

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

At a meeting of the Council held on
Thursday, 26 August 2004 at 2.00 p.m.

PRESENT: Councillor RF Bryant – Chairman
Councillor Mrs CAED Murfitt – Vice-Chairman

Councillors: SJ Agnew, Dr DR Bard, RE Barrett, EW Bullman, BR Burling, NN Cathcart, JP Chatfield, Mrs PS Corney, Ms SJO Doggett, SM Edwards, Mrs A Elsby, Mrs SA Hatton, Mrs JM Healey, Dr JA Heap, Mrs EM Heazell, JA Hockney, MP Howell, Mrs CA Hunt, SGM Kindersley, RMA Manning, RB Martlew, MJ Mason, Mrs JA Muncey, CR Nightingale, R Page, EJ Pateman, A Riley, Mrs DP Roberts, NJ Scarr, J Shepperson, Mrs GJ Smith, Mrs HM Smith, RGR Smith, Mrs DSK Spink MBE, JH Stewart, RT Summerfield, Mrs BE Waters, DALG Wherrell, Dr JR Williamson, NIC Wright and SS Ziaian-Gillan

Apologies for absence were received from Councillors JD Batchelor, R Hall, Dr SA Harangozo, HC Hurrell, Mrs HF Kember, DC McCraith, DH Morgan, Dr JPR Orme, JA Quinlan, Mrs VM Trueman, RJ Turner, Dr SEK van de Ven and TJ Wotherspoon.

VOTE RECORDING

The new vote recording system was explained. Some members had expected all votes to be recorded in the Minutes, but it was generally agreed that this had not been the intention, but that votes could be revealed when needed. It was emphasised that its use was not compulsory but, when the system was activated, voting was possible only by use of the voting cards.

It was noted that the system could be programmed to indicate those waiting to speak.

LAYOUT OF COUNCIL CHAMBER

Comments were invited on the revised layout of the Council Chamber and Members agreed that it was an improvement.

Some views were, however, expressed on the need for reviewing the Chamber, particularly for windows and for a platform for the Chairman.

1. MINUTES

The Minutes of the meeting of Council held on the 22nd July 2004 were confirmed as a correct record and signed by the Chairman. The following matters were raised on Minute 2:

Declarations of Interest

Members were advised that a note from the Monitoring Officer on declarations of interest was available in members' pigeon holes.

CASCADE Update

In response to Councillor JA Hockney, the Chief Executive advised that the programme of improvements at the Contact Centre was proceeding but would take some time. The major issue was insufficient staff to answer the telephones, but more should be in post at the beginning of September. There would be no way of meeting e-government targets without the Contact Centre. The Housing Portfolio Holder added that housing staff had been helping at busy times.

Scrutiny and Overview

The Chairman reported that the investigation into the withdrawal of a called-in item would be reported to the Committee at its next meeting on the 16th September.

2. DECLARATIONS OF INTEREST

None received.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman's charity for this year would be Cam Mind, a local charity for mental health. Anyone wishing to donate was asked to contact the Chairman's secretary.

Responses to the invitations to the Chairman's reception were requested.

4. PUBLIC QUESTIONS

None received.

5. DRAFT STATEMENT OF ACCOUNTS 2003-2004

The draft Statement of Accounts was before Council for approval, and amended pages were circulated. The Resources and Staffing Portfolio Holder apologised for the errors which had necessitated the amendments, but pointed out that the accounts had had to be completed a month earlier this year (and the deadline was a month earlier still over the next two years). Councillor Summerfield thanked the 5 Members who had asked questions of the Finance and Resources Director. The answers had been sent by email to those members and the Director read out the questions and answers, a copy of which is attached to these Minutes.

Questions/comments raised at the meeting and the answers given were:

Increasing development could make predicting the Council Tax base and consequently the required Band D Council Tax difficult for parish councils in determining their precept
The difference between estimated and actual Council Tax base figures for Histon and Impington were only 4 and 5 respectively

What was the reason for the increase in uncollectible Council Tax?

The figures given in the answer to Q 17 were for provision made for bad debts rather than actual bad debts; 2003/04 was unusual as all relevant ICT systems were replaced in that year and recovery was now back on track. A drastic improvement should be seen in the 2004/05 Accounts. The Resources and Staffing Portfolio Holder monitored the arrears position monthly.

Was there any provision for any future wide-scale withholding of Council Tax ?

No, the debt was still payable even if payment was delayed.

Why did the Council not make loans for local infrastructure projects?

The Council only invested where there was certainty of return, which would not be the case on individual projects. Nevertheless, this was a matter of policy rather than the accounts and could be raised at a future date.

Council then

RESOLVED that the draft Statement of Accounts 2003-2004 be approved as amended.

6. RECORDING OF MEETINGS

The Chairman commended the report on the costs and implications of recording debates and responded to Councillor MJ Mason, who asked for referral to the Scrutiny and Overview Committee, that Council itself had asked for such a report earlier in the year.

In debate the following points were raised:

- Problems were being created which did not exist; most people were not interested in the detail
- The present system of minutes was perfectly satisfactory
- It would be necessary to speak clearly
- There would be staff implications

- As issues became more complex people did want to go back to the detail of what was said
- Parliament was recorded
- Aspects of what was said were not always included
- Advice was not always accurate – if a query arose later it would be possible to check what was said and whether the recollection was correct
- Recording was not expensive, was quick and easy and took little storage space
- The record would prevent misrepresentation
- If transcripts were requested only when needed there should not be a need for more staff
- Recording would give an opportunity to make a defence against accusations
- There were times when minutes were not enough, for example if a Member was called before the Standards Board
- Recording could assist the conduct of a meeting
- Most queries were about what was left out of minutes: short minutes were not a problem; the problem came when someone later challenged what was said

Web casting was indicated as a possible option but, although there was some support this was not overwhelming. Comments made were:

- There should be a demonstration first
- Web casting could be advantageous as people would be aware how they came over, but this was a step further than current considerations
- It would be easier to follow than voice only recording
- Greater Broadband availability was needed before pursuing web casting
- Councillor SM Edwards asked if a live feed to the Internet using sound only had been considered.

Councillor Dr JA Heap asked which meetings would be recorded, to which the Chairman responded that this meeting was just trying to decide whether to record or not; details were for later debate. Councillor Page suggested that recording should just be of meetings to which the public was invited.

On the proposal of Councillor R Page, seconded by Councillors Mrs SJO Doggett and Mrs SA Hatton, Council

AGREED that sound recording, in the form of an MP3 player attached to the microphone system, at a cost of up to £1,000, be pursued.

7. APPOINTMENTS

Duxford Airfield Management Liaison Committee

Noting that the terms of reference allowed for only one member representative from the Council, that no communication had been received from Councillor Quinlan, and that most of the activity occurred in Duxford parish, Council voted and

AGREED that Councillor RGR Smith be appointed as the Council's representative on the Duxford Airfield Management Committee.

Sawston Village College Sports Users' Committee

Noting that the College was willing to accept as many representatives as the Council wished to send, Council

AGREED that the councillors from the catchment area of Sawston Village College be appointed representatives to the Sports Users' Committee (unless they wish to withdraw):

Dr DR Bard
Mrs SA Hatton
HR Hurrell
Mrs HF Kember
CR Nightingale
Dr JPR Orme
JA Quinlan
RGR Smith
SS Ziaian-Gillan

The following, arising from appointments made on the 24th June 2004, were **NOTED**

The Junction	Two observers on the Board of Management acceptable
Cambridgeshire ACRE (Local Agenda 21)	No longer exists
Great Ouse Area Environment Group	No longer exists
Old West Internal Drainage Board	Happy to retain the services of both Mr Manning and Mr Wyatt
North Herts Citizens' Advice Bureau	Two representatives acceptable

8. SUSPENSION OF CALL-IN

Council **NOTED** advance warning of agreement by the Chairman of Council and the Chairman of the Scrutiny and Overview Committee that, in view of the urgency of beginning public consultation, the call-in procedure would not apply to approval of a draft Licensing Policy. The decision was due to be taken on 6th September and the final policy had to be approved and distributed before 7th February 2005.

The Environmental Health Portfolio Holder thanked the Chairmen for their agreement and asked Members to read the draft policy carefully as it would affect every village and they would be expected to give their views on all licensed premises. Councillor Mrs DSK Spink asked the Portfolio Holder to monitor the cost to the Council of operating the new policies.

9. PLANNING FOR NORTHSTOWE

The Chairman allowed, as an additional item, a report from a briefing that morning on the future programme for the planning of Northstowe.

The Planning and Economic Development Portfolio Holder stated that it was not the intention to subvert the decision of Council, but that this had caused some problems, especially of timing. As work at Northstowe had to start in 2006, a decision was needed by mid 2005.

He continued that the procedure with the Northstowe Steering Group was a bit leisurely and, as Council needed to be happy with the outcome, it was proposed that the Steering Group should be suspended and all Northstowe decisions after the public participation be dealt with directly by Council. This would require in the region of 8 special meetings between mid January and mid April 2005.

Councillor Dr Bard asked that Council agree to the timetable in principle. A more detailed timetable was expected to be ready in September, following negotiations with GO-East. He was anxious to keep the development within the control of the Council, which it could lose if the timetable were seen to slip significantly.

The Steering Group meeting on the 6th September was to go ahead as planned, but the Group would be suspended from that date. An invitation was extended to all councillors to attend the site visit and meeting, while noting that Licensing Committee had to go ahead in the morning. In response to a request from Councillor A Riley, Councillor Dr Bard agreed that he expected the Council meetings on Northstowe to be for that purpose only.

It was considered sensible to keep the public participation on Northstowe and that on the rest of the Local Development Framework running together as there was only a modest advantage in separating them. The participation was now planned to run from 1st October to 12th November 2004.

Councillor SM Edwards asked if the local Members could have time to reflect on the proposed new arrangements as the Steering Group was well informed and committed and a small group could get through more business. Councillor Dr Bard stated that in an ideal world he would agree, but that the compressed timetable meant that running the Steering Group would add to the already considerable pressure on Members and officers.

It was suggested by Councillor Mrs DP Roberts that once the LDF had been agreed, the Steering Group could come back into operation to look at more detailed matters.

10. REPORTS OF MEETINGS

The Minutes of the following meetings were **RECEIVED**, subject to the comments recorded in Minutes 11 to 14 below :

Cabinet	24th June 2004
Cabinet	20th July 2004
Development and Conservation Control Committee	7th July 2004
Licensing Committee	5th July 2004
Standards Committee	21st July 2004
Scrutiny and Overview Committee	24th June 2004
Scrutiny and Overview Committee	15th July 2004
Audit Panel	14th July 2004

11. CABINET 20TH JULY 20042004-05 Pay Award (Minute 4)

It was **NOTED** that, for future clarity, Cabinet would be invited to amend the Minute to make plain that the accumulation of flexi-leave referred to in paragraph (d) meant flexi-leave above the levels allowed in paragraph (c).

12. DEVELOPMENT AND CONSERVATION CONTROL COMMITTEE 7TH JULY 2004Attendance

Councillor Dr JR Williamson reported that she had been present during the first part of the meeting.

Planning Application S/0951/04/F Histon (Minute 23)

Councillor MJ Mason reported that he had had taken no part in the discussion on this application at the Parish Council meeting.

13. STANDARDS COMMITTEE 21ST JULY 2004Appointment of Vice-Chairman (Minute 3)

It was **NOTED** that Councillor Mrs Trueman was elected Vice-Chairman.

Case Tribunal Reports and References made to Ethical Standards Officers
(Minute 6(d))

Councillor Mrs DP Roberts commented on instructions received from the Standards Board that the record of an interview with her "should not be disclosed for any other purposes" (other than confirmation of accuracy) as she considered that she ought not to be prevented from talking to the councillors involved in the relevant case. She asked that the Standards Committee ask the Standards Board why it had such draconian rules, but the Chairman suggested that this was not a matter for the Committee but might be discussed with the Head of Legal Services. Other Members commented on their experience of the Standards Board and the Chief Executive added that its operation had been a matter of national concern. It was noted that names had not been given in the cases reported.

The handling of complaints and investigations by the Ombudsman (Minute 6(g))

It was noted that where complaints were made anonymously no further action could be taken.

14. AUDIT PANEL 14TH JULY 2004Attendance

Councillor SGM Kindersley reported that he had been present.

Declaration of Interests (Minute 2)

It was noted that Councillor Summerfield had been a partner of Touche Ross.

Interim Audit of Accounts 2003-04, Pensions (Minute 7)

It was noted that the figure quoted for the shortfall in the pension fund was incorrect. Amended wording which would be recommended to the Audit Panel was presented.

Interim Audit of Accounts 2003-04, Grants Co-ordination (Minute 7)

In response to a query, the Chief Executive stated that this recommendation from the Auditors had been referred back to them for clarification as there were conflicting explanations.

15. QUESTIONS ON JOINT MEETINGS

Questions were invited but none received on the minutes of the:

- Crime and Disorder Reduction Partnership, 23rd July 2004
- South Cambridgeshire Environment and Transport Area Joint Committee 28th June 2004
- Cambridge City and South Cambridgeshire Environment and Transport Joint Strategic Forum, 18th July 2004

Councillor CR Nightingale was invited to make a statement on crime and disorder and asked that Council agree that law and order were a joke, that anti-social behaviour was getting worse, and that the law must be changed in favour of the police and the law abiding. The statement was noted.

16. CHAIRMAN'S ENGAGEMENTS

The Chairman's engagements since the last meeting were **NOTED**.

QUESTIONS ON THE STATEMENT OF ACCOUNTS

The following are the questions raised by Members in advance of the meeting, and the respective answers, as read by the Finance and Resources Director.

1. Page 19 "Consolidated Revenue Account"

Q Why has the expenditure on Private Sector Housing renewal varied from £5.2 million in 2002/03 to £811,000 in 2003/04?

A *In 2002/03 the Council was taking full advantage of the LASHG Scheme and during the year in question invested £4.3 million in various social housing schemes. With the ending of the very attractive LASHG arrangements (we no longer obtain a refund of our investment) Members decided to curtail such investment.*

2. Page 24 "Audit Costs"

Q Why the large increase in fees between 2002/03 and 2003/04 for auditing the accounts?

A *The figures have been included in the accounts on a cash payments basis. i.e. the accounts reflect the year in which the payments were made, rather than the year to which the expenditure necessarily relates. External Audit have been asked for clarification on their billing arrangements to achieve a more accurate apportionment. The situation has been exacerbated by the Audit Commission realigning the accounting periods for external auditors.*

3. Page 9 "Table of variance between original estimates and actuals" Q What is the £94,000 expenditure on Miscellaneous?

A *Housing General Fund miscellaneous expenditure. There was a significant increase in officer time allocated to the "Strategic Housing Function" during 2003/04 perhaps stimulated by the transfer of the related service to the Development Services Department and providing greater clarity of function. For next year I have asked the Chief Accountant to give Strategic Housing Advice its own cost centre, which will leave the miscellaneous heading covering the various small grants etc*

4. Page 26 "Council Tax"

Q What is the impact on the reduced income due to variations in tax base and rate of collection at parish level?

A *The calculation of the tax base is completed in December/January each year and is our best "guesstimate" of what number of Band D equivalent properties will exist in each parish during the forthcoming financial year, adjusted for various reliefs, occupation levels and the anticipated rate of collection. It takes as its starting point the actual figures at as the 1st of December each year and then my officers and I, together with other staff from the Council try and predict levels of development etc. Whilst any shortfall in collection has to be borne by the major precepting bodies, Parish Councils receive their precepts in full regardless of actual collections made. I am happy to make available the detailed calculation at individual parish level upon request.*

5. Page 39 "Debtors"

Q Why the large increase in debtors for "Council Tax" and "Sundry Debtors" for 2003/04 compared with 2002/03?

A *During 2003/04 the software relating to all the principal financial systems of the Council were replaced and I have to accept that associated staffing demands meant this had an adverse impact on our ability to pursue debts to our normal standards. My staff and I are already aware of an error that has crept in to the Statement of Accounts which has led to the level of Sundry Debtors and Creditors being overstated. Compliance with the requirement to close the accounts within a truncated timescale meant that the time available for "variance analysis " was virtually non-existent and only after the draft accounts had been printed was the error identified. I will be discussing with Cllr*

Summerfield how we report the mistake to Council.

6. Page 39 "Debtors"

Q How is the Provision for Doubtful Debts calculated?

A It is a formulaic approach reflecting an aged analysis of debts. ie the older the debt the greater the provision.

7. Page 39 "Investments"

Q. Why no provision for loss of principal?

A This authority like most others is very risk averse and places greater emphasis on security than maximising the rate of return. The Treasury Management policy in restricting investments to the major financial institutions (and even then within predefined limits) seeks to minimise associated risk.

8. Page 34 . 'Reconciliation of Balance sheet to Liquid Resources

Q. What is the purpose of this reconciliation?

A The reconciliation seeks to show the Movement in cash during the year in question and reconciles to the Cash Flow Statement (page 3)

9. Page 30 "Impairment"

Q What is impairment and where are the two sites referred to?

A Impairment is the writing down of an asset(s) to more accurately represent its realistic value. The two sites in question are at Russell Close, Steeple Morden and Streetly End West Wickham.

10. Page 9 "Housing Revenue Account"

Q Where are bad debts written off in the accounts?

A They do not show as such but will have been netted off against the rents and charges figure of £18.910m

11. Page 11 "Council Tax and Collection Fund" Q Which is the highest Shire District?

A Newark and Sherwood

12. Page 16 "Stock and Work in Progress" Q Lower of cost and net realisable value?

A Should read "lower of cost or realisable value"

13 Page 21 "Accounting for publicity"

Q Why the increase in expenditure on staff recruitment

A 2003/04 saw a higher than "normal" number of vacancies justifying wider advertisement costs often involving national newspapers e.g. Housing and Environmental Services Director, Asst Director ICT, Head of Policy and Communications etc.

14. Page 23 "Building Control" Q. Deficit both years?

A Yes- report on a financial strategy for building control going to next meeting of Cabinet

15. Page 23 "Employee's remuneration"

Q What was the percentage increase in pay for the 12 employees paid over £50,000 per annum?

A 2003/04 saw the implementation of the results of the Pay and Grading Review, IN PART retrospective to April 2002. In accordance with the accounting code of practice, for reporting the disclosure note on employees' remuneration you have to show what was actually paid during the year in question, not charge it to the year to which it relates. Therefore an extra year's "arrears" were charged to the 2003/04 accounts that for ease of understanding should have been excluded or charged to the previous year. This "false" basis results in pay increases for one year compared to the other of between 14 and 23

percent. However, arrears apart and using the Chief Accountant's salary as an example (one of the 12 referred to above his pay actually increased by a more acceptable 6%

16. Page 25 "The Collection Fund"

Q When SCDC is growing as it is, why the reduction in the income from business rates?

A The debit (amount collectable) has in fact increased by 8.5%. However, during the year in question there were a large number of successful appeals to the Valuation agency which saw us giving back over £6m in refunds. These are chargeable to the year in which the payment is made, even if the refund relates to a number of earlier years. Mandatory (enforced) relief against the payment of rates also increased during the year by more than £1 m.

17. Page 25 "The Collection Fund"

Q How does the amount of uncollectable Council Tax compare with previous years?

A The provision for bad and doubtful debts is calculated by reference to outstanding debts; see 6 above. Compared to the previous years the provision has increased as follows: 2000/01 £17,668 2001/02 £25,698 2002/03 £35,797 2003/04 £87,150

Although these figures may at first glance give cause for concern, they must be judged against an increasing tax liability; the amount collected over the same period has increased from £37.3m to £51.5m and it follows that some increase in write offs and doubtful debts would flow through.

18. Page 39. "Debtors"

Q Does the large amount of Council Tax outstanding at 31st March 2004 imply a further rise in uncollectable tax this year and how much of the £1.2 m has been collected?

A In calculating the current provision for doubtful debts we have taken account of the £1.2m. Only if the arrears increase further will the provision need to be increased. Cllr Summerfield at his portfolio holder meetings receives monthly monitoring and performance management reports on the collection of all income owing to the authority. £694,000 of the £1.2m outstanding at the 31st March remains outstanding. Summonses were issued in June for recovery of these arrears, plus anything unpaid for this year and liability orders have been granted in appropriate circumstances.

The Meeting ended at 4.50 p.m.
