

26 February 2019

To: The Leader – Councillor Bridget Smith  
Deputy Leader – Councillor Aidan Van de Weyer  
Members of the Cabinet – Councillors Bridget Smith, Aidan Van de Weyer,  
Neil Gough, Philippa Hart, Dr. Tumi Hawkins, Hazel Smith and John Williams  
Quorum: Majority of the Cabinet including the Leader or Deputy Leader

Dear Councillor

You are invited to attend the next meeting of **CABINET**, which will be held in the **COUNCIL CHAMBER - SOUTH CAMBRIDGESHIRE HALL** on **WEDNESDAY, 6 MARCH 2019** at **9.30 a.m.**

Yours faithfully  
**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.**

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## AGENDA

	PAGES
1. <b>Apologies for Absence</b> To receive Apologies for Absence from Cabinet members.	
2. <b>Declarations of Interest</b>	
3. <b>Minutes of Previous Meeting</b> To authorise the Leader to sign the Minutes of the meeting held on 6 February 2019 as a correct record.	1 - 8
4. <b>Announcements</b>	
5. <b>Public Questions</b>	
6. <b>Issues arising from the Scrutiny and Overview Committee</b>	
7. <b>2018-19 Quarter 3 Position Statement: Performance and Finance</b>	9 - 34
8. <b>Barriers to Council Procurement for SMEs Task and Finish Group findings</b>	35 - 40
9. <b>Brexit Advisory Group - Priorities for action</b>	41 - 54

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| <b>10.</b> | <b>East-West Rail Bedford to Cambridge consultation response</b>  | <b>55 - 72</b> |
| <b>11.</b> | <b>South Cambridgeshire District Council - an organisation for a sustainable future</b>   | <b>73 - 76</b> |
| <b>12.</b> | <b>Date of next meeting</b><br>The next scheduled meeting of the Cabinet will be on Wednesday 3 April 2019, starting at 9.30am. |                |

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# Agenda Item 3

## **SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL**

Minutes of a meeting of the Cabinet held on  
Wednesday, 6 February 2019 at 9.30 a.m.

**PRESENT:** Councillor Bridget Smith (Leader of Council)  
Councillor Aidan Van de Weyer (Deputy Leader of Council)

<b>Councillors:</b>	Neil Gough	Lead Cabinet member for Environmental Services and Licensing
	Philippa Hart	Lead Cabinet member for Customer Service and Business Improvement
	Dr. Tumi Hawkins	Lead Cabinet member for Planning
	Hazel Smith	Lead Cabinet member for Housing
	John Williams	Lead Cabinet member for Finance

Officers in attendance for all or part of the meeting:

Ms S Gardner Craig	Head of People and Organisational Development
Mike Hill	Director of Housing and Environmental Services
Ms C Hunt	Planning Policy Manager
John	Democratic Services Team Leader
Kelly	Joint Director of Planning and Economic Development
McKenna	Deputy Head of Legal Practice
Bob Palmer	Interim Executive Director
David Roberts	Principal Planning Policy Officer
IR Senior	Democratic Services Officer

Councillors Anna Bradnam, Nigel Cathcart, Dr. Claire Daunton, Dr. Douglas de Lacey, Sue Ellington, Pippa Heylings, Brian Milnes, Bunty Waters and Heather Williams were in attendance, by invitation.

### **1. APOLOGIES FOR ABSENCE**

There were no Apologies for Absence.

### **2. DECLARATIONS OF INTEREST**

In the interests of transparency, Councillor Hazel Smith stated that Waterbeach (the subject of agenda item 7) was located in her Ward.

### **3. MINUTES OF PREVIOUS MEETING**

Cabinet authorised the Leader to sign, as a correct record, the Minutes of the meeting held on 9 January 2019 subject to correcting a typographical error in the attendance list to read 'Douglas' rather than 'Duglas'.

### **4. ANNOUNCEMENTS**

There were no announcements.

### **5. PUBLIC QUESTIONS**

One public question had been received, relating to the Waterbeach Supplementary

Planning Document. It would be considered as part of Minute no. 7.

## **6. ISSUES ARISING FROM THE SCRUTINY AND OVERVIEW COMMITTEE**

The Scrutiny and Overview Committee meeting on 22 January 2019 had been chaired by the Vice-Chairman Councillor Brian Milnes.

Councillor Milnes summarised the Committee's consideration of the Waterbeach Supplementary Planning Document, Budget, and the recent ICT outage.

With regard to the ICT issue, the Leader said that one option in moving to a resolution was to employ external consultants to work alongside staff from 3C ICT. She specifically thanked those officers involved in ensuring business continuity in the immediate aftermath of the outage.

## **7. WATERBEACH SUPPLEMENTARY PLANNING DOCUMENTS ADOPTION**

Cabinet considered a report and supplementary report summarising and responding to representations made on the draft Supplementary Planning Document (SPD) during the public consultation held between 14 September 2018 and 26 October 2018, and relating to recent correspondence from the three statutory consultation bodies.

Mr. Goldsmith, representing RLW (the second landowner involved in developing Waterbeach New Town) addressed the meeting. He expressed concerns about the phasing of development, and about ransom. He said that, in order to ensure delivery of appropriate infrastructure and of the new town as a single and comprehensive unit, the SPD must address and remove the question of ransom.

The Joint Director of Planning and Economic Development referred to paragraph 14 of the main report. He emphasised the SPD's status as a guidance document, and its function, which was to support the policies of the Local Plan.

The Planning Policy Manager referred to the main issues raised by the consultation, and referred Members to the supplementary report and its contents. By way of clarification, she said that the SPD could not change Local Plan policy. Once adopted it would be a material consideration in planning decisions. She referred to the following question from the Waterbeach Cycling Campaign:

"Within the Waterbeach New Town SPD, there are currently no modal share targets for trips made within the development. What is the targeted modal share of cycling, walking and public transport for trips to be made within the new town? If there are no targets, can SCDC explain why not?"

After pointing to paragraphs 25-31 of the main report she undertook that officers would provide the questioner with a written answer as soon as possible.

The Planning Policy Manager referred Members to the supplementary report, and to the representations from the Environment Agency, Natural England and Historic England.

In relation to water recycling, the Joint Director of Planning and Economic Development told Councillor Hazel Smith, a local Member for Waterbeach, that the provision of additional capacity would be for a separate planning

process distinct from the SPD. Noting that Cambridgeshire County Council is the appropriate planning authority for waste planning and for the determination of related planning applications.

In response to RLW's suggestion that the SPD should contain an "anti-ransom" clause, the Council had received legal advice to the effect that RLW was not entitled to such a clause, and that such a clause was unnecessary and unreasonable. Officers' advice to Cabinet therefore was that such a clause was not appropriate.

Speaking as a member of the Planning Committee, Councillor Milnes said it would be essential to prevent development of the new town from becoming disjointed. The Joint Director of Planning and Economic Development set out the mechanisms available through the SPD and the planning process generally to secure comprehensive development.

Summing up, the Leader said that the Council looked forward to working with the developers to achieve a town that reflected its priorities.

Cabinet

1. noted the main issues raised in recent correspondence with the three statutory bodies (Environment Agency, Historic England and Natural England) and in their responses to the SPD consultation in respect of sustainability appraisal and habitats regulations and the considerations as set out in the supplementary report from the Joint Director of Planning and Economic Development (see Appendices A and B of the Supplementary Report);
2. agreed responses to the representations received, and agreed the consequential changes to the draft SPD approved by Cabinet for consultation on 5 September 2018, as set out in the Consultation Statement;
3. adopted the Waterbeach New Town SPD, agreed by Cabinet on 5 September 2018 and as amended (see Appendices A, B and C); and
4. delegated to the Joint Director for Planning and Economic Development, in consultation with the Deputy Leader, the authority to make any editing changes prior to publication. Including to the figures and spatial framework diagram, to ensure consistency with the agreed text of the SPD.

## 8. COUNCIL TAX EMPTY HOMES PREMIUM

Cabinet considered a report on recent legislative changes allowing for an increase the Council Tax empty homes premium to act as an incentive to bring empty homes back into use.

In response to a question from Councillor Sue Ellington, the Revenues Manager said that a property owner could apply to the Valuation Office Agency to remove a property from Council Tax if deemed to be unfit for occupation.

Cabinet **recommended** that Council increases the empty homes premium on properties left empty for more than two years, as permitted in law, namely

- 1 April 2019 – 100% premium on properties left empty for two years or more

- 1 April 2020 - 200% premium on properties left empty for five years or more
- 1 April 2021 - 300% premium on properties left empty for ten years or more

## 9. BUSINESS PLAN 2019-2024

Cabinet considered a report on the Business Plan 2019-24.

Those present discussed several issues arising from the document, including air quality and an emphasis on involving smaller Parish Councils in promoting South Cambridgeshire.

Cabinet:

- (a) **Considered** the proposed Business Plan at Appendix A to the report from the Chief Executive, and recommended it for approval by Council.
- (b) **Reviewed** feedback from Scrutiny and Overview Committee in relation to the Business Plan public consultation.
- (c) **Authorised** the Chief Executive to make any minor wording changes required to the final drafts, in consultation with the Leader of the Council.

## 10. BUDGET REPORT

Cabinet is considered a report on financial strategies and budgets.

- (1) 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 £3 million for the five years from 2019-2024.
- (e) Delegate the use of the Earmarked reserve for Business Efficiency initiatives 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 to be circulated with the formal resolution required at the Council meeting.

#### **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 1<sup>st</sup> 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 1<sup>st</sup> 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 2018-19 to 2022-23, **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.
2. Cabinet agreed, subject to Council approval of the full budget to approve the pay award for 2019-20 based on 2% uplift on all spinal column points and payment of the Joseph Rowntree living wage foundation minimum pay of £9.00 with effect

from April 2019.

3. Cabinet agreed 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.
4. Cabinet agreed that the Director of Housing & Environmental Services updates statutory fees as they are published by Government, GF BSR Appendix A, Appendix 1 to this report.
5. Cabinet Instructed the Head of Finance, on the basis of the proposals set out in the GF BSR, to prepare formal papers to set the council tax requirement and amount of council tax at the Council meeting on 21 February 2019.

## 11. ORGANISATIONAL CHANGE POLICY AND PROCEDURE

Cabinet considered a report outlining a revised Organisational Change policy and procedure.

The Head of People and Organisational Development said that staff would be advised of the changes to the policy.

Subject to a number of typographical, grammatical and stylistic changes, Cabinet

- (a) **Noted** the report and the changes to the policy; and
- (b) **Approved** adoption of the Organisational Change policy.

## 12. DISABILITY CONFIDENT SCHEME

Cabinet considered a report in respect of the Government's Disability Confident scheme.

In response to Councillor Sue Ellington, the Leader expressed her wish that the concept of 'disability' should be defined as broadly as possible. She added that there should be a Lead Member to oversee the process of South Cambridgeshire District Council seeking to become a disability confident employer.

Councillor Anna Bradnam recognised the existence of local expertise in the field, and urged Cabinet to take advice from such sources, where appropriate. The Deputy Monitoring Officer reminded Members that this was an Executive function.

Cabinet:

1. **Agreed** that the Council should sign up to the Disability Confident scheme and commit to achieving level 1; and
2. **Agreed** to establish a Member Task and Finish group to take forward a programme of work to enable the Council to achieve the requirements of the Disability Confident scheme.

## 13. EXCLUSION OF PRESS AND PUBLIC

Cabinet resolved that the press and public be excluded from the meeting during the consideration of Minute number 14 (Cambourne High Street) 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 3 of Part 1 of Schedule 12A of the Act (information relating to the financial or business affairs of any particular person (including the authority holding that information)).

**14. CAMBOURNE HIGH STREET**

Cabinet **agreed** not to progress the acquisition of the development for the reasons outlined in the exempt report from the Interim Executive Director.

**15. DATE OF NEXT MEETING**

Cabinet noted that its next scheduled meeting was on 6 March 2019, starting at 9.30am.

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**The Meeting ended at 12.10  
p.m.**

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# Agenda Item 7



South  
Cambridgeshire  
District Council

**Report To:** Cabinet

6 March 2019

**Lead Cabinet Member** Lead Cabinet Member for Finance

**Lead Officer:** Head of Finance

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## 2018-19 Q3 POSITION STATEMENT: PERFORMANCE AND FINANCE

### Purpose

1. To provide Cabinet with a statement on the Council's Q3 position with regard to its General Fund, Housing Revenue Account (HRA) and Capital budgets and performance indicators (by exception), for consideration and comment. The report also provides an update in respect of the Council's in-flight projects. Integrated reporting in this way gives Officers and Members the opportunity to examine any areas of concern and decide on the appropriate action.
2. The Strategic Risk Register is currently under management review. It will be reported to Cabinet in the near future, incorporating the priorities of the new Administration.

### Recommendations

3. Cabinet is invited to review the provisional forecast outturn position together with the performance indicator results and comments, and in-flight project updates in this report and appendices attached, recommending, where appropriate, any actions, including redeployment of resources, required to address issues identified for consideration by Cabinet.

### Reasons for Recommendations

4. These recommendations are required to enable Members to understand the organisation's financial position and performance. This contributes to the evidence base for the ongoing review of priorities and enables, where appropriate, redirection of resources to reflect emerging priorities and address areas of concern.

### Background

5. This is the third quarterly position statement for 2018-19, providing updates in respect of:
  - Quarter 3 Key Performance Indicators exceptions (**Appendix A**), as identified by CMT (23<sup>rd</sup> January 2019) and reviewed by EMT (30<sup>th</sup> January 2019);
  - In-flight projects at 31<sup>st</sup> December 2018 (**Appendix B**).
  - The Financial Position at the end of Quarter 3 2018-19, showing variance between original budgets and actuals for the period (**Appendix C**).

### Key Performance Indicators (KPIs)

6. Cabinet has agreed a suite of 31 Key Performance Indicators (KPIs) for 2018-19 to provide a strategic overview of organisational health during the financial year.

Performance against Key Performance Indicators, plus accompanying narrative, was reported in full to CMT on 23<sup>rd</sup> January 2019.

7. Within their review of full KPI results, CMT identified exceptions for onward submission to EMT, Scrutiny and Overview Committee and Cabinet (included at **Appendix A**). These exceptions are made up of all Red and Amber results (as defined in paragraph 8), plus Green results where CMT have identified that exceptional performance or circumstances have taken place.
8. The data in **Appendix A** shows actual performance against target and intervention levels, which were agreed at the beginning of the year by Directors in consultation with Portfolio Holders. The Council uses a 'traffic light' system to denote performance, whereby:
  - **Green** signifies performance targets which have been met or surpassed;
  - **Amber** denotes performance below target but above intervention level. It is the responsibility of service managers to monitor such performance closely, putting in place remedial actions at the operational level to raise standards as required.
  - **Red** denotes performance below the intervention level. This represents underperformance of concern, and should prompt interventions at the strategic level which are likely to involve the reallocation of resources and proposals to redesign how services are provided.

#### **In-Flight Project Tracker**

9. A report was previously presented on a monthly basis to provide EMT with information relating to the Council's in-flight Business Improvements and Efficiency (BIEP) projects. This report lapsed following the completion of that programme and in October EMT requested that an equivalent report is produced to provide an overview of project performance to enable effective scrutiny and management of projects.
10. The in-flight project tracker at **Appendix B** was developed and presented to EMT on 21<sup>st</sup> November 2018 and it was agreed that this would be included as part of the regular performance report.
11. Please note that this is the first version of the in-flight project tracker to be presented to Cabinet, and as such it is recognised that the content may not be exhaustive at this stage. The Policy and Performance Team is in the process of collating all on-going projects for inclusion in future versions. Once the Business Plan is agreed, this will also lead to the inclusion of further projects to enable the delivery of the Business Plan.

#### **Finance**

12. This position statement is reporting on the variance between the 2018/19 working budgets and the projected Outturn for the Q3 of the year.
13. The table below (see following page) shows the adjusted provisional forecast outturn figures for the year 2018-19:

	Q3 Provisional Forecast variance	
	Compared to Working Budget	
	£'000	%
General Fund	(2,424)	(9)
Housing Revenue Expenditure	(200)	(1)
Housing Revenue Income	(250)	(1)
HRA Capital	(5,260)	(23)
GF Capital	(1,129)	(27)

14. Position report for Q3 is set out at **Appendix C** attached. Variance explanations are provided in **Appendices C1-C3**.
15. In a change of format from prior years, this year the report is set out by Directorate, rather than by Portfolio.
16. The Q3 actual position for the General Fund shows an underspend of £1.5m, due mainly to the staff savings, unspent £500k on energy grants within Corporate Services, service costs savings and higher than expected fee income in Planning. In Actuals to date, Shared Services are shown as a total cost of the service.
17. General Fund Capital is showing an underspend for the year to date mainly due to the slower than expected Repurchase of GF Sheltered Properties, which are not easy to predict, and underspend in ICT Development. The Outturn projection is £1.1m underspend, most of which will be subject to Rollover requests due to the delays in the project implementation.
18. HRA underspend for the year to date is partly driven by timing variances and is expected to reduce for the Outturn.
19. HRA Capital budget is based on the original budget for the year, however, the New Build capital investment plan has been re-phased in the HRA MTFs with £4.8m removed from current year & re-allocated over the following four years

### **Income**

20. With declining resources from Government funding, ensuring that income targets are met becomes vital. Itemised on the following page is the current position on significant income lines.

**Please note** that Council's income/savings/receipts are shown in brackets, therefore variances in brackets are positive / favourable and without brackets are negative / adverse, i.e. indicate shortfall of revenue for year to date.

**Please note that these are actuals for the year to date, projections to year end for the relevant services are presented in Appendix C1.**

<b>Key lines of income generating activities across the Council</b>	<b>Budget</b>	<b>Budget</b>	<b>Actuals</b>	<b>Variance</b>
	<b>for full</b>	<b>to date</b>	<b>for year</b>	<b>for year</b>
<b>(positive)/negative</b>	<b>year</b>		<b>to date</b>	<b>to date</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Waste and Recycling*	(£5,284,600)	(£4,575,280)	(£4,726,655)	(£151,375)
Land Charges	(£254,360)	(£169,576)	(£220,718)	(£51,142)
Other Environmental Health charging services	(£96,150)	(£48,910)	(£61,078)	(£12,168)
Taxi Licensing Fees and Charges	(£185,090)	(£123,410)	(£147,146)	(£23,736)
Licences under Acts - Fees and Charges	(£117,990)	(£78,810)	(£74,937)	£3,873
Private sector leasing scheme	(£58,010)	(£2,400)	(£1,473)	£927
Travellers Sites Rents	(£112,560)	(£74,960)	(£78,342)	(£3,382)
Development Control Fees*and **	(£3,052,900)	(£2,035,280)	(£1,347,262)	£688,018
Development Control Pre-App Fees*	(£150,000)	(£99,993)	(£88,393)	£11,600
Consultancy Service Recoverable Charge	(£18,290)	(£12,188)	(£22,335)	(£10,147)
Strategic Sites Charges for Services*	(£431,240)	(£287,496)	(£211,592)	£75,904
Strategic Sites Recoverable Charges*	(£100,850)	(£67,232)	(£87,721)	(£20,489)
Strategic Sites Pre-App Fees*	(£75,000)	(£50,000)	(£129,998)	(£79,998)
<b>Total</b>	<b>(£9,937,040)</b>	<b>(£7,625,535)</b>	<b>(7,197,650)</b>	<b>427,885</b>

\*Shared service with Cambridge City Council - figures represent total for the service.

\*\*An invoice for £612k for income received by Cambridge City Council on behalf of the Greater Cambridge Shared Planning Service has been raised and will bring Development Control Fees in line with budget.

### **Consultation responses**

Council Performance Indicator and in-flight project updates are prepared in liaison with lead officers in each directorate.

### **Effect on Corporate Priorities**

21. Timely and robust consideration of the Council's budgets and corporate plan is vital to ensure corporate priorities are met.

**Background Papers:** None

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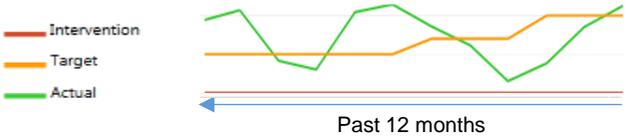
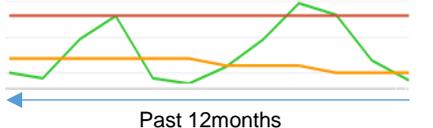
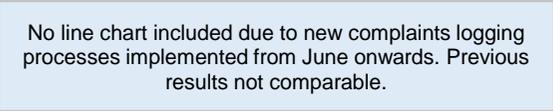
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## Appendix A - Key Performance Information

PI and PI owner and Month organised by Service Area	Actual	Target	Int.	Comments
<b>Housing Management</b>				
<b>AH211 Average days to re-let all housing stock</b>				
Anita Goddard				
	Oct	16	17	25
	Nov	12	17	25
	Dec	11	17	25
<b>Housing Advice</b>				
<b>AH203 Number of households in temporary accommodation</b>				
Susan Carter/Heather Wood				
	Sep	60	70	70
	Dec	60	70	70
				Quarter 2 and 3 figures are not currently available for AH203 and AH208 due to a new national reporting process which sees raw data submitted to government and the result returned to us at a later date. Results for Q1 have now been published and Q2 will be available imminently.
				Results for Q1 are as follows: 48 households were in temporary accommodation at end of June. This is better than target.
<b>AH208 Number of households helped to prevent homelessness</b>				
Susan Carter/Heather Wood				
	Sep	56	51	51
	Dec	56	51	51
				43 households were helped to prevent homelessness. This will continue to be monitored on an on-going basis in light of new requirements under new legislation.
				Measure AH212 (£s spent on Bed and Breakfast accommodation) is a related measure and remains comfortably within target (a decrease in successful homeless prevention and/or increase in temporary accommodation demand would be reflected in a higher use of B&B).

Report continues on the following page.

## Appendix A - Key Performance Information

PI and PI owner and Month organised by Service Area	Actual	Target	Int.	Comments
<b>Contact Centre</b>				
<b>CC303 % of calls to the Contact Centre that are handled (answered)</b>				
Dawn Graham				
	Oct	83.83	90	80
	Nov	88.53	90	80
	Dec	91.28	90	80
				CC303 and CC307 performance has improved due to a combination of reduced call volumes and interim arrangements now in place whilst recruitment of permanent staff continues.
<b>CC307 Average call answer time (seconds)</b>				
Dawn Graham				
	Oct	181.13	100	180
	Nov	117.18	100	180
	Dec	89.26	100	180
<b>Corporate Services</b>				
<b>CC305 % of formal complaint responses sent within timescale (all SCDC)</b>				
EMT				
	Sep	51.85	80	70
	Dec	70.03	80	70
				A piece of work was commenced towards the end of Q2 to align complaints processes, ensure consistency of data and gain learning from complaints. This has resulted in the submission of detailed quarterly complaints reports to CMT and EMT to allow the identification of trends and actions that need to be taken as a result of learning. The Council is also delivering a series of customer care and complaints handling workshops for staff to improve confidence levels. Complaints leads have been identified for each of the Directorates, with regular meetings taking place to discuss the improvement of complaints logging and handling processes.
<b>Finance</b>				
<b>FS109 % invoices paid in 30 days</b>				
Caroline Ryba				
	Oct	94.17	98.5	96.5
	Nov	90.35	98.5	96.5
	Dec	93.78	98.5	96.5
				This indicator shows an improvement in December over November, as colleagues become more familiar with the new Financial Management System. December performance represents 558 invoices paid within 30 days of invoice date and 37 outside of this timescale. An analysis of the data shows that the majority of the time taken is before the invoice is recorded in Finance. Further analysis of the invoices will be undertaken for the next report to identify the services to which the invoices relates, to allow for action to be taken to improve this indicator.
<b>HR</b>				
<b>FS116 Staff sickness days per FTE (non-cumulative)</b>				
Susan Gardner Craig				
	Sep	2.26	1.75	2.5
	Dec	2.64	1.75	2.5
				Although Q3 saw an increase, this was expected due to seasonal illness, and remained lower than Q3 of 17/18 (2.86 sickness days per FTE). During Q3, just over half of sickness days taken were attributed to 18 employees on long-term sickness leave. Efforts are on-going to provide support in relation to specific sickness types, including measures to support mental health in the workplace (e.g. a free and confidential counselling service and the provision of Mental Health First Aider training), as well as working with our Health and Safety Lead to raise awareness of and address back and neck issues, which particularly impact on the Shared Waste Service.
				A full monitoring report is provided quarterly to CMT and Employment and Staffing Committee as part of ongoing sickness reporting.

## Appendix A - Key Performance Information

PI and PI owner and Month organised by Service Area	Actual	Target	Int.	
<b>Environ. Health &amp; Licensing</b>				
<b>ES406 % major non-compliances resolved</b>				
Rob Lewis				
<p>Past 12 months</p>	Sep	92.0	90	80
	Dec	68.4	90	80
<p>68.4% (13 of 19) of major non-compliances were resolved during quarter 3. Of the six outstanding cases, two are food notices where there is a period of time allowed to comply. Three are fraud cases where legal sanctions are currently being considered, and one is for a dog related offence, again with a decision on further action currently under consideration.</p>				
<b>ES401 % business satisfaction with regulation service</b>				
Rob Lewis				
<p>Past 12 months</p>	Sep	84.4	90	80
	Dec	81.0	90	80
<p>81% (30 of 37) of respondents indicated they were either satisfied or very satisfied with regulation service.</p> <p>Quarter 3 responses to the business satisfaction questionnaire have been analysed by the KPI owner. One case concerned hazardous waste registration, dealt with by the Environment Agency. In this instance the caller was not redirected at the first point of contact. Modifications have now been made to Contact Centre scripts to ensure that similar future cases are immediately re-directed.</p> <p>A second respondent was dissatisfied that it took 5 days for an Environmental Health Officer to respond, although this is within our 10 day response target.</p> <p>A third respondent indicated that they were neither satisfied nor dissatisfied throughout, but gave no further comments for review.</p> <p>Our questionnaires are sent to a sample of businesses whom are either being given guidance or potentially being enforced against.</p>				

Report continues on the following page.

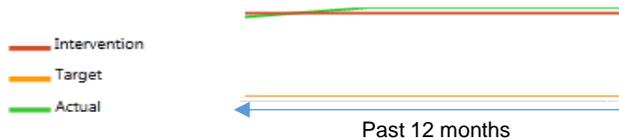
## Appendix A - Key Performance Information

PI and PI owner and Month organised by Service Area	Actual	Target	Int.	Comments
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### Dev. Management

#### PN512 % of appeals against major planning permissions refusal allowed (designation period cumulative)

Eileen Paterson



Sep

10.34

5

10

Dec

10.34

5

10

Although Red, this is due to a high number of appeals allowed during the early part of the current designation period (Mar 2016 - Dec 2018). During the past 12 months, only two major appeals have been allowed. Q4's result will be the first of a new designation period (Mar 2017 - Dec 2019). Going forward we are expecting fewer appeals due to the adoption of the South Cambridgeshire District Plan 2018 which included a 5 year housing land supply.

# Appendix B - In-Flight Project Tracker: Growing Local Businesses and Economies

R	Not on track or within agreed tolerance
A	Not on track but within agreed tolerance
G	On track
	No highlight report received

Project Name	Programme	Project Manager (and Sponsor)	Project Status	Project Partners	Project Start	Target End	Expected End	Overall RAG	Oct-18	Nov-18	Dec-18	Comments
Building 4010	Economic Development	David Ousby (Bob Palmer)	Initiation	U+I (business park owners), Combined Authority business board	Oct-18		Mar-21	G	G	G	G	A detailed full application has been submitted for the Business Board Growth Bid by U+I (Business Park owners) and this was presented to EMT on 17th Dec, for budget approval for due diligence work to take place. EMT agreed to invest in feasibility work in order to develop a Business Case for Cabinet. Awaiting decision from CPCA Business Board.
Northstowe Enterprise Zone – Crate UK (business park operator) investment proposal.	Economic Development	David Ousby (Bob Palmer)	Emerging	Crate UK, Gallaghers (land owner), Combined Authority business board.								No RAG rating due to pre-EMT initiation stage of the project.  This project is about enabling a stalled Enterprise Zone project by identifying and implementing solutions to multiple barriers.
Land to rear of SCDC offices	Economic Development	David Ousby (Bob Palmer)	Emerging	McA								This project is at the initiation stage to identify whether there is an opportunity for this land to be brought forward for B2 uses. The Project Manager has made enquiries with the land owners (McA) to ascertain whether they are interested.
Cambourne Business Park land to south of estate road in Enterprise Zone	Economic Development	David Ousby (Bob Palmer)	Emerging	All business park owners, Combined Authority business board								This project is at the initiation stage to identify potential investment opportunities that would also enable this stalled Enterprise Zone site. Initial meeting with applicant scheduled for 22 Jan 2019

## Appendix B - In-Flight Project Tracker: Housing that is Affordable for All to Live in

R	Not on track or within agreed tolerance
A	Not on track but within agreed tolerance
G	On track
	No highlight report received

Project Name	Programme	Project Manager (and Sponsor)	Project Status	Project Partners	Project Start	Target End	Expected End	Overall RAG	Oct-18	Nov-18	Dec-18	Comments
Northstowe (Phase 1) Sports Pavilion	Housing that is affordable	Kirstin Donaldson (Mike Hill)	Delivery		Apr-18	Aug-21	Aug-21	G	G	G	G	November - Tender marked. Preferred bidder informed of success. Contacts pending. December - Contracts signed.
Northstowe (Phase 1) Community Centre	Housing that is affordable	Kirstin Donaldson (Mike Hill)	Pending		Mar-19	Oct-22	Oct-22					Paper expected at EMT in Mar 2019.
Northstowe (Phase 2) Civic Hub	Housing that is affordable	TBC	Pending	Homes England			Jun-22					Homes England have now nominated SCDC to deliver the Civic Hub.
Programme of Council Housing build	Housing that is affordable	Gill Anderton (Mike Hill)	Emerging									Exploiting the removal of the borrowing cap
Investment partnership with developers	Housing that is affordable	David Ousby (Bob Palmer)	Emerging									This project is to explore opportunities to enter into investment partnerships with developers in order to bring forward developments that include affordable housing provision. A paper was submitted for consideration by EMT on 17th Dec. This requested a budget in order to carry out due diligence work, including drawing up of an Invitation to Tender to allow framework to be set up and mini-competition to take place. EMT agreed to commission the legal work required to develop invitation to tender and subsequent framework contract in order to prevent future legal challenges on the procurement of investment partnerships
Enabling work to upgrade of Cambourne Business Park Estate Road (Link to Cambourne West)	Housing that is affordable	David Ousby (Bob Palmer)	Emerging	U+I, McA (land owners)								This relates to enabling work to ensure link road is built as a condition of bringing land formerly zoned for employment as mixed use commercial / residential. This would open business park up to more footfall.  Linked to business park Deed of Release to allow residential development on areas previously designated for employment only.  Currently enabling work only - no budget implications.
Local Plan	Housing that is affordable	Caroline Hunt (Stephen Kelly)										To seek commentary for next report if this is an agreed project.

## Appendix B - In-Flight Project Tracker: Being Green to our Core

R	Not on track or within agreed tolerance
A	Not on track but within agreed tolerance
G	On track
	No highlight report received

Project Name	Programme	Project Manager (and Sponsor)	Project Status	Project Partners	Project Start	Target End	Expected End	Overall RAG	Oct-18	Nov-18	Dec-18	Comments
Waterbeach Depot Solar PVs	Climate and Environment	Kevin Ledger (Bob Palmer)	Initiation	Bouygues Energies and Services	Oct-18		Mar-18	G	G	G	G	High Level Assessment outlining options for installation of solar PVs at Waterbeach Depot was by Bouygues and presented to Informal Cabinet. Approval was provided for progression to the Investment Grade Proposal (IGP) stage and the IGP has now also been delivered. Viability of installation is dependent on grid connection.
Investing in Green Energy at South Cambs Hall site	Climate and Environment	Kevin Ledger (Bob Palmer)	Initiation	Bouygues Energies and Services	Oct-18			G	G	G	G	The High Level Assessment commenced on 9th November and this will identify and assess options which will potentially lead to implementation of a number of green energy measures.
Footway lighting upgrade to LED	Climate and Environment	Helen Taylor (Trevor Nicoll)	Initiation				Dec-19 (phase 1)	G			G	A pilot scheme successfully upgraded SCDC owned footway lighting in Ickleton & Hardwick to LED. A company is currently undertaking structural testing & identifying requirements for each light. Will be completed by end Jan 2019. The next steps will be to develop a specification and tender for the upgrade throughout the district. The expected end date of December 2019 is for the completion of priority installations.
Added value from SCDC footway lighting stock	Climate and Environment	Kevin Ledger (Bob Palmer)	Emerging	Bouygues Energies and Services								<p>This project is about using the Re:fit framework and expertise available through Bouygues in order to explore the potential for adding value to our stock of approximately 1800 lights. E.g. EV charging points, air quality monitors etc.</p> <p>A briefing to guide the scope of the High Level Assessment that will be produced to assess these options will be provided to Bouygues in the new year.</p>

# Appendix B - In-Flight Project Tracker: A Modern and Caring Council

R	Not on track or within agreed tolerance
A	Not on track but within agreed tolerance
G	On track
	No highlight report received

Project Name	Programme	Project Manager (and Sponsor)	Project Status	Project Partners	Project Start	Target End	Expected End	Overall RAG	Oct-18	Nov-18	Dec-18	Comments	
Page 22	OneVu Customer Portal	A 21st Century Council	Sonia Constant (Susan Gardner Craig)	Delivery	3C ICT	Oct-18	Oct-20	Oct-20	A	R	A	A	<p>SCDC Phase 1 project timeline: The timeline accounts for the PM working three days a week on the project, which will be reviewed in the New Year. There are outstanding tasks within the timeline due to unforeseen issues arising with the portal work and lack of resource to resolve them. Despite help from Huntingdonshire Council and Cambridge City Council, the project is still behind schedule. At the end of December 2018, the PM owed the project 18 hours due to work/issues presenting themselves in the Communications team. These resource issues are to be discussed in the New Year.</p> <p>3C Build priority: In terms of the 0-3 month 3C ICT build priority all tasks have been completed, which included migrating our existing eForms into the portal and creating a Capita payment form. ICT successfully created the new missed bin eForm which is proving a much better process than before, removing any re-keying of data for the refuse team.</p>
	Shared Planning Service	A 21st Century Council	Liz Jackson (Stephen Kelly)	Delivery	City	Jul-18	Jul-20	Jul-20	G	G	A	G	<ul style="list-style-type: none"> <li>- Phase 2 engagement launched as scheduled 8th Jan 2019.</li> <li>- Formal consultation planned for February (launch date TBC).</li> <li>- Staff engagement workshops begin 8th January for 2 weeks. Outcome document to be delivered w/c 28th Jan.</li> <li>- Agreement in principle to memorandum of understanding and accompanying financial schedule.</li> <li>- Email sign off agreed and to be rolled out w/c 14th January – this begins the branding rollout.</li> <li>- Further programme support planned for Feb/Mar to assist in culture change and branding.</li> <li>- IT programme on track to be delivered Summer 2019.</li> </ul>

# Appendix B - In-Flight Project Tracker: A Modern and Caring Council

Project Name	Programme	Project Manager (and Sponsor)	Project Status	Project Partners	Project Start	Target End	Expected End	Overall RAG	Oct-18	Nov-18	Dec-18	Comments	
Page 23	Council Anywhere	A 21st Century Council	Andrew Francis (Susan Gardner Craig)	Delivery	3C ICT	Sep-18	May-19	Jul-19	R	R	R	R	<p>The project continues to be delayed – specifically with the implementation of Global Protect by Virgin Media and 3C. This delay has been compounded by a number of serious priority one ICT incidents which have consumed a lot of 3C resource. The technical issues continue to be pursued by 3C (ICT Head of Service is going to meet with Virgin Media to discuss the ongoing delays).</p> <p>At the last CA Board meeting, 3C declared their intention to revise the way in which the project will be delivered. It is now intended that rollout of Office 365 on the new CA tenancy will take place over the coming months, with no devices now scheduled for rollout until April at the earliest. This is particularly of concern for SCDC who, unlike the other councils, are already operating Office 365 and using much of its functionality. The SCDC PM explained at the board meeting that removal of existing functionality would need to be handled very carefully so as not to be seen as a backwards step. It was made clear that a carefully handled approach to training and rollout would need to be adopted at SCDC, and to this end a meeting is scheduled with the 3C and SCDC PMs to discuss the way forward.</p> <p>3C ICT warrant that this makes the 3C project “green”, however the PM continues to report it as "red" because 3C ICT have yet to solve the technical obstacles that required the restructure – until they do, the project is still at risk of further delay.</p> <p>From an SCDC perspective, the project continues to rely heavily on 3C and the delay to hardware delivery is unlikely to go down well across teams (in particular in shared planning and waste where the delays are keenly felt). Other facets of the project (which focus on organisational changes) continue to move forward.</p>
	New Housing System	A 21st Century Council	Caroline Huggon (Mike Hill)	Delivery	3C ICT				G	G	G	G	The tender process has been completed and the contract has been awarded to Orchard. The implementation (phase 2) of the project commenced 11 Dec with a Kick Off Meeting with 3C ICT, SCDC & The City.
	Environmental Health System	A 21st Century Council	Paul Ashbridge (Mike Hill)	Delivery	3C ICT	Oct-18	TBC	TBC	G	G	G	G	<p>Key activities completed last reporting period:</p> <ul style="list-style-type: none"> <li>- Project Teams to continue to document tasks/processes.</li> <li>- POC Received from YOTTA (16th Oct)</li> <li>- Options Paper Completed YOTTA v Env Health Market Leader</li> <li>- GAP Analysis of Current Systems</li> <li>- Business Cases for CCC</li> <li>- Briefing Note for CCC</li> <li>- BAU Process Mapping – ongoing</li> </ul>
	Development of an investment strategy	A 21st Century Council	David Ousby (Bob Palmer)	Delivery		Dec-18	Feb-19	Feb-19	G			G	Draft investment strategy and commercialisation strategy approved by EMT on 2nd January.

# Appendix B - In-Flight Project Tracker: A Modern and Caring Council

Project Name	Programme	Project Manager (and Sponsor)	Project Status	Project Partners	Project Start	Target End	Expected End	Overall RAG	Oct-18	Nov-18	Dec-18	Comments
New Shared Planning Service System	A 21st Century Council	Nick Burton (Stephen Kelly)	Delivery	3C ICT/City	Oct-18			G			A	Delays to part of the project caused by lack of Idox resources - lead times for booking some of their specialist data engineers is currently six months. Idox have confirmed key delivery dates. There is still a decent amount of time between receiving the test system (12/04/2019) and going live which will not impact the overall go-live dates.  We are likely to have a test data migration later than anticipated, meaning we will have less time for testing than originally planned.
Yotta Waste System	A 21st Century Council	Tony Allen (Mike Hill)	Delivery	3C ICT/City							A	<ul style="list-style-type: none"> <li>• Signoff of City Council and Huntingdonshire Council processes for Mapping into Yotta</li> <li>• Completion of Data collection &amp; supply to Yotta</li> <li>• Delivery of test system</li> <li>• Process Workshop – inputting of processes into test system</li> <li>• Initial test cycle completed</li> <li>• Digital Team will start to look at IEG4/Alloy Integration</li> </ul>
Facilities improvement projects	A 21st Century Council	John Potts (Phil Bird)	Pending									Improvements include: carpets, external storage unit, reception re-modelling, Council chamber AV equipment, Washrooms.
New HR System	A 21st Century Council		Emerging									HR systems at SCDC, City and Hunts are approaching end of contract. Each Council needs to investigate the procurement of a new solution, and there is therefore the potential to buy once, use three times. A confidential B business Case has been shared with Heads of HR
Information Sharing post	A 21st Century Council		Emerging									Further information required regarding this project.

## Budget 2018/19 Q3 - Provisional Forecast Variance

Directorate	Full year Budget	Budget to date	Total expenditure	Variance to date	Variance to date	Projected (under)/Over Spending
	£'000	£'000	£'000	£'000	%	£'000
<b>General Fund</b>						
Corporate Services	6,399	21,283	20,878	(404)	-2%	(799)
Health and Environmental Services	6,639	2,965	2,711	(254)	-9%	(43)
Housing General Fund	1,359	903	714	(189)	-21%	(82)
Planning	4,727	2,715	1,996	(719)	-26%	(2,090)
<b>Net Service Costs</b>	<b>19,124</b>	<b>27,866</b>	<b>26,299</b>	<b>(1,567)</b>	<b>-6%</b>	<b>(3,013)</b>
<b>Overhead Costs</b>	<b>6,522</b>	<b>1,065</b>	<b>1,050</b>	<b>(15)</b>	<b>-1%</b>	<b>541</b>
Unallocated savings and precautionary	240	83		83		240
Benefit derived from Negative RSG not charged						(191)
CCC share of the Shared Services' outturn variances						172
<b>General Fund total</b>	<b>25,886</b>	<b>29,015</b>	<b>27,349</b>	<b>(1,499)</b>	<b>-5.2%</b>	<b>(2,252)</b>
<b>HRA</b>						
Housing Repairs - Revenue	4,134	2,950	2,494	(456)	-15%	0
Sheltered Housing	237	185	137	(49)	-26%	(30)
Administration	3,399	2,617	2,318	(299)	-11%	(185)
Other Alarm Systems	0	(37)	(37)	(1)	2%	0
Flats - Communal Areas	84	78	60	(18)	-23%	0
Outdoor Maintenance	116	194	210	16	8%	0
Sewage	9	9	34	25	259%	25
Tenant Participation	252	190	130	(60)	-32%	(10)
Reprovision & New Homes Programme	195	147	151	5	3%	0
Other	122	8	3	(4)	-55%	0
Transfer to Reserves & Capital Charges and interest on loan	21,082	3,537	3,537	0	0%	0
<b>Total HRA expenditure</b>	<b>29,630</b>	<b>9,879</b>	<b>9,038</b>	<b>(842)</b>	<b>-9%</b>	<b>(200)</b>
Income	(28,638)	(21,029)	(21,275)	(246)	1%	(250)
<b>Total HRA</b>	<b>991</b>	<b>(11,150)</b>	<b>(12,237)</b>	<b>(1,088)</b>	<b>10%</b>	<b>(450)</b>
<b>Net HRA Outturn forecast for the year</b>						<b>(450)</b>

## Budget 2018/19 Q3 - Provisional Forecast Variance

Directorate	Full year Budget	Budget to date	Total expenditure	Variance to date	Variance to date	Projected (under)/Over Spending
	£'000	£'000	£'000	£'000	%	£'000
<b>GF Capital</b>						
Cambourne Offices	341	218	11	(207)	-95%	130
ICT Development	1,141	616	323	(294)	-48%	(707)
ICT Development prior year special rollover	(666)					(354)
Waste Collection & Street Cleansing	718	549	912	363	66%	195
Awarded Watercourses and Footway Lighting	15	15	0	(15)	-100%	(7)
Repurchase of GF Sheltered Properties	1,110	825	329	(496)	-60%	0
Environmental Protection	16	16	0	(16)	-100%	(16)
Improvement Grants	770	484	297	(188)	-39%	(170)
Grants-Provision of Social Hsg	716	0	50	50	100%	(214)
Refurbishment of GF Equity Share Properties	0	0	7	7	100%	0
Website Development	0	0	8	8	100%	15
<b>Total GF Capital</b>	<b>4,161</b>	<b>2,723</b>	<b>1,935</b>	<b>(788)</b>	<b>-29%</b>	<b>(1,129)</b>
<b>HRA Capital</b>						
Land	600	450	28	(422)	-94%	(400)
New Homes Programme	14,186	10,639	4,747	(5,893)	-55%	(4,800)
Reprovision of Existing Homes	450	450	717	267	59%	0
Repurchase of HRA Shared Ownership Homes	300	225	54	(171)	-76%	0
Cash Incentive Grants	0	0	0	0	100%	0
Housing Repairs - Capital	7,337	5,461	4,902	(559)	-10%	(60)
<b>Total HRA Capital</b>	<b>22,873</b>	<b>17,226</b>	<b>10,448</b>	<b>(6,778)</b>	<b>-39%</b>	<b>(5,260)</b>
<b>Capital receipts</b>						
Right to Buy	(3,119)	(2,339)	(2,482)	(143)	6%	0
Equity Share-HRA	(300)	(225)	0	225	-100%	0
Equity Share - GF	(1,250)	(938)	(516)	421	-45%	0
Other	(5,215)	(3,911)	(3,159)	752	-19%	1,500
Grants & Contributions	(50)	(38)	0	38	-100%	0
<b>Total Capital Receipts</b>	<b>(9,934)</b>	<b>(7,450)</b>	<b>(6,158)</b>	<b>1,292</b>	<b>-17%</b>	<b>1,500</b>
<b>Capital Total</b>	<b>10,311</b>	<b>905</b>	<b>869</b>	<b>(35)</b>	<b>-4%</b>	<b>(3,760)</b>

**Significant Items of Variance from Working Budget**  
**General Fund Budget 2018/19 Q3 - Major Variances from Budget**

Service Grouping	Reason for Outturn Variance	Cross reference to Performance report	Actual (Favourable) / Adverse variance £	Outturn projection variance £	Outturn projection variance %
<b>Corporate Services</b>					
<b>Staffing Overheads Total</b>			<b>462,416</b>	<b>506,422</b>	<b>13%</b>
Accountancy	Overspend for year to date is due to agency staff costs to cover closedown, Audit and T1 go live backlog. £200k offset by £100k salary underspend.		106,816	255,940	43%
HR	Overspend for year to date is due to miscoding of childcare vouchers, corrected in P10		10,722	(4,518)	-1%
Cashiers/Debtors	Small underspend on staffing was incurred while Team Leader vacancy was filled by secondment, full year costs are expected on budget		(7,291)	0	0%
Internal Audit	Awaiting invoice from Cambridge City Council, hence variance for year to date.		(18,854)	0	0%
Contact Centre	Underspend due to staff vacancies is £46k for year to date, a further £2k underspend on equipment and clothing for new joiners and further £2k on other service costs. Staff savings are expected to continue, realising a £61k saving for Outturn.		(55,098)	(65,000)	-9%
ICT Development	£110k is the overspend from 2017-18, which was not posted into the correct year due to the invoice from 3C ICT being received after the accounts were closed. The causes of this overspend are microsoft licences and Progress Database support service which were needed to be bought in by 3C - these are recurring pressures which are unbudgeted this year. There are also mounting costs coming out of the new mobile phone contract which were unbudgeted within ICT.		424,236	320,000	18%
Legal	Variance not significant, therefore not investigated		1,886	0	0%
<b>Overhead Accounts Total - CS</b>			<b>(352,273)</b>	<b>64,295</b>	<b>3%</b>
Cambourne Office	Year to date variance is due to misprofiling £245k depreciation too early		(181,203)	34,338	3%
Business Hub Offices	Variance not significant, therefore not investigated		(2,057)	0	0%
Waterbeach Depot	This variance is mainly due to the budget profile of the NNDR (£40k) and Depreciation (£7k), which will come in line by the year end.		(53,330)	0	-5%
Central Expenses	Year to date variance is due to £107k Insurance Costs misprofiled too early		(107,219)	3,404	1%
Central Support Services	Underspend for year to date is due to waiting for Q3 MFD invoice		(8,464)	26,552	13%
<b>Service accounts total - CS</b>			<b>(404,413)</b>	<b>(798,501)</b>	<b>-12%</b>
Elections	The variance is due to the budget profiling not fully corresponding to expenditure profile as all out elections were held in May 2018. Central Government have recently settled our claim for administering the 2017 General Elections and have reimbursed us £100k which was not budgeted for.		20,918	(75,000)	-24%
Register of Electors	This variance is mainly driven by additional income received (£18,439). Other variances include lower staff costs (£3,557) due to working less hours than budgeted and lower postage (£8,865) and printing (£8,570) costs than profiled budget. Outturn projection is mainly driven by lower than budgeted postage costs and unbudgeted government grant.		(45,324)	(55,000)	-20%
Democratic Representation	Unbudgeted income from clerking & members allowance/ Travel & Sub underspend make up the variance year to date. Projected saving is mainly made up of Members' allowances.		(111,777)	(134,560)	-11%
Policy & Performance	Underspend for year to date is made up of staff cost savings of (£45k) and (£127k) energy grant. £500,000 energy grant will be rolled over and moved cost centres in 19/20		(171,914)	(557,087)	-77%
Communications	Adverse variance to date is due to the payment of annual contract (£30k) earlier than the profiled budget. Outturn projection mainly driven by salary costs due to vacant posts		27,713	(20,000)	-6%
Council Tax Support	No significant variance expected between Transfer Payments and DWP Grant. Receipt of £97k local Council Tax Support Subsidy was received P2 but profiled to P12. Income is £93k above estimate as several small miscellaneous DWP grants have been received. A number of these are specifically to cover mandatory system enhancements. Projected salary savings will be offset by Agency staff costs while permanent recruitment in progress. Overall no significant variance expected.	<b>FS112</b> - Average number of days to process new HB/CTS claims <b>FS113</b> - Average number of days to process HB/CTS change events <b>SF740</b> - % Discretionary housing grant paid	1,430	0	0%
Rent Allowances			0	0	0%
Rent Rebates			0	0	0%
Corporate Management	Year to date underspend is due to delay in receipt of invoices for Apprenticeship Levy (Approx £34k) and underspend on audit cost (£22k). Overspend in the Outturn is driven by the cost of Consultancy for GDPR work.	<b>CC303</b> - % total calls to the Contact Centre handled <b>CC307</b> - Average call answer time (seconds) <b>CC305</b> - % of formal complaint responses sent within timescale (all SCDC) <b>FS116</b> - Staff sickness days per FTE <b>FS117</b> - Staff turnover	(57,083)	69,322	4%
Treasury Management	The overspend is the cost of our newly appointed Treasury Advisers - Link Asset Services. (£7,750 annually). Their appointment was agreed after the Bids process and Estimates were finalised	<b>FS109</b> - % invoices paid in 30 days	12,608	13,824	1016%
Hsg and CT Bens	Net position is £105k underspend. NNDR underspend of £55k of which £30k is staffing. New post filled and Analyse Local fees now ahead of forecast so small saving expected at year end. Ctax underspend of £57k. Mainly Staffing at £53k. This will be offset by Agency staff costs and recruitment in progress on vacant posts. A small underspend in the region of £20k is expected.		6,980	0	100%
Cost of NNDR Collection		<b>FS104</b> - YTD % NNDR collected	(54,876)	(20,000)	-11%
Discretionary NNDR Relief			0	0	100%
Cost of Council Tax Collection		<b>FS105</b> - YTD % Council Tax collected	(57,052)	(20,000)	-2%
3C SharedServicesProgramme Hub	The overspend is due to the invoices for year to date not being raised, no outturn variance is expected.		23,634	0	0%
Miscellaneous	Variance not significant, therefore not investigated		331	0	0%
<b>Total variance for Directorate</b>			<b>(294,270)</b>	<b>(227,784)</b>	<b>-4%</b>
<b>Health and Environmental Services</b>					
<b>Overhead Accounts Total - HES</b>			<b>(45,765)</b>	<b>(30,000)</b>	<b>-26%</b>

Environmental Health	The variance is partially due to the budget being profiled evenly throughout the year, whilst the pattern of spend is significantly different. The projected outturn is showing the small variances		(45,765)	(30,000)	-26%
<b>Service Accounts Total - HES</b>			<b>(254,183)</b>	<b>(42,582)</b>	<b>1%</b>
Awarded Watercourses	This favourable variance is caused by the vacant Drainage Manager post (£42k). The other driver of this variance is unbudgeted income received for Maintenance Watercourse (£10k). NOTE: I've removed £40k for accrual and £48k S106 income		(51,325)	(67,000)	-20%
Webbs Hole Sluice	Variance not significant, therefore not investigated		(5,792)	0	0%
Swavesey Byeways	Variance not significant, therefore not investigated		4,492	512	37%
Environmental Protection	This variance is mainly driven lower staff costs due to vacant posts and lower than anticipated spend for Air Quality		(38,734)	(20,000)	-7%
Footway Lighting	This favourable variance is due to invoices not being received for work done. The other driver of this variance is caused by a staff saving (£4k). Staff savings is expected to continue into the Outturn. Variance to date adjusted for missing accrual		(31,619)	(18,561)	-16%
Street Cleansing	This favourable variance is mainly due to vacant posts (£47k) and lower vehicle costs than budgeted (£10k), which are offset by the incorrect profiling of the income (£14k). These variances are expected to continue to the Outturn		(33,355)	(32,951)	-4%
Single Shared Waste Service	This variance is made up of a number of favourable and adverse variances. £18k (favourable) of this variance is due to staffing costs with less payments for Overtime and vacant posts. The Vehicles costs are showing a favourable variance (£90k) due to lower than budgeted fuel cost (£59k) and less vehicle hire costs (£62k). These favourable variances are offset by an adverse variance for vehicle repairs (£41k) which include invoices from prior years. Another adverse variance affecting the Shared Waste Service is continued budget pressure is the AMEY recycling contract (£109k), whilst unbudgeted commercial Waste agreement with Amey for mixed recycleables and higher than budgeted landfill waste disposal costs are contributing to this variance.  The remainder of this overall variance is due to additional income received (£123k) which includes £77k for wheeled bins included within S106 agreements, £36k relates to a payment from East Cambs District Council for fuel bought on their behalf. The remainder of this income variance includes £10k for Special Collections.	<b>ES418</b> - YTD % of household waste sent for reuse, recycling and composting <b>ES408</b> - % of bins collected on schedule	52,284	82,291	3%
HECA	Variance not significant, therefore not investigated		(659)	(1,050)	-100%
Ageing Well - Mobile Warden S	Variance not significant, therefore not investigated		2,123	1,100	1%
Sustainability	Variance not significant, therefore not investigated		(5,675)	(6,000)	-13%
Transport Initiatives & Policy	Variance to date includes S106 income which should be deferred. Outturn projection is that staff overspend of £6k will be offset by higher than budgeted income (£3k)		(3,677)	3,078	8%
Voluntary Sector Grants	Variance to date not significant, therefore not investigated. Outturn variance is based on invoiced values for the year being lower than the budget, which became apparent when invoices for the year were reviewed recently.		(4,249)	(5,000)	-3%
Community Safety	Staff costs (£6,120) and budget profile variance (£13,250) are the main drivers of the year to date variance, outturn projections forecast staff saving of (£10k)		(24,646)	(10,364)	-6%
Community Chest Grants	Grants (£17k) have been paid out earlier than the profiled budget, outturn forecast is predicting an overspend on staff of £5k		5,294	5,000	7%
Northstowe - Healthy New Town	NHS income received earlier than the profiled budget, no outturn variance projected.	<b>STR14</b> - Access to Primary Care in Growth Areas	(102,290)	1,270	17%
Localism	This variance is mainly caused by the delay in raising invoices to recover staff costs. Offsetting this, is a favourable variance (£27,863) mainly caused by staff saving from vacant posts and incorrect salary postings. Outturn projection is continuing staff saving of (£19k)		(4,073)	(19,430)	-10%
Health and Wellbeing	The year to date variance is driven by £29k staff saving due to staff vacancies which are now filled. More income (£18k) than budgeted has been received for holiday activities. The remainder of this variance is driven by budget profiling of Misc costs (£27k). Outturn projection is driven by staff saving of (£60k) and (£25k) of over the budget income.	<b>STR6</b> - Demands on services from an ageing population	(91,929)	(85,000)	-29%
Environmental Health General	This adverse variance is due to additional temporary staff (£87k year to date, growing to £113k at Outturn) supporting the service, for whom no budget was set. These costs are covered by staff vacancies across the directorate.	<b>ES406</b> - % major non-compliances resolved (in rolling year)	84,357	130,000	28%
Business Hub	Cancelled invoices from 2017/18 are the reason for this adverse variance. An invoice was raised incorrectly with VAT to Cambs County Council. A delay in raising the Q2 invoices as also contributed to this variance		20,336	14,051	-40%
Food Safety	This main driver of this variance is caused by staff savings (£18k) year to date, (£39k) to Outturn) which are unlikely to be directly filled but spread across different cost centres		(19,231)	(36,000)	-21%
Envirocrime Enforcement	Higher than anticipated vehicle repair costs (£6k) are driving the year to date adverse variance. Variance for full year is driven by over the budget staff spend of £8k and unbudgeted legal costs of £2k		13,450	10,000	16%
Action on Dogs	Variance not significant, therefore not investigated		(6,367)	(3,502)	-17%
Miscellaneous HES	Variance not significant, therefore not investigated		2,952	11,078	684%
Licences	This variance to date is mainly due to vacant posts (£9.2k). This is also the reason for the projected outturn variance		(8,107)	(13,000)	-17%
Taxi Licensing Service	Outturn projection includes £24k over budget staff costs, where vacancies are being covered by agency staff and a further £26k unbudgeted stationery and computer equipment costs. This is offset against additional income received. This over budget expenditure will be covered by withdrawal from a relevant Earmarked Reserve with the current balance of £147k.		3,789	8,600	-915%
Animal Licensing	Income received for multi year licenses need to be deferred to future years, thereby reducing the current favourable variance.		(10,416)	(2,000)	-714%
Miscellaneous Licensing Provis	Variance not significant, therefore not investigated		(4,152)	(4,215)	-8%
Emergency Planning	Variance not significant, therefore not investigated		36	2,110	21%

Children, YoungPeople&Families	The variance is due to the budget for miscellaneous expenditure not being required (£11k)		(11,263)	(1,862)	-7%
Renewable Energy	This budget is currently sitting within Policy & Performance and is covered by Earmarked reserves		14,263	14,263	100%
<b>Total variance for Directorate</b>			<b>(299,948)</b>	<b>(72,582)</b>	<b>-1%</b>
<b>Housing General Fund</b>					
<b>Overhead Accounts Total - H GF</b>			<b>(11,549)</b>	<b>0</b>	<b>-100%</b>
Housing Man Service			(11,549)	0	-100%
<b>Service Accounts Total - H GF</b>			<b>(189,342)</b>	<b>(82,136)</b>	<b>-105%</b>
Housing Association Support	Salaries overspent by £11k - Housing Development Officer (Growth) omitted from original budget but £9k to be recharged to Cambridge City Council (shared-post)		11,159	20,000	27%
Homelessness	Favourable variances due to: i) Private Renting Service: combined affect of ending relationship with King Street Housing & recovery of previous year costs - £40k YTD ii) Out-of-hours payments £5k underspent YTD iii) Single Homelessness Service-not invoiced to date from Cambridge City Council £4k iv) Additional DCLG grant received £4k v) Outturn reflects continued underspend on Private Renting Service and anticipated non-use of £10k estimate for bad debt provision increase	AH203 - Number of households in temporary accommodation, AH208 - Number of households helped to prevent homelessness, AH212 - YND £s spent on Bed and Breakfast accommodation	(60,142)	(50,000)	-9%
Letting & Advisory Service	Year to date salaries overspent by 9k and Homelink software licence (£10k) invoiced earlier than full budget profile. Outturn reflects overspend on salaries.		13,119	7,630	8%
Self-Build Vanguard	Fee income to be posted from the sale of self-build plots during year and New Burdens grant to be received.		40,822	(10,000)	71%
Private Sector Leasing Scheme	Favourable variance due to Q2 service charge payment to Shire Homes Lettings Limited not processed at time of this report. Staffing costs £12k higher than originally budgeted employing Admin Support from July 2018 but this will be recharged to Shire Homes Lettings. No outturn variance projected.		(73,848)	0	0%
Strategic Housing	Salary costs projected to underspend due to vacant Director of Housing allocation.		(8,553)	(37,000)	-32%
Community Led Developments	Expenditure against grant funding received - zero variance outturn projected		(14,038)	0	0%
Housing Delivery & Innovations	Due Diligence and Feasibility Works funded from 2017/18 rollover, causing overspend for year to date. Projected outturn recognises virement of annual salary budget from Self-Build Vanguard for Housing Delivery & Innovations Manager appointed 01.09.18 and the preceding 5 month vacancy.		15,860	18,070	100%
Sub-Regional Homelink Service	Income: £59k favourable variance due to incorrect budget profile (Advertising & Management Costs have been billed annually rather than quarterly) Similarly favourable £20k expenditure variance due to budget profile not in line with timing of business activity. No outturn variance projected.		(76,636)	0	0%
Equality & Diversity	The outturn projection is driven by staff savings		(10,328)	(10,434)	-33%
Travellers Sites	The outturn projection is driven by staff savings		(20,218)	(20,402)	-92%
Improvement Grants	Variance not significant, therefore not investigated		(1,207)	0	0%
GF Sheltered Properties	Favourable variance due to the council tax payments on empty general fund properties (Elderly equity-share) which had not been posted to service account at time of the report. No outturn variance reported.		(5,333)	0	0%
Recharges from/to HRA	Variance not significant, therefore not investigated		53	0	0%
<b>Total variance for Directorate</b>			<b>(200,891)</b>	<b>(82,136)</b>	<b>-6%</b>
<b>Planning</b>					
<b>Overhead Accounts Total - PI</b>			<b>(68,103)</b>	<b>0</b>	<b>-122%</b>
Planning Admin	Agency staff budget is forecasted to be underspent by £120k. Recruitment to vacant posts earlier in the year has reduced the need for agency staff. This is mitigated by staff development budget, software, postage and courier forecasted overspends (currently overspend year to date).		(68,103)	0	0%
Design Enabling			0	0	0%
<b>Service Accounts Total - PI</b>			<b>(719,296)</b>	<b>(2,090,267)</b>	<b>-44%</b>
Land Charges	SCDC - The favourable underspend primarily relates to additional Land Charges & Searches income, forecasted to be £29k underspent. In addition to this shared planning services: forecasted income (£243k) & associated costs £68k are yet to be transferred to SCDC accounts from Cambridge City.		(11,767)	(204,776)	-356%
Development Control	Year to date underspend is a combination of vacant posts (£403k), legal (£307k) and compensation (£288k). The service has requested £150k Legal & £200k Compensation budget rollover, due to claims/costs not materialising in 2018-19. Further, a £500k planned withdrawal from Earmarked Reserves to cover the budgeted shortfall in Planning Fees is not expected to be required in this year and is now budgeted for 2019-20.		273,579	(851,672)	-129%
Planning Policy	The core Planning Policy work is forecast to be come over budget, primarily due to ongoing project management and Waterbeach, Bourn Airfield SPD revisions carried out by consultants. The projected overspend is offset by underspends on the CNFE where no expenditure has been incurred to date (any spend is now expected to be in the next financial year, and a roll over request for £250k will be submitted). The Greater Cambridge Local Plan budget of £260,000 will not be spent this year and has been requested to be rolled forward.		(273,905)	(325,404)	-23%
Building Control Service	Budget profiled in M4, M7, M10 & M12. Invoice not received from 3C Shared Services.		(65,017)	(2,637)	-2%
Open Space Agreement	Variance not significant, therefore not investigated		(4,095)	0	0%

Conservation	The favourable variance on the Consultancy budget is primarily due to vacant posts, partly offset by the use of consultants. Ecology budgets also show a favourable variance due to no specific work plans around the grants budget, which will remain mostly unspent. The Village Design budget shows a significant underspent and forecasted to do so as the £130k DCLG income for 2018-19 may not be fully utilised this year. The income is being used to offset a FTC post and other project work streams. (The cost centre manager is exploring the terms of the income agreement and whether funding can be rolled forward into 2019-20).		(234,325)	(153,344)	-17%
Trees	Underspend year to date and projected outturn is due to a vacant post.		(23,789)	(33,328)	-17%
CIL / s106	Variance not significant, therefore not investigated		(4,886)	(4,217)	-5%
Museums	Variance not significant, therefore not investigated		0	0	0%
Enforcement Issues	The saving is due to lower than budgeted expenditure on Legal costs, forecasting ~ £6k underspend. Salaries are forecasted to be £13k underspend due to vacant posts earlier in the year. The rest of the year will proceed as budgeted.		(31,694)	(17,678)	-11%
Illegal Encampments	Variance not significant, therefore not investigated		(3,554)	(5,330)	-97%
Economic Development	The service is planning to incur spend and fully utilise its consultancy budget on 3 studies towards the back end of this financial year. A vacant post and partial utilisation of the membership budget is expected to remain a saving in Outturn.		(60,466)	(26,124)	-15%
Tourism Initiatives	Variance not significant, therefore not investigated		(4,551)	(4,236)	-18%
Growth Agenda/Northstowe	The favourable variance for year to date is due to vacancies within the service, partly offset (& managed) through the use of agency staff. This is likely to continue to the end of the financial year resulting in a forecast underspend circ £434,840.		(257,702)	(434,840)	-48%
Greater Cambridge City Deal	Underspend year to date and projected outturn is due to staff costs now coded to a different cost centre.		(11,971)	(22,145)	-56%
Street Naming & Numbering	Variance not significant, therefore not investigated		(5,153)	(4,535)	-115%
<b>Total variance for Directorate</b>			<b>(787,400)</b>	<b>(2,090,267)</b>	<b>-39%</b>

## Significant Items of Variance from Working Budget

## Housing Revenue Account 2018/19 Q3 - Major Variances from Budget

Service Grouping	Reason for Outturn Variance	Cross reference to Performance report	Actual (Favourable) / Adverse Variance £	Outturn projection variance £
<b>Housing Repairs - Revenue</b>				
Revenue Maintenance	Favourable variance reported YTD due to late invoicing but orders have been raised for majority of the planned maintenance works for the year. No outturn variance is currently anticipated.	AH204 - % tenants satisfied with responsive repairs	(456,180)	0
Other net variances				
<b>Total Variance for Service</b>			<b>(456,180)</b>	<b>0</b>
<b>Sheltered Housing</b>				
Sheltered Housing	Variance is due to late receipt of invoices ie for Grass cutting contract & Utilities. Deep Clean not commenced on Communal Rooms that had been planned. Expect favourable variance on Buildings Maintenance (Communal Rooms/Areas) of £29.5k based on current spending and projections.		(48,528)	(29,500)
Other net variances				
<b>Total Variance for Service</b>			<b>(48,528)</b>	<b>(29,500)</b>
<b>Administration</b>				
Administration	Favourable variance reported due to staffing vacancies (£150k) and budgeted expenditure on corporate subscriptions (£30k) not being paid at time of report. Other underspends include: £26k council tax payments on void properties, Tenancy Prrofiling Project delayed start £12k Housing IT Support & Maintenance £19k (procurement of Housing Managment System delayed), Software Licences paid by 3CIT that have not yet been recharged £6k, Bank charges and postage costs to be posted 16k. Projected outturn underspend: Staffing costs = £160k Housing IT Support & Maintenance = £25k		(299,185)	(185,000)
Other net variances				
<b>Total Variance for Service</b>			<b>(299,185)</b>	<b>(185,000)</b>
<b>Other Alarm Systems</b>				
Alarms	Variance not significant, therefore not investigated		(591)	0
Other net variances				
<b>Total Variance for Service</b>			<b>(591)</b>	<b>0</b>
<b>Flats - Communal Areas</b>				
Flats	Reported YTD underspend due to late receipt of invoices and posting of insurance recharges. No outturn variance anticipated.		(18,177)	0
Other net variances				
<b>Total Variance for Service</b>			<b>(18,177)</b>	<b>0</b>
<b>Outdoor Maintenance</b>				
Grounds Maintenance	Overspend reported against profiled YTD budget but suspect some jobs miscoded (see Tenant Participation below) No outturn variance anticipated		16,091	0
Other net variances				
<b>Total Variance for Service</b>			<b>16,091</b>	<b>0</b>
<b>Sewage</b>				
Sewage	Maintenance costs £26k above YTD budget - urgent repairs required at Chittering pumping station		24,548	25,000
Other net variances				
<b>Total Variance for Service</b>			<b>24,548</b>	<b>25,000</b>
<b>Tenant Participation</b>				
Tenant Participation	No expenditure posted against Tenant led Estate works but suspect some work miscoded to Outdoor Maintenance - £50k budget will be fully utilised. Staff vacancy leading to projected favourable outturn variance		(60,316)	(10,000)
Other net variances				
<b>Total Variance for Service</b>			<b>(60,316)</b>	<b>(10,000)</b>

<b>Reprovision &amp; New Homes Programme</b>				
Re-provision and New Homes	Variance not significant, therefore not investigated		4,845	0
<b>Total Variance for Service</b>			<b>4,845</b>	<b>0</b>
<b>Other</b>				
Other	Variance not significant, therefore not investigated		(4,111)	0
Other net variances				
<b>Total Variance for Service</b>			<b>(4,111)</b>	<b>0</b>
<b>Transfer to Reserves &amp; Capital Charges</b>				
Interest on Self Financing Debt			0	0
Other net variances				
<b>Total Variance for Service</b>			<b>0</b>	<b>0</b>
	Not blank			
<b>Total HRA expenditure</b>				
<b>Total Variance for Service</b>			<b>(841,604)</b>	<b>(199,500)</b>
	Not blank			
	Not blank			
<b>Income</b>				
Rent and Other Income	Rental Income is higher than budgeted due to the previous assumptions around the sale of higher value void stock and anticipated loss of income.		(246,013)	(250,000)
HRA Interest		FS102 - % Housing Rent collected		
Other net variances				
<b>Total Variance for Service</b>			<b>(246,013)</b>	<b>(250,000)</b>
<b>Total for Housing Revenue Account</b>			<b>(1,087,617)</b>	<b>(449,500)</b>

## Significant Items of Variance from Working Budget

## Capital Budget 2018/19 Q3 - Major Variances from Budget

Service Grouping	Reason for Variance	Actual (Favourable) / Adverse Variance £	Outturn projection £
<b>Housing Revenue Account - Land</b>			
HRA Land	Minimal expenditure in respect of the preparation of HRA land as self-build plots but staffing costs still to be capitalised at year-end	(422,053)	(400,000)
Other net variances			
<b>Total variance for Capital Programme</b>		<b>(422,053)</b>	<b>(400,000)</b>
<b>Housing Revenue Account - New Homes Programme</b>			
New Homes Programme	Delayed starts on site gave rise to the large variance but by end of Q3 we were on site at Hardwick, Gibson Close, Waterbeach and Linton Rd, Great Abington which will deliver a total of 46 rented homes. The New Build capital investment plan was re-phased in the HRA MTFs with £4.8m removed from current year & re-allocated over the following four years.	(5,892,763)	(4,800,000)
Other net variances			
<b>Total variance for Capital Programme</b>		<b>(5,892,763)</b>	<b>(4,800,000)</b>
<b>Housing Revenue Account - Reprovision of Existing Homes</b>			
Reprovision of Existing Homes	£460k budget was rolled-over from Yr 2017/18 (not reflected in this report). Work at Robinson Court, Gamlingay is now completed with underspend of around £190k from total 2018/19 budget + rollover	266,902	0
Other net variances			
<b>Total variance for Capital Programme</b>		<b>266,902</b>	<b>0</b>
<b>Housing Revenue Account - Repurchase of Shared Ownership</b>			
Repurchase of Shared Ownership	This budget is reactive, and spend is dependent upon the number of homes which are re-presented to the Council in any year, and the value at which they are re-acquired.	(171,000)	0
Other net variances			
<b>Total variance for Capital Programme</b>		<b>(171,000)</b>	<b>0</b>
<b>Housing Revenue Account - Improvement of Housing Stock</b>			
Improvement to the Housing Stock	Orders are with contractors for the majority of planned capital programs to be completed this year. Planned heating installation works at Elm Court, Over now to be delayed until 2019/20 (£60k)	(559,275)	(60,000)
Other net variances			
<b>Total variance for Capital Programme</b>		<b>(559,275)</b>	<b>(60,000)</b>
		Other Net Variations	0
<b>Total for Housing Revenue Account Capital</b>		<b>(6,778,189)</b>	<b>(5,260,000)</b>

### Housing Revenue Account - Capital Receipts

Capital receipts	Self-Build plot sales were forecast at £2.5m, they are expected to reach £1m at year end, this drives the Outturn variance	1,292	1,500
Other net variances			
<b>Total variance for Capital Receipts</b>		<b>1,292</b>	<b>1,500</b>

### General Fund

Cambourne Offices	Rollover of £129,497 from year 2017-18 for reception remodelling will be used to fund other Ground Floor improvement projects. The Rollover is not included in the budget for the year. Current year budget is forecast to be spent in the year.	(207,256)	129,497
ICT Development	Due to the delays encountered with the Council Anywhere project delivered through Virgin Media and the time it will take to fix, there will be a significant impact on the timetable for implementation. Council Anywhere project accounts for £360k of the budget, most of which will require a rollover into next year. £177k earmarked for Major Systems Upgrade (H&ES system) will not be spent this year as the new system has not even been spec'd yet or tendered. This will likely result in another rollover request. Housing Management System has £222k set aside in the budget and this will not be spent. We've only just awarded the contract. It will depend on how much we need to pay up front before GoLive as to the extent of the spend, but at least some of this budget will be subject to a rollover request. There is £60k in this year's budget for Council Chamber VA equipment but no plans have been made to purchase any of the equipment, instead a new bid was submitted for the year 2019-20, and rejected. There was a £666k rollover request from prior year much of which is now unlikely to be used but a special request will be made to roll a proportion of this over to 2019-20 - the £1,061k includes the element of rollover which is unspent.	(293,750)	(1,061,000)
Waste Collection & Street Cleansing	The variance to date is due to variance between the budget profiling and actual timing of purchases. There was a £793,918 rollover request from prior year for the purchase of 4 trucks not acquired in 2017-18. These purchases have been made this year, therefore the Outturn appears to show an overspend on these driven by the use of the Rollover. It has also been decided to defer the budgeted procurement of a number of Street Cleansing vehicles resulting in a budget under spend this year of £272k. In regard to this, - budget rollover will be sought.	363,498	195,000
Awarded Watercourses	Budget included purchase of 2 trailers, only 1 trailer purchase is planned in the year.	(15,000)	(7,000)
Repurchase of GF Sheltered Properties	This budget is reactive, and spend is dependent upon the number of homes which are re-presented to the Council in any year, and the value at which they are re-acquired.	(496,000)	0
Environmental Protection and Air Quality	A rollover of £50k for replacement of air quality monitors not purchased in 2017-18 was approved but this will not be utilised in 2018-19 either.	(16,000)	(16,000)
Improvement Grants	Applications for Disabled Facilities Grants continue to be lower than anticipated and annual expenditure is expected to be similar to 2017/18.	(187,665)	(170,000)
Grants-Provision of Social Hsg	Known 18/19 commitments total £502k (against the budget of £716k) - £50k payment to Emmaus (paid) and £451,780 contribution to the delivery of 12 shared-ownership homes on HRA new build schemes to be posted at year-end closure of accounts	50,000	(214,220)
Refurbishment of GF Equity Share Properties	No variance expected at year end	7,000	0
Website Development	The unbudgeted expenditure is against the rollover of £45k from prior year	7,600	15,000
	Other Net Variations	0	0
<b>Total for GF Capital expenditure</b>		<b>(787,573)</b>	<b>(1,128,723)</b>
<b>Capital Expenditure Total</b>		<b>(7,565,762)</b>	<b>(6,388,723)</b>

# Agenda Item 8

**REPORT TO:** Cabinet

6 March 2019

**LEAD CABINET MEMBER** Leader of the Council

**LEAD OFFICER:** Interim Executive Director of Corporate Services

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## **Barriers to Council Procurement for SMEs Task and Finish Group findings**

### **Purpose**

1. To outline the findings of the Barriers to Council Procurement for SMEs Task and Finish Group.
2. To consider and approve the recommendations to take forward.
3. This is not a key decision however it is a key step in implementing the new administration's ambition to support businesses of all sizes, including rural enterprise and farming, to help create new jobs and opportunities near to where people live.

### **Recommendations**

- Cabinet consider and approve, with or without amendments, the recommendations set out in the report; and
- Progress against any agreed recommendations is reviewed in 12 months.

### **Reasons for Recommendations**

4. The Barriers to Council Procurement for SMEs Task and Finish Group have reviewed the Council's existing procurement processes with a view to ensuring that council contracts are accessible to local small and medium-sized enterprises (SMEs). They have developed a series of recommendations, outlined below, which, if implemented, could significantly improve the skills and knowledge of local companies and reduce the resource requirements when applying for council contracts.

### **Background**

5. The Barriers to Council Procurement for SMEs Task and Finish Group was established in June 2018 following a request from the Leader of the council. It forms part of the Scrutiny and Overview Committee's work programme for 2018/19.
6. The purpose of the Group is to consider how the Council could facilitate SMEs and procure work in a cost effective, reasonable and proportional manner from them. They have also reviewed the barriers to SMEs securing contracts with the Council.
7. SMEs can face greater hurdles when competing with larger firms for public sector contracts. SMEs are smaller and, as such, they are likely to have less time and resources available to identify opportunities and participate effectively in tendering processes. They may also have less experience and may not have mature business policies and procedures required in some tendering processes. This means that they can miss out on new business opportunities.

8. Improving the accessibility of SMEs to council contracts will not only support local business growth. With their lower cost base, SMEs can provide better value for money. They can also be more agile and respond quickly to opportunities for growth and innovation. Greater competition can be a route to efficiency.
9. The Task and Finish Group met during November 2018. It is chaired by Councillor Grenville Chamberlain. Its other members are Sarah Cheung Johnson and Brian Milnes. Sean Missin, Procurement Officer, and Johanna Davies, Economic Development Officer, have provided advice and support to the Group.
10. At their meeting on 9 November 2018, the Task and Finish Group members discussed the opportunities available to improve access to SCDC contracts for local SMEs within the context of existing UK regulations. They agreed recommendations for a series of small, manageable changes that will improve the accessibility of council contracts to local SMEs. These are outlined below.

### **Recommendations**

#### Recommendation 1:

11. Review and simplify the tendering documentation for council contracts below the EU Procurement Thresholds (Supply, Services and Design Contracts £181,302, Works £4,551,413).
12. By ensuring that SCDC's guidance and forms are easy to read and understand, that requests for information are proportionate to the scale of contract being tendered, and by providing examples of good practice, SCDC should help SMEs to overcome the barriers caused by lack of time, resources and experience.
13. For contracts above the EU Procurement Thresholds, the council is required to use a standard form specified by Government. For contracts below the EU Procurement Thresholds there is greater flexibility to review and alter the paperwork issued to businesses. As such, the requirements and language contained in both the *Invitation to Tender* and *Part B Document* will be reviewed and, where appropriate, reduced, simplified or enhanced.
14. As a result of concerns around the insurance and indemnity levels required for Council contracts, EMT has requested that the provisions included in these contracts also be reviewed as part of this process.

Resources: Some Member and Procurement, Legal and Economic Development officers' time (within existing resources).

Timescale: Completed end of April 2019.

#### Recommendation 2:

15. Develop, promote and run a minimum of two procurement workshops for local SMEs during 2019.
16. Training in SCDC's procurement process and the completion of tender forms should help SMEs to overcome barriers around the experience and knowledge to compete for procurement opportunities identified in paragraph 7.
17. The procurement workshops will build on the SCDC procurement event that was held at the beginning of 2018. They will cover some of key areas that SMEs identify as a barrier to procurement, for example:

- How to demonstrate compliance;
  - How to market services or competence;
  - Understanding the tender process;
  - Completing tender documents;
  - Good practice in tender submissions; and
  - Meeting social value requirements.
18. An initial pilot workshop will take place in April 2019 with further workshops from April - December 2019. The workshops will be structured so as to achieve significant interaction between the attendees and the tutor. If there is significant demand, workshops will be repeated.
19. Discussions will take place with Cambridgeshire Chamber of Commerce and the FSB regarding the potential for partnering in the delivery of the workshops.
20. A variety of methods will be used to promote the workshops, including the council's business register, social media and partner agencies. The Task and Finish Group also identified two key communication tools to ensure that the opportunity reached as many local businesses as possible:
- The inclusion of a leaflet with the annual business rates bills.
  - Active promotion by Members within their local communities.

Resources: Procurement and Economic Development officers' and some Member time (within existing resources).

Timescale: Workshops held April 2019 – December 2019.

Recommendation 3:

21. Investigate how SCDC could increase awareness of contract opportunities locally whilst complying with the UK Regulations.
22. A key barrier to tendering for SMEs is not having access to information about what is being bought and when, meaning that they cannot participate or compete at the right times.
23. The Council's Constitution requires contracts above £25,000 (that are not subject to an exemption) to be advertised and competitively tendered. The Public Contract Regulations 2015 require that any contract that is advertised (above £25,000) should also be advertised through Contracts Finder, the Government's procurement portal. This means that all SCDC contracts over £25,000 will be visible to companies nationally.
24. Further investigation is required as to how all contract opportunities could potentially be promoted to SMEs locally whilst maintaining compliance.

Resources: Procurement and Economic Development officers' time (within existing resources).

Timescale: Completed end of April 2019.

Recommendation 4:

25. Review and update the council's procurement web pages to ensure that they are 'SME friendly'.
26. A key portal to council contracts for many local SMEs is SCDC's website. An important precursor therefore to the improvements to the tender documentation

issued as part of the tender process, is to review and update the information and advice provided on the council's website. This process will include looking at good practice from elsewhere.

Resources: Procurement and Economic Development officers' time (within existing resources).

Timescale: Completed end of April 2019.

Recommendation 5:

27. Work with the Sustainable Communities and Wellbeing team to develop a series of potential 'social value' examples.
28. Where appropriate, the council's Procurement Officer encourages officers to include social value criteria within their tendering process. Social value is the additional value created in the delivery of a service contract which has a wider community or public benefit. Examples include offering local apprenticeships or work placement opportunities, support for the voluntary sector and SME's and providing equipment for or involvement in community projects.
29. Experience suggests that many businesses do not have sufficient understanding of SCDC's 'social value' expectations in relation to the procurement process and the criteria is often poorly addressed or ignored in tender returns. However, the 'social value' criteria is a real opportunity for local companies to distinguish themselves from their national counterparts by showing the positive additional value that they could bring to local communities.
30. Improving the knowledge of local companies around 'social value' will be addressed through the provision of one or more workshops (depending on demand) during 2019. Discussion will be held with colleagues in the Sustainable Communities and Wellbeing team to develop a series of 'social value' examples that businesses attending the workshops could potentially use within future tender processes.

Resources: Procurement, Economic Development and Sustainable Communities and Wellbeing officers' time (within existing resources).

Timescale: Completed end of April 2019.

Recommendation 6:

31. Review the late payment of invoices with the South Cambridgeshire District Council's accountancy team.
32. The Council's performance target for payment of invoices within 30 days is 98.5. Over the last two years, the Council has met this target on only two occasions. Delayed payment can cause problems for businesses as it negatively impacts the amount of cash they have available to meet their immediate obligations. This can constrain the ability of a business to invest for future growth, and in the worst cases, it can force businesses to close. Small businesses are especially exposed to these problems when they do not receive payment on time.

Resources: Procurement and Finance officers' time (within existing resources).

Timescale: Completed end of April 2019.

Recommendation 7

33. Hold a Member Briefing on the changes that are being made to the council's procurement process.

34. South Cambridgeshire District Council members are a vital resource in communicating the positive changes that are being made to the council's procurement processes. At the briefing, members will be provided with information on the changes and they will be encouraged to pass these, and our positive, business friendly message, on to businesses in their wards.

Resources: Procurement and Economic Development officers' and some Member time (within existing resources).

Timescale: May 2019.

### **Implications**

35. 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***

36. Finance comments as follows: No need for additional budget to implement the recommendations has been identified at this stage. Improving the knowledge of local SMEs about the Council's procurement processes should increase competition and this may reduce subsequent contract costs.

#### ***Legal***

37. 3C Legal Services comments as follows: There do not appear to be any specific legal implications of adopting any one of the recommendations outlined in the report. Any revisions to documentation will need to be reviewed by 3C Legal Service to ensure they are legally compliant with the current procurement legislation and the Council's constitution.

#### ***Staffing***

38. Staffing requirements are included under each recommendation. They are unlikely to be significant.

#### ***Risk Management***

39. Compliance with UK Regulations will be carefully considered when implementing all of the recommendations.

#### ***Equality and Diversity***

40. There are no significant implications.

#### ***Climate Change***

41. Improving the access of local companies to local contracts should help to reduce the distance that resources will need to travel and therefore the carbon footprint of council contracts.

#### **Consultation responses**

42. None.

### **Effect on Corporate Priorities**

#### **Priority Area – Growing local businesses and economies**

43. The recommendations to improve the procurement process will help to reduce market failure from imbalances in information and experience and therefore support the focus of the Priority Area to "make it easy to do business in South Cambridgeshire."

**Priority Area – A modern and caring Council**

44. In encouraging local SMEs to tender for Council contracts, the recommendations support the focus of the Priority Area to “reduce costs and improve customer service” as with their lower cost base, SMEs can provide better value for money.

**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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# Agenda Item 9

**REPORT TO:** Cabinet

6 March 2019

**LEAD CABINET MEMBER** Leader of the Council

**LEAD OFFICER:** Joint Director of Planning and Economic Development

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## **Brexit Advisory Group – Priorities for action**

### **Purpose**

1. To request that Cabinet agree the priorities for action from the Brexit Advisory Group.
2. This is not a key decision because it outlines priorities for action. These priorities will be explored further and worked up into detailed actions.

### **Recommendations**

3. It is recommended that Cabinet:
  - (a) Approves the priorities for action agreed by the Brexit Advisory Group.
  - (b) Directs officers to develop the priorities into detailed actions to be agreed with the Leader of the Council and implemented during 2019 or to be incorporated into the Council's developing plan, as outlined in the Council's Business Plan, to support the South Cambridgeshire economy and local businesses.

### **Reasons for Recommendations**

4. To allow officers to develop actions to support South Cambridgeshire's small businesses during the UK's exit from the EU by developing a range of tools that will help including:
  - the provision of information and advice;
  - promotion of the district as a place to work and do business;
  - ensuring that South Cambridgeshire's economic needs are recognised and funded;
  - supporting our agricultural businesses; and
  - continuing to manage the impact of Brexit on the Council.

### **Background**

5. The Council Business Plan, approved at Full Council in February 2019 provides an explicit commitment to support business growth in the District through the development of a new plan to support the South Cambridgeshire economy and local businesses. This objective complements the earlier resolution of the Cabinet to establish the Brexit Advisory Group at its meeting held on 26 July 2018. The purpose of the Group is to review and report on the potential impacts of Brexit on South Cambridgeshire and to recommend actions to mitigate those impacts where relevant and appropriate.

6. The Terms of Reference of the Group (Appendix 1) were agreed by Cabinet on 3 October 2018. The remit of the Group is as follows.

The Group will seek to:

- Understand what Brexit would mean for the economies of Cambridge and South Cambridgeshire.
- Assess potential risks, challenges and opportunities for local businesses, key business sectors and the 'Cambridge' brand.
- Develop and recommend actions to address the risks to sustainable social and economic wellbeing identified by the Group.
- Identify the most effective methods of representing Cambridge and South Cambridgeshire's economic interests to the Combined Authority, UK Government and the EU during a Brexit process.
- Identify any other opportunities for ensuring that (a) the area's needs are reflected in developing local and national policy and (b) that local businesses benefit fully from any replacement funding schemes that the UK may develop/participate in post Brexit.
- Examine and make recommendations to plan and mitigate against the adverse affects of Brexit on South Cambridgeshire District Council and other local authorities in the Greater Cambridge area.
- Disseminate the outcomes of the Advisory Group to increase awareness and understanding.

7. The following members were nominated to serve on the Group:

South Cambridgeshire District Council

Councillor Geoff Harvey  
Councillor Bridget Smith  
Councillor Philip Allen  
Councillor Ruth Betson  
Councillor Martin Cahn  
Councillor Nigel Cathcart  
Councillor Sue Ellington  
Councillor Peter Fane  
Councillor Peter McDonald

Cambridge City Council

Councillor Rod Cantrill  
Councillor Martin Smart  
Councillor Anna Smith (replacing Councillor Lewis Herbert)

8. The Terms of Reference for Group provided the opportunity for substitutions and the co-option of non-members.
9. The first meeting of the Advisory Group was on 19 September. At this meeting the draft terms of reference were agreed.
10. A further three meetings were held between October and December 2018. They followed an agreed process whereby initial evidence gathering from businesses

would be developed into a series of priorities for action. These actions could then be developed alongside the aspirations of the Council to promote economic growth contained in the Leaders Statement to Council on 23 May 2018.

11. Each of the meetings is briefly summarised below.

24 October 2018

12. The second meeting was held jointly with a Federation of Small Businesses (FSB) #FSBConnect business networking meeting. In the first half of the meeting, the FSB and Cambridgeshire Chambers of Commerce presented feedback from their membership nationally on the potential impacts of EU exit and insight into what support businesses are likely to need during the Brexit process. In the second part of the meeting Councillors heard from individual local businesses on their perspectives, concerns and ideas. A summary of this workshop session can be found at Appendix 2.

28 November 2018

13. This meeting was focused on evidence gathering from representatives of some of Greater Cambridgeshire's key sectors; digital; life sciences and agriculture/food processing. CW (Cambridge Wireless) had surveyed their members prior to the meeting and Simon Mead and Bob Driver provided detailed feedback from digital businesses on areas including business confidence and investment, talent and retention and practical support. Tony Jones from One Nucleus told the group about the challenges that Life Sciences businesses face and the potential interventions that could help to support them. Hannah Padfield, representing the NFU, highlighted the additional uncertainties and complexities faced by agricultural and food processing businesses.

19 December

14. A facilitated workshop session was held with members to develop the evidence that they had heard from businesses into a number of priorities for action. The Group then classified them into key short, medium- and longer-term actions (see Appendix 3). Following the meeting, the priorities for action were worked up by officers and the chair of the Brexit Advisory Group into the four encompassing priorities outlined below.
15. There remains considerable uncertainty about the precise form of "Brexit" that may arise. However, many of the priorities for action apply whether there is a managed or "no deal" Brexit. Where this is not the case, a "no deal" Brexit scenario has been assumed. A number of the priority themes that emerged through the group's engagement echoed feedback from business groups to officers engaged in Economic Development related service delivery. If Brexit were not to take place, a number of the priorities would therefore remain relevant and, subject approval, officers would look to incorporate them into the emerging Economic Development Strategy.
16. A number of the priorities would also require South Cambridgeshire District Council to collaborate with external partners, including representative business agencies and public sector partners including Cambridge City Council and the Combined Authority. As part of the development of detailed actions, further discussions will need to take place with officers (and members) in partner agencies to understand the appetite and capability for joint working.

**Priorities for action**

## **Priority 1: Improving the flow of information and advice to business**

Suggested areas of activity:

- (a) Developing an online resource drawing together practical information, advice and events that are available from different sources nationally and internationally. Include in this information from the Council's business facing teams where EU exit will have identified impacts on local rules and regulations.
- (b) Providing information and signposting, online and via a Brexit event for EU workers based in South Cambridgeshire to help them to understand their status within the UK as it develops over time.
- (c) Provide internal training and advice to all Council services to improve their ability to engage with and support businesses
- (d) Working with local business support agencies such as Cambridgeshire Chambers of Commerce and the Federation of Small Business (FSB) to consider the best way to deliver information and advice on Brexit to businesses. Activities under consideration could include seminars, webinars, networking, training and drop-in access on specific topics or general advice.
- (e) Developing a plan to increase the number of businesses that South Cambridgeshire District Council has contact details for to maximise awareness of and engagement with the council's economic development, and by extension Brexit, services. Examples could include greater use of the business rates mail-out and website to capture business interest.
- (f) Investigating innovative on-going methods of communication with businesses to maximise information flows and the take-up of services. This would consider how individuals and businesses engage with information, potentially moving beyond our current bi-monthly newsletter to more instant, and therefore accessible, messaging for example through the use of texts, apps and social media to communicate with businesses.

### **Reasoning**

17. At the first evidence gathering Advisory Group meeting, a clear message from the FSB was that for small businesses, the provision of support to help them plan and adapt to regulatory change or disruption is of particular importance due to a lack of capacity and resource compared to their larger counterparts. For Cambridgeshire Chambers of Commerce the provision of certainty, precision and practical answers was key, with a role for local agencies in encouraging businesses to plan for Brexit, to engage with their suppliers and customers and, where possible, in the provision of local support and advocacy.
18. The emphasis on improving the flow of information and advice was reflected in the feedback from individual businesses during the business workshop where they indicated the following priority areas for business support:
  - Providing information: interpreting and disseminating the information provided by Government as Brexit evolves. Identifying the key areas that businesses need to address.

- Providing advice and support: to help businesses complete the forms required, particularly for importing and exporting, post Brexit.
- Making connections: supporting local businesses to generate new business and to establish new contracts.

19. Business support agencies such as the FSB and Chamber of Commerce have a wealth of expertise and a strong connection to their business membership. The district council can add value to their work, providing an additional trusted brand and widening their business reach. By partnering with these agencies to develop targeted Brexit related business support activities the council could provide local businesses with the help needed to navigate post Brexit uncertainty. In order to maximise the impact of this support, there is a need for the district council to further refine its existing communications activities.

**Priority 2: Establish Greater Cambridge internationally as a great place to work and do business.**

Suggested areas of activity:

- (a) Engage with business representatives in the city's key sectors and local government partners to understand the role that local government could have in enhancing and reinforcing the internationally recognisable story/profile of the area to help to attract foreign direct investment.
- (b) Working with partners to promote Greater Cambridge as an area that welcomes diversity and new migrants to spread a positive message about the area. By making existing migrants feel welcome and valued it is hoped that that existing workers and students would be more likely to stay and new workers would be drawn to come to the area.
- (c) Work with Department for International Trade (DIT) and local government partners to support local businesses to export and to collaborate within and outside the EU post Brexit.

**Reasoning**

20. Insightful discussions on the role of local government in strengthening the narrative around inward investment followed the presentations at the sector based evidence gathering session. There was general agreement that this role should address gaps in provision rather than duplicating the promotional work that is already taking place by business and the CPCA. In particular, there is a need to embed a strong message of Greater Cambridge's capability to support growth and investment and reinforce its status as an internationally important hub of innovative businesses with a supply of highly skilled labour and an attractive cultural and natural environment.

21. Strong views were expressed by some businesses regarding the availability of lower skilled workers following Brexit. The tight local labour market combined with a lack of 'affordable' housing for rent and for sale means that lower paid jobs, for example in the catering or care sectors, are not being sought by 'local people'. Equally the representatives of our key business sectors highlighted that the recruitment and retention of skilled, operational labour is already an area of concern for their membership. By working with the local community, businesses and partners to promote the message that Greater Cambridge is open, attractive and inclusive it is hoped that we can help to retain and build a sustainable skilled local workforce.

22. One of the main impacts of Brexit will be on the ability of businesses to trade in the EU and beyond. With a no deal Brexit, it is likely that general support will be required to help businesses to develop links internationally and more specific support to help them to complete appropriate paperwork.

**Priority 3: Ensuring that the importance of Greater Cambridge to the national economy is recognised and that its funding needs are addressed**

- (a) Engage with CPCA and Government and work with partners to understand and influence plans for the new funding regimes that will replace existing EU funding, for example, LEADER, ERDF, ESF and Horizon 2020.
- (b) Support the delivery of the GCP investment programme to improve infrastructure and the attractiveness of Greater Cambridge
- (c) Work with CPCA to ensure that the areas needs and opportunities are recognised in the Combined Authority's emerging strategies so that funding bids to support businesses in the area, for example, to the proposed Shared Prosperity Fund, have the opportunity to be successful.
- (d) Where there are opportunities for cross border partnerships and projects, either as existing programmes such as Interreg are maintained or new programmes are developed, consider opportunities to work together with other areas in the EU and beyond to learn from their work, to address common issues and to promote exchange, collaboration and innovation.

**Reasoning**

23. Whilst South Cambridgeshire District Council itself has not had extensive experience of bidding for EU funding, businesses in the area have benefited from the EU funded programmes and projects delivered by other agencies, for example the Greensands Ridge LEADER programme and the recently delivered NWES business support workshops and drop-ins. It is unclear currently to what extent national funding will replace EU funding and whether their geographic and topic focus will be similar to those they will replace. It is important the South Cambridgeshire puts itself in the best position to influence the direction of spend by, for example, emphasising the importance of Greater Cambridge to the national economy or partnering with other areas on transnational projects.

**Priority 4: Supporting agricultural businesses**

Ensure that services within the Council understand and are aligned to the evolving challenges facing the farming community as a result of the Agricultural Bill. Provide briefings to services and continued engagement with the NFU so that they can support the local agricultural community to adapt to a post Brexit Agricultural Policy

**Reasoning**

24. The Agricultural Bill is a high level legal framework allowing the UK to leave the Common Agricultural Policy (CAP) and establish a new domestic agricultural policy. Amongst other things it includes new financial assistance powers provided for purposes of environmental land management e.g. air, water, soil, habitats and biodiversity, flood management and public access. The resulting Act is likely to instigate a major change in focus for the farming community. Given this and the significant impact a no deal Brexit will have on the farming community, it is important

that the council monitors developments and works with organisations such as the NFU to understand where its activities can support affected businesses.

#### **Priority 5: (continue to) Manage Brexit Impact upon Council**

The Executive Management Team will keep under review the implications of Brexit on the Council's continued ability to offer services to its community and, where appropriate, contingency planning will take place to mitigate risks. The Council's risk register will be updated to reflect this and the risks will be kept under review once clarity on the deal is available.

#### **Reasoning**

25. It is the Council's responsibility to monitor, assess and, where appropriate, contingency plan for the potential impact of the UK's EU exit on the needs of the local population and the services that the council provides. Areas under consideration include border arrangements at the airports located in the area and food health planning and stockpiling. Emergency planning officers across public sector agencies are regularly meeting and the multi agency working at a county level is being fed into the Ministry for Housing, Communities and Local Government at a national level.

#### **Implications**

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

#### ***Financial***

27. The existing Economic Development service within the Council comprises 1.5 FTE equivalent and a budget of £35,000. As part of the Council's commitment to supporting business growth in the District, £250,000 has been set aside for Economic Development activities and is included in the budget elsewhere on the agenda, including supporting the Council's response to Brexit during 2019/20. As appropriate, some of this budget will be available to implement actions arising from the above priorities. The Council will also be looking for potential alternative sources of funding from the private and public sectors.

#### ***Legal***

28. 3C Legal Services have been consulted in the preparation of this report.

#### ***Staffing***

29. The Economic Development resource at the Council currently comprises 1.5 FTE. Delivery of the recommendations will give rise to staffing and resource implications. An allocation of £250K has been made in the 2019/20 budget year to support economic development. The priorities from the Brexit Advisory Group will inform the developing Economic Development strategy delivery of which will draw upon that allocation. Further details and costing will accompany the action plan detailed above.

#### ***Risk Management***

30. The disruption caused by EU Exit will have the potential to impact negatively on the Council's income from business rates. The proposed priorities for actions will help to mitigate these impacts by helping enterprises to navigate EU exit; to take positive steps to develop their business model and more generally to promote South Cambridgeshire to businesses and workers.

### ***Equality and Diversity***

31. Individual EqlAs will be completed once the individual priorities for actions are developed into firmer detailed actions.

### **Consultation responses**

32. Feedback from consultation with businesses can be found in appendices 3 and 4.

### **Effect on Corporate Priority Areas**

#### **Priority area – Growing local businesses and economies**

33. The priorities for action contained in the report are the key means by which South Cambridgeshire District Council can support local businesses and economies to survive and grow during the Brexit process. In particular, the priorities for action support the two areas of focus: making it easy to do business in South Cambridgeshire (priorities 1 and 4); and promoting the area for visitors and investment (priorities 2 and 3).

#### **Priority area – A modern and caring council**

34. We will also support the focus on reducing costs and improving customer service by improving how we engage with businesses (priority 1) and managing the risks to the council of a “no deal” Brexit (priority 5).

### **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.

SCDC Business Plan adopted February 2019

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## **Appendix 1: Brexit Advisory Group Terms of Reference**

### **Terms of Reference**

The decision to establish a Brexit Advisory Group was taken at South Cambridgeshire District Council's Cabinet meeting on 26<sup>th</sup> July 2018. Cambridge City Council passed a motion in support of its involvement in the Group on 19<sup>th</sup> July 2018.

### **Remit**

The group will seek to:

- Understand what Brexit would mean for the economies of Cambridge and South Cambridgeshire.
- Assess potential risks, challenges and opportunities for local businesses, key business sectors and the 'Cambridge' brand.
- Develop and recommend actions to address the risks to sustainable social and economic wellbeing identified by the Group.
- Identify the most effective methods of representing Cambridge and South Cambridgeshire's economic interests to the Combined Authority, UK Government and the EU during a Brexit process.
- Identify any other opportunities for ensuring that (a) the area's needs are reflected in developing local and national policy and (b) that local businesses benefit fully from any replacement funding schemes that the UK may develop/participate in post Brexit.
- Examine and make recommendations to plan and mitigate against the adverse affects of Brexit on South Cambridgeshire District Council and other local authorities in the Greater Cambridge area.
- Disseminate the outcomes of the Advisory Group to increase awareness and understanding.

### **Membership**

The advisory group will comprise:

- Nine South Cambridgeshire Members (five Liberal Democrats; two Conservative and one Labour or Independent Member, together with the Leader of the Council).
- Three co-opted Members from Cambridge City Council.

Officers from the Planning team as appropriate – the Head of Planning and Economic Development, Strategy and Economy Manager and Economic Development Officer will be in attendance to advise the group.

The Executive may co-opt non-members of the Council on the recommendation of the Advisory Group.

Any Member who is unable to attend a particular meeting may appoint a substitute from the same political group. Substitutions must be notified to Democratic Services before the meeting starts.

The Advisory Group will elect a Chairman and optionally, Vice-Chairman at the first meeting.

### **Attendance at meetings**

All members of the Council may attend and (with the agreement of the Chairman) speak at Advisory Group meetings. The Chairman may invite any other person or body to attend a meeting of the group to inform discussion on any matter within its terms of reference.

Specialists and representatives from local business will be invited to attend specific meetings to provide information on the potential implications of Brexit.

Meetings of the Advisory Group will not be open to members of the public.

### **Timescale**

The Advisory Group will be time limited with meetings taking place during October/November/December 2018 to allow recommendations from the group to feed into the Councils' budget planning processes.

It is expected that there will be four meetings in total, each lasting for approximately 2 hours 30 mins. Additional meetings may be convened within the existing timescale, with the agreement of the Chairman, to facilitate completion of the work of the Advisory Group.

The continuation of the Group and its remit beyond the December timescale may be approved by Cabinet on the recommendation of the Chairman of the Advisory Group.

### **Authority and Purpose**

The Group's purpose is to advise without any decision making powers. Any recommendations arising from the work of the Group will be referred by report to the Leader and Cabinet (South Cambridgeshire) and to their appropriate equivalents (Cambridge) on the issues that would be presented by Brexit and to make recommendations on any actions the councils can take to mitigate the impacts, such as lobbying or undertaking local projects.

### **Administration**

The Group will be administered by the Greater Cambridge Shared Planning Service. Secretariat support will be provided by Democratic Services at South Cambridgeshire.

Notes of the meeting will be produced and sent to all members of the Advisory Group.

## **Appendix 2: 24 October Workshop Session summary of feedback**

### General

There was a mix of views on the potential impact of Brexit from the businesses that attended the workshop. Some were very concerned whilst others, who perhaps were less internationally focused, considered that it would not have a significant effect.

Below is a summary of the issues that were raised and potential solutions.

### Workforce

A significant issue highlighted by the businesses was the availability of lower skilled workers following Brexit. The tight local labour market combined with a lack of 'affordable' housing for rent and for sale means that lower skilled jobs, for example in the catering or care sectors, are not being sought by 'local people'. It appears that restrictions on access to the UK following Brexit are likely to exacerbate this issue.

### Business models

A number of businesses had already changed their business models due to changes in their markets and concerns over the availability of stock following Brexit.

However, several did not feel that there would be an impact on the demand for their products as, for example, they supplied to or bought from businesses outside the UK or their goods were high value added.

The overriding need to build resilience by developing good relationships with suppliers and buyers was highlighted by one table.

### Uncertainty

A common theme across the tables was the impact on business of the uncertainty around what Brexit will look like. Difficulties included:

- The inability to make projections and plan;
- Postponement of decision making until things become clearer;
- Paralysis until funding decisions are made;
- Businesses' customers are more reticent to buy;
- New businesses might be put off doing business.

One business suggested that if there is a Brexit deal, there will be little immediate impact, whereas a 'no deal' Brexit is likely to cause chaos.

### Importing/Exporting

The concerns of the businesses that imported or exported goods and services from the EU were around the uncertainty, complexity and costs of trading with EU countries after Brexit.

Regulatory differences were particularly highlighted as an area of concern. There was a desire for an even playing field with no change in standards but a concern that the UK would no longer have a seat at the EU table when regulations are agreed.

### Opportunities

A number of opportunities were identified by attendees.

It was suggested that small businesses should be able to react more quickly to the changing environment and that some would be able to take advantage of any restrictions in supply. The potential to innovate to address any developing gaps in the market or in their own supply chain was highlighted.

The further devaluation of the pound was seen as a potential opportunity for exporters as was the chance to upskill the local population (but this will take time);

#### The role of the council

Feedback suggested that the councils could have a particular role in helping to develop the workforce and the skills needed by local businesses through:

- Setting an example and leading the way;
- Encouraging students and parents to value apprenticeships;
- Setting up 'Alternative' twinning arrangement with other high skilled areas such as India and other Commonwealth countries;
- Working with local schools.

They could also impact on the availability of labour through ensuring that there is a sufficient supply of affordable housing or by considering other options such as council tax holidays.

#### Potential business support opportunities

A range of options for supporting businesses locally were identified across the tables. They included the following roles:

- Providing information: interpreting and disseminating the information provided by Government as Brexit evolves. Identifying the key areas that businesses need to address.
- Providing advice and support: to help businesses complete the forms required post Brexit.
- Making connections: supporting local businesses to generate new business and to establish new contracts.

#### Other feedback via email:

Email 1: Concern that Brexit will not be completely implemented to reflect the "will of the people". "The 5th biggest economy in the world free at last to make its own decisions! How can that be anything other than an amazingly exciting opportunity?". "I don't know why you are wasting tax payers money on this – Brexit will put the Great back in Britain!"

Email 2: The councils do not need to get involved with local business and should instead concentrate on good government. The economy is doing well therefore whatever we are doing it's about right and we should continue it. That's not to say that everything is perfect but small adjustments are what is required rather than big changes.

## Appendix 3: Workshop

### Group 1

Immediate priorities	Longer term priorities
Labelling problems (Agriculture/Provision of Information)	Pressure to accept any proposed development (Life Sciences/Digital/Planning)
Fast track temporary approvals? (Agriculture/Planning)	Cambridge Roadshow? Need to boost international profile (Digital/Business support)
Camb Chamber links (SMEs/Provision of Information)	Signpost role – visa problems for education staff/students (Other/Labour Supply)
Webinar information (SMEs/Business Support)	Replace ERDF Funding. Act as lobby 'buddy' (SMEs)
Government license information (SMEs/Exporting & Importing)	
Sudden increase in homelessness and universal credit claims? (Other/Planning)	
Connecting with Cambridgeshire Chambers of Commerce, FSB and others (SMEs)	

### Group 2

Immediate priorities	Medium term priorities	Longer term priorities
Positive messages for workers (Life Sciences/Digital/Labour Supply)	Space for start-ups (Digital/Land & Premises)	Prompt (Life Sciences/Digital/Planning)
Existing support network (Agriculture/Labour Supply)	Brexit Survivors Group – topic specific, business association (Other/Provision of Information)	Twinning with EU and non EU partners (Other/Labour Supply)
Helping migrant workers feel valued. The specific Cambridge (and Uni) approach to migrants (Agriculture/Manufacturing/Labour Supply)	Housing – buy up (Other/Land & Premises)	Attractive environment for staff in international business to relocate (Other/Planning)
Open for business messages (Life Sciences/Digital/Business Support)	Offer training with partners (Other)	Promoting Camb lifestyle benefits at international events/conventions ("Green living") (Digital/Attracting Investment)
Drop in centre for Brexit advice (SMEs/Provision of Information)	Planning for Council implementation. CE level with central government. (Other/Planning)	Inward Investment Officer (Other/Attracting Investment)
No deal audits (Other/Provision of Information)	Start-up Hub using spare desk areas and free wifi. (SMEs/Business Support)	Interreg & twinning (with Heidelberg) (Other/Attracting Investment)
Online advice and support (Other/Provision of Information)	Support for business: (1) Business Planning, (2) Training, (3) Grants and support (Other/Business)	Promoting inward investment and foreign direct investment (Other/Attracting Investment)

	Support)	Investment)
Hot desking or drop in advice sessions – topics e.g. importing, funding etc. (Other/Provision of Information)	Brexit Survival/Survivors Group (Other/Business Support)	Local food fairs – aim to stimulate local procurement (Other/Procurement)
MTFS – prepare for rate loss (Other)	Marketing Greater Cambs. Role for CA, also Cambs Ahead. What of 2 local authorities? (Other/Exporting)	
Advice and mentoring (Other Business Support)	Replacing European Funding (ensuring Cambridge gets its share!) (Digital/Agriculture/Other)	
Making connections – self help forum (Other/Business Support)	Start-up hubs (SMEs/Infrastructure & Connectivity)	
Agriculture – Principally livestock affected (tariffs) and food and vegetables. Food processing – more jobs, more EU higher tariff levels (Agriculture)	Supply chain events – local procurement (Other/Procurement)	
Open for business – facilitating (Life Sciences/Digital/Attracting Investment)		
Facilitated networking (Life Sciences/Digital/Infrastructure & Connectivity)		
Offsetting local of business rates if employers move to EU (response to no deal) (Other/Other)		

\* The information in brackets refers to the categories that each action was put in (within a matrix table) during the workshop

# Agenda Item 10



**REPORT TO:** Cabinet

6 March 2019

**LEAD CABINET:** Deputy Leader  
**MEMBER:**

**LEAD OFFICER:** Joint Director Planning and Economic Development

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## **East-West Rail Bedford to Cambridge consultation response**

### **Purpose**

1. The purpose of this report is to seek agreement for the Council's response to the current East-West Rail Bedford to Cambridge consultation.
2. This is not a key decision.
3. The consultation is running between 28<sup>th</sup> January 2019 and 11<sup>th</sup> March 2019. Five routes are being consulted upon, with a preferred route due to be announced before the 2019 parliamentary summer recess.

### **Recommendations**

4. It is recommended that Cabinet approves the draft response to the East-West Rail Bedford to Cambridge consultation at Appendix 1 on behalf of South Cambridgeshire District Council.

### **Reasons for Recommendations**

5. To respond to the current East-West Rail Bedford to Cambridge consultation, having regard to the implications for South Cambridgeshire of the railway route options, taking into account the limited information currently available.

### **Executive Summary**

6. The East West Rail Bedford to Cambridge route options consultation is being held between 28<sup>th</sup> January and 11<sup>th</sup> March 2019. Five routes are being consulted upon (see Appendix 3), which for South Cambridgeshire all include a proposed station either around Cambourne or at Bassingbourn barracks. The consultation identifies the potential for significant housing delivery around whichever station is selected. A preferred route is due to be announced before the 2019 parliamentary summer recess, ahead of work on a more detailed route alignment.
7. There is significant uncertainty about the potential scale of growth envisaged to be unlocked by/support the railway, and there is also a need for further integration of spatial planning and environmental considerations with this infrastructure project.
8. Based upon a high level comparative assessment at Appendix 2, and acknowledging the limited information available and need to consider issues raised in greater depth, the draft Council response to consultation at Appendix 1 identifies the benefits of

route options including a station around Cambourne (B and E) as being preferable to routes including Bassingbourn barracks. The response supports the approach of all routes accessing Cambridge via the south, but highlights the importance of delivering Cambridge South station as a separate but complementary project; it also requires further detail to understand potential community and environmental impacts more fully.

## **Background**

9. The East West Rail Bedford to Cambridge route options consultation is being held between 28<sup>th</sup> January and 11<sup>th</sup> March 2019. Five routes between Bedford and Cambridge are being consulted upon (see Appendix 3), with a preferred route due to be announced before the 2019 parliamentary summer recess.
10. The Bedford to Cambridge section forms part of the wider Oxford to Cambridge East West Rail project, which itself sits within Government's wider ambitions for the Oxford to Cambridge Arc, building on proposals from the National Infrastructure Commission in its Partnering for Prosperity November 2017 report. The project is being led by the East West Rail Company (EWR Co.), which was set up in 2017 by Government.
11. The current route options consultation follows the announcement of Bedford-Sandy-Cambridge as the preferred broad corridor; beyond selection of a preferred route drawing on this current consultation, there will be further consideration and consultation relating to the detailed alignment ahead of a formal Development Consent Order process intended for completion in 2023. EWR Co. aims to open the line by the mid-2020s.
12. Key features of interest of the route options for South Cambridgeshire residents include:
  - Within South Cambridgeshire, all five options include a proposed station either around Cambourne (route options B and E) or at Bassingbourn barracks (route options A, C and D), and the consultation document identifies the potential for significant housing and employment growth around whichever station is selected;
  - Outside South Cambridgeshire, all five options include the potential for growth close to the boundary of South Cambridgeshire either around Sandy, north of Sandy, close to Tempsford and/or south of St Neots. Route options B and E (growth at Tempsford area/south of St Neots) seem to offer potential for the most significant amount of growth;
  - All five options propose connecting to the West Anglia Main Line to the south of Cambridge slightly north or south of Great Shelford, in order to connect to the proposed Cambridge South station (which is not proposed to form part of the Bedford-Cambridge project), and on to Cambridge station.
13. EWR Co. is seeking feedback on three key issues:
  - challenges and opportunities relating to the route options
  - whether EWR Co. is right to focus on route options that approach Cambridge from the south
  - the overall approach EWR Co. has taken to developing route options.Further details of the background to consultation, route options and supporting evidence are contained in the consultation documents identified in the background papers below.

14. In considering its response to the current consultation, members and officers have been in discussion with neighbouring authorities to understand whether there is consensus on a single preferred option at this stage. South Cambridgeshire District Council officers have also heard feedback from affected parishes at parish events organised by EWR Co. (due to the timing of these events, headlines from these are not included in this report, and will be shared verbally with Cabinet).
15. In parallel to the appended South Cambridgeshire consultation response, a shared response letter will be sent on behalf of Cambridge City Council, South Cambridgeshire District Council, Huntingdonshire District Council, and Bedford Borough Council. This letter will be signed on behalf of South Cambridgeshire District Council by the Leader.

## **Considerations**

16. A number of key considerations affect the Council's response to this consultation:

### Support for the principle of East West Rail

17. Full Council in September 2018 agreed its support for the principle of the central section of the East West Rail line, on the basis that it has the potential to be transformational for the regional economy, allowing sustained growth and geographical expansion of our high value industries such as life sciences, IT and digital.
18. Further to this, the motion agreed by the Council included the following points:
  - selection of route options must take account of analysis of how they support and unlock housing and employment growth and how they fit with our existing development strategies.
  - investment on this scale carries enormous risks in its impacts on the environment while also presenting us with an unprecedented opportunity to make positive contributions to the net biodiversity and natural capital gain of the areas affected. This Council therefore commits itself to promoting environmental enhancement of benefits along the corridor and asks that this is included in the route evaluation criteria.
  - East West Rail and the growth of the corridor more generally will bring significant change to existing communities. The Council will work closely with those affected from the earliest stages of the project and will ensure that the delivery bodies do likewise.
  - This Council will continue to collaborate with the East West Railway Company on the route options and on analysing their benefits and impacts.
  - This Council will coordinate its work with all the local partners as well as the East West Rail Consortium, of which the Council is a long-standing member.
19. Discussion below, and the draft response at Appendix 1, are shaped by the principles set out above.

### Purpose and role of East West Rail Central section

20. The purpose of the East West Rail Central Section (Bedford to Cambridge) is defined in its revised strategic objectives (derived from Government's aims for the Cambridge

to Oxford corridor, following the Partnering for Prosperity report)<sup>1</sup>. The headline features of these objectives include:

- “Improve east-west public transport connectivity by providing rail links between key urban areas (current and anticipated) in the Oxford-Cambridge Arc;
- “Stimulate economic growth, housing and employment through the provision of new, reliable and attractive inter-urban passenger train services in the Oxford-Cambridge Arc”.

The Technical Report explains that the “strategic objectives have underpinned the development of route options that prioritise serving locations that could support growth and new homes over fast end-to-end journey times, while still resulting in significantly faster journey times than would otherwise be available (e.g. connections via London)”<sup>2</sup>.

21. These objectives and the accompanying explanation are instructive in understanding what the railway will mean for South Cambridgeshire:
- First, the railway is intended to serve journeys between larger urban areas; not to facilitate short distance commuting from or between villages and into Cambridge;
  - Second, the purpose of and business case for the railway is to facilitate housing and employment growth, with the implication of locating a station on the rail line being to locate growth around it. Uncertainties regarding the potential scale of growth are discussed below, but it is clear that the selection of a preferred route will significantly influence future Greater Cambridge development strategy, and depending on timetable, may impact the forthcoming joint Local Plan.

#### Uncertainty regarding the growth implications of consultation

22. Given the centrality of housing and jobs growth to the railway’s purpose identified above, this consultation is very broad in its description of the scale of growth envisaged around the potential station locations: growth opportunities at Bassingbourn barracks are described as ‘significant additional housing’ or for around Cambourne: ‘further development’. More detailed analysis of capacity is referenced in the consultation Technical Report, but the economic/business case justification for specific housing outputs is not made clear for these locations.
23. Notwithstanding the above, other information suggests that very significant growth would be required to support the business case for the railway; growth that would in great part be focused around station locations. Related evidence provides varying estimates or assumptions of growth levels: the consultation Technical Report cites one assumption in relation to the economic benefits of the whole scheme of some 150,000 *additional* (i.e. not those included in current local plans) homes across the five authorities through which the Central Section might pass<sup>3</sup>; equally, different reports supporting the Partnering for Prosperity report assumed growth at Bassingbourn barracks of 43,000 households<sup>4</sup>, and ~31,000 people<sup>5</sup> (roughly

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<sup>1</sup> East West Rail Bedford to Cambridge Route Option Consultation Technical Report (EWR Technical Report), 2.8

<sup>2</sup> EWR Technical Report, 2.9

<sup>3</sup> EWR Technical Report, A.21

<sup>4</sup> Steer Davies Gleave, November 2017. Oxford, Milton Keynes, Cambridge Northampton Growth Corridor National Infrastructure Commission Transport Infrastructure Assessment: Final Report, Table 3.3

equivalent to 12,000 homes- roughly the current size of St Neots) respectively. Whatever the exact numbers, the implication of a new station at either Bassingbourn barracks or around Cambourne seems to be that the selected location would be expected to see growth to become at least around as large as St Neots is currently.

24. Given that the consultation does not make clear what scale of growth would be needed to support one or another route, it is not currently possible to say whether such growth could be physically accommodated, or whether it would be environmentally or socially acceptable. The Technical Report makes clear that the route options have not at this stage been subject to Environmental Impact Assessment<sup>6</sup> (due to be completed when the project reaches the stage of identifying a detailed alignment). Instead, the route options have been developed and appraised using high level assessment criteria, based upon the strategic objectives referred to above.
25. Based upon the above discussion, given the potentially significant growth implications for Cambourne area or Bassingbourn barracks arising from the selection of a preferred station location, together with the very limited information available on the scale of growth, environmental impact and delivery expectations, it is recommended that the Council's response at this stage suggesting a preference for a specific route option should be heavily caveated in relation to requiring further information.

#### Need for wider and more in-depth consideration of issues via the Local Plan

26. Further to the abovementioned uncertainties in the consultation regarding the potential scales of growth envisaged to support the railway, it is considered that in principle, large-scale transport infrastructure projects should respond to spatial planning strategies that integrate consideration of economic, social and environmental issues.
27. At a local level, such work will be undertaken via the forthcoming Joint Greater Cambridge Local Plan. This document will set a spatial strategy based upon detailed evidence and, following legal requirements, considering all reasonable options. Ahead of this, any response that the Council makes suggesting a preference for a specific route option can only be partial, based on a limited consideration of issues. The Council's response at this time does not therefore prejudice full consideration of strategy options at a later point, based upon more detailed information. The proposed response at Appendix 1 notes this limitation.

#### Headline comparison of route options

28. A high-level summary comparison of route options as they apply to South Cambridgeshire (ie routes including a station either around Cambourne or at Bassingbourn barracks) is contained at Appendix 2. This draws upon the consultation Technical Report and other existing information, together with officer views. No planning assessment of development potential at Bassingbourn barracks or land around Cambourne has been undertaken to support this consultation response, noting the abovementioned lack of certainty regarding scale of development envisaged, and that such an assessment will be a matter for the Greater Cambridge Local Plan process.

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<sup>5</sup> 5<sup>th</sup> Studio/SQW, Nov 17. NIC Cambridge, Milton Keynes and Oxford Future Planning Options Project, p80

<sup>6</sup> EWR Technical Report, 1.9

29. Given the limitations of information available, the comparison does not lead to a definitive conclusion. Some of the comparators do not suggest much difference between the routes (e.g. transport user benefits), and in others it is not possible to make meaningful comparison (e.g. in terms of historic site assessments, no large scale proposals have previously been made for land at Bassingbourn barracks).
30. Notwithstanding the above limitations, routes via Bassingbourn cost less (although see below regarding the need for additional infrastructure), have greater potential headline environmental impacts, would form a new growth location in relation to previous strategy, and might require greater infrastructure provision given that this area has not previously been a location for large-scale growth. Routes via Cambourne cost more, have fewer headline environmental impacts, would build on existing growth locations in the current strategy, and could make best use of existing and proposed infrastructure. Based upon this comparison, subject to the above uncertainties and need for further consideration, route options going close to Cambourne could be considered preferable. The arguments supporting this limited conclusion are set out in the draft response at Appendix 1.

### **Structure and content of the response to consultation**

31. Beyond the above discussion, the draft response to consultation at Appendix 1 sets out the reasoning and justification for its conclusions. The response is structured as follows, answering the consultation's key questions identified above:
- Expression of the Council's in principle support for the railway
  - *Overall approach taken to developing route options*
    - Notes the uncertainty regarding growth levels, and caveats the Council's response regarding route preferences as being subject to requiring further information;
    - Identifies the need to more fully consider transport, planning and environment issues in an integrated way via the regional Oxford Cambridge Arc project and through the Local Plan;
  - *Challenges and opportunities relating to the route options*
    - Subject to the above uncertainties and need for further work, identifies in-principle opportunities of route options going close to Cambourne (B and E);
  - *Focus on route options that approach Cambridge from the south*
    - Supports the approach of all routes via the south of Cambridge, but highlights the importance of delivering Cambridge South station as a separate but complementary project; requires further detail to understand potential impacts more fully;
  - Requests closer working with EWR Co. as the railway project progresses.

### **Options**

32. Members may decide to:
- Approve, without amendment, the proposed response by South Cambridgeshire to the East-West Rail Bedford to Cambridge consultation;

- Approve, with amendments, the proposed response by South Cambridgeshire to the East-West Rail Bedford to Cambridge consultation;
- Not approve the proposed response by South Cambridgeshire to the East-West Rail Bedford to Cambridge consultation.

## **Implications**

33. 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:

### ***Legal***

34. Consultation with 3C Legal team was undertaken to confirm whether the Council's suggesting a preference for any particular one of the route options would in any way prejudice the legal requirement to assess all reasonable strategy options as part of the forthcoming Joint Greater Cambridge Local Plan process. This risk is considered limited, given that the choice of route is not for the Council to make. The mitigation response to this is to caveat the Council's response, noting that it is based upon the limited information currently available, and highlighting that the Local Plan process will include full consideration of all reasonable options.

### ***Financial***

35. The East West rail project, if advanced through a Development Consent Order process, will have potentially significant resource impacts as the Council seeks to participate and shape the outcomes for its residents in the design phase and the lead up to the inquiry. At this stage, the response and engagement with EWR Co. can however be made from existing resources.

### ***Other***

36. In the absence of specific details on each route and given the high level nature of the proposals before the authority, the implications for the Councils' carbon commitments, climate change, community safety, equalities and wider impacts cannot be easily quantified.

## **Effect on Corporate Priority Areas**

### **Building homes that are affordable to live in**

37. Whichever route is selected, it is assumed that substantial additional jobs and homes could be expected to be delivered in the vicinity of a station in South Cambridgeshire. Greater Cambridge Local Plan policies, supported by the Greater Cambridge Housing Strategy, will require a wide range of new homes including a proportion that would need to be affordable. The consultation does not make clear whether one or other route option provides greater or lesser opportunity for providing affordable housing.

### **Helping business to grow**

38. Significant investment in national strategic rail infrastructure could be expected to engender a positive environment along the corridor for further economic growth. Large scale growth in the district would create jobs to serve new populations, and could support the expansion or creation of new businesses aligned to the faster/easier access along the Cambridge to Oxford corridor.

### **Being green to our core**

39. A new rail line would in principle enable more people to travel using transport other than the private car. Equally though, this new connection is predicated on significant housing growth, and would be likely to encourage more and longer distance

commuting: the Technical Report estimates that the total number of return trips each year between Cambridge and Oxford (in both directions) would increase from around 18,000 to around 50,000 over the 20 year period to 2038/39<sup>7</sup>. In addition, the construction of the line would carry with it a significant amount of embedded carbon emissions which may be hard to offset.

### Background Papers

East West Rail Company consultation web-page ( <a href="https://eastwestrail.co.uk/haveyoursay">https://eastwestrail.co.uk/haveyoursay</a> ), including:	
• Consultation document:	<a href="https://eastwestrail-production.s3.eu-west-2.amazonaws.com/public/Central-Section-Consultation/fe0f74c338/EWR-Consultation-Document.pdf">https://eastwestrail-production.s3.eu-west-2.amazonaws.com/public/Central-Section-Consultation/fe0f74c338/EWR-Consultation-Document.pdf</a>
• Technical Report:	<a href="https://eastwestrail-production.s3.eu-west-2.amazonaws.com/public/Central-Section-Consultation/db652106d4/EWR-Technical-Report.pdf">https://eastwestrail-production.s3.eu-west-2.amazonaws.com/public/Central-Section-Consultation/db652106d4/EWR-Technical-Report.pdf</a>
National Infrastructure Commission, November 2017. Partnering for Prosperity: A new deal for the Cambridge-Milton Keynes-Oxford Arc	<a href="https://www.nic.org.uk/wp-content/uploads/Partnering-for-Prosperity.pdf">https://www.nic.org.uk/wp-content/uploads/Partnering-for-Prosperity.pdf</a>
Steer Davies Gleave, November 2017. Oxford, Milton Keynes, Cambridge Northampton Growth Corridor National Infrastructure Commission Transport Infrastructure Assessment: Final Report	<a href="https://www.nic.org.uk/wp-content/uploads/First-Last-mile-Strategy-Assessment-Reports-Transport-infrastructure-Assessment-First-Last-mile-Strategy-Assessment-Report-SDG-2017.pdf">https://www.nic.org.uk/wp-content/uploads/First-Last-mile-Strategy-Assessment-Reports-Transport-infrastructure-Assessment-First-Last-mile-Strategy-Assessment-Report-SDG-2017.pdf</a>
5 <sup>th</sup> Studio/SQW, Nov 17. NIC Cambridge, Milton Keynes and Oxford Future Planning Options Project	<a href="https://www.nic.org.uk/wp-content/uploads/171122-NIC-Final-Report-5th-Studio-optimised.pdf">https://www.nic.org.uk/wp-content/uploads/171122-NIC-Final-Report-5th-Studio-optimised.pdf</a>
Minutes of Full Council including motion relating to East West Rail	<a href="http://scamb.southcambs.gov.uk/ieListDocuments.aspx?CId=410&amp;MId=7251">http://scamb.southcambs.gov.uk/ieListDocuments.aspx?CId=410&amp;MId=7251</a>

### Appendices

Appendix 1 Draft response to the East-West Rail Bedford to Cambridge consultation on behalf of South Cambridgeshire District Council

Appendix 2 Headline comparison of route options, focusing on South Cambridgeshire-specific impacts

Appendix 3 Route options map

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<sup>7</sup> EWR Technical Report, 4.11

# **Appendix 1: Draft South Cambridgeshire District Council response to the East-West Rail Bedford to Cambridge consultation**

## **1. Introduction**

As agreed by Full Council in September 2018, South Cambridgeshire District Council supports the principle of the Bedford to Cambridge section of the East West Rail line. It has the potential to be transformational for the regional economy, allowing sustained growth and geographical expansion of our high value industries such as life sciences, IT and digital.

The points included in the motion agreed by Council in September 2018, and shared with you by letter, have shaped our response to this Bedford to Cambridge Route Options consultation, both via the joint letter sent on behalf of councils across the Bedford to Cambridge corridor, and in the response made below on behalf of the Council alone, which is additional to that letter.

Prior to making its response below, it is important to note that the Council's response to this consultation does not prejudice an in-depth consideration of strategy issues through the forthcoming Greater Cambridge Local Plan (to be jointly prepared by South Cambridgeshire District Council and Cambridge City Council), which will include consideration of all reasonable strategy options.

## **2. The overall approach taken to developing route options**

The Council supports the broad approach taken in this consultation for developing route options, including in particular considering environmental impacts, benefits for transport users (including reducing car-borne trips), and support for economic growth at a local, Cambridge Oxford Arc, and UK level.

### Uncertainty regarding growth implications of consultation

Further to the above however, we note in the strategic objectives that the most significant relates to supporting growth, and that the business case for the railway is predicated upon such growth. We note from the consultation and other evidence that there is very significant uncertainty as to the scale of growth envisaged around potential station locations. Evidence sources and modelling assumptions referenced vary greatly, and the only certainty seems to be that the implied growth above and beyond current Local Plan commitments would be substantial.

The implication of potentially very significant growth implications for around Cambourne or at Bassingbourn barracks arising from the selection of a preferred station location, together with the lack of detail in the consultation on the scale of that growth, creates uncertainties regarding environmental and community impacts, and delivery expectations. As such, the Council's comments below in relation to route preferences are conditional on the findings of further detailed evidence on these issues.

### Importance of comprehensive planning

Setting aside uncertainties about levels of growth, we are concerned to ensure that the choice regarding the railway route supports the creation of flourishing and sustainable

communities – it cannot and should not be reduced to a numbers game. Any additional growth should be comprehensively planned: the scale and nature of new or expanded communities must be design-led and people-focused, and supported by necessary infrastructure and enhancements to natural capital. Greater Cambridge's future economic growth is contingent upon the area maintaining a high quality of life for existing and new communities.

One key aspect of this is that any new and expanded communities would need to be supported by a range of infrastructure, not just the railway. Any quantification of costs and benefits for the railway routes must factor in estimates of all infrastructure costs, so that local members are not left to choose between infrastructure and affordable housing provision.

To achieve the above goals we ask that the railway proposals are integrated more fully with spatial planning and environmental work, at an Oxford Cambridge Arc and more local level.

At the Oxford Cambridge Arc level, we note that this consultation runs ahead of wider work on growth forecasts, growth opportunities, and environmental considerations. The Council believes that the rail line should also make positive contributions to the net biodiversity and natural capital gain of the areas affected. However, to achieve this will require a joined-up plan. The Council therefore supports EWR Co's intention to continue working with the government and other agencies to contribute to their broader approach to exploring options for a local natural capital plan for the Arc. We ask for close collaboration between EWR Co. and the bodies leading on the Arc-wide spatial and environmental work-strands so that the choice of railway route is clearly informed by this wider thinking.

At a more local level, the Greater Cambridge Local Plan process starts this year with an Issues and Options consultation in the autumn. The Plan will take into account all aspects of sustainable development, and will set a spatial strategy for Cambridge and South Cambridgeshire. We ask for closer engagement with EWR Co. as the railway plans and the Local Plan develop, so that we can consider how the Local Plan takes account of the challenges and opportunities created by the railway, and so that the railway project is informed by the local economic, social and environmental issues raised by the Local Plan.

### **3. Challenges and opportunities relating to the route options**

Acknowledging the broad nature of this consultation, limited information available and significant uncertainties around growth implications, it is considered that, in principle, routes including Cambourne as a station (B and E) could be preferable to routes including Bassingbourn, for the following reasons:

- A rail connection between a new well integrated/connected station at Cambourne and Cambridge would, we believe, have a positive impact upon housing delivery rates of current planned development, and would increase mode shift onto rail for local and long distance commuting along an existing growth corridor.
- Growth in this corridor builds upon an existing development strategy set out in the South Cambridgeshire Local Plan, with the potential that further growth could increase the economic mass and attractiveness of Cambourne, subject to full and proper consideration through the Greater Cambridge Local Plan process.
- Further growth at Cambourne could make best use of existing and proposed transport infrastructure (existing A428 dual carriageway and Black Cat to Caxton Gibbet improvements along the preferred Orange route), with a new railway providing complementary sustainable transport choices. Proposals for significant growth around Tempsford/South of St Neots also included in this route option could support

further infrastructure improvements in this corridor and reduce private car-based trips into Cambridge from the west.

- The railway alignment avoids potential environmental impacts on Wimpole Hall Avenue and Eversden and Wimpole Woods Special Area of Conservation.

Local infrastructure projects such as the emerging proposals for a Cambridge Autonomous Metro could provide a stepping stone/transfer from East West Rail onto a local public transport corridor that serves not only Cambridge itself but also the science parks and university campus to the west of Cambridge. The East West Rail project needs to have proper regard to this transfer opportunity – and the importance of delivering this connection into the local public transport network.

#### **4. Focus on route options that approach Cambridge from the south**

The Council supports the approach taken to the assessment of route options for the approach to Cambridge, and the finding that an approach to the south of Cambridge is preferred.

Notwithstanding the above, we consider that addressing the below points is critical for making the railway an economic success while fully considering impacts on communities and the environment:

- In preferring the southern access into Cambridge, the consultation places weight on the importance of directly serving the proposed Cambridge south station. We support this weighting, but note that while the consultation assumes delivery of Cambridge South station, the station is a separate project to East West Rail. There is a critical need for Government and all partners to remain focused on the delivery of this station project to support more sustainable commuting to this location, including making the most of the opportunity provided by East West Rail.
- The consultation does not make clear how the East West rail line would join the West Anglia Main Line south of Cambridge, and it is therefore difficult to comment on the implications of this for communities and the environment. The Council seeks in-depth engagement with EWR Co. on this point as it develops further its proposals for the rail line.

#### **5. Request for closer future working**

As highlighted in the Council's motion of September 2018 and in our responses above, East West Rail and the growth of the corridor more generally will bring significant change to existing communities. To enable us, together with our communities, to make the most of the opportunity that the railway brings, and to effectively address its impacts, we ask that EWR Co. collaborates with us closely beyond the close of this consultation, as it progresses the Bedford to Cambridge project.

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## Appendix 2 Headline comparison of route options, focusing on South Cambridgeshire-specific impacts

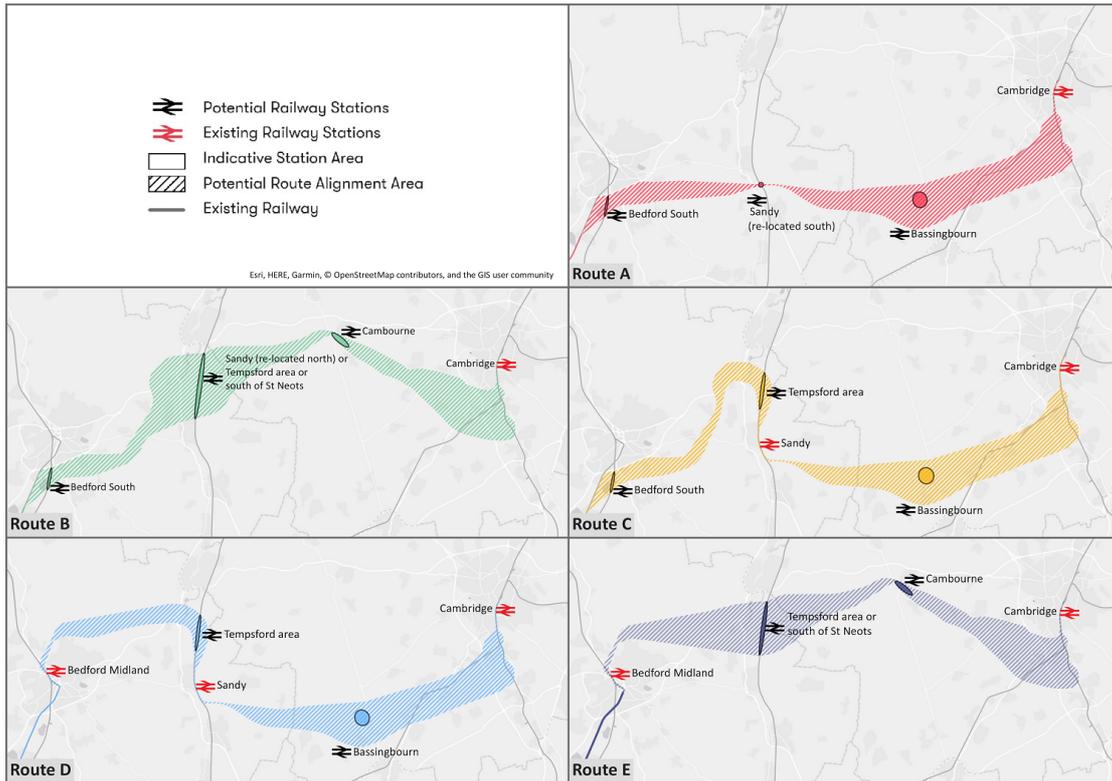
	<b>Bassingbourn routes (A,C,D)</b>	<b>Cambourne routes (B, E)</b>
<b>Transport user benefits (EWR Co. assessment)</b>	<ul style="list-style-type: none"> <li>• 76 mins Oxford-Cambridge</li> <li>• 23 mins Bedford-Cambridge</li> <li>• £0.6bn costed transport user benefits</li> </ul>	<ul style="list-style-type: none"> <li>• 80 mins Oxford-Cambridge</li> <li>• 27 mins Bedford-Cambridge</li> <li>• £0.6bn costed transport user benefits</li> </ul>
<b>Housing and economic growth potential in South Cambridgeshire (EWR Co. assessment)</b>	Could support significant additional housing on the site of the MoD Bassingbourn Barracks if it can be developed (in line with the NIC recommendation).	Could support further development around Cambourne (though this might alternatively be provided for through plans for the Cambridge Autonomous Metro).
<b>Cost estimates and overall affordability (EWR Co. assessment)</b>	Estimated up front capital costs A: £1.7bn C: £2.1bn D: £2.2bn Estimated total costs <sup>1</sup> A: £1.9bn C: £2.5bn D: £2.6bn	Estimated up front capital costs B: £2.2bn E: £2.8bn Estimated total costs B: £2.4bn E: £3.0bn
<b>Headline environmental impacts (EWR Co. assessment)</b>	Cross watercourses and flood zones, and have potential impacts on various historic and environmental assets.  Possible impacts on Wimpole Hall Avenue and Eversden and Wimpole Woods Special Area of Conservation depending on precise alignment selected.	Cross watercourses and flood zones, and have potential impacts on various historic and environmental assets.
<b>Historic site assessments through Local Plan processes</b>	Only small scale village sites were assessed through the Local Plan 2018 and supporting evidence.	Large scale sites around Cambourne were assessed variously through the Core Strategy process in 2006, the 2008 Site Specific Policies DPD examination, and through the Local Plan 2018 and supporting evidence. None were identified as preferred sites in those plans.
<b>Relationship with existing development strategy</b>	Relatively little growth located in this part of the district in previous plans.	A focus for growth over a number of rounds of plan-making. Cambourne is now a rural centre and the second largest free-standing settlement within South Cambridgeshire (after Histon

<sup>1</sup> Estimated total costs includes estimates of initial upfront construction costs, infrastructure renewal costs, operating costs and fare revenues.

		and Impington).
<b>Future strategy considerations</b>	Outside of Cambridge, recent development strategies have focused housing growth to the north and west. Jobs growth included in the Local Plan to 2031 is spread more evenly, with particular increases in the north and south.	
	Given continued employment growth around the south of the city, a station and housing growth at Bassingbourn barracks might potentially add balance to future strategy, aiding shorter commutes and reducing pressure on a limited number of corridors.	Further concentration of growth around Cambourne could potentially be supported by the OxCam Expressway and EWR routes running along the same corridor.  Proposals for significant growth around Tempsford/South of St Neots also included in this route option could support further infrastructure improvements in this corridor.
<b>Economic role of a settlement</b>	The primary role of a new settlement within 10 miles of Cambridge would be likely to be that of providing housing to support economic growth taking place closer to Cambridge, rather than having its own significant economic role.  Cambridgeshire & Peterborough Independent Economic Review (CPIER) points to the challenges of spreading Knowledge Intensive growth further than the close environs of Cambridge: Cambridge University data presented in the CPIER shows trends of such businesses moving closer to Cambridge urban area while other lower value businesses move out.	
	Report supporting NIC Partnering for Prosperity report assumes that Bassingbourn's primary economic role would be to support lower value activities squeezed out of Cambridge, but also suggests that its location to the south of Cambridge and on the way to Stevenage might make it suitable for supporting further growth in the life sciences cluster in that area.	No NIC studies focus upon Cambourne, although it could be expected to perform a similar lower value economic activity role as described for Bassingbourn, given its location. Experience at Cambourne business park, supported by the CPIER evidence cited above, suggests that it may be challenging to spread knowledge intensive jobs growth to this location from Cambridge. On the other hand, an increased population at Cambourne, served by high quality transport infrastructure, would be likely to add to its attraction for jobs growth.
<b>Infrastructure implications</b>	Not within area of existing or immediately known proposed strategic transport infrastructure improvements.  Close to existing rail line and Royston station.  Close to A1198, A10 and A505. The A505, which currently experiences significant congestion, is likely to be the subject of a Combined Authority strategic transport study in 2019/20.  Upgraded or additional transport and other infrastructure likely to be required, given that this area has not seen significant growth in the past.	Sited within existing A428 corridor, which includes existing and proposed transport infrastructure: <ul style="list-style-type: none"> <li>Existing A428 dual carriageway will become part of Oxford to Cambridge Expressway, including upgrade of Black Cat to Caxton Gibbet section (Orange route now announced by Highways England as preferred),</li> <li>Cambourne to Cambridge High Quality Public Transport proposals, and subsequently Cambridge Autonomous Metro are planned in this corridor. This may mean that less additional transport infrastructure is required to support growth. However, given the potential proximity of East West Rail and proposed CAM routes, were the rail</li> </ul>

		<p>route to go via Cambourne, it is important that consideration is given to how the two proposals can be brought forward in a complementary way.</p> <p>Depending on the scale of growth envisaged, upgraded or additional infrastructure (including transport and non-transport) would be required.</p>
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# Agenda Item 11



**REPORT TO:** Cabinet

6 March 2019

**LEAD MEMBER:** Leader of the Council

**LEAD OFFICER:** Mike Hill, Interim Chief Executive

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**South Cambridgeshire District Council  
– an organisation for a sustainable future**

## **Purpose**

1. To provide Cabinet with an update on the progress of the organisational review undertaken by Castlerigg. To outline the next phase including, briefings for councillors and staff and feedback to partners and other stakeholders. This report will also consider the activity and resources required to take forward the findings and recommendations outlined within the consultant's report into a programme plan for implementation.
2. This is not a key decision.

## **Recommendations**

3. It is recommended that Cabinet:
  - a) Note the progress of the organisational review to date;
  - b) Agree the proposed approach to communicating the findings and recommendations of the consultant's report;
  - c) Approve a budget of £40,000 to enable the organisational review to progress to the next phase of developing a programme plan;
  - d) Approve the Leader as Programme Sponsor;
  - e) To delegate further decisions relating to the next phase to the Leader, in consultation with the Cabinet, Chief Executive and S151 Officer.

## **Background**

4. The Council faces an exciting but testing future – it is operating in an environment with reducing resources and rising customer expectations. Cabinet met to consider how to best meet these challenges on 26 July 2018 and approved an initial budget of £50,000 to commission an independent assessment of the organisation using external consultants. The specification for the work was to undertake a full organisational review including the presentation of a report to Cabinet which would include findings, a full options appraisal and recommendations.
5. A procurement process, in accordance with the Council's policies, was undertaken during August 2018 and following assessment and interview Castlerigg were appointed in October 2018.

6. The Castlerigg team, led by Lorna Holroyd and James Blacklock, commenced this first phase. This entailed collating a wide range of data from across the organisation including structures, financial information, policies and service delivery information as well as holding interviews with Cabinet members, senior management, staff and external partners. The Castlerigg team has engaged with Cabinet members and Executive Management Team (EMT) throughout this information gathering process.
7. The agreed output from Phase 1 is the production of a comprehensive report setting out the findings following the data collection exercise. Castlerigg will present the report to the Leader on 28 February 2019. The report will set out a number of options with supporting analysis and, an options appraisal with recommendations.

### **Communication to staff, Members and stakeholders**

8. To ensure a wide understanding and ownership of the process, a programme of communications will be developed to keep all interested parties informed. This will include briefings, with Cabinet and Castlerigg, for all Councillors. The report findings and recommendations will be shared with all Councillors and staff.
9. It is proposed that the Leader, supported by the Executive Management Team, will hold briefings for staff throughout the next phase.
10. The Trade Unions are recognised for the purposes of consultation and negotiation and so they will be invited to meet with the Leader and discuss the outcomes from the Castlerigg review.

### **Phase 2**

11. Cabinet are keen to ensure that the Council moves forward to the next phase of the organisational review in a timely manner. This next phase will comprise of the development of a programme plan and identification of resources required to implement the programme and defined work streams. It is proposed that the current supplier, Castlerigg is best placed to take this work forward to avoid duplication.
12. Phase 2 will focus on the top 3 tiers of the council's structure. This will comprise of:
  - Recruitment of Chief Executive and tier 2 posts.
  - Recruitment to tier 3
13. There will also be a need to agree key roles:
  - Programme Sponsor
  - Senior Responsible Owner
  - Programme Manager
  - Change Manager

14. It is recommended that the Programme Sponsor role is held by the Leader and that the Senior Responsible Owner is the Chief Executive. Programme Manager and Change Manager role profiles and skills sets are to be defined. Recruitment to these roles will follow usual Council procedures and appointment to these roles will be agreed by the Leader and Chief Executive.
15. As part of the Budget Setting Report, adopted by Council on 21 February, delegated authority was given to the Leader in consultation with the Chief Executive to use the funds in the Business Efficiency Reserve to fund the costs of this organisational review.
16. Staff engagement and consultation and change management will be carried out in accordance with the Council's Organisational Change Policy and Procedure which was approved by Cabinet in February 2019.
17. The Employment Committee will be engaged in the process of recruitment to senior roles including Tiers 1 & 2 and statutory roles, as required by the Council's constitution.

### **Considerations**

18. Whilst we have met our priorities and objectives over recent years through our skilled and innovative workforce, we are well aware of the challenges facing the Council and we need to ensure that the Council is well placed to deliver our ambitious business plan and be recognised as a sought-after employer. This is against a backdrop of reducing resources and the need to save a further £3 million over the next 5 years due to reductions in central Government grants and funding.

### **Options**

19. Cabinet can approve the budget of £40,000 and instruct Castlerigg to commence the work and by doing so agree to progress to phase 2 of the organisational review.
20. Cabinet does not approve the additional budget in which case there will be insufficient funds to progress this piece of work and phase 2 of the organisational change.

### **Implications**

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

#### ***Financial***

22. This report requests approval for a budget of £40,000. This will be drawn down from the Business Efficiency Reserve.
23. Changes to the Council's officer structure will be undertaken in accordance with the Organisational Change Policy. Following consultation, there is the potential for senior managers and officers to be put at risk of redundancy. There may be costs associated with any redundancy including a redundancy payment and pension scheme strain costs. Potential costs will be calculated once there is greater clarity on the number of posts effected.

### **Legal**

24. The additional work can be accommodated within the existing supplier contract and without having to conduct a new competitive tender.
25. Legal requirements relating to employment law and Council policies and practices will be followed.

### **Staffing**

26. There are staffing implications if the recommendations from this report are approved including the recruitment to new posts and redundancies.

### **Risk Management**

27. To progress the organisational review will require the development of a programme plan and full appraisal of resourcing requirements to ensure that the programme is sufficiently resourced.

### **Equality and Diversity**

28. None at this stage. We will carry out an Equality Impact Assessment on the changes.

### **Climate Change**

29. None identified

### **Consultation responses**

30. The Council formally recognises GMB and Unison for the purpose of consultation and negotiation. Consultation has not taken place to date however, the trade unions will be invited to meet with the Leader to discuss the findings and proposed next steps in Phase 2.

### **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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