Homes Bonus.

Developed properties may be retained for the benefit of their long-term rental income and will become an investment asset after completion.

The Stream 2 investment criteria will be designed to ensure that the financial returns delivered from investments are commensurate with the deemed levels of associated risk. A higher risk investment will therefore require the delivery of greater financial returns.

2. Market Analysis and Background

Stream 2 investment opportunities could come in a diverse range of forms. Examples include, but are not limited to:

- Investing in climate and environmental initiatives
- Investing in Social Capital
- Redeveloping Council owned assets;
- Building homes and commercial premises;
- Using public land and buildings to achieve long-term socio-economic development within the District and wider Greater Cambridgeshire Area, as identified in the Local Plan and Appendix A4 of this strategy;

As with other forms of investment there is a trade-off between risk and return. Given the more speculative nature of this type of investment activity the risks associated with this type of investment may, in some cases, be higher than those associated with Stream 1 activity. It may be possible to share risks and rewards of Stream 2 activities with adjoining councils and other public sector and private sector partners.

The assessment criteria for Stream 2 activities needs to be agile enough to allow significantly different schemes to be assessed using the same overarching principles.

For a Stream 2 property investment to be considered by the PIGB and the Executive Director it must: -

- a) Deliver a rate of return commensurate with the deemed level of risk associated with the investment;
- b) Be accompanied by a full business case prepared by the PST, and other officers where relevant.

The investment opportunities considered under Stream 2 could vary significantly and, due to the speculative nature of some schemes, there will be higher risks attached to some investment opportunities.

The minimum yield for a low risk Stream 2 investment would be the 2% over the term of the investment, after making allowance for financing, operating and borrowing repayment costs. A high-risk scheme may be required to achieve a return of 20%.

Each potential Stream 2 investment will undergo a qualitative and quantitative appraisal and risk assessment to establish the financial returns, financial and legal implications and risks associated with the purchase. The findings of these appraisals will be reported to the PIGB as part of the business case.

An investment opportunity that does not meet the minimum criteria under investment stream 2 may have separate investment or regeneration benefits and therefore may still be considered for progression however decision making in this case is to be reserved to the Cabinet.

3. Acquisition / Development Methodology

Identification, consideration and recommendation of assets suitable for acquisition and / or development will be undertaken by the PST in conjunction with internal and external specialist guidance and support.

All investments considered for purchase will undergo qualitative and quantitative appraisals to establish financial suitability and risks. In addition, 3rd party advice will be called upon where specialist market knowledge is required.

4. Minimum investment criteria

In addition to the investment criteria matrix in [Appendix 3A.1a](#), Stream 2 investments will be assessed for their strategic fit against the Objectives and Focus Areas contained within the 2019-24 Business Plan

4.1. Business plan objectives

The PIGB will from time to time advise the target scores for the business plan objectives, and the weighting to be given to individual focus areas within each business plan area

5. Risk Management

5.1. Financing Risk

As with all investments, there are risks that capital values, rental values and development values can fall as well as rise. Where the acquisition or development is reliant on increases in borrowing the business case will factor in fixed rate borrowing costs commensurate with the anticipated holding period of the asset. By utilising fixed rate borrowing options the Council will be protected from future increases in financing costs.

Financial returns from Stream 2 activities may come in the form of capital receipts either in place of or in addition to revenue returns. This would need to be considered carefully as part of the overall Strategy given the requirement to achieve net revenue returns of 2.5% from the investment strategy overall.

6. Business Case

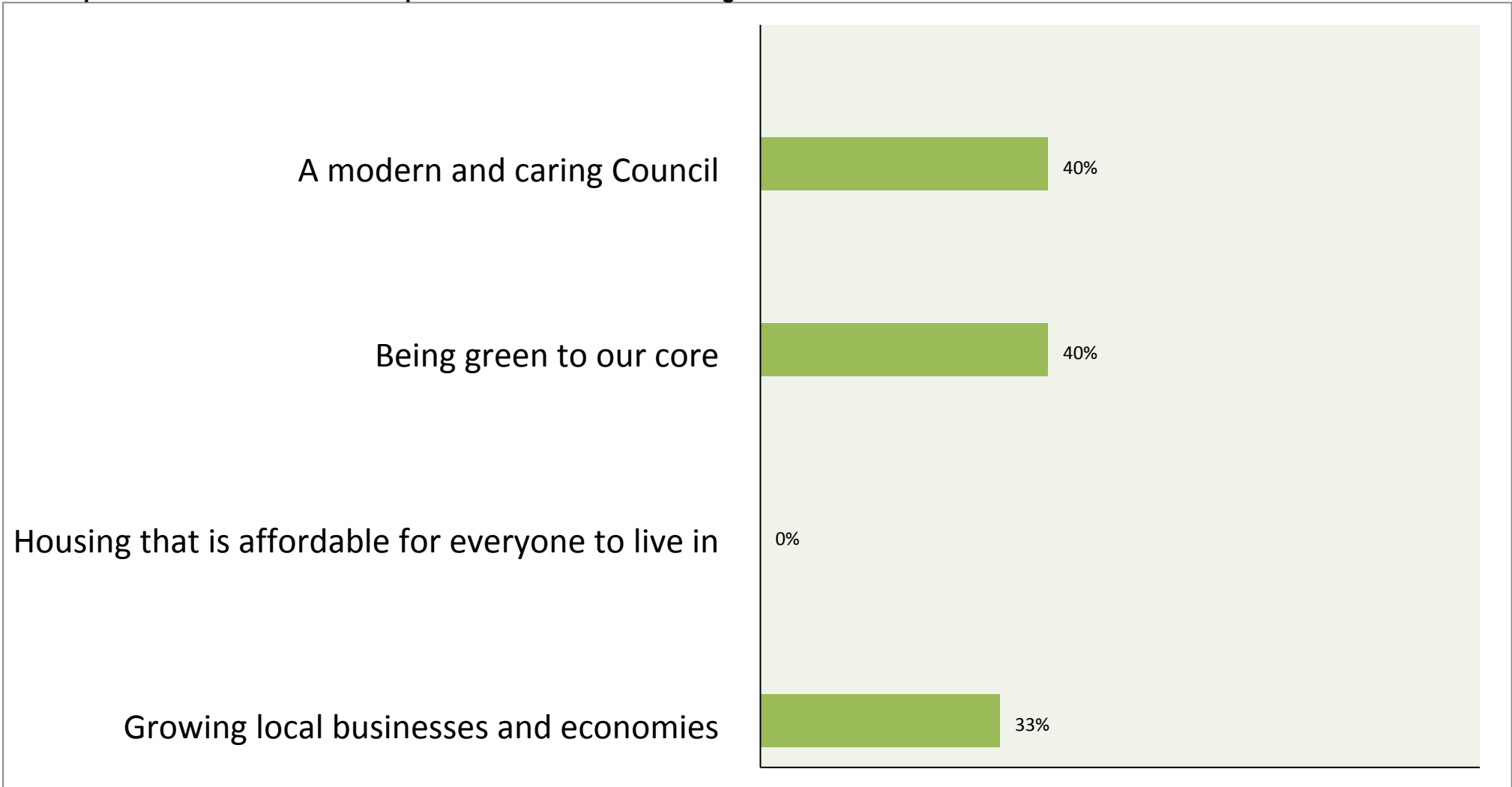
The PST will prepare a business case for Stream 2 investments where the minimum weighted score target has been met ([Appendix 3A.6](#))

The minimum score target will be determined by the Interim Executive Director, in consultation with the Lead Member for Finance, once the Business Plan objectives and focus areas have been finalised.

Example: Enterprise Zone investment / development – Stream 2 scheme fit against Draft Business Plan

Draft Business Plan areas	score	focus area	actions	measures
<p>1 Growing local businesses and economies</p>	33%	We will make it easy to do business in South Cambridgeshire	Deliver support to start-ups and small businesses that is not available elsewhere to help them grow, create new local jobs and deal with the impacts of Brexit	Number of new start-ups and small business growth by 2024
		We will improve environmentally friendly transport links	Improve walking, cycling and public transport links between existing villages and employment sites	Successful delivery of new or improved travel routes
<p>2 Housing that is affordable for everyone to live in</p>	0%			
<p>3 Being green to our core</p>	40%	We will increase green energy generation and promote environmentally friendly energy consumption	Explore opportunities for renewable energy generation and maximise the energy efficiency of the Council offices and estate.	Renewable energy generated onsite
		We will maintain and improve air quality across the district	Reduce carbon footprint and impact on air quality of the Council's activities	Install electric vehicle charging points at our Cambourne and Waterbeach offices for staff, members and visitors
<p>4 A modern and caring Council</p>	40%	We will generate new and innovative sources of income to invest in services for local people	Develop options to generate income by investing in the district in line with the criteria set out in the Council's investment strategy	Income generated from investments
		We will reduce costs and improve customer service	Develop and support Councillors to ensure that they can best serve their communities	Carry out a programme of Member development and training as part of the Organisational Development strategy

Example: Enterprise Zone investment / development – Stream 2 scheme fit against Draft Business Plan



APPENDIX 3A.3 - PROPERTY INVESTMENT STREAM 3 – Investment Partnerships

1. Objective

The objective of the Stream 3 investment criteria is to establish a framework for the identification of properties or land for development of new homes through Investment Partnerships. These opportunities may deliver regeneration or economic development benefits as well as positive financial returns for the Council in the form of future revenue income streams or capital uplifts. Future income streams may include:

- Rental income from Council Housing (HRA Affordable Homes);
- Rental income from Private Rented Sector Housing (PRS) through Ermine Street Housing;
- Capital receipts from Intermediate Home Ownership staircasing;
- Capital receipts from Right to Buy;
- Increases in retained business rates;
- New Homes Bonus.

Developed properties may be retained for the benefit of their long-term rental income and will become an investment asset after completion.

The Stream 3 investment criteria will be designed to ensure that the financial returns delivered from investments are commensurate with the deemed levels of associated risk. A higher risk investment will therefore require the delivery of greater financial returns.

2. Market Analysis and Background

Stream 3 Investment Partnerships could come in a diverse range of forms. Examples include, but are not limited to:

- Building homes and commercial premises;
- Using public land and buildings to achieve long-term socio-economic sustainability for the District and wider Greater Cambridgeshire Area, as identified in the Local Plan and Appendix A4 of this strategy.

As with other forms of investment there is a trade-off between risk and return. Given the more speculative nature of this type of investment activity the risks associated with this type of investment may, in some cases, be higher than those associated with Stream 1 activity. However, these risks and rewards would be shared with the investment partner.

The assessment criteria for Stream 3 activities needs to be agile enough to allow significantly different schemes to be assessed using the same overarching principles.

3. Minimum Investment Criteria

For a Stream 3 property investment to be considered by the PIGB it must: -

- Deliver a rate of return commensurate with the deemed level of risk associated with the investment;
- Be accompanied by a full business case prepared by the PST, and other officers where relevant.

The scoring matrix for Stream 3 investments will be based on the targets for Stream 2 investments. Schemes with higher risks will be expected to deliver higher levels of return to cover the risk considerations, and only schemes that deliver the assessed rate of return will pass the minimum assessment criteria.

The minimum net rate of return for a low risk Stream 3 investment would be the 2% required to deliver the savings attached to the Investment Strategy, after making allowance for financing costs and borrowing costs.

Each potential Stream 3 investment will undergo a qualitative and quantitative appraisal and risk assessment to establish the financial returns, financial and legal implications and risks associated with the purchase. The findings of these appraisals will be reported to the PIGB as part of the business case.

An investment opportunity that does not meet the minimum criteria under investment stream 3 may have separate investment or regeneration benefits and therefore may still be considered for progression however decision making in this case is to be reserved to the Cabinet rather than the PIGB.

4. Acquisition / Development Methodology

Identification, consideration and recommendation of assets suitable for acquisition and / or development will be undertaken by the PST in conjunction with internal and external specialist guidance and support.

All investments considered for purchase will undergo qualitative and quantitative appraisals to establish financial suitability and risks. In addition, 3rd party advice will be called upon where specialist market knowledge is required.

In addition to the investment criteria matrix in [Appendix 3A.1a](#), Stream 3 investments will be assessed for their strategic fit against the Objectives and Focus Areas contained within the 2019-24 Business Plan

The PIGB will from time to time advise the target scores for the business plan objectives, and the weighting to be given to individual focus areas within each business plan area

5. Risk Management

5.1. Financing Risk

As with all investments, there are risks that capital values, rental values and development values can fall as well as rise. Where the acquisition or development is reliant on increases in borrowing the business case will factor in fixed rate borrowing costs commensurate with the anticipated holding period of the asset. By utilising fixed rate borrowing options the Council will be protected from future increases in financing costs.

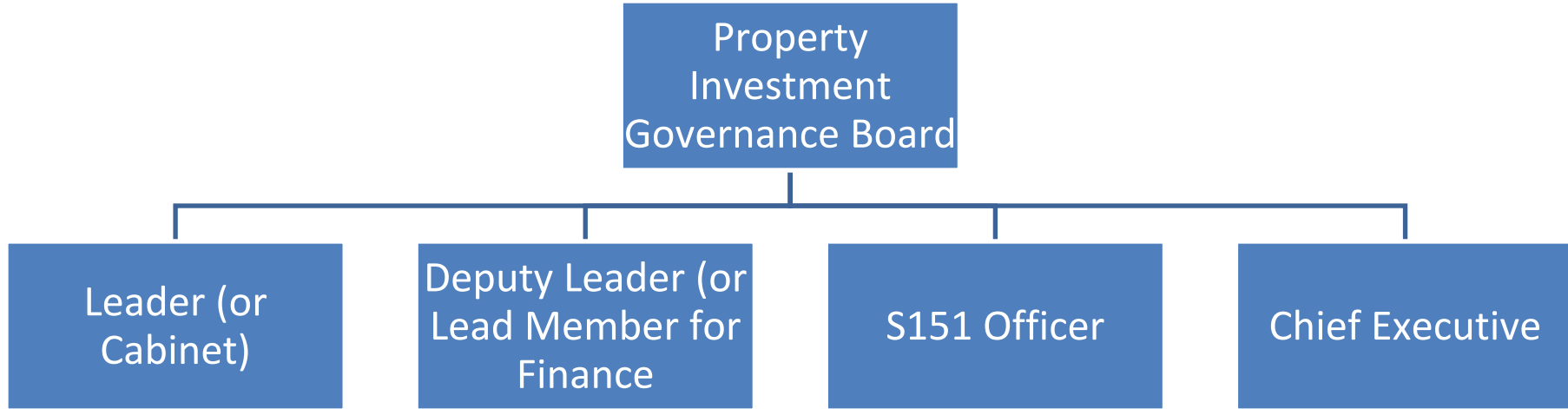
Financial returns from Stream 3 activities may come in the form of capital receipts rather than revenue returns. This would need to be considered carefully as part of the overall Strategy given the requirement to achieve net revenue returns of 2.5% from the Strategy overall.

6. Business Case

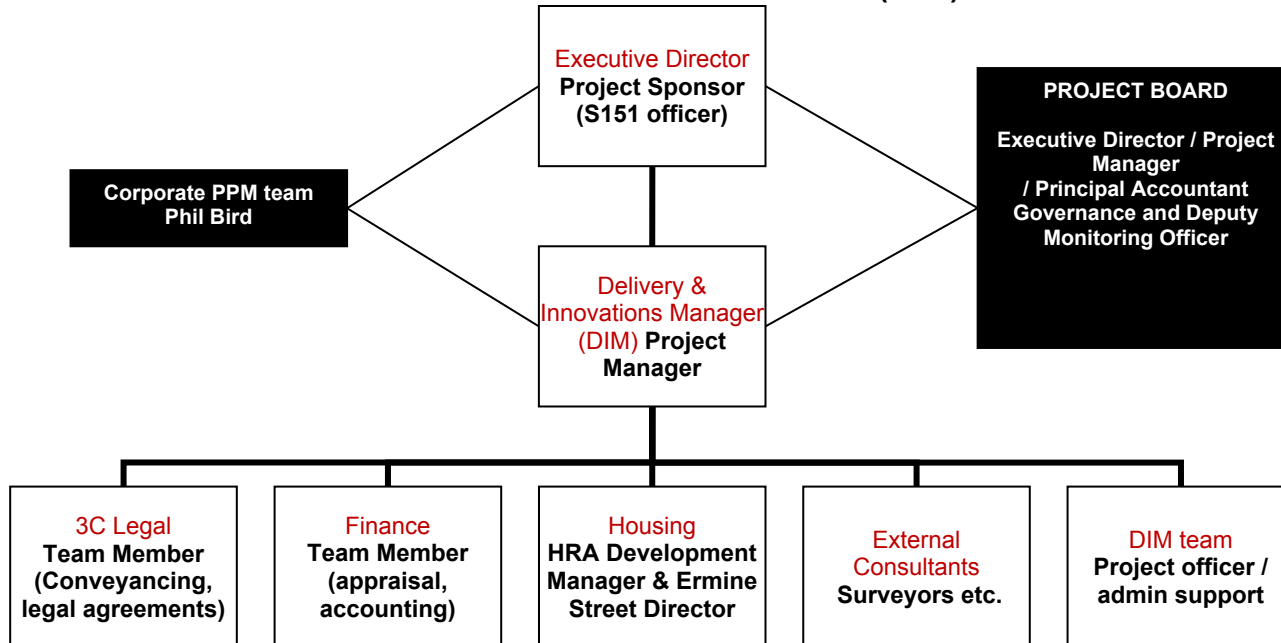
The PST will prepare a business case ([Appendix 3A.6](#)) where the minimum weighted score target has been met.

The minimum score target will be determined by the Interim Executive Director, in consultation with the Lead Member for Finance, once the Business Plan objectives and focus areas have been finalised.

PROPERTY INVESTMENT GOVERNANCE BOARD (PIGB) STRUCTURE



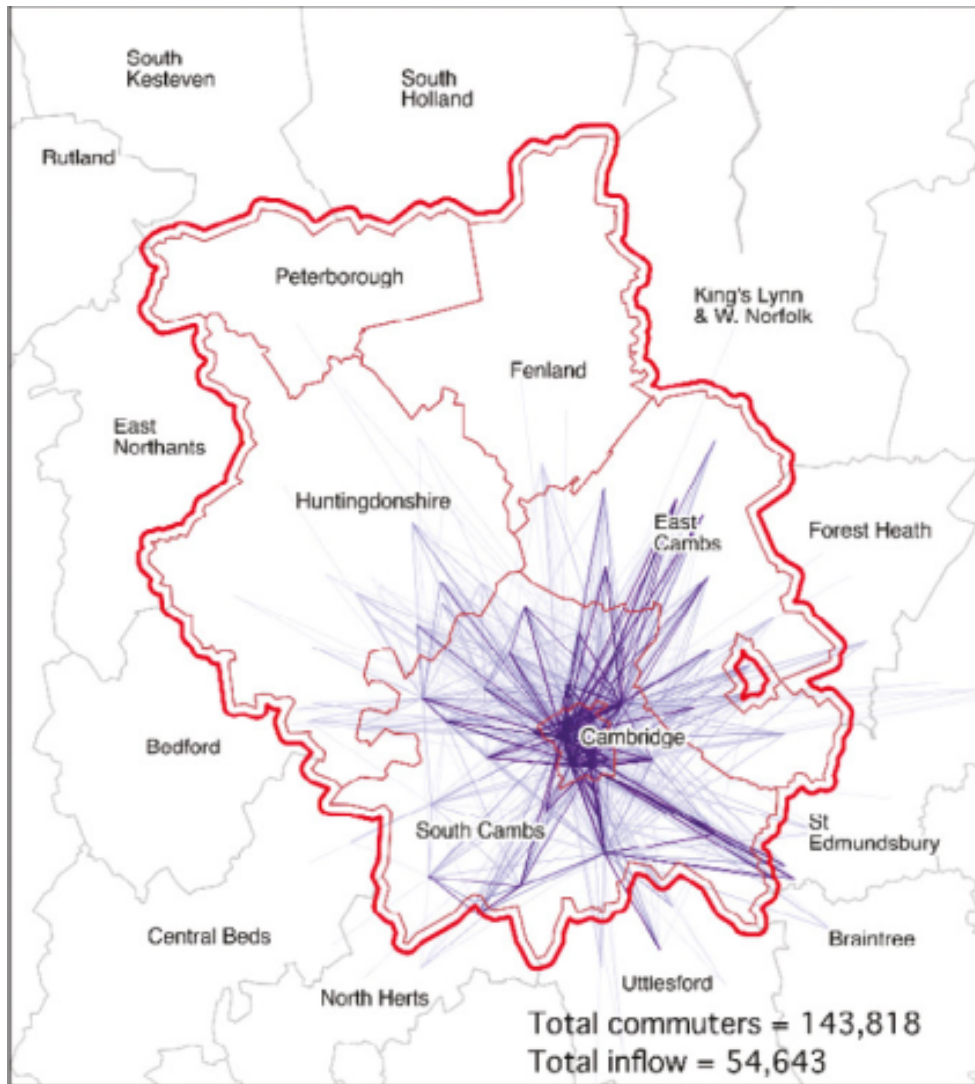
PROPERTY SELECTION TEAM (PST) STRUCTURE



APPENDIX 3A.5 Investment Area

Investment Target Area

The investment target area outside of the Local Plan boundary follows the definition of the Greater Cambridge commuting pattern, as identified in the Cambridgeshire and Peterborough Independent Economic Review (September 2018)



APPENDIX 3A.6 Stream 2 & 3 Business Case outline

The business case will include the following as a minimum:

Reasons - *Why is the investment needed?*

Options - *What are the options available?*

Benefits - *What would be the benefits of the investment? How would it help deliver the Business Plan objectives?*

Investment Appraisal - *A detailed financial appraisal setting out the projected income and costs associated with a potential acquisition along with an assessment of the proposed financing options and associated risks and considerations.*

Risk Management Assessment - *A detailed risk assessment of the potential investment, including mitigation measures that can be employed:*

- Specific risks associated with the proposed investment:
- Risk of failure (sales / letting void risks)
- Costs of ownership and management
- Differing ownership structures (e.g. wholly owned subsidiaries).
- Sector risk (portfolio spread)

Market Risks, including risks of structural change or market failure, which may affect the market as a whole or particular subsectors or groups of property:

- Illiquidity upon sale (e.g. lot size, transaction times, availability of finance)
- Failure to meet market value expectations (forecast value growth)
- Failure to meet market yield expectations (forecast yield shift)
- Risk of locational, economic, physical and functional depreciation through structural change
- Risks associated with legislative change (e.g. planning or changes in fiscal policy)

Portfolio Assessment - *An assessment to establish suitability against the Council's existing property portfolio which will consider rental levels, location, property type, rent review and lease expiry patterns, industry sector, tenure, lease covenants, market exit constraints and physical and environmental factors.*

Legal

- Report on title (to confirm ownership)
- Options for legal structures (e.g. use of wholly owned subsidiaries)
- Advice on SDLT and VAT linked to use of legal structure options

Estimated Timescale

- Proposed start date
- Estimated end date
- Duration

Estimated project resources

- Identify role and name of officers
- Estimate the demand on officer time
- Identify resource gaps and whether these can be met
- Identify external resources required and estimated budget cost

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Appendix 4

Treasury Management Strategy Statement 2019-20 to 2021-22

1. Executive Summary

- 1.1 The council is required to receive and approve, as a minimum, three main treasury management reports each year, which incorporate a variety of policies, estimates and actuals.
- 1.2 The first and most important is the Treasury Management Strategy Statement (this report) incorporating prudential and treasury indicators which covers:
- Capital plans (including prudential indicators)
 - A Minimum Revenue Provision policy which explains how unfinanced capital expenditure will be charged to revenue over time;
 - The Treasury Management Strategy (how investments and borrowings are to be organised) including treasury indicators; and
- 1.3 A mid-year treasury management report is produced to update members on the progress of the capital position, amending prudential indicators as necessary and to advise if any policies require revision.
- 1.4 The outturn or annual report compares actual performance to the estimates in the Strategy.
- 1.5 The statutory framework for the prudential system under which local government operates is set out in the Local Government Act 2003 and Capital Financing and Accounting Statutory Instruments. The framework incorporates four statutory codes. These are:
- The Prudential Code prepared by CIPFA
 - The Treasury Management Code prepared by CIPFA
 - The Statutory Guidance on Local Authority Investments prepared by Ministry of Housing, Communities and Local Government (MHCLG)
 - The Statutory Guidance on Minimum Revenue Provision prepared by MHCLG
- 1.6 CIPFA have published a revised Prudential Code (2017 edition) with accompanying Guidance Notes for Practitioners (2018 edition) and the Treasury Management Code (2017 edition).

- 1.7 The MHCLG have also published a revised Investment Guidance and Minimum Revenue Provision Guidance (both commenced on 1st April 2018). This report therefore reflects the new requirements. The most notable change is the requirement to expand the Investment Strategy to non-financial assets such as investments in property.
- 1.8 The council's S151 Officer has considered the deliverability, affordability and risk associated with the council's capital expenditure plans and treasury management activities. The plans are affordable and where there are risks such as the slippage of capital expenditure or reductions in income or value from investments these have been considered and are mitigated or at an acceptable level. The council has access to specialist advice where appropriate.
- 1.9 Treasury management reports are required to be adequately scrutinised before being recommended to Council. The Treasury Management Strategy is scrutinised by the Overview and Scrutiny Committee alongside the council's budget papers each year. Scrutiny and approval of the half year and outturn reports is delegated to the Audit and Corporate Governance Committee.

2. **Recommendations**

Council is asked to approve:

- 2.1 This report, including the estimated Prudential & Treasury Indicators for 2019/20 to 2021/22, inclusive, as set out in Appendix C;
- 2.2 To increase the upper limit of investment in Ermine Street Housing (ESH) to £64.561m in 2018/19, £76.068m in 2019/20 and £88.757m in 2020/21 in line with the current ESH business plan. This lending will be supported by external borrowing to the extent necessary to maintain a minimum £20m working cash balance (i.e. total investment balance less loans to Ermine Street Housing);
- 2.3 To set the council's operational boundary and authorised borrowing limit for external debt in relation to its need to borrow (as expressed by the Capital Financing Requirement), being £5m and £10m respectively over this amount.

3. **Background**

3.1 Treasury Management Activities

3.2 The council is required to comply with the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice. The council is required to set prudential and treasury indicators, including an authorised limit for borrowing, for a three-year period and should ensure that its capital plans are affordable, prudent and sustainable. The council also follows MHCLG Investment Guidance.

3.3 The council contracted with Link Asset Services during 2018/19 to provide treasury management advice on developments and best practice in this area and information on the creditworthiness of potential counterparties, deposit and borrowing interest rates and the economy.

4. Borrowing Policy Statement

- 4.1 The Council is permitted to borrow under the Prudential Framework, introduced with effect from 1st April 2004.
- 4.2 At present the only debt held by the authority relates to the 41 loans from the PWLB for self-financing the HRA taken out in 2012 totalling £205,123,000.
- 4.3 The council does anticipate that there may be some external borrowing for the period 2019/20 to 2021/22, inclusive. Hence the recommendation above to increase the council's external authorised borrowing Limit.
- 4.4 In the event that external borrowing is undertaken the council is able as an eligible local authority to access funds at the PWLB Certainty Rate (a 0.20% discount on loans) until 31st October 2019.
- 4.5 The council will not borrow more than or in advance of its needs purely to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the council can ensure the security of such funds.

5. Minimum Revenue Provision (MRP) Policy Statement

- 5.1 Minimum Revenue Provision (MRP) is the revenue charge that the council is required to make for the repayment of debt, as measured by the underlying need to borrow, rather than actual debt. The underlying debt is needed to finance capital expenditure which has not been fully financed by revenue or capital resources. As capital expenditure is generally expenditure on assets which have a life expectancy of over one year it is prudent to charge an amount for the repayment of debt over the life of the asset or some similar proxy figure.
- 5.2 The Local Authorities (Capital Finance and Accounting) regulations require local authorities to calculate for the financial year an amount of MRP which is considered to be 'prudent'.
- 5.3 There is no requirement to charge MRP where the Capital Financing Requirement (CFR) is nil or negative at the end of the preceding financial year.
- 5.4 The Housing Revenue Account share of the CFR is not subject to an MRP charge.
- 5.5 There is no requirement to make a MRP charge on an asset until the financial year after that asset becomes operational.
- 5.6 The Government has issued revised guidance (issued in January 2018) on the calculation of MRP. The council is required to have regard to the guidance based on the underlying principle that the provision should be linked to the life of the assets for which the borrowing is required.
- 5.7 However, the guidance is clear that differing approaches can be considered if the resulting provision is prudent.
- 5.8 In general, the council will make a minimum revenue provision based on the equal instalment method, amortising expenditure equally over the estimated useful life of the asset for which the borrowing is required. However, no provision will be made in

respect of expenditure on specific projects where the Chief Financial Officer determines that receipts will be generated by the project to repay the debt.

- 5.9 Where a loan is made to a wholly owned subsidiary of the council, the loan is deemed to be secured on the assets of the company. Evidence of the ability to repay the loan will be based on the company's business plan and asset valuation, and no minimum revenue provision will be made. The council will review the loan and business plan annually, where there is evidence that suggests the full amount of the loan will not be repaid it will be necessary to reassess the charge to recover the impaired amounts from revenue.
- 5.10 Exceptionally, where capital expenditure is part of a loan agreement to other than a wholly owned subsidiary, the council may register a fixed and floating charge over the counterparty assets to secure the council's interest in the investment, or alternately an equity share interest in an asset with value.
- 5.11 The council is considering a programme of investment in commercial property using powers under S12 of the Local Government Act 2003. This is deemed capital expenditure and will be financed from cash balances and/or external borrowing as appropriate at the time. MRP will be provided for using the useful life determinant with regard to maximum lives permitted in the revised MHCLG MRP guidance of 50 years for freehold land and 40 years for all other assets. MRP will be made on the purchase of these properties from the date that rental income is earned.

6. The council's Capital Expenditure and Financing 2018/19 to 2021/22

- 6.1 The council undertakes capital expenditure on long-term assets. These activities may either be:
- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, developer contributions, revenue contributions, reserves etc.), which has no resultant impact on the council's borrowing need; or;
 - If insufficient financing is available, or a decision is taken not to apply other resources, the funding of capital expenditure will give rise to a borrowing need.
- 6.2 Details of capital expenditure forms one of the required prudential indicators. The table below shows the proposed capital expenditure and how it will be financed.

Table 1 – Capital expenditure and financing

£'000	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Estimate	Estimate	Estimate	Estimate
Capital expenditure					
General Fund	4,436	4,051	23,854	27,895	23,263
HRA	16,972	18,637	27,031	35,851	21,947
Third party loans - ESH	10,845	28,055	12,507	12,689	-
Third party loans - Other	-	2,400	-	-	-
Total capital expenditure	32,253	53,143	63,392	76,435	45,210
Resourced by:					
Capital receipts	(1,417)	(4,718)	(6,860)	(8,822)	(5,066)
Other contributions	(18,630)	(17,125)	(24,025)	(34,924)	(20,144)
Total available resources for financing capital expenditure	(20,047)	(21,843)	(30,885)	(43,746)	(25,210)
Un-financed capital expenditure	12,206	31,300	32,507	32,689	20,000

7. The council's Prudential and Treasury Management Indicators

7.1 The table below shows the Capital Financing Requirement (CFR), which is the underlying external need to incur borrowing for a capital purpose. It also shows the expected debt position over the period. This is termed the Operational Boundary.

Table 2 - Capital Financing Requirement and cumulative external borrowing

£'000	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Estimate	Estimate	Estimate	Estimate
CFR as at 1st April					
- General Fund	20,938	32,672	63,255	95,006	126,896
- HRA	204,429	204,429	204,429	204,429	204,429
Total	225,367	237,101	267,684	299,435	331,325
Un-financed capital expenditure	12,206	31,300	32,507	32,689	20,000
Minimum Revenue Provision (MRP)	(472)	(717)	(756)	(799)	(689)
CFR as at 31st March	237,101	267,684	299,435	331,325	350,636
Movement in CFR	11,734	30,583	31,751	31,890	19,311
Estimated external gross debt / borrowing (including HRA reform)	205,123	205,123	237,630	270,319	290,319
Authorised limit for external debt	249,100	277,684	309,435	341,325	360,636
Operational boundary for external debt	249,100	272,684	304,435	336,325	355,636

7.2 During the above financial years the Council will operate within the 'authorised' and 'operational' borrowing limits contained within the Prudential Indicators set out in the Council's Treasury Management Strategy Statement. The anticipated Prudential & Treasury indicators are shown in Appendix C.

7.3 It is recommend that, from 2018/19 onwards, the authorised limit and operational boundary for external debt are set with reference to the estimated CFR, to ensure that the council has sufficient approved borrowing capacity, if needed.

8. Investment Strategy

8.1 The Council's overall approach to investment in financial and non-financial assets is outlined in the Capital and Investment Strategies presented in a separate report to Cabinet.

Financial Asset Counterparties

8.2 The full listing of approved counterparties is presented at Appendix A, showing the category under which, the counterparty has been approved, the appropriate deposit limit and how duration limits are determined.

8.3 The Council's loans as at 31 March 2018 and 30 September 2018 were as follows: -

	2017/18		2018/19	
	Actual as at 31 March 2018		Actual as at 30 September 2018	
	£m	Rate %	£m	Rate %
Loans:				
Local authorities	4.00	0.83	9.00	0.83
Clearing banks	20.50	0.71	27.00	0.90
Other banks	5.00	0.87	5.00	1.11
Housing Associations	5.00	1.25	5.00	1.25
Money Market Funds	3.43	0.46	1.62	0.67
Building Societies with assets:				
- Greater than £10bn	8.00	0.76	16.50	0.77
- Between £5bn and £10bn	0.00			
- Between £1.5bn and £5bn	0.00			
Shares	0.05		0.05	
Ermine Street - South Cambs Ltd	35.50	3.74	49.08	3.78
Other Investments				
Total Loans	81.48		113.25	

8.4 Loan security

The Chief Financial Officer will review at least annually the list of approved organisations and make appropriate amendments to individual organisations on the list, but not to the principles on which it is compiled without the approval of the cabinet.

9. Brexit Update

9.1 At the time of writing this report there is still considerable uncertainty around the country's proposed exit from the EU on 29 March 2019, following the cancellation of the parliamentary vote on 11 December 2018. This is currently now scheduled for the week commencing 14 January 2019.

9.2 The council will continue to monitor the situation and to take advice from treasury advisors as appropriate.

10. Money Market Fund (MMF) Reforms

- 10.1 The Money Market Fund Regulation came into force on 21st July 2018 which impacts immediately on any new funds created. Existing funds will have to be compliant by no later than 21st January 2019.
- 10.2 The above Regulation provides investors with a new way of categorising a MMF depending on the level of risk, which could cause fluctuations in their capital values. All the MMFs that the Council uses will be converted from a Constant Net Asset Value (CNAV) to a Low Volatility Net Asset Value (LVNAV) on a month by month basis up to the compliant date of 21st January 2019. In practice, little practical impact has been seen, so no changes are recommended in the investment strategy in relation to these funds.

11. Interest Rates & Interest Received

- 11.1 Link Asset Services is the Council's independent treasury advisor. In support of effective forecasting the Council needs to be aware of the potential influence of interest rates on treasury management issues for the Council. Link's opinion on interest rates is presented at Appendix B.
- 11.2 Total interest and dividends of £917,585 has been received on the Council's deposits up to 30th November 2018 (for this financial year) at an average rate of 1.30% (1.06% in 2017/18). This is an under-achievement compared with the budget to date of £108,655, as interest rates have been lower than had been anticipated.
- 11.3 The Bank of England's Monetary Policy Committee decided to increase its Base Rate by 0.25% to 0.75%, on 2nd August 2018. This is reflected within Link's interest rate predictions at Appendix B.

12. Implications

Financial Implications

The prudential and treasury indicators have been amended to take account of known financial activities.

Risk management

Treasury risks are managed through compliance with the investment strategy and consideration of Security, Liquidity and Yield, in that order, when assessing potential treasury investments.

13. Consultation responses

- 13.1 None required.

14. Background papers

No background papers were used in the preparation of this report.

15. Appendices

- 15.1 Appendix A – The Council's current counterparty list
Appendix B – Link's opinion on UK forecast interest rates
Appendix C – Prudential and Treasury Management Indicators
Appendix D – Glossary of Terms and Abbreviations

Background Papers

Where [the Local Authorities \(Executive Arrangements\) \(Meetings and Access to Information\) \(England\) Regulations 2012](#) require documents to be open to inspection by members of the public, they must be available for inspection: -

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and
- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

No background papers were used in the preparation of this report

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Current Counterparty List

The full listing of approved counterparties is shown below, showing the category under which the counterparty has been approved, the appropriate deposit limit and current duration limits. These counterparties have also been shown under Specified and Non-Specified Investments (in line with MHCLG Guidance).

Name	Council's Current Deposit Period	Category	Limit (£)
Specified Investments: -			
All UK Local Authorities	N/A	Local Authority	10m
All UK Police Authorities	N/A	Police Authority	10m
All UK Fire Authorities	N/A	Fire Authority	10m
Debt Management Account Deposit Facility	N/A	DMADF	Unlimited
Barclays Bank Plc	Using Link Asset Services Credit Criteria	UK Bank	10m
HSBC Bank Plc	Using Link Asset Services Credit Criteria	UK Bank	10m
Lloyds Bank Plc	Using Link Asset Services Credit Criteria	UK Bank	10m
Santander UK Plc	Using Link Asset Services Credit Criteria	UK Bank	10m
Other UK Retail & Clearing Banks	Using Link Asset Services Credit Criteria	UK Banks	10m
Subsidiaries of UK Banks (provided the subsidiaries are UK-incorporated deposit takers under the Financial Services and Markets Act 2000 and provided loans are for a maximum period of three months)	Using Link Asset Services Credit Criteria	UK Banks	3m
Places for People Homes Ltd	Using Link Asset Services Credit Criteria	Registered Housing Association	5m
Close Brothers Ltd	Using Link Asset Services Credit Criteria	UK Retail Bank	5m

Name	Council's Current Deposit Period	Category	Limit (£)
Money Market Funds: HSBC GLF MMF Aberdeen Standard Life Deutsche GLS Barclays Call Account	Liquid Rolling Balance	Financial Instrument	10m (per fund)

Name	Council's Current Deposit Period	Society Asset Value (£'m) – as at 1st May 2018	Limit (£)
Other Specified Investments - UK Building Societies: -			
Nationwide Building Society	Using Link Asset Services Credit Criteria	221,670	Assets greater than £10,000m Limit - £10m
Yorkshire Building Society		42,047	
Coventry Building Society		42,573	Assets between £10,000m and £5,000m Limit - £5m
Skipton Building Society		21,024	
Leeds Building Society		18,484	
Principality Building Society		9,263	Assets between £5,000m and £1,500m Limit - £3m
Nottingham Building Society		3,988 (Jun 2018)	
Name	Council's Current Deposit Period	Category	Limit (£)
Non-Specified Investments: -			
All UK Local Authorities – longer term limit	Over 1 year and up to 5 years	Local Authority	10m per single counterparty
CCLA Local Authorities' Property Fund	Minimum of 5 years	Pooled UK Property Fund	Up to 10m
South Cambs Ltd - Housing Co.	Up to 5 years	Loan	107m
UK Municipal Bonds Agency	N/A	Share Capital	0.050m

Link Asset Services - Prospects for interest rates

The council has appointed Link Asset Services as its treasury advisor and part of their service is to assist the council to formulate a view on interest rates. The following table gives our central view.

Link Asset Services Interest Rate View														
	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.75%	1.75%	1.75%	2.00%
3 Month LIBID	0.80%	0.90%	1.00%	1.10%	1.20%	1.30%	1.40%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%
6 Month LIBID	0.90%	1.00%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%
12 Month LIBID	1.10%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%	2.40%
5yr PWLB Rate	2.00%	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%	2.80%	2.80%
10yr PWLB Rate	2.50%	2.50%	2.60%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%
25yr PWLB Rate	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%	3.50%	3.50%	3.60%	3.60%
50yr PWLB Rate	2.70%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.40%

The flow of generally positive economic statistics after the quarter ended 30 June meant that it came as no surprise that the MPC came to a decision on 2 August to make the first increase in Bank Rate above 0.5% since the financial crash, from 0.5% to 0.75%. Growth has been healthy since that meeting but is expected to weaken somewhat during the last quarter of 2018. At their November meeting, the MPC left Bank Rate unchanged, but expressed some concern at the Chancellor's fiscal stimulus in his Budget, which could increase inflationary pressures. However, it is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. The next increase in Bank Rate is therefore forecast to be in May 2019, followed by increases in February and November 2020, before ending up at 2.0% in February 2022.

The overall longer run future trend is for gilt yields, and consequently PWLB rates, to rise, albeit gently. However, over about the last 25 years, we have been through a period of falling bond yields as inflation subsided to, and then stabilised at, much lower levels than before, and supported by central banks implementing substantial quantitative easing purchases of government and other debt after the financial crash of 2008. Quantitative easing, conversely, also caused a rise in equity values as investors searched for higher returns and purchased riskier assets. In 2016, we saw the start of a reversal of this trend with a sharp rise in bond yields after the US Presidential election in November 2016, with yields then rising further as a result of the big increase in the US government deficit aimed at stimulating even stronger economic growth. That policy change also created concerns around a significant rise in inflationary pressures in an economy which was already running at remarkably low levels of unemployment. Unsurprisingly, the Fed has continued on its series of robust responses to combat its perception of rising inflationary pressures by repeatedly increasing the Fed funds rate to reach 2.00 – 2.25% in September 2018. It has also continued its policy of not fully reinvesting proceeds from bonds that it holds as a result of quantitative easing, when they mature. We therefore saw US 10 year Treasury yields rise above 3.2% during October 2018 and also saw investors causing a sharp fall in equity prices as they sold riskier assets.

Rising bond yields in the US have also caused some upward pressure on bond yields in the UK and other developed economies. However, the degree of that upward pressure has been dampened by how strong or weak the prospects for economic growth and rising inflation are in each country, and on the degree of progress towards the reversal of monetary policy away from quantitative easing and other credit stimulus measures.

From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crises, emerging market developments and sharp changes in investor sentiment. Such volatility could occur at any time during the forecast period.

Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts, (and MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

Investment and borrowing rates

- Investment returns are likely to remain low during 2019/20 but to be on a gently rising trend over the next few years.
- Borrowing interest rates have been volatile so far in 2018-19 and have increased modestly since the summer. The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in the future when authorities may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt;

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

£'000	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Estimate	Estimate	Estimate	Estimate
PRUDENTIAL INDICATORS					
Capital expenditure					
General Fund	4,436	4,051	23,854	27,895	23,263
HRA	16,972	18,637	27,031	35,851	21,947
Third party loans - ESH	10,845	28,055	12,507	12,689	-
Third party loans - Other	-	2,400	-	-	-
Total capital expenditure	32,253	53,143	63,392	76,435	45,210
Capital Financing Requirement (CFR) as at 31 March					
- General Fund	20,938	32,672	63,255	95,006	126,896
- HRA	204,429	204,429	204,429	204,429	204,429
Total	225,367	237,101	267,684	299,435	331,325
Change in CFR	11,734	30,583	31,751	31,890	19,311
Deposits at 31 March	81,431	85,000	70,000	60,000	50,000
External Gross Debt	205,123	205,123	237,630	270,319	290,319
Ratio of financing costs to net revenue stream					
- General Fund	-2%	-2%	-2%	-1%	-1%
- HRA	24%	24%	24%	24%	24%

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

£'000	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
TREASURY INDICATORS					
Authorised limit					
for borrowing	249,100	277,684	309,435	341,325	360,636
for other long-term liabilities	0	0	0	0	0
Total	249,100	277,684	309,435	341,325	360,636
HRA	205,123	205,123	205,123	205,123	205,123
Operational boundary					
for borrowing	249,100	272,684	304,435	336,325	355,636
for other long-term liabilities	0	0	0	0	0
Total	249,100	272,684	304,435	336,325	355,636
Upper limit for total principal sums deposited for over 364 days	41,000	70,000	80,000	95,000	95,000
Limits for exposure to fixed and variable rate borrowing (borrowing less investments)					
Fixed rate borrowing / deposits	159%	178%	176%	176%	176%
Variable rate borrowing / deposits	-59%	-68%	-71%	-71%	-71%
Maturity structure of new fixed rate borrowing		Upper Limit	Lower Limit		
10 years and above		100%	0%		

Treasury Management – Glossary of Terms and Abbreviations

Term	Definition
Authorised Limit for External Borrowing	Represents a control on the maximum level of borrowing
Capital Expenditure	Expenditure capitalised in accordance with regulations i.e. material expenditure either by Government Directive or on capital assets, such as land and buildings, owned by the Council (as opposed to revenue expenditure which is on day to day items including employees' pay, premises costs and supplies and services)
Capital Financing Requirement	A measure of the Council's underlying borrowing need i.e. it represents the total historical outstanding capital expenditure which has not been paid for from either revenue or capital resources
Certificates of Deposit (CDs)	Low risk certificates issued by banks which offer a higher rate of return
CIPFA	Chartered Institute of Public Finance and Accountancy
Corporate Bonds	Financial instruments issued by corporations
Counterparties	Financial Institutions with which funds may be placed
Credit Risk	Risk of borrower defaulting on any type of debt by failing to make payments which it is obligated to do
MHCLG	Ministry for Housing, Communities & Local Government (formerly the Department for Communities & Local Government, DCLG)
Enhanced Cash Funds	Higher yielding funds typically for investments exceeding 3 months
Eurocurrency	Currency deposited by national governments or corporations in banks outside of their home market
External Gross Debt	Long-term liabilities including Private Finance Initiatives and Finance Leases
Government CNAV	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)
HRA	Housing Revenue Account - a 'ring-fenced' account for local authority housing account where a council acts as landlord
HRA Self-Financing	A new funding regime for the HRA introduced in place of the previous annual subsidy system
London Interbank Offered Rate (LIBOR)	A benchmark rate that some of the leading banks charge each other for short-term loans

Term	Definition
London Interbank Bid Rate (LIBID)	The average interest rate which major London banks borrow Eurocurrency deposits from other banks
Liquidity	A measure of how readily available a deposit is
MPC	Monetary Policy Committee - The Bank of England Committee responsible for setting the UK's bank base rate
Low Volatility Net Asset Value (LVNAV)	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)
Non-Ring-Fenced Bank (NRFB)	Government & Bank of England rules will apply to all UK Banks which have to split their business into 'core' retail and investment units known as Ring and Non-Ring-Fenced Banks for the 1 st January 2019 deadline
Non-Specified Investments	These are investments that do not meet the conditions laid down for Specified Investments and potentially carry additional risk, e.g. lending for periods beyond 1 year
Operational Boundary	Limit which external borrowing is not normally expected to exceed
PWLB	Public Works Loans Board - an Executive Government Agency of HM Treasury from which local authorities & other prescribed bodies may borrow at favourable interest rates
Ring Fenced Bank (RFB)	Government & Bank of England rules will apply to all UK Banks which have to split their business into 'core' retail and investment units known as Ring and Non-Ring-Fenced Banks for the 1 st January 2019 deadline
Security	A measure of the creditworthiness of a counter-party
Specified Investments	Those investments identified as offering high security and liquidity. They are also sterling denominated, with maturities up to a maximum of 1 year, meeting the minimum 'high' credit rating criteria where applicable
Supranational Bonds	Multi-lateral Development Bank Bond
UK Government Gilts	Longer-term Government securities with maturities over 6 months and up to 30 years
Variable Net Asset Value (VNAV)	MMFs values based on daily market fluctuations to 2 decimal places known as mark-to-market prices
UK Government Treasury Bills	Short-term securities with a maximum maturity of 6 months issued by HM Treasury
Weighted Average Life (WAL)	Weighted average length of time of unpaid principal
Weighted Average Maturity (WAM)	Weighted average amount of time to maturity
Yield	Interest, or rate of return, on an investment

Appendix 5

Financial Administration (S25 report)

When a local authority is calculating its budget requirement and consequent council tax, the Chief Financial Officer is required under Section 25 of the Local Government Act 2003 to report on:

- the robustness of the estimates made for the purposes of the calculations; and
- the adequacy of the proposed financial reserves.

The emphasis is to ensure that the estimates are sufficient to cover regular recurring costs plus any reasonable risks and uncertainties and, in the event of unexpected expenditure, that there are adequate reserves to draw on. The calculations relate to the budget for the forthcoming year and the legal requirement may, therefore, be interpreted as reporting only on the 2019-20 estimates and the reserves up to 31 March 2020.

At South Cambridgeshire District Council, the Interim Executive Director – Corporate Services as the Chief Financial Officer considers the estimates for the financial year 2019-20 to be sufficiently robust and the financial reserves up to 31 March 2020 to be adequate.

The main areas of risk arise from the system of Retained Business Rates, introduced in 2013-14. On 5 October 2015 the Chancellor of the Exchequer set out plans for local government to gain new powers and retain local taxes so that, by the end of Parliament, local government will be able to retain 100% of local taxes including all revenue from business rates. Latest indications are that retention will be limited to 75% and that the baselines within the business rates system will be reset in 2020-21 following the Fair Funding Review. It is therefore difficult to forecast future income with any certainty, especially with high levels of outstanding appeals.

The Fair Funding Review may also impact on New Homes Bonus, which currently supports both revenue and capital spending.

Other risks include the realisation of savings which have been included in the estimates and the risk that the underlying growth in the number of dwellings may not be achieved.

As at the end of March 2020, the estimated balances are £8.14m and £3.00m on the General Fund and Housing Revenue Account respectively. The prudent minimum balance for the General Fund is £3m due to the present period of local government changes and economic uncertainty. The projected balance as at 31 March 2024, as shown in the Medium Term Financial Strategy, is £3.74m.

The minimum balance for the Housing Revenue Account is £2m, as in future years any unexpected capital works may have to be financed from revenue and cover is needed for uninsured losses which could exceed the insurance reserve. The Medium Term Financial Strategy for the HRA projects a balance as at 31 March 2024 of £3.99m.

Agenda Item 9



South
Cambridgeshire
District Council

Report To: Council

21 February 2019

Lead Officer: Director, Housing, Health and Environmental Services

Swavesey Byeways Rate 2019/20

Purpose

1. To report on the annual meeting of the Swavesey Byeways Advisory Committee held on 24 January 2019 and to set the level of the Swavesey Byeways rate.

Recommendations

2. The Swavesey Byeways Advisory Committee recommends that Council:
 - (a) Increases the level of the Swavesey Byeways rate from £1.10 to £1.20 per hectare for land within the charge paying area for the period 2019/20 in order to fund the required level of maintenance.

Reasons for Recommendations

3. Since the enactment of the byeways legislation in 1984, local charge payers have agreed to provide labour and plant on a voluntary basis while the Council provides materials for use along the byeways, funded by the byeways rate.
4. The Advisory Committee, having considered the current condition of the byeways, are satisfied that a rate of £1.20 per hectare for land within the charge paying area for the period 2019/20 will be sufficient to fund the required level of maintenance, subject to the availability of suitable material. The rate has not been increased for a number of years but the Advisory Committee believes the small increase will help cover the increasing cost of the materials used to undertake maintenance.

Background

5. The Swavesey Byeways' Act 1984 governs the financial provision for maintenance of the Swavesey Byeways. Under the Act the District Council is required to determine the amount of money necessary for maintenance in each financial year. It can then recover 50% of this amount from the Byeways Charge Payers at a uniform amount per hectare of land within the charge paying area and 16% from the Parish Council.
6. The Swavesey Byeways Advisory Committee is an informal group comprising representatives of charge payers, parishioners, the Parish and District Council. The Advisory Committee advises the District Council on all matters relating to the discharge of its byeways responsibilities including the level of the byeways rate.

Considerations

7. The Advisory Committee met on 24 January 2019 to consider the level of maintenance required in the coming year and the level of rate required. A draft copy

of the minutes of the meeting as well as supporting documents, which were presented to the meeting, are attached as **Appendix A**.

Options

8. Council could agree the recommendation of the Advisory Committee or opt to set an alternative rate for 2019/20.

Implications

9. The Advisory Committee, having considered the current condition of the byeways, are satisfied that a rate of £1.20 per hectare for land within the charge paying area for the period 2019/20 will be sufficient to fund the required level of maintenance, subject to the availability of suitable material.
10. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, no significant implications have been identified. Budget provision is available for 2019/20.

Consultation responses

11. Consultation has been undertaken with parishioners, the Parish Council and local landowners through the Swavesey Byeways Advisory Committee.

Effect on Strategic Aims

12. Accepting the advice of, and engaging with, the Advisory Committee contributes towards protecting, maintaining and improving the natural and built environments, and enhancing local economic activity.

Background Papers

Background papers as appended to this report:-

- Appendix A - Draft minutes of the meeting of the Swavesey Byeways Advisory Committee held on 24 January 2019
- Appendix A1 - Finance Report (Report of the Executive Director (Corporate Services))
- Appendix A2 - Housing, Health and Environmental Services Report (Report of the Director of Housing, Health and Environmental Services)

Report Author: Pat Matthews – Drainage Officer
Telephone: (01954) 713472

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

SWAVESEY BYEWAYS ADVISORY COMMITTEE

(DRAFT) MINUTES OF THE MEETING HELD IN THE MEMORIAL HALL, SWAVESEY ON

THURSDAY 24 JANUARY 2019 AT 7.30 PM

Present:

Councillor Sue Ellington	South Cambridgeshire District Council
Councillor Tumi Hawkins	South Cambridgeshire District Council
Mr A Day	Charge-payers' Representative
Mr J Dodson	Charge-payers' Representative
Mr K Wilderspin	Charge-payers' Representative
Ms L Boyes	Parish Council Representative
Ms H Parish	Parish Council Representative
Ms S Rogers	Parish Representative
Additional attendees;	
Malcolm Parker	Landowner at Middle Fen
Andrea Hemington	Landowner at Cow Fen
Tim Fisher	RSPB
Adam Farthing	Cambridge Water
Andy Jones	Cambridge Water

In Attendance

Mike Hill, Director Housing, Health and Env Services; Michael Parsons, Waste Operations Manager; Patrick Matthews, Drainage Officer.

Apologies: Mr G Wedd, Mr J Johnson

1. Introduction and Election of Chairman

1.1. Mr Dodson proposed that P Matthews should act a chairman for the meeting – this was unanimously accepted by the committee.

2. Minutes of the previous meeting

2.1. The minutes of the previous meeting of 5th February 2018 had already been circulated. It was unanimously accepted that the contents should be confirmed as an accurate record of the meeting.

3. Report of the Executive Director – Corporate Services

3.1. The meeting received the report of the SCDC Executive Director, Corporate Services, on expenditure for the year 2018/19 (to 24 January 2019). Section 1.1 of the report explained that the 1984 Act provides for an annual charge to be made to the charge payers, expressed as a rate per hectare within the Byeways rateable area. The charge for 2018/19 was set at £1.10 and a similar charge for 2019/20 would produce an amount of £1500.

- 3.2. The report showed there would be a balance of £394 in the charge payer's account at the end of 2018/19, which when added to the 2019/20 charge, will be reflected in the budget calculation for 2019/20.
- 3.3. There would be a balance of £7516 in the contingency account at the end of 2018/19 for any emergency or special works. The report suggested that £870 could be added to the contingency account for 2019/20 although other options were available.
- 3.4. The report recommended that £2,500 should be provided for maintenance in 2019/20 giving a breakdown of income and expenditure for the year as indicated in the report.

4. Report of the Director, Health & Environmental Services

- 4.1. This report presented a five-year expenditure summary covering the period 2014 – 2019 per Byeway.
- 4.2. Cllr Ellington explained that an inspection of the Byeways was undertaken on 11 January 2019 and that the surface of the most frequently used Byeways, particularly Middle Fen, Hale Road, Cow Fen, Mow Fen, Utton's Drove and Tipplers Drove had deteriorated over the autumn/winter period. However, due to the recent dry spell, the condition of most byeways is better than would normally be expected for the time of year. As a result, a residual amount of materials from the most recent allocations is still stored along certain sections of byeway.
- 4.3. Detailed discussions took place regarding the availability of locally sourced road planings. It was hoped that upgrading works along sections of the A14 would provide cheap materials for use on the byeways but the committee noted that all materials are being recycled for use within the works area itself.
- 4.4. The proposed budget of £2,500 for materials in 2019/20 is, therefore likely to provide only about six loads of materials at current prices. However, additional materials could be provided if contingency funds are used. It was agreed that the byeways condition will be monitored by the District Council in conjunction with Charge payer representatives throughout the year and materials allocated as necessary.
- 4.5. Due to the increasing cost of materials the meeting discussed the possibility of increasing the charge per hectare from £1.10 to £1.20. Following due consideration it was proposed by Mr Dodson and seconded by Mr Wilderspin that the rate for 2019/20 should be increased to £1.20 per hectare. This was unanimously approved by representatives.
- 4.6. A number of representatives expressed concern that details of land ownership within the Byeways rateable area are likely to have changed due to the acquisition of farmland for the A14 upgrade. Additionally, questions were raised regarding appropriate billing for the new allotments along Hale Road. Further queries were raised on the potential impact of sub-division of land (e.g. new housing along the byeways) on the total amount collected for maintenance. It was confirmed that Highways England are being billed for certain sections of land that now lies within the newly acquired A14 corridor. It was, however, agreed that the list of owners should again be checked by the District Council in conjunction with the Parish Council and the charge payers' representatives in order to ensure accuracy for future billing.

5. Voluntary Maintenance

- 5.1. Members again noted that the voluntary arrangement, whereby the District Council ordered and allocated materials and the charge payers provided labour and plant to spread materials, has been very successful in the past as a method of keeping costs to a minimum. However, members of the committee expressed concern that with a number of landowners approaching retirement, the voluntary maintenance would become unsustainable.

5.2. The committee agreed that the current voluntary arrangements should continue for the present but consideration should be given to the use of contractors. The related increase in the costs of using private contractors will be reviewed and discussed at subsequent meetings. It was proposed by Ms Rogers and seconded by Mr Dodson that the voluntary arrangements should continue for the 2019/20 period. This was unanimously accepted by the meeting.

6. **Any Other Business**

6.1 Two representatives from the Cambridge Water company attended the meeting in order to outline proposals for upgrading works to the potable water infrastructure. The advisory Committee members are agreed on the necessity for the upgrade but expressed the view that detailed consultation with local landowners will be necessary as the works progress in order to minimise disruption and possible access/egress problems or delays.

6.2 Works are proposed along Hale Road and Cow Fen using 'Directional Drilling' methods which avoid open trenching along the byeways or the associated green verges. However, the excavation of open pits will be necessary at approximately 100-metre centres to allow for access with drilling equipment. The Water company confirmed the location of these pits will be discussed in detail with the landowners when their final locations are decided so that disruption can be minimised

6.3 Adam Farthing, Capital works Manager (SSI Services on behalf of Cambridge Water) also confirmed he would get in touch with the District Council to confirm the final location of the excavations. Any inconsistencies or potential points of conflict could then be highlighted and discussed with the company.

The meeting closed at 21.30

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SOUTH CAMBRIDGESHIRE DISTRICT

REPORT OF THE EXECUTIVE DIRECTOR (CORPORATE SERVICES)

To: The Chairman and Members of the
Swavesey Byeways Advisory Committee 24th January 2019

1. The following background notes are provided as a reminder of the present position and as assistance in determining the amount to provide for maintenance.

1.1 The Swavesey Bye-ways Act 1984 provides for an annual charge to be made to charge payers expressed as a rate per hectare. The charge for 2018-2019 was set at £1.10. A similar charge for 2019-2020 is estimated to produce an amount of £1,500.

1.2 The cost of collecting the charge in 2019-2020 is estimated at £420. The cost can be minimised only if all charge payers pay promptly and without the need for costly reminders.

1.3 It is a requirement that any balance on the charge payers' fund at 31st March is taken into account when setting the level of expenditure for the following year. It is estimated that on 31st March 2019, there will be a balance of £394 on this account which, when added to the 2019-20 charge will provide a budget as set out below.

1.4 There will be an estimated balance of £7,516 in the contingency account at the end of 2018-2019 that is available for any emergency/special works, and if the current policy continues, it is suggested that £870 be added to this contingency account in 2019-2020, although other options are available.

1.5 It is recommended to provide an amount of £2,500 for maintenance in 2019-2020.

1.6 The budget for 2019-20 would then be:

	£	£
Expenditure		
Maintenance	2,500	
Collection costs	420	
Contingency	<u>870</u>	
		<u>3,790</u>
Income		
Chargepayers		
£1.10 per hectare	(1,500)	
Balance on Chargepayers' account	<u>(394)</u>	
		(1,895) 50%
South Cambridgeshire District Council		(1,289) 34%
Swavesey Parish Council		<u>(606) 16%</u>
		<u>(3,790)</u>

1.7 The balance on the contingency account had increased in recent years as the maintenance budget had not always been fully utilised.

R. Palmer
Executive Director (Interim) – Corporate Services

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SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL
**REPORT OF THE DIRECTOR – HOUSING, HEALTH &
ENVIRONMENTAL SERVICES**

24 January 2019

To: Chairman & Members of the Swavesey Byeways Advisory Committee

1. Review of Maintenance 2018/19 and Anticipated Expenditure for 2019/20

- 1.1 Councillors Ellington and Hawkins, Michael Parsons (Waste Operations Manager) Mike Hill (Director) and the Council's Drainage Officer inspected the Byeways on Friday 11 January 2019 in order to assess their current state of repair and the likely level of maintenance required in the coming year, 2019/20.
- 1.2 As expected for the time of year, the Byeways showed signs of deterioration. However, the surfaces of the most frequently used sections of Byeway, particularly Middle Fen, Hale Road, Cow Fen, Mow Fen, Uttons Drove and Tiplers Drove will require maintenance in 2019. Suitable materials will need to be sourced and spread on these particular sections in Spring or early Summer 2019.
- 1.3 Attached as Appendix 1 is a breakdown of the last five year's annual expenditure per Byeway.
- 1.4 As can be seen from the report of the Executive Director (Interim) – Corporate Services (1.3) it is estimated that on 31st March 2019, there will be a balance of £394 on the Chargepayer's account. An estimated balance of £7,516 will also be available in the contingency account at the end of 2018/19 for any emergency or special works.
- 1.5 The balance of £394 when added to the £1,500 generated from the levy provides 50% of the total estimate spend budget (or £3,790). It is estimated to cost £420 to administer the collection of the charge, leaving a sum of £3,370 to spend on materials and/or contingency appropriation. Any expenditure in excess of this will need to be met from the contingency fund.
- 1.6 It is recommended that the Committee advise the District Council to maintain the present level of maintenance and, in view of the Finance report, to levy a charge of £1.10 for 2019/2020.

For Discussion and Recommendation

2. Voluntary Maintenance Arrangements

- 2.1 Under the current arrangements the District Council manages the maintenance programme and budget, ordering materials, collecting the rate etc, whilst Chargepayers voluntarily provide labour and plant to spread materials.
- 2.2 At the meeting of the Advisory Committee in February 2018, it was decided to continue with this voluntary arrangement, which has worked reasonably well in the past but is becoming increasingly difficult due to limited chargepayer labour.
- 3.2 It is recommended that the voluntary arrangements are applied for the coming year but that alternative, longer term arrangements, including potentially the use of external contractors and the financial consequences on the charge per hectare, are investigated and reported back to the Committee.

For Discussion and Recommendation

Mike Hill
Director – Housing, Health & Environmental Services

SWAVESEY BYEWAYS

Appendix 1

Five Year Expenditure Summary 2014 - 2019

Byeway	2014/15	2015/16	2016/17	2017/18	2018/19	5 Year Average
Cow Fen	560	700	0	0	780	408
Hale/Mow	840	840	145	0	2653	896
Scotland/Boxworth	0	0	0	0	0	0
Utton/Tiplers	1120	980	145	0	1950	839
Middle Fen/River Fen	420	140	145	0	390	219
Brick Kiln	0	0	0	0	0	0
Lairstall	0	0	0	0	0	0
Turnbridge	0	0	0	0	0	0

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REPORT TO: Council

21 February 2019

LEAD OFFICER: Joint Director for Planning and Economic Development

Great Abington Former Land Settlement Association Estate Neighbourhood Plan – Making (adopting) the Neighbourhood Plan

Purpose

1. The purpose of this report is to set out the results of the referendum on the Great Abington Former Land Settlement Association (LSA) Estate Neighbourhood Plan, and recommend to Council that the Neighbourhood Plan should be formally 'made' (adopted) by South Cambridgeshire District Council (SCDC).
2. This is not a key decision because it will not result in the Council incurring expenditure which is significant having regard to the Council's budget for the service or function to which the decision relates nor is it significant in terms of its effects on communities living or working in an area of the District comprising two or more wards for the following reasons:
 - i. supporting Parish Councils in preparing Neighbourhood Plans, and taking the responsibility for the later stages in the production of a Neighbourhood Plan, is being done within the Council's existing budgets and some of the costs are reimbursed through a grant from Government; and
 - ii. the Great Abington Former LSA Estate Neighbourhood Plan sets out planning policies for an area within the parish of Great Abington, which in turn is only one parish within the ward of Linton.
3. It was first published in the May 2018 Forward Plan.

Recommendations

4. It is recommended that Council:
 - a. notes the results of the referendum on the Great Abington Former LSA Estate Neighbourhood Plan; and
 - b. 'makes' (adopts) the Great Abington Former LSA Estate Neighbourhood Plan (as set out in Appendix 1).

Reasons for Recommendations

5. Where a Neighbourhood Plan is successful at its referendum, national planning legislation requires that the Council 'makes' (adopts) the Neighbourhood Plan, unless the making of the Neighbourhood Plan would breach or is otherwise incompatible with EU or human rights obligations. Officers have concluded that the Great Abington

Former LSA Estate Neighbourhood Plan would not breach or be otherwise incompatible with EU or human rights obligations, as set out in the Considerations section (see below).

6. The Joint Director for Planning and Economic Development, in consultation with the Lead Member for Planning, has considered¹ the results of the referendum and recommends that Council formally 'make' (adopt) the Great Abington Former Land Settlement Association (LSA) Estate Neighbourhood Plan. Where a Neighbourhood Plan has been successful at referendum and should therefore proceed to being formally 'made' (adopted) by the Council, Cabinet agreed at its meeting on 26 July 2018 that the Joint Director for Planning and Economic Development has delegated authority to make the recommendation to Council, in consultation with the Lead Member for Planning.

Background

7. The former LSA estate at Great Abington is defined in planning terms as being in the countryside as it is located outside of the village framework of Great Abington, and therefore development is normally restricted to specific uses. However, as set out in the Neighbourhood Plan (see Appendix 1, paragraph 4.15), the former LSA estate is different from open countryside due to its parallel private roads, its regular pattern and layout of the various buildings, and the significant number of original dwellings that have been extended and altered.
8. Great Abington Parish Council felt that there was a need for additional planning guidance for the former LSA estate, as a result of an inconsistency in the decisions made by SCDC and planning inspectors considering planning applications, appeals and enforcement cases for new dwellings and/or outbuildings within the former LSA estate. Great Abington Parish Council therefore decided to prepare a Neighbourhood Plan specifically for this area. The Great Abington Former LSA Estate Neighbourhood Area was designated on 5 September 2016.
9. Great Abington Parish Council carried out informal consultation on a draft Neighbourhood Plan in Spring 2017. A Strategic Environmental Assessment (SEA) and Habitats Regulations Assessment (HRA) screening was undertaken on a draft version of the Neighbourhood Plan, and a screening determination was published in July 2017.
10. Pre-submission formal public consultation on the draft Neighbourhood Plan was undertaken by the Parish Council between 24 July and 18 September 2017. A health check of the pre-submission Neighbourhood Plan was undertaken by Christopher Lockhart-Mummery QC (an independent examiner). Officers provided a formal response to the consultation, showing support for the intentions of the Neighbourhood Plan and providing some comments to assist the neighbourhood plan group with finalising the Neighbourhood Plan.

¹ Decision statement by Joint Director for Planning and Economic Development noting the results of the referendum and recommending that Council 'make' (adopt) the Great Abington Former LSA Estate Neighbourhood Plan (1 February 2019): <https://www.scambs.gov.uk/media/12949/decision-statement-making-gt-ab-former-lsa-estate-np-with-appendices.pdf>

11. On 22 February 2018, Great Abington Parish Council submitted their Neighbourhood Plan to SCDC, having considered the comments received on the pre-submission version and made any necessary changes. The Neighbourhood Plan includes three planning policies that: (i) support extensions to and/or the rebuilding of existing dwellings; (ii) support the provision of one additional new dwelling for each original plot within the former LSA estate; and (iii) seek to preserve the character of the area by resisting development proposals that will result in significant changes to the estate roads or damage the residential amenity of the area through traffic generation.
12. Officers confirmed that the submitted version of the Neighbourhood Plan and its accompanying supporting documents complied with all the relevant statutory requirements at that stage of plan making. Formal public consultation on the submitted Neighbourhood Plan was therefore undertaken between 5 March and 16 April 2018.
13. Officers, in conjunction with Great Abington Parish Council, appointed Andrew Ashcroft of Andrew Ashcroft Planning Limited as the independent examiner² to examine the Neighbourhood Plan. On 30 May 2018, the Neighbourhood Plan, its accompanying supporting documents, and all comments submitted on the submission version of the Neighbourhood Plan, were provided to the examiner with a request for him to carry out the examination on the Neighbourhood Plan.
14. The examiner issued a series of clarification questions relating to the Neighbourhood Plan in June 2018, and both SCDC and Great Abington Parish Council provided responses. Also during the course of the examination, as a result of a case in the European Court that changed the basis on which competent authorities are required to undertake HRAs, a review of the screening determination from July 2017 was undertaken. The review concluded that the earlier HRA screening determination was properly reached and that there was no need to undertake an Appropriate Assessment.
15. The Examiner's Report was received on 15 October 2018. The examiner in his report concluded that subject to a series of recommended modifications the Great Abington Former LSA Estate Neighbourhood Plan met all the necessary legal requirements and should proceed to referendum. He also recommended that the referendum should be held within the neighbourhood area only.
16. Officers, in conjunction with Great Abington Parish Council, reviewed the examiner's conclusions and recommended modifications, and agreed each of the recommended modifications considered necessary by the examiner for the Neighbourhood Plan to meet the Basic Conditions³. Additional non-material modifications to the

² The examiner appointed to undertake the examination of the Neighbourhood Plan: must be independent of both the District Council and Parish Council; cannot be the same examiner that undertakes a health check of the Neighbourhood Plan; and must not have any interest in any land that may be affected by the Neighbourhood Plan.

³ SCDC's decision statement on the receipt of the Examiner's Report and its decision to proceed to referendum (October 2018): www.scambs.gov.uk/media/12651/decision-statement-examiners-report-referendum-final-incl-appendices.pdf

Neighbourhood Plan were also made by officers and agreed with Great Abington Parish Council.

17. A referendum on the 'making' (adoption) of the Great Abington Former LSA Estate Neighbourhood Plan was held on 13 December 2018. Voters were asked "*Do you want South Cambridgeshire District Council to use the neighbourhood plan for Great Abington former Land Settlement Association estate to help it decide planning applications in the neighbourhood area?*" The results were declared as follows:
- 'Yes' votes: 79.05% (83 votes)
 - 'No' votes: 20.95% (22 votes)
 - Turnout: 60.69%

Considerations

18. If a Neighbourhood Plan is successful at referendum as a result of more people voting 'yes' than 'no', the Neighbourhood Plan becomes part of the development plan for the area⁴, and all planning decisions in the neighbourhood area will be made in accordance with the Neighbourhood Plan unless material considerations indicate otherwise. The formal 'making' (adoption) of the Neighbourhood Plan does not happen until agreed by SCDC's full Council at their next meeting following the referendum.
19. Following a successful referendum, SCDC has limited options in how to respond. National planning legislation requires that the Council 'makes' (adopts) the Neighbourhood Plan, unless the making of the Neighbourhood Plan would breach or is otherwise incompatible with EU or human rights obligations. National planning regulations also set out that where a Neighbourhood Plan is successful at referendum it should be 'made' within 8 weeks, unless an alternative longer timescale is agreed with the Parish Council.
20. The Great Abington Former LSA Estate Neighbourhood Plan was successful at its referendum as more than half (79.05%) of those that voted were in favour of SCDC using the Neighbourhood Plan to help it decide planning applications in the neighbourhood area. The Council is therefore required to 'make' the Neighbourhood Plan, unless the making of the Neighbourhood Plan would breach or is otherwise incompatible with EU or human rights obligations, which is one of the 'Basic Conditions' set out in national planning regulations that all Neighbourhood Plans must meet.

The 'making' (adoption) of the Neighbourhood Plan does not breach, and is otherwise compatible with, EU and human rights obligations

21. Officers have assessed whether the Great Abington Former LSA Estate Neighbourhood Plan meets the 'Basic Condition' that the Neighbourhood Plan does not breach, and is otherwise compatible with, EU and human rights obligations at various stages during the preparation of the Neighbourhood Plan. On 28 December 2018, in response to a case in the European Court (People Over Wind and Peter

⁴ National Planning Practice Guidance, Paragraph: 064, Reference ID: 41-064-20170728

Sweetman, April 2018) that changed the basis on which competent authorities are required to undertake HRAs, one of the prescribed conditions of this 'Basic Condition' was amended through the coming into force of new national regulations. Officers have therefore re-assessed whether the Great Abington Former LSA Estate Neighbourhood Plan meets all the 'Basic Conditions' (see Appendix 2). Officers consider that the 'making' of the Great Abington Former LSA Estate Neighbourhood Plan does not breach, and is otherwise compatible with, EU and human rights obligations.

Timescales

22. This meeting of SCDC's full Council on the 21 February 2019 will be 10 weeks after the date of the referendum, however Great Abington Parish Council have agreed to a longer timescale after the referendum⁵.

Non-material Modifications

23. Non-material modifications to the Neighbourhood Plan have been prepared by officers and agreed with Great Abington Parish Council, and these modifications are included in the 'made' version of the Neighbourhood Plan (see Appendix 1). In summary, these non-material modifications are updates to Chapters 1 and 2 of the Neighbourhood Plan to refer to the current stage in the plan making process and summarise the stages undertaken since the 'for referendum' version of the Neighbourhood Plan was prepared. These modifications have been made in accordance with guidance set out in national planning guidance⁶ which states that minor (non-material) updates to a Neighbourhood Plan that would not materially affect the policies in the plan can be made by the District Council at any time, provided they have the consent of the Parish Council, and that these modifications can be made without the need for consultation or examination.

Next Steps

24. Once the Neighbourhood Plan is formally 'made' (adopted) by full Council, officers will publish the decision to 'make' (adopt) the Neighbourhood Plan and send notifications to the necessary people and organisations as required by national planning regulations.
25. Once formally 'made' (adopted) the Great Abington Former LSA Estate Neighbourhood Plan will form part of the development plan for South Cambridgeshire, and all planning decisions in the neighbourhood area will need to be made in accordance with the Neighbourhood Plan unless material considerations indicate otherwise. In light of the results of the referendum, the Great Abington Former LSA Estate Neighbourhood Plan is already being given very significant weight in decision making.

⁵ SCDC's decision statement on the receipt of the Examiner's Report and its decision to proceed to referendum (October 2018): www.scams.gov.uk/media/12651/decision-statement-examiners-report-referendum-final-incl-appendices.pdf

⁶ National Planning Practice Guidance, Paragraph 085, Reference ID: 41-085-20180222

Options

26. Where a Neighbourhood Plan is successful at its referendum, SCDC has limited options in how to respond. National planning legislation requires that the Council 'makes' (adopts) the Neighbourhood Plan, unless the making of the Neighbourhood Plan would breach or is otherwise incompatible with EU or human rights obligations. Officers have concluded that the Great Abington Former LSA Estate Neighbourhood Plan would not breach or be otherwise incompatible with EU or human rights obligations, as set out in the Considerations section (see above).

Implications

27. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered:

Financial

28. The costs of the examination and referendum have to be initially met by SCDC. However, the Council can claim a £20,000 government grant per Neighbourhood Plan once it has been through the examination and a referendum date has been set. The Council has submitted its claim for this government grant.

Legal

29. Where a Neighbourhood Plan has been successful at referendum and should therefore proceed to being formally 'made' (adopted) by the Council, the Joint Director for Planning and Economic Development has delegated authority to make the recommendation to Council, in consultation with the Lead Member for Planning (as agreed by Cabinet at its meeting on 26 July 2018). Following a successful referendum, national planning legislation requires that the Council 'makes' (adopts) the Neighbourhood Plan, unless the making of the Neighbourhood Plan would breach or is otherwise incompatible with EU or human rights obligations.

Staffing

30. The responsibilities associated with delivering neighbourhood planning are being undertaken within the existing resources of the Planning Policy Team, drawing upon the expertise of other staff as required.

Equality and Diversity

31. These issues have been considered in the preparation of the Neighbourhood Plan, as to meet the Basic Conditions a Neighbourhood Plan must not breach, and is otherwise compatible with, EU obligations, including Human Rights. An assessment has been undertaken by Great Abington Parish Council to examine the impact of the Neighbourhood Plan policies on persons who have a 'protected characteristic' and this assessment concludes that the Neighbourhood Plan will not result in negative effects on persons who have a 'protected characteristic' and that there may be positive impacts on persons with a 'protected characteristic'.

Consultation responses

32. The decision made by the Joint Director for Planning and Economic Development on 1 February 2019⁷ that considered the results of the referendum and recommends that Council formally 'make' (adopt) the Great Abington Former Land Settlement Association (LSA) Estate Neighbourhood Plan was shared with and agreed by Great Abington Parish Council and the Lead Member for Planning prior to it being published.
33. Great Abington Parish Council and the Lead Member for Planning have also agreed the 'made' version of the Great Abington Former LSA Estate Neighbourhood Plan (as set out in Appendix 1).

Effect on Strategic Aims

Living Well: We will support our communities to remain in good health whilst continuing to protect the natural and built environment

34. By preparing a Neighbourhood Plan local communities are being given the opportunity to create planning policies that will protect and enhance the character of their local surroundings and contribute to ensuring an outstanding quality of life. The Great Abington Former LSA Estate Neighbourhood Plan includes aims, objectives and policies that seek to deliver living well.

Homes for Our Future: Secure the delivery of a wide range of housing to meet the needs of existing and future communities

35. Local communities can within a Neighbourhood Plan consider the existing and future needs for housing in their area and positively plan to meet this need through a range of policies and / or allocations in their plan. The Great Abington Former LSA Estate Neighbourhood Plan includes aims, objectives and policies that seek to deliver homes for the future.

Connected Communities: Work with partners to ensure new transport and digital infrastructure supports and strengthens communities and that our approach to growth sustains prosperity

36. Neighbourhood planning is an opportunity for the local community to shape their local area, and strengthen their communities by working together. The community have been consulted and engaged in the preparation of the Neighbourhood Plan and the plan includes aims, objectives and policies that seek to deliver connected communities.

An Innovative and Dynamic Organisation: Adopt a more commercial and business-like approach to ensure we can continue to deliver the best possible services at the lowest possible cost

37. Neighbourhood planning engages local people in the planning process by giving them a tool to guide the future development, regeneration and conservation of an area.

⁷ Decision statement by Joint Director for Planning and Economic Development noting the results of the referendum and recommending that Council 'make' (adopt) the Great Abington Former LSA Estate Neighbourhood Plan (1 February 2019): <https://www.scambs.gov.uk/media/12949/decision-statement-making-gt-ab-former-lsa-estate-np-with-appendices.pdf>

SCDC has a duty to support Parish Councils preparing Neighbourhood Plans and this is a great opportunity for the Councils to work in partnership and to develop new ways of working together. Officers have been supporting the neighbourhood plan group throughout the preparation of the Neighbourhood Plan, and have developed a good working relationship with the Parish Council and its planning consultant as a result.

Background Papers

Great Abington Former LSA Estate Neighbourhood Plan – earlier stages and supporting documents: www.scamb.gov.uk/GreatAbingtonFormerLSAEstateNP

National Planning Practice Guidance – Neighbourhood Planning:
www.gov.uk/guidance/neighbourhood-planning--2 including Basic Conditions:
www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum

Planning Portfolio Holder Decision (September 2016) – Great Abington former LSA estate Neighbourhood Area designation:

<http://scamb.moderngov.co.uk/ieDecisionDetails.aspx?Id=10122>

Planning Portfolio Holder Meeting (March 2018) – Council’s response on submission version of Great Abington former LSA estate Neighbourhood Plan:

<http://scamb.moderngov.co.uk/ieListDocuments.aspx?CId=1059&MIId=7246>

SCDC’s decision statement on the receipt of the Examiner’s Report and its decision to proceed to referendum (October 2018): www.scamb.gov.uk/media/12651/decision-statement-examiners-report-referendum-final-incl-appendices.pdf

Decision statement by Joint Director for Planning and Economic Development noting the results of the referendum and recommending that Council ‘make’ (adopt) the Great Abington Former LSA Estate Neighbourhood Plan (1 February 2019):

<https://www.scamb.gov.uk/media/12949/decision-statement-making-gt-ab-former-lsa-estate-np-with-appendices.pdf>

Cabinet Meeting (July 2018) – Neighbourhood Planning decision making process:

<http://scamb.moderngov.co.uk/ieListDocuments.aspx?CId=293&MIId=7343>

Appendices

Appendix 1: Made Great Abington Former LSA Estate Neighbourhood Plan

Appendix 2: Basic Conditions Check of the Made Great Abington Former LSA Estate Neighbourhood Plan

Report Author: Jenny Nuttycombe – Senior Planning Policy Officer
Telephone: (01954) 713184

Neighbourhood Plan for the former Land Settlement Association's Estate at Great Abington 2018 to 2031

Made (adopted) 21 February 2019



Contents:

1. Why a Neighbourhood Plan for the former Land Settlement Associations' Estate at Great Abington?
2. Background
3. Requirements of a Neighbourhood Plan
4. The Neighbourhood Plan area
5. Aims and Objectives
6. Planning policies
 - Policy GAL/1: Extensions to and Rebuilding of Original Dwellings (including those that have been rebuilt)
 - Policy GAL/2: Additional dwellings
 - Policy GAL/3: Road usage limitation in the Neighbourhood Plan area
7. Brent Ditch

1. Why a Neighbourhood Plan for the former Land Settlement Association's Estate at Great Abington?

- 1.1 The Neighbourhood Plan (NP) for the former Land Settlement Association's Estate at Great Abington (the Land Settlement) was made (adopted) by South Cambridgeshire District Council (SCDC) on 21 February 2019. The purpose of the NP is to set a framework for future development of the Land Settlement. The NP carries the same legal weight as plans drawn up by your local planning authority, SCDC. The planners must follow what is in the NP when making decisions about planning applications in the area subject to other material considerations.
- 1.2 The intention of the NP is to remove the uncertainty that had arisen in relation to development proposals on the Land Settlement, and to provide clear, consistent and transparent policies to control development.
- 1.3 The NP aims to provide policies for housing whilst preserving the special nature of the estate. This will help applicants to understand the limitations and predict the outcome of an application. It will also give clear guidance to both the Parish Council and the District Council when considering planning applications.
- 1.4 The NP includes:
 - a) a policy which deals with extensions or rebuilding of the original house on each holding;
 - b) a policy which deals with the creation of an additional dwelling; and
 - c) a policy which resists any development proposal which will result in an inappropriate and unacceptable increase in traffic on the Land Settlement.

2. Background

- 2.1 Discussions around planning issues for the Land Settlement had been ongoing for some time. Great Abington Parish Council carried out some initial work during 2013/14 and received broad support for this from residents. A Neighbourhood Plan area for the Land Settlement was designated on 5 September 2016 and the working group began work whilst engaging the community and important statutory stakeholders such as SCDC and Historic England. During the period 31 March to 14 April 2017, the NP working group consulted the community and stakeholders on an informal version of the plan, alongside a draft Character Assessment. Consultation on the formal pre-submission version of the plan took place from 24 July to 18 September 2017 in line with NP regulations¹.
- 2.2 The NP was further refined in light of comments received at pre-submission stage and also in light of the findings of a health check of the plan by an independent neighbourhood plan examiner.
- 2.3 The NP was submitted to SCDC on 22 February 2018 (alongside other supporting documents as required by the NP regulations²). A further period of formal consultation on the submission

¹ Regulation 14 of the Neighbourhood Planning (General) Regulations 2012 (as amended)

² Regulation 15 of the Neighbourhood Planning (General) Regulations 2012 (as amended)

version of the plan took place from 5 March to 16 April 2018 in line with NP regulations³. Comments made on the plan as part of this publication period were passed directly to the examiner.

- 2.4 An independent examiner was appointed to examine the plan, and the examination took place between May and October 2018. The Examiner's Report was received on 15 October 2018. The examiner concluded that subject to a series of recommended modifications that the submitted Plan met all the necessary legal requirements and should proceed to referendum. The recommended modifications were made to the NP and a referendum on the NP was held on 13 December 2018.
- 2.5 The Neighbourhood Plan was successful at its referendum as more than half (79.05%) of those that voted were in favour of SCDC using the NP to help it decide planning applications in the neighbourhood area. The NP was made (adopted) by SCDC at a meeting of its full Council on 21 February 2019.

3. Requirements of a Neighbourhood Plan

- 3.1 The preparation of a Neighbourhood Plan must follow the requirements of the legislation, in particular Schedule 4B to the Town and Country Planning Act 1990. The Examiner has checked that the statutory requirements have been followed accordingly.
- 3.2 The examiner has concluded that the NP meets a set of basic conditions which are that the NP:
- i) is appropriate having regard to national policies⁴ and advice contained in guidance issued by the Secretary of State;
 - ii) contributes to the achievement of sustainable development;
 - iii) is in general conformity with the strategic policies contained in the Development Plan for the area; and
 - iv) does not breach, and otherwise is compatible with EU obligations and Human Rights requirements.
- 3.3 With regard to iii) above, the NP area lies within the local authority area of SCDC. The NP must be in general conformity with the strategic policies of the development plan which is the South Cambridgeshire Local Plan 2011-2031, that was adopted on 27 September 2018.

4. The Neighbourhood Plan area

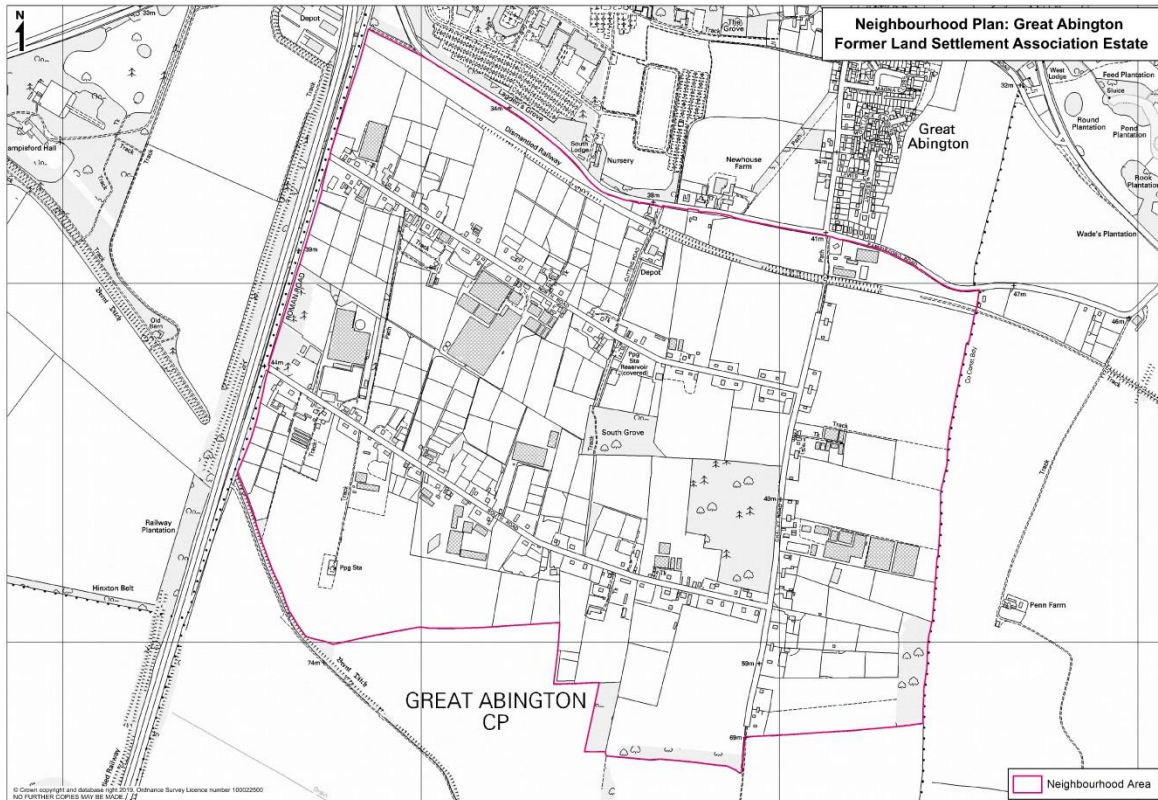
- 4.1 The area covered by this NP is the former Land Settlement Association's Estate at Great Abington, comprising holdings on North Road, South Road and Chalky Road and three on the

³ Regulation 16 of the Neighbourhood Planning (General) Regulations 2012 (as amended)

⁴ A new National Planning Policy Framework (NPPF) was published in July 2018. The updated NPPF (2018) states that for the purposes of examining a Neighbourhood Plan, the policies in the previous NPPF (2012) apply where the Neighbourhood Plan was submitted to the local planning authority before 24 January 2019 (NPPF 2018, paragraph 214). This NP was submitted to SCDC in February 2018, and therefore references to the NPPF in this NP refer to the NPPF 2012 and not the NPPF 2018.

southern side of Pampisford Road. The NP area, as shown on the map below, was designated by SCDC on 5 September 2016.

Figure 1: The Neighbourhood Plan area



Historic Context of Great Abington

4.2 The village of Great Abington is situated with its partner village, Little Abington, within the SCDC area. It is seven miles south of Cambridge on the A11 London to Newmarket Road and the A1307 Cambridge to Haverhill Road. Originally a very small farming community, its population was increased significantly in the late 1930s by the establishment of the Land Settlement Association’s Estate at Abington.

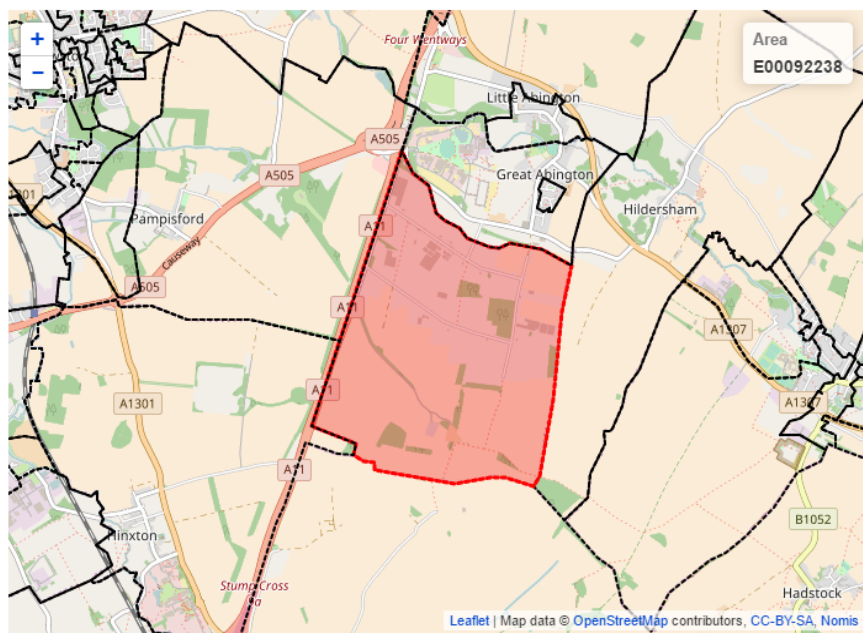
The Land Settlement

4.3 The Land Settlement was originally part of Abington Hall Estate and known as New House Farm. It was purchased by the Land Settlement Association (LSA) in 1936 to establish the Abington Land Settlement Association’s Estate. The land amounted to 688 acres and it was divided into 62 holdings. Most of the holdings were situated on North Road, South Road and Chalky Road with three along Pampisford Road.

4.4 Like many other former LSA estates, the policy area is characterised by a relatively uniform collection of smallholdings of 1 – 11 acres depending on the location within the Land Settlement area. The long straight roads (all of which are unadopted, owned and maintained by Abington Estate Management Limited (AEML) which is a limited company set up to manage the roads) and uniform plots are the result of the farming techniques used.

- 4.5 Smallholdings had outbuildings located to the side of the dwellings. Originally each had a piggery and a small green house; other outbuildings were often added. Many had several large glasshouses.
- 4.6 The LSA operated in Abington until 1983 when the holdings were sold off by the Ministry of Agriculture, Fisheries and Food.
- 4.7 In terms of demographics within the NP area, estimates taken from the Census 2011 data is available at output area level. The output area is the lowest geographical level at which census estimates are provided. There is a near match between the NP area (see Figure 1) and the output area as shown in Figure 2 below.

Figure 2: outline of the output area



- 4.8 Table 1 below provides some key statistics taken from the Census 2011 on dwelling stock, households and population. There is currently no affordable housing in the NP area.

	NP area/output area	Great Abington Parish	South Cambridgeshire District
Number of Dwellings	74	343	61,724
Households	71	325	59,960
Population	199	816	148,755

Table 1: Population and Dwelling Stock in the output area, parish and district

Source: www.nomisweb.co.uk (Census 2011)

- 4.9 Table 2 below provides a breakdown of occupied dwellings by number of bedrooms. Again the information is taken from the Census 2011. It shows that the NP area has a noticeably higher proportion of 4 and 5 bedroom (and over) properties compared with the district and a noticeably lower proportion of 1, 2 and 3 bedroom properties.

	NP area/output area	Great Abington Parish	South Cambridgeshire District
0 Bedrooms	1% (1)	0 (1)	0 (88)
1 Bedroom	4% (3)	2 % (7)	7% (3,937)
2 Bedroom	17% (12)	18% (57)	23 % (13,617)
3 Bedroom	31% (22)	44% (142)	37% (22,290)
4 Bedroom	28% (20)	25% (81)	25% (14,815)
5 Bedrooms or more	18% (13)	11% (37)	9% (5,213)

Table 2: Number of bedrooms in the output area, parish and district
Source: www.nomisweb.co.uk (Census 2011)

4.10 Tables 3 and 4 below provide some useful information (as at the 2011 Census) on the population make up in the NP area compared with the parish and district level. It shows that the NP area has a higher number of residents aged over 65 than the district level. Table 4 shows that the NP area has a particularly high number of residents aged over 75 compared to the district average.

Residents	NP area/output Area	Great Abington Parish	South Cambridgeshire District
Aged 65 and over	44 (22%)	168 (21%)	24,702 (17%)
Number of households with person long-term health problems or disability	17 (24%)	79 (24%)	13,149 (22%)

Table 3: People aged over 65 and number of households with person with long-term health problems or disability
Source: www.nomisweb.co.uk (Census 2011)

Age	NP area/output Area (%)	Great Abington Parish (%)	South Cambridgeshire
All usual residents	199	816	148,755
Age 0 to 4	8 (4.02)	40 (4.90)	9,300 (6.25)
Age 5 to 7	8 (4.02)	24 (2.94)	5,483 (3.69)
Age 8 to 9	4 (2.01)	19 (2.33)	3,578 (2.41)
Age 10 to 14	11 (5.53)	54 (6.62)	9,106 (6.12)
Age 15	1 (0.5)	15 (1.84)	1,946 (1.31)
Age 16 to 17	3 (1.51)	28 (3.43)	3,789 (2.55)
Age 18 to 19	6 (3.02)	16 (1.96)	2,999 (2.02)
Age 20 to 24	12 (6.03)	29 (3.55)	7,148 (4.81)
Age 25 to 29	7 (3.52)	18 (2.21)	8,083 (5.43)
Age 30 to 44	36 (18.09)	139 (17.03)	31,957 (21.48)
Age 45 to 59	44 (22.11)	216 (26.47)	30,908 (20.78)
Age 60 to 64	15 (7.54)	50 (6.13)	9,756 (6.56)
Age 65 to 74	25 (12.56)	89 (10.91)	13,139 (8.83)
Age 75 to 84	19 (9.55)	62 (7.60)	8,166 (5.49)
Age 85 to 89	0	13 (1.59)	2,244 (1.51)
Age 90 and over	0	4 (0.49)	1,153 (0.78)

Table 4: Population by age breakdown
Source: www.nomisweb.co.uk (Census 2011)

4.11 Table 5 below provides information on household composition. Of note is the low number of households with dependent children compared to the parish and district average.

Household Composition	NP area/output area	Great Abington Parish	South Cambridgeshire
One person household	12 (17%)	74 (23%)	14,772 (25%)
One family household	51 (72%)	230 (71%)	41,866 (70%)
Other household	8 (11%)	21 (6%)	3322 (5%)
Total	71	325	59960
Households with dependent children (number)	15	95	18,685
Households with dependent children (% of total)	21%	29%	31%

Table 5: Household composition
Source: www.nomisweb.co.uk (Census 2011)

Baseline for Policies

4.12 The situation on the Land Settlement in 1983 immediately prior to the decision to sell the estate was therefore as follows: each holding had a house and a piggery with some land; most of the houses had been extended to add a bathroom and extra living space; many had outbuildings and glasshouses.

4.13 This situation as at 1983 immediately prior to the decision to sell the estate will be used as the baseline for defining the 62 original holdings and therefore what building will be permitted by the policies in section 6. This will avoid any confusion that might be caused by changes in ownership of land and dwellings during the intervening years.

Current Situation

4.14 Properties in the Land Settlement range from some in their original state being small two up and two down cottages to, at the other extreme, what are now very large houses with many bedrooms and additional facilities. A significant number of businesses of various kinds are operated from the Land Settlement. There are also a considerable number of other buildings including glasshouses, barns, stables and sheds.

4.15 In earlier SCDC local plans there was a specific policy relating to the Land Settlement. This was removed from later plans so that planning applications are considered in the context of the area being 'countryside'. However, the area has a number of features which make it quite different from open countryside as illustrated by the following extract taken directly from an appeal Inspector's report:

".. the Estate overall appears clearly distinguished from the surrounding countryside. This is due, in part, to the linear form of the two parallel private roads that serve the Estate and the regular pattern and layout of the various buildings along them, as well as the noticeable degree to which a significant number of the original dwellings have been extended and altered."

APP/WO530/D/10/2137437

This has meant that planning decisions have been varied and planning officers have found it difficult to find a standard approach.

4.16 This NP provides a framework against which all applications in this area can be assessed and planning decisions made.

5. Aims and Objectives

5.1 The essential aim of the NP is to retain the special character of the Land Settlement while allowing limited development. The plan aims:

- to keep the historic pattern of building on the land settlement, comprising a house with outbuildings (which may include a new dwelling as defined below) surrounded by open land separating each holding;
- to retain the existing single track roads with passing places, currently paid for and maintained through Abington Estate Management Limited (set up specifically to manage the roads);
- to meet the needs of a wide demographic mix on the Land Settlement by allowing for the building of smaller dwellings suitable to both young and elderly;
- to support the construction of smaller high quality dwellings as many original smaller houses have been extended;
- to ensure that new development responds positively to local character and history; and
- to retain the agricultural and paddock land outside the areas defined by the original houses and their outbuildings.

6. The Policies

6.1 To achieve the aims, the NP includes three planning policies which are underpinned by the following general principles:

- i) The NP area remains outside the Great Abington village framework.
- ii) The broadly rural nature of the designated area should be preserved with all public footpaths retained.
- iii) The roads will remain unadopted by the Cambridgeshire County Council.
- iv) Developments will not be allowed which will have an adverse impact on the unique character or appearance of the Land Settlement and /or which have an adverse impact on residential amenity or create unacceptable disturbance.
- v) All new building designs should be in keeping with the agricultural character of the area.
- vi) No development should be allowed that would result in a substantial increase in traffic on the Land Settlement or the need for significant related road development, such as businesses that by their nature require large numbers of vehicle movements.

Policy GAL/1: Extensions to and Rebuilding of Original Dwellings (including those that have been rebuilt)

Extensions to and rebuilding of original dwellings as at the 1983 baseline and/or the replacement of original dwellings as at the 1983 baseline (as shown on Maps 1 and 2) will be supported subject to the following criteria:

- 1. the design of the dwelling, its landscaping and size are sensitive to the open and rural character of the Land Settlement, recognising and reinforcing the defining characteristics of the area (see Character Assessment);**
- 2. the resulting dwellings complement dwellings nearby in particular the external appearance of all four walls should be brick, washed concrete or timber; windows and doors should be of a traditional simple design; roofs will be in keeping with the existing styles (gabled, half hipped, gambrel) with traditional tiles;**
- 3. the existing uniformity in the layout of the buildings along the road, a key characteristic being the regular separations of open land between holdings, is retained;**
- 4. all extended or replacement dwellings are set back from the roads at least as far as the original dwelling but not significantly further back and within the build line identified on Maps 1 and 2;**
- 5. residential amenity of neighbouring properties and future occupiers of proposed development will not be adversely affected; and**
- 6. the height of the original dwelling is not exceeded.**

No completed dwelling will have a gross internal floor area exceeding 300 square metres. Exceptions to this apply in the case of a replacement dwelling where the dwelling being replaced already exceeds 300 square metres; in such cases the replacement dwelling should not exceed the size of this existing dwelling.

New ancillary buildings (e.g. garages) must be subservient to the dwelling it serves and not impact adversely on the open and rural character of the Land Settlement.

Rationale and intent for Policy GAL/1

Retaining character

- 6.2 Policy GAL/1 applies to all development proposals affecting the original dwellings on the Land Settlement or, where these have been rebuilt, the newer properties on the site of the original dwelling. The locations of the original dwellings are shown on Maps 1 and 2. The intention of Policy GAL/1 is to allow extensions and rebuilds in a way which will maintain the historic pattern of building on the Land Settlement, comprising a house (with outbuildings in many cases) surrounded by open land separating each holding. From the roads, the Land Settlement is characterised by the residential properties being well spaced out and a strong uniformity in the layout of the buildings (described in more detail in the Character Assessment). Dwellings are located along the road frontages (an approximate distance of 15

metres from the front of the original house to the near edge of the road) although many of these are hidden from the road behind tree and hedge belts. The piggery is located, in the vast majority of cases, to the side of the main dwelling at varying distances away but at least (in the vast majority of cases) 30 metres from the original dwelling (at the time of the LSA estate, it was stipulated by the Ministry of Agriculture that all livestock had to be a minimum distance from a dwelling). In many instances, there are other outbuildings located to the side of the main dwelling. Between the piggery and the neighbouring residential property there is, in the majority of cases, a gap of about 30 to 40 metres. In places, this gap affords long views from the roadside into the open agricultural land behind the residential curtilages but in other places, this gap is itself hidden behind tree and hedge belts. Originally, all residential dwellings were, together with their piggeries and small greenhouses, set within long rectangular plots with the growing land behind. Plots were separated from the next by the headland of the field and it is this that has left a legacy of a gap.

Maintaining openness

- 6.3 Existing buildings on the Land Settlement are not generally prominent in the landscape. This is due to the buildings being set back from the road at a uniform distance, the extent of mature vegetation along the roadside having the effect of nestling buildings within a rural setting, and the design and layout of the dwelling (including, in the vast majority of cases, rebuilds) being subtle and sensitive to their setting. It is important this key characteristic is retained and that no extensions or rebuilds are allowed that overwhelm or dominate their setting. It is also important that the cumulative effect of rebuilds and extensions is not one which damages rural character or the openness of the landscape.
- 6.4 Policy GAL/1 clarifies that new or replacement dwellings must not be placed significantly further back from the existing building line. The dotted line shown on Maps 1 and 2 indicates the line beyond which development under Policy GAL/1 would not be acceptable.

Dwelling sizes

- 6.5 A number of the original houses on the Land Settlement have been extended or, in some cases, completely rebuilt. The gross internal floor area of these varies from 230 square metres to up to over 400 square metres in one or two cases. Increasing the number of dwellings at the higher end of this scale would undermine the aims and principles underpinning the plan. They would, by virtue of their bulk and size, harm the character and openness of the Land Settlement and cumulatively have a detrimental effect on the wider landscape.
- 6.6 Furthermore, housing needs in the NP area, the Parish and the wider District make it important to impose limitation on the increase in dwelling sizes with the aim of preventing a gradual reduction of medium sized dwellings in the countryside. Consideration must also be given to the considerably lower minimum residential floorspace figures in the adopted South Cambridgeshire Local Plan 2011-2031 where the largest of these is 138 square metres for a 6-bedroom property providing 8 bedspaces.
- 6.7 The maximum gross internal floorspace of 300 square metres has been reached having regard to the sizes of those dwellings that have already been built. An evidence base document supporting this plan provides details of estimated gross internal floor areas of properties

within the NP area. This demonstrates that whilst the original dwellings on the Land Settlement are estimated to have had a floor space of approximately 100 square metres, 52 of the dwellings have a floor space larger than this and many have a floorspace considerably larger than this; seven of the properties are estimated to exceed 300 square meters and 24 dwellings are estimated to fall within the 200 to 300 square metre range.

- 6.8 In the district's evidence collected for the purpose of informing their Policy H/12: Residential Space Standards, information has been collected on small sites (9 dwellings or less). This evidence shows that smaller sites are much more likely to be built at lower densities producing figures in line with the 300-square metre floor space maximum threshold set out in this policy. This information is also included in the evidence base document supporting this plan.
- 6.9 The figure excludes basements, buildings such as garages or any other buildings ancillary to the dwelling but separate to the dwelling.

Original and Existing Dwellings

- 6.10 Policy GAL/1 only applies to the Land Settlement original dwellings and any dwellings that have replaced these. The policy does not apply in relation to piggeries converted to residential use since 1983, or to additional dwellings created separately from the original dwelling and separately from the piggery. In many cases the original dwellings have already been extended or replaced. The penultimate paragraph in policy GAL/1 therefore uses the term "existing dwellings" when setting a maximum cap on building size.

National and Local Plan Context to Policy GAL/1

National

- 6.11 Policy GAL/1 is consistent with:
- the fifth core planning principle in paragraph 17 of the National Planning Policy Framework (NPPF, 2012) in that it recognises the intrinsic character and beauty of the countryside in the NP area whilst supporting the community within it;
 - paragraph 58 of the NPPF (2012) because the Policy GAL/1 sets out the quality of development that will be expected for the area and that this is based on an understanding and evaluation of the defining characteristics within the NP area; and
 - paragraph 64 in the NPPF (2012) which states that permission should be refused for development of poor design that fails to take the opportunities available for improving the character and quality of an area and the way it functions.

South Cambridgeshire Local Plan 2011-2031

- 6.12 Key Local Plan policies relevant to Policy GAL/1 are:
- H/13 Extensions to Dwellings in the Countryside
 - H/14 Replacement Dwellings in the Countryside
- 6.13 Policy GAL/1 is broadly consistent with the requirements set out in the above two policies.

Policy GAL/2: Additional dwellings

The development of one additional dwelling on, or adjacent to, the site of each original piggery will be supported provided that:

1. the development will not result in more than one additional dwelling for each original house on the Land Settlement estate as at the 1983 baseline;
2. the additional dwelling has a gross internal floor area of no more than 175 square metres;
3. the additional dwelling is suitable for independent living and built to the accessible and adaptable dwellings (M4(2) standard);
4. the design of the dwelling, its landscaping and location on site is sensitive to the open and rural character of the Land Settlement; recognising and reinforcing the defining characteristics of the area (as set out in the Character Assessment);
5. the additional building does not exceed the height of the principal dwelling it is associated with;
6. the existing uniformity in the layout of buildings along the road, a key characteristic being the regular separations of open land between holdings, is retained;
7. the additional dwelling is set back from the roads at least as far as the original piggery but will not be placed significantly further back and within the build line identified on Maps 1 and 2;
8. residential amenity of neighbouring properties and future occupiers of the proposed development will not be adversely affected; and
9. there is safe vehicular site access.

Proposals to replace an existing annex or an existing dwelling that is the additional dwelling associated with an original dwelling as at the 1983 baseline, or that seek to remove any occupancy restrictions on these same existing dwellings or annexes will be considered against the requirements of this policy.

Other residential development proposals requiring planning permission that result in additional dwellings in the NP area (including residential conversions and new rural dwellings) shall be resisted.

Rationale and intent for Policy GAL/2

Retaining Character

6.14 Policy GAL/2 applies to development proposals affecting the piggery building or the site of the piggery building within each plot of land as at 1983. Maps 1 and 2 show the sites of the original piggeries and dwelling houses as at 1983. The intention of the policy is to allow one additional dwelling for each of the original houses as at the 1983 baseline. Restricting the

development to the site of the piggery will help to maintain the pattern of building on the Land Settlement, comprising a house (with outbuildings (which may include a new dwelling) surrounded by open land separating each holding. Prior to commencement, applicants will be required, by condition, to demolish any existing piggery building or associated hard standing surface which is not incorporated into the development proposal.

- 6.15 Due to the limited capacity of the single tracked unadopted roads in the Land Settlement, limited provision of community infrastructure within the NP area and the importance of retaining the special character of the Land Settlement, it is necessary to manage the level of growth that can come forward within the NP area during the plan period. Policy GAL/2 therefore specifically stipulates that there can be no more than one additional dwelling (including any annexes that have been built) per each original house as at the 1983 baselines.

Dwelling sizes

- 6.16 The footprint of a piggery building is approximately 83 square metres once account has been taken of the thickness of external walls etc. The figure of 175 square metres allows for a dwelling to be built on the footprint with a second floor and a little bit of leverage. It is not considered appropriate to allow large extensive dwellings on the site of the piggery as to do so would distort too far the existing pattern of building on the Land Settlement. Many of the principal dwellings have already been extended or rebuilt to create large extensive dwellings. It is necessary that the piggery sites are not built to similar sizes to the principal dwellings in order to avoid the cumulative impact of development becoming detrimental to the wider landscape and unacceptably harmful to rural and open character. It is also important that the piggery site remains visually subservient to the principal dwelling with which it is associated (although it is recognised that there are a few examples of principal dwellings where there has been little or no development and in such cases this may not be possible). Allowing larger homes on the original dwelling site and a smaller home on the piggery site also helps to maintain a balanced housing mix appropriate to meeting local needs. The types of buildings considered suitable for the piggery site would be ideal for meeting needs of older members of the community and young people wishing to stay in the area.
- 6.17 A principal aim of the plan is to meet the needs of a wide demographic mix on the Land Settlement by facilitating the provision of smaller dwellings suitable to both young and old. The annexes that have been built in the NP area to date to suit the needs of an elderly couple have comprised a one and a half-storey (two-bedroom) dwelling using the footprint of the existing piggery and been in line with this floorspace threshold. It is a generous floorspace allowance for the provision of 2 or 3-bedroom properties. However, it would be erroneous to compare this figure to average floor space figures across the district. It is common for housing in rural area to have larger floorspace areas than in urban area and it is also common for small sites to deliver larger floorspace figures than larger sites (see evidence base document supporting this plan for more information).
- 6.18 The figure excludes basements, buildings such as garages or any other buildings ancillary to the dwelling but separate to the dwelling.

Adaptable and accessible homes

6.19 Building to the M4(2) standard (accessible and adaptable dwelling standard) will help to ensure that the housing stock enabled through this policy will meet the needs of the residents in the NP area. South Cambridgeshire Local Plan 2011-2031 Policy H/9: Housing Mix includes a requirement for 5% of all new homes on developments of more than 20 or more dwellings to be built to accessible and adaptable M4(2) standard but this would not be realised in the NP area where development is expected to come forward as individual dwellings. The Local Plan policy is underpinned by district wide evidence from the South Cambridgeshire Housing Strategy 2012 – 2016 (showing that in Council housing up to 41% of households includes someone with a disability and 14.3% of private sector households of which just less than half have mobility problems). The age profile of the NP area is however noticeably higher than district wide. At the 2011 Census, 22% of population within the output area⁵ E00092238 (the closest match to the NP area) was aged over 65 compared to 21% at parish level and 17% at district level (see Tables 3 and 4 above).

Annexes and Dwellings already built on the site of the piggery

6.20 Where a piggery (or a site associated with the original property) has already been converted or replaced by an annex or dwelling, the opportunity to develop an additional dwelling under this policy has already been taken. Maps 1 and 2 show where, at the time of writing, such dwelling or annexes exist.

6.21 However, proposals to extend or replace the annex or dwelling, or that seek to remove any occupancy restrictions on the existing dwellings or annexes will be considered against the requirements of Policy GAL/2.

6.22 Where piggery buildings no longer exist and there have been no additional residential dwellings associated with the site of the piggery since 1983, then there is an opportunity for development under this policy. Maps 1 and 2 show where, at the time of writing, such scenarios exist.

Other additional dwellings requiring planning permission

6.23 Policy GAL/2 resists development proposals that would lead to residential units in addition to those that are allowed, in principle, on the piggery sites. This would apply to proposals that involve conversions from agricultural use to residential as well as proposals to provide dwellings to support a rural-based enterprise. As stated above in paragraph 6.15 it is necessary to manage the level of growth that can come forward within the plan period due on the one hand to the limited capacity of the single tracked unadopted roads and limited provision of community infrastructure and on the other hand due to the importance of retaining the special character of the Land Settlement.

6.24 At the base date of 1983 (when the Estate was sold), the character of the buildings and spaces between them was largely homogenous. Much has changed since then and much development has been authorized for non-residential use (principally agricultural or live work, or uses originally defined as ancillary use). As at January 2016, six small holdings remain in

⁵ Output Areas are the smallest geographical unit for which **Census** data is released.

commercial horticultural use in the NP area. Other properties along North Road have become nurseries or landscaping suppliers. Many other properties are used for the keeping of horses and other animals. To avoid unacceptable cumulative impacts and in order to ensure a consistent approach with regards to new residential development proposals, it is necessary to adopt an extremely cautious approach to other potential sources of additional residential dwellings in the NP area. In September 2017 outline planning permission was granted for eight dwellings on land adjacent to Strawberry Farm in the north-eastern part of the neighbourhood area.

National and Local Plan Context to Policy GAL/2

National

6.25 Policy GAL/2 is consistent with:

- the fifth core planning principle in paragraph 17 of the NPPF (2012) in that it recognises the intrinsic character and beauty of the countryside in the NP area whilst supporting the community within it;
- the eighth core planning principle set out in paragraph 17 of the NPPF (2012) in that it encourages *“the effective use of land by reusing land that has been previously developed, provided that it is not of high environmental value”*;
- paragraph 58 of the NPPF (2012) because the Policy GAL/2 sets out the quality of development that will be expected for the area and that this is based on an understanding and evaluation of the defining characteristics within the NP area;
- paragraph 64 in the NPPF (2012) which states that permission should be refused for development of poor design that fails to take the opportunities available for improving the character and quality of an area and the way it functions; and
- paragraph 50 of the NPPF (2012) as it helps plan for a mix of housing based on demographic trends, market trends and the needs of different groups within the NP community.

6.26 Regard must be had to paragraph 55 of the NPPF (2012) which states that new isolated homes in the countryside should be avoided. In considering this, regard is also had to the fact that the Land Settlement estate is not typical of surrounding countryside in that there are 62 dwellings and associated outbuildings. Furthermore, close by within walking distance in Great Abington village there are shops and services and employment very close by at Granta Park. Policy GAL/2 is primarily focused on providing a planned approach to the reuse of the redundant or disused piggery buildings/sites, whilst also maintaining the open and rural character of the Land Settlement.

South Cambridgeshire Local Plan 2011-2031

6.27 The key Local Plan policies which are applicable to Policy GAL/2 are:

- H/15 Countryside Dwellings of Exceptional Quality
- H/17 Reuse of Buildings in the Countryside for Residential Use

- H/19 Dwellings to Support a Rural-based Enterprise
- S/7 Development Frameworks

- 6.28 Policy GAL/2 departs from the approach set out in H/17 and H/19 because it takes a more flexible approach towards creation of new dwellings in the countryside. It does so by applying a blanket approach across all piggery sites. Policy GAL/2 also departs from the approach set out in H/17 by resisting other residential conversions in the NP area.
- 6.29 Policy GAL/2 is broadly consistent with Policy S/7 which allows development to be permitted outside of development frameworks if it is part of an allocation within a Neighbourhood Plan.
- 6.30 Policy GAL/2 is a response to a specific set of local circumstances in the NP area. It is a planned approach which has resulted from a creative exercise by the community to bring forward potential sites in a balanced way where economic, social and environmental goals are jointly and simultaneously sought through the planning system. Policy GAL/2 is also informed by the Character Assessment supporting the plan and seeks to positively manage the impact of new residential development on the openness of the Land Settlement by restricting it to the existing settlement pattern. In order for the NP not to have unacceptable cumulative impacts and bring about an unintended quantity of development, Policy GAL/2, is justified in taking a cautious approach to development proposals which could allow for other residential development in the NP area. Policy GAL/2 is a locally-specific interpretation of the more strategic South Cambridgeshire Local Plan 2011-2031 policies but overall, it is in broad conformity with the intentions and principles underpinning the adopted Local Plan policies.

Policy GAL/3: Road usage limitation in the Neighbourhood Plan area

Proposals for new development will be supported where they can be satisfactorily incorporated within the neighbourhood area both in terms of the capacity of its highway network and the impact of additional traffic on the amenities of its existing residential properties.

Development that results in significant additional traffic on the Land Settlement estate or damages residential amenity through traffic generation will not be supported.

Rational and intent for Policy GAL/3

- 6.31 The roads on the Land Settlement are South Road, North Road, Chalky Road and Cutting Road; all are unadopted roads. North Road and South Road have junctions onto Newmarket Road, and Cutting Road has a junction on to Pampisford Road. The unadopted roads are single tracked roads with 26 formal and 7 informal passing places. Whilst it may be possible to increase the number of passing places it will not be possible and is not considered appropriate to increase road capacity through road widening.
- 6.32 The roads are owned by the Abington Estate Management Limited (AEML) which is a limited company set up to manage and maintain the estate's roads, including the formal passing places. The members of the AEML are all the freehold owners of property (houses and/or

land) on the Land Settlement estate. The company is managed by a board of directors, with the directors being elected by the membership. Owners of property on the estate are legally responsible for the payment of the AEML annual membership fee. They are required to ensure that this obligation is transferred to any new owner as part of the conveyance process when disposing of part or all of their property. Failure to transfer the obligation leaves the original property owner with the legal responsibility to pay.

6.33 A Transport Statement has been prepared by Phil Jones Associates to support the plan and specifically to assess the impact of the development allowed as part of this plan i.e. additional dwellings on the piggery sites. This Statement concludes that the likely transport impact associated with the development envisaged by the Neighbourhood Plan is acceptable. The following conclusions are also made:

With regards the Internal LSE Network

- Given the numerous opportunities along all estate roads for vehicles to safely pass each other, the potential for conflicting vehicle movements to occur is limited.
- AEML have no control over the informal passing places and in the case that one of these is lost as a result of alterations carried out by a property owner, it could trigger the need for AEML to invest in additional formal passing places.
- The analysis did not itself identify such a need and shows that there remain sufficient formal opportunities for vehicles to safely pass each other.
- The report notes that changes of circumstances, property use, level of vehicle use, or development not envisaged as part of the Neighbourhood Plan could result in a need for investment in minor road improvements on the LSE roads (such as formal passing bays). As the 2018 Transport Statement does not identify this, such a need would have to be demonstrated in a separate assessment based on circumstances at the time.

With regards construction traffic impact

- On the basis that there are a number of HGV movements routing to and from the estate as a result of existing commercial units operating with the Land Settlement, the report assumes that the existing roads are capable of accommodating HGV movements of 3-axle trucks as well as 4-axle rigid trucks that are up to 14.5 m long and can weigh up to 30 tonnes.
- The assumption was made in the absence of detailed information about the substructure of existing estate roads.
- As the number and location of dwellings to be constructed at any given time are not known at the stage of preparing the Transport Statement, the total number of daily construction vehicle trips impacting on the estate roads will need to be assessed separately.
- In the absence of detailed information about the substructure of the existing estate roads, it is recommended that a pavement core test shall be undertaken prior to

construction works undertaken within the plan area and results to be assessed in relation to predicted volume and size of construction vehicles.

With regards the wider road network

- The forecast trip generation associated with the delivery of up to 62 additional dwellings will result in 33 additional two-way trips during the AM peak hour and 33 additional two-way trips during the PM peak hour. Taking into consideration the three separate access points to the Land Settlement and the strategic location of it, it is expected that vehicle trips will dissipate quickly across the surrounding road network.

Granta Park Roundabout

- It is expected that a proportion of the 33 vehicle trips generated during the peak hours will route across the Granta Park Roundabout which already experiences congestion during the network peak hours. The Transport Statement concludes however that the impact of additional traffic associated with developed envisaged as part of the Neighbourhood Plan will not result in a significant increase in traffic and the performance of the surrounding junctions will not change to an extent that it does not match the expectation of the users of the road network.

6.34 Whilst the Transport Statement indicates that additional road related development is unlikely to be needed as a result of the development envisaged as part of Policy GAL/2 of the Neighbourhood Plan, it is important that the Neighbourhood Plan can respond, should this, during the plan period, not be the case. It is also important to take into account all development proposals (including non-residential) that could come forward during the period 2018 to 2031. In the case of any individual development proposal triggering the need for minor improvements to the road infrastructure (e.g. additional formal passing places), it would be inappropriate for planning permission to be granted until plans are in place for securing such improvements. Such improvements would need to be considered and approved by the District Council and AEML. On a case-by-case basis this could be achieved through the imposition of a planning condition or through a planning obligation.

6.35 Any development proposals that would individually or cumulatively lead to substantial increases in traffic would not be appropriate in the NP area due to the limited capacity of the road network. It could be that some traffic impacts could be mitigated through more significant changes to the road infrastructure which would alter the existing layout of single track roads with passing places. But such mitigation measures will themselves detract from the rural character of the plan area and conflict with the aims and principles of this plan.

6.36 Policy GAL/3 will apply to all proposals requiring planning permission in the NP area not just the residential proposals. Any transport implications associated with development not envisaged by the Neighbourhood Plan would need to be subject to its own transport assessment.

Development Frameworks

6.37 The NP remains outside the development framework. The South Cambridgeshire Local Plan defines the boundary of development frameworks. With the exception of development

allowed under Policies GAL/1 and GAL/2, the countryside designation applies across the NP area.

Permitted Development Rights

6.38 Permitted development rights, as set out in the Town and Country Planning (General Permitted Development) (England) Order 2015 and any revisions to this will apply in the NP area.

7. Brent Ditch

7.1 The Neighbourhood Plan designated area incorporates Brent Ditch which is a Scheduled Monument. The proposals in this plan do not affect Brent Ditch which is a recognised important historic asset.

**Neighbourhood Plan: Great Abington
Former Land Settlement Association Estate
- Piggery and House Locations (East)**

Map 1: Neighbourhood Area East



Neighbourhood Area
 Build Line Boundary
● House
● Site of Piggery

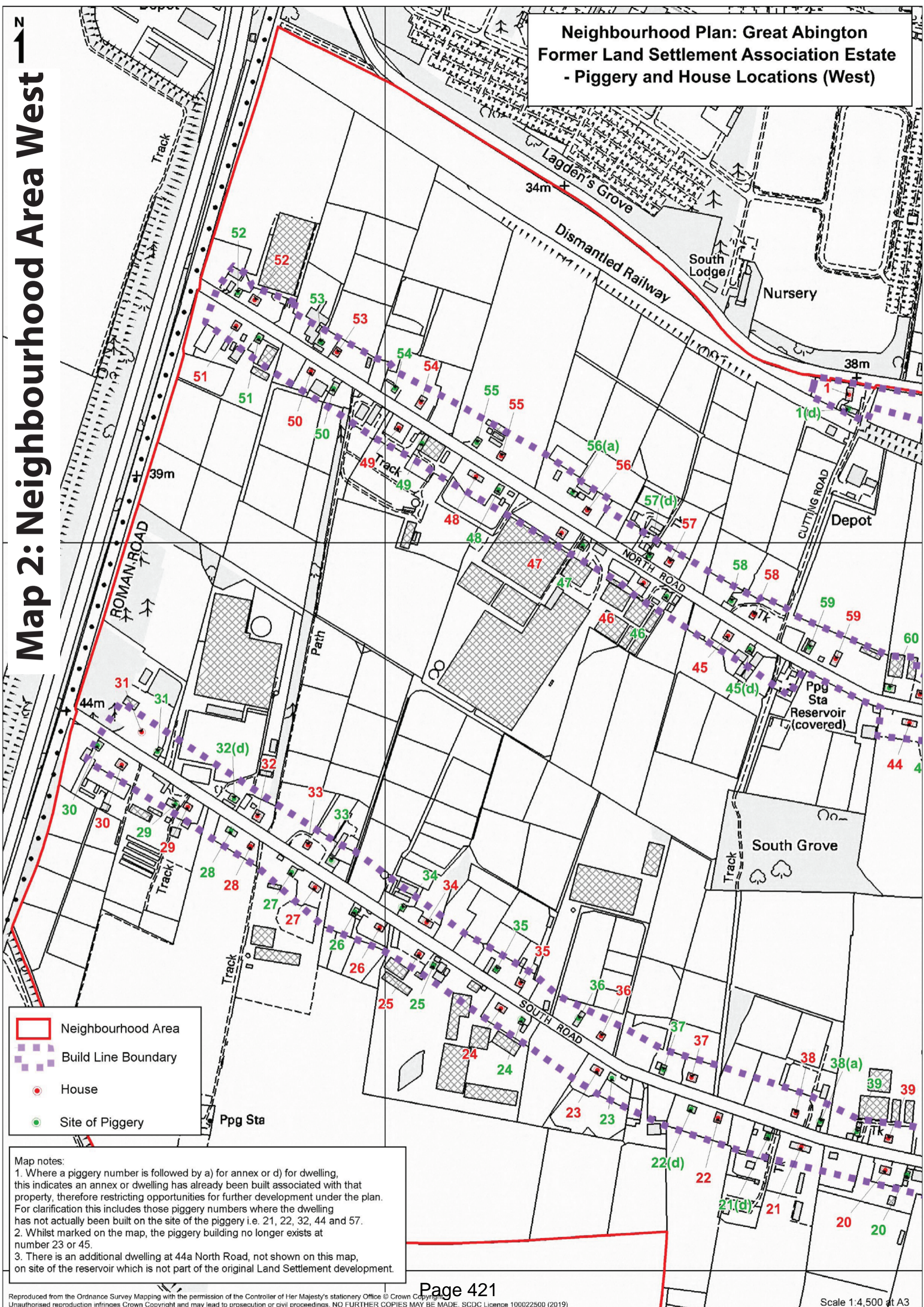
Map notes:

1. Where a piggery number is followed by a) for annex or d) for dwelling, this indicates an annex or dwelling has already been built associated with that property, therefore restricting opportunities for further development under the plan. For clarification this includes those piggery numbers where the dwelling has not actually been built on the site of the piggery i.e. 21, 22, 32, 44 and 57.
2. Whilst marked on the map, the piggery building no longer exists at number 23 or 45.
3. There is an additional dwelling at 44a North Road, not shown on this map, on site of the reservoir which is not part of the original Land Settlement development.

Scale 1:4,500 at A3

Map 2: Neighbourhood Area West

Neighbourhood Plan: Great Abington Former Land Settlement Association Estate - Piggery and House Locations (West)



Neighbourhood Area
 Build Line Boundary
● House
● Site of Piggery

Map notes:

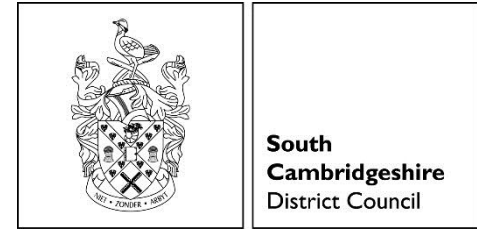
- Where a piggery number is followed by a) for annex or d) for dwelling, this indicates an annex or dwelling has already been built associated with that property, therefore restricting opportunities for further development under the plan. For clarification this includes those piggery numbers where the dwelling has not actually been built on the site of the piggery i.e. 21, 22, 32, 44 and 57.
- Whilst marked on the map, the piggery building no longer exists at number 23 or 45.
- There is an additional dwelling at 44a North Road, not shown on this map, on site of the reservoir which is not part of the original Land Settlement development.

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Appendix 2

Basic Conditions Check – made (adopted) Neighbourhood Plan

Great Abington Former Land Settlement Association Estate Neighbourhood Plan – February 2019



Requirements	Local Planning Authority Comments	Basic Condition met?
<p>The Neighbourhood Plan has regard to national policies and advice contained in guidance issued by the Secretary of State and it is appropriate to make the Neighbourhood Plan.</p>	<p>The Council considers that the Neighbourhood Plan is consistent with national policies and advice in that the core land use planning principles set out in the National Planning Policy Framework (NPPF, 2012)¹ have been embodied in the Neighbourhood Plan. Specifically, the Neighbourhood Plan:</p> <ul style="list-style-type: none"> • empowers local people to shape their surroundings through a succinct Neighbourhood Plan that sets out a positive vision for the future of the area (paragraph 17); • seeks to secure high quality design and a good standard of amenity for all existing and future occupants of land and buildings (paragraph 17); • recognises the intrinsic character and beauty of the countryside whilst supporting the community within it (paragraph 17); • contributes to conserving and enhancing the natural environment (paragraph 17); • helps plan for a mix of housing based on demographic trends and the needs of different groups in the community (paragraph 50); • promotes housing to enhance or maintain the vitality of the rural community (paragraph 55); 	<p>Yes</p>

¹ Paragraph 214 of the National Planning Policy Framework (2018) confirms that for the purposes of examining a Neighbourhood Plan, the policies in the previous NPPF (2012) will apply where the Neighbourhood Plan was submitted to the local planning authority before 24 January 2019. The Great Abington Former LSA Estate Neighbourhood Plan was submitted to SCDC in February 2018, and therefore references to the NPPF refer to the NPPF 2012 and not the NPPF 2018.

Requirements	Local Planning Authority Comments	Basic Condition met?
	<ul style="list-style-type: none"> • sets out the quality of development that will be expected based on an understanding and evaluation of the defining characteristics within the area (paragraph 58); • seeks to contribute to and enhance the natural and local environment, including by protecting the landscape (paragraph 109); and • provides a tool for local people to ensure they get the right types of development for their community (paragraph 184). <p>This conclusion is consistent with the examiner's conclusions² that the Neighbourhood Plan has had regard to national planning policies and guidance, in that it sets out a positive vision for the future of the neighbourhood area and provides clarity and consistency on extensions to existing dwellings and the opportunities that exist for additional dwellings. The examiner has recommended a series of modifications to provide clarity and precision to the policies to ensure that the Neighbourhood Plan fully accords with national policy and guidance. SCDC and Great Abington Parish Council have agreed each of the recommended modifications and the modifications are included in the 'made' (adopted) version of the Neighbourhood Plan.</p>	

² Examiner's Report on the Great Abington Former LSA Estate Neighbourhood Plan (see paragraphs 6.7-6.9): <https://www.scams.gov.uk/GreatAbingtonFormerLSAEstateNP>

Requirements	Local Planning Authority Comments	Basic Condition met?
<p>The making of the Neighbourhood Plan contributes to the achievement of sustainable development.</p>	<p>The Council considers that the Neighbourhood Plan contributes to the achievement of sustainable development, specifically by:</p> <ul style="list-style-type: none"> • enabling the delivery of housing required to meet the needs of present and future generations; • seeking to secure high quality design and a good standard of amenity for all existing and future occupants of land and buildings; and • contributing to the protection and enhancement of the natural, built and historic environment of the former LSA estate. <p>This conclusion is consistent with the examiner's conclusion³ that the Neighbourhood Plan has set out to achieve sustainable development in the neighbourhood area:</p> <ul style="list-style-type: none"> • in the economic dimension through policies for extensions to and the rebuilding of original dwellings and for additional dwellings; • in the social role through policies that reflect the very specific circumstances that exist in the neighbourhood area; and • in the environmental dimension through a specific policy on road usage. 	<p>Yes</p>
<p>The Neighbourhood Plan is in general conformity with the strategic policies contained in the development plan for the area.</p>	<p>The development plan for South Cambridgeshire consists of the adopted South Cambridgeshire Local Plan 2011-2031, and a list of strategic policies is included in Appendix E of the Local Plan. The Basic Conditions Statement, submitted by Great</p>	<p>Yes</p>

³ Examiner's Report on the Great Abington Former LSA Estate Neighbourhood Plan (see paragraph 6.10):
<https://www.scambs.gov.uk/GreatAbingtonFormerLSAEstateNP>

Requirements	Local Planning Authority Comments	Basic Condition met?
	<p>Abington Parish Council, considers whether the Neighbourhood Plan is in general conformity with these strategic policies.</p> <p>The Council considers that Policies GAL/1 – GAL/3 of the Neighbourhood Plan are in general conformity with the strategic policies in the adopted South Cambridgeshire Local Plan as set out in its response⁴ to the consultation on the submission version of the Neighbourhood Plan.</p> <p>This conclusion is consistent with the examiner's conclusion⁵ that the Neighbourhood Plan delivers a local dimension and supplements the detail already included in the adopted Local Plan, and on that basis is satisfied that the Neighbourhood Plan is in general conformity with the strategic policies in the development plan.</p>	
<p>The making of the Neighbourhood Plan does not breach, and is otherwise compatible with, EU obligations.</p> <p>Prescribed conditions are met in relation to the Neighbourhood Plan, including that the making of the neighbourhood plan does not breach the requirements of Chapter 8 of Part 6 of the Conservation of Habitats and Species Regulations 2017.</p>	<p>The Council considers that the Neighbourhood Plan does not breach and is compatible with EU Obligations.</p> <p><i><u>Strategic Environmental Assessment (SEA) and Habitats Regulations Assessment (HRA)</u></i>: a SEA screening has been undertaken that determines that the Neighbourhood Plan is unlikely to result in significant environmental impacts and therefore does not require a SEA. A HRA screening has also been undertaken that indicates that the Neighbourhood Plan is</p>	Yes

⁴ Planning Portfolio Holder Meeting (March 2018) – Council's response on submission version of Great Abington former LSA estate Neighbourhood Plan (see Appendix 1 of Item 5, pages 2-5): <http://scams.moderngov.co.uk/ieListDocuments.aspx?CId=1059&MId=7246>

⁵ Examiner's Report on the Great Abington Former LSA Estate Neighbourhood Plan (see paragraph 6.12): <https://www.scams.gov.uk/GreatAbingtonFormerLSAEstateNP>

Requirements	Local Planning Authority Comments	Basic Condition met?
	<p>not predicted to have significant effects on any European site, either alone or in conjunction with other plans and projects. These conclusions were supported by the responses from the statutory bodies.</p> <p>During the course of the examination of the Neighbourhood Plan, a case in the European Court (People Over Wind and Peter Sweetman, April 2018) changed the basis on which competent authorities are required to undertake HRAs. In June 2018, Essex Place Services, on behalf of SCDC, undertook a review of the screening determination from July 2017. The review concluded that the earlier HRA screening determination was properly reached without regard to measures intended to avoid or reduce harmful effects on any EU protected site either alone or in combination. The review also concluded that there was no need to progress to an Appropriate Assessment.</p> <p>On 28 December 2018, in response to a case in the European Court (People Over Wind and Peter Sweetman, April 2018) one of the Basic Conditions was amended through the coming into force of new national regulations. The amendment to the Basic Condition only has implications for Neighbourhood Plans where the HRA screening (when considering the proposals in the plan without taking account of any measures intended to avoid or reduce harmful effects on any EU protected site) has determined that the Neighbourhood Plan was likely to have a significant effect on a European site or a European offshore marine site (either alone or in combination with other plans or projects).</p>	

Requirements	Local Planning Authority Comments	Basic Condition met?
	<p>The modifications made to the Great Abington Former LSA Estate Neighbourhood Plan following its examination do not change the essence of its planning policies.</p> <p>The Great Abington Former LSA Estate Neighbourhood Plan therefore meets the new Basic Condition as it has been determined that the making of the Great Abington Former LSA Estate Neighbourhood Plan is unlikely to have any significant effects on any European site, either alone or in combination with other plans and projects, and therefore the amendments to the Basic Condition do not affect the validity of the Council's previous HRA screening, screening determination, and review of the screening determination.</p> <p>This conclusion is consistent with the examiner's conclusion⁶ that a proportionate process has been undertaken in accordance with the various regulations and the Neighbourhood Plan is compatible with European obligations.</p> <p><i>Human Rights:</i> an assessment has been undertaken to examine the impact of the Neighbourhood Plan policies on persons who have a 'protected characteristic' and the results of this assessment are included in the Basic Conditions Statement. The Council is supportive of the assessment which concludes that the Neighbourhood Plan will not result in negative effects on persons who have a 'protected characteristic' and that there may be positive impacts on</p>	

⁶ Examiner's Report on the Great Abington Former LSA Estate Neighbourhood Plan (see paragraphs 2.6-2.11): <https://www.scams.gov.uk/GreatAbingtonFormerLSAEstateNP>

Requirements	Local Planning Authority Comments	Basic Condition met?
	<p>persons with a 'protected characteristic'.</p> <p>This conclusion is consistent with the examiner's conclusion⁷ that the Neighbourhood Plan has had regard to the fundamental rights and freedoms guaranteed under the European Convention on Human Rights and that it complies with the Human Rights Act.</p>	

CONCLUSION: South Cambridgeshire District Council has confirmed that the made Great Abington Former LSA Estate Neighbourhood Plan meets all the Basic Conditions.

* Please note that all references to primary and secondary legislation are to those enactments as amended.

⁷ Examiner's Report on the Great Abington Former LSA Estate Neighbourhood Plan (see paragraph 2.12): <https://www.scambs.gov.uk/GreatAbingtonFormerLSAEstateNP>

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Agenda Item 11



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Cambridgeshire & Peterborough Combined Authority

Reports from Constituent Council Representatives on the Combined Authority

Member representatives

Meeting	Dates of Meeting	Representative
Overview and Scrutiny Committee	29 October 2018	Councillor Philip Allen and Councillor Grenville Chamberlain
Combined Authority Board	31 October 2018	Councillor Bridget Smith

The above meetings have taken place in October.

Overview and Scrutiny Committee – Monday 29 October 2018

The Overview and Scrutiny Committee met on 29 October 2018 and the decision summary is attached at **Appendix 1**.

Combined Authority Board meeting – Wednesday 31 October 2018

The Combined Authority Board met on 31 October 2018 and the decision summary is attached at **Appendix 2**.

The agendas and minutes of the meetings are on the Combined Authority's website – Links in the appendices.



Appendix 1

Overview and Scrutiny Committee -Decision Summary

Meeting: 29th October 2018

Minutes: [Overview and Scrutiny Committee- Decision Summary](#)

Chair: Cllr Lucy Nethsingha

Summary of decisions taken at this meeting

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
1.	Apologies	Apologies received from: Cllr Doug Dew substituted by Cllr Jon Neish. Cllr Tom Sanderson.
2.	Declaration of Interests	There were no declarations of interest.
3.	Minutes	The minutes of the meeting held on the 24th September were agreed as a correct record subject to the following amendments:

		Under point 6.2 that 'Reassurance was provided from the Interim Chief Executive that there had been issues around the shortlisting process and documentation available and that shortlisting would be recorded in the future.'
4.	Public Questions	There were no public questions received.
5.	Interim Transport Plan	<p>The Committee received the report from the Transport Programme Manager which outlined the Local Transport Plan that had been agreed by the Transport Committee on the 10th October 2018. The following points were discussed:</p> <ul style="list-style-type: none"> • Members were advised that district council officers and planning officers had been engaged by the project team and had been involved in two workshops that had taken place. • The officer agreed with members that it was important to tie in the programme of the Local Transport Plan to take into account the local plans for the district councils. • Members raised a concern that it appeared that only members would be consulted as they felt it was important that highways authority officers should be engaged with as they had a wealth of experience that should be utilised at each stage. • The Director for Strategic Planning who was in attendance at the meeting advised that all the strategies for the Combined Authority and local councils must tie into one another despite different timeframes and that the nonstatutory spatial plan would include the findings from the Local Transport Plan. • Members raised a concern that the HCV route map had not been taken into account in the Local Transport Plan and it was felt that this should be

integrated into the plan. Officers agreed to provide a written response to this query.

- Members were concerned around the assumption made about the north and south of the county rather than the east and west of the county and queried where these assumptions had come from. The officer advised that the assumptions that had been made so far had come from the engagement that had been received from the workshops.
- Members felt it would be helpful to receive a list of organisations and officers involved in the steering group and working group for the Local Transport Plan and also for the remits of the groups to be circulated to the committee to enable them to fully understand the processes being undertaken.
- The bus review was underway and would be brought to the Board in the early part of next year which in turn would lead to a bus strategy. Consultation on this would be before April.
- A question was asked around whether the Combined Authority was resourced enough to deal with the feedback that would be received from the consultation once it had been sent out to the public, the officer advised that there was staff to deal with the feedback received.

The Committee agreed that the Chair should ask the following questions to the Board on Wednesday 31st October:

- 1) The Committee requests that the HCV route map is taken into account and is integrated fully with the Local Transport Plan.
- 2) The Committee raised concerns around the assumptions made over the North - South priorities over the East - West within the report and wondered how this assumption had been reached? There were also concerns raised

		<p>that there appeared to be no reflection of the issues raised in the CPIER report?</p> <p>3) The Committee wanted to know that the level of consultation with the district councils at the initial stages would be thorough to allow the councils to incorporate the Local Transport Plan into their local plans.</p> <p>4) The Committee wanted reassurance that the Combined Authority would have the resources to manage the interest that would be received once the Local Transport Plan went out for consultation to the public?</p> <p>5) If the consultation responses created a need for phase three to be re-written would the Combined Authority be prepared to adjust the Local Transport Plan?</p>
6.	Performance Reporting	<p>The Committee received the report from the Director for Strategy and Planning. The following points were discussed:</p> <ul style="list-style-type: none"> • The Committee were advised that the report was a proposal for the shape of future performance reporting; that the Board had requested something very clear, simple and transparent that had a small number of key performance indicators which would reflect the key commitments of the devolution deal for the Combined Authority. • The Director advised that there was always a trade-off between the need for clarity and the need for detailed information. The current form would be assessed and reviewed and if it needed to be amended in future then it would. • The Director advised that a more detailed version could be created for each individual committee to consider their own areas. • A member raised a concern that environmental factors were not one of the

		<p>key indicators and that this should be included, officers agreed that they would consider this point.</p> <p>The Committee agreed that the Chair should raise the following point at the Board meeting on the 31st October 2018:</p> <p>The Committee felt that the performance reports that would be sent to the new Committees should contain greater detail than the overview report that would be sent through to the Board.</p>
7.	Chief Executives Letter	<p>The Committee was invited to ask questions to the Interim Chief Executive regarding the letter that had been published in the media recently regarding concerns about the governance of the Combined Authority. The following points were raised and discussed with the Interim Chief Executive:</p> <ul style="list-style-type: none"> • Following receipt of the letter there has been engagement with CPSB to gain their views which had been fed into the review on the Combined Authority. • There was now a senior management team in place at the Combined Authority which had enabled the authority to move forward and as a result there was now active engagement with numerous stakeholders including the CPSB on a regular basis. • In response to a question raised about concerns on engagement in the investment and the skills and industrial strategies officers advised that the strategies were still in development and would need to go through the Board members before they could be discussed with the constituent councils. In terms of the investment strategy there was a process in place which needed to be set within the context of the Medium Term Financial Plan. • The legal advice that had been provided to Mayor regarding the resignation of the Chief Executive Officer had been provided by an independent legal

source and had not been provided in house.

- The previous Chief Executive Officer had requested that no further details around his personal data be released however, it could be looked into whether there was a non - disclosure agreement.
- Members queried who had made the decision to make the payment and when and were advised that the Mayor would have made the decision and there would have been a Mayoral decision notice which would be confidential, but officers could check and provide a date for the decision notice.
- Members queried if other staff contracts allowed for similar severance payments and were advised that it would depend on the conditions of the termination.
- Members were advised that the Audit and Governance Committee had requested that the external auditor look into the severance payment when the final year accounts were considered. The Chair advised she would discuss this with the Audit Chairman and report back to the committee on this.
- Members asked if it would be possible to view the contract of employment for the Chief Executive Officer post and were advised that this was a confidential document, but that legal advice would be taken to see if it could be disclosed to the committee members.
- The Chair asked whether the company that had been referenced in the letter released to the media had in fact been created and officers advised that no company had been formed.

The members thanked the Interim Chief Executive Officer for attending and answering the committee's questions.

8.	Review of the Combined Authority Board Agenda	<p>The Committee reviewed the agenda due to come to the Board on Wednesday 31st October 2018.</p> <p>The Committee discussed the following items:</p> <p><u>Item 2.4 - Cambridge Autonomous Metro: Update</u> Members raised concerns around the quality of the report and queried what the purpose of the report was and asked whether the precise remit that had been provided to the consultants to write the report could be circulated to the committee.</p> <p>The Committee agreed that the following should be asked at the Board meeting:</p> <ol style="list-style-type: none"> 1) The Committee requested that more detail be included in future reports and asked if the remit that was provided to the consultants to produce this work could be provided to the Overview and Scrutiny Committee. 2) The Committee also requested that further information around financing be provided?
9.	Member Update on Activity of Combined Authority	<p>The Committee received a brief update from Cllr Sargeant as Acting Chair of the Task and Finish Group.</p> <p>The Group had met with the Director of Transport and Interim Chief Finance Officer and had interviewed a potential consultant. Following this meeting the members had raised some concerns that the work the consultant would do would replicate the exact work other advisors had already provided the Combined Authority and therefore would not add any value.</p> <p>The members had requested that the Scrutiny Officer contact Centre for Public Scrutiny to gain some advice and possible support and they would be discussing this at their next meeting which would be held at the close of this meeting.</p>

		<p>Cllr Sargeant proposed that the terms of reference for the Task and Finish Group be amended as below:</p> <ol style="list-style-type: none"> 1) To review the processes, evidence gathering, consultation and decision making in the development of the MRT project including comparing and contrasting with the development of any similar infrastructure initiatives and any lessons therein learnt 2) To ensure that the MRT project fits within an integrated transport network which will deliver against the broader objectives of the Combined Authority, the analysis and recommendations of the CPIER Report and will align with schemes being delivered by GCP, the emerging Local Transport plan and the Bus Strategy? <p>The Committee agreed to amend the terms of reference. No other member updates were received.</p>
10.	Constitution Update	<p>Members received the report from the Scrutiny Officer which outlined the changes to the constitution agreed by the Combined Authority Board on the 26th September.</p> <p>A member queried whether the new committees would be taking any key decisions for the Overview and Scrutiny Committee to call in and were advised that only key decisions which had been delegated by the Board would be made by the committees.</p> <p>Members requested that all dates for the Transport, Skills and Housing Committees be circulated to the committee.</p> <p>The Committee noted the report.</p>
11.	Combined Authority Forward	<p>The Committee considered the Combined Authority Forward Plan and requested that the Bus Strategy item that was being taken to the November Board meeting be</p>

	Plan	brought to the Overview and Scrutiny Committee November meeting.
12.	Overview and Scrutiny Work Programme Report	<p>The Committee received the report which outlined the work programme for the committee for the municipal year 2018/19.</p> <p>The Committee requested that the Bus Strategy be added to their November agenda.</p> <p>The Committee requested that the Investment Strategy/MTF Plan be added to the November meeting.</p> <p>The Committee requested that the Scrutiny Officer extend the length of the meeting to accommodate the larger agenda for November's meeting.</p>
13.	Date of Next Meeting	The next meeting would be held on the 26th November 2018 at East Cambridgeshire District Council.



Appendix 2

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

Decision Statement

Meeting: 31st October 2018

Minutes: [Cambridgeshire & Peterborough Combined Authority](#)

Summary of decision taken at this meeting

Item	Topic	Decision
	Part 1- Governance Items	
1.1	Announcements, Apologies and Declarations of Interest	<p>The Mayor welcomed Patrick Arran to his first meeting since his appointment as Interim Monitoring Officer.</p> <p>Apologies were received from J Ablewhite, Police and Crime Commissioner, substituted by R Bisby, Deputy Police and Crime Commissioner.</p> <p>There were no declarations of interest.</p>
1.2	Minutes – 25th July 2018	<p>It was resolved to approve the minutes of the meeting of 26 September 2018 as a correct record.</p>

1.3	Petitions	None received.
1.4	Public Questions	A question was received from Councillor Chris Boden, however he was not in attendance so his written question was read to the Board.
1.5	Forward Plan	The Board reviewed the Forward Plan of Executive Decisions which was published on 29 October 2018. It was resolved unanimously to note the Forward Plan.
1.6	Appointment to Business Board	The Board considered a recommendation to appoint Councillor Wayne Fitzgerald as substitute for Councillor Charles Roberts on the Business Board in place of Councillor Anna Bailey. It was resolved unanimously to: a) appoint Councillor Wayne Fitzgerald as substitute for Councillor Charles Roberts, Portfolio for Economic Growth on the Business Boar
1.7	Membership of the Combined Authority and Committees - Amendments	The Board considered changes to the substitute membership of the Combined Authority Board and Overview and Scrutiny Committee. It was resolved unanimously to note: a) the appointment by Cambridgeshire County Council of Councillor Ian Bates temporarily as its substitute member on the Combined Authority Board b) the appointment by Peterborough City Council of Councillor Shaz Nawaz as one of its substitute members on the Overview and Scrutiny Committee for the remainder of the municipal year 2018/19

Part 2- Combined Authority Matters		
2.1	£100m Housing Programme - Scheme Approvals	<p>The Board considered a report detailing a new scheme to consider in the context of the overall investment pipeline for the Combined Authority's £100m programme.</p> <p>It was resolved unanimously to:</p> <ul style="list-style-type: none"> a) commit grant funding of £1.634m from the £100m Affordable Housing Programme to support delivery of new affordable housing scheme at Lion Works, Station Road, Whittlesford.
2.2	Commission of the Local Transport Plan	<p>The Board considered a report seeking confirmation of the scope and outputs proposed in the commission of the Local Transport Plan (LTP) for the Combined Authority area.</p> <p>It was resolved unanimously to:</p> <ul style="list-style-type: none"> a) agree the scope of the Local Transport Plan for the Combined Authority b) agree the stakeholder engagement strategy
2.3	East-West (North) Corridor – A47 Dualling Study – Strategy, Phasing and Prioritisation Stage 0	<p>The Board considered a request to approve additional funding of up to £1m consisted of £800k to establish a supply chain and meet County Council and land costs plus a £200k contingency fund.</p> <p>It was resolved unanimously to:</p> <ul style="list-style-type: none"> a) note the findings of the revised A47 Strategic Outline Business Case, and Options Appraisal Report which confirms that a strong case exists for the dualling of the whole section of the route. b) note the three identified route options being developed to the standards of both HE DCO Compliant PCF Stage 0 and SGAR.

		<ul style="list-style-type: none"> c) approve the continuation of Skanska consultancy support via the existing Cambridgeshire County Council framework arrangement and Budget of additional funding of up to £1,000,000, (at a level of £800,000 plus £200,000 contingency subject to CEO / CFO release) for the development of HE DCO Compliant PCF Stage 0 products to achieve a Green SGAR approval. d) note the need to identify funding for a contribution towards the development stage of up to £30,000,000 of an estimated total £60,000,000 over the period 2019 to 2025 as a contribution to the design and development of the preferred route. e) delegate authority to the Transport Director, in consultation with the Chairman of the Transport Committee, to consider and negotiate the concept of amending the continuation or cessation of the current proposed Highways England Intervention at Guyhirn, to then utilise the funding in the development of the wider scheme.
2.4	Cambridge Autonomous Metro: Update	<p>The Board received an update on the CAM project and specifically on the decisions taken at the July Board.</p> <p>It was resolved by a majority to:</p> <ul style="list-style-type: none"> a) note the progress of the CAM project towards the production of the Strategic Outline Business Case by December 2018 b) agree the outcomes of the review of the A429 Camborne to Cambridge project, following the pause agreed at the July Combined Authority Board meeting c) note the progress of the work to assess the potential delivery models to ensure the priority transport projects (including the CAM) can be delivered at pace.

2.5	A605 Kings Dyke Level Crossing Closure	<p>The Board considered a request for funding to enable the construction of King's Dyke level crossing closure scheme to proceed to completion in 2020, following the completion of detailed design.</p> <p>It was resolved unanimously to:</p> <ul style="list-style-type: none">a) note the independently reviewed Business case supporting the progression of the scheme as value for moneyb) agree to provide funding contribution of up to £16.4m over the original £13.6m allocation to enable the scheme to progress to constructionc) agree the apportionment of 40 / 60 as a split of any under / over spend against the above budget between Cambridgeshire County Council and the Combined Authority as set out in the report.
2.6	Performance Reporting	<p>The Board considered future performance reporting arrangements.</p> <p>It was resolved unanimously to:</p> <ul style="list-style-type: none">a) agree the proposed performance reporting arrangements described in this paper.

	PART 3- Date of Next Meeting	
3.1	Wednesday, 28 November 2018 Council Chamber, Fenland Hall, County Road, March PE15 8NQ	



Cambridgeshire & Peterborough Combined Authority

Reports from Constituent Council Representatives on the Combined Authority

Member representatives

Meeting	Dates of Meeting	Representative
Audit and Governance	30 November 2018	Councillor Tony Mason
Combined Authority Board	28 November 2018	Councillor Bridget Smith
Overview and Scrutiny	26 November 2018	Councillor Philip Allen and Councillor Grenville Chamberlain

The above meetings have taken place in November.

Audit and Governance Committee –Friday 30 November 2018

The Audit and Governance Committee met on 30 November 2018 and the decision summary is attached at **Appendix 1**.

Combined Authority Board meeting – Wednesday 28 November 2018

The Combined Authority Board met on 28 November 2018 and the decision summary is attached at **Appendix 2**.

Overview and Scrutiny Committee- Monday 26 November 2018

The Overview and Scrutiny Committee met on 26 November 2018, the decision summary will be circulated when available.

The agendas and minutes of the meetings are on the Combined Authority's website – Links in the appendices:



Appendix 1

AUDIT & GOVERNANCE COMMITTEE - Decision Summary

Meeting: 30th November 2018

Minutes: [Audit & Governance Committee Decision Summary](#)

Chair: John Pye (Chair and Independent Person)

Summary of decisions taken at this meeting

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
1.	Apologies and Declarations of Interests	No apologies were received. No declarations of interest were made.
2.	Minutes of the meeting held on 28th September 2018	The minutes of the meeting held on the 28th September 2018 were agreed as a correct record.
3.	Combined Authority Board Update	The Chairman invited the Mayor for the Combined Authority to provide the committee with an overview of the Combined Authority activities.

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<p>The following points were made:-</p> <p>The Combined Authority had been in existence for 18 months but was now a very different organisation than originally planned as the LEP had now been taken on and this had also led to an increased budget for the next year.</p> <p>The Combined Authority had been hampered by the number of schemes that had needed to be worked up from scratch which had taken longer than previously thought.</p> <p>After the resignation of the Chief Executive Officer over the summer the Mayor had realised that the authority needed to be looked at structurally and so the Mayor had brought in John Hill an experienced Chief Executive from East Cambridgeshire to carry out a review of the existing structure and governance arrangements.</p> <p>The Mayor confirmed that the Interim Chief Finance Officer had been dismissed from his position that morning due to presenting misleading facts to the Combined Authority Overview and Scrutiny Committee. Committee members raised concerns around the news of the Interim Chief Finance Officer's dismissal.</p> <p>The Chair raised a concern that this was the fourth Section 151 officer for the Combined Authority and asked if the Mayor could offer any reassurance around this high turnover in this role and was advised by the Mayor that he was frustrated that the Authority had not secured a permanent Chief Finance Officer yet but that the process to do so was underway and in the meantime Noel O'Neil, the Deputy Chief Finance Officer was more than capable of covering the role.</p> <p>The Mayor confirmed that the decision to terminate the Interim Chief Finance Officers role had been taken unanimously by himself, the Deputy Mayor and the two interim Chief Executive Officers that morning.</p> <p>In response to a question about the Ely bypass the Mayor advised that in his</p>

Item	Topic	Decision [<i>None of the decisions below are key decisions</i>]
		<p>previous role as Leader of East Cambridgeshire District Council he had ensured that the project was delivered and had pushed officers to get it delivered as quickly as possible. The Mayor felt that infrastructure always took far too long to deliver, and it was right to look at alternative options to try to speed up the process. The cost to the economy if there was a delay or if it failed to deliver would be greater.</p> <p>Currently the Combined Authority had not delivered a project on a scale that required a gateway review but once they did the Mayor would ensure that there would be a gateway review process in place – Kings Dyke would be the first project of this scale for the authority.</p> <p>Funding for larger projects would come incrementally over future years and it was important for the authority to be realistic on the delivery timescale for these projects.</p> <p>The Committee thanked the Mayor for attending to answer the committee's questions.</p>
4.	Treasury Management Update	The Committee received and noted the report from the Head of Finance which provided the Audit and Governance Committee with an update on the Combined Authority (CPCA)'s Treasury Management and requested that the cost of the strategy be factored into the next report.
5.	External Audit – Outline Audit Plan	The Committee received and noted the report from the External Auditor which provided the 2018/19 Outline Audit Plan as prepared by Ernst & Young LLP (EY).
6.	Chief Executive Resignation	The Committee received the report from the Interim Monitoring Officer which outlined provided them with the factual background relating to the circumstances of the resignation of the former Chief Executive. The following points were made:-

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
		<ul style="list-style-type: none"> • The External Auditor reported that the Interim Monitoring Officer had provided requested information relating to the Chief Executive’s departure and subsequent severance. Based on this information the external auditor had concluded that the Combined Authority had acted lawfully and reasonably. • The Committee were advised that the Mayor had the authority to get external legal advice and commit the authority to expenditure as he had the general power of competence which was set out in the legislation. • Under the Localism Act 2011 the Mayor like other local authorities had to work within the budget set by the authority. • The Committee were assured by the external auditors that the severance package provided to the Chief Executive Officer was reasonable. <p>The Committee discussed their concerns around the termination of the most recent two senior officer roles and the impact such decisions could have on the reputation of the Combined Authority.</p> <p>The Committee agreed that they would like to recommend to the Combined Authority Board that a review be undertaken on the procedures for the termination of the employment of senior officers as the Committee were concerned that recent events surrounding officers leaving the Combined Authority were creating reputational damage.</p>
7.	Corporate Risk Register Review	The Committee received and noted the report from the Assurance Manager which asked the committee to review the Combined Authority Corporate Risk Register and suggest any changes they would like to put forward as a recommendation to the Board.
8.	Internal Audit – Progress Report	The Committee received and noted the report from the Group Auditor which provided details of the progress made in delivering the approved Audit Plan for 2018 / 2019.

Item	Topic	Decision <i>[None of the decisions below are key decisions]</i>
9.	Audit Committee Self-Assessment Actions and Review	<p>The Committee received the report which requested the Audit and Governance Committee to review the proposed actions from the Committee's first annual self-assessment exercise.</p> <p>The Committee agreed that they would like to consider the draft accounts in a public forum and therefore they would like the May informal meeting to be rearranged to a later date in June.</p> <p>The Committee agreed to note the progress of the actions in the report.</p>
10.	Staffing Structure	<p>The Committee received and noted the report from the Interim Monitoring Officer which explained the situation and timelines regarding a permanent senior staffing structure and to provide assurance about how good governance is being maintained in the interim.</p>
11.	Work Programme	<p>The Committee received and noted the report which provided the draft work programme for Audit and Governance Committee for the remainder of the 2018/19 municipal year.</p>
12.	Date of Next Meeting	<p>The Committee agreed the next meeting shall be held on 29th March 2019 at Huntingdonshire District Council.</p>



Appendix 2

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

Decision Statement

Meeting: 28th November 2018

Minutes: [Cambridgeshire & Peterborough Combined Authority Decision Statement](#)

Summary of decisions taken at this meeting

Item	Topic	Decision
	Part 1 – Governance Items	
1.1	Announcements, Apologies and Declarations of Interest	<p>Apologies were received from Councillor B Smith (substituted by Councillor A Van de Weyer) and Councillor S Count (substituted by Councillor I Bates)</p> <p>Declarations of interest were made in relation to Item 6.1: £100m Affordable Housing Programme – Scheme Approvals by Councillor C Roberts and John Hill as Directors of the East Cambridgeshire Trading Company.</p> <p>The Mayor stated that he did not consider that he had any interest to declare in relation to Item 1.6: Members' Allowances Scheme.</p>
1.2	Minutes – 31st October 2018	It was resolved to approve the minutes of the meeting of 31st October 2018 as a correct record.
1.3	Petitions	None received.

1.4	Public Questions	None received.
1.5	Forward Plan	It was resolved to note the Forward Plan.
1.6	Members' Allowances Scheme	<p>The Combined Authority Board was asked to agree that the independent Remuneration Panel be requested to review the Members' Allowance Scheme in relation to the Mayor's allowance and to consider the payment of a standard allowance for any independent commissions set up by the Combined Authority. It was also asked to ratify the decisions taken by the Business Board in relation to convening an Independent Remuneration Panel to consider the level of allowances payable to the Chair, Vice-Chair and other private sector board members on the Business Board.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> a) review the Members' Allowance Scheme (Mayor's Allowance); b) consider the payment of allowances/expenses to those appointed to any independent commissions set up by the Combined Authority; and c) ratify the decisions of the Business Board reported orally at the meeting.
PART 2- Finance		
2.1	£2019/20 Draft Budget and Medium Term Financial Plan 2019 to 2023	<p>The Combined Authority Board was asked to approve the draft revenue and capital budgets for 2019/20 reflecting the current priorities and available resources and a medium term financial plan (MTFP). It was resolved to:</p> <ul style="list-style-type: none"> a) agree the draft revenue budget for 2019/20 and the MTFP to 2023 to go forward for consultation with wider stakeholders; b) agree the draft capital programme to go forward for consultation with the

		<p>wider community.</p> <p>c) that each element of the annual Combined Authority overheads budget be urgently reviewed and overheads spend significantly reduced for 2019/2020 from the projected figures when the annual budget is published in February 2019.</p>
2.2	Budget Monitor Update	<p>The Combined Authority Board considered a report providing a mid-year update of actual expenditure to date against the 2018/19 budget as presented to the Board in May 2018 as part of the draft Medium Term Financial Plan.</p> <p>It was resolved to:</p> <p>a) note the half year financial position of the Combined Authority for the year to 31 March 2019.</p> <p>b) agree the provisional outturn for 2018/19.</p>
	PART 3- Combined Authority Matters	
3.1	Wisbech to March Rail – Grip 3b Study	<p>The Combined Authority Board considered a report outlining the proposed plans for the Wisbech to March Rail project.</p> <p>It was resolved to:</p> <p>a) approve the budget of £1,500,000 (£1,300,000 estimated cost and £200,000 contingency for Chief Executive Officer/Chief Finance Officer discretionary release) as a proportion of the £3.25m indicated in March 2018 as part of the potential £6.5m Wisbech Garden Town funding, and</p> <p>b) agree to delegate authority to the Transport Director to appoint a supplier</p>

		<p>to deliver the study as successful tenderer in the current procurement exercise, and</p> <p>c) agree to delegate authority to the Transport Director to negotiate with all relevant stakeholders both in regard of the exploration of the rail link and low cost non-heavy rail alternative, in consultation with the Chairman/woman of the Transport Committee.</p>
3.2	Response to the Cambridgeshire and Peterborough Independent Economic Review (CPIER): A Growth Ambition Statement	<p>The Combined Authority Board considered a report recommending a formal response to recommendations of the Cambridgeshire and Peterborough independent Economic Review (CPIER).</p> <p>It was resolved to:</p> <p>a) agree the response to the CPIER main recommendations at Annex B;</p> <p>b) adopt the Growth Ambition Statement at Annex A;</p> <p>c) mandate officers to ensure consistency with the Growth Ambition Strategy in developing future strategy documents and business plans for transport, planning, business and skills, including reviewing previously agreed timescales to make aligning content more feasible.</p> <p>d) The Mayor and Combined Authority commence producing a comprehensive funding strategy for CAM Metro, covering both capital and operating cost, ahead of further decisions on CAM, and on the need for Mayoral Development Corporations as potential funding sources.</p>
3.3	Performance Reporting	<p>The Combined Authority Board considered a report providing a first quarterly update under the new performance reporting process agreed by the Board.</p> <p>It was resolved to note the November Delivery Dashboard.</p>

	PART 4- Business Board Recommendations to Combined Authority	
4.1	Growth Fund Projects	<p>The Combined Authority considered a report outlining the Growth Prospectus approved by the Business Board in September 2018. It was resolved to note the decisions of the Business Board and, subject to confirmation from Government that local growth funds had been released for allocation by the Business Board, to:</p> <ul style="list-style-type: none"> a) accept and approve recommendations from officers of small grant awards to Small and Medium Enterprises (SMEs) totalling £19,490. b) agree delegated authority to approve small grants to SMEs between £2,000 and £20,000 to Director of Business & Skills subject to Section 151 Officer approval, and regular reporting to the Business Board. c) give approval to procure and appoint independent project appraisers of business cases over £20,000.
4.2	Eastern Agri-Tech Growth Initiative	<p>The Combined Authority considered a report informing the Business Board about the Eastern Agri-Tech Growth Initiative which had transferred over from the previous Local Enterprise Partnership and asked the Business Board to recommend to the Combined Authority Board that the initiative should continue until March 2021 with associated funding.</p> <p>It was resolved to note the decisions of the Business Board and, subject to confirmation from Government that local growth funds have been released for allocation by the Business Board, to:</p> <ul style="list-style-type: none"> a) agree that the Eastern Agri-Tech Growth Initiative should continue across the existing geographical areas of both the BB and New Anglia Local Enterprise Partnership (NALEP);

		<ul style="list-style-type: none"> b) agree a funding allocation of £4m from new Growth Deal funding; c) agree the Terms of Reference for the Eastern Agri-Tech Programme Board. d) delegate authority to the Eastern Agri-Tech Programme Board to make decisions about applications for grant funding on behalf of both the CA/BB and NALEP; e) agree that the Eastern Agri-Tech Programme Board should become a Sub-Board of the BB, and f) agree that a member of the BB, nominated by the BB, should become Chair of the Eastern Agri-Tech Programme Board.
4.3	<p>Growth Deal</p> <p>(a) Wisbech Access Strategy – Summary of study work and request to proceed to delivery of design with simultaneous construction of phase 1 interventions</p>	<p>The Combined Authority Board considered a report asking approval from the Business Board for the full release of the previously allocated £10.5m Growth Deal investment in October 2017. It was resolved to note the decisions of the Business Board and, subject to confirmation from Government that local growth funds have been released for allocation by the Business Board, to:</p> <ul style="list-style-type: none"> a) approve a budget of £10,500,000 to enable the procurement of an appropriate design and build contractor to immediately commence the delivery of an overlapped phased design and construction programme. b) delegate authority to the Transport Director, in consultation with the Chair of the Transport Committee, at key gateway stages to deliver this package of works on behalf of the Business Board. c) subject to BEIS Ministerial approval of the release of future Growth Deal funds, release of the £10.5m Growth Deal funding for the delivery of this vital scheme for the housing and economic growth of Wisbech.

	(b) M11 Junction 8 Improvement Project	<p>The Combined Authority Board considered a report detailing the M11 Junction 8 improvement project that is being led by Essex County Council (ECC) and requests that the Business Board support the recommendation to release £1million of Growth Funding towards this project. It was resolved to:</p> <p style="text-align: center;">release the £1m Growth Deal funding to Essex County Council, to support the delivery of the range of improvements outlined within this paper for the M11 Junction 8.</p>
4.4	The Greater South East Energy Hub – Rural Community Energy Fund	<p>The Combined Authority Board considered a report asking to approve the inclusion of the RCEF as an additional funding support offer by the Greater South East Energy Hub in advance of final agreement by Combined Authority as Hub Accountable Body.</p> <p>It was resolved to note the decisions of the Business Board and, subject to confirmation from Government that local growth funds have been released for allocation by the Business Board, to:</p> <p style="text-align: center;">agree that the Greater South East Energy Hub assumes the RCEF management role.</p>
	Part 5- Skills Committee Recommendations to Combined Authority	
5.1	University of Peterborough – Review and Evaluation for Phase 1 and 2 of the Programme	This report was withdrawn as there was no recommendation from the Skills Committee to the Board to agree.
5.2	Adult Education Budget Devolution	The Combined Authority Board considered a report that sought to secure support to the proposal for progressing with the next steps of the Devolution of the Adult

		<p>Education Budget (AEB) and its implementation by agreeing to the proposal for financial sustainability in AEB delivery, the progress towards the devolution programme, and the role of the Skills Committee in governing the AEB programme post 2019.</p> <p>It was resolved by a majority to note the recommendations of the Skills Committee and to:</p> <ul style="list-style-type: none"> a) approve business case requesting a top slicing allocation up to 4.9% to ensure the delivery of the AEB is resourced appropriately. b) approve the proposed commissioning approach for the CPCA devolved AEB. c) authorise officers to enter into a negotiated grant commissioning process to develop and work with the 15 indigenous and contiguous Cambridgeshire and Peterborough Colleges and Local Authority providers currently grant funded by the Education Skills Funding Agency. (This would mean disinvestment in the remaining 120 Grant funded providers spatially distant from Cambridgeshire & Peterborough.) d) agree to procure contracts for services for all other providers, including Independent Training Providers, Further Education Institutions based outside of the CPCA area and other organisations (which might include the voluntary & community sector). Further to give delegated authority to the Director of Business & Skills to award contracts.
5.3	Skills Prioritisation Plan - Careers Enterprise Company	The Combined Authority Board considered a report informing the Skills Committee of the next steps in the delivery of the Careers Enterprise Company (CEC) contract and to seek support for the proposed ways of working in the delivery of the contract post March 2019.

		<p>It was resolved:</p> <ul style="list-style-type: none"> (a) to approve that the CPCA cease resourcing the Careers Enterprise Company contract for delivery. (b) that delegated authority be provided to the Portfolio Holder and Director of Business and Skills to engage with the CEC to identify potential local partners to undertake the remaining CEC Delivery Contract.
	Part 6 - Combined Authority Matters	
6.1	£100m Affordable Housing Programme - Scheme Approvals	<p>The Combined Authority Board considered a report seeking approval for the provision of a 2 year repayable commercial loan facility capped at £24.4m to the East Cambridgeshire Trading Compact (ECTC) to purchase a site currently comprising 88 empty houses and land.</p> <p>It was resolved by a majority to:</p> <ul style="list-style-type: none"> a) approve the provision of a commercial loan facility of £24.4m to East Cambridgeshire Trading Company (ECTC) for a scheme of 92 units based on the heads of terms detailed in Appendix 1. b) authorise the Director, Housing to bring forward commercial proposals for the CPCA to joint venture as a development partner with ECTC for the delivery of up to 62 additional homes on the undeveloped infill land, once the land has been acquired. c) authorise the Director, Housing in consultation with Legal Counsel and Portfolio Holder Fiscal to conclude any necessary legal documentation to secure the loan, to include a charge upon the land.

	Part 6- Finance- Part 2 item	
6.2	Exclusion of Press and Public	It was resolved: that the press and public be excluded from the meeting on the grounds that the agenda contains exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed -information relating to the financial or business affairs of any particular person (including the authority holding that information)
6.3	Wisbech: 11 & 12 High Street	The Combined Authority Board considered a confidential report on 11 & 12 High Street, Wisbech. It was resolved to approve the recommendations in the report.
	Part 7- Date of Next Meeting	
7.1	Date: Wednesday 30 January 2019 at 10.30am, Civic Suite Room A, Huntingdonshire District Council, Pathfinder House, St Mary's Street, Huntingdon, PE29 3TN	

Agenda Item 13



REPORT TO: Council

21 February 2019

LEAD OFFICER: Head of People and Organisational Development

Calendar of Meetings 2019/20

Purpose

1. To seek approval of the draft Calendar of Meetings 2019/20.

Recommendations

2. That Council approves the Calendar of Meetings 2019/20 as set out at Appendix A.

Reasons for Recommendations

3. Adopting an annual Calendar of Meetings will provide a framework for the democratic and decision making processes of the Council.

Background

4. A draft Calendar of Meetings for 2019/20 has been prepared to enable the effective consideration of Council business and covers the period from May 2019 to May 2020. A copy of the draft Calendar is attached at Appendix A.
5. Officers have endeavoured, wherever possible, to take account of meeting dates of the Full Council of Cambridgeshire County Council, the Combined Authority and Greater Cambridgeshire Partnership. However, unfortunately it has not been possible to avoid clashes with all County Council committees.
6. The Chairman of the Council and Chairmen of Committees have the power to call extraordinary meetings, when required, to accommodate urgent or unscheduled business or to change a meeting date where circumstances require.

Options

7. None. The Calendar of Meetings will provide a framework for effective and planned decision making and enables both Councillors and the public to be aware of forthcoming meeting dates.

Implications

8. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, no significant implications have been identified.

Consultation responses

9. Feedback from EMT incorporated.

Background Papers

Where [the Local Authorities \(Executive Arrangements\) \(Meetings and Access to Information\) \(England\) Regulations 2012](#) require documents to be open to inspection by members of the public, they must be available for inspection: -

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and
- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

None

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**South
Cambridgeshire
District Council**

Appendix A

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL CALENDAR OF MEETINGS 2019/20

MEETING	TIME	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
COUNCIL	14:00	16 AGM		18		26		28			20		2	21 AGM
EXECUTIVE														
Cabinet	09:30	1	5	1	[7]	4	2	6	4	8	5	4	1	6
OVERVIEW & SCRUTINY														
Scrutiny & Overview	18:00	21	13	16	20	10	17	14	17	21	13	12	21	14
REGULATORY														
Planning	10:30	8	12	10	14	11	9	13	11	15	12	11	8	13
Licensing	10:00		10			9			9			9		
CORPORATE COMMITTEES														
Audit & Corporate Governance	09:30	[30]		30		24		26				24		
Civic Affairs	10:00		4			3			3			3		
Employment & Staffing	10:00			[2]			[1]			14			[22]	
ADVISORY														
Grants Advisory	10:00	31	28	26	30	27	25		6	31	28	27	30	
Climate Change & Environment Advisory ¹	14:00													

1. Dates for Climate Change & Advisory Committee TBA

Bank Holidays:	2019: 6 & 27 May; 26 August; 25 & 26 December	Key dates:	LGA Conference: 2 - 4 July
	2020: 1 January; 10 & 13 April; 4 & 25 May		Conservative Party Conference: 29 Sept – 2 Oct
Meeting dates shown in [square brackets] are reserve dates			Liberal Democrat Party Conference: 14 – 17 Sept
			Labour Party Conference: 22 – 25 Sept

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