

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

Minutes of a meeting of the Cabinet held on
Thursday, 11 February 2010

PRESENT: Councillor Ray Manning (Leader of the Council)
Councillor Simon Edwards (Deputy Leader of the Council, Finance and Staffing
Portfolio Holder)

Councillors: David Bard New Communities Portfolio Holder
Tom Bygott Policy and Performance Portfolio Holder
Sue Ellington Environmental Services Portfolio Holder
Mark Howell Housing Portfolio Holder
Tim Wotherspoon Northstowe Portfolio Holder
Nick Wright Planning Portfolio Holder

Officers in attendance for all or part of the meeting:

Holly Adams Democratic Services Officer
Alex Colyer Executive Director, Corporate Services
Steve Hampson Executive Director, Operational Services
Greg Harlock Chief Executive
Stephen Hills Corporate Manager, Affordable Homes

Councillors John Batchelor, Nigel Cathcart, Roger Hall, Sebastian Kindersley, Mike Mason, Cicely Murfitt, Richard Summerfield and Bunty Waters were in attendance, by invitation.

Procedural Items

70. MINUTES OF PREVIOUS MEETING

The Leader was authorised to sign the minutes of the 14 January 2010 meeting as a correct record.

71. DECLARATIONS OF INTEREST

Councillor MP Howell declared a personal, non-prejudicial interest in minute 76 (Gypsy and Traveller Community Strategy) as a number of Gypsy and Travellers who were his associates through his membership of a body directed to charitable purposes.

72. PUBLIC QUESTIONS

None received.

Recommendations to Council

73. CAPITAL & REVENUE ESTIMATES, COUNCIL TAX, PRUDENTIAL INDICATORS AND REVIEW OF MEDIUM TERM FINANCIAL STRATEGY 2010/11 INCLUDING SAVINGS PROPOSAL UPDATE

The Finance and Staffing Portfolio Holder presented the report and circulated a

simplified version of the Medium Term Financial Strategy (MTFS) to illustrate the impact of the savings proposals on the budget. He highlighted that:

- the 2010/11 Council Tax demand had been lowered from 4.5% to just under 3% to keep within the possible capping criteria, which would not be finalised by the government until after all authorities had set their budgets. This would result in a Band D Council Tax of £115.46, which was only a small proportion of the approximately £1,400 total bill per household once the County, Police, Fire and parish elements were added;
- all but £158,000 of the proposed £2.2 million savings for 2010/11 had been identified;
- if Uttlesford District Council agreed to South Cambridgeshire District Council's terms for proceeding with the shared service for delivery of revenues and benefits services, there would be a likely increase to the savings and consequent adjustments to the figures;
- the MTFS assumed a 0% pay award for 2010/11, subject to agreement with the unions, and a 2.5% inflationary increase generally on non-pay items;
- there could be no relaxation in coming years on the pressure to find efficiencies and savings as the Council was still drawing from its balances; and
- a new strategy would be adopted to run down to zero the balance of capital receipts from 2009/10 to 2011/12 to fund Housing Revenue Account (HRA) and General Fund (GF) capital expenditure. From 2011/12 onwards, HRA capital expenditure would be financed primarily from the Major Repairs Allowance and GF capital expenditure from the Housing and Planning Delivery Grant and from the balance of HRA capital receipts after pooling. This would continue to enable financing of, for example, village sports facilities.

In response to the concerns raised by the Scrutiny and Overview Committee at its 4 February 2010 meeting, the relevant Portfolio Holders explained that:

- there had not been ready agreement by the Finance and Staffing Portfolio Holder that the New Communities restructuring would result in a drop in service levels. Most of the cuts were due to the recession, but when the rate of major development work improved, external funding, such as section 106 agreements and government programmes, would be sought to increase the establishment, as well as further collaborative working in the manner of the existing Urban Design Team. The Arts and Sports Capital Programme had been retained;
- the Policy and Performance Portfolio Holder was confident that the Information and Communications Technology Capital Programme, which he had agreed on 8 February, was thorough and well-developed, with inclusion of a £50,000 precautionary item in case of any unforeseen circumstances, and had the support of the Head of ICT and his team; and
- full details of where savings had been identified were given in Appendix C to the Cabinet papers.

Two revisions had been made to Appendix C: removing the £20,000 savings to be made from the Community Wardens Grants budget and adding a further £20,000 spend from the General Fund into the Grounds Maintenance budget. It was clarified that the Community Wardens Grants were funded by the General Fund, and were distinct from Sheltered Housing Warden Schemes, which were funded by the Housing Revenue Account. Members were advised that these amendments required that an additional £40,000 savings be found elsewhere.

The Chief Executive stated that the government's own consultant, having considered the Council's financial strategy two years earlier, had issued a favourable report and advised the authority to focus on the next three years as a reasonable time period. The Council had opted for a more ambitious approach, with a five-year Medium Term Financial

Strategy, one of the first authorities in the country to do so, and the current strategy projected £6 million in balances after the next three years.

Cabinet **RECOMMENDED TO COUNCIL:**

- (a) that the capital programme (Appendix A) and the associated funding (paragraph 15) up to the year ending 31 March 2015 be approved as submitted;
- (b) that the revised revenue estimates for the year 2009/10 and the revenue estimates for 2010/11 be approved as submitted in the General Fund summary (Appendix B);
- (c) that the Medium Term Financial Strategy (Appendix D) be approved based on the assumptions set out in the report to Cabinet;
- (d) that the District Council demand for general expenses for 2010/11 be £6,827,780;
- (e) that the Council sets the amount of Council Tax for each of the relevant categories of dwelling in accordance with Section 30(2) of the Local Government Finance Act 1992 on the basis of a District Council Tax for general expenses on a Band D property of £115.46 plus the relevant amounts required by the precepts of Parish Councils, Cambridgeshire County Council and the Cambridgeshire Police and Fire Authorities, details of those precepts and their effect to be circulated with the formal resolution required at the Council meeting; and
- (f) that the prudential indicators in Appendix F be approved.

Cabinet **NOTED** the update on the savings proposals (Appendix C as amended) and **APPROVED** the list of precautionary items (Appendix E) to be used under delegated powers already given to the Finance and Staffing Portfolio Holder and the Chief Financial Officer.

74. **HOUSING RENTS AND SERVICE CHARGES AND HOUSING REVENUE ACCOUNT (HRA) BUDGET 2010/11**

The Housing Portfolio Holder highlighted the changes made to the report since notification from the Department for Communities and Local Government (CLG) that the amount of negative housing subsidy to be transferred from the authority to the government, estimated to be £12,000,000, had been finalised at £11,677,000, as a result of which, an additional £323,000 of tenants' money would remain in the district for their benefit.

It was proposed that the additional £323,000 available to the Housing Revenue Account (HRA) for 2010-11 would be used to fund an additional £20,000 in the grounds maintenance budget and a £300,000 revenue contribution to capital outlay to support the disabled adaptation budget, providing adaptations for approximately sixty further households. It was clarified that this budget was for adaptations for Council properties and sheltered housing schemes only, and that a separate budget in the Environmental Services Portfolio existed for disabled adaptations to all other categories of housing. The revised HRA budget would allow the Council to continue its existing scheme-based Sheltered Housing service unchanged, subject to the Supporting People funding regime being maintained.

It was emphasised that this £323,000 was a one-off 'windfall' and similar reductions in the negative subsidy could not be guaranteed in future years. The Housing Portfolio Holder confirmed that the figures for the forthcoming equalisation of housing debts amongst all local authorities would be published on Friday 12 February 2010 and would be the subject of a report at a future Housing Portfolio Holder's meeting, to which all members were encouraged to attend.

Cabinet **RECOMMENDED TO COUNCIL** that:

- (a) from the first rent week in April 2010, rents for existing tenants are increased by an average of 2.7% based on a deflationary adjustment of -0.9%, with a maximum variation of £2.75 towards the phasing in of rent restructuring;
- (b) subject to written confirmation from the Department of Communities and Local Government that there will be no adverse impact on the negative housing subsidy, from the first rent week in April 2010, properties are let to new tenants at the target rent level;
- (c) new lifeline alarm users are charged £18 from 1 April 2010 for the installation of lifeline alarms;
- (d) tenants living in flats with communal areas and with door entry systems be charged £2 a week from 1 April 2010 towards the cost of these communal areas;
- (e) tenants living in flats with communal areas where there is no door entry system be charged £1 a week from 1 April 2010 towards the cost of the communal areas;
- (f) charges for other services and facilities are increased as follows from 1 April 2010:

Service or Facility	Current Charge	Proposed Charge	Increase / Decrease	
	per week	per week	%	£
	£	£		
Charges for Flats with Communal Areas				
Blocks with a Door Entry System	-	2.00	N/A	N/A
Other Blocks	-	1.00	N/A	N/A
Sheltered Housing Charges				
Tenants				
- support element	14.99	15.14	1.0	0.15
- communal facilities	6.93	7.14	3.1	0.21
Equity Shareholders				
Maximum Charge (exclusive of capital works)				
- schemes with communal facilities	27.77	30.32	9.1	2.55
- schemes without communal facilities	19.54	20.53	5.1	0.99
Alarm System Service Charges**				
Individual Alarms				

- Those not in receipt of benefit				
- where the Council supplies the alarm	3.83	3.98	2.6	0.10
- where the user supplies the alarm	3.09	3.22	2.5	0.08
- Those in receipt of benefit				
- where the Council supplies the alarm	3.49	3.98	12.4	0.44
- where the user supplies the alarm	2.75	3.22	15.0	0.42
Group Alarms	3.48	3.51	0.9	0.03
** plus VAT where appropriate				
Garage Rents				
Garages rented to a Council tenant or leaseholder	7.00	7.22	3.1	0.22
N.B. In excess of two garages will be subject to VAT				
Other Garages (subject to VAT)	9.67	9.97	3.1	0.30

- (g) the grounds maintenance budget be funded by an additional £20,000, with an equivalent amount to be met from the General Fund;
- (h) a £300,000 revenue contribution be funded to capital outlay to provide increased support to the disabled adaptation budget; and
- (i) the HRA budget as summarised in the revised Appendix A be approved.

Cabinet AGREED

- (j) not to proceed with the changes to the Sheltered Housing service; and
- (k) that the scheme-based sheltered housing service continue, subject to the Supporting People funding regime being maintained.

75. COMMUNITY SAFETY 3-YEAR ROLLING PLAN 2008-2011: REFRESH

The refreshed Community Safety Rolling Plan, already agreed by the Crime and Disorder Reduction Partnership Board at its 1 February 2010 meeting, contained three priorities:

- reducing serious acquisitive crime, including burglary and vehicle crime;

- reducing re-offending; and
- reducing domestic violence.

The Leader commended the refreshed plan and Cabinet **RECOMMENDED TO COUNCIL** adoption of the refreshed Crime & Disorder Reduction Partnership Rolling Plan 2008-11.

Decisions made by Cabinet

76. **GYPSY AND TRAVELLER COMMUNITY STRATEGY**

The Housing Portfolio Holder commended the Community Strategy, which had received widespread consultation. The strategy included an action plan for improving relations and frequency of contact with the Gypsy and Traveller community, taking into account how the community preferred to interact with the authority. The Housing Portfolio Holder confirmed that the Council-wide cross-party support for the Strategy would be reflected in any press release.

Cabinet **AGREED** to adopt the final draft of the Gypsy and Traveller Community Strategy, as amended and endorsed by the Housing Portfolio Holder on 20 January 2010.

77. **COMMUNITY TRANSPORT STRATEGY 2010-2012**

The Council's 2009-10 corporate plan included a commitment to work with other organisations to develop a Community Transport Plan for the district by 2010. The strategy had been co-ordinated with County Council officers preparing the Local Transport Plan 3, and was a working document. An in-depth presentation had been made to the South Cambridgeshire Local Strategic Partnership, which endorsed the strategy.

Cabinet **AGREED** to adopt the Community Transport Strategy 2010-2012.

78. **SHARED SERVICE FOR DELIVERY OF THE REVENUES AND BENEFITS SERVICE**

The Finance and Staffing Portfolio Holder introduced the revised report which was broadly the same as that considered by Cabinet in January 2010, other than the addition of two specific terms to which Uttlesford District Council (UDC) would be requested to agree before the shared service arrangements would be progressed. The terms had been added to address member concerns raised at the Scrutiny and Overview Committee meeting in December 2009 and at the January 2010 Cabinet meeting and reflected the greater risk to South Cambridgeshire District Council as provider of the information technology and office accommodation, the outlay for which could be greater than the proposed savings if not for the additional terms. Cabinet members emphasised that the revised terms sought to obtain the best possible outcome for the residents of South Cambridgeshire and to ensure that the savings generated surpassed the investment required without any drop in the existing service levels.

The Finance and Staffing Portfolio Holder apologised for the confusion which arose after the item was withdrawn by Council at its 28 January 2010 meeting due to the on-going negotiations with UDC. He added that he had invited input from the Scrutiny and Overview Committee in advance of any decision by the Cabinet and hoped that the

proposals, which would benefit all residents of South Cambridgeshire through the on-going savings generated, were something which all members would support. The Executive Director (Corporate Services) clarified that the business case had been published and was available to Scrutiny and Overview Committee members before their meeting, and asked that members who had difficulty accessing the electronic link advise officers of the situation with sufficient time before the start of a meeting to allow hard copies to be produced.

The Executive Director (Corporate Services) was commended by Cabinet for his work on the project.

Cabinet **AGREED** that Uttlesford District Council (UDC) be requested to guarantee that the first £350,000 of any savings secured through the shared service proposal be earmarked for South Cambridgeshire District Council (SCDC) in line with the exemplification that the corollary of such an arrangement would provide UDC with the subsequent £175,000 savings with any balance being apportioned in line with the partnership agreement on a 2/3, 1/3 split in favour of SCDC.

Cabinet **AGREED** that, subject to the above guarantee being given by Uttlesford District Council, **TO RECOMMEND TO COUNCIL** that South Cambridgeshire District Council:

- (a) enter into partnership with Uttlesford District Council to develop a Revenues and Benefits shared service for the two Councils;
- (b) approve the procurement of a contractor for the change management aspects of the project; and
- (c) approve the procurement of a supplier for a common software platform.

79. JOINT LOCAL STRATEGIC PARTNERSHIP FOR SOUTH CAMBS AND CAMBRIDGE CITY

The Leader introduced the proposal to merge the South Cambridgeshire and Cambridge City Local Strategic Partnerships, negotiations for which had been underway for the past two years. The City had agreed that half an hour would be reserved before all joint meetings for presentation of parish plans, and it was clarified that chairmanship would alternate between the two authorities. Membership of the joint partnership had not yet been agreed and would be considered by the two Local Strategic Partnerships. It was hoped that this would be an equal partnership, and the new arrangements would be reviewed after one year with an option of returning to two separate bodies if necessary.

Cabinet **AGREED** to merge the South Cambridgeshire and Cambridge City Local Strategic Partnerships and to support the following principles of a joint Local Strategic Partnership:

- (a) The size of a combined LSP Board will need to be manageable and membership and voting arrangements made clear;
- (b) Agendas should be balanced between issues that are relevant for each local authority area;
- (c) A common performance management system for assessing progress towards the LAA targets and the monitoring of Reward Grant projects should be put in place;
- (d) The LSPs should keep their separate Sustainable Community Strategies for now but look to develop a joint strategy when these come to an end (March 2011);
- (e) Local thematic groups that are relevant to the strategies and their action plans should be retained for the life of the strategies;
- (f) Local partnerships should have clear reporting arrangements to the new Board; and
- (g) The new Board will be subject to scrutiny by each local authority's overview and

scrutiny arrangement.

80. ANNUAL AUDIT LETTER 2008/09

The Audit Commission's Annual Audit Letter for the 2008/09 municipal year had been received by the Corporate Governance Committee on 9 February 2010, at which time two main points had been made:

- the new inspection regime had a greater focus on outcomes, and Cabinet was requested to review its methodology when setting the Council's Aims, Actions and Approaches to ensure that they were outcome-focused;
- broadly speaking, the score of 2 (adequate) was satisfactory and the Corporate Governance Committee would support the Cabinet if Cabinet felt that the investment necessary to reach a score of 3 was not the best use of resources.

The Finance and Staffing Portfolio Holder highlighted the generally positive remarks made by the Audit Commission, although concerns were raised at the variance of an additional £55,800 charged to the authority above the planned fee. Councillor JD Batchelor, Scrutiny and Overview Committee Chairman, queried how the auditors determined that scrutiny had improved without interviewing any members of the committee.

Cabinet **RECEIVED** the revised Annual Audit Letter 2008/09.

Standing Items

81. ISSUES ARISING FROM THE SCRUTINY AND OVERVIEW COMMITTEE

Already discussed under the relevant items.

82. UPDATES FROM CABINET MEMBERS APPOINTED TO OUTSIDE BODIES

Nothing to report.

83. REPORTS FROM CABINET MEMBERS ATTENDING PARISH COUNCIL MEETINGS

The Leader and Environmental Services Portfolio Holder had attended a meeting of Wimpole Parish Council to discuss the recycling scheme. Their attendance had been well received and they indicated that they were very willing to visit other parish councils to discuss any issues of interest.

84. REPORTS FROM MEMBER CHAMPIONS

None present.

85. DATE OF NEXT MEETING

The 11 March 2010 Cabinet meeting was cancelled due to lack of scheduled business. The next Cabinet meeting would be on Thursday 8 April 2010.

The Meeting ended at 9.15 p.m.
