



# **CAMBRIDGE** CITY COUNCIL

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## **INFORMATION PACK**

**Date:** Thursday, 19 October 2017

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Key:  
 Lab - Labour  
 Lib Dem – Liberal Democrats  
 Indep – Independent  
 Green - Green

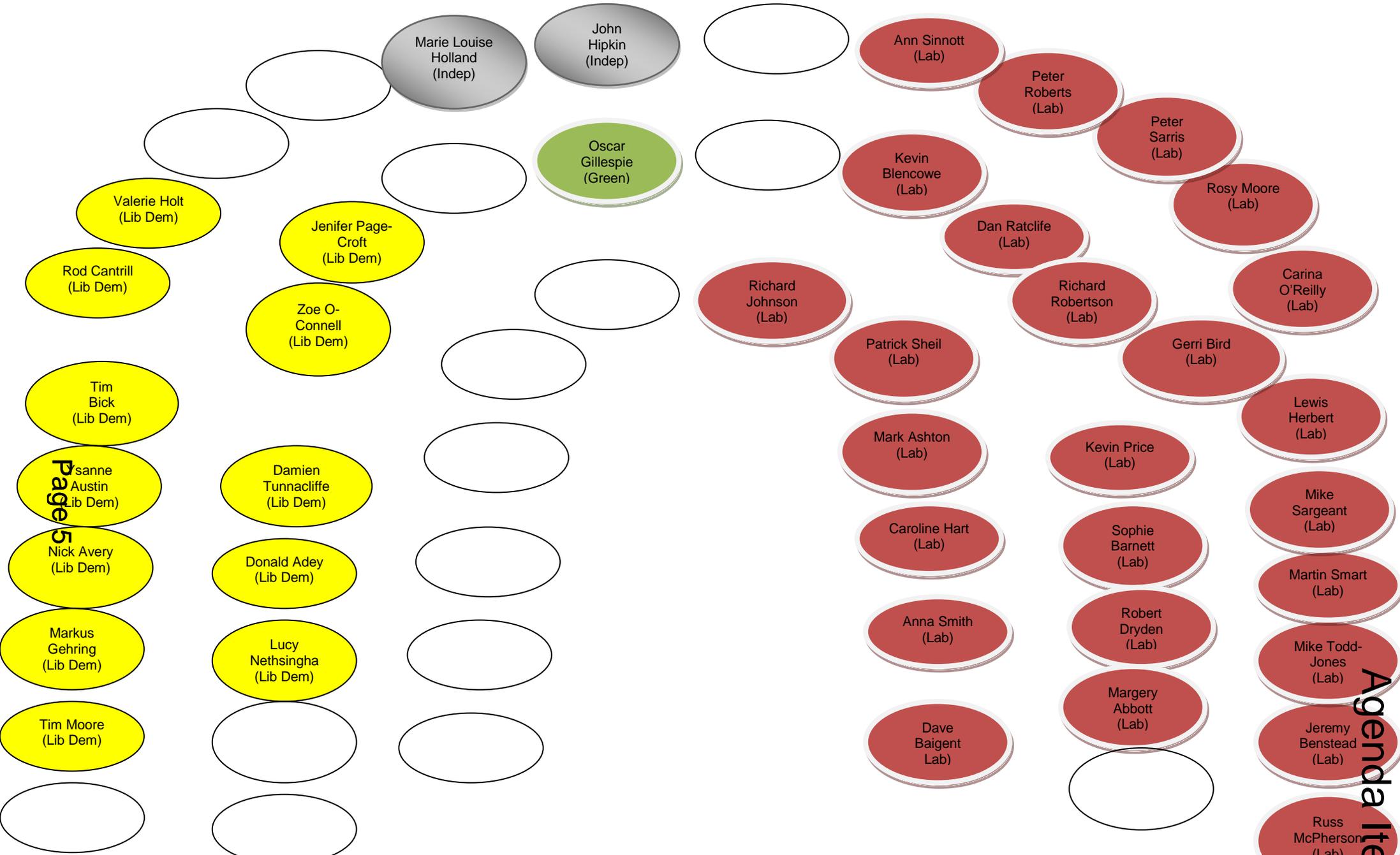
The Mayor's  
 Chaplain

The Deputy  
 Mayor  
 Nigel  
 Gawthrop

The Mayor  
 George  
 Pippas

Democratic  
 Services  
 Manager

The Chief  
 Executive



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Present: Councillors Bird (Chair), Benstead, Abbott, Adey, Gawthrope, Gehring, McPherson, R. Moore, T. Moore, Pippas and Smart

### RECOMMENDATION TO COUNCIL

#### **17/77/Lic Review of Statement of Licensing Policy**

The Committee received a report from the Team Manager (Commercial & Licensing).

The report advised the Licensing Act 2003 required a licensing authority to prepare and publish a statement of its licensing policy at least every five years. The current Policy would expire on 24 October 2017, and without a revised statement of Licensing Policy, Cambridge City Council would not be able to process any applications covered by the Licensing Act 2003.

Additionally, forthcoming changes to legislation meant the Cumulative Impact Policy would soon have a statutory footing and would introduce a requirement on licensing authorities to review the evidence on which Cumulative Impact Policies are based at least every three years.

This would mean that the requirement to review the Statement of Licensing Policy will remain at five years, whilst the requirement to review the Cumulative Impact Policy would become every three years.

It was proposed to separate these two Policies as they would have differing statutory review periods; five years for the Statement of Licensing Policy and three for the Cumulative Impact Policy.

The Committee were advised that recommendation 2.1.2 included a typographical error:

Approve that the amended Statement of Licensing Policy attached to this report as Appendix F is to be adopted by full Council on 19 October 2019 **2017**.

The Committee made the following comments in response to the report:

- i. Supported retaining the CIA in its current form. It controlled the number of establishments that sold alcohol, plus associated anti-social behaviour.
- ii. Exceptions could be made (when deemed appropriate) allowing establishments to sell alcohol in the CIA.
- iii. Queried why the representation from Cambridgeshire Constabulary did not support a CIA for the whole of Mill Road.
- iv. Expressed concern that reducing the CIA would lead to anti-social behaviour moving from one part of Mill Road to the non-CIA area where it would be harder to tackle.
- v. Recommended consulting on the CIA as the Police were the only body who could request a CIA and they had put on public record that they questioned the area it covered. The City Council had a legal duty to now justify the CIA.

In response to Members' questions the Team Manager (Commercial & Licensing) said the following:

- i. If an application for a licence to sell alcohol in the Cumulative Impact Area (CIA) was made during the consultation period, Councillors would base their decision on the current policy. If the CIA consultation led to a change to the CIA future decisions would have to be based on this. Decisions made on speculation about the CIA consultation response would be ultra vires and undefendable.
- ii. Referred to P77 and P133 of the Officer's report. The Police supported the CIA but queried if it was proportionate to cover the length of Mill Road.

The Technical Officer said the Police and other responsible authorities could request the set up or removal of a CIA. The Police provided the main statistical evidence for one.

The Environmental Health Manager (Commercial) said the Police would be invited to attend a Licensing Committee and respond to queries after the CIA consultation period. The CIA could be reviewed at any time. If some part was removed, a review could be held in future to see if it should be re-instated.

- iii. The CIA consultation would likely occur November 2017 to January 2018, then a report would be brought back to Licensing Committee in March 2018. Consultees would include east area resident associations, schools, churches, traders and community meetings; possibly all city area committees too.

The Committee:

**Resolved (by 9 votes to 0) to:**

- i. Consider the results of the public consultation exercise as summarised in Appendix D of the Officer's report.
- ii. Approve that the amended Statement of Licensing Policy (attached as Appendix F to the Officer's report) be adopted by full Council on 19 October 2017.
- iii. Agree for the proposed changes to the Cumulative Impact Policy to be the subject of a further twelve week public consultation.
- iv. Request officers to return to Licensing Committee with the outcome of the consultation.
- v. Note the forthcoming changes in relation to the review periods for the Statement of Licensing Policy and Cumulative Impact Policy, and agree in principle to separating these two documents.

The meeting ended at 1.00 pm

**CHAIR**

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## Council Meeting: Oral Questions in Order of Receipt

19 October 2017

### Primary Questions

#### **1) Councillor O'Connell to the Executive Councillor for Environmental Services and City Centre**

Does the Executive Councillor for Environmental Services agree with me that it is unacceptable for the council to try to shift responsibility for overflowing refuse bins caused by delayed or missed collections on to residents?

#### **2) Councillor Smart to the Executive Councillor for Streets and Open Spaces**

What will the changes in toilet cleaning frequency proposed in the Streets and Open Spaces review mean in practice?

#### **3) Councillor Sergeant to the Executive Councillor for Housing**

Given that this is empty homes week, would the Executive Councillor for Housing tell council what is being done in Cambridge to bring empty homes back into use?

#### **4) Councillor Bick to the Executive Councillor for Planning Policy and Transport**

Does the Executive Councillor think that 7600 new homes can be built at Northern Fringe East including on the sewage works site?

**5) Councillor Holland to the Executive Councillor for Finance and Resources**

Ofo Bikes and Rutland Cycle Hire Bikes

What income does the City Council receive from the private bike hire organisations: Ofo and Rutland Cycle Hire?

As a regular bike user, there have been occasions when there were no bike spaces in the bike rack on Peas Hill because approximately 25% of the spaces were occupied by Ofo bikes and Rutland Cycle Hire bikes, including a permanent advertising bike which has not been moved for several months.

**6) Councillor Holt to the Executive Councillor for Streets & Open Spaces**

Is the Executive Councillor's priority for the council's provision of public toilets still best described as 'let them use pubs', which was at one time shorthand for her party's policy?

**7) Councillor Barnett to the Executive Councillor for Streets and Open Spaces**

Can the Executive Councillor provide some more details about the proposed increase in the use of volunteers as set out in the Streets and Open Spaces review?

**8) Councillor Austin to the Executive Councillor for Streets & Open Spaces**

How are you planning to stop cars and lorries parking illegally and driving irresponsibly on Midsummer Common?

**9) Councillor Cantrill to the Executive Councillor for Streets and Open Spaces**

Does the Executive Councillor agree with me that the City Rangers provide a unique service to the residents of Cambridge?

**10) Councillor Todd Jones to the Executive Councillor for Streets and Open Spaces**

Can the Executive Councillor update on what is being planned to limit the use of chemical herbicides?

**11) Councillor Adey to the Leader**

Would the Leader of the Council agree that a golden opportunity may be lost if a new Cycle Bridge is not built as part of the Mill Rd depot redevelopment, linking to Cromwell Rd in Romsey?

**12) Councillor T. Moore to the Leader**

Does the leader agree that we should encourage moving around by cycling? Therefore, does he, like me, welcome the concept of the greenways routes for people coming into Cambridge from the neighbouring villages?

**13) Councillor Sinnott to the Executive Councillor for Communities**

Can the Executive Councillor for Communities provide an update on preparations for the Volunteer for Cambridge community fair this Saturday, and inform Council how the public can be involved?

#### **14) Councillor Sarris to the Leader**

Will the Leader please update the Council on what progress has been made with the plans to develop the area around Northern Fringe East?

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#### **Secondary Questions**

No secondary questions were submitted.

## Universal Credit – An update October 2017

Universal Credit merges together the following benefits and tax credits:

- Income-based Jobseeker's Allowance (currently administered by DWP)
- Income-related Employment and Support Allowance (currently administered by DWP)
- Income Support (currently administered by DWP)
- Child Tax Credit (currently administered by HMRC)
- Working Tax Credit (currently administered by HMRC)
- Housing Benefit (currently administered by local Councils)

The new system is based on a single monthly payment in arrears, transferred directly into the claimant's bank account. Unlike Housing Benefit which is administered by local Councils, Universal Credit is administered by the Department for Work and Pensions at local Jobcentres, with processing of claims being done at national delivery centres.

### Rollout of live and full service

Universal Credit rollout achieved live service in all 714 Jobcentres in April 2016. Live service has significant conditions placed upon it and only allows claims for the most straightforward and simple claims. Live service go-live date in Cambridge was February 2016 and we have seen little impact from the live service.

Nationally this was expanded to full service rollout which began in May 2016. Full service includes claims from couples and those with families with far more complex needs and will have far greater impact as it will include housing costs.

Transition to full service is taking place in phases between May 2016 and September 2018. Full service go-live date in Cambridge is June 2018.

Nationally, a managed migration of cases from Housing Benefit to Universal Credit will start in July 2019 with completion in March 2022. This is for those residual claims that have not migrated to Universal Credit through natural migration (i.e. a change in personal circumstances has led to a Universal Credit claim).

### Concerns about the rollout of Universal Credit

Between April 2013 and 10 August 2017, a total of 1.4 million people made a claim for Universal Credit. Official caseload figures show that as of 10 August 2017, 590,000 people were on the Universal Credit caseload. Of these, 39 per cent were in employment.

Some significant problems have been experienced during the test and learn phases – in particular with increased rent arrears, especially with homeless claims and problems with landlord liaison and there have been calls for changes or delays in further rollout of the programme.

Great Yarmouth (full service), for example, has recommended suspending the housing element in Universal Credit, and similar recommendations have been made in Scotland by East Lothian and Highland councils.

The Work and Pensions Committee is particularly concerned about the impact of Universal Credit on rent arrears, having heard much evidence that this is a significant and growing problem for Universal Credit claimants.

In its response to similar concerns expressed in previous reports from the committee, the DWP claimed that any rent arrears associated with Universal Credit “are likely to be of a short duration” and “should not present an insurmountable obstacle to landlords”. The DWP are developing a landlord portal to assist with this.

The committee was also concerned that despite Universal Credit having a built-in six-week delay between someone applying for and receiving their first payment, it had heard that many have to wait much longer than this.

Written evidence from Southwark, Hounslow, Croydon and Tower Hamlets Councils to support the inquiry stated the main impact was that a significant and rapidly growing number of their tenants claiming Universal Credit had fallen into significant rent arrears, or had fallen more deeply into rent arrears. The written evidence from the London Boroughs included the following recommendations that could improve the current implementation:

*“1. Payment Delays: To help bridge the gap between the date of the Universal Credit claim and the date of first payment, and therefore reduce or limit rent arrears:*

- Removal of the seven day waiting period for housing costs in Universal Credit.*
- Introduction of a Housing Benefit run period (of at least two weeks) for those who are already claiming Housing Benefit.”*

*“2. Backdating: A recommendation that the government look again at arrangements for backdating of housing costs in Universal Credit at least for period of transition.”*

*“3. Verifying Rent Costs: A recommendation that DWP decision makers demonstrate flexibility on paying housing costs for those struggling to cope with the transition to Universal Credit and where rent information provided by the claimant may have been submitted incorrectly or late.”*

*“4. Trusted Partner: the implementation of an enhanced Trusted Partner scheme.”*

*“5. Managed Payments: A recommendation that that the Department further develop the existing arrangements for administering and making managed payments. As a*

*consequence it is not as easy as we think it should be for social landlords to know when managed payments are due.”*

*“6. Communication with Social Landlords: A recommendation that the Department continue to work closely with local authorities and social landlords on the development of a landlord portal that meets social landlord’s needs as well as those of the Department, that enables relevant data to flow seamlessly between social landlords and the Universal Credit service centres.”*

*“7. Financial Protection for Social Landlords: A recommendation that the Department recognise that for so long as Universal Credit full service remains in the design or test and build phase, it would be reasonable for the Department to indemnify affected social landlords against the financial risks that may be associated with the limited roll out of what is still an embryonic and unproven system.”*

### **Further concerns**

The Trussell Trust is the UK’s largest provider and operator of food banks. The number of three-day emergency food parcels it provided in 2016/17 was 1,182,954, an increase of 6.4% on the previous year’s total.

The Trust has reported that, in areas where the full Universal Credit rollout has taken place, food bank referral rates were running at more than double the national average.

The Trust said the standard six-week-plus waiting time for a first benefit payment faced by new Universal Credit claimants was behind the rise in demand for charity food. The trust called for an immediate reduction in the minimum six-week wait for a first payment.

The DWP responded to the concerns raised by the Trussell Trust by saying:

*“The reasons for food bank use are complex, so it’s misleading to link them to any one issue. Employment is the best route out of poverty, and there are now record numbers of people in work. Under Universal Credit people are moving into work faster and staying in work longer than under the old system.”*

In July 2017, Citizens Advice published a report “Delivering on Universal Credit”, which also included recommendations to improve its delivery.

<https://www.citizensadvice.org.uk/Global/CitizensAdvice/welfare%20publications/Delivering%20on%20Universal%20Credit%20-%20report.pdf>

The report concludes: *“The sheer scale of UC presents many challenges - and this has been evident in its development so far. The IT, administration and policy changes involved place huge demands on the DWP, Jobcentres and claimants.”*

## **Planning, preparation and collaborative working**

During the last six months, there have been regular meetings with Cambridge CAB, local Jobcentre Plus Partnership Manager and the Benefits Managers at City Council and South Cambs.

Preparations are already underway for the full service go-live aimed at ensuring the current Personal Budgeting Support arrangements are up-scaled for June 2018; this includes awareness training for Jobcentre work coaches to spot potential financial issues.

Work is on-going to ensure that the Advice Hub in Mandela House is able to support people wishing to claim Universal Credit allowing them to manage their claims on-line. Access to a phone in the Advice Hub, allows customers to make the necessary appointments at the Jobcentre or to enquire about the progress of their claim free of charge.

Universal Credit and other Welfare Reforms have been featured regularly over the past few years in Open Door, informing tenants of the timescales and the support that is available.

## **Latest from the DWP**

All Local Authorities received a letter dated 2 October 2017 from Neil Couling (Director General, Universal Credit Programme, DWP), which said that the Secretary of State had announced that building on the success of the Universal Credit full service being delivered at 101 locations, its expansion to full service was to continue (as previously planned), beginning with a further 134 Jobcentres between October and December 2017.

Ends.

<b>Briefing Note / Background Information</b>	<b>For: Council Members</b>
<b>Meeting</b>	<b>Council Meeting 19 October 2017, Motion 3</b>
<b>Background Information provided by:</b>	<b>Fiona Bryant and Suzanne Hemingway, Strategic Directors</b>

<p><b>The Motion : Councillor Cantrill</b></p> <p>The housing market in Cambridge is broken. The majority of residents cannot afford to rent or buy a property in the city. This is particularly the case for people on low salaries doing critical jobs such as care workers, nurses and teachers. Private rents have increased by 20% since 2014 (median private rent). In addition, affordable rents in Cambridge are not affordable for very many people. The Housing needs register has over 2,500 households seeking accommodation, with over 1,500 single households making up the register.</p> <p>In the medium to long term, this issue can only be addressed by a fundamental review of the level of supply of housing of all kinds in and around Cambridge. However, in the short term, key stakeholders in the city should act to relieve this unacceptable pressure for residents.</p> <p>The City Council, as a key stakeholder in the city, has a unique opportunity at this time to use its financial and social capital to help to address this important problem.</p> <p>The Mill Road Depot site provides one of a small number of large strategic sites in the centre of the city that the council can use to address these critical housing issues. This is particularly the case as the Council is the owner of the majority of the site and is in receipt of £70m of devolved funds to build 500 social homes.</p> <p>This council therefore calls on the Leader and the Executive Councillors for Housing and Finance to bring forward plans for the Mill Road Depot that:</p>
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- reflect the feedback from the public consultations undertaken - in particular the provision of community facilities
- have a level of affordable housing on the site of at least 80% (with the majority being social housing – rented on a Local Authority rental basis – as defined by Cambridgeshire Insight)
- provide an element of properties on the site that are rented on a ‘Local Living Rent’ basis to key workers (ie based on one third of an individual’s net income – rather than with reference to a discount to market rents) - this would be one of the first schemes of this nature outside London
- ensure that the development of the site is undertaken on the highest level of sustainability – including limiting the use of car usage on the site to a minimum and encouraging sustainable transport

## **Background**

### The Housing Market

The Council recognises the immense pressure on the housing market in Cambridge, and the implications that the lack of affordable housing has for many people day-to-day. We have been working to deliver affordable housing in partnership for many years with significant levels of new provision already completed, for example on sites in Trumpington

In recognition of growing pressures as house prices and private rents rise – and demand increases with new jobs created - we have agreed a devolution deal with government to deliver 500 new Council homes over 5 years. We are also working with our partners (including Housing Associations, Greater Cambridge Partnership and the Combined Authority) to ensure the delivery of more affordable housing within Cambridge, and in surrounding areas where many Cambridge workers already live. We are working with our partners to tackle transport issues so that people can choose housing that meets their needs and travel to work or study in Cambridge.

Housing needs in Cambridge are complex, and there are people who cannot meet their needs at a full market rent or sale who would benefit from intermediate housing products. Our local plan and housing strategy support the growth of Cambridge and the development of a range of housing products to meet diverse needs in the market. In recent years, the development of shared ownership has enabled people to buy desirable new homes – however the costs of shared ownership can be very high, and few families that purchase are able to move on to full ownership. Cambridge City has some new shared ownership units which have been slow to sell as there is an income cap, set by government, on who is eligible – and families on lower incomes struggle to meet the costs in Cambridge. The current income cap is a household income of £80,000.

Cambridge has a very divided economy with many households earning above the shared ownership income cap – and very many earning less than £30,000 per annum. 25% are earning around £16k gross median weekly pay<sup>1</sup>

Rather than focus on those higher earning families, the Council new build programme will be targeted at those who are on below median incomes. Our agreement with government for the devolution housing programme is to provide Council homes. These will be rented at below Local Housing Allowance levels to ensure they meet the needs of low income households.

### Mill Road Depot Site

The Mill Road Depot site is situated beside Mill Road bridge in Petersfield ward. The site is owned by the City Council and has been the main site for Cambridge City Council services including waste disposal, maintenance, storage and garage services since the 1990's. In July 2015, the Exec Cllr approved the initiation of a development brief for the depot site following S and R Committee and Exec Cllr approval in 2014 for the relocation of Council services from the site to Mandela House, Cowley Road and the Guildhall, as part of the agreed Office Accommodation Strategy.

In November 2015 the Waste Services Team relocated to Waterbeach as it became a shared service with SCDC. The relocation of all staff is expected to be completed by Spring 2018. Current business leases occupying the premises are due to expire in December 2017.

At the Strategy and Resources Committee on the 4th July 2016 the Leader approved setting up an Investment Partnership to optimise the use of the Council's property through investment in commercial, residential and other uses to achieve both social and financial returns. After an assessment by a panel of external consultants and internal officers from the Council, Hill Investment Partnerships (HIP) was selected from a shortlist of companies to form an Investment Partnership with the City Council. The Partnership is an equal, 50:50 Limited Liability Partnership (LLP).

The Cambridge Investment Partnership (CIP) was established in January 2017. This investment partnership model provides an opportunity for the Council to benefit from the experience and additional resource that a development partner can bring. Each partner shares the outputs (financial and social) in proportion to the value of its input, and therefore the model allows the partners to share the development risk and the development uplift arising from a scheme. The use of the CIP in managing property development enhances the Council's capability for delivery of affordable housing and making the best use of its community assets to provide for the future of Cambridge and its residents. The CIP was asked to develop the brief for Mill Road in 2017

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<sup>1</sup> Annual Survey of Household Earnings, 2017, ONS. This is a national survey, so Cambridge figures are therefore subject to a confidence interval

## The Need for Affordable Housing in Cambridge and Affordable Housing Definitions

The Council fully recognises the need to provide more Affordable Housing within City boundaries and the part its own sites may play in the provision of this. As of June 2017, 2,496 applicants were on the register. Of these, 62% are looking for 1 bed units, 28% for 2 bed units and only 10% for 3 bed and above. Further information is available from the March 2016 Housing Market report to Housing Scrutiny Committee 'Meeting the Housing Need in Greater Cambridge.'<sup>2</sup> The definition of Affordable housing includes social rented, affordable rented, intermediate housing and Low Cost Home Ownership options (LCHO) such as Starter Homes provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. From April 2012 affordable housing is defined in the National Planning Policy Framework (prior to this the definitions in Planning Policy Statement 3 apply). From 2010 onwards, HCA grant and the use of Right to Buy receipts have also increasingly been tied to the use of Affordable Rent, which is up to 80% of market rent levels.

Within Cambridge agreement has been reached to set Affordable Rent levels for new affordable homes delivered by the council at a rent no greater than the Local Housing Allowance.

The private rental market in Cambridge is strong, with average rents running from around £750/mth for a studio, up to just under £2000/mth for a 4 bed unit.

### The Intermediate Market

The high cost of market sale homes and levels of private sector rents means that there are a significant proportion of private sector renters in Cambridge who are unlikely to secure a social tenancy but unable to afford to access market housing including Low Cost Home Ownership. In 2015 the City Council set up a wholly owned company, Cambridge City Housing Company, to play its part in addressing the needs of Intermediate Market. The rents for these houses are around 80% of market rents.

Nationally there is also increasing interest in the 'Local Living Rent' model.

In London the Mayor has established a "London Living Rent" category. Homes in the category are for middle-income households who now rent and want to build up savings to buy a home. This can be either through shared ownership or outright purchase. Landlords are expected to encourage their tenants into home ownership within ten years. The homes will be offered on tenancies of a minimum of three years. Tenants will be supported to save and given the option to buy their home on a shared ownership basis during their tenancy. They will also be given extra priority for other shared ownership homes across London.

The amount of rent a tenant will pay will vary according to where they live in London. Across London as a whole the average monthly rent for a two-bedroom London Living Rent home is

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<sup>2</sup>

<https://democracy.cambridge.gov.uk/documents/s33198/Meeting%20the%20Housing%20Need%20in%20Greater%20Cambridge%20250216.pdf>

around £1,000 a month. That is two-thirds of the median market rent. The Mayor has published benchmark London Living Rent levels for every neighbourhood in the capital. These are based on a third of average local household incomes and adjusted for the number of bedrooms in each home. In most boroughs this will be a significant discount to the market level rent. To ensure family-sized London Living Rent homes are affordable, the rent for a three-bedroom home will be set at just 10 per cent above the two-bedroom rent.

To be eligible for a London Living Rent home, you must:

- be renting in London
- have a maximum household income of £60,000
- be unable to currently buy a home (including through shared ownership) in your local area. (see 'Allocations and priority' below for more details on how this works).

The homes will be offered on tenancies of a minimum of three years. Tenants will be supported to save and given the option to buy their home on a shared ownership basis during their tenancy. They will also be given extra priority for other shared ownership homes across London.

### **A Local Living Rent in Cambridge**

A Local Living Rent could possibly be applied to Cambridge. The impact would depend on the exact criteria adopted for assessing income and setting (and reviewing) individual rent levels.

As stated above the Council is not opposed to the development of intermediate housing products. However, there is an acute need for housing below LHA levels, and this is the need which we are targeting in our devolution programme, as these households are those with least options available in terms of rent, purchase, or choosing to live further afield and meet the costs of travel. It is also key to our work on tackling poverty, to focus resources on those in greatest need.

If a Local Living Rent in Cambridge charged c65% of the median rent, as in London, this would be above LHA for all house types, and thus many working families would be unable to afford the levels proposed.

Other intermediate products have been made available in Cambridge, with varying levels of success. Some keyworker housing is already available, for example specific accommodation for nurses, and the university is developing new accommodation at Eddington for many of its employees. The Council has developed a small number of homes through Cambridge City Housing Company, but it is not economically viable for to rent these at LLR levels and cover the cost of the initial investment. Development of LLR housing would require public subsidy: development of LLR as an alternative to market housing on any site will increase the public subsidy required and by reducing the income may make it impossible to deliver both the council housing and the LLR within the funding available.

	<b>Local Housing Allowance/wk 2017</b>	<b>Weekly median private rent-Cambridge</b>	<b>LHA as a %age of private rent</b>	<b>LLR assuming two thirds of median market rent</b>	<b>LLR limited for family homes</b>
<b>1 bed</b>	<b>£126.05</b>	<b>£207.00</b>	<b>61%</b>	<b>£135.00</b>	

<b>2 bed</b>	<b>£144.96</b>	<b>£268.00</b>	<b>54%</b>	<b>£174.00</b>	
<b>3 bed</b>	<b>£168.45</b>	<b>£311.00</b>	<b>54%</b>	<b>£202.00</b>	<b>£191.4</b>
<b>4 bed</b>	<b>£244.70</b>	<b>£403.00</b>	<b>56%</b>	<b>£262.00</b>	

### **Mill Road Depot Development Brief**

The Cambridge Investment Partnership (CIP) went out to public consultation in July 2016 and agreed a Supplementary Planning Document (SPD), approved in March 2017, upon which to base the development brief. The key strategic objectives within the SPD were as follows:

- To deliver 167 new homes of which 40% (67) must be affordable
- To include 20-25% of the total development site area as usable open space
- To include provision for the Chisholm Cycle Trail to pass north/south through the site
- To consider parking provision to ensure no displacement to neighbouring streets
- Provision of Community facilities

The CIP is currently finalising options for a further public consultation meeting planned for 2<sup>nd</sup> November 2017. There remain a number of residual issues to resolve, including the impact of the proposed bridge access into the site for the Chisholm Trail. The proposed options remain subject to confidentiality at present, but the intention is to provide a development **which exceeds the SPD requirements**. In broad terms, the possible options for Mill Road in relation to the bullet points above, (and subject to an acceptable solution for the residual issues) are likely to provide:

- In excess of 50% affordable housing, increasing the number of homes deliverable on the site through the use of underground parking and including redevelopment of a linked residential garage site.
- In excess of 25% usable open space
- Allocation of a 6m strip for the Chisholm trail (subject to agreement on access from the other side of the railway)
- A number of basement level parking spaces to increase the number of homes able to be delivered, reduce parking pressure on surrounding streets and maximise green space availability at surface level
- The potential for enhanced community facilities
- Dependent on option finally chosen, the possibility of unlocking further affordable units on nearby site

Subject to confidentiality requirements and ongoing discussions, further information on the affordable housing provision, sustainability and on the community facilities is provided in the sections below.

### **Affordable Housing at Mill Road Depot Site**

Mill Road Depot site is only one of a number of sites being taken forward part of the delivery of 500 new Council homes within the City. Whilst the City Council will benefit from the City Deal funding of £70m for these homes, the Council is required to provide some match funding for this capital through HRA and other provisions including Right to Buy receipts.

The CIP is required to ensure that the overall plan for the 500 homes is financially sustainable in addition to the provision of individual site investment plans which demonstrate best value for delivery of the strategic objectives for that site.

The cost of building houses fluctuates, but average costs in Cambridge are affected by the housing market in general. Costs of development are also increased by issues such as site contamination and quality, with the planned Council homes being constructed at higher levels of sustainability and quality than the average market sale sector home. The City Deal funding equates to around £140k per unit, with estimated construction costs for the 500 homes closer to £200k, although there will be variation on different sites. The CIP can maintain a lower average cost potentially across the whole programme, as small sites will have a higher unit cost in comparison larger sites.

The level of affordable housing on any given site is based on a number of policy and financial frameworks. The current Local Plan and the draft new Local Plan, currently at inspection stage, both require the provision of 40% affordable housing on sites with more than 15 total units. Wider policies around creating mixed and balanced communities support a mix of market and affordable housing on large scale sites. Although the policy framework does not specifically encourage high levels of affordable housing on large scale sites like Mill Road Depot, the City Council aspiration for Mill Road Depot is to address the high need for social housing in the City by providing at least 50% of the site as social rented homes. A City Council owned site previously developed is Clay Farm, where 50% was achieved for affordable housing, but in a tenure split of 60% social rented homes and 40% shared ownership.

The Council also has to consider the viability of the overall programme, and of each site. The Council can chose to give priority focus to social objectives within a project, but the viability overall and its impact on other delivery needs to be considered. The table below gives an indication of the impact of raising the affordable housing levels (delivered as social rented homes) on the Mill Road site, taking into account the impact on the overall 500 homes programme.

An important point to note is that as the level of affordable housing is increased the number and value of private homes for sale is reduced. Private sale revenue offsets the cost of scheme delivery. Once the level of affordable increases above 50%, a funding gap is created. This gap would need to be funded in addition to the planned 20% contribution to development costs.

	Minimum Number affordable Units	Project Funding Gap
40%	75	-
50%	94	-
58.80%	110	-£6.325m

80%	150	-£16.343m
100%	TBC Est min 187	Est min £18.3m

Notes on the table:

1. We have assumed Registered Provider sale values which are benchmarked below the true building costs for the scheme
2. There are also design implications. The final layout will need to reflect the desired tenure mix and may also result in reductions in private sale revenues
3. The current expectation is that circa 100 units on the site will be affordable. This represents 20 percent of the 500 homes required, but the potential funding gap is 25% of the £70m funding available and does not represent the totality of Council investment in the site. This therefore creates a residual issue with funding further developments
4. The HRA borrowing cap is £16m

### **Community Facilities at Mill Road Depot Site**

The site currently includes community groups occupying a building near the Hooper St end of the site and the the Old Library near the Mill Road entrance.

A number of factors have been taken into account when considering the provision of community services on the site

- The public consultation feedback on community provision
- The County Council review of Community Centres
- Detailed discussions with the current tenants on their own future status, needs and requirements
- Partner Requirements for use of current buildings e.g. the Old Library, a listed building owned by Cambridgeshire County Council

The CIP and Council teams have been working with current tenants to discuss their future plans and requirements and to identify future appropriate facilities for them.

The detailed proposals are currently subject to legal and contractual confidentiality but as mentioned above, the CIP's options would see community provision retained and dependent on the option chosen, potentially enhanced for residents and the wider community.

### **Sustainability**

All new Council housing will be developed with great consideration to sustainability and the running costs of the home to the user, in accordance with our specifications.

All homes developed by the CIP will be to the standards set in the Cambridge Sustainable Housing Design Guide (CDG)

This covers a wide range of sustainability factors which go beyond the construction of the houses themselves and therefore beyond the nationally recognised standards for new construction e.g Building Research Establishment Environmental (BREEAM). The key areas covered by the CDG include:

- Using Code for Sustainable Homes Level 4 energy and water requirements as the minimum baseline building standard;
- Taking a fabric first approach to building well designed, energy efficient homes that are affordable to run, provide a healthy living environment for residents and that are easy to maintain with a focus on natural light, good air quality and efficient use of space;
- Utilising the new national space standard to ensure that new homes are easily adaptable to changing household circumstances;

- Promoting site-wide approaches to surface water drainage, landscaping and biodiversity to enhance the setting of new homes for the benefit not just of residents but the wider community, applicable at all scales of development;
- The need for ongoing monitoring of performance, which will enable the guidance to be continually refined to ensure the best long term outcome for our residents and for the city.

BREEAM have now launched a new housing construction standard – the BREEAM Home Quality Mark. There is no clear equivalent provided to the BREEAM Code for Sustainable Homes, although it still focusses on home construction, rather than the wider areas, which the CDG takes into account.

In regard to Council home development, developers are encouraged to exceed this minimum where possible, and at least in one area, but it is recognised that their ability to do this is often restricted in areas, by local site and ground conditions. Mill Road site is a complex site, with contamination and other residual issues which require specific handling.

The current CIP Mill Road development plans are in line with the CDG, with additional focus on energy standards including use of an energy efficient heating system. A final sustainability checklist will be completed once final plans are approved by the CIP Board.

The site open space provision exceeds the SPD requirement of 20-25%.

The site provides a 6m strip for development as part of the Chisholm Trail cycle route across the City, which is currently under development.

### **Project Status and Next Steps**

The CIP plans for the site are being finalised at the moment for approval by the CIP Board. Key dates for progression of the plans include:

- 30<sup>th</sup> October – Briefing for all Council Members
- 2<sup>nd</sup> November – Final Public Consultation meeting
- 13<sup>th</sup> November – Strategy and Resources Committee Meeting – Recommendation for Exec Cllr to approve transfer land to CIP for development
- December 2017 – CIP submission of planning application
- April 2018 – Site Development starts
- September 2020 – completion

## Briefing Note for Full Council Meeting on 19 October 2017

### Agenda Item 8d: Notice of Motion – Fair Pay for Public Sector Staff

#### The Motion

Cambridge City Council notes that

- For most local government workers, pay and conditions are determined nationally by the National Joint Council (NJC) and, on average, NJC basic pay has fallen by 21% in real terms since 2010.
- NJC workers had a three-year pay freeze from 2010 to 2012 and have received capped 1% pay increases annually since then.
- While bottom-loaded NJC pay settlements are welcome, these have squeezed pay grade differentials between lower paid staff.
- The majority of NJC workers are women and the gender pay gap has widened in the public sector since the pay cap was introduced.

#### The Council

- Supports the GMB campaign to end the public sector Pay Pinch and end continuous cuts to public sector real pay, while being committed to protecting quality service delivery and council jobs, and will contact the Local Government Association and all East Region employer representatives on the NJC to that effect in relation to the 2018 local government pay negotiations.
- Welcomes the joint review of the NJC pay spine to remedy the effects of bottom-loaded pay settlements.
- In addition to already paying at least the Living Wage to all its staff, shares the GMB objective for a Living Wage of at least £10 an hour for all public sector workers, and the Council will investigate increasing minimum pay to City Council staff to £10 per hour from 2018.

Will write to the Prime Minister and Secretary of State for Communities and Local Government, copied to GMB supporting the Pay Pinch campaign and the end to real public sector pay cuts, and to call on Government to provide vital extra funding to the public sector to achieve fair pay settlements without cutting services or jobs.

## **Public Sector Pay**

The public sector pay cap has been in place since 2010. Public sector pay was frozen for two years in 2010, except for those earning less than £21,000 a year, and since 2013, rises have been capped at 1%.

The public sector pay cap does not apply directly to local government (NJC) as pay is set by national level pay negotiations involving the Local Government Association as the employers and the trade unions (GMB, Unison and Unite). However, the principles of the public sector cap have been followed since 2010.

In recent weeks and months there have been a series of announcements relating to public sector pay giving some indication that there may be recommendations for higher pay rises.

Many public sector organisations have budgeted for a 1% rise in line with the current pay cap and without additional funding would need to fund any increase in pay from within existing budgets. Public sector trade unions have expressed concerns that job cuts may rise in order to fund pay increases above what has been budgeted for, and have highlighted difficulties with recruitment and retention in their sector.

## **The GMB Pay Pinch Campaign**

The GMB trade union have a national campaign to end the public sector pay pinch, calling on the government to commit to an end to public sector pay cuts, proper funding for public services, restoration of independence for the Pay Review Bodies and a real Living Wage of at least £10 an hour for all public sector workers. GMB are seeking Council support for the campaign.

The GMB report on the pay pinch highlights the relative decline in pay terms over the period since 2010 when the pay cap was introduced.

A GMB report on the pay pinch campaign can be found at:

<http://www.gmb.org.uk/public-sector-pay-pinch-FINAL0703.pdf>

## **Recent Pay Announcements**

There has been much media interest in public sector pay and shown below are some examples of the current position on pay discussions:

### **Police and Prison Officers**

Recommendations on pay for police and prison officers are made by independent pay review bodies. The government has said police officers will get 1% plus a non-consolidated 1%. Prison officers will receive 1% and additional consolidated and non-consolidated elements, depending on band/role and performance (overall 1.7%).

Both awards will be funded from existing budgets.

## Firefighters

In July 2017 a pay offer was made for firefighters. The offer included an immediate first stage payment of 2% and conditional second stage payment of 3% in April 2018. The offer also set out that by April 2018 subject to the conditions of funding sources being available and an agreement on role changes, agreement could be reached on pay arrangements in respect of the following pay years - 2018; 2019 and possibly 2020.

The Fire Brigades Union has initially rejected the offer and the employers have made a revised offer of 1.0% while discussions continue.

## Treasury Letter

The Chief Secretary to the Treasury recently wrote to pay review bodies setting out the government's approach to public sector pay 2018/19 .

The following are extracts from the letter:

“The last Spending Review budgeted for a 1% average increase in basic pay and progression pay awards for specific work forces, and there will still be a need for pay discipline over the coming years, to ensure the affordability of the public services and the sustainability of public sector employment. However, the Government recognises that in some parts of the public sector, particularly in areas of skill shortage, more flexibility may be required to deliver world class public services including in return for improvements to public sector productivity”.

“With a more flexible policy it is of even greater importance that recommendations on annual pay awards are based on independent advice and underpinned by robust evidence.”

“The role of the Pay Review Bodies is therefore more important than ever.”

The Treasury letter states that the 2018/19 pay award is likely to be delayed because of the Government's decision to shift to a Single Fiscal Event in the autumn. This begins from this autumn, with the Budget due on November 22.

## 22 November Budget

The November Budget could provide a chance to lift the public sector pay cap and provide the funding necessary to support pay increases in the public sector.

## Local Government (NJC)

Pay is set by national level pay negotiations involving employers and trade unions. The trade unions pay claim for 2018-2019 made by the Joint Trade Union Side (UNISON, GMB and UNITE) to the Local Government Association (LGA) is for:

**The deletion of NJC (National Joint Council) pay points SCP 6-9 to reach the Foundation Living Wage of £8.45 (UK) and £9.75 (London) and a 5% increase on all NJC pay points.**

The LGA estimate it will cost £559.2m to provide a bottom rate of £8.50 per hour from the current rate of £7.78. They also estimate a 12.5% increase to reach a National

Living Wage of £8.75 per hour by 2020. Those Councils with a large volume of staff at the lower end of the pay scale, who do not pay the UK Living Wage will see the largest increase in costs.

The potential cost of the trade union pay claim 5% for 2018-19 for Cambridge City Council is £1m (£800k GF and £200k HRA) on top of assumptions already made for pay inflation in the Medium Term Financial Strategy (MTFS).

It is unlikely that the local government pay settlement will be decided before the budget on 22 November 2017 and a national pay meeting is arranged for after this.

The national negotiations are currently considering the NJC pay award from April 2018 and a new national pay scale. Early indications are this may be a two year proposal due to the costs of moving the NJC pay scale points in line with future planned rises in the National Living Wage, the complexities of designing and moving to a new pay scale and including cost of living awards.

The Council has made provision for 2% pay inflation in the Medium Term Financial Strategy (MTFS), recognising there may be an increase in pay costs arising from the introduction of the new pay spine and public sector pay. There is very little information on which to base accurate cost assumptions at this time and the Council may need to review its forecast depending upon further information. The Council already pay the UK Living Wage and this cost is budgeted for.

The Local Government Association hold regional pay briefings for local authority employers, the East of England Local Government Association (EELGA) region briefings have been attended by a representative from Cambridge City Council.

### Cambridge City Council

Cambridge City Council implements the nationally negotiated pay awards (NJC and JNC). The summary below shows the level of nationally determined pay awards for the last 14 years for the NJC. SCP's relate to points on the national pay scales, in some years pay awards have given higher increases for the lower points on the scale. This is referred to as 'bottom loading'. The current pay award runs to 31 March 2018.

Year	Cost of Living Award - %
2003	3.5% additional 1% for SCP 4 & 5
2004	2.75%
2005	2.95%
2006	2.95%
2007	2.475%
2008	2.75% additional £100 for SCP 6
2009	1% additional 0.25% for SCP 6-10
2010	None
2011	None
2012	None
2013	1%

2014	None
2015	1% from 1/1/15
2016	1%
2017	1%

Cambridge City Council uses the national (NJC) pay scale but has locally determined that SCP 9 is the bottom point on the scale.

Cambridge City Council is an accredited Living Wage Employer and pays the UK Living Wage, currently £8.45, to employees and agency workers (after the 4<sup>th</sup> week) by way of a supplement to pay on pay rates (SCP's) which fall below the current Living Wage. The Living Wage is reviewed each year in November.

The median average salary of all Cambridge City Council employees is £27,394.

The gender profile for employees of Cambridge City Council as of 31 March 2017, is 51% female and 49% male. This profile is different to the wider local government workforce which is 72% female 37% male (Labour Force Survey 2017).

The Council faces recruitment and retention issues in some services, particularly Building Control, Planning, Customer Services and Finance and uses a range of measures including recruitment and retention packages, career grade structures and market pay supplements to try to address this.

The Council is investigating the costs and implications of introducing a £10 per hour pay policy.

### **Background Information**

- The August 2017 inflation rate was announced as 2.9%.
- The Institute for Fiscal Studies has said raising pay in line with inflation for the next three or four years would cost £6bn to £7bn more than continuing with the current pay policy.
- Chief Secretary to the Treasury letter to the STRB chair, September 2017:  
<https://www.gov.uk/government/publications/chief-secretary-to-the-treasury-letter-to-the-strb-chair--2>
- GMB Public Sector Pay Pinch report  
<http://www.gmb.org.uk/public-sector-pay-pinch-FINAL0703.pdf>
- Local Government Trade Union Pay Claim 2018-19  
[https://www.unison.org.uk/content/uploads/2017/06/NJC\\_Pay-Claim\\_2018-19-FINAL.pdf](https://www.unison.org.uk/content/uploads/2017/06/NJC_Pay-Claim_2018-19-FINAL.pdf)

Deborah Simpson  
Head of Human Resources  
October 2017

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## **Labour Amendment: Proposed by Councillor Robertson, seconded by Councillor Rosy Moore**

~~Council notes the recent year-on-year rises in complaints to the council and their importance as a resource for improving services to the public. On the most significant issues raised, it believes there should be an opportunity for more of a public closure and plan for the future with the involvement of elected representatives, than is allowed for by the current minimal section of the Annual Complaints Report.~~

~~It therefore resolves to provide an automatic public review by councillors of the three service areas with most complaints across the council each year, based on detailed reports to the relevant scrutiny committees in the autumn meeting cycle, together with recommended improvement plans.~~

~~It calls on the Chief Executive, in consultation with group leaders, to define a fair and workable procedure for implementation.~~

value of the Annual Complaints Report to Civic Affairs Committee and the council and

- its importance as a resource for improving services to the public,
- the importance of providing public disclosure and an opportunity for councillors to review and question the complaints received, and
- the recording of actions taken to remedy them.

To further strengthen this, future Annual Complaints Reports will each year identify three areas of complaint meriting further investigation and report back to Civic Affairs.

The selection of the three areas in the report to Civic Affairs Committee will be based on an assessment of the change or lack of change in the number of complaints over the previous and preceding few years.

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## **Labour Amendment: Proposed by Councillor Price, seconded by Councillor Todd-Jones**

The housing market in Cambridge is broken. The majority of residents cannot afford to rent or buy a property in the city. This is particularly the case for people on low salaries doing critical jobs such as care workers, nurses and teachers. Private rents have increased by 20% since 2014 (median private rent). In addition, affordable rents in Cambridge are not affordable for very many people. The Housing needs register has over 2,500 households seeking accommodation, with over 1,500 single households making up the register.

In the medium to long term, this issue can only be addressed by a fundamental review of the level of supply of housing of all kinds in and around Cambridge. However, in the short term, key stakeholders in the city should act to relieve this unacceptable pressure for residents.

The City Council, as a key stakeholder in the city, has a unique opportunity at this time to use its financial and social capital to help to address this important problem.

The Mill Road Depot site provides one of a small number of large strategic sites in the centre of the city that the council can use to address these critical housing issues. This is particularly the case as the Council is the owner of the majority of the site and is in receipt of £70m of devolved funds to build 500 social homes.

This council therefore calls on the Leader and the Executive Councillors for Housing and Finance to bring forward plans for the Mill Road Depot that:

- reflect the feedback from the public consultations undertaken – in particular the provision of community facilities
- have a level of affordable housing on the site of at least 80% (with the majority being social housing – rented on a Local Authority rental basis – as defined by Cambridgeshire Insight)
- provide an element of properties on the site that are rented on a 'Local Living Rent' basis to key workers (ie based on one third of an individual's net income – rather than with reference to a discount to

~~market rents) – this would be one of the first schemes of this nature outside London~~

- ~~• ensure that the development of the site is undertaken on the highest level of sustainability – including limiting the use of car usage on the site to a minimum and encouraging sustainable transport~~

This Council notes that:

i) The combined effects since 2010 under first the Liberal Democrat and Tory coalition government, and now the Tory government, of a number of government policies in housing and welfare have had a severe impact on the problems of housing supply and housing affordability in Cambridge.

ii) Around a quarter of the City's households earn under £16,000 a year and for people on lower incomes the provision of social housing for rent in Cambridge is vital, which is why the Council's new build programme is targeted at those on below median incomes.

iii) The Housing Needs Register has around 2500 households seeking accommodation and over a quarter of annual lets are to those to whom the Council has agreed a statutory duty of homelessness.

iii) Our agreement with the Government for the Devolution Housing Grant and use of our retained Right to Buy receipts is to deliver at least 500 new council homes over five years, and council owned sites in both the Housing Revenue Account and the General Fund are key in delivering those homes.

This Council also notes that:

i) the only major General Fund owned site to be redeveloped by the Council in recent years is Clay Farm, where the Council achieved 50% of homes delivered as Affordable Housing but with a tenure split of 60% social rented and 40% shared ownership which is below the Council's own Affordable Housing Supplementary Planning Document (AHSPD) tenure recommendation of 75/25% and the high costs of shared ownership has meant that the units there are increasingly slow to sell.

ii) prior to Labour taking control of the Council in 2014, the practice of the then Liberal Democrat administration was to sell off a significant proportion of the land on small Housing Revenue Account redevelopment sites to be developed for market sale, and that the loss of existing and potential council homes was justified on the basis of the need for 'mixed and balanced communities' by the Liberal Democrats.

iii) The Mill Road Depot site provides one of a small number of large strategic sites in the centre of the city that the Council can use to address the critical need for affordable rented housing in Cambridge.

iv) the Mill Road Depot SPD was approved in March 2017 with the aim of achieving a new high quality, sustainable, mixed and balanced community.

This Council therefore resolves, having regard to the Mill Road Depot SPD:

i) to seek to achieve 50% of the homes delivered on Mill Road Depot as new council homes;

ii) to consider options for increasing the level and range of affordable housing delivered on the site above 50%, including where this unlocks the possibility of further affordable and council homes on other nearby sites

iii) to consider options for achieving, and where possible exceeding, other requirements stated in the Mill Road Depot SPD relating to open space and community facilities.

iv) to deliver an exemplary development by seeking for the homes delivered on Mill Road Depot to be constructed to the standards laid out in the Cambridge Sustainable Housing Design Guide.

v) to seek to meet the needs of the new community and the wider adjacent communities by integrating and connecting the site to the neighbourhood with a network of high quality pedestrian and cycle routes, including as part of the Chisholm Trail, and to ensure surrounding streets are not further pressured for car parking by the provision of an appropriate level of mainly underground car parking on the site.

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