

South Cambridgeshire Hall
Cambourne Business Park
Cambourne
Cambridge
CB23 6EA

t: 03450 450 500
f: 01954 713149
www.scambs.gov.uk



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To: The Leader – Councillor
Deputy Leader (Statutory) – Councillor
Members of the Cabinet – Councillors Bridget Smith,
Dr. Aidan Van de Weyer, Neil Gough, Bill Handley, Dr. Tumi Hawkins,
Peter McDonald, Brian Milnes, Hazel Smith and John Williams
Quorum: Majority of the Cabinet including the Leader or Deputy Leader (Statutory)

Dear Councillor

You are invited to attend the next meeting of **Cabinet**, which will be held in the **Virtual meeting - Online** at South Cambridgeshire Hall on **Wednesday, 2 September 2020 at 10.00 a.m.**

Yours faithfully
Liz Watts
Chief Executive

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

Agenda		Pages
1.	Leader's Announcements	
2.	Apologies for Absence To receive Apologies for Absence from Cabinet members.	
3.	Declarations of Interest	
4.	Minutes of Previous Meeting To authorise the Leader to sign the Minutes of the meeting held on Monday, 29 June 2020 as a correct record.	1 - 8
5.	Public Questions	
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10.	2020/2021 Revenue and Capital Budget Monitoring	49 - 66
11.	Housing Revenue Account (HRA) Revenue and Capital Budget Provisional Outturn 2019/2020	
12.	Exclusion of Press and Public While the report at Item 13 (3C Shared Services) is public, members of the press and public might be excluded from the meeting during consideration of matters referred to in the Appendix to that report. Members of the press and public are likely to be excluded from the meeting during consideration of items 14, 15, 16 and 17. In each case, exclusion will be in accordance with the provisions of Section 100(a)(4) of the Local Government Act 1972 (exempt information as defined in paragraph 3 of Schedule 12A (as amended) of the Act). Paragraph 3 relates to information about the financial or business affairs of any person, including the Authority holding that information.	
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GUIDANCE NOTES FOR MEMBERS OF THE PUBLIC FOR REMOTE MEETINGS

Members of the public are welcome to view the live stream of this meeting, except during the consideration of exempt or confidential items, by following the link to be published on the Council's website.

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For more information about this meeting please contact democratic.services@scambs.gov.uk

Agenda Item 4

South Cambridgeshire District Council

Minutes of a meeting of the Cabinet held on
Monday, 29 June 2020 at 10.00 a.m.

Present: Councillor Bridget Smith (Leader of Council)
Councillor Dr. Aidan Van de Weyer (Deputy Leader of Council (Statutory) -
Strategic Planning and Transport)

Councillors:	Neil Gough	Deputy Leader (non statutory) - Transformation and Projects
	Bill Handley	Lead Cabinet Member for Community Resilience
	Dr. Tumi Hawkins	Lead Cabinet member for Planning Policy and Delivery
	Hazel Smith	Lead Cabinet member for Housing
	John Williams	Lead Cabinet member for Finance

Officers in attendance for all or part of the meeting:

Susan Gardner Craig	Head of HR and Corporate Services
Rory McKenna	Deputy Head of Legal Practice/Monitoring Officer
Liz Watts	Chief Executive
Gareth Bell	Communications Manager
Jonathan Dixon	Principal Planning Policy Officer (Transport)
Julie Fletcher	Head of Housing Strategy
Paul Frainer	Assistant Director (Strategy & Economy)
Hana Loftus	Special Projects Officer
Sean Missin	Procurement Officer
David Ousby	Head of Commercial Development & Investment
Jennifer Perry	Residents Involvement Team Leader

Councillors Dr. Douglas de Lacey, Brian Milnes, Anna Bradnam, Dr. Claire Daunton, Sue Ellington, Geoff Harvey, Pippa Heylings, Peter McDonald, Bunty Waters, Heather Williams and Richard Williams were in attendance, by invitation.

1. Leader's Announcements

No announcements were discussed during this meeting

2. Apologies for Absence

Councillor Grenville Chamberlain, Chair of the Scrutiny and Overview Committee, sent an apology for absence.

3. Declarations of Interest

There were no declarations of interest.

4. Minutes of Previous Meeting

Cabinet authorised the Leader to sign, as a correct record, the public version of the Minutes of the meeting held on 6 May 2020, subject to the following

corrections:

Minute 1 - Announcements

It was noted that in the second paragraph, there was a missing “f” in the word “of” in the following sentence “This was the first meeting of the Cabinet”;

Minute 12 – Milton Country Park Financial Support

It was also noted that:

- In the third paragraph, the word “collapse” should be replaced with the words “terminate the lease”.; and
- In resolution (a) the words “the charitable Trust responsible for operating Milton Country Park” should be replaced with “Cambridge Sport Lakes Trust”.

5. Public Questions

Jane Philips attended the meeting and asked the following question:

"On a quarterly basis, local planning authorities are required to submit Forms PS1 and PS2 to the Ministry of Housing, Communities and Local Government providing a range of information about decisions taken on district matters planning applications. The information gathered on these forms is used, among other purposes, to calculate local authorities' performance for the purposes of designating under-performing local planning authorities under section 62A of the Town and Country Planning Act 1990. On Form PS2, the time from application to decision begins when a valid application and the correct fee have been received and ends on the date a decision notice is despatched.

Will the Portfolio Holder for Planning please state in clear and unambiguous terms whether the data reported on the quarterly PS1 and PS2 forms submitted since May 2018 is, in fact, accurate and free from systematic errors in the reporting of data?"

Councillor Tumi Hawkins responded:

"The data we submit in forms PS1 and PS2 returns has historically been generated automatically through the Council's "Agile" planning application software, prepared and submitted using the required standard report format. This is data that has been inputted into the system by officers throughout the planning process and is used to produce a return within MHCLG (Ministry of Housing, Communities and Local Government) reporting timelines.

In February this year, the Planning Service migrated over 1 million records from the Agile system into a new Idox system "shared" database. Like the Agile system, the Idox solution provides a reporting tool to support Local Planning Authorities generate and submit the PS1 and PS2 returns.

However, we have not submitted the PS1 and PS2 returns for Q4 of 2019/20 (Jan 2020 - March 2020) yet as due to the Covid-19 pandemic the government has extended the submission date to August 2020).

Officers will be taking care to ensure that the first submissions reported through this new system, and which rely upon data that was transferred from the old to the new system, represents an accurate record of the services performance.

Recognising that some 6000 applications per year pass through the system, it would be

unwise for anyone to guarantee that there are no errors in the reported data. However, I am satisfied that the use of a recognised software solution and standardised reporting templates enable the Local Planning Authority to provide a consistent and accurate return to MHCLG.”

At the Leader’s invitation Jane Philips asked the following supplementary question:

“If the Council is provided with evidence indicating that systematic inaccuracies exist in the data reported to Ministry for Housing, Communities and Local Government on forms PS1 and/or PS2 since May 2018, will the Portfolio holder for Planning commit to commissioning an external audit to investigate any irregularities uncovered and prepare corrected data for resubmission by the Council please?”

Councillor Tumi Hawkins responded:

“Obviously, we will need to look at that and we will take appropriate action. I cannot commit to anything until I have seen whatever evidence it is that you have, but I am prepared to send my answer to you, both your original question and your follow up question, in writing.”

6. Issues arising from the Scrutiny and Overview Committee

Cabinet **received and noted** a report from the Scrutiny and Overview Committee, presented by Councillor Brian Milnes, Vice-Chair, Scrutiny and Overview Committee, informing it about the discussions at, and recommendations from the Committee’s meeting held on 12 March 2020, 14 May 2020 and 9th June 2020.

The report related to:

- North East Cambridge Area Action Plan
- Health and Wellbeing Strategy
- Resident Involvement Strategy
- New Build Council Housing Strategy

7. North East Cambridge Area Action Plan

Councillor Aidan Van de Weyer, Deputy Leader of Council (Statutory), introduced the report, noting the balance between the sustainability, and housing and jobs required in the district, while also mentioning the estimated time scale of the project. Councillor Brian Milnes, Vice Chair of the Scrutiny and Overview Committee said that the committee supported the plan.

Positive comments surrounding the variety of transport options included within the plan were shared, although Councillor Douglas de Lacey commented on the shared routes and importance of dedicated cycling lanes, noting particularly the differing requirements between commuting cycling and recreational cycling. He also highlighted concerns about shared use of routes by horse riders and cyclists and asked that further consideration be given to provision for horse riders.

After Members had commented on the clarity of the report, and having thanked officers for their hard work, Councillor Bridget Smith closed the discussion, and by affirmation, Cabinet,

- a) **Agreed** the name of the Area Action Plan (AAP) be formally changed to the North East Cambridge Area Action Plan;
- b) **Agreed** the draft North East Cambridge Area Action Plan (Appendix A); the draft North East Cambridge Policies Map (including amended boundary) (Appendix B) and Topic Papers (Appendix C) for a ten-week period of public consultation under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012 and that this consultation will also include the evidence documents (listed in the draft AAP with relevant policy and published on the shared planning service website);
- c) **Agreed** the Statement of Consultation (Appendix D) including responses to comments received to the Issues & Options (February 2019);
- d) **Noted** the findings of the updated Joint Equalities Impact Assessment, Draft Sustainability Appraisal, Draft Habitats Regulation Assessment; and Duty to Cooperate Statement (Appendices E, F, G and H respectively);
- e) **Delegated** authority to the Deputy Leader (Statutory) of South Cambridgeshire District Council and the Cambridge Executive Councillor for Planning Policy and Open Spaces to agree the further Topic Papers as set out at paragraph 4.17 ahead of public consultation.
- f) **Delegated** authority to the Joint Director of Planning and Economic Development, in liaison with the Deputy Leader (Statutory) of South Cambridgeshire District Council and the Cambridge Executive Councillor for Planning Policy and Open Spaces, to make editorial changes to the Draft NEC AAP consultation report (including graphics) and supporting documents (prior to the commencement of the consultation period) to comprise minor amendments and factual updates and clarifications.
- g) **Noted** the update on the Fen Road access issues at paragraphs 4.19 and 4.20 in the report. A separate report will be provided on this matter in due course.

8. Greater Cambridge Local Plan: Issues and Options Feedback and Next Steps

Councillor Dr. Tumi Hawkins, Lead Cabinet Member for Planning, introduced this item, updating Cabinet on the public consultation, highlighting the complexity of the process and thanking officers for their hard work. She explained how the project had addressed the concerns on climate change, and the ongoing challenges of consulting with the Parish Councils and local members every stage of the project. Councillor Neil Gough welcomed the high level of response to the engagement exercise and referred to the importance of collating any common themes emerging. Cllr Dr. Claire Daunton recognised the complexity of the consultation process, asked that acronyms be explained in the document and thanked officers for their continuing hard work with the larger project.

After a further short discussion, the Leader closed the discussion, and Cabinet, by affirmation:

- a) **Noted** the report on Initial Feedback from the First Conversation consultation included at Appendix 1;
- b) **Agreed** additional informal member and stakeholder engagement and Preferred Options stages be added to the Local Plan making process;
- c) **Agreed** the approach to addressing the Duty to Cooperate included as Appendix 3 to the report, subject to any material changes necessary as a result of consultation with Duty to Cooperate bodies.

9. Update of Greater Cambridge Local Development Scheme

Councillor Tumi Hawkins, Lead Cabinet Member for Planning, introduced the report

which provided an update on the position with the Local Development Scheme.

Cabinet, by affirmation:

- a) **Agreed** to adopt the updated Local Development Scheme for Greater Cambridge included at Appendix 1 of the report, to take effect from 13 July 2020.
- b) **Agreed** to grant delegated authority to the Joint Director of Planning and Economic Development, in liaison with the South Cambridgeshire Lead Cabinet member for Planning and the Cambridge City Council Executive Councillor for Planning Policy and Open Spaces, to make any minor editing changes and corrections identified prior to publication.

10. Health and Wellbeing Strategy

Councillor Bridget Smith, Leader of the Council, introduced the item, noting its importance with post Covid-19 recovery of the District, and to the expectation that the strategy would need to continually adapt to reflect that ongoing recovery. After a very short discussion, Councillor Bridget Smith concluded by thanking officers for their work on this project, and by affirmation, Cabinet:

Approved and **adopted** this Health & Wellbeing Strategy and Action Plan.

11. Establishment of Additional Liaison Meetings

Councillor Neil Gough, Deputy Leader, introduced the item, highlighting the success of the liaison meeting in Cottenham, and the importance of the planned expansion across certain villages within the district. Councillor Brian Milnes and Councillor Anna Bradnam both suggested that this would help with community cohesion and allow local communities to engage with developers and key stakeholders.

After a short discussion, the Leader concluded the discussion, and Cabinet, by affirmation:

Approved the introduction of 5 new liaison meetings in Barrington, Caldecote, Hardwick, Swavesey and Sawston, bringing the total number of concurrent active liaison meetings to 6.

12. Zero Carbon Communities Grant Scheme

Councillor John Williams, Lead Cabinet Member for Finance, introduced the report, highlighting that the Council's Zero Carbon Communities grant scheme was unique compared to other local authorities. Councillor Anna Bradnam expressed support for the report, noting its clarity, and asked when the workshop would be held in relation to the new scheme. In reply, the Leader said this had been scheduled to take place in July 2020, and finally concluded the discussion.

By affirmation, Cabinet:

- a) **Approved** the changes to the Zero Carbon Communities Grant Scheme, as outlined in paragraph 11, which will result in a more focussed scheme providing funding to projects under three themes:
 - Cycling
 - Community buildings
 - Tree-planting and other nature-based solutions

- b) **Delegated** to the Head of Shared Waste Services and Environment the authority to make minor changes to the scheme documents in Appendices A and B (Information for Applicants for applications from questions) as necessary for clarity.

13. Resident Involvement Strategy

Councillor Hazel Smith, Lead Cabinet Member for Housing, introduced this item, stating its' importance, and confirmed that elections to the housing board would take place between March and May 2021. Councillor Brian Milnes, Vice Chair of the Scrutiny and Overview Committee, reported on the support of the committee for the strategy and was pleased to note that the committee's comments had been incorporated into the document. Councillor Claire Daunton expressed her support for the project, which was close to completion.

After a short debate, the Leader thanked officers for their work, and Cabinet, by affirmation:

Approved the Draft Resident Involvement Strategy 2020-2023 (Appendix 1) to go out to wider tenant consultation. Cabinet also **agreed** to delegate authority to the Lead Member for Housing to approve the final Strategy subject to any minor amendments arising from this consultation, from any new guidance issued by the Regulator for Social Housing or from guidance issued by Government if/when the issues within the Green Paper become law.

14. New Build Housing Strategy 2020 - 2025

Councillor Hazel Smith, Lead Cabinet member for Housing, introduced the report, highlighting the need for more Council built houses. Councillor Dr. Tumi Hawkins referred to housing need in the District and emphasised the importance of the Council delivering new build houses. Councillor Brian Milnes, Vice Chair of the Scrutiny and Overview Committee, noted the support of the committee for the strategy and highlighted certain comments raised by the committee during its consideration of the document.

The Leader concluded the discussion and thanked the Officers for their work on this project. Cabinet, by affirmation:

Approved the New Build Council Housing Strategy, and **recommended** that it proceed to full Council for adoption.

15. Quarter 4 Performance Report

Councillor Neil Gough, Deputy Leader, introduced the report, highlighting the data related to the Council's response to the Covid-19 pandemic. Councillor Anna Bradnam noted that the figures for waste collection had reduced. The Head of Environment and Waste explained this had resulted from fewer green bin collections being made, owing to the Covid-19 restrictions.

After a further discussion, the Leader thanked all Officers for their ongoing hard work since the beginning of the pandemic, and by affirmation, Cabinet:

Reviewed and **noted** the Operational Key Performance Indicator (OKPI) results and comments in the report at Appendix A.

16. Review of Barriers to Council Procurement for Small and Medium-Sized Enterprises Task and Finish Group

Councillor John Williams, Lead Cabinet Member for Finance, introduced the report, addressing the need for certain barriers to procurement to be removed for small and medium sized businesses.

Councillor Brian Milnes indicated support for the project, discussing its importance during this period of recovery. Councillor Peter McDonald, the Council's Business Champion, noted the introduction of the business support team would assist with more local businesses applying for Council projects, along with working with the local Members.

The Leader concluded the discussion, and thanked the officers for their hard work, Cabinet, by affirmation:

Reviewed and **noted** the actions that had been undertaken over the past 12 months to reduce the barriers to council procurement for small and medium-sized enterprises (SMEs) prior to the report going to Scrutiny and Overview Committee.

17. **Exclusion of Press and Public**

Cabinet **agreed** by affirmation that the press and public be excluded from the meeting during consideration of item numbers 18, 19 and 20 in accordance with the provisions of Section 100(A)(4) of the Local Government Act 1972 (as amended) (exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act). Paragraph 3 refers to information relating to the financial or business affairs of any particular person (including the authority holding that information).

18. **Confidential issues arising from the Scrutiny and Overview Committee**

Cabinet **received** and **noted** a report from the Scrutiny and Overview Committee, informing it about the discussions at, and recommendations from the committee's meeting held on 12 March and 9 June 2020.

19. **Potential Property Acquisition**

Councillor John Williams, Lead Cabinet Member for Finance, introduced the item and updated Cabinet on some incorrect figures contained within Appendix A of the report. Councillor Brian Milnes, Vice-Chair of the Scrutiny and Overview Committee, provided feedback on the comments expressed by the committee when it had considered the proposal.

Councillor John Williams responded to comments made by those present.

After further debate, the Leader of the Council, thanked the Officers for their work on this report, and Cabinet, by affirmation:

Approved the investment detailed in the exempt report of the Head of Finance as a single-let commercial investment in accordance with the approved Investment Strategy.

20. **Potential Property Investment**

Councillor John Williams, Lead Cabinet Member for Finance, introduced the item. Councillor Brian Milnes, the Vice Chair of Scrutiny and Overview Committee, reported on the comments made by the committee in respect of the proposed investment. It was

noted that the report had been updated to reflect some of the questions raised by the committee.

During the ensuring discussion Councillor John Williams responded to comments made by those present.

Councillor Bridget Smith concluded the discussion and thanked Officers for their continuing work within the investment projects. Cabinet, by affirmation:

Approved the investment detailed in the exempt report of the Head of Finance as a multi-let commercial investment in accordance with the approved Investment Strategy.

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

Agenda Item 6



**South
Cambridgeshire**
District Council

REPORT TO: Cabinet

2 September 2020

LEAD OFFICER: Liz Watts, Chief Executive

Actions taken under Chief Executive's delegated powers

Executive Summary

1. As required by the Council's Constitution, this report informs Cabinet of actions taken under the Chief Executive's delegated powers.

Key Decision

2. No

Recommendations

3. To note the action taken under the Chief Executive delegation (delegation 4.4, Table 7, Part 3 of the Constitution). Details of this action is set out in appendix A.

Reasons for Recommendations

4. Advise the Cabinet of the decisions taken under the Chief Executive's emergency delegated powers as required by Delegation No 4.4, Table 7, Part 3 of the Constitution.

Report Author:

Jonathan Malton – Cabinet Support Officer
Telephone: 07716 959184

Date of Decision	Subject	Background
17 July 2020	To approve and update the Local Authority Discretionary Grant Funding for Small Businesses Policy in line with Local Authority Discretionary Grants Fund – Guidance for Local Authorities and endorse previous operational decisions of the Chief Finance Officer to award grants in accordance with government guidance.	<p>On 1 May 2020, government announced the introduction of a Local Authority Discretionary Grants Fund (LADGF). On 13 May 2020 this was followed by the publication of ‘Local Authority Discretionary Grants Fund – Guidance for Local Authorities’. This grant fund is aimed at supporting small businesses who have been impacted by the effects of the COVID-19 pandemic, are struggling to survive, and who are not eligible for existing government support schemes such as the Small Business Grant Fund and the Retail, Leisure and Hospitality Fund.</p> <p>Whilst the LADGF is a discretionary scheme for local authorities to deliver, many of the criteria have been set nationally, including the following four priority areas:</p> <ul style="list-style-type: none"> • Small businesses in shared offices or other flexible workspaces. Examples could include units in industrial parks, science parks and incubators which do not have their own business rates assessment. • Regular market traders with fixed building costs, such as rent, who do not have their own business rates assessment. • Bed & Breakfasts which pay Council Tax instead of business rates; and • Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief. <p>In addition the Council agreed to award Grants to:</p> <ul style="list-style-type: none"> • Any business not included in the above, but who form part of the supply chain (Businesses whose principal business is the supply goods, services or capital equipment to business customers that

		<p>operate in the retail, hospitality and leisure sector) for the Retail, Hospitality and Leisure industry, and who can demonstrate that they have lost around 75% of their annual income as a result of COVID-19.</p> <ul style="list-style-type: none"> • Independent public houses (i.e. not part of larger groups/Public Enterprise backed corporates etc.), Those small pubs who were not supported or picked up as part of the first tranche of grant funding e.g. small, independent pubs whose owners may be paying themselves out of income dividend • Sports centres that provide sporting facilities wholly and mainly to the general public with a Rateable Value greater than £51K
23 July 2020	<p>To authorise Licensing Officers to determine applications and fees under Part 1 of the Business and Planning Act 2020 which enables the District Council to issue pavement licences to pubs and other businesses selling food or drink for consumption on or off the premises. A licence permits the business to use furniture placed on the highway to sell or serve food or drink and/or allow it to be used by people for consumption of food or drink supplied from, or in connection with the use of the premises.</p>	<p>The Business and Planning Act 2020 came into force on 23 July 2020 and is intended to make provision relating to the promotion of economic recovery and growth following the Covid-19 pandemic. It introduces a streamlined and cheaper route for businesses such as cafes, restaurants and bars to secure a licence to place furniture on the highway. This will support them to operate safely while social distancing measures remain in place. This will provide much needed income over the summer months and protect as many hospitality jobs as possible. Any licence is issued for a minimum of 3 months and a maximum of 12 months. All licences will expire by law on 30 September 2021. The Council must determine any application within 10 working days following a 5 working day consultation with the Highways Authority as a statutory consultee. Further consultees are the Police, Fire Service, Environmental Health, Local Parish Councils and the public. Failure to determine the licence within this timescale will deem the licence granted. There is no statutory appeals process and as such there is no right of appeal against the refusal or revocation of a licence although the Council can introduce such a process. It is not proposed to charge a fee for this licence.</p>



REPORT TO:

Cabinet

2 September 2020

LEAD MEMBER:

Councillor Grenville Chamberlain, Chair, Scrutiny and Overview Committee
Councillor Judith Rippeth, Vice Chair, Scrutiny and Overview Committee

Update from Scrutiny and Overview Committee

Purpose

1. This report is to inform Cabinet of the discussions and recommendations agreed by the Scrutiny and Overview Committee at its meeting which took place on 16th July 2020, which Cabinet may wish to consider in its decision making.

Impact of homeworking on the Council

2. The Scrutiny and Overview Committee considered a report which set out the impact on the council of moving to near 100% homeworking following the government lockdown due to the Covid-19 pandemic.
3. Committee members found the data in the report very useful and highlighted the data regarding carbon reduction and the increase in productivity. They noted how well officers had transferred and adjusted to working from home and acknowledged that these arrangements did not suit everyone but presented a great opportunity for greater wellbeing for those it did suit.
4. Committee members thanked the Chief Executive and HR for proactively collecting this data before the committee had requested it.
5. The committee commended ICT for the support they had provided to staff and councillors.
6. Committee members requested that this review was carried out again after six and 12 months.

Shared Services Annual Reports and Partnership Renewal Agreement

7. The Scrutiny and Overview Committee considered the annual reports for the Waste, Planning, ICT, Building Control and Legal shared services, which were noted.
8. The committee also considered the Partnership Renewal Agreement for 3C Shared Services and committee members indicated their support for this agreement.

Scrutiny Improvement Review

9. The committee considered the Centre for Public Scrutiny's (CfPS) Scrutiny Improvement Review report and recommendations.
10. Committee members highlighted the following from the CfPS' recommendations:
 - The suggestion to introduce summary reports to the Scrutiny and Overview Committee, which drew out the key points for the committee, instead of long and detailed reports.
 - The need for the committee to become involved at an earlier stage of proposals.
 - The need to focus on what value scrutiny could add and to focus on fewer items but look at these in more depth.
11. Committee members endorsed the CfPS' recommendations and the proposal that a Member workshop be held to consider the findings of the review and to engage in ideas for change and improvement. A date for this workshop, which will be led by the Centre for Public Scrutiny, is subject to confirmation by the CfPS. It is hoped that this will take place in September or October 2020.

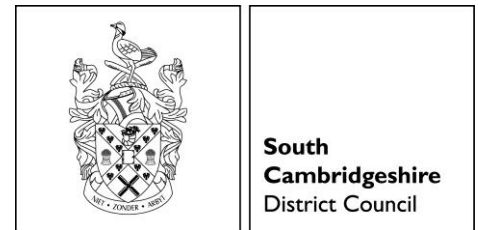
Referral to the committee of the call-in of a decision relating to a potential property investment

12. The Scrutiny and Overview Committee considered the referral of the call-in of a decision taken by Cabinet on 29th June 2020, regarding approval of a property investment.
13. Following careful consideration of the Cabinet decision and the referral of the call-in, the committee agreed not to refer the matter back to Cabinet or Council. The decision taken by Cabinet could therefore be implemented immediately.

Report Author:

Victoria Wallace – Scrutiny and Governance Adviser 01954 713026

Agenda Item 8



REPORT TO: Cabinet

02 September 2020

LEAD CABINET MEMBER: Cllr Neil Gough

LEAD OFFICER: Head of Transformation

2020-21 Quarter One Performance Report

Executive Summary

1. This report presents Cabinet with the Council's Quarter One (Q1) position regarding its operational Key Performance Indicators (KPIs) and, for the first time, 2020-25 Business Plan actions, for consideration and comment.
2. These performance reporting arrangements allow performance monitoring and management to take place by providing opportunity to examine quality of service provision and progress against Business Plan actions and timescales, to identify any areas of concern and decide on the appropriate action.
3. This is not a key decision.

Recommendations

4. Cabinet is invited to:
 - a) Review the KPI results and comments at **Appendix A** and progress against Business Plan actions at **Appendix B**, recommending, where appropriate, any actions required to address issues identified.

Reasons for Recommendations

5. These recommendations are required to enable senior management and members to understand the organisation's performance. The information included within performance reports 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.

Details

Operational Key Performance Indicator (KPI) report

6. This report presents Key Performance Indicator (KPI) results that are aligned to high-level, business-as-usual activities that underpin the successful delivery of the Council's service plans.
7. The data in **Appendix A** shows actual performance against target and intervention levels and accompanying comments, as provided by performance indicator owners. 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.

Business Plan Action Update Report

8. **Appendix B** provides updates in relation to the 2020-25 Business Plan actions and timescales for the first time. This has been populated through discussions with Heads of Service at Leadership Team and management at Corporate Management Team.

Implications

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

There are no significant implications beyond those raised by performance indicator owners within the comments section of the Operational Key Performance Indicator report.

Consultation responses

10. All performance indicator results and commentaries are provided by or at the instruction of performance indicator owners. Business Plan updates have been provided by Heads of Service and service managers following discussions at Leadership Team and Corporate Management Team.

Effect on Council Priority Areas

11. The KPI report (**Appendix A**) allows business-as-usual performance to be monitored and managed across the Council's range of activities, whilst the Business Plan Update report (**Appendix B**) provides a view of progress towards each of the actions and timelines outlined within the 2020-25 Business Plan priority areas, as detailed below:

- Growing local businesses and economies
- Housing that is truly affordable for everyone to live in
- Being green to our core
- A modern and caring Council

Background Papers

South Cambridgeshire District Council Business Plan 2020-25

Appendices

Appendix A - Key Performance Indicator Report

Appendix B – Business Plan Update Report

Report Author:

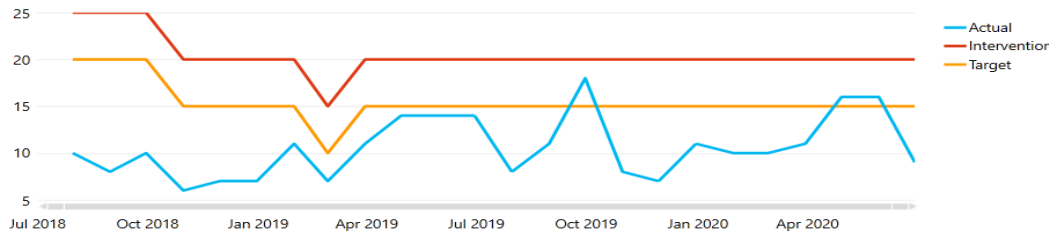
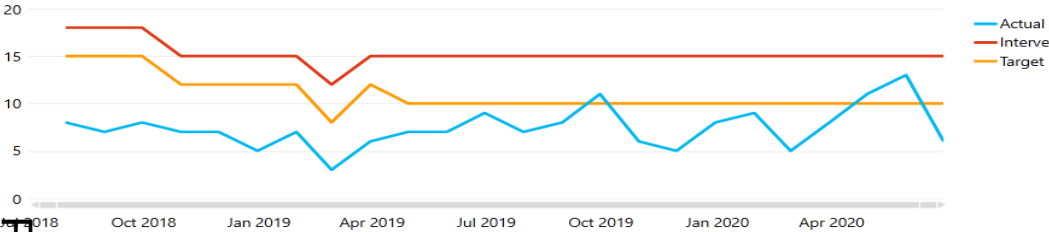
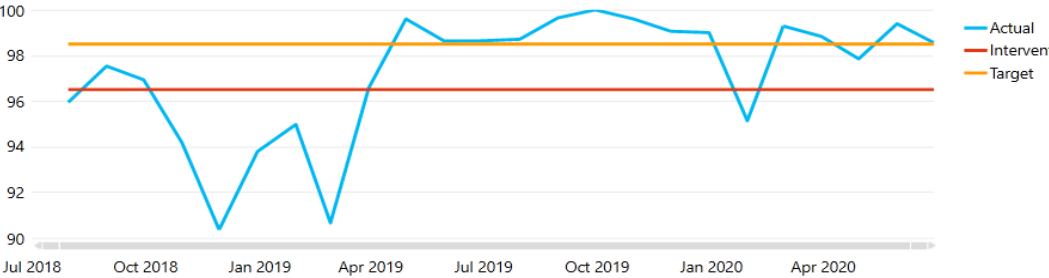
Kevin Ledger – Senior Policy and Performance Officer
Telephone: (01954) 713018

Phil Bird – Corporate Programme Manager
Telephone – (01954) 713309

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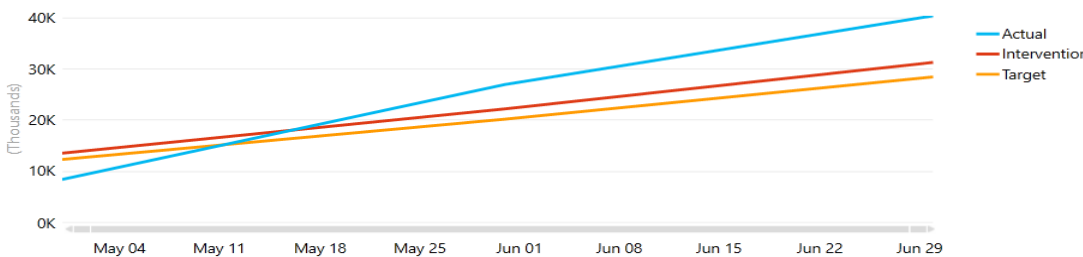
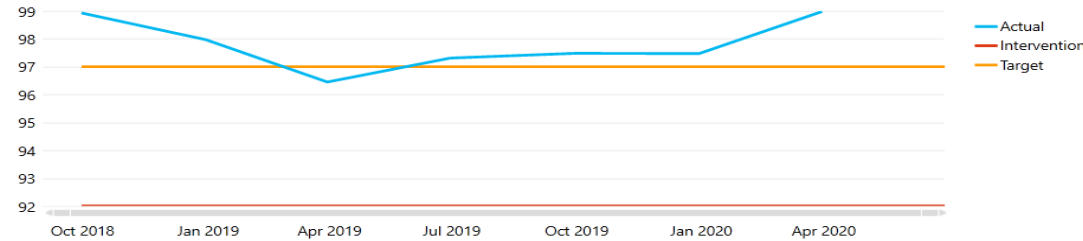
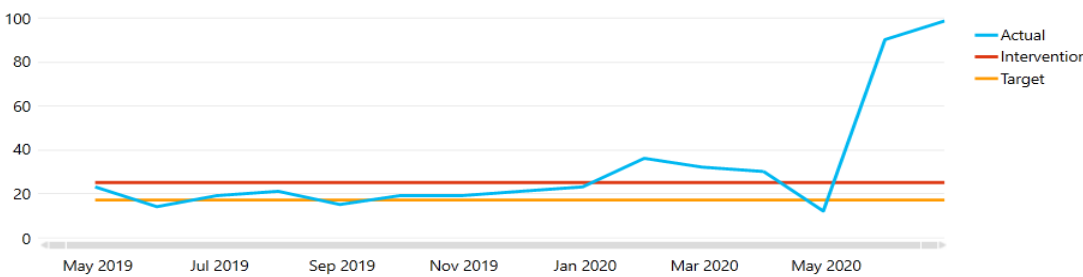
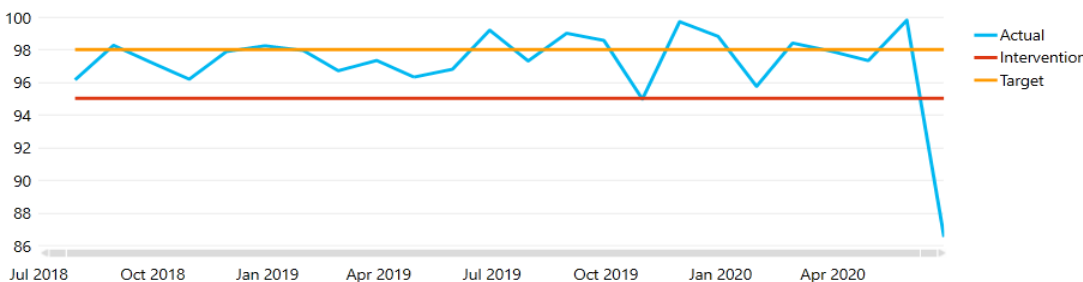
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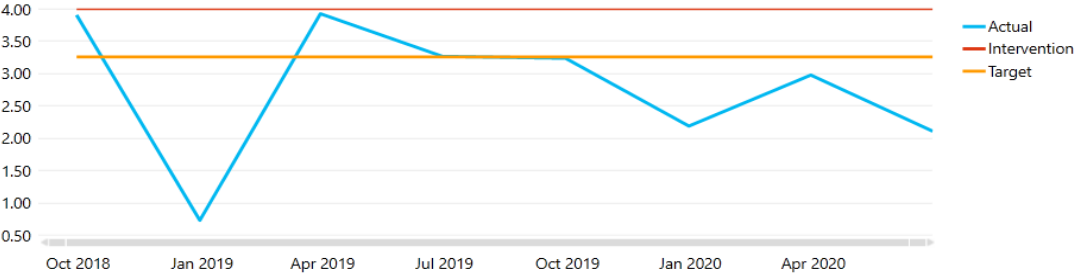
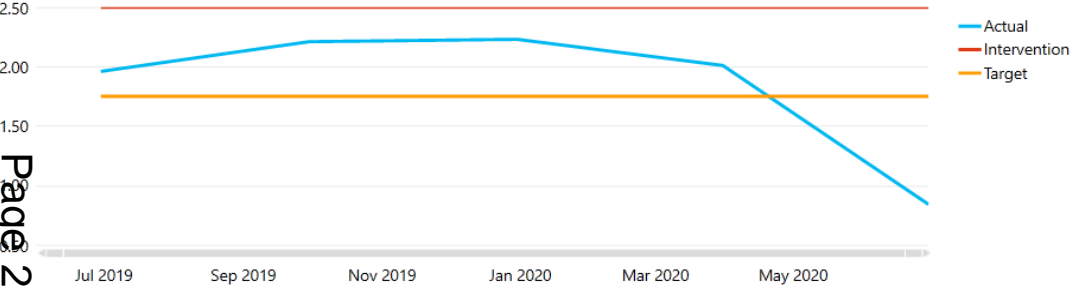
Finance

Key Performance Indicator and Owner, organised by Directorate and Service Area		Actual	Target	Intervention	Comments
Benefits					
FS112 Average number of days to process new HB/CTS claims					
Dawn Graham					
		Apr 16	15	20	The performance of the Benefits Team has improved as the number of applications for benefits and notified changes decreased back to pre-COVID 'normal' levels. It is expected that processing performance may vary more than usual for individual months as fluctuations in workload may come as a result of economic change or if we see a second outbreak of COVID-19.
		May 16	15	20	
		Jun 9	15	20	
FS113 Average number of days to process HB/CTS change events					
Dawn Graham					
		Apr 11	10	15	See comment above.
		May 13	10	15	
		Jun 6	10	15	
Finance					
FS109 % undisputed invoices paid in 30 days					
Peter Maddock					
		Apr 97.9	98.5	96.5	Below is the standard deviation for late invoices for April to June. The standard deviation has been undertaken on the number of days late rather than the total number of days it took to pay. This shows that in April there were some very late invoices compared to May and June.
		May 99.4	98.5	96.5	
		Jun 98.6	98.5	96.5	
Apr - 46.66, May - 12.78, Jun - 14.11					
Revenues					
FS102 % Housing Rent collected					
Katie Kelly					
Line chart not included as scale means that actual is indistinguishable from target		Apr 80.5	82.6	80.95	Figures can fluctuate from month to month due to factors such as the timing of Universal Credit payments to rent accounts. Given the current climate and restrictions on our ability to issues NOSP's or take court action during this period, the team have done an excellent job in encouraging collection without having the full toolkit available to them.
		May 88.5	89.5	87.71	
		Jun 92.8	92.8	90.94	

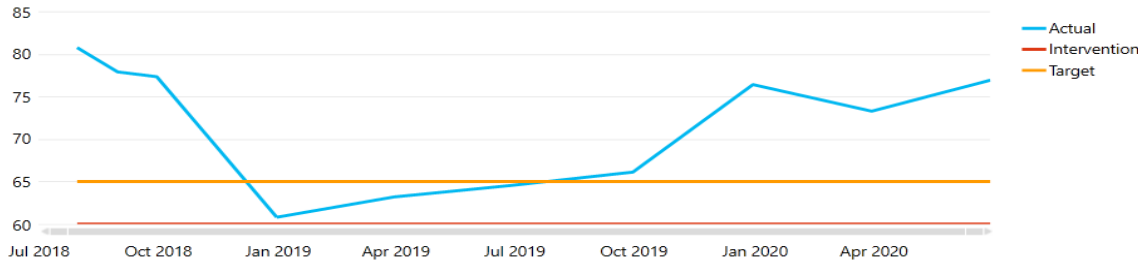
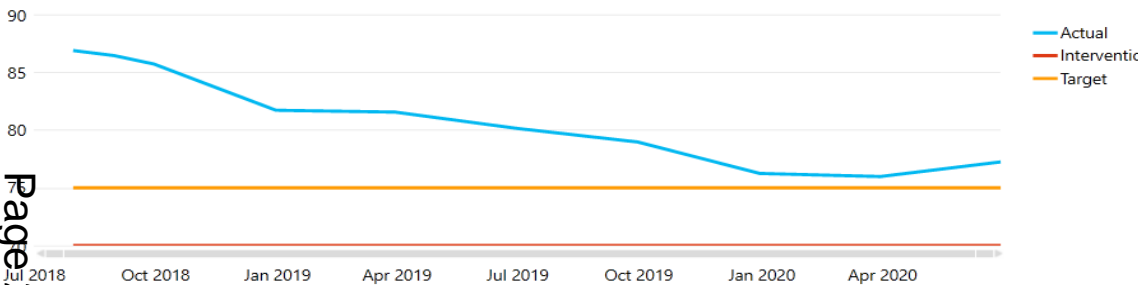
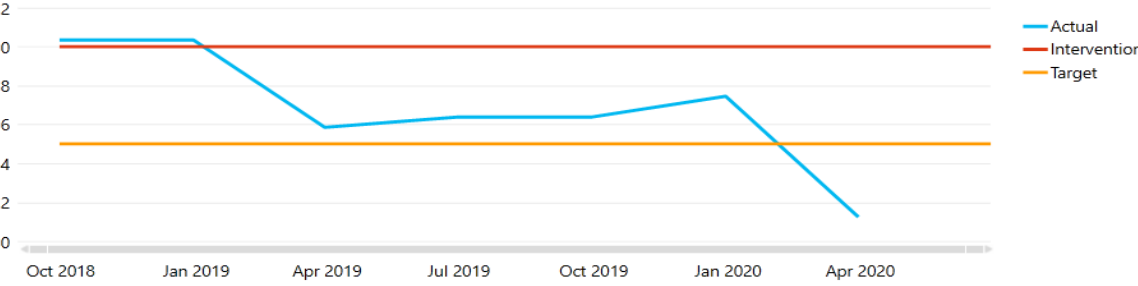
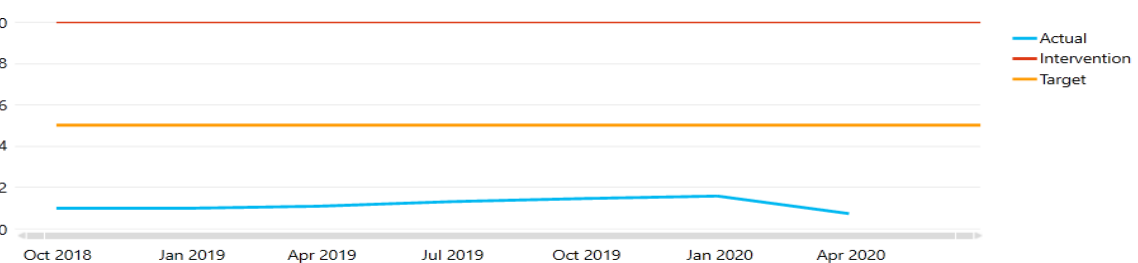
Key Performance Indicator and Owner, organised by Directorate and Service Area		Actual	Target	Interventi on	Comments
FS104 % NNDR collected (year to date)					
Katie Kelly					
Line chart not included as scale means that actual is indistinguishable from target	Apr	11.8	13.0	12.7	Q1 results are 'Red' due to the impacts of COVID-19 and limited debt recovery action.
	May	21.1	22.7	22.2	We have been issuing grants and processing rates relief applications, and “soft” reminders have been sent to encourage payment. We have been unable to send any
	Jun	30.4	31.7	31.1	statutory reminders for NNDR / CTAX as they all advise that court action will be taken in 7 days, but we have no date as to when the Courts will be open to accept our cases.
FS105 % Council Tax collected (year to date)					
Katie Kelly					
Line chart not included as scale means that actual is indistinguishable from target	Apr	15.4	11.0	10.78	Despite the challenges of the COVID-19 pandemic, Council Tax collection has remained
	May	24.4	21.0	20.58	above target and we remain on target to achieve good performance as the year
	Jun	33.3	30.7	30.09	progresses.

Report continues on the following page.

Key Performance Indicator and Owner, organised by Directorate and Service Area				Actual	Target	Intervention	Comments
Housing Advice							
AH212 £s spent on Bed and Breakfast accommodation (year to date)							
Sue Carter							Targets have been revised for 2020/21 in light of the additional responsibilities to accommodate homeless households during the height of COVID-19. However, Q1 figures have exceeded estimates due to the backlog of households accumulating in temporary accommodation but unable to move on. Yet this expenditure would have been higher if the Council had not asked all registered housing providers to offer any void accommodation for use as direct lets and/or temporary accommodation to reduce pressure on B&B alternatives. Property allocations are now increasing as housing providers return to 'business as usual' but easing pressure on B&Bs during Q2 is dependent on external factors such as a future 'lockdown' scenario.
				Apr 8320	12230	13453	
				May 26873	20102	22112	
				Jun 40327	28368	31205	
Housing and Property Services							
AH204 % tenants satisfied with responsive repairs							
Geoff Clark							Currently awaiting receipt of Q1 performance results from Mears. This has been delayed as a result of reduced working arrangements during the COVID-19 lockdown period.
				Mar 98.98	97	92	
				Jun	97	92	
AH211 Average days to re-let all housing stock							
Geoff Clark							We stopped advertising vacant properties via our choice based letting system (Home-Link) towards the end of March due to Covid-19 and lockdown restrictions, and in line with government guidance at the time. We let two properties in May and ten in June. These became vacant prior to lockdown, were advertised through Home-Link and were ready to handover as we went into lockdown. The delay in letting them was due to restrictions on movement. Prior to COVID-19 we let 30-35 properties per month.
				Apr 12	17	25	
				May 90	17	25	
				Jun 99	17	25	
SH332 % emergency repairs in 24 hours							
Geoff Clark							June's figures are provisional due to issues with the interface between our new Housing Management System and Mears operating system, which have prevented verification of the result. Normally when there is a reduction in % of emergency repairs being responded to in 24 hours there is also a drop in satisfaction, however Mears have reported a 95.83% satisfaction rate with emergency repairs for this period.
				Apr 97.3	98	95	
				May 99.8	98	95	
				Jun 86.5	98	95	
These results will be monitored going forward and the issue with the interface should be resolved to allow verification to take place in time for the production of the next performance report.							

Key Performance Indicator and Owner, organised by Directorate and Service Area		Actual	Target	Intervention	Comments
HR					
FS117 Staff turnover (non-cumulative)					
Susan Gardner Craig					
		Mar	2.97	3.25	4
		Jun	2.10	3.25	4
FS125 Staff sickness days per FTE excluding SSWS (non-cumulative)					
Susan Gardner Craig					
		Mar	2.01	1.75	2.5
		Jun	0.84	1.75	2.5
The June result equates to the first 3 months following lockdown. Although the figures for sickness absence are very low there may be a number of reasons for this and further examination of the figures will need to be carried out.					

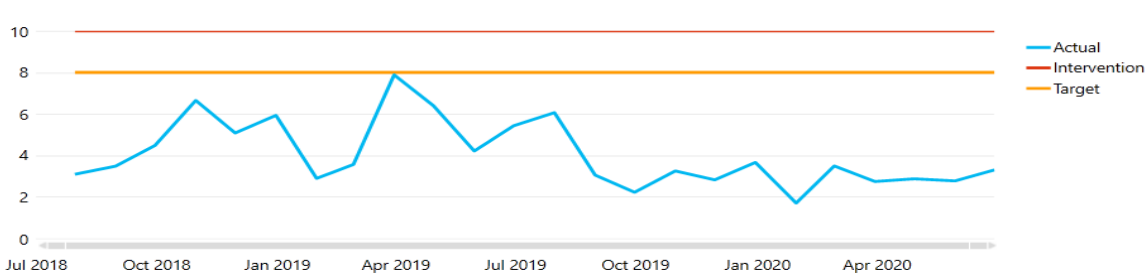
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Key Performance Indicator and Owner, organised by Directorate and Service Area		Actual	Target	Intervention	Comments		
Dev. Management							
PN510 % of major applications determined within 13 weeks or agreed timeline (designation period cumulative) Sharon Brown			Mar Jun	73.27 76.92	65 65	60 60	PN510 and PN511 March and June results are provisional pending publication of MHCLG tables.
PN511 % of non-major applications determined within 8 weeks or agreed timeline (desig. period cumulative) Sharon Brown			Mar Jun	75.97 77.24	75 75	70 70	See comment above.
PN512 % of appeals against major planning permissions refusal allowed (designation period cumulative) Sharon Brown			Mar Jun	1.24	5 5	10 10	This is the first time that March's PN512 and PN513 results have been reported, due to the publication schedule of Planning Inspectorate and MHCLG datasheets that inform these results. The reduction that can be seen in March is due to entry into a new designation assessment period that runs from April 2018 - December 2020, and lower numbers of appeals that have been allowed during this period to date in comparison with the previous designation assessment period (April 2017 - December 2019) June results will be reported once these datasheets and figures are released for Quarter 1.
PN513 % of appeals against non-major planning permission refusal allowed (designation period cumulative) Sharon Brown			Mar Jun	0.72	5 5	10 10	See comment above.

Key Performance Indicator and Owner, organised by Directorate and Service Area	Actual	Target	Interventi on	Comments
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Land Charges

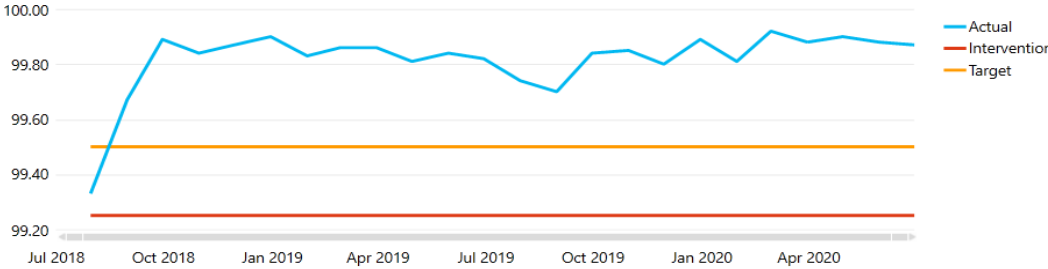
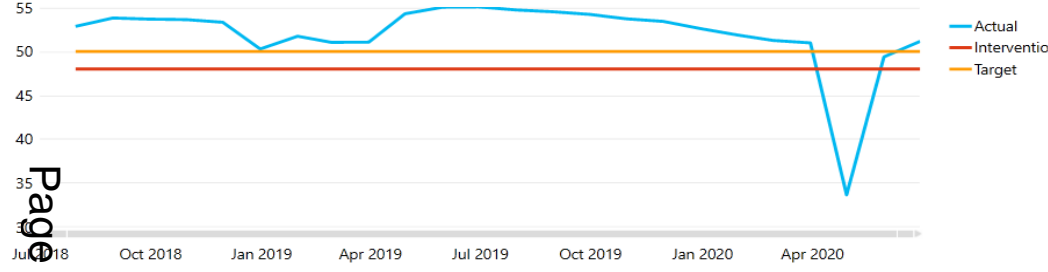
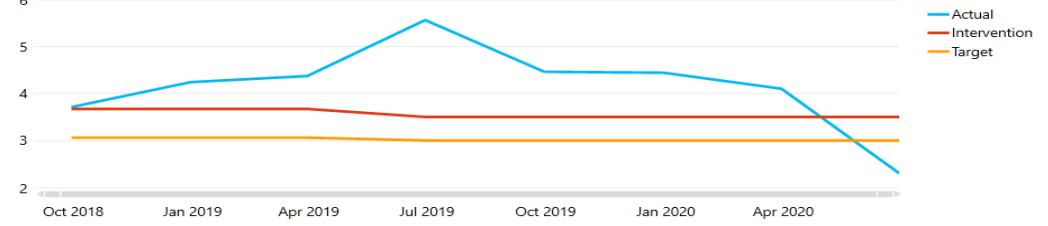
SX025 Average Land Charges search response days

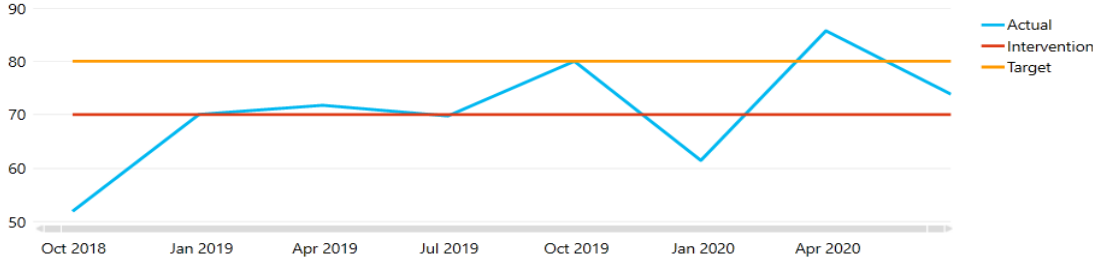
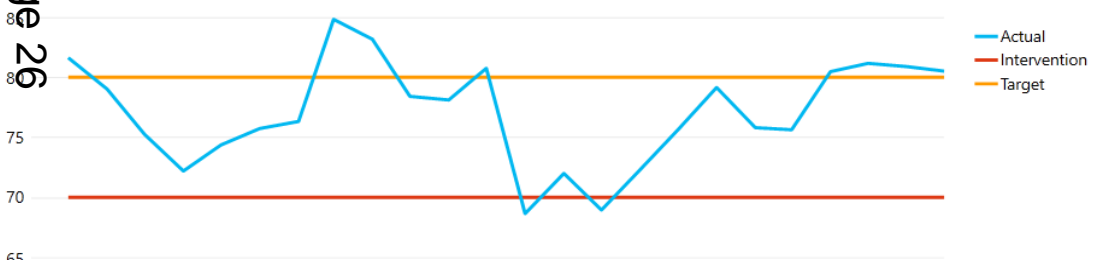
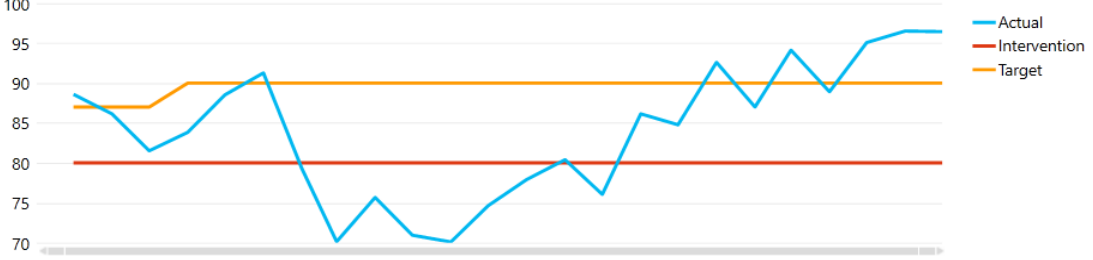


Apr	2.9	8	10
May	2.8	8	10
Jun	3.3	8	10

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Appendix A - Key Performance Indicator Report - Quarter 1 2020 - 2021

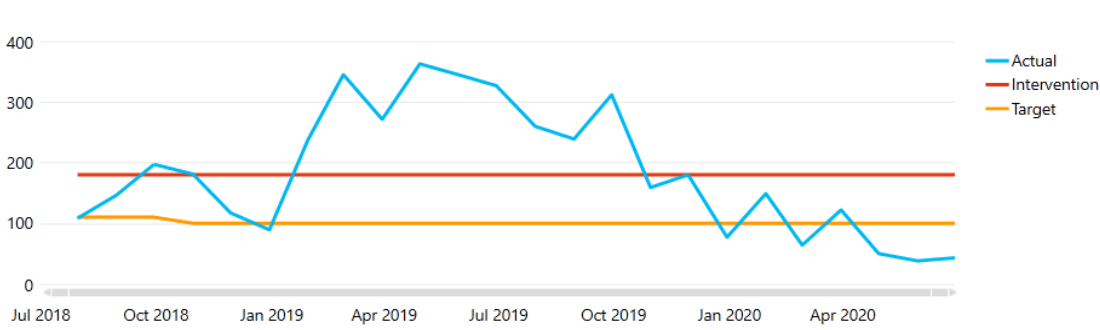
Key Performance Indicator and Owner, organised by Directorate and Service Area		Actual	Target	Intervention	Comments
Shared Waste Service					
ES408 % of bins collected on schedule (SSWS)					
Trevor Nicoll					
		Apr 99.90	99.5	99.25	This KPI is only in relation to scheduled bin collections and does not take into account green bin rounds that were cancelled as a result of COVID-19 during April. Results have therefore been largely unaffected, and we should be able to maintain or further increase performance in the 20-21 financial year.
		May 99.88	99.5	99.25	
		Jun 99.87	99.5	99.25	
ES418 % of household waste sent for reuse, recycling and composting (cumulative)					
Trevor Nicoll					
		Apr 33.59	50	48	Due to COVID-19 the organic waste collections were suspended during April and part of May resulting in the service collecting approximately 1950 tonnes less organic waste compared to the same months last year.
		May 49.39	50	48	
		Jun 51.17	50	48	
SF786a Staff sickness days per FTE - SSWS					
Trevor Nicoll					
		Mar 4.10	3	3.5	There may be a number of reasons for the low sickness levels and further examination of the figures will need to be carried out.
		Jun 2.30	3	3.5	
Environ. Health & Licensing					
ES406 % major non-compliances resolved (in rolling year)					
Jane Hunt					
		Mar	90	80	Work is ongoing to obtain this result.
		Jun	90	80	
ES401 % business satisfaction with regulation service					
Jane Hunt					
		Mar	90	80	The business satisfaction survey that informs this KPI was not distributed for Q4 or Q1 as a result of COVID-19 lockdown.
		Jun	90	80	

Key Performance Indicator and Owner, organised by Directorate and Service Area	Actual	Target	Intervention	Comments
Complaints				
CC305 % of formal complaints resolved within timescale (all SCDC)				
Jeff Mambery				
	Mar	85.71	80	70
	Jun	73.81	80	70
31 of 42 complaints were resolved within timescale in Q1 (3 of 6 in HR, Corporate Services and Finance, 13 of 16 in Shared Waste and Environment, 5 of 9 in Planning and 10 of 11 in Housing).				
In Planning, late resolutions were due to complex complaints requiring review of large amounts of documentation or the need to consult other officers. We have now increased the number of investigators and hold 6-weekly meetings to monitor cases and deadlines. As we clear older complaints, performance should improve.				
In Corporate Services and Finance delayed responses occurred due to the knock-on effects of the pandemic on workload. In two instances complaints resulted in prompt updates to accounts, but formal responses were sent outside of timescale.				
In Shared Waste and Environment a process issue has now been corrected that had resulted in the late allocation of complaints at the start of the quarter. Complaints are now allocated in time.				
The one late complaint in Housing was due to a delay in receipt information required for a response from a contractor.				
Contact Centre				
CC302 % calls to the Contact Centre resolved first time				
Jeff Mambery				
	Apr	81.16	80	70
	May	80.89	80	70
	Jun	80.51	80	70
CC303 % of calls to the Contact Centre that are handled (answered)				
Jeff Mambery				
	Mar	88.9	90	80
	May	96.5	90	80
	Jun	96.5	90	80

Key Performance Indicator and Owner, organised by Directorate and Service Area	Actual	Target	Interventi on	Comments
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CC307 Average call answer time (seconds)

Jeff Membery



Mar	122	100	180
May	38	100	180
Jun	43	100	180

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Note: Measures include a completion date by quarter of the financial year.

Quarter 1 – April to June

Quarter 2 – July to September

Quarter 3 – October to December

Quarter 4 – January to March

A) Growing local businesses and economies

Action	Measure	Position at end of Quarter 1
A1) Create a business team with a single point of contact for business enquiries when they involve more than one team	<ul style="list-style-type: none"> Establish of a Business Team (quarter 2) 	<ul style="list-style-type: none"> The team has been appointed and will be in place in Q2.
A2) Help start-ups and home-based businesses to find workspace	<ul style="list-style-type: none"> Complete a feasibility study looking at how South Cambs Hall can be used to provide workspace for businesses, including start-ups (quarter 2) Provide a new space for up to 5 growing small business (quarter 4) 	<ul style="list-style-type: none"> Feasibility study is underway, however there may be issues around social distancing that may impact on timeline for delivery and occupation.
A3) Deliver support to start-ups and small businesses that is not available elsewhere to help them grow, create new local jobs and deal with the impacts of Brexit	<ul style="list-style-type: none"> Hold 8 business support workshops (quarter 4) Provide business support advice to 100 businesses (quarter 4) 	<ul style="list-style-type: none"> This has been impacted by COVID-19 but the first event was held 08/07/20.



<p>A4) Promote the area and Enterprise Zones to retain businesses and attract new ones which will protect and create local jobs</p>	<ul style="list-style-type: none"> • Complete strategy and begin actively promoting Enterprise Zones to secure new businesses locating there (quarter 3) • 500 additional jobs created on Enterprise Zones by end of 2024/25 financial year 	<ul style="list-style-type: none"> • Not progressing as we may have expected. Still actively pursuing investment at Northstowe, even if we don't progress as far in terms of delivery.
<p>A5) Identify gaps in the land and premises available for businesses as an input to our new Local Plan</p>	<ul style="list-style-type: none"> • Complete employment land and premises study (quarter 2) 	<ul style="list-style-type: none"> • Initial study work has now been mostly completed and is feeding in to our first iteration of the statutory Housing and Employment Land Availability Assessment (HELAA) as part of the emerging Greater Cambridge Local Plan (GCLP). • Potential med/long term impacts of Covid on land use in relation to employment space means we will be looking at undertaking further iterative work in the plan making process and have a retained contract with consultants to continue this work with us.



B) Housing that is truly affordable for everyone to live in

Action	Measure	Position at end of Quarter 1
B1) Increase the number of Council homes built each year to support people on lower incomes. These will include high energy standards and renewable energy.	<ul style="list-style-type: none"> Complete 50 new Council homes in 2020-21 (quarter 4) as part of doubling the number being built by 2024 	<ul style="list-style-type: none"> We are on site on 5 of our 8 sites within the district. We are still delivering, but social distancing measures are likely to impact on pace of delivery.
B2) Work with local people to set out where and how new homes and communities will be built across the Greater Cambridge area	<ul style="list-style-type: none"> Produce a report assessing feedback provided by local people from the first Local Plan consultation. This will inform the next steps in the Local Plan process (quarter 1) Complete and publish a North East Cambridge draft Area Action Plan for consultation (quarter 2) 	<ul style="list-style-type: none"> There will be changes to timing, however we are not stopping consultation, which will still take place within deadline. In some areas this is taking place earlier than originally foreseen.
B3) Create and continue to run liaison meetings and forums where significant new developments are being planned to minimise disruption and help new residents settle in	<ul style="list-style-type: none"> Establish liaison meetings in Sawston and Duxford/Hinxton (and other locations if required) in 2020/21 Continue to carry out liaison meetings in Cottenham Continue to carryout community forums in Northstowe, Waterbeach, North-West Cambridge, and Cambridge East. 	<ul style="list-style-type: none"> The liaison meetings have now been through Cabinet (29 June) and delivery is being considered. This will involve the use of virtual meetings. The pace will need to be aligned to what is feasible for communities, but all currently on track.



	<ul style="list-style-type: none"> Establish new community forums covering Bourn and Cambourne West, and North-East Cambridge in 2020/21 	
B4) Improve the energy efficiency of existing Council housing to reduce carbon impact and running costs	<ul style="list-style-type: none"> Carry out an audit of energy efficiency of existing housing stock relative to zero carbon target (quarter 1) Approve a work programme for insulation measures over the next four years to narrow the gap on the zero-carbon target (quarter 4) 	<ul style="list-style-type: none"> Zero Carbon Asset Management plan is in development.
B5) Deliver a new sports pavilion, community centre and civic hub (containing health, library and community facilities) at Northstowe	<ul style="list-style-type: none"> Submit planning permission for the new sports pavilion (quarter 3) Complete local engagement to understand what the community wants in the new community centre (quarter 4) Award design contract for a new Civic Hub (quarter 4) 	<ul style="list-style-type: none"> Sports pavilion site investigation delayed, because of COVID-19. To be completed to allow planning to proceed. Community Engagement was scheduled for 25/3. Cancelled owing to COVID-19. Exploring ways to deliver this session digitally. Potential delay to award of design contract for Civic Hub due to COVID-19 and requirement of County Public Health and CCG/NHS input. Possible for future design requirements to change as a result of COVID-19.



C) Being green to our core

Action	Measure	Position at end of Quarter 1
C1) In response to the global climate crisis we will continue to work towards a zero-carbon future by 2050	<ul style="list-style-type: none"> Complete a zero-carbon strategy for the district to inform an action plan (quarter 3) Agree action plan to reduce the Council's emissions for all our buildings and operations (quarter 1) 	<ul style="list-style-type: none"> Zero Carbon Strategy was adopted by Full Council in May. An action plan is now being developed.
C2) Work with partners to protect and enhance the environment with the aim of doubling nature	<ul style="list-style-type: none"> Hold a local Climate Summit (quarter 3) 	<ul style="list-style-type: none"> A summit might be difficult due to social distancing measures; however, we could look at the possibility of a virtual summit.
C3) Retrofit our Cambourne office with renewable energy generation and energy efficiency measures	<ul style="list-style-type: none"> Complete retrofit of Cambourne office (quarter 4) Reduce mains gas and electricity demands from our Cambourne office by over 50% per year (from March 2021 onwards compared to baseline in 2019). Reduce carbon emissions from our Cambourne office by 49% per year (from March 2021 onwards compared to baseline in 2019). 	<ul style="list-style-type: none"> There have been some delays to the planning permission process due to COVID-19. A committee date has now been identified for late July. A report will be submitted to LT outlining some different options around the Ground Source Heat Pump element of the project accounting for the impact of government reduction in Renewable Heat Incentive income.



		<ul style="list-style-type: none"> At present, we still expect to meet the end of Quarter 4 deadline.
C4) Trial electric recycling and waste vehicles, including the investigation of on-site solar panel energy generation	<ul style="list-style-type: none"> One electric bin lorry and two small vans operating to assess feasibility (quarter 3) Prepare a business case on further investment in alternative fuel bin lorries and power generation for 2021-22 budget setting 	<ul style="list-style-type: none"> We should have a local demonstration of a vehicle in June and delivery is due for October. Demonstration initially delayed from March, however June date is still on track.
C5) Support Parish Council and community group projects to reduce reliance on fossil fuels and move toward the zero-carbon target	<ul style="list-style-type: none"> Provide £100,000 to community and voluntary groups through the Zero Carbon Communities grant and support programme. 	<ul style="list-style-type: none"> Zero Carbon Communities grants have been reviewed and launched in July.
C6) Upgrade our stock of 1,800 streetlights to LED, which will reduce energy consumption and save Parish Councils money	<ul style="list-style-type: none"> Completion of lighting upgrade to LED (quarter 4) Achieve 60% reduction in energy consumption of streetlighting for Parish Councils (quarter 4) 	<ul style="list-style-type: none"> The Investment Grade Proposal has been received setting out the schedule for delivery of works to standard lights by March 2021.
C7) Agree and deliver our strategy and actions needed to protect and improve the air quality of our district	<ul style="list-style-type: none"> Strategy and action plan revised (quarter 1) Air quality monitor in place to gather data at one new location (quarter 1) Complete a review of how and where we monitor air quality (quarter 2) 	<ul style="list-style-type: none"> This project has been delayed, however data collected to date would not reflect normal circumstances as a result of the reduction in air pollution during the COVID-19 movement restrictions.



C8) Improve recycling and reduce waste at community events	<ul style="list-style-type: none"> • Publish a resource toolkit for community groups and parish councils (quarter 1) • Equipment and information kit to minimise and separate recycling at community events available (quarter 1) 	<ul style="list-style-type: none"> • We have worked to produce the resource for community groups and parish councils, but the release date needs to be reviewed and rescheduled for post-COVID-19 to ensure greatest impact.
C9) Run an information campaign to help reduce the amount of food waste in the black bin	<ul style="list-style-type: none"> • Cut the amount of food waste in the black bin by 200 tonnes per month (quarter 4) 	<ul style="list-style-type: none"> • During COVID-19 a communications programme was undertaken to try and help residents to reduce their overall food waste. Once the waste service is fully operational again we will start a communications campaign to help reduce the amount of food waste put in the black bin.
C10) Deter fly-tipping at locations where it happens frequently	<ul style="list-style-type: none"> • Agree fly-tipping hotspots and action plans to address this at each one (quarter 2) 	<ul style="list-style-type: none"> • Street scene and enforcement officers are working closely together to identify locations and develop an operational plan.



D) A modern and caring Council

Action	Measure	Position at end of Quarter 1
D1) Make sure that the Council is structured and appropriately resourced to deliver the ambitions of our communities	<ul style="list-style-type: none"> Review all service areas (quarter 4) 	<ul style="list-style-type: none"> Review of all service areas is more likely to be commenced by Q4 rather than completed by this point. Reviews to be thorough rather than light touch. Potential for further spike and lockdown impacting progress
D2) Review recruitment processes to attract and retain the best talent and ensure that we are an employer of choice for people with disabilities	<ul style="list-style-type: none"> Complete and analyse an annual staff satisfaction survey and review our benefits package (quarter 4) Successfully fill at least 70% of jobs advertised through first round of recruitment Increase the number of job applications from people with disabilities from 2019-20 levels 	<ul style="list-style-type: none"> Work has taken place on points 1 and 2 (from measures cell), but remains ongoing on point 3. New employee benefits portal launched in April 2020. Target of 70% recruitment has been achieved Equalities in employment report to be completed for 2020 Disability Confident – plan to achieve Level 2 Recruitment and employment policies to be reviewed as part of the BLM motion and T & F group work



D3) Generate income through delivering the Council's investment strategy	<ul style="list-style-type: none"> 25% of our income is generated from investments and other commercial activities by end of 2023/24 financial year 	<ul style="list-style-type: none"> Remain on track to meet 23/24 financial year target.
D4) Make it easier for customers to access and carry out transactions online	<ul style="list-style-type: none"> Double number of households registered for a OneVu account – 9% registered at December 2019 (quarter 4) Reduce the number of calls per household by 5% - compared to 2019-20 levels (quarter 4) 	<ul style="list-style-type: none"> COVID-19 has increased registration numbers and we now have just under 15,000. Potential for increased calls during the COVID crisis period as businesses and residents need to access support Additional e-forms added to customer portal
D5) Council and committee meetings will be run paper-free wherever possible	<ul style="list-style-type: none"> Paper free cabinet meetings to be held (quarter 2) Members to be provided with an option for paper-free Council and committee meetings (quarter 4) 	<ul style="list-style-type: none"> Unlikely to be deliverable by Q2. Delayed by COVID-19 because focus has been on establishing virtual meetings rather than paperless meetings. Options to be considered for apps and software to enable digital voting.
D6) Increase the number of villages covered by mobile warden schemes to help people to live in their homes for longer	<ul style="list-style-type: none"> At least 3 new mobile warden schemes set up (quarter 3) 	<ul style="list-style-type: none"> The procurement exercise closed on 17 July and applications will be reviewed and contracts awarded by mid-August.

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Agenda Item 9

REPORT TO:

Cabinet

2nd September 2020

LEAD CABINET MEMBER:

John Williams Lead Cabinet Member for Finance

LEAD OFFICER:

Peter Maddock Head of Finance

2019/2020 Provisional General Fund Revenue and Capital Outturn

Executive Summary

This is not a key decision [but it may be] as there are no resource implications directly arising from the report at this stage; the report provides a statement of the year-end financial position and progress with approved capital investment projects.

1. The report reviews the General Fund Revenue and Capital outturn position for the financial year 2019/2020 with Reserve balances as at 31 March 2020, and to agree proposed changes to the Capital Programme.
2. This is not a key decision [but it may be] as there are no resource implications directly arising from the report at this stage; the report provides a statement of the year-end financial position and progress with approved capital investment projects.

Recommendations

3. That Cabinet is requested to consider the report and, if satisfied, to:

- (a) Acknowledge the 2019/2020 general fund revenue outturn position and the net underspend (after income from Taxation and Government Grants) in the year of £4.665m and the explanations provided for the variances compared to the approved 2019/2020 revenue budget;
- (b) Acknowledge the consequent increase in the General Fund as at 31 March 2020 of £4.665m to around £16.5m;
- (c) Recommend to Council a General Fund Revenue Carry Forward in the sum of £30,000.
- (d) In relation to the Capital Programme:
 - (i) Note the 2019/2020 capital budget outturn of £42,302 million;
 - (ii) Recommend to Council the carry forwards of £2.081 million in relation to General Fund capital projects due mainly to slippage.
 - (iii) Recommend to Council additional funding of £105,000 from earmarked reserves to meet the expected cost of the Lighting renewal programme.

- (iv) To note that a full review of the Capital Programme will be submitted to Cabinet at its October 2020 meeting to include re-phasing of the existing programme and new Capital bids for the next budget cycle.

Reasons for Recommendations

4. To advise the Cabinet of the 2019/20 revenue and capital outturn position, the impact that this will have on the General Fund and to consider the carry forward of slippage within the 2019/20 capital programme. Also to note that a full review of the Capital Programme including new bids will be carried out and presented to this committee on 19th October 2020.

Details

2019/2020 Revenue Budget – Outturn

1. This report sets out the 2019/2020 Outturn position with a brief commentary on some of the variances. The Council's draft Statement of Accounts for 2019/20 are unlikely to be approved until the autumn; and given that both 2019/20 and 2018/19 accounts are both unaudited it is quite possible the outturn may change and therefore needs to be considered as 'provisional'.
2. The budget was set based on the old directorate structure and therefore the reporting needs to be on the same structure.
3. The table below sets out the outturn position for each Directorate:

	Current Net Budget £ million	Outturn £ million	Variance £ million	%
Housing Services	1.493	1.528	0.035	(2.3)
Health & Environmental Services	7.256	7.196	(0.060)	(0.8)
Corporate Services	6.277	6.865	0.588	9.4
Planning	5.238	4.951	(0.287)	(5.5)
Pension adjustments		1.956	1.956	
Operational Net Cost	20.264	22.496	2.232	11.0
City Deal and Drainage Levy	0.944	1.072	0.128	13.6
Investment Income & Expenditure	(2.004)	(2.586)	(0.582)	(29.0)
Appropriation to/(from) Earmarked Reserves	(0.340)	0.682	1.022	
Accounting reversals and MRP	(0.878)	(2.391)	(1.513)	(172.3)
Non Operational Budgets	(2.278)	(3.223)	(0.945)	(41.5)
Total	17.986	19.273	1.287	7.2

4. The Operational Net Cost of the Council relates to the day to day spending/service areas of the Council. The outturn for Net Operational Cost is £22.496 million which is £2.232 million above the original estimate however this includes adjustments related to the net service costs of pensions which are not included in the budget. These are reversed out below the net cost of services line as they are an accounting adjustment and should not impact on the general fund balance or the Council Tax. Once this has been excluded there is an overspend of £0.276 million. This is offset by an underspend of £0.945m in relation to Non-Operational Budgets. The net position being an overspend of £1.287m. A proportion of this relates to the increase in contributions to reserves particularly the late item agreed by Council for the Northstowe section 106 funding shortfall of £726,000. Some of the transfer to reserves relates to Business Rates income which features in the table in paragraph 7.
5. The key variances in operational areas are detailed below with a little commentary on each area:

Directorate	£m	Reason for Variance
Housing	0.035	A further allocation of Flexible Homelessness grant was received during the year. This has been transferred to the Earmarked reserve to aid Homelessness prevention activities for spending over the next 3 years. There was an overspend on bed and breakfast accommodation and a number of other small variances resulting in a marginal overspend. This overspend was funded from an additional transfer from reserves.
Health and Environmental Services	(0.060)	Being a large directorate covering a range of diverse services, the variance is made up of several under and overspends. The largest savings are realised in Health and Wellbeing (£156k) , Renewable Energy (£79k) and Community Safety (£42k) , These offset additional expenditure incurred on Localism (£143k) mainly due to Staffing costs and the allocation of internal support services and General Environmental Health services (£85k) which was mainly as a result of not recovering the targeted income level on commercial activities through the business hub.
Corporate Services	0.588	The recharge for corporate management and democratic services to the HRA was revised to better reflect actual work relating to the two accounts. There was also some additional agency staff costs and a redundancy payment that were not in the original budget.
Planning Shared Service	(0.287)	The underspend relates mainly to salary related costs in development management of around £200,000, some additional Planning Performance Agreement income of £52,000 and an underspend on enforcement legal costs.
Non Operational Budgets	(0.945)	This is made up of additional investment income and pension related accounting adjustments which is the biggest negative variation, offset by additional contributions to reserves and higher levies. The biggest positive variation is due to additional transfers to reserves primarily relating to Northstowe and Street Lighting

		and less removed from reserves relating to Shared Planning. Investment income was higher than expected due to commercial rent from 140 Science Park and Colmworth Business Park, not in the original budget, this was tempered by a bigger portion of interest earned being passed to the Housing Revenue Account.
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6. It is usual practice to submit any requests for rollover to 2020/21 as part of this report and the only one we have relates to the delayed start to the Gypsy and Traveller study in the sum of £30,000.
7. In addition to operation and non-operational income and expenditure above the following table shows the outcome for Council Tax, Business rates and the various other non-ringfenced grants received from Central Government.

	Current Net Budget £ million	Outturn £ million	Variance £ million	%
Total Expenditure (from above)	17.986	19.273	1.287	7.2
Government Grants	(2.604)	(5.060)	(2.456)	(94.3)
Council Tax	(9.175)	(9.175)	0	0
Business Rates	(6.811)	(6.236)	0.575	(8.4)
Collection Fund Surplus	0	(3.467)	(3.467)	
Income from Taxation and Government Grants	(18.590)	(23.938)	(5.348)	(38.3)
Appropriation (to)/from General Fund.	(0.604)	(4.665)	(4.061)	(672.3)

8. The Outturn position set out in the table above reflects the following:
 - That due to the constant changes to business rate reliefs since the introduction of 50% local retention the government is required to compensate local authorities for the loss of revenue as a result. In 2019/20 this was £2.422m more than expected.
 - That growth in business rates income in the district has been substantial since the setting of the baseline and 50% of that growth has to be paid over to central government (amounting to £3.118m), there was still additional income in 2019/20 but that will not affect the general fund until 2020/21.
 - The surplus on the Business Rates Collection Fund (3.467m) and surplus on Council Tax Collection Fund (£0.82m). It is normal practice to make provision for this surplus or deficit in setting the revenue budget but, for no known reason, there was no allowance made in the 2019/20 budget for the business rates surplus. This situation has been rectified in the 2020/21 budget.

- The Council tax figure quoted remains unchanged as this was fixed when the budget was set in February 2019.

9. The budget assumed a £0.604million addition to the General Fund Balance however as a result of the additional income particularly from Business Rates, £4.665m is expected to be added to the General Fund Balance.

Reserves

10. The reserves have been reviewed as part of the budget process and some have been amalgamated and others re-aligned however there needs to be a regular review process to ensure they are adequate and relevant to the priorities of the Council and the budget cycle is the best time for that to happen. As at 31st March 2020 the balance on General Fund earmarked reserves was over £29m.
11. The major reserves the Council holds are detailed below with some commentary on each:-

New Homes Bonus (NHB) GCP Reserve - £2.997m: This reserve was set up to receive a proportion of the NHB monies the authority receives from the Government. 30% is currently set aside each year for costs of the Greater Cambridge Partnership. It is likely that longer term to maintain this commitment more will be paid out than received as it is expected the NHB will either be reduced significantly or phased out completely. During 2019/20 a contribution of £876,000 was due to the Partnership with the contribution inwards being £742,000.

Infrastructure and A14 upgrade Reserve - £5.000m: This reserve now holds the total requirement for the amount expected to be required and came from the remainder of the NHB funds after the allocation to GCP and GF. The funds to make this up to the £5m required came from the now defunct Business Rates Growth Reserve.

Renewables Reserve - £4.739m: Set up at the end of 2015/16 in order to fund an investment programme to build new sources of renewable energy. The funds are built up from amounts retained in respect of Renewable Energy Schemes as per NNDR3 returns. In 2019/20 £460,810 was received from Renewable Energy sources 100% of which is retained locally in order to be reinvested back in Renewable Energy projects. In 2019-20 £197,682 of the funds were utilised, including funding the green energy grants scheme. It is proposed to use some of the funds going forward at South Cambridgeshire Hall to improve energy efficiency and implement further green energy schemes.

Property Investment Reserve - £3.548m: This Reserve was set up during 2019/20 from the now defunct Business Rates Growth Reserve. The funds are available to meet any costs that do not fall within the responsibility of the tenant under tenant repairing leases such as improvements to environmental standards.

Transformation Reserve - £3.903m: Set aside to meet one off costs associated with the Council's transformation programme. The programme will be running over the next two years or so and any unused balance once the programme is completed will be returned to the General Fund.

General Fund Capital Programme 2019/2020 – Outturn

12. The outturn in relation to the 2019/2020 Capital Programme identifies an expenditure underspend of £1.927 million and equivalent financing underspend. The budget for comparison purposes is the revised budget that was reported to Council as part of the 2020/21 budget papers:

	Revised Budget £ million	Outturn £ million	Variance £ million	C/Fwd
Housing Services	1.512	1.563	0.051	0
Health & Environmental Services	0.351	0.319	(0.032)	0.100
Corporate Services	1.221	0.853	(0.368)	0.372
Planning Services	0	0.031	0.031	0
Advances to Housing Company	13.500	12.991	(0.509)	0.509
Investment Property	26.500	25.400	(1.100)	1.100
CLIC Investment	1.145	1.145	0	0
Expenditure	44.229	42.302	(1.927)	2.081
Capital Receipts	1.116	1.309	0.193	
Revenue (inc. Reserves & HRA)	0.885	0.687	(0.198)	
Contributions (inc. Section 106)	1.017	0.770	(0.247)	
Borrowing (Internal)	41.211	39.536	(1.675)	
Funding	44.229	42.302	(1.927)	

13. Expenditure on Housing includes the re-purchase of General Fund sheltered Properties and Private Sector Housing Grants including Disabled Facilities grants (DFG's). With regard to the former the original budget was revised down but expenditure fell between the two figures so there was an overspend against the revised allocation. Consequently use of Capital receipts which fund this expenditure also fell between the two estimates. The latter was underspent by £229,000 relating to DFG's, the excess grant monies received will be held and used in 2020/21 to fund DFG expenditure.
14. The Health and Environmental Services budget is provided in the main for vehicle replacements for the waste and street cleansing fleet. This was overspent when compared to the revised budget mainly due to additional vehicle purchases. But this is funded from Earmarked Reserves which have significant funds set aside for this purpose. The proposed spend on Air Quality Monitoring equipment did not occur in 2019/20 as planned and approval is requested for this to be carried forward to 2020/21. The parish maintained street light scheme is now going ahead and in order for this to complete an additional sum of £105,000 is needed from Earmarked Reserves and a recommendation to that effect is included above.

15. The Corporate Support Services budget includes ICT projects and Capital works at the Camborne offices. Overall budgets were underspent by £368,000. There was a minor overspend on the Camborne offices with an underspend on ICT projects. It is proposed to carry forward the underspend of £372,000 on the various ICT projects pending a full review in the Autumn.
16. It was expected that £13.500m would be advanced to Ermine Street Housing Ltd, the Council's wholly owned subsidiary. In the event £12.991m was actually advanced as the number of properties acquired in the last quarter of 2019/20 was lower than expected. The loans count as Capital Expenditure as they are for a specific purpose so therefore the unspent allocation of £509,000 needs to be carry forward into 2020/21. The original budget for 2020/21 is £16.603m and with the carry forward will bring this to £17.112m, it is likely that some of this though will need to be rephased into 2021/22 when the Capital programme is updated in the Autumn.
17. The Investment Strategy was approved toward the end on 2018/19 but purchases did not start until 2019/20. The revised budget was set at £26.500m for the year and spend was £25.400m. Three properties were purchased, 140 and 270 Cambridge Science Park and Colmworth Business Park in St Neots. It is requested that the underspend of £1.100m be carried forward into 2020/21 pending the capital programme update.
18. The Council has been providing loan finance for the creation of an Ice Rink in the sum of £2.4m. The rink was complete during the summer of 2019. Spending of £1.145m was made in 2019/20 which was in line with the Capital Programme and brings the total of advances with CLIC to the agreed £2.4m.
19. Use of Capital Receipts to fund the programme was slightly higher than expectations due to additional spend in Housing and Health and Environmental Services. Funding for DFG's from the Better Care Fund exceeded expenditure but this funding can be applied during future years. The expected call on reserves was less than anticipated again due to underspends. All borrowing in the year was from internal sources and due to slippage was lower than expected.

Options

20. Other options involve not agreeing some or all of the carry forward amounts or the additional funding for the lighting scheme. This is not recommended as delays would be introduced and unfinished works would occur.

Implications

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

Financial

22. As detailed in the report though there are no additional implications arising from the report.

Legal

23. No significant implications.

Staffing

24. No significant implications.

Risks/Opportunities

25. No significant implications.

Equality and Diversity

26. The actions recommended in the report neither advantage or disadvantage any particular group.

Climate Change

27. No significant implications.

Consultation responses

28. No consultations undertaken except with spending officers as part of the close down process.

Effect on Council Priority Areas

29. The report details the General Fund Outturn and reports an increase in the General Fund balance some of which could be used to fund council priorities.

Background Papers

Various working papers held in accountancy.

Report Authors:

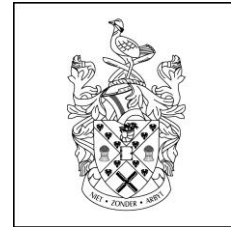
Peter Maddock – Head of Finance
e-mail: peter.maddock@scambs.gov.uk

Suzy Brandes – Principal Accountant
e-mail: suzy.brandes@scambs.gov.uk

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Agenda Item 10

DRAFT REPORT



**South
Cambridgeshire
District Council**

Report To: Cabinet

2 September 2020

Lead Cabinet Member(s): Councillor John Williams,
Lead Cabinet Member for Finance

Lead Officer: Peter Maddock, Head of Finance

2020/2021 General Fund Revenue and Capital Budget Monitoring

Executive Summary

1. To consider the latest monitoring data and trends in respect of the 2020/2021 General Fund revenue and capital budgets and emerging budget issues.
2. This is not a key decision as there are no resource implications directly arising from the report at this stage and the report provides monitoring information to ensure awareness of budget trends and emerging budget issues.
3. The Coronavirus pandemic has obviously had a significant impact on the Council and the figures presented need to be viewed in that context. Whilst there are a number of red warnings some of these might be significant in percentage terms but are not significant in monetary terms and others are delays in income and expenditure. But there will be some significant financial challenges as a result of the pandemic. A number of financial returns have been made to central government and these will continue for the rest of the financial year. The Government has also provided additional funding to the General Fund which should be sufficient to meet the financial impact on the fund.

Recommendations

4. That Cabinet is requested to consider the report and, if satisfied, to:
 - (a) Acknowledge the forecast 2020/2021 revenue outturn position against the approved revenue budget shown in Appendix C, the projected major variances with reasons for these variances and the action being taken to address the underlying issues;
 - (b) Acknowledge the latest Capital Programme 2020/2021 to 2024/2025 position [and variances, if any] as shown in Appendix D.

Reason for Recommendations

5. To advise the Cabinet of the latest monitoring information in respect of the 2020/2021 revenue and capital budgets and emerging budget issues, for the first quarter period to 30 June 2020.

Details

2020/2021 Revenue Budget Monitoring – Overview

6. Effective budget monitoring is a requirement of the Council's Financial Regulations and the Medium Term Financial Strategy (MTFS) and is critical to sound financial management. This process enables the Cabinet to monitor the approved budget, to identify emerging issues and, where appropriate, to put plans in place to address forecast budget issues.
7. A framework for budget monitoring has been established and this enables budgetary performance and agreed efficiency actions to be monitored through the use of performance flags (Red, Amber and Green – RAG Status) and Direction of Travel indicators. This provides a statement of financial health and an overview of how the Council is utilising its resources.
8. An integral part of the monitoring process is the regular meetings with Budget Holders and Portfolio Holders to proactively monitor compliance with the approved budget. This enables the identification of potential risks and emerging budget pressures so that appropriate action can be taken at an early stage.

Revenue Budget Monitoring – 2020/2021 Efficiency Assumptions

9. The ongoing process also includes the monitoring of compliance with the efficiency assumptions built into the 2020/2021 revenue budget. The evaluation of the efficiencies has been made on the basis of a RAG rating using the following criteria:

The proposal has been implemented and is on target to achieve the budgeted saving.	Green
The implementation of the proposal is in progress, the final saving to be achieved is estimated but not finalised.	Amber
Action is required to commence the project; savings to be delivered; proposal did not deliver the required savings.	Red

10. The budget for 2020/2021 included efficiency proposals totalling £1,739,700. The range of efficiency proposals are summarised at **Appendix A** most are on target to achieve the expected results, with the exception of the following:-
 - (a) Income from investments includes rental from commercial property and interest from Ermine Street Housing. Because of the pandemic there is a risk that this will not be met though this is uncertain at the moment which is why this is shown as amber.
 - (b) The delivery of efficiency savings in Housing is dependent on the completion of the Orchard system project and this has been delayed. The savings are now expected in 2021/22.
 - (c) The greening of South Cambs Hall project has been delayed due to the pandemic and the projected energy savings may now not occur until 2021/22.
 - (d) The energy savings on the Waterbeach Depot solar panels also look slightly optimistic now and £3,000 is a more likely figure.

Revenue Budget Monitoring

11. This report represents the revenue monitoring information for the period 1 April 2020 to 30 June 2020.

12. The budget variances are reported at **Appendix C** and have been assigned a **RAG** status (**Red**, **Amber** and **Green**) based on the following:

Under spends and overspends up to 2% of the budget	Green
Overspends between 2% and 10% of the budget	Amber
Overspends greater than 10%	Red

Revenue Budget Monitoring –Variances

13. This initial monitoring and assessment of the 2020/2021 revenue budget has identified a number of issues that require action to avoid budgetary pressures and issues that need to be kept under review. The key issues that require further reference are discussed in the following paragraphs:

(a) Salary Budgets

The table below identifies the variance on salary budgets by service area as at 30 June 2020:

	2020/2021			
	Budget to date (30 June 2020)	Actuals to date (30 June 2020)	Variance	Variance %
HR &Corporate	404,451	433,056	28,605	7
Finance	546,330	568,592	22,262	4
Shared Waste & Env.	1,911,245	1,706,586	-204,659	-11
Housing	1,477,529	1,339,538	-137,990	-9
Planning	1,556,250	1,556,416	166	0
Transformation	614,628	450,541	-164,087	-27
Total	6,510,433	6,054,731	-455,701	-7

The analysis takes account of the cost of agency staff backfilling vacant permanent posts (with agency costs generally much higher than permanent appointment). The area of highest underspend is Shared Waste and Environmental, this was because trade and green waste staff were able to back up the domestic crews, sickness and holiday was also low meaning no agency staff were required during the period. There were small overspends in both Finance and Corporate Services related to additional resources needed to complete the 2017/18 accounts and in facilities to help with COVID-19 related issues. The latter can be funded from the monies provided by Central Government.

Revenue Contingency

14. There have been no calls made on the revenue contingency for the year to 30 June 2020 and, therefore, the balance remains at £0.5 million.

Virement Movements

15. There have been no virements in the period to 30 June 2020.

Covid-19

16. During March 2020 the government announced a lockdown in an attempt to control the spread of the Covid-19 coronavirus which of course was in force for much of the first quarter of the current financial year. The Council like many other organisations has been affected by this in one way or another and both income and expenditure have been affected. The General Fund, Housing Revenue Account (HRA) and the Collection Fund have all been impacted and I will deal with each one in turn.
17. The General Fund, by its nature, will have to bear the majority of the additional costs borne by the Council. Revenues and Benefits, Shared Waste, Environmental Health, Planning and Homelessness have all seen additional expenditure and are all general fund services. The Council has also needed to make expenditure that it would not normally incur to support the community and businesses through the crisis and again this has to fall on the General Fund. Having said that the Government has provided £1.821m of additional resources to meet this additional expenditure and potentially lost General Fund income although whether it covers income loss is still unclear.
18. The Government has also provided around £25m to support small businesses and the retail, leisure and hospitality sector with two grant schemes and £0.661m for additional Local Council Tax Support to those struggling to meet their council tax. The Council has been administering these schemes which has meant significant additional work for some areas of the Council particularly Revenues and Benefits, Accountancy, the Policy and Performance and Business Support teams. The Grants schemes have, with members assistance, been successful in reaching many local businesses with much needed financial support but the schemes have now closed. Council spending on the grants schemes will be in excess of £24m but because not all eligible businesses applied there is likely to be some Government claw back of unspent money.
19. The HRA has also been affected by the pandemic but mostly due to reduced spending as for a time only urgent cyclical and responsive repairs have been carried out. There has been an increase in housing rent arrears and these may turn into losses if they prove irrecoverable, however it is intended to use some of the aforementioned £0.661m to support tenants which will help mitigate this risk. There has been no significant additional costs to the HRA as a result of the pandemic though an element will get recharged here.
20. The Collection Fund is likely to see the biggest impact. Income from Business Rates and Council Tax is collected by the Council to distribute to central government and the major preceptors. Early in the year there was a significant shortfall in Business Rates income and whilst this has recovered somewhat it is likely that the full impact on the Business Rates Collection Fund will not be known for sometime yet. The fund itself will inevitably fall into deficit and this could be quite significant. Central Government have floated the possibility of recovering this deficit over three years and

if this happens it will probably be mandatory leading to a cashflow disadvantage to the Council. The Council Tax Collection Fund has also seen some income losses though not as significant, however as the furlough scheme unwinds it is quite possible that some of these losses will become unrecoverable though the largest proportion of this will fall on the County Council.

Revenue Budget – Summary Position

21. The table below summarises the budgetary position relevant to each Service Area, with detailed information by Service Area within the General Fund included at **Appendix C, with selected detail in Appendices C(1) and C(2)**:

Directorate	Full Year Budget	Budget to date	Actual to date	Variance to date	Variance to date
	£'000	£'000	£'000	£'000	%
Chief Executives Office	760	200	211	11	6
Finance	2,531	512	(485)	(997)	-195
Human Resources and Corporate Services	1,346	233	209	(24)	-10
Shared Waste and Environmental Health	7,208	226	954	728	322
Housing General Fund	1,621	(763)	(150)	613	80
Planning	3,988	535	117	(418)	-78
Transformation	2,628	542	498	(44)	-8
Net Service Costs	20,190	1,485	1,354	(131)	-9
Overheads	9,282	2,471	2,079	(392)	-16

22. The Council has a current underspend position of £0.131 million (9%) on its net cost of service.

Capital Budget Monitoring

23. The Cabinet monitors the performance of the capital programme by reviewing on a regular basis the progress of all schemes. Regular reports on the Capital Programme to the Cabinet should identify the following changes:
- any schemes that are not being progressed as originally envisaged or those that are no longer required;
 - the revised phasing of a scheme(s) having regard to the latest information and any changes in forecast funding;
 - changes in funding requirements of committed schemes and the reasons relating thereto;
 - any budget amendments.

24. The Capital Programme is summarised in the table at **Appendix D**. It should be noted that the Capital Programme set out is that as approved by Council on 20 February 2020.

Implications

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

Legal

26. The legal position and relevant issues can be summarised as follows:

(a) Revenue Budget

The Council is required, by law, to set a balanced revenue budget each year which for 2020/2021 was approved by Council on 20 February 2020. The purpose of this report, in accordance with best financial management practice, is to advise the Cabinet of significant variations from that budget.

(b) Capital Programme

Prudential Indicators that underpin the Council's capital investment demonstrate that the investment is prudent, sustainable and affordable. The Council is required, in compliance with the Code, to monitor and report performance against established Prudential Indicators. The ongoing review of the capital programme is required to effectively monitor these indicators.

Policy

27. The position in relation to established Council policies can be summarised as follows:

(a) Revenue Budget

The MTFS requires that, to ensure a continuously stable financial base for the provision of services, the Council will ensure that annual ongoing General Fund revenue expenditure can be covered by annual income sources in each financial year. The MTFS requires regular reports to be submitted to the Cabinet in respect of budget performance and the report, therefore, provides an update on the latest budget position and also identifies a number of emerging budget issues that will need to be monitored during 2020/2021.

(b) Capital Programme

The Council has two approved policies relating to its Capital Programme; The Capital Strategy and the MTFS. The former provides the overarching capital strategy and linkage to the Corporate Asset Plan. The MTFS provides guidelines for the financing of capital schemes, any variations which may arise, and Prudential Code requirements.

Finance

28. The financial implications are outlined in the details section of the report.

Risk

29. The risk implications can be summarised as follows:

(a) Revenue Budget

When the Council considers each revenue service and function budget it is important that endeavours are made to identify potential risks. Inevitably, during the course of the financial year, some of these risks will occur and impact on the budget by either requiring further expenditure or by reducing the Council's budgeted income.

The budget is monitored on a regular basis to identify risks and take action to mitigate the risks when they arise. The Council holds a contingency with regard to budgetary risk in year, together with a range of Reserves to deal with specific issues.

(b) Capital Programme

In relation to Capital resources, the following risks should be taken into account when considering this report:

- (i) Capital schemes can emerge at any time based on newly identified needs or changes in legislation which require funding to be identified;
- (ii) The forecast cost/timing of existing schemes may vary as implementation is undertaken;
- (iii) Forecast capital receipts may not be achieved which could result in some schemes not proceeding until other sources of capital finance become available or unless further recourse is made to borrowing;
- (iv) Key risks associated with the Capital Programme are that budgets are not adequate, leading to over spend with consequent financial implications or that the schemes will not meet the desired objectives.

Environmental

30. There are no environmental implications arising directly from the report.

Equality Analysis

31. In preparing this report, due consideration has been given to the District Council's statutory Equality Duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relations, as set out in Section 149(1) of the Equality Act 2010. A relevance test for equality has determined that the activity has no relevance to South Cambridgeshire District Council's statutory equality duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relation. An equality analysis is not needed.

Effect on Council Priority Areas

32. Timely and robust consideration of the Council's budget is vital to ensure that financial performance is in line with expectations, emerging issues are identified and tackled and that Business Plan priorities are met.

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.

The following documents are relevant to this report:

- General Fund Medium Term Financial Strategy – Report to Cabinet: 4 December 2019
- Budget Report – Report to Cabinet: 5 February 2020
- Business Plan 2020 - 2025 – Report to Council: 20 February 2020
- Medium Term Financial Strategy and General Fund Budget – Report to Council: 20 February 2020

Appendices

- A Service Efficiency/Income Generation Assumptions 2020/2021: Update
- B Summary Monitoring Tables quarter one
- C Budget Monitoring by Service Area – Position as at 30 June 2020
- D Capital Programme – Update Position as at 30 June 2020

Report Authors:

Peter Maddock – Head of Finance
e-mail: peter.maddock@scambs.gov.uk

Suzy Brandes – Principal Accountant
e-mail: suzy.brandes@scambs.gov.uk

Service Efficiencies/Income Generation Assumptions: **2020-2021 Revenue Budget Build**

Theme 1: Develop a Workforce Operating Model		Saving	Revised	Performance
		2020/2021 £	2020/2021 £	RAG
1	Review of processes to identify potential changes to workforce deployment and a revised senior management structure, targeting a saving of £600,000 per annum by 31 March 2024. (* proposals approved by Council in May 2019)	£230,000 *	£230,000 *	
2	Creation of business resource capacity to release professional staff from corporate processes thus optimising professional staff time on key professional duties in Environmental Health.	£36,000	£36,000	
3	Rationalise processes and budgets to focus on efficient service delivery and effective resource deployment, including a review of:			
	(a) the corporate communications budget to further the benefits already achieved from the transition from in house to commissioned design work and to the digital tasks needed for the Council.	£3,500	£3,500	
	(b) the statutory electoral registration service and, in particular, the scope to optimise canvassing by electronic means.	£5,000	£5,000	
	(c) services relating to the health and well-being of residents to enable the rationalisation of processes and effective targeted support in a cost effective manner.	£75,000	£75,000	
	(d) the shared waste collection service to achieve further efficiencies in the delivery of the service.	£25,000	£25,000	

Theme 2: Alternative Ways of Working		Savings	Revised	Performance
		2020/2021 £	2020/2021 £	RAG
4	To establish a framework for electronic service delivery, encouraging "paperless" business processes & reduced printing.	£20,000	£20,000	
5	Revised Scheme of Members' Allowances taking into account the recommendations of the Independent Remuneration Panel (October 2019).	£60,000	£60,000	
6	Following the introduction of 'Council Anywhere', reduce unnecessary travel to meetings. Target 10% of total General Fund mileage costs per annum.	£6,000	£10,000	

Theme 3: Business and Growth		Savings	Revised	Performance
		2020/2021 £	2020/2021 £	RAG
7	Implementation of the Investment Strategy (subject to Council approval on 28 November 2019) by pursuing, subject to business case justification, commercial investment opportunities.	£940,000	£840,000	
8	To review Planning Performance Agreements and processes to reduce the current subsidy provided to those who undertake major developments.	£10,000	£10,000	
9	To consider prevailing fee scales and income generation opportunities for regulatory services, including:			

	(a)	A review of the current pre-planning advice charging policy.	£10,000	£10,000	
	(b)	A review of the charging policy that applies in respect of the licensing function, targeting additional income from safeguarding training and DBS checks for Taxi Drivers.	£60,000	£60,000	
	(c)	The development of a commercial model for the building control service to generate additional income from consultancy services.	£2,500	£2,500	
10		To undertake a review of the Ermine Street Housing recharge model for both housing and support staff.	£6,000	£6,000	

Theme 4: Managing Demand Better			Savings	Revised	Performance
			2020/2021 £	2020/2021 £	RAG
11		Expand and grow the commercial waste collection service.	£25,000	£25,000	
12		Encourage budget holders, through increased autonomy, to manage budgets within cash limits thus eliminating inflation uplift (except for contractual commitments, nationally agreed increases and utility/fuel costs essential for service delivery).	£50,000	£50,000	
13		Review annually the revenue budget outturn position and to identify areas of budgetary underspend where, in the context of managing demand and resource better, budgets can be reduced without significant and noticeable impact on service delivery.	£80,000	£80,000	
14		To review the potential for additional discounts on postage budgets held by service areas by using Royal Mail's CleanMail service and/or transferral of universal postal service provider for '2 nd class' mail to a competitor of Royal Mail.	£11,000	£11,000	
15		To review the way in which housing services are delivered, particularly developing self-service opportunities and partnership approaches to the delivery of some services, with realisation of cost and efficiency savings.	£55,000	£0	
16		To pursue, in line with the Business Plan Theme "Green to Our Core", the following specific investment opportunities:			
	(a)	Energy efficiency and green energy measures at South Cambridgeshire Hall, including Ground Source Heat Pump, solar canopies in the car park, internal LED lighting upgrades, electric vehicle charging points and chiller modifications and enhancements.	£79,700	£0	
	(b)	The installation of roof-mounted solar panels at the Waterbeach Depot (fully operational).	£5,000	£3,000	

Total Estimated Savings	£1,794,700	£1,562,000
Value Attributable to General Fund	£1,739,700	£1,537,000
Value Attributable to Housing Revenue Account	£55,000	£25,000

Budget 2020/21 Q1- Provisional Variance

Directorate	Full year Budget	Budget to date	Actual to date	Variance to date	Variance to date
	£'000	£'000	£'000	£'000	%
General Fund					
Chief Executive's Office	760	200	211	11	6%
Financial Services	2,531	512	(485)	(997)	-195%
Human Resources and Corporate Services	1,346	233	209	(24)	-10%
Housing General Fund	1,621	(763)	(150)	613	80%
Shared Waste and Environmental Health	7,208	226	954	728	322%
Transformation	2,628	542	498	(44)	-8%
Planning	4,096	535	117	(418)	-78%
Net Service Costs	20,190	1,485	1,354	(131)	-9%
Overhead Costs (Not included in Full Year Budget Total)	9,282	2,471	2,079	(392)	-16%
Council Approved Contingencies	250	0	0	0	0%
Finance Charge Reversals	(1,074)	0	0	0	0%
Capital expenditure funded from Revenue	3,978	0	0	0	0%
Greater Cambridge/CA Funding Contributions	1,065	0	0	0	0%
Internal Drainage Board Levies	206	103	103	0	0%
Interst Payable	2,128	12	12	0	0%
Investment Income	(4,537)	(1,134)	(479)	655	58%
Minimum Revenue Provision	2,075	0	0	0	0%
General Fund total costs	24,281	466	990	524	112%
New Homes Bonus	(2,768)	(692)	(692)	0	0%
Rural Services Grant	(131)	(65)	(65)	0	0%
(Surplus) / Deficit on Collection Fund re Council Tax	(99)	(25)	(25)	0	0%
(Surplus) / Deficit on Collection Fund re Business Rates	(307)	(77)	(77)	0	0%
Retained Business Rates (incl. Section 31 Grant)	(11,483)	(2,871)	(3,071)	(200)	-7%
Council Tax	(9,562)	(2,391)	(2,391)	0	0%
General Fund total income	(24,350)	(6,121)	(6,321)	(200)	-3%
General fund total	1,451	(5,655)	(5,331)	324	6%
Earmarked Reserves	(1,382)	0	0	0	0%
Directorate	Full year Budget	Budget to date	Total expenditure	Variance	Variance
	£'000	£'000	£'000	£'000	%
HRA					
Housing Repairs - Revenue	4,463	1,066	359	(706)	-66%
Supervision and Management General	4,447	692	566	(125)	-18%
Supervision and Management Special	676	150	(58)	(208)	-139%
Corporate Management	651	0	0	0	0%
Interest on Loans	7,254	0	(59)	(59)	0%
Depreciation	6,868	0	0	0	0%
Capital Expenditure funded from Revenue	15,149	0	0	0	0%
Other	149	2	1	(1)	-37%
Total HRA expenditure	39,657	1,908	809	(1,099)	-58%
Income	(29,477)	(7,644)	(7,590)	54	1%
Interest Receivable	(680)	0	0	0	0%
Total HRA	9,499	(5,736)	(6,781)	(1,045)	-18%

Budget 2020/21 Q1- Provisional Variance

Directorate	Full year Budget	Budget to date	Total expenditure	Variance	Variance
	£'000	£'000	£'000	£'000	%
GF Capital					
Transformation - ICT Development	442	44	9	(35)	-80%
Financial Services	112,803	10,903	1,390	(9,513)	-87%
HR & Organisation	1,990	497	1	(496)	-100%
Housing Services - General Fund	1,829	451	91	(360)	0%
Waste & Environmental Services	2,206	184	46	(138)	-75%
Total GF Capital	119,270	12,079	1,537	(10,542)	-87%

Directorate	Full year Budget	Budget to date	Total expenditure	Variance	Variance
	£'000	£'000	£'000	£'000	%
HRA Capital					
Preparation of Self-Build Plots	152	38	0	(38)	-100%
New Homes Programme	26,871	6,718	1,195	(5,523)	-82%
Repurchase of HRA Shared Ownership Homes	150	38	55	17	45%
Orchard System Upgrade	127	32	0	(32)	-100%
Housing Repairs - Capital	7,228	1,807	42	(1,765)	-98%
Total HRA Capital	34,528	8,633	1,292	(7,341)	-85%

Significant Items of Variance from Working Budget

Budget 2020/21 Q1 - General Fund revenue

Service Grouping	Reason for Outturn Variance	Full year budget £'000	Budget to date £'000	Actual to date £'000	Actual (Favourable) / Adverse variance to date £'000	Variance to date %
Overhead Costs						
HR Payroll	Underspend due to June Pension Deficit entered in P4 (£135,000) and the new HR IT system costs not having started yet (£43,000).	1,871	484	305	(179)	-37%
ICT	£74,000 staffing related and £37,500 related to the first quarter's instalment of the £150k annual contribution through the bid process. This has not yet been invoiced for, awaiting confirmation of service delivered.	1,377	278	254	(24)	-8%
Internal Audit	Q1 Invoice not received yet	106	31	0	(31)	-100%
Explained variances		3,354	793	559	(234)	-30%
Financial Services						
Investment Properties rent	The actual is currently showing net expenditure against a budget that would normally be showing net income. This is because the Council has had to pay the empty property rates on 270 Science Park of £323,000 and income is £209,000. The Council is in contact with the Valuation Office to obtain an RV reduction to zero thereby removing this liability.	(1,306)	(327)	114	441	135%
Interest	Lending to Ermine Street in the final quarter of 2019/10 and first quarter of 2020/21 was lower than budgeted and hence interest is lower than budget. It is unclear whether the assumed lending profile will catch up this financial year but even if it does interest will be chargeable for a shorter period and therefore be lower. It has been assumed that some of the additional government funding for COVID will make up this loss.	(3,231)	(808)	(593)	215	27%
Treasury Management	Additional costs associated with the investment strategy, but not significant in monetary terms.	26	5	9	4	85%
Explained variances		(4,511)	(1,130)	(470)	660	58%
Housing General Fund						
Improvement Grants	The grant funding from Cambs County Council (£690,000) was received later than expected - in July 2020.	30	(660)	0	660	100%
Travellers Site - Milton	Income was up by £3,300 and site expenditure £5,700 lower than anticipated in the first quarter.	(18)	(8)	(16)	(8)	-108%
Travellers Site - Whaddon	£1,000 additional income received, site maintenance spend lower and water rates not paid as anticipated in quarter 1	(13)	(9)	(13)	(4)	-44%
Sub Regional Homelink Service	Invoices for contributions from partner organisations were raised in July, later than anticipated.	(70)	(31)	0	31	100%
Explained variances		(71)	(708)	(29)	679	96%
Waste and Environmental Health						
Environmental Health	Timing difference due to Q1 ICT invoice not received	199	15	4	(11)	-76%
Shared Waste Collection Service	Trade Income has been decimated by Covid-19. In the process of contacting customer base to see what new collection service they want is. Annual and six-monthly invoicing put on hold - invoicing is currently undertaken piecemeal when demand is identified. £42,000 saving on fuel budget offsets this due mainly to low fuel price. An assumption has been made	(1,668)	(1,653)	(824)	829	50%
Environmental Health General	Q1 income budgeted of £11,000 not received in the quarter due to the Coronavirus though this not significant in monetary terms and can be taken from the Government's additional funding.	313	(6)	2	8	143%

COVID-19 Emergency	£51,000 equipment purchases; £22,000 vehicle costs; £6,000 protective clothing, this is funded from Central Government grant received some in 2019/20 and some in 2020/21.	0	0	82	82	100%
Taxi Licensing	£42,000 loss income due to COVID-19, leading to £7,000 saving on licence plates and stationery. Some of this loss will be delayed rather than lost but it is difficult to predict how much at this stage.	(92)	(45)	(11)	34	76%
Air Quality Monitoring	£7,000 unbudgeted income received from Cambs County Council; £11,000 budget profiling - expected purchases have not yet been made	69	17	(1)	(18)	-104%
Explained variances		(1,179)	(1,672)	(748)	924	55%
Transformation						
Localism - Community Development Projects	£17,000 relating to 19/20 but awaiting invoice; £10,000 Countryside grant received; £9,000 Northstowe allotment & orchard funds rolled over from 19/20 & £7,000 unbudgeted S106 income	242	10	(39)	(49)	-466%
A14 Highways England	This is a timing delay in raising a prior year invoice. The invoice was raised in period 4.	(3)	(15)	84	99	656%
Northstowe Community Wing	An invoice from Cambridgeshire County Council relating to 2019/20 has yet to be raised.	0	6	(15)	(21)	-373%
Explained variances		239	1	30	29	2978%
Planning						
City Deal	No variation to report	876	0	0	0	0%
Development Management	Shortfall on fees & charges income accounts for the majority of the overspend at Q1. It is expected that some of this income will be made over the remaining quarters of the financial year.	(2,836)	(829)	(562)	267	32%
Strategic Sites	The budget would usually show net income to date but because of non receipt due to the Coronavirus expenditure currently exceeds income. It is expected that much of this income will be received eventually though some could be delayed into 2021/22.	(709)	(198)	75	272	138%
Operations Management	There were a number of service budget underspends contrubuting to the variance at Q1.	326	26	(15)	(41)	-157%
PPA Wing	PPA Invoicing relates to prior year periods.	(32)	(8)	(60)	(51)	-633%
PPA Cambs IP	PPA income not invoiced for at Q1.	(36)	(36)	0	36	100%
Land Charges	Shortfall in fees & charges income (Covid impact). Offset partly by service budget underspends at Q1.	(302)	(121)	(59)	62	51%
Explained variances		(2,713)	(1,166)	(621)	545	-47%

Budget 2020/21 Q1 - Housing Revenue Account Monitoring

Service Grouping	Reason for Outturn Variance	Full year budget £'000	Budget to date £'000	Actual to date £'000	Actual (Favourable) / Adverse variance to date £'000	Variance to date %
Housing Revenue Account - Income						
Rental Income from dwellings	Income is slightly below expectations but this is insignificant and relates to variations between estimated and actual void levels. The bigger potential issue will be whether some debts turn bad as a result of Covid-19 but this will not be know for some time.	(29,023)	(7,534)	(7,495)	39	1%
Housing Repairs - Revenue						
Cyclical and Responsive Repairs	Expenditure on Cyclical and Responsive Repairs is usually lower in the first quarter but because of the Pandemic this has been particularly marked as only urgent repairs have been carried out.	4,463	1,066	360	(706)	-66%

Appendix D

Significant Items of Variance from Working Budget

Capital Budget 2020/21 Q1 - Major Variances from Budget

Service Grouping	Reason for Variance	Full year budget £'000	Budget to date £'000	Actual to date £'000	Actual (Favourable) / Adverse variance to date £'000	Variance to date %
Housing Revenue Account - Land						
HRA Land	There has been no expenditure here due to the coronavirus pandemic	152	38	0	(38)	-100%
New Homes Programme	Due to the pandemic there was a period of time when no work was being carried out and even when work began there is then a timelag between work being done and paid for. There is also an un-allocated amount here of £8.749m none of which had been allocated in quarter 1 for the same reasons.	26,871	6,718	1,195	(5,523)	-82%
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.	150	38	55	17	45%
Orchard System Upgrade	No expenditure has occurred here because of the coronavirus	127	32	0	(32)	-100%
Improvement to the Housing Stock	A significant underspend is showing here which is not unusual for the first quarter but again because only urgent works were carried out spend has been extremely low. It already seems unlikely that the full year budget will be spent.	7,228	1,807	42	(1,765)	-98%
Total HRA Capital Programme		34,528	8,633	1,292	-7,341	-85%
General Fund						
FINANCIAL SERVICES						
Investment Strategy	Delay in purchase of 296 Science Park due to Covid-19	96,000	9,600	33	(9,567)	-100%
Advance Funding for Ermine Street Housing	No lending to Ermine Street occurred until June.	16,603	1,303	1,357	54	4%
HUMAN RESOURCES & ORGANISATION						
Energy Efficiency, Green Initiatives	There has been a delay to the Greening of South Cambs Hall project due to the pandemic.	1,920	480	0	(480)	-100%
HOUSING SERVICES						
Repurchase of General Fund Sheltered Properties	No repurchases completed due to lockdown	500	125	0	(125)	-100%
Improvement Grants/Loans	Delay in works due to lockdown	780	195	91	(104)	-53%
Northstowe - Community New Build	Delay in works due to lockdown	524	131	0	(131)	-100%
WASTE & ENVIRONMENTAL HEALTH						
Refuse Collection Vehicles	Purchases postponed due to lockdown	595	184	46	(138)	-75%
TRANSFORMATION						
ICT Development	Delay s due to Covid-19	442	44	9	(35)	-80%
Explained GF Capital Programme variances		117,364	12,062	1,536	-10,526	-87%
Total GF Capital Programme		119,270	12,079	1,537	-10,542	-87%



Report to:

Cabinet

**2 September
2020**

**Lead Cabinet
Member:**

**Cllr John Williams, Lead Cabinet Member
for Finance**

Lead Officer:

Liz Watts, Chief Executive

3C Shared Services Partnership Renewal Agreement

Executive Summary

1. The Partnership Renewal Agreement for 3C Shared Services (ICT, Building Control, Legal) is attached at Exempt Appendix 1. The agreement expires in September 2020 and the proposal is to extend it for another five years.
2. The draft agreement was considered by the Scrutiny and Overview Committee on 16 July 2020, and the committee supported the draft with no changes.

Key Decision

3. The extension of the Partnership Renewal Agreement is a key decision and it was first published in the July 2019 Forward Plan.

Recommendations for Scrutiny and Overview

4. It is recommended that Cabinet approves the Partnership Renewal Agreement for 3C Shared Services (ICT, Building Control and Legal).

Reasons for Recommendations

5. The extension of the 3C Shared Service, following the first five years of its existence, is critical to maintain cost efficient and resilient service delivery.

Details

6. Extension of 3C Partnership Agreement (Appendix B)

7. Cambridge City, Huntingdonshire District and South Cambridgeshire District Councils have been sharing ICT, Legal and Building Control services since 2015. The Shared Services Agreement has been in place since then and lasts until 30th September 2020. The renewal process offers the opportunity significantly to enhance the services' strategic vision, to ensure they each fulfil the three councils' requirements of them and are resilient, and to streamline their governance arrangements.
8. The proposed changes to the agreement are outlined in the following paragraphs.
9. The current agreement expiry date of 30th September 2020 will be amended to 30th September 2025
10. The Agreement contains the original Principles of Collaboration and these are considered still to be sound. However, it was felt that the services required a stronger strategic vision. The general objectives of the Shared Services will therefore be updated as the following:
 - To operate in partnership and support the objectives of the 3 Councils.
 - To inform the strategic direction of the authorities through the provision of guidance and advice.
 - To act as a catalyst of business change that promotes the transformation agenda of the 3 councils.
 - To provide further enhancement of services which support the delivery of the wider policy objectives of each Council.
 - To simplify and work harmoniously between services and authorities to deliver a more seamless, planned and predictable end-to-end service, which effectively delivers outcomes to residents.
 - Ongoing delivery of services that are genuinely shared, where appropriate, between the relevant councils with those councils sharing the risks and benefits whilst having in place a robust model to control the operation and direction of the service.
 - To help identify and support the realisation of savings within the organisations where current ways of working do not maximise the opportunities for efficiency and effectiveness, within your areas of influence.
 - To deliver savings through, but not limited to, drivers of costs, reduced overhead costs and economies of scale.
 - Increased resilience through the recruitment and retention of high calibre staff by delivering greater succession planning and reduce reliance on the external recruitment market.

- Minimise the bureaucracy involved in operating and interacting with the shared service.
- Pursue opportunities for working with new partners where the opportunity to generate additional income or deliver significant operational or strategic benefits to the authorities exists.
- To pursue procurement and purchasing efficiencies between partners and where appropriate beyond the organisations.
- Sharing of specialist roles which individually, are not viable in the long-term.
- To deliver a customer focussed service, which has the understanding and meeting of customer needs at its heart
- To operate in a transparent way on an individual council basis in relation to financial and operational performance and reporting. To work towards harmonised arrangements in these respects during the life of the Agreement.
- To adopt as a minimum a quantitative performance management culture – one that takes into account the perspectives of residents, staff, shared services, the 3 councils and elected Members.

11. The Governance arrangements are being updated to ensure the services each fulfil the three councils' requirements of them and are resilient, the remits of the various aspects of the Shared Services governance structure have been reviewed. There is clear responsibility for:

- considering and making recommendations on strategic direction.
- recommending early decisions on strategic matters.
- having advance sight of materials to be submitted to Council Executives and formal meetings.
- identifying recommendations for the three authorities when additional resources are required, and
- reviewing performance and operational matters in relation to any of the services.

12. The three services are now operating on a Business as Usual basis, so it is safe to streamline the governance arrangements to an appropriate level. To this end, the remits of the various aspects of the Shared Services governance structure have been amended to ensure they are efficient and effective going forward. The revised remits appear in the Schedules to the new Agreement. Within this arrangement the Joint Shared Services Group has political oversight of the Shared Services and will be responsible for receiving the individual services' Business Plans and Annual Reports. This will obviate the need to subject these documents to the three councils' formal decision-making processes.

13. Schedule 5 references to Cost Share calculations are updated in line with S151 Officer agreement.

14. Schedule 7 is the Exit Provisions, an entirely new schedule.

Implications

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

Financial

16. Continuing to share these services will enable the council to deliver cost effective services that have increased resilience by virtue of their size.

Legal

17. The Partnership Agreement has been reviewed by Legal.

Risks/Opportunities

18. Any disruption to the delivery of these services would cause significant risk to the council, and therefore it is important to agree the extension of the 3C shared service in good time. The current agreement expires in September.

Alignment with Council Priority Areas

A modern and caring Council

19. Delivery of resilient and cost efficient services, which perform to a high standard is key to being a modern and caring Council.

Background Papers

Appendices

Exempt Appendix A: Draft Partnership Agreement for 3C Shared Services

Report Author:

Liz Watts – Chief Executive
Telephone: (01954) 713430

Exempt Appendix A – Draft Partnership Agreement

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