

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

At a meeting of the Scrutiny and Overview Committee held on
Thursday, 18 August 2005

PRESENT: Councillor MP Howell – Chairman
Councillor Mrs GJ Smith – Vice-Chairman

Councillors:	SJ Agnew	RE Barrett
	RF Bryant	NN Cathcart
	R Hall	JA Hockney
	MJ Mason	RB Martlew
	DH Morgan	Mrs CAED Murfitt
	Mrs HM Smith	Dr SEK van de Ven

Councillors Dr DR Bard, JD Batchelor, Dr SA Harangozo, Mrs JM Healey, Mrs EM Heazell, Mrs CA Hunt, Mrs HF Kember, SGM Kindersley, CR Nightingale, Mrs DP Roberts, J Shepperson, Mrs DSK Spink MBE, RT Summerfield, Mrs BE Waters, Dr JR Williamson and NIC Wright were in attendance, by invitation.

Officers:	Patrick Adams	Senior Democratic Services Officer
	John Ballantyne	Chief Executive
	Sally Carroll	Communications Manager
	Nick Grimshaw	Conservation Manager
	Steve Hampson	Housing and Environmental Services Director
	Stuart Harwood-Clark	Environment Operations Manager
	David Hussell	Development Services Director
	Simon McIntosh	Head of Community Services
	Keith Miles	Planning Policy Manager
	Kelly Quigley	Communications Officer
	Paul Quigley	Environmental Services Manager
	Ian Salter	Performance Improvement Officer
	Colin Tucker	Head of Legal Services
	Tim Wetherfield	Head of Policy and Communication

1. APOLOGIES

Apologies were received from Councillors HC Hurrell, DC McCraith and Dr SEK van de Ven from the Committee and Councillor JD Batchelor.

The meeting then re-convened at 2pm on 1st September and apologies were received from Councillors SJ Agnew, NN Cathcart, R Hall, JA Hockney, HC Hurrell and DH Morgan from the Committee and Councillor Mrs EM Heazell. Councillors Dr SEK van de Ven and Councillor JD Batchelor were present for this part of the meeting.

2. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 21st July 2005 were agreed as a correct record, subject to the following amendments:

In the first sentence of the first paragraph of minute 7 the word “in” be replaced with “from” to read: “... reduce its budget by £2.6 million from 2005/06.”

In minute 8, the second sentence of the third paragraph the word “not” be inserted so

the sentence reads "... if the next survey did not show an improvement ..."

In the first sentence of the last paragraph on page 5 the word "effect" be amended to "affect".

3. DECLARATIONS OF INTEREST

Councillor MP Howell declared a personal and prejudicial interest in the Building Control item, due to a friendship with an officer from this section.

Councillor Mrs GJ Smith declared a personal and prejudicial interest in Grants to Voluntary item as Chairman of Directions Plus, a charity that receives grants from the Council.

4. PUBLIC QUESTIONS

None.

5. DRAFT AGENDA PROGRAMME AND PROGRAMME OF KEY DECISIONS

It was understood that Father Joe Brown was not available for September's meeting. The Committee agreed that an employee of the Ormiston Trust should be invited to this meeting to provide a Travellers' perspective.

The Chairman emphasised that the agenda programme was adaptable. The Committee **NOTED** the agenda programme.

6. DEVELOPING THE RESPONSE TO COUNCIL TAX CAPPING

The Chief Executive introduced this report, which sought Members' views on possible service cutbacks, efficiency savings and income generation opportunities. The object of the report was to allow the Committee to provide guidance to Cabinet on this issue.

The Chief Executive explained that the £2.6 million savings equated to a 13% cut on the 2004/05 budget and a 19% cut on the 2005/06 budget. The Chief Executive explained that September's Cabinet would be asked to approve a methodology that would ensure high priority services would receive smaller cuts than low priority services. No decisions had yet been made.

Gershon Efficiency Savings

It was understood that the Gershon efficiency savings would be an additional £300,000 on top of the £2.6 million cuts. The Chief Executive stated that the External Auditors had been asked for their view on the challenge faced by the Council in trying to demonstrate that the Gershon savings had not caused a decline in service performance, whilst making £2.6 million cuts that would obviously have a large impact on the Council's services.

Comprehensive Performance Assessment (CPA)

The Chief Executive asked for Members' views on how the Council should attempt to meet the challenge of the new CPA, which had been described by the Audit Commission as being a "harder test" than the previous assessment. The Leader commented that it was unlikely that the authority would be able to improve on last year's "fair" rating. The Chief Executive reminded the Committee that the rating of "fair" was achieved whilst the Council was in the middle of restructuring and was preparing for the move of its headquarters to Cambourne.

Briefings

It was understood that there had been a number of staff briefings, which updated staff on the current situation and encouraged them to ask questions. It was suggested that there should have also been briefings for Members.

Members of the Committee made the following general points:

- the consequences of any budget cuts should be considered and in particular savings that would lead to larger costs in the future must be avoided
- the likely effects of budget cuts on performance indicators should be analysed
- the Council should choose not to allocate its scarce resources to respond to the edicts from the Government
- it was hoped that any services that were cut could be reintroduced in the future
- where possible, redundancies should be avoided, particularly for long serving staff

The Chairman countered suggestions that the Committee should not be analysing this subject before Cabinet by stating that the only Members who had been involved in the process so far had been the eight members of Cabinet and the Committee was providing non-executive members their first opportunity to comment on the Council's response to the challenge caused by capping. It was suggested that a special meeting of Council would have been a more appropriate forum for these discussions.

It was understood that the £2.6 million budget cuts only applied to the General Fund and not to the Housing Revenue Account, which was ring-fenced and could not be used for General Fund expenditure.

The press and public were excluded from the meeting during consideration of the following item in accordance with the provisions of Section 100(A)(4) of the Local Government Act 1972 (exempt information as defined in Paragraph 1 of Part 1 of Schedule 12A of the Act).

Procedural Model for Making the Budget Cuts

The Chief Executive explained that Cabinet would be asked to agree a process that would ask each portfolio holder to achieve a cash reduction in their budget. The proposed target reduction had been calculated by allocating each cost centre to one of four categories reflecting its priority. The priority judgements had been made in workshops of Cabinet and Management Team, taking account of whether the individual services were statutory, partially statutory or non-statutory and a range of other factors including contribution to Council priorities and value for money. The aim was to achieve larger reductions from lower priority service areas and afford a degree of protection to the highest priority areas. The reductions required ranged from 5% on the highest priority category to 40% on the lowest. If the model were agreed, portfolio holders would have the flexibility to achieve the agreed reduction in the most sensible and practical ways.

The financial strategy had to be based on an assumption that increases in council tax above 5.5% would not be permitted in future years. The budget reductions had therefore to be regarded as permanent.

The Committee generally approved of the proposed approach to achieving the required budget reductions. However, the Chairman expressed concern at the scale of the proposed reduction of 36% overall in the Community Development budget. He estimated that a 1% increase in the proposed 5% reduction on service areas in category 1 could

significantly reduce the scale of reduction required in category 4.

It was understood that the cost of making staff redundant would vary depending on the salary and the length of service of the staff.

New Development

Without extra funding the Council will struggle to cope with the service demands from the new communities. The Chief Executive informed the Committee that the grant from the Government is calculated using population figures that are two years out of date. This had been recognised by the Government, but only an extra £30,000 had been awarded as a result.

Underspend

The Chief Executive stated that strict restraint was already being exercised to reduce spending in the current year. It was noted that many vacancies were being held vacant but vacancies arose indiscriminately and this could only be a short term measure. Underspending had been an issue in previous years and it was important to avoid being over-ambitious in future and programming work beyond the capacity available. It was noted that the criteria used by the Government to decide which authorities to cap in 2005/06 were whether the council tax increased by more than 5.5% and the budget requirement increased by more than 6%.

It was agreed that the Committee would scrutinise the service areas by portfolio.

Community Development

The Chairman thanked the Head of Community Services for cancelling his annual leave to attend this meeting. The Head of Community Services stated that in approaching the reductions exercise he would be trying to retain the core skills within the Council. Although capacity may have to reduce, the range of skills would be necessary for the Council to deliver on the planning for new communities.

The target reduction for this portfolio was 36%. Councillor Mrs DP Roberts, the Community Development portfolio holder, stated that the Community Services section provided an excellent service to all the District's villages and numbered 20 staff. She asserted that the Community Services section would play a crucial role in the development of the planned new communities and it may not be possible to provide a 36% cut to this department. She praised the section for its efficiency, which she compared favourably to other Departments.

Arts Development Grants:

In response to questioning, the Head of Community Services confirmed that applications would be made to the Lottery Landmark fund for projects in Northstowe. It was noted that an independent arts trust had been set up in East Cambridgeshire, to deliver their arts service; although this had some financial advantages, it would mean that the Council would have less control over arts development.

It was understood that any Guarantee Against Loss funding that was not required was returned to the budget.

The Head of Community Services explained that all organisations that had received Arts Development grants in the past had been sent a letter warning them that due to the current financial situation their annual grants may have to be cut. It was understood that there were two members of staff who dealt with Arts Development and the administering of these grants took up approximately 15% of their time.

The Committee **RECOMMENDED** that grants to organisations based in the District should take precedence over grants to organisations outside the District.

Grants to Voluntary Groups

Councillor Mrs GJ Smith withdrew from the chamber and played no part in the discussion of this issue.

The Head of Community Services corrected the report by stating that Directions Plus did have a Charter Mark. He explained that no staff allocated more than 10% of their time to this budget heading.

Councillor Martlew stated that Citizens Advice Bureaux (CABs) advised residents on how to claim benefits from the Government, and the level of benefit take-up affects the funding paid to local Government. He warned that reduction in the grants to the CABs could be a false economy. The Head of Community Services explained that although none of the CABs were based in the District, our residents made use of these organisations. A study had shown that the Council paid less per head to Cambridge CAB than the City Council was contributing. It was understood that Cambridge CAB runs outreach centres within the District.

Councillor Mrs Roberts stated that some of the smaller voluntary organisations relied heavily on relatively small grants from the Council, while some of the larger organisations could survive without the more substantial grants they received from the authority. This would be considered when reviewing the grants to voluntary groups. It was understood that in the past grants had often been increased at the level of inflation, without serious analysis, so there was scope for a review.

Milton Country Park

Members of the Committee made the following suggestions:

- In the light of the current financial situation the cost of the Park could not be justified
- The City Council could be asked to make a contribution towards the Park, as it is heavily used by their residents
- Ownership of the Park should be passed to a Trust
- Educational trips should be used to bring in more revenue
- Some form of parking charge, like an honesty box, should be made.

In response to questioning, Councillor Mrs Roberts stated that the County Council were unlikely to financially assist in the running of the park. She also explained that although it was clear that a number of City residents used the Park without contributions from the City Council, a far greater number of our residents used City run facilities. Previous requests for contributions from the City Council towards the cost of the park had been rejected for this reason. It was understood that as the Council owned the Park it would be financially liable for any failure to maintain it.

It was noted that the Cambridge Preservation Society, which was responsible for Wandlebury and Coton nature reserve, may be interested in running Milton Country Park, but they would require a grant from the Council to run it. This proposal was currently at the discussion stage and was not a short-term solution.

The Head of Community Services explained that there were currently three members of staff at the Park although in the opinion of an experienced interim manager, four members of staff could be justified were required.

The possibility of a parking charge was being examined. There were concerns that this would cause cars to park on the surrounding roads.

In response to questioning, Councillor Mrs Roberts stated that selling off the land for private development would not be accepted by the Council's residents.

Police Community Support Officers

Councillor Mrs Roberts explained that community safety was a primary concern of our residents and this had led to the Council deciding to fund three PCSOs. There was no funding in place for these three PCSOs after 2005/06, although it was possible that extra Home Office money would become available. It was recalled that the Committee had previously recommended that the Council withdraw its financial support for PCSOs.

Sports Development

The Head of Community Services explained that the Sports Development Section was able to attract substantial funding into the District, which meant that the Section provided excellent value for money. Councillor Mrs Roberts informed the Committee that the Section had two posts, but one of them was currently vacant.

The Committee were strongly supportive of the Sports Development Section and the work it carried out.

Conservation

The Conservation Manager stated that there were 10 officers in the team, who carried out statutory and non-statutory work. He explained that the knowledge within the team was essential to maintain the standard of service.

The Committee suggested that grants for thatching should be means tested. The Conservation Manager explained that the Council would only provide grants up to 25% of the total cost of the work.

In response to questioning, the Conservation Manager explained that the increase in budget from 2004/05 to 2005/06 was due to the filling of a vacant post.

It was suggested that money from the Developers could be used to ensure that the plans of new settlements such as Northstowe and Arbury Camps would be properly scrutinised from a Conservation viewpoint.

The Committee praised the work of the Conservation Section and highlighted the high regard the District's residents had for the service provided.

Tourism

The Conservation, Sustainability and Community Planning portfolio holder stated that she hoped to maintain the kiosk and an interactive screen connected to the tourism website at Trumpington Park and Ride.

Opinion amongst the Committee was divided, but the view of the majority was that the Council should withdraw its funding for staff provided by the City Council at Trumpington Park and Ride and the Tourist Office in Cambridge. However, Councillor Mrs GJ Smith stated that the District's tourism industry benefited greatly from the service provided by these staff and it would be wrong to withdraw support. Councillor Mrs Healey stated that the sponsorship of local companies reliant on tourism was being considered.

Environmental Health

Councillor Mrs DSK Spink, Environmental Health portfolio holder, stated that it would be a challenge to achieve a budget cut of 8%, but pledged that it would be accomplished.

Refuse and Recycling

It was understood that agency staff were employed to cover staff sickness and annual leave.

The Environmental Services Manager agreed to provide a breakdown of the £81,380 listed as "Expenses" under the 2005/06 Estimate. He explained that the service had been extended and would have to meet the challenge of the expected rise in population.

In response to the suggestion that recycling bins were not required for materials that were covered under the kerbside collection, Councillor Mrs Spink stated that the recycling bins were there at the village's request. The Environmental Services Manager stated that the contribution of these bins was estimated at 7-8% of the amount recycled.

It was understood that the future of recycling credit payments to parish councils would be examined but no decision had yet been taken.

Street Cleansing

The Environment Operations Manager explained that reducing the service could cause the Council to fail to meet the standard required by legislation and this would have associated risks. The PI targets also might not be met.

Housing

Grounds Maintenance

The Housing and Environmental Services Director explained that any loss on this in-house contractor account would be recharged to both the General Fund and the HRA.

The following suggestions were made:

- the Council consider contracting out the entire service
- the Council consider withdrawing the service and making the relevant residents responsible for grounds maintenance
- the Council consider asking the parish councils to provide this service, particularly the smaller areas.

The Housing and Environmental Services Director explained that the Grounds Maintenance contract was coming up for renewal and all these issues would be considered then.

Warden Service for Sheltered Housing

The Housing and Environmental Services Director explained that only approximately £300,000 of the £1,684,500 costs were met through the General Fund. This meant that any budget cuts would have a minimal effect on the General Fund.

It was suggested that the communal rooms could be rented out to raise revenue.

Planning and Economic Development

The Chairman, Councillor MP Howell, withdrew from the Chamber and took no part in the discussion. Councillor Mrs GJ Smith became Acting Chairman for this item.

Building Control

Councillor Dr DR Bard, planning and economic development portfolio holder stated that the possibility of amalgamating the service with Cambridge City Council was being investigated, although this was not a short-term solution.

Members of the Committee suggested that the Council should charge more for its advice. Councillor Bard informed the Committee the majority of the Council's clients were householders seeking advice on small jobs on their homes. Developers tended to use commercial contractors.

Planning Policy

It was understood that this was a statutory function. It was suggested that the Council could save money by abandoning the timescales imposed by the Government. However, Councillor Bard stated that any failure to meet the Government's targets would mean less grant funding.

The reduction in the Planning Delivery Grant was lamented.

The meeting was adjourned at 6:35pm and re-convened at 2pm on Thursday 1st September.

The press and public were excluded from the meeting during consideration of the following item in accordance with the provisions of Section 100(A)(4) of the Local Government Act 1972 (exempt information as defined in Paragraph 1 of Part 1 of Schedule 12A of the Act).

Information and Customer Services Portfolio

The Chief Executive explained that under the proposed model, this portfolio would be expected to reduce its budget by £325,000, a cut of 19%. A substantial proportion of the portfolio went into recharges and overheads and would be expected to contribute to the £450,000 reduction target there.

Public Relations, Library and Information

The Chief Executive reported that the Communications Team had been established approximately 10 years previously and had been successful in its aim of co-ordinating press releases throughout the Council and ensuring a corporate approach to internal and external communication and its work should continue. Nevertheless, under the proposed Savings Model to be put before the Cabinet on 8th September, the Public Relations, Library and Information Budget for 2005/06 would reduce from £227,730 to a revised figure of £174,730; a saving of £53,000 or a cut of over 23%.

The Head of Policy and Communication explained that the staffing and associated costs for Communications included the two officers and part of his time.

South Cambs Magazine

It was understood that the cost of the South Cambs Magazine had been substantially reduced by on-going efficiency improvements and the judicious use of advertising. A

reduction in the number of editions a year would be counter-productive as this would disproportionately reduce the revenue from advertising. Councillor JD Batchelor, Information and Customer Services portfolio holder explained that use of new technology made the production of a colourful magazine affordable and that to reduce the visual quality would mean that less companies would wish to advertise in the magazine. He concluded that the cost of producing and delivering the magazine was approximately 6-7 pence per household and it was possible that the magazine could make money for the Council in the future. The Head of Policy and Communication stated that the magazine was delivered to every house in the District and was achieving an excellent satisfaction rating with readers. The magazine enabled the Council to get its message across accurately to all households, thereby helping to overcome any misrepresentations that were reported in the local media.

A new distribution company had been employed for the delivery of the next edition of the magazine. Councillor Batchelor explained that this company has experience of delivering similar magazines by other authorities and an excellent service was expected.

The Head of Policy and Communication explained that the Council was already encouraging partner organisations to contribute articles to South Cambs Magazine in order to promote joined-up working. The Communications Officer explained that partner organisations did not currently pay for coverage in South Cambs magazine as articles covered joint projects. However, sponsorship of pages in future editions was being investigated where organisations such as the Police, Fire and Rescue and Primary Care Trusts would pay for their own information to be included.

Members' Allowances

Councillor Batchelor reported that cuts had already been made to the Members' mileage rates and Member refreshments. It was understood that Members had not claimed travel expenses for planning site visits since the introduction of a mini-bus for this purpose.

Meetings

Councillor Batchelor reported that the Council had 219 meetings involving members last year. This compared to 150-160 County Council meetings and an average of about 100 meetings for equivalent District authorities in the same period. It was estimated that each Scrutiny and Overview Committee cost £11,000-12,000 to stage. Part of these costs would be made up of officer time. Senior officers' time might be better spent managing the delivering of services rather than attending meetings. Members of the Committee made the following suggestions:

- A number of key Members should assist the portfolio holder with any proposals for reducing the number of meetings
- The reluctance of full Council to restrict numbers has led to many Committees having too many members.

It was understood that the abolition of the Attendance Allowance had diminished the amount of savings that could be made by reducing the size of Committees.

Basic and Special Responsibilities Allowance

Members would have to decide if they wanted to reduce their basic or special responsibility allowance. Members of the Committee made the following points:

- The basic allowance should be reduced by 20%
- Council had in effect already agreed a cut by not accepting the Independent Panel's recommendation for a 5% increase in allowances
- The payment of allowances was a cost of democracy and compared to the hours

worked by members, represented good value for money.

Contact Centre and E-Government

Councillor Batchelor stated that the Council had invested a large amount of resources into both e-government and the Contact Centre. He reported that these investments meant that the Council was on schedule to meet the Government's targets by December. This constituted excellent progress and the implementation of phase 2 was imminent. Councillor Batchelor stated that the implementation of phase 2 would provide savings and he ruled out budget cuts that would threaten this programme. It was estimated that £1 million was still to be invested and savings of £200,000-£250,000 a year would be achieved. Councillor Mrs DP Roberts stated that it would be unacceptable for there to be no reduction in the Contact Centre budget when large reductions would have to be made elsewhere.

In response to questioning, Councillor Batchelor stated that the Contact Centre received approximately 17,000 calls related to this authority in July. The Council funds the equivalent of 15 full time staff and would be recruiting an additional 9 to allow the implementation of phase 2, which would include receiving phone calls for Planning. It was understood that if East Cambs District Council joined the Contact Centre and benefited from the systems developed by the Council they would be asked to make a contribution to the original set up costs. It was noted that the re-launched and improved web-site became interactive in June and it was hoped that increasing use of this technology could allow the Council to make savings.

Resources and Staffing Portfolio

Cambridge Office

Councillor RT Summerfield, Resources and Staffing portfolio holder, reported that the annual cost of the Cambridge Office had been reduced to £30,000, a saving of approximately £100,000. The Cambridge Office was receiving an average of 20 visitors per day. It was hoped that these savings could be included as Gershon savings.

7. TO NOTE THE DATES OF FUTURE MEETINGS

The Committee will meet on the following dates:

2005: 15th September, 20th October, 17th November and 15th December;

2006: 19th January, 16th February, 16th March, 20th April and 18th May.

All meetings are scheduled for a 2.00pm start.

The Meeting ended at 3.15 p.m.
