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Cambridge City Council

STRATEGY AND RESOURCES SCRUTINY COMMITTEE

To: **Scrutiny Committee Members** - Councillors Robertson (Chair), Sinnott (Vice-Chair), Baigent, Benstead, Bick, Cantrill, M. Smart and Smith

Alternates: Councillors Sarris and C. Smart

Leader of the Council: Councillor Herbert

Executive Councillor for Finance and Resources: Councillor Owers

Despatched: Wednesday, 8 October 2014

Date: Monday, 20 October 2014

Time: 5.00 pm

Venue: Committee Room 1 & 2 - Guildhall

Contact: Glenn Burgess

Direct Dial: 01223 457013

AGENDA

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

Members are asked to declare at this stage any interests that they may have in an item shown on this agenda. If any member of the Committee is unsure whether or not they should declare an interest on a particular matter, they should seek advice from the Head of Legal Services before the meeting.

3 MINUTES OF THE PREVIOUS MEETING

To follow

4 PUBLIC QUESTIONS

5 RECORD OF URGENT DECISION TAKEN BY THE EXECUTIVE COUNCILLOR FOR FINANCE AND RESOURCES

To note decision taken by the Executive Councillor for Finance and Resources since the last meeting of the Strategy and Resources Scrutiny Committee.

5a Potential sale of LBI HF claims (*Pages 9 - 10*)

Items for Decision by the Executive Councillor, Without Debate

These Items will already have received approval in principle from the Executive Councillor. The Executive Councillor will be asked to approve the recommendations as set out in the officer's report. There will be no debate on these items, but members of the Scrutiny Committee and members of the public may ask questions or comment on the items if they comply with the Council's rules on Public Speaking set out below.

Items for Debate by the Committee and then Decision by the Executive Councillor

These items will require the Executive Councillor to make a decision after hearing the views of the Scrutiny Committee.

There will be a full debate on these items, and members of the public may ask questions or comment on the items if they comply with the Council's rules on Public Speaking set out below

Decisions of the Executive Councillor for Finance and Resources

Items for decision by the Executive Councillor for Finance and Resources, without debate.

6 IRRECOVERABLE DEBTS TO BE WRITTEN OFF (*Pages 11 - 14*)

The public is likely to be excluded during any discussion on the confidential appendix by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

7 GENERAL DEBTS - BAD DEBTS FOR WRITE-OFF (*Pages 15 - 18*)

The public is likely to be excluded during any discussion on the confidential appendix by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Items for debate by the committee and then decision by the Executive Councillor for Customer Services and Resources.

- 8 **MID-YEAR FINANCIAL REVIEW (MFR) 2014/15 TO 2017/18 - TREASURY MANAGEMENT HALF YEARLY UPDATE REPORT**
(Pages 19 - 44)
- 9 **REVIEW OF GENERAL FUND EARMARKED AND SPECIFIC FUNDS**
(Pages 45 - 52)
- 10 **WELFARE REFORM UPDATE** *(Pages 53 - 62)*
- 11 **TRAINING SPEND AND BUDGETS** *(Pages 63 - 78)*
- 12 **ANNUAL CLIMATE CHANGE STRATEGY, CARBON MANAGEMENT PLAN AND CLIMATE CHANGE FUND STATUS REPORT** *(Pages 79 - 98)*
- 13 **ANTI-POVERTY STRATEGY** *(Pages 99 - 164)*

Decisions of the Leader

Items for debate by the committee and then decision by the Leader of the Council

- 14 **ARRANGEMENTS TO ESTABLISHMENT THE CULTURAL TRUST**
(Pages 165 - 196)
- 15 **CORPORATE ENFORCEMENT POLICY** *(Pages 197 - 218)*
- 16 **SHARED SERVICES** *(Pages 219 - 232)*
- 17 **NEIGHBOURHOOD RESOLUTION PANEL SCHEME (NRPS) - PROGRESS REPORT** *(Pages 233 - 244)*
- 18 **ESTABLISHMENT OF GREATER CAMBRIDGE JOINT GOVERNANCE FRAMEWORK** *(Pages 245 - 266)*
- 19 **AUTHORITY TO DEPUTISE FOR THE CHIEF EXECUTIVE**

The Chief Executive is due to be away from work for a period from mid-October for medical reasons. The Leader is asked to recommend, and Council is asked to approve, arrangements for the Director of Customer and Community Services to deputise for the Chief Executive during her absence.

Recommendation:

That Council authorises the Director of Customer and Community Services to deputise for the Chief Executive and to act as Head of Paid Service during the Chief Executive's absence.

Information for the Public

Location

The meeting is in the Guildhall on the Market Square (CB2 3QJ).

Between 9 a.m. and 5 p.m. the building is accessible via Peas Hill, Guildhall Street and the Market Square entrances.

After 5 p.m. access is via the Peas Hill entrance.

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Public Participation

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Most meetings have an opportunity for members of the public to ask questions or make statements.

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- For questions and/or statements regarding items on the published agenda, the deadline is the start of the meeting.
- For questions and/or statements regarding items NOT on the published agenda, the deadline is 10 a.m. the day before the meeting.

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CAMBRIDGE CITY COUNCIL Record of Executive Decision

POTENTIAL SALE OF LBI HF CLAIMS -
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Decision of: Executive Councillor Finance & Resource, George Owers

Reference: 14/Special/S&R/8

Date of decision: 3 September 2014 **Recorded on:** 19 September 2014

Decision Type: Key

Matter for Decision: Cambridge City Council is the legal and beneficial owner of the following Art 112 claim(s) in the insolvency proceedings of LBI (the 'Claim(s)'):

Claim number	Accepted claim amount (ISK)
200910-2375	394,533,607.05 kr.
200910-2377	200,919,834.66 kr.
200910-2380	402,056,610.09 kr.

The Executive Councillor is asked to authorise the sale, and set a reserve price, on behalf of the City Council for sale of claims.

To review this reserve price, if required, up to the point of sale, with the agreement of the Chair and Opposition Spokes of the relevant overview and scrutiny Committee.

Why the decision had to be made (and any alternative options): As stated in Part 4B paragraph 16 of the Council's Constitution, 'if by virtue of the date by which a decision must be taken Rule 15 (general exception) cannot be followed, then the decision can only be taken if the decision taker (if an individual) or the chair of the body making the decision, obtains the agreement of the chair of a relevant overview and scrutiny committee that the taking of the decision cannot be reasonably deferred.'

As specified under this paragraph of the Councils Constitution, it was agreed that the making of this decision could not reasonably be deferred.

The Executive Councillor's decision(s): The Executive Councillor resolved that Cambridge City Council will sell its Claims provided the Authority's reserve price is met. Further details on the proposed sale including the reserve price

are exempt under Part 1 of Schedule 12A to the Local Government Act 1972 on the basis that the report contains information: (a) in respect of which a claim to legal professional privilege could be maintained in legal proceedings (para 5); and (b) relating to the financial and business affairs of the Authority (para 3), and that in both cases the disclosure of such information is not in the public interest.

To authorise the Head of Finance and Head of Legal Services to take all steps to enable the sale of the claims.

Reasons for the decision:

The Council has received advice that it should consider selling its claims in view of considerations set out in the confidential report to the Executive Councillor.

Scrutiny consideration:

As required by the Councils Constitution under the special urgency procedure rule (Para 16 of Part 4B), the agreement of the Chair of the Strategy and Resources Scrutiny Committee has been obtained.

Report:

A confidential briefing note was submitted to the Leader, Executive Councillor for Finance, Chair and Opposition Spoke of the Strategy and Resources Scrutiny Committee, setting out the background to the request. This paper contains exempt information falling within paragraph 3 and 5 of part 1 of Schedule 12A, Local Government Act, 1972 and contains information received in confidence.

Conflicts of interest:

None

Comments:

This urgent decision will be reported back to the Strategy and Resources Scrutiny Committee on 20 October 2014 & Full Council on 14 November 2014.



To: Executive Councillor for Finance and Resources:
Councillor George Owers

Report by: Alison Cole, Head of Revenues & Benefits

Relevant scrutiny
committee: Strategy & Resources Scrutiny
Committee

Wards affected: All Wards

IRRECOVERABLE DEBTS TO BE WRITTEN-OFF

Not a Key Decision

NOT FOR PUBLICATION: Appendix A relates to an item during which the public is likely to be excluded from the meeting by virtue of paragraphs 1, 2 and 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

1. Executive Summary

The purpose of this report is to inform the Executive Councillor and Members of the Scrutiny Committee of the accounts [listed below] where it is deemed that the amount of outstanding debt in relation to **Non-Domestic Rates and Housing Benefit** is irrecoverable and to be written-off.

- § **NDR** – Non-Domestic Rates, or Business Rates, collected by Local Authorities are the way that those who occupy non-domestic property contribute towards the cost of local services. The money, together with revenue from Council Tax payers, the revenue support grant provided by the Government and certain other sums, is used to pay for the services provided by our Local Authority and other Local Authorities in our area.
- § **Housing Benefit** – The Council, as the custodian of public funds is accountable for demonstrating sound financial management practices, which includes a clear strategy for managing overpayments of Housing and Council Tax Benefit. Local authorities have a statutory duty to decide if an overpayment is recoverable in law and are expected to make serious attempts to recover all recoverable payments.

2. Recommendations

The Executive Councillor is recommended to agree the debt write-offs deemed irrecoverable as shown in the appendices to this report.

3. Background

NDR

All debts listed have been subject to normal recovery proceedings, including Court proceedings, Liability Orders, bailiff action and arrangements to pay. The majority of irrecoverable debts relate to companies going into liquidation, administration or have ceased trading at which point we are unable to enforce payment. Although claims will be lodged with insolvency practitioners, in the vast majority of insolvencies non-preferential creditors rarely receive a dividend. Any dividend received in future years will be offset against amounts previously written-off.

Housing Benefit

The Council's policy objective is to avoid the creation of overpayments by the effective administration of the statutory Housing Benefit and Council Tax Benefit scheme. Where overpayments occur, the objective is to maximise recovery and where necessary to write-off unrecoverable debt in a controlled and cost-effective manner, to achieve targets set.

Debts must be considered for writing off in the following circumstances (see table at appendix B):

- where it is uneconomic to pursue recovery
- where the debtor cannot be traced and there is no prospect of commencing recovery action within one year of the debt being created
- where, in the case of a deceased debtor, there are no funds available from the debtor's estate
- where the debt arose more than six years ago
- where the debt cannot be recovered due to the insolvency or bankruptcy of the debtor
- where recovery would cause undue hardship to the debtor

In the case of an untraced debtor, recovery action should be considered if the debtor's whereabouts become known within six years of the creation of the overpayment(s).

4. Implications

(a) Financial Implications

Non domestic Rates

Shown below are the percentages of the NDR amounts written-off against the net collectable amounts for each year within the year.

2010/11 Net NDR Collectable - £81,524,656.56

- total amount written-off in earlier reports - £450,393.24
- total amount for write-off within this report - £ 10,045.80
- Total written-off in respect of 2010/11 - £460,439.04
representing 0.56% of the collectable amount.

2011/12 Net NDR Collectable - £85,925,567.99

- total amount written-off in earlier reports - £486,491.39
- total amount for write-off within this report - £ 14,006.56
- Total written-off in respect of 2011/12 - £500,497.95
Representing 0.58% of the collectable amount.

2012/13 Net NDR Collectable - £90,735,710.78

- total amount written-off in earlier reports -£315,291.30
- total amount for write-off within this report - £ 49,869.57
- Total written-off in respect of 2012/13 - £365,160.87
representing 0.40% of the collectable amount.

2013/14 Net NDR Collectable - £95,142,289.38

- total amount written-off in earlier reports - £123,379.48
- total amount for write-off within this report - £ 79,619.79
- Total written-off in respect of 2013/14 - £202,999.27
representing 0.21% of the collectable amount.

2014/15 Net NDR Collectable - £96,260,995.63

- total amount written-off in earlier reports - £ 0.00
- total amount for write-off within this report - £ 6,626.60
- Total written-off in respect of 2013/14 - £ 6,626.60
representing <0.01% of the collectable amount.

Total amount NDR requested for write-off - £160,168.32

Housing Benefits

Housing Benefit overpayments, when created, attract a subsidy from Department for Work and Pensions (DWP). This depends on the reason the overpayment was created but is generally 40% of the debt and is paid to the Local Authority as part of their normal subsidy arrangements.

Total amount Housing Benefit requested for write-off - £16,170.35

(b) **Staffing Implications** (if not covered in Consultations Section)

N/A

(c) **Equality and Poverty Implications**

N/A

(d) **Environmental Implications**

N/A

(e) **Consultation**

N/A

(f) **Community Safety**

N/A

5. Background Papers

None that are to be made publicly available.

6. Appendices

Appendix A – Write-off listing for Non-Domestic Rates

Appendix B – Write-off listing for Housing Benefit

7. Inspection of Papers

If you have a query on the report please contact:

Author's Name: Alison Cole
Author's Phone Number: 01223 - 457701
Author's Email: alison.cole@cambridge.gov.uk



To: Executive Councillor for Finance and Resources:
Councillor George Owers

Report by: Head Of Finance

Relevant scrutiny
committee: Strategy & 20/10/2014
Resources
Scrutiny
Committee

Wards affected: Abbey Arbury Castle Cherry Hinton Coleridge
East Chesterton King's Hedges Market Newnham
Petersfield Queen Edith's Romsey Trumpington
West Chesterton

GENERAL DEBTS - BAD DEBTS FOR WRITE-OFF

Not a Key Decision

NOT FOR PUBLICATION: An appendix of the report relates to an item during which the public is likely to be excluded from the meeting by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

1. Executive summary

The purpose of this report is to inform the Executive Councillor and Members of the Scrutiny Committee of amounts that are deemed not to be collectable and require passing for write-off. The amounts relate to general income.

This report outlines the items recommended for write-off in the financial year ending 31st March 2015.

2. Recommendations

The Executive Councillor is recommended to write-off 2 debts totalling £10,722.88 as summarised in the exempt 'Appendix A' to this report.

3. Background

Officers have concluded that there is no further practicable recovery action available to the Council for the recovery of this amount.

4. Implications

(a) **Financial Implications**

The Council maintains a provision for the write off of bad debts as a consequence of such circumstances as insolvency of a customer. In some cases bad debts are written back to the originating service provider's budget and may result in a variance at the year-end.

(b) **Staffing Implications** (if not covered in Consultations Section)

N/A

(c) **Equality and Poverty Implications**

NO

(d) **Environmental Implications**

N/A

(e) **Procurement**

N/A

(f) **Consultation and communication**

N/A

(g) **Community Safety**

N/A

5. Background papers

These background papers were used in the preparation of this report:

N/A

6. Appendices

Exempt Appendix A: Schedule of debts to be written off

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

Author's Name: Karl Tattam
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To: The Executive Councillor for Finance & Resources:
Councillor George Owers

Report by: Caroline Ryba – Head of Finance & S151 Officer

Relevant scrutiny committee: Strategy & Resources
20/10/2014
Scrutiny
Committee

Wards affected: All Wards

MID-YEAR FINANCIAL REVIEW (MFR) 2014/15 TO 2017/18 - TREASURY MANAGEMENT HALF YEARLY UPDATE REPORT

Key Decision

1. Executive summary

- 1.1 The Council is required by regulations issued under the Local Government Act 2003, to produce a half yearly strategy treasury report reviewing treasury management activities.
- 1.2 This report complies with the CIPFA Code of Practice on Treasury Management (February 2011) and the CIPFA Prudential Code for Capital Finance in Local Authorities (May 2013 edition).
- 1.3 This report includes any changes to counterparty limits, the use of other financial instruments, capital activity and prudential & treasury indicators, since they were last reported within the Outturn Report for 2013/14, on 14th July 2014.

2. Recommendations

2.1 The Executive Councillor is asked to recommend to Council amendments to the Counterparty list, which highlight changes in Capita's (Council's Treasury Adviser) credit criteria, within Appendix B. These are summarised below:-

- To name 'smaller' building societies with an asset value greater than £5billion; and;
- Show the limits for 'smaller' building societies meeting these criteria.

2.2 The Executive Councillor is asked to recommend to Council to add

equity investment in the Local Capital Finance Company, the legal entity of the UK Municipal Bonds Agency, to non-specified investments within the Council's investment strategy.

2.3 The Executive Councillor is asked to recommend to Council changes to the estimated Prudential & Treasury Indicators for 2014/15 to 2017/18, inclusive, as set out in Appendix G.

2.4 The Executive Councillor is asked to recommend to Council:-

- approval of a capital investment of up to £50,000 in the equity share capital of the Local Capital Finance Company; and;
- delegation of the final decision on investment to the Executive Councillor for Finance and Resources in consultation with the Head of Finance.

3. **Background**

3.1 **Treasury Management Activities**

The Council is required to comply with CIPFA Prudential Code (May 2013 edition) and the CIPFA Treasury Management Code of Practice (Revised November 2011). The Council is required to set prudential and treasury indicators, including an authorised limit for borrowing, for a three year period and should ensure that its capital plans are affordable, prudent and sustainable.

The Council is currently supported in its treasury management functions by specialist advisors who are Capita Asset Services. Capita's services include the provision of advice to the Council on developments and best practice in this area and provide information on the creditworthiness of potential counterparties, deposit and borrowing interest rates and the economy.

3.2 **Borrowing Policy**

Borrowing Policy Statement

The Council is permitted to borrow under the Prudential Framework, introduced with effect from 1st April 2004.

The Council anticipates borrowing £2.804m within the General Fund during 2014/15 and £9.930m for the HRA (£4.469m during 2014/15 and £5.469m during 2016/17). This anticipated borrowing is for the Clay Farm Community Centre and the Affordable Housing Projects,

respectively. These schemes are contained within the Council's Capital Programme. This borrowing requirement may be met through internal borrowing (for example utilising 'earmarked reserves' set aside for future use) rather than using external borrowing.

Current Debt as at 31st March 2014

The table below shows the Council's current outstanding debt and headroom (the amount of additional borrowing that is possible without breaching the Authorised Borrowing Limit):-

	Principal (£)
Authorised Borrowing Limit (A)	250,000,000
HRA Debt Limit (B)	230,839,000
2011/12 Borrowing (for HRA Self-Financing, C)	213,572,000
General Fund Headroom (A minus B)	19,161,000
HRA Headroom (B minus C)	17,267,000
2012/13 Borrowing	NIL
2013/14 Borrowing	NIL
2014/15 Borrowing	NIL
Total Current Headroom (A minus C)	36,428,000

At present the only debt held by the authority relates to the twenty loans from PWLB for self-financing the HRA. These are shown in the table, below:-

Loan Ref:	Start Date	Principal (£)	Interest	Maturity Date	Term (Years)
1	28-Mar-12	10,678,600	3.46%	28-Mar-38	26
2	28-Mar-12	10,678,600	3.47%	28-Mar-39	27
3	28-Mar-12	10,678,600	3.48%	28-Mar-40	28
4	28-Mar-12	10,678,600	3.49%	28-Mar-41	29
5	28-Mar-12	10,678,600	3.50%	28-Mar-42	30
6	28-Mar-12	10,678,600	3.51%	28-Mar-43	31
7	28-Mar-12	10,678,600	3.52%	28-Mar-44	32
8	28-Mar-12	10,678,600	3.52%	28-Mar-45	33
9	28-Mar-12	10,678,600	3.52%	28-Mar-46	34
10	28-Mar-12	10,678,600	3.52%	28-Mar-47	35
11	28-Mar-12	10,678,600	3.53%	28-Mar-48	36
12	28-Mar-12	10,678,600	3.53%	28-Mar-49	37

Loan Ref:	Start Date	Principal (£)	Interest	Maturity Date	Term (Years)
13	28-Mar-12	10,678,600	3.53%	28-Mar-50	38
14	28-Mar-12	10,678,600	3.53%	28-Mar-51	39
15	28-Mar-12	10,678,600	3.52%	28-Mar-52	40
16	28-Mar-12	10,678,600	3.52%	28-Mar-53	41
17	28-Mar-12	10,678,600	3.51%	28-Mar-54	42
18	28-Mar-12	10,678,600	3.51%	28-Mar-55	43
19	28-Mar-12	10,678,600	3.51%	28-Mar-56	44
20	28-Mar-12	10,678,600	3.50%	28-Mar-57	45
	Total:-	213,572,000	-	-	

This debt was financed entirely by fixed rate maturity loans which were in line with the assumptions made within the HRA's 30 year Business Plan.

The Council's debt portfolio is shown graphically at Appendix A. The graph highlights that HRA debt is reducing, and shows the HRA debt will be fully repaid by 2056/57. This assumes that no rescheduling of HRA debt takes place before then. The Council's Authorised Borrowing limit, Headroom (both HRA & General Fund), HRA 'cap' and Capital Financing Requirement, are also shown.

3.3 Minimum Revenue Provision Policy

This provision for the repayment of debt is known as the Minimum Revenue Provision (MRP). Regulations require the authority to determine annually a policy by which MRP will be determined. The Council plans to borrow £2.804m during 2014/15 for the Clay Farm Community Centre, which is a General Fund capital scheme. The Council has determined that a prudent level of MRP, for this purpose, is £112,000 per annum from 2015/16. This MRP has been calculated using Method 3 (the Asset Life Method), as prescribed within the MRP Guidance, as issued by DCLG (in February 2012).

A MRP does not extend to housing assets. However, the Council anticipates borrowing £4.469m during 2014/15 & £5.469m for the HRA (the Affordable Housing Projects) and is required to charge depreciation instead (due to Housing Reform from April 2012) on its housing assets. This will have a revenue impact. Any adverse impacts will be addressed through regulations that will allow the Major Repairs Allowance (MRA) to be used as a proxy for depreciation, for the first five years.

3.4 The Council's Capital Expenditure and Financing 2014/15 to 2017/18

The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, developer contributions, revenue contributions, reserves etc.), which has no resultant impact on the Council's borrowing need; or;
- If insufficient financing is available, or a decision is taken not to apply other resources, the funding of capital expenditure will give rise to a borrowing need.

Details on capital expenditure forms one of the required prudential indicators. The table below shows the proposed capital expenditure and how it will be financed. It also includes any re-phasing during 2014/15 and conforms to the agreed Capital Plan.

	2014/15 Probable Outturn £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000
General Fund Capital Expenditure	29,385	8,571	2,516	1,185
HRA Capital Expenditure	31,675	19,811	26,394	20,830
Total Capital Expenditure	61,060	28,382	28,910	22,015
Resourced by:				
• Capital receipts	1,009	548	25	0
• Other contributions	52,778	27,834	23,424	22,015
Total available resources for financing capital expenditure	53,787	28,382	23,449	22,015
Un-financed capital expenditure	7,273*	0	5,461*	0

*£2.804m (Clay Farm Community Centre, 2014/15), £9.930m in total (for Affordable Housing Projects, with £4.469m in 2014/15 & £5.461m in 2016/17)

4. **The Public Works Loans Board (PWLB) Certainty Rate**

The Government announced in 2012 that a 0.20% discount on loans from the PWLB would apply to eligible local authorities.

Eligibility for this discount rate will be available to English, Scottish and Welsh local authorities operating the CIPFA Prudential Code (such as this Authority) and the discount rate will be available from 1st November 2012 until 31st October 2015 on 'new' borrowing.

Further to this Council's application, the Department for Communities and Local Government (DCLG) has approved our eligibility, and therefore we can use the preferential PWLB interest rate during the dates as highlighted, above.

5. **The Council's Prudential and Treasury Management Indicators**

The Council's Prudential and Treasury Management Indicators are as follows:-

Capital Financing Requirement & Cumulative External Borrowing	2014/15 Probable Outturn £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000
General Fund Capital Financing Requirement	3,965	3,853	3,741	3,326
HRA Capital Financing Requirement	219,217	219,217	224,678	224,981
Total Capital Financing Requirement	223,182	223,070	228,419	228,307
Movement in the Capital Financing Requirement	7,273*	(112)**	5,349*	(112)**
Estimated External Gross Debt/Borrowing (Including HRA Reform)	220,845	220,845	226,306	226,306
Authorised Limit for External Debt	250,000	250,000	250,000	250,000
Operational Boundary for External Debt	223,182	223,070	228,419	228,307

*£2.804m (Clay Farm Community Centre, 2014/15) & £9.930m (Affordable Housing Project, with £4.469m in 2014/15 & £5.461m in 2016/17)

**General Fund MRP

6. Future Treasury Management Plans

6.1 Introduction

The Council takes a cautious approach within its Treasury Management Strategy. However, due to the worsening market conditions, counterparty limits and the extension of financial instruments have been increased at Council on 24th July 2014, to maintain yield levels with no compromise to risk. The increases which were agreed by Council on the above date, are summarised below:-

- Increased Counterparty limits to £20m (£30m for a Banking Group);
- Increased the limits for longer term deposits to £30m;
- Included other Building Societies on Counterparty list;
- Included suggested foreign banks on Counterparty list; and;
- Included deposits in the CCLA Local Authority Property Fund

The detailed counterparty list with limits is shown within Appendix B.

Other UK Building Societies

Additionally, Appendix B has been updated showing the following asset values and deposit limits for Building Societies. These values were deemed to be the most prudent minimum levels to use for this sector. The limits below clarify how our intended deposits with Other UK Building Societies will apply in practice:-

1. Asset value greater than (>) £5,000m – £2m limit;
2. Asset value > £50,000m - £5m limit; and;
3. Asset value > £100,000m - £20m limit

Bank of England's Monetary Policy Committee (MPC)

Furthermore, the Bank of England Monetary Policy Committee (MPC) publicised on 21st August 2014 that the base rate would rise sooner than originally forecast. However, 2 Members out of 9, voted to increase the base rate now, signalling a base rate rise is fairly imminent.

6.2 Predicted Cash Balance Deposits – 2014/15 to 2017/18

The table below shows the Council's predicted cash balances apportioned between short term (up to 3 months), medium term (up to 1 year) and long term (core cash, up to 5 years) deposits.

SUMMARY DEPOSIT ANALYSIS	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
Short Term	37,400	40,100	44,100	48,800
Medium Term	20,700	22,200	24,400	27,000
Long Term	29,900	32,100	35,300	39,100
Estimated Working Capital (to cover day to day expenditure)	9,600	9,600	9,600	9,600
TOTAL PREDICTED CASH DEPOSITS:-	97,600*	104,000*	113,400*	124,500*

***Based on current estimated net cash inflow trends**

The above table is represented graphically at Appendix C (and includes capital expenditure predictions for additional information). It can also be seen that our cash balances (short, medium & long term monies) are increasing over time. This makes it particularly challenging where to deposit the Council's available funds. The following funds and other financial instruments have been used that supplement our treasury policy and are shown in paragraph 6.3, below:-

6.3 Other Financial Instruments Currently Used

Custodian of Funds

Customers can purchase gilts, treasury bills and certificates of deposit from them, and obtain a better interest return, and not compromising the risk of using these financial products. This Council would only deal with Custodian's that are AAA rated.

Certificates of Deposit (CDs)

These are certificates issued by a bank to raise funds. They offer a higher rate of return at low risk, particularly if deposits are longer term.

Money Market Funds (MMF)

These are funds managed by Fund Managers for a range of counterparties, which spread the risk for the Council. The resources available to the MMF are pooled (thus increasing cash available for deposit), which means the Council will obtain a higher rate of interest return than other deposits. The Council would only deposit in MMFs that are rated AAA. The Council has commenced using a MMF portal which further diversifies our ability to use these funds.

7. **Deposits**

The Council's balances, both earmarked and un-earmarked, have generally increased during the last year mainly as a result of Housing Reform. This change in regulations means the Council does not pay a subsidy into the National Pool, allowing its rents to be kept.

It is anticipated, however, that reserves, such as the Repairs & Renewals Fund, will be utilised to fund the Council's strategic plans.

An analysis of the sources of the Council's deposits is shown at Appendix D.

8. **Investment in UK Municipal Bonds Agency**

- 8.1 The creation of a Bonds Agency, controlled and owned by local authorities, is expected to reduce the debt financing costs for its borrowing members and provide a collective investment vehicle that would secure good returns for its investing members whilst minimising risk. The new agency has successfully raised equity of £4.5m from 37 local authorities and the LGA to cover set up costs. It is now looking to raise a further £3.5 - £5.5m to complete the development of the agency, to undertake its first bond launch and to provide adequate working capital. The agency is currently appointing a permanent board and identifying an initial set of borrowers for the first bond launch. It is anticipated that, once in operation, the Agency will be able to pay a dividend to its shareholders commensurate with the level of risk and financial commitment.

Further information is provided in Appendix E, which contains a set of Q&A's published on the LGA website. The full business case and further information on the agency is available at http://www.local.gov.uk/finance/-/journal_content/56/10180/3684139/ARTICLE.

Shares are available in tranches of £10,000. Currently investors have committed to amounts ranging from £10,000 to £200,000+, the size of the investment typically reflecting the size of the local authority concerned. Approval is being sought to invest up to £50,000 in the agency.

There are a number of risks that crystallise from participating in the share offering that could have the effect of reducing or nullifying the value of any investment made by the Council at this stage:

- As with all start ups, that the business model cannot be developed as envisaged;

- The Agency is unable to secure the working capital requirement;
- The anticipated demand from local authorities does not materialise;
- The Agency is not able to secure bond placements at the prices (interest rates) anticipated;
- The Government may decide to reduce the margin it levies on PWLB loans so reducing the attractiveness of the Agency as a fund raising vehicle; and;
- The Agency may not attract staff of the required calibre or at a cost higher than anticipated.

It is important to note, however, that participating as a shareholder will not impose a joint and several liability on the Council to guarantee bonds issued. This will only be imposed on Councils participating in an individual bond issuance and it is noted that there are significant protections under English Law for guarantors in these circumstances in any case.

9. Interest Receipts

- 9.1 Due to counterparty and other financial instruments being increased, as discussed in paragraph 6.1, the Council is on target to achieving its half yearly interest receipts budget of £344k.

10. Interest Rates and Treasury Limits

10.1 Interest Rate Update provided by Capita

Capita Asset Services is the Council's independent treasury advisor. In support of effective forecasting the Council needs to be aware of the potential influence of interest rates on treasury management issues for the Council. Capita's opinion on interest rates is presented at Appendix F, and confirms those currently predicted by the Bank of England's Monetary Policy Committee.

10.2 Compliance with Treasury Limits

During this financial year the Council has operated within the 'authorised' and 'operational' borrowing limits contained within the Prudential Indicators set out in the Council's Treasury Management Strategy Statement. The anticipated prudential & treasury indicators are shown in Appendix G.

11. Implications

(a) Financial Implications

The prudential and treasury indicators have been amended to take account of known financial activities. Higher interest receipts have increased due to the revisions to the Council's Counterparty list agreed by Council on 24th July 2014.

- (b) **Staffing Implications**
None.
- (c) **Equal & Poverty Implications**
No negative impacts identified.
- (d) **Environmental Implications**
None.
- (e) **Procurement**
None.
- (f) **Consultation and communication**
None required.
- (g) **Community Safety**
No community safety implications.

12. **Background Papers**

12.1 None were used in preparing this report.

13. **Appendices**

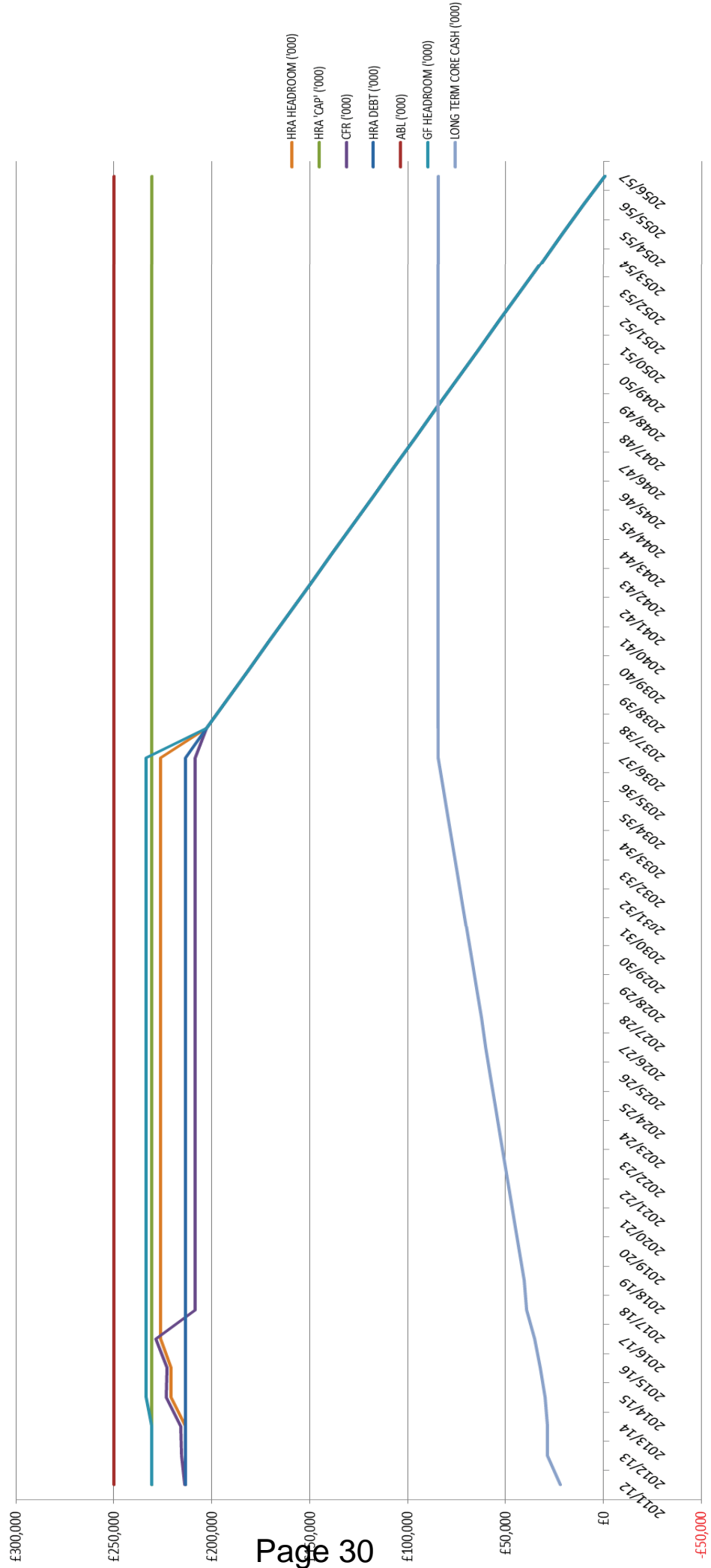
- 13.1 Appendix A – The Council's Debt information represented graphically
- Appendix B – The Council's current Counterparty list
- Appendix C – The Council's cash balances represented graphically
- Appendix D – Sources of the Council's Deposits
- Appendix E – Municipal Bonds Agency Q & A
- Appendix F – Capita's opinion on UK Forecast Interest Rates
- Appendix G – Prudential and Treasury Management Indicators
- Appendix H – Glossary of Terms and Abbreviations

14. **Inspection of Papers**

14.1 If you have any queries about this report please contact:

Author's Name:	Stephen Bevis
Author's Phone Number:	01223 - 458153
Author's Email:	stephen.bevis@cambridge.gov.uk

The Council's Debt represented graphically



Treasury Management Annual Investment Strategy

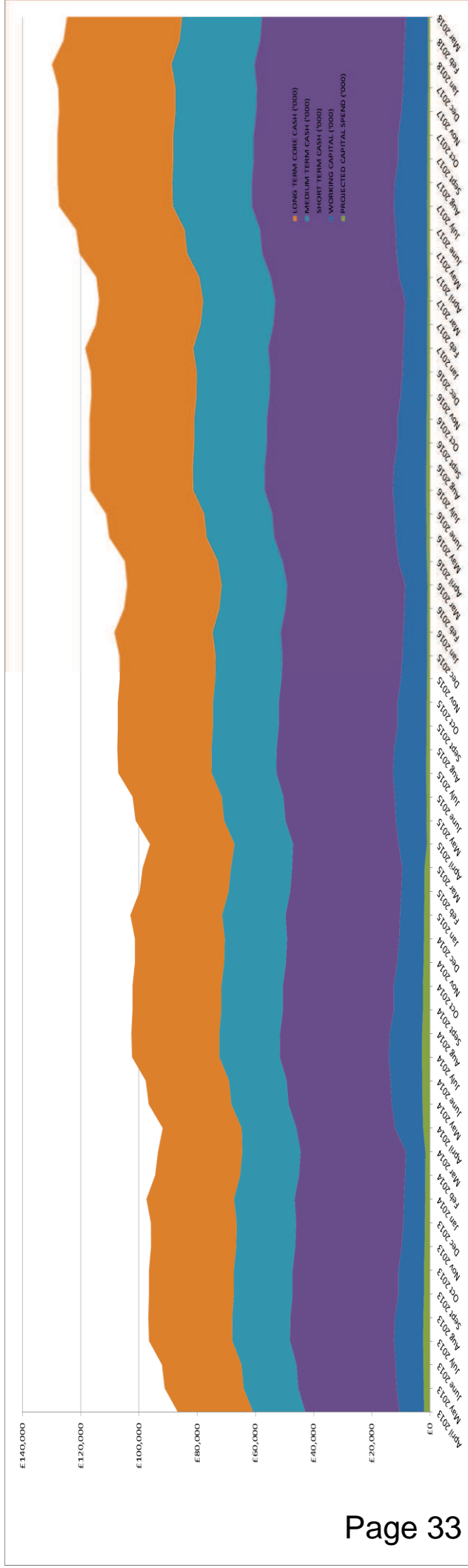
Current Counterparty List

The full listing of approved counterparties is shown below, showing the category under which the counterparty has been approved, the appropriate deposit limit and current duration limits. Amendments shown in bold:-

Name	Council's Current Deposit Period	Category	Limit (£)
All UK Local Authorities	N/A	Local Authority	20m
All UK Local Authorities – longer term limit	Over 1 year and up to 5 years	Local Authority	Up to 30m
CCLA Local Authorities' Property Fund	Minimum of 5 years	Pooled UK Property Fund	Up to 10m
All UK Passenger Transport Authorities	N/A	Passenger Transport Authority	20m
All UK Police Authorities	N/A	Police Authority	20m
All UK Fire Authorities	N/A	Fire Authority	20m
All UK Nationalised Industries	N/A	Nationalised Industry	20m
Debt Management Account Deposit Facility	N/A	DMADF	None
Barclays Bank Plc	Using Capita's Credit Criteria	UK Bank	20m
HSBC Bank Plc	Using Capita's Credit Criteria	UK Bank	25m
Standard Chartered Bank	Using Capita's Credit Criteria	UK Bank	20m
Bank of Scotland Plc (BoS)	Using Capita's Credit Criteria	UK Nationalised Bank	20m
Lloyds TSB Bank Plc	Using Capita's Credit Criteria	UK Nationalised Bank	20m
National Westminster Bank Plc (NWB)	Using Capita's Credit Criteria	UK Nationalised Bank	20m
The Royal Bank of Scotland Plc (RBS)	Using Capita's Credit Criteria	UK Nationalised Bank	20m
Members of a Banking Group (BoS Group includes Lloyds, RBS Group includes NWB)	Using Capita's Credit Criteria	UK Nationalised Bank	30m
Deutsche Bank	Using Capita's Credit Criteria	Non-UK Bank	5m

Name	Council's Current Deposit Period	Category	Limit (£)
Santander Bank UK Plc	Using Capita's Credit Criteria	Non-UK Bank	5m
Svenska Handelsbanken	Using Capita's Credit Criteria	Non-UK Bank	5m
Money Market Funds	Liquid Rolling Balance	Financial Instrument	15m (in total, per fund)
Certificate of Deposits (with UK Banking Institutions)	Liquid Rolling Balance	Financial Instrument	15m (per single counterparty)
Certificate of Deposits (with UK Building Societies)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)
Certificate of Deposits (with Foreign Banking Institutions)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)
Custodian of Funds	Requirement for Undertaking Financial Instruments	Fund Managers	Up to 15m (per single counterparty)
UK Government Gilts	Over 1 year & up to 30 Years	Financial Instrument	None
UK Government Treasury Bills	Up to 6 months	Financial Instrument	None
Supranational Bonds - AAA	Over 1 year & up to 50 Years	Multi-lateral Development Bank Bond	Using Capita's Lending Criteria
UK Building Societies:-			
Name	Council's Current Deposit Period	Asset Value (£'m)	Limit (£)
Nationwide Building Society	1 month or in line with Capita's Credit Criteria, if longer	188,889	Assets greater than £100,000m - £20m
Yorkshire Building Society		34,853	
Coventry Building Society		37,843	
Skipton Building Society		14,054	Assets between £50,000m and £99,999m - £5m
Leeds Building Society		11,231	
Principality Building Society		6,933	
West Bromwich Building Society		5,630	

Cash Balances represented graphically



SUMMARY DEPOSIT ANALYSIS:-
DESCRIPTION

DESCRIPTION	2013/14	2014/15	2015/16	2016/17	2017/18
	'000	'000	'000	'000	'000
ST CASH	£35,700	£37,400	£40,100	£44,100	£48,800
MT CASH	£19,800	£20,700	£22,200	£24,400	£27,000
CORE CASH	<u>£28,600</u>	<u>£29,900</u>	<u>£32,100</u>	<u>£35,300</u>	<u>£39,100</u>
TOTAL DEPOSITS:-	£84,100	£88,000	£94,400	£103,800	£114,900
TOTAL INCL. WORKING CAPITAL	£92,500	£97,600	£104,000	£113,400	£124,500
PROJECTED CAPITAL (ANNUALISED)	£24,100	£28,400	£13,200	£13,400	£10,200
WORKING CAPITAL	£8,400	£9,600	£9,600	£9,600	£9,600

Sources of the Council's Deposits.

Local authorities are free to deposit surplus funds not immediately required in order to meet the costs of providing its services. The Council deposits amounts set aside in its general reserves and earmarked reserves, for example the funds set aside for major repairs to, and the replacement of its property, vehicles and equipment.

The interest earned on these deposits is credited to the General Fund and Housing Revenue Account respectively and helps to fund the cost of providing services. This currently amounts to around £0.7m each year based on current deposit and interest rate levels.

At 1st April 2014, the Council had deposits of £82.957m. The table below provides a sources breakdown of the funds deposited at that date:-

Funds Deposited as at 1 April 2014	£'000	£'000
Working capital		5,405
General Fund:		
General Reserve	9,176	
Asset Renewal Reserves	14,083	
Other Earmarked Reserves	9,860	33,119
Housing Revenue Account (HRA):		
General Reserve	8,881	
Asset Renewal Reserves	2,392	
Major Repairs Reserve	4,920	
Other Earmarked Reserves	1,929	
Capital Financing Requirement (Including HRA Reform)	(215,909)	
PWLB Borrowing for HRA Reform	213,572	15,785
Capital:		
Capital Contributions Unapplied	11,056	
Usable Capital Receipts	17,592	28,648
Total Deposited		82,957

The HRA accounts for around 50% of reserves deposited.

Municipal Bonds Agency Q & A

What will the Agency be?

It will be an independent company owned by local government with the sole aim of reducing financing costs for councils through arranging lending at competitive interest rates. It is envisaged that the company will fund lending through any or all of the following:

- Raising money on the capital markets through issuing bonds;
- Arranging lending or borrowing directly from local authorities;
- Sourcing funding from other third party sources, such as banks, pension funds or insurance companies.

What is the purpose of the Agency?

It will offer councils a viable alternative source of capital funding at a lower cost than existing sources and introduce sector owned diversity into the local government lending market. It will allow local authorities greater control over their funding costs in the future, by being able to demonstrate the value of peer pressure and capital market disciplines

Who would own it?

It will be owned solely by the local authorities or their pension funds that invest in its establishment. They will become shareholders in the Agency and therefore have a say in the way it is run. In due course, we would expect to be able to accommodate all local authorities, who wish to become shareholders.

Who would run it?

The Agency expects to have a wide local authority shareholder base. It will be a limited company, with its own Board of Directors comprising local authority finance experts, financial services experts from risk management and debt capital markets backgrounds and representatives elected by shareholders, all of who will go through a rigorous selection process.

How will councils recoup their investments?

It is envisaged that once the Agency is generating sufficient profit, it would be able to start paying a dividend to investors, while delivering economic benefits to borrowers. Its aim, as reflected in its incorporation documents, will be to deliver an overall benefit to the local government sector as a whole, and any future dividend policy set by its board would be subject to that. Its shares will be transferrable and therefore a council could sell its shares to other local authorities or eligible public bodies.

Does it have Ministerial support?

The Government's view is that it is within the powers of local authorities to establish a municipal bond agency. Ministers have said, "It remains for the local authority sector to determine collectively whether a local authority bond agency could be delivered on a sustainable and affordable footing. It is consistent with the localism agenda that the autonomous local government sector considers whether it is able to deliver and sustain alternative financing models."

What happens if the Public Works Loans Board changes its interest rates?

The effect of PWLB rate change on the Bonds Agency's business would depend on its amount and how permanent the change was. The business case assesses the risk from future PWLB competition. Nevertheless the Treasury has said publicly that reducing PWLB margins is not being considered.

How long will it take to establish the Agency?

The business case assumes that the Agency would be ready to issue its first bonds in March/April 2015 to meet the normal peaks in council demand for borrowing.

Is additional legislation required to enable the Agency to be established?

No. Councils have the necessary powers.

What impact will this proposal have on the Government's control of overall government borrowing?

Nothing in this proposal seeks to change existing arrangements. The proposals do not facilitate additional borrowing over what is already permitted within the capital regulatory system. The existing arrangements with the Government retaining ultimate regulatory control are to be maintained and borrowing authorities will be required to operate within the current prudential code. What it will do is, for any given level of borrowing, reduce the interest bill local taxpayers have to fund.

Is it legal for councils to guarantee each other's debts?

Our very clear legal advice is that the General Power of Competence (GPC) introduced in the Localism Act 2011 gives English councils the power to do this. Because the GPC does not cover other public bodies such as Police, Fire and National Park Authorities, it is less clear whether they could do the same without a change in the legislation, which applies to them.

Should councils be concerned about providing a joint and several guarantee?

The Agency will have in place a credit process, underpinned by ongoing monitoring; risk and liquidity capital; and a right of recourse, which will ensure, in the event of the guarantee being called, that it will be applied proportionally. Even were the guarantee to be called, creditors would be confident of receiving their money back in time. The protections available would be stronger than currently apply in the case of inter-council lending. Nevertheless, no local authority has ever defaulted and for the joint and several guarantee to be called an unprecedented situation would have arisen.

What controls are in place to prevent a default and what measures are available to a council to recover sums owing to it?

There are a range of controls designed to prevent a Local Authority from defaulting on its obligations. In addition, there are legislative measures that are likely to ensure that even if a Local Authority does default, its creditors are able to recover sums owing to them. These controls and measures include:

- Councils are statutorily prevented from borrowing to avoid raising taxes and cutting spending, thereby reducing the risk of a council entering financial distress;
- The prudential code forces councils to consider whether borrowing is affordable and financially sustainable;
- The responsibility of Section 151 officers under Section 114 of the Local Government Finance Act 1988 to ensure that councils can meet their obligations as they fall due, and to formally report if the council's expenditure will exceed its resources;
- Continuing access to the PWLB for liquidity support;
- Government reserve powers to intervene. To date, the Government has not allowed any Local Authority to default on its obligations;
- If a Local Authority defaults on a debt greater than £10,000 for a period of two months, under Section 13(5) of the Local Government Act 2003 a creditor may apply to the High Court for an administrator to be appointed. This process should ensure that any Local Authority that is called upon under the guarantee can recover the debt via the courts if need be. The powers of the administrator will be determined by the High Court, but can include:
 - Collecting, receiving or recovering the revenues of the local authority;
 - Issuing levies or precepts; or
 - Setting, collecting or recovering Council Tax.

What is the reaction of local authorities to the establishment of an agency?

A significant number of local authorities have been very supportive of the initiative to date, devoting time and resources to help ensure that the business case is fully robust. As part of the business case review, we carried out a survey of English councils and, in addition, presented at a number of local authority conferences. Since publishing the revised business case we have spoken directly to over 90 councils. These recent conversations, the survey, and conference feedback, have confirmed to us that there is significant demand for an alternative, local authority controlled, source of capital finance

How much will it cost?

We are looking to raise £8 to £10 million capital, which includes a buffer to ensure that the agency is well capitalised. Our project plans envisage that this will be used within a staged process, with a number of checkpoints overseen by a rigorous governance process. We have established the Local Capital Finance Company Ltd and have now presented a firm investment proposition to all councils and related bodies, such as local authority pension funds, in an Information Memorandum.

Capita's Opinion on Forecast UK Interest Rates – As Currently Predicted

Introduction

The paragraphs that follow reflect the views of the Council's Treasury Management advisors (Capita) on UK Interest Rates as currently predicted.

Interest rates

Members of the Bank of England Monetary Policy Committee (MPC) kept the bank rate at 0.5% and Quantitative Easing (QE) at £375bn during 2014/15. Going-forward, the Council's treasury advisor, Capita, has provided the following interest rate forecasts issued on 1st July 2014:-

	Now	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17
Bank rate	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.50%	1.75%	2.00%	2.00%
3 month LIBID	0.50%	0.50%	0.60%	0.80%	0.80%	1.10%	1.10%	1.40%	1.40%	1.60%	1.90%	2.10%	2.25%
6 month LIBID	0.58%	0.60%	0.80%	0.90%	1.00%	1.15%	1.20%	1.50%	1.50%	1.80%	2.00%	2.20%	2.30%
12 month LIBID	0.80%	0.80%	1.00%	1.00%	1.20%	1.30%	1.40%	1.80%	1.80%	2.10%	2.20%	2.30%	2.40%
5yr PWLB rate	2.70%	2.70%	2.80%	2.90%	3.00%	3.00%	3.10%	3.30%	3.30%	3.30%	3.40%	3.50%	3.60%
10yr PWLB rate	3.50%	3.70%	3.70%	3.80%	3.90%	4.00%	4.00%	4.20%	4.20%	4.20%	4.30%	4.40%	4.40%
25yr PWLB rate	4.10%	4.40%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%	4.80%	4.90%	4.90%	4.90%	5.00%
50yr PWLB rate	4.10%	4.40%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%	4.80%	4.90%	4.90%	4.90%	5.00%

Capita's interest rate forecast is for the first increase in the bank rate to be in January 2015. With higher growth predictions and lower un-employment forecasts for the U.K, are the main reasons for this change in interest rates overall.

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

	Probable 2014/15 £'000	Estimate 2015/16 £'000	Estimate 2016/17 £'000	Estimate 2017/18 £'000
PRUDENTIAL INDICATORS				
Capital expenditure				
- General Fund	29,385	8,571	2,516	1,185
- HRA	31,675	19,811	26,394	20,830
Total	61,060	28,382	28,910	22,015
Incremental impact of capital deposit decisions on:				
Band D Council Tax (City element)	0.00	0.00	0.00	0.00
Average weekly housing rent	0.00	0.00	0.00	0.00
Capital Financing Requirement (CFR) as at 31 March				
- General Fund	3,965	3,853	3,741	3,629
- HRA	219,217	219,217	224,678	224,678
Total	223,182	223,070	228,419	228,307
Change in the CFR	7,273	(112)	5,349	(112)
Deposits at 31 March	97,600	104,000	113,400	124,500
External Gross Debt	220,845	220,845	226,306	226,306
Ratio of financing costs to net revenue stream				
-General Fund	(3.17%)	(3.83%)	(5.48%)	(6.61%)
-HRA	18.50%	18.05%	18.32%	15.44%
Total	15.34%	14.21%	12.84%	8.83%

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

	Probable 2014/15 £'000	Estimate 2015/16 £'000	Estimate 2016/17 £'000	Estimate 2017/18 £'000
TREASURY INDICATORS				
Authorised limit				
for borrowing	250,000	250,000	250,000	250,000
for other long term liabilities	0	0	0	0
Total	250,000	250,000	250,000	250,000
HRA Debt Limit	230,839	230,839	230,839	230,839
Operational boundary				
for borrowing	223,182	223,070	228,419	228,307
for other long term liabilities	0	0	0	0
Total	223,182	223,070	228,419	228,307
Upper limit for total principal sums deposited for over 364 days	10,000	10,000	10,000	10,000
Upper limit for fixed & variable interest rate exposure				
Net interest on fixed rate borrowing/deposits	7,003	6,828	7,383	7,500
Net interest on variable rate borrowing/deposits	(23)	(23)	(23)	(23)
Maturity structure of new fixed rate borrowing		Upper Limit	Lower Limit	
10 years and above (PWLB borrowing for HRA Reform)		100%	100%	

Treasury Management – Glossary of Terms and Abbreviations

Term	Definition
Authorised Limit for External Borrowing	Represents a control on the maximum level of borrowing
Capital Expenditure	Expenditure capitalised in accordance with regulations i.e. material expenditure either by Government Directive or on capital assets, such as land and buildings, owned by the Council (as opposed to revenue expenditure which is on day to day items including employees' pay, premises costs and supplies and services)
Capital Financing Requirement	A measure of the Council's underlying borrowing need i.e. it represents the total historical outstanding capital expenditure which has not been paid for from either revenue or capital resources
CIPFA	Chartered Institute of Public Finance and Accountancy
Counter-parties	Financial Institutions with which funds may be placed
Credit Risk	Risk of borrower defaulting on any type of debt by failing to make payments which it is obligated to do
DCLG	Department for Communities & Local Government
Eurocurrency	Any deposits residing in banks located outside borders of the country that issues the deposit that it is denominated in
Gross Domestic Product (GDP)	GDP per capita is considered an indicator of a country's 'standard of living'
HRA	Housing Revenue Account - a 'ring-fenced' account for local authority housing account where a council acts as landlord
HRA Self-Financing	A new funding regime for the HRA introduced in place of the previous annual subsidy system
Liquidity	A measure of how readily available a deposit is
MPC	Monetary Policy Committee - The Bank of England Committee responsible for setting the UK's bank base rate

Term	Definition
Net Borrowing Requirement	External borrowing less deposits
Operational Boundary	Limit which external borrowing is not normally expected to exceed
PWLB	Public Works Loans Board - an Executive Government Agency of HM Treasury from which local authorities & other prescribed bodies may borrow at favourable interest rates
Security	A measure of the creditworthiness of a counter-party
Yield	Interest, or rate of return, on an investment

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To: Executive Councillor for Finance and Resources:
Councillor George Owers

Report by: Caroline Ryba, Head of Finance

Relevant scrutiny
committee: Strategy & 20/10/2014
Resources
Scrutiny
Committee

Wards affected: Abbey Arbury Castle Cherry Hinton Coleridge
East Chesterton King's Hedges Market Newnham
Petersfield Queen Edith's Romsey Trumpington
West Chesterton

REVIEW OF GENERAL FUND EARMARKED AND SPECIFIC FUNDS

Key Decision

1. Executive summary

- 1.1. The Council faces continuing reductions in revenue grant funding from central government. Other sources on income, such as business rates, are increasingly uncertain as risks around valuation and collection are passed to local government. As a result, the Council has ongoing savings requirements totalling over £6m in the next five years.
- 1.2. This report identifies considerable balances held within the Council's accounts, earmarked for specific uses in the future. In the current challenging financial environment, they are a valuable resource that could be used to support the Council's budget in the short term, and enable transformational projects to deliver savings in the longer term. The report also considers how retaining these funds might discourage open and transparent prioritisation of spend and give rise to inefficient approval and accounting processes.
- 1.3. An initial review has been done and a number of principles are proposed which would reduce the number of reserves and the total balance held. It suggests that the majority of expenditure funded from these reserves could be dealt with directly through annual budgets. At this stage, no specific proposals of balances to be released or contributions to be saved have been made, as these changes will be

significant in a number of areas, and further work and consultation is required.

- 1.4. The report proposes the creation of an Invest to Save fund to support transformational projects and a contingency budget to act as a safety net while the proposed changes are embedded.
- 1.5. If they are agreed, a detailed review will be undertaken, based on the principles included in the report. Proposals arising from this review will be included in the budget setting report for approval in February 2015.

2. Recommendations

The Executive Councillor is recommended to:

- Approve the principles to be applied to the detailed review of General Fund earmarked reserves and specific funds (para 3.6)
- Agree that the results of the review be reported and actioned in the budget setting report in February 2015
- Agree in principle to the setting up of an Invest to Save fund, subject to the development of terms of reference and operating procedures (para 3.7)
- Note that the requirement for a contingency budget to act as a safety net will be considered (para 3.9).

3. Background

3.1 The Mid-year Financial Review 2014 refers to this review of reserves, with results being used to inform the budget setting process for 2015/16.

3.2 The review has been undertaken with the following objectives:-

- To support the budget setting process by identifying revenue savings and releasing reserve balances no longer required
- To identify one-off funding to meet future savings requirements whilst longer term savings are delivered
- To identify funding to be used to pump prime transformation, improvement and savings projects
- To simplify and streamline financial processes
- To strengthen annual planning and budgeting processes by ensuring prioritisation of spend, flexibility, accountability and transparency

Financial context

- 3.3 As at 31 March 2014, the Council has £24.0m of earmarked and specific funds and nearly £9m in the general reserve. This equates to nearly twice net revenue expenditure. In comparison to other similar local authorities in the East of England, these levels are the highest, both in absolute terms and as a percentage of net revenue expenditure.

Initial review

- 3.4 An initial review of these funds has been done. They can be analysed into broad categories

- **Earmarked funds (£3.1m)** – in general these have been set up to earmark funding to a particular policy initiative, e.g. the Sharing Prosperity Fund.

These funds often have irregular contributions and additional approvals are required to commit funding to projects. As such, they limit flexibility to assign available funding to current priorities and inhibit prioritisation of available funds at a point in time.

Funding is subject to double approval – once when contributions are made to the fund, and again when funding is committed. Approvals may be sought at any time during the year. This process is inefficient, leads to complexity and discourages the forward planning required to develop proposals for consideration during the annual budget setting process.

So whilst there are policy reasons supporting these funds, particularly where there are external interests, as for the Keeping Cambridge Moving Fund, there are also reasons to minimise the use of such funds and to ensure that where they are used, they are focused, targeted and simple to operate.

- **Repairs and renewals funds (£13.9m)** – money put aside each year to pay for the maintenance and replacement of assets.

These funds are made up of many balances spread over a large number of cost centres, to cover a wide variety of assets e.g. buildings, vehicles, office furniture. Contributions in the order of £2.5m are made to these funds each year. The balance on these funds has remained stable for the past three years, indicating that contributions are broadly matching spend. About £6m of the balance is currently committed, funding projects in the capital plan.

A detailed review of these funds was undertaken in 2012/13, which indicated that overall the funds were adequate to meet future required expenditure. However, there is a programme of condition surveys for operational and administrative buildings on-going, which may give rise to additional funding requirements.

As funding is earmarked, these funds currently discourage the real prioritisation of capital spend based on the council's objectives and need. There is also a risk that capital projects are brought forward before necessary and subject to lower levels of scrutiny because funding is readily available.

Due to the size of the balances involved, these funds represent a significant resource that is currently underutilised.

- **Smoothing (£1.1m)** – these funds usually have regular contributions and are used to fund periodic costs, such as the Citizens' Survey.

As for earmarked funds (above) the operation of these funds add complexity to financial processes and sometimes require double approvals. There are cases where balances have remained unused and/or requirements have changed.

- **Statutory funds (£4.6m)** – required by statute or accounting practice, for example the Business Rates Retention Reserve.
- **Provisions (£0.6m)** – funding put aside to meet a future liability that may or may not crystallise.

These do not meet the accounting standards definition of a provision, and in some cases are no longer required.

- **Partnership funding (£193k)** – funding held, often as lead authority within a partnership or regional working arrangement.
- **Grants (£494k)** – held in reserves in accordance with accounting standards.

Next steps

- 3.5 The initial review has indicated that there are significant balances that could be released from these reserves. There may also be some revenue contributions that could be saved, but these are likely to be

small. Further benefits will be gained through the simplification of processes and the strengthening of annual planning disciplines.

- 3.6 The review will now look at each balance individually to determine amounts that can be released or saved and how the reserve and the expenditure it funds will be treated in the future. Officers and members involved will be consulted. The following principles will be applied, unless a valid reason can be given:-

For all balances except repairs and renewals funds, and where there is no statutory, accounting or policy requirement for the reserve

- Where balances are uncommitted, they will be moved to general reserves and the reserve closed as soon as all commitments are spent.
- Where there are regular contributions, these will be taken as savings unless it can be shown that the expenditure is still required. If this is the case, the required amounts will be retained within the budget, for spending within the year.
- Where expenditure in a year is expected to vary above any regular annual amount, budget holders will be expected to submit budget proposals for prioritisation.
- Where commitments are no longer required, the amounts will be returned to general reserves.

For repairs and renewals funds, following a more detailed analysis of contributions and usage

- Committed balances will be reviewed as part of the review of the capital plan and processes to be undertaken shortly.
- Where contributions support revenue expenditure that is still required, they will be retained within budgets for use within the year.
- The treatment of other contributions and existing balances will be based on the characteristics of the capital expenditure intended to be supported by balances. The default will be to return uncommitted balances to general reserves and take the contributions as savings. Future capital expenditure will be allocated through the budget setting process, based on the prioritisation of available funding.

- 3.7 It is proposed that an Invest to Save fund is set up, to replace the current Efficiency Fund. Whilst the Efficiency Fund has been useful to pump prime a number of worthwhile projects, the new fund will be targeted towards the delivery of the significant levels of change now

needed. It will provide funding, repayable from savings made, to enable projects delivering significant savings and transformation.

- 3.8 The changes proposed as a result of the review will be included in the budget setting report for approval. This will include the allocation of some of the balances recovered to the Invest to Save fund.
- 3.9 Consideration will also be given to creating a contingency budget from some of the contributions saved, to be used to fund one-off requirements. This would act as a safety net for justifiable expenditure that does not meet Invest to Save requirements, and could not have been foreseen at budget setting. This will allow some flexibility while the new requirements become embedded. The size and use of this budget will be subject to annual review, as it is not intended to be an on-going cost.

4. Implications

(a) Financial Implications

The report addresses financial matters throughout, outlining how work can be done to provide funding to support transformational change and address savings requirements whilst longer term savings are delivered. It proposes changes to the way that certain costs are dealt with through the Council's budget, with a view to improving prioritisation, flexibility and transparency and reducing complexity of processes.

(b) Staffing Implications (if not covered in Consultations Section)

None

(c) Equal Opportunities Implications

None. No Equality Impact Assessment has been conducted, as this report deals with general financial matters. Assessments would be done, as required, for individual projects funded through these mechanisms.

(d) Environmental Implications

The Climate Change Fund, which is earmarked for use on projects with specific environmental purposes, is included in this review. However, the balance on this fund is currently fully committed.

(e) Procurement

None

(f) Consultation and communication

No formal external consultation has been undertaken, as this report addresses internal budgeting and accounting processes. These will inform the budget setting process, which is subject to external consultation.

Internal consultation has been and will be done as an integral part of the review.

(g) Community Safety

None.

5. Background papers

None.

6. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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To: Executive Councillor for Finance and Resources
Report by: Alison Cole, Head of Revenues and Benefits
Relevant scrutiny committee: Strategy and Resources
20 October 2014
Wards affected: All Wards

Welfare Reform Update

Not a Key Decision

1. Executive summary

1.1 This report provides an update on the progress with Welfare Reforms.

2. Recommendations

The Executive Councillor is recommended:

- 2.1 To note the areas of welfare reform and their continued impact on residents of Cambridge.
- 2.2 To agree that the additional 2014/15 DWP New Burdens funding of £20,307, which was paid towards the costs of implementing welfare reform changes (and any subsequent New Burdens welfare reform payments), be ring-fenced to the Revenues and Benefits service in order to be fully utilised for the intended purpose.

3. Updates on key issues

Universal Credit

- 3.1 Housing Benefit will eventually be incorporated into Universal Credit, but implementation delays mean that local authorities will now continue to administer Housing Benefit for much longer than previously anticipated.
- 3.2 From the point of introduction, new claimants for Jobseekers Allowance (income related), Income Support, Employment & Support Allowance (income related), Child Tax Credit, Working Tax Credit and Housing Benefit will claim Universal Credit.

- 3.3 The current intention is that residents will be paid directly, and will receive calendar monthly payments, in arrears, administered centrally by the DWP. Pensioners continue to be excluded from these arrangements at present.
- 3.4 In some cases an alternative payment arrangement might be available for those who genuinely cannot manage their monthly payment. This could take the form of a more frequent payment, split payment across the household or a managed payment direct to the landlord. Universal Credit will always be calculated based on a 52 week year.
- 3.5 The current intention is that Universal Credit will be fully available during 2016 with the majority of the remaining Housing Benefit caseload moving to Universal Credit during 2016/17. Local support will be available to help support claimants and will be provided through local partnerships.

Direct Payment Demonstration Project

- 3.6 The DWP has published some research into the results from the first 12 months of the direct payment demonstration project initiated to identify potential impacts from direct payment of Universal Credit.
- 3.7 In order to learn lessons from the direct payment demonstration project, the DWP commissioned the Centre for Regional Economic and Social Research at Sheffield Hallam University to monitor and evaluate the projects. The evaluation began in November 2012 and will conclude later in 2014.
- 3.8 A DWP report published in May 2014 revealed that, where tenants were paying their rent, the contact, advice and collection was a very resource intensive exercise, resulting in other landlord services being compromised.
- 3.9 A further publication in June highlights the following main findings:
- There was an overall increase in rent arrears in terms of the number of tenants in arrears and the overall level of arrears. Much of those arrears accrued in the early stages of the programme with improvements by the end of the 12 month period but not such that the arrears were re-paid and total arrears continued to rise, albeit at a slower pace.
 - The reasons tenants got into arrears remained unclear as the assessment processes that were trialled to identify those ready for direct payments and those unlikely to manage without support were not effective.

- There was some evidence to suggest that direct payment was impacting on tenants' attitudes and behaviour.
- There was also evidence to suggest a change in landlords' behaviour by changing the way they operated, including introducing new ways of working and new roles and responsibilities for their staff.
- Payment behaviour fluctuated, with tenants underpaying by different amounts and moving between underpayment, non-payment and full-payment over time.

Removal of Spare Room Subsidy

- 3.10 At the end of June 2014, approximately 415 Cambridge HRA residents were affected by the under-occupation deduction, with an estimated 80% of those residents affected paying the additional rent due. It is estimated that £37,500 of arrears relate to households affected by the removal of the spare room subsidy.
- 3.11 The DWP has published an interim report on the impact of the removal of the spare room subsidy that shows that nationally just 4.5% of affected claimants have downsized and that overall rent arrears had risen by 16%.
- 3.12 In some cases, tenants have registered with Homelink, and are actively looking to downsize to a property which suits their household size in terms of this reform. DHP can be awarded to meet the additional rent payments whilst this takes place, but in certain cases where DHP is awarded due to a disability, awards are made on an annual basis with a light touch review where circumstances are known to be the same.

Benefit Cap

- 3.13 The Benefit Cap, (a cap of £500 per week for families, and £350 per week for a single person), introduced from 15th July 2013, currently impacts 15 City Council tenants, based upon the cases notified to us by the Department for Work and Pensions (DWP) at the time of writing this report.

Discretionary Housing Payment

3.14 Discretionary Housing Payments (DHP's) continue to be used to reduce or mitigate the effect of the Welfare Reforms for some customers, with 293 claimants being helped during 2013/14 for the following reasons:

4 Benefit cap

44 Local Housing Allowance

239 Removal of the Spare Room Subsidy

6 Other reasons, usually one off payments

3.15 Total amount of DHP paid for the current financial year 2014/15 is £97,819.19 with a further £44,291.41 committed for the remainder of the year.

3.16 At the same point last year, the amount spent was £66,793. However, this year we have been proactive in reviewing cases and all reviews have been carried out. This has the effect of front loading the expenditure to the early part of the financial year and we have seen only a slow increase in new claims during the year.

3.17 At a meeting of Strategy and Resources on 17 March 2014 it was agreed to transfer the additional contribution from the DCLG homelessness prevention fund that was unspent from prior years to the DHP allocation for 2014/15, which is in addition to the government contribution. The amount was £129,520 and there is a further allocation of £41,000 for 2014/15 from this DCLG funding.

3.18 For 2014/15, there have been 260 claimants who have been awarded DHP, with 73 of these awards being for the whole of the financial year. The most common reason for an award is for the removal of the Spare Room Subsidy, which accounts for 187 claimant awards so far.

3.19 Benefit Assessment, Customer Services and City Homes officers continue to be proactive in ensuring customers claim at the appropriate time.

3.20 The Council works with Cambridge & District CAB to undertake Welfare Benefit Appeals work at regular drop-in sessions at the Customer Service Centre at Mandela House, with a high number of appeals currently being for Employment and Support Allowance and Job Seekers Allowance issues. On a very positive note, there were only 10 Housing Benefit appeals submitted by Cambridge to the Tribunals Service in 2013/14.

3.21 Whilst the government has announced that DHP funding targeted at people affected by the removal of the spare room subsidy would be maintained in 2015/16, the DHP allocation for 2015/16 has not been announced and is not expected until later in the year and the overall grant could be reduced.

Council Tax Support

3.22 The Welfare Reform Act 2012 abolished Council Tax Benefit as a national scheme and local authorities were instructed to prepare and implement a local scheme to replace Council Tax Benefit.

3.23 In compliance with the Local Government Finance Act 2012, the Council introduced its own local Council Tax Reduction scheme at Full Council on 9 January 2013 where it was agreed that Cambridge City Council would preserve equivalent support levels to council tax benefit, as this would support the widest group of vulnerable people in Cambridge, including families, disabled and those starting work.

3.24 Analysis of data collected by the New Policy Institute (NPI) has concluded that council tax arrears rise fastest where support is cut most.

3.25 Using DCLG figures, the NPI highlights that whilst more than £1 billion extra council tax was collected in England in 2013/2014, in-year arrears increased by £145 million. A 20% increase on 2012/13, the last year of council tax benefit.

3.26 In Cambridge, by continuing with this level of support for 2014/15, the impact of the changes on the customer and those services that support them has been greatly reduced.

3.27 It has also been recognised that the scheme does not raise a large number of small debts that are difficult and costly to recover from households that still receive an amount of support.

3.28 In recognition that there is Member support to continue with this level of support for 2015/16, officers will bring a report to Members in early 2015.

Team Performance

Council Tax collection

- 3.29 We continue to strive to maximise our collection rates and to reduce arrears. Authorities achieved a national average in-year council tax collection rate of 97% (a decrease of 0.4 points over 2012/13) and Cambridge exceeded this by one half of a percent and there is additional greater success to note in relation to collection rate for business rates.

In-year collection rates	Council Tax 2013/14	NNDR 2013/14
National Average	97%	97.9%
Cambridge	97.5%	99.2%

- 3.30 This performance by the teams is really encouraging given the changes that we faced with the introduction of the new council tax reduction scheme that replaced council tax benefit and the introduction of localised discounts, which were implemented to enable equivalent levels of council tax support to be preserved.

Cambridge Local Assistance Scheme (CLAS)

- 3.31 A review has taken place by Cambridgeshire County Council, who administers the scheme, looking at its effectiveness to date along with the future of the scheme when central government funding ceases from April 2015.
- 3.32 The scheme started in April 2013 and after an initial slow start awards have significantly helped many vulnerable people within the county. The budget for the 2014/15 financial year is £750k and is likely to be overspent unless changes are made in year.
- 3.33 Referrals are made via referring agents as these agents have the required knowledge of the background surrounding the needs of the individuals.
- 3.34 By the end of the first year, 775 applications were received, of which 28.13% were for city residents. Over 93% of applications were successful with over 72% of awards being for white goods such as cookers, fridges, washing machines etc. Awards are made using a voucher scheme and do not offer cash.

- 3.35 The review has concluded that the scheme is meeting its aims and is an effective tool in helping those in crisis.
- 3.36 The challenge going forward is that the recent review demonstrated that there is a need for a local welfare assistance scheme, but current spending on the scheme is exceeding £750k pa and more significantly there is an intention by central government to withdraw funding from April 2015.
- 3.37 Options that are being considered by Cambridge County Council include limiting future awards with probably just two possibilities; to cease altogether from next year or to significantly reduce the awards and seek support from the already stretched voluntary sector.
- 3.38 However, it is understood that as a result of a recent judicial review challenge (*R(Christian Jump) v (1) Secretary of State for Work and Pensions and (2) Secretary of State for Communities and Local Government CO/1838/2014*) the Government has agreed to reconsider its decision to cease funding for local welfare provision.
- 3.39 The Order requires the DWP, DCLG and the Treasury to:
1. Complete the ongoing review of local welfare provision;
 2. Conduct an “appropriate” consultation;
 3. Consider the impact on equality and discrimination; and
 4. Make a new decision on funding for local welfare provision for 2015/16.
- 3.40 The above steps must be completed by the time of the provisional local finance settlement (i.e. by December 2014).
- 3.41 Officers will continue to work with Cambridgeshire County Council to explore options for the future of CLAS.

DWP New Burdens funding

- 3.42 Each year the Council receive a subsidy grant from central Government towards the cost of administering Housing Benefit and Council Tax Support. In addition to this the Government has provided New Burdens funding to assist with the cost of implementing welfare reform changes.
- 3.43 Whilst the New Burdens funding is not ring-fenced, the Department has indicated that the funding is intended to meet the costs arising from welfare reform changes, including:

- changes to Local Housing Allowance (LHA) (including the move to an annual up-rating cycle and changes to the shared accommodation rate)
- the Removal of the Spare Room Subsidy (RSRS) (including the unintended exemption for certain pre-1996 cases)
- the benefit cap

3.44 The New Burdens funding referred to in the report is intended primarily to meet the costs of administering additional applications for Discretionary Housing Payments and for ongoing communications with claimants to help them consider their options.

3.45 Additionally, it is intended for software costs such as the costs of the reporting measures being introduced to monitor how DHPs are supporting people affected by the welfare reforms, along with IT costs of enhancements to Single Housing Benefit Extract reporting. These costs can be the largest share of funding paid under the new burdens doctrine and are agreed by the DWP with software suppliers.

3.46 The funding is also intended to cover the costs of the additional unintended consequences due to the exemption for certain pre-1996 cases from the spare room subsidy removal and the Local Housing Allowance changes and benefit cap implementation costs.

3.47 This report seeks approval to ring fence the New Burdens welfare reform changes funding (along with any subsequent payments for the same purpose) to the Revenues and Benefits service.

4. Implications

Financial Implications

4.1 The 2013/14 government contribution for Cambridge was £182,340 and a total of £190,545 DHP was paid.

4.2 The 2014/15 government contribution for Cambridge City is £182,516 and the overall limit is £456,290.

Equality and Poverty Implications

4.3 The Equality Impact Assessments (EqIA) for Council Tax Support and Discretionary Housing Payment will be reviewed after the end of the financial year.

Environmental Implications

4.4 There are no environmental implications from this proposal.

Procurement

4.5 There are no additional procurement implications from this proposal.

Consultation and communication

4.6 No consultation required.

Community Safety

4.7 There are no additional implications from this proposal.

5. Background papers

None

6. Appendices

None

7. Inspection of papers

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To: Executive Councillor for Finance and Resources
Report by: Head of Human Resources
Relevant scrutiny committee: Strategy and Resources
Scrutiny Committee -
20th October 2014
Wards affected: All

Report Title : **Training Spend and Budgets**

Key Decision: **No**

1. **Executive summary**

This report sets out to analyse the Council's training budgets and spend in recent years and will highlight potential barriers to participation in training.

2. **Recommendations**

The Executive Councillor is recommended to:

- § Note the Council's training spend and budgets
- § Note the potential barriers to training participation.

3. **Background**

Analysis of the training spend and budgets.

3.1 **Training Budget**

The training budgets for 2013/14 was set at £440,290 (including carry forwards) and it is split into two areas of spend:

1. Corporate learning and development (holds 17% of the council's training budget and is held within HR to provide training for the whole council).
2. Short Courses (83% of the council's training budget and is held within departments)

The table below lists broad headings of where the budget has been invested:

Corporate Learning and Development c.(£66K)	Short Courses (held within departments) c.(£374K)
Induction	Conferences
Management Development	Update/refresher courses
Health & Safety	Technical courses
Skills Development	Team building
Safeguarding	
Information Technology (I.T.)	
Project Management & Procurement	

3.1.1 Professional Training Budget

The Council's professional training budget is there to meet the professional development needs of staff, which is a separate training budget and is held within the departments. Examples of professional development would be for professional qualifications and continued professional development in areas such as; environmental health, planning, project management, legal services etc.

The professional training budget has ranged from £123,000 (2008/9) to £29,000 (2014/15).

3.1.2 Training Underspend

Based on the base budget for 2013/14 there was an underspend of £86,857 across the council, excluding carry over budgets from 2012/13. Between 2008 and 2013/14 there was a pattern of underspend, (£22 - £140k over the 6 years).

There are over 100 budget codes for training spend, ranging from budgets of £300 to £50,000. The majority of these codes are managed within services. The original budgets were set some time ago and are managed by services based on their anticipated needs.

The allocations across services vary, for example £51,000 for the Customer Service Centre to support the high level of training needed here for new staff to £9,000 for Planning.

The base budgets have reduced from £413,400 (2008/09) to £267,570 (following the £75K reduction 2014/15). It has to be recognised that staffing has also reduced from approximately 1200 (2008) to 1050 (2014). (See appendix 1 – Training Spend and Underspend 2008 – 2014/5).

Corporate training is providing more learning events than in previous years despite the training budgets decreasing as we are looking at new ways of providing learning. For example, half day training events rather than a whole day and making better use of e-learning.

3.1.3 Training budget per employee

The table below is the annual training budget per employee which is benchmarked against the national average and public sector average:

	Average per City Council employee	National average	Public Sector average	Public Sector – Shire/District average
2011/12	£336	£350	£311	£223
2012/13	£366	£276	£167	£206
2013/14	£419	£303	£250	Waiting to be published
2014/15	£254 (New base Budget)	£286	£238	Waiting to be published

From 2011/12 – 2014/15 the council's training budget per employee has been higher than public sector averages and between 2012/13 – 2013/14 the budget per employee was higher than the national and public sector average, which demonstrates the commitment the organisation places on development for employees, but the training budget has always been underspent. However, with a training budget reduction of £75,000, this puts the budget per employee more in line with the public sector average for 2014/15.

3.2 Training hours

The total number of corporate training hours per employee is 11hrs or 1.5 days. This figure does not take into account the training that is organised by departments or services as well as on the job training.

Therefore the actual overall training hours per employee will be higher than 11hrs. The public sector national average is 1.0 days training hour per employee.

3.3 How training needs are identified

Identification of learning needs is essential to continual change and probably the most important part of the learning cycle. Training needs vary from year to year and essentially we identify learning needs in three ways

Organisational – this is done through the development and analysis of Corporate Portfolio Plans. (Director/Member Level)

Service/Team – this is done through the development and analysis of Operational Plans. (Head of Service/Project Manager level)

Individual – this is done through the Performance Review Process – Personal Development Plans.

Corporate Learning and Development workshops are intended to meet learning and development needs identified across the organisation, whereas the services will provide technical/professional development.

Corporately – the HR team collate the personal development plans from the performance review process and identify themes that cut across the Council. The learning and development programme is then amended to reflect the identified learning needs. Changes in legislation, policy and ways of working as well as meetings with Heads of service and Strategic Leadership Team are also a source of identifying learning needs e.g. corporate management development programme.

Services – use performance reviews, supervision meetings, operational plans and changes in legislation, policy and best practice to identify learning needs for both their teams and individuals.

3.4 Reasons for staff not applying to attend courses

The reasons outlined below are consistent with similar sized organisations and the table on the next page indicates that there has been no increase in the level of cancellations in the last 3 years. After receiving feedback from staff and managers, either verbally or by email the following reasons for cancellations or staff not applying for learning have been identified:

§ **Organisational change** – people who were booked onto training may have left or are doing different jobs within the council and therefore may no longer require the training.

Action taken – we are working more closely with the HR Business Partners to identify when service reviews are likely to happen and then to remind candidates of the courses they are scheduled to attend.

§ **Doing more with less (work pressures/demands)** - some services and teams are finding it harder to release people for development. If there is sickness within the team on the same day of a course, this can have a knock on effect to provide cover for the service.

Action taken – Where possible we are reducing course duration. For example some one day courses are being reduced to half a day but we are not impacting on quality. It's about ensuring we have a sharper focus on what is really required with the content of our courses. We have increased our communications to staff that are scheduled to attend training by sending them more reminders.

Staff attitude towards development – Some staff do not view participation in training courses and its association with their development as important or being part of the job. Consequently, if something else comes up they may consider this more important or a higher priority and will cancel a course.

Action taken – We now inform line managers if a member of staff has cancelled before or on the day of the course. We are also informing Heads of service with monthly cancellation figures for their services. We also target specific groups within the Council who require particular development or refreshing their skills.

§ **Allocation of training budgets** – The way that the training budgets are allocated is mainly based on historical allocation of what a department/service have budgeted for in previous years. Training needs may be identified and met in one year but in the following year there are different identified needs. However, the services may want to keep similar funding from the previous year for flexibility within the budget to meet new needs. This could create an underspend and may cause carry-over requests within the training budgets.

Action taken – We are conducting an analysis and profiling the training budget for the Council to meet anticipated learning needs.

§ **Provision of e-learning** – More staff are learning through the councils e-learning platform, which was introduced in 2013, therefore they may attend fewer courses. Over the period of 2013/14 159 staff members accessed 177 e-learning courses.

Action taken – continuing to promote and communicate the e-learning system.

§ **Support from managers** – Being released for development or making arrangements to be released for development can be an issue for some staff that are scheduled to attend courses. There can be variable support from line managers.

Action taken – continue to use internal communication channels to reinforce the importance of learning and to visit management team meetings.

3.5 Corporately run short courses – attendance figures

The table below shows a picture from 2011 – 2013/14 as well as the average number of attendees per course:

Year	Total number of attendees	Total number of staff Cancellations	Total number of corporate courses
2011/12	888	192 (21%)	174
2012/13	1109	169 (15%)	153
2013/14	1631	182 (11%)	178

The cancellation rates over the last 3 years show, relative to the overall number of attendees, a consistent reduction in the proportion of staff cancelling. Although the number of cancellations has increased in 2013/14 from the previous year, the number of attendees in 2013/14 has also increased over the same period.

The table also indicates that we are running a similar number of courses to that of previous years and the number of staff attending training has increased by 24% between 2011/12 – 2012/13 and a 47% increase between 2012/13 – 2013/14. Overall there has been an increase in course attendance of 83% between 2011/12 – 2013/14.

3.6 Summary

- § Overall we have improved the learning and development systems, processes and ways of working over the last 12 months to provide a better service to our customers.
- § Our budget provision for 2014/15 is more in line with the public sector average.
- § We have continually underspent over the last 6 years and the reduction in the training budget will help reduce the underspend and make better use of the Council's finances.
- § The corporate training budget has identified and met training needs and an unspent budget does not necessarily indicate unmet training needs.
- § Cancellations are not the only reason for underspend within the training budget.
- § More corporate courses are being organised and delivered than before, and more staff are attending courses than previous years even though there have been reductions in budgets.
- § We are making better use of e-learning which is integrated with our courses/programmes.
- § Better communication and marketing of our courses is helping with attendance on courses.
- § Line managers are better informed if a member of staff cancels or fails to attend a course.
- § Targeting of groups that require updates/refresher training is working and better use of our resources.

4. Implications

- (a) **Financial Implications** – The Council has a training budget of £267,570 for 2014/15.
- (b) **Staffing Implications**
Provision of training provides a cost effective mechanism to continue to develop and retain an effective workforce.
- (c) **Equality and Poverty Implications**
An EQIA has been prepared on the current budget and is attached
- (d) **Environmental Implications** – None

(e) **Procurement**

We ask for a request for quotation for short term courses. Longer term learning programmes are procured through the procurement process.

(f) **Consultation and communication**

Director of Business Transformation
Chief Executive
Head of Finance

The content of this report was considered at the Joint Staff Employer Forum on the 3rd September 2014

(g) **Community Safety**

The Council's training programme provides Child and Adult Protection training.

5. **Background papers**

6. **Appendices**

Appendix 1 – Training Spend and Underspend

Appendix 2 – EQIA

7. **Inspection of papers**

To inspect the background papers or if you have a query on the report please contact:

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Appendix 1

Training Spend and Underspend from 2008 – 2014/15

(The figures below include budget carry forwards)

Year	Total General Training Budget	Total Underspend
2008/09	£413,750	£45,569
2009/10	£352,540	£22,157
2010/11	£322,490	£47,948
2011/12	£403,550	£141,436
2012/13	£385,090	£121,958
2013/14	£440,290	£86,857
2014/15	£267,570	Current Budget

Appendix 2 - Cambridge City Council Equality Impact Assessment



Completing an Equality Impact Assessment will help you to think about what impact your strategy, policy, plan, project, contract or major change to your service may have on people that live in, work in or visit Cambridge, as well as on City Council staff.

The template is easy to use. You do not need to have specialist equalities knowledge to complete it. It asks you to make judgements based on evidence and experience. There are guidance notes on the intranet to help you. You can also get advice from Suzanne Goff, Strategy Officer on 01223 457174 or email suzanne.goff@cambridge.gov.uk or from any member of the Joint Equalities Group.

1. Title of strategy, policy, plan, project, contract or major change to your service:

The Council's Training Budget.

2. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?

To recognise the changes to the General Training Budget Fund for 2014/15 that effects all departments and services and the potential barriers to attendance.

3. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? (Please tick those that apply)

- Residents
- Visitors
- Staff

A specific client group or groups (please state):
All Staff

4. What type of strategy, policy, plan, project, contract or major change to your service is this? (Please tick)

- New
- Revised
- Existing

5. Responsible directorate and service

Directorate: Business Transformation

Service: Human Resources

6. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service?

No

Yes (please give details):

7. Potential impact

Please list and explain how this strategy, policy, plan, project, contract or major change to your service could **positively** or **negatively** affect individuals from the following equalities groups.

When answering this question, please think about:

- The results of relevant consultation that you or others have completed (for example with residents, people that work in or visit Cambridge, service users, staff or partner organisations).
- Complaints information.
- Performance information.
- Information about people using your service (for example whether people from certain equalities groups use the service more or less than others).
- Inspection results.
- Comparisons with other organisations.
- The implementation of your piece of work (don't just assess what you think the impact will be after you have completed your work, but also think about what steps you might have to take to make sure that the implementation of your work does not negatively impact on people from a particular equality group).
- The relevant premises involved.
- Your communications.
- National research (local information is not always available, particularly for some equalities groups, so use national research to provide evidence for your conclusions).

(a) Age (any group of people of a particular age, including younger and older people – in particular, please consider any safeguarding issues for children and vulnerable adults)

In 2014 18.76% of staff over the 55 age group attended training and this is an increase of 2.85% since 2013.

(b) Disability (including people with a physical impairment, sensory impairment, learning disability, mental health problem or other condition which has an impact on their daily life)

Between April 2013 and March 2014 4.63% of Attendees declared themselves as disabled. This is lower than the workforce profile for disability which is 5.07%. There have been decreases in this figure over the past 2 years. We will continue to monitor this and take appropriate action where possible.

(c) Gender

The gender of the workforce is 48% Female and 52% Male. The numbers of staff attending training are 52% Female and 48% Male.

(d) Pregnancy and maternity

No Impact

(e) Transgender (including gender re-assignment)

No Impact

(f) Marriage and Civil Partnership

No Impact

(g) Race or Ethnicity

7.53% of staff that attended training between April 2013 – March 2014 declared themselves as BAME, which is higher than the workforce profile of 7.44%. This is a decrease from 9.23% who attended training in 2012/13. Even though attendance of BAME staff is higher than the workforce profile we will monitor this as there has been a drop in attendance from the previous year.

(h) Religion or Belief

No Impact

(i) Sexual Orientation

No Impact

(j) Other factors that may lead to inequality – in particular – please consider the impact of any changes on low income groups or those experiencing the impacts of poverty (please state):

There are 335 part time employees, and 75% of these are female. This should not have a negative impact on part time employees as we have shorter courses and e-learning available.

8. If you have any additional comments please add them here

Staff and managers will still have access to learning & development courses through the corporate training programme and e-learning.

9. Conclusions and Next Steps

- If you have not identified any negative impacts, please sign off this form.
- If you have identified potential negative actions, you must complete the action plan at the end of this document to set out how you propose to mitigate the impact. If you do not feel that the potential negative impact can be mitigated, you must complete question 8 to explain why that is the case.
- If there is insufficient evidence to say whether or not there is likely to be a negative impact, please complete the action plan setting out what additional information you need to gather to complete the assessment.

All completed Equality Impact Assessments must be emailed to Suzanne Goff, Strategy Officer, who will arrange for it to be published on the City Council's website.
Email suzanne.goff@cambridge.gov.uk

10. Sign off

Name and job title of assessment lead officer: Jon Summerson

Names and job titles of other assessment team members and people consulted:

Date of completion: 18 August 2014

Date of next review of the assessment:

Action Plan

Equality Impact Assessment title: The Council's Training Budget cut

Date of completion: 28 July 2014

Equality Group	Age
Details of possible disadvantage or negative impact	To be kept under review
Action to be taken to address the disadvantage or negative impact	We will monitor profile of course attendees.
Officer responsible for progressing the action	Jon Summerson
Date action to be completed by	Quarterly (December 2014)

Equality Group	Disability
Details of possible disadvantage or negative impact	To be kept under review
Action to be taken to address the disadvantage or negative impact	We will monitor the disability profile of course attendees
Officer responsible for progressing the action	Jon Summerson
Date action to be completed by	Quarterly (December 2014)

Equality Group	Gender
Details of possible disadvantage or negative impact	To be kept under review
Action to be taken to address the disadvantage or negative impact	We will monitor profile of course attendees.
Officer responsible for progressing the action	Jon Summerson
Date action to be completed by	Quarterly (December 2014)

Equality Group	Pregnancy and Maternity
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Transgender
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Marriage and Civil Partnership
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Race or Ethnicity
Details of possible disadvantage or negative impact	To be kept under review
Action to be taken to address the disadvantage or negative impact	We will monitor the BAME profile of course attendees.
Officer responsible for progressing the action	Jon Summerson
Date action to be completed by	Quarterly Dec 2014

Equality Group	Religion or Belief
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Sexual Orientation
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Other factors that may lead to inequality	
Details of possible disadvantage or negative impact	Kept under review
Action to be taken to address the disadvantage or negative impact	We will monitor the profile of part time staff attending courses.
Officer responsible for progressing the action	Jon Summerson
Date action to be completed by	Quarterly (Dec 2014)

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To: Executive Councillor for Finance and Resources
Report by: David Kidston, Strategy and Partnerships Manager
Relevant scrutiny committee: Strategy and Resources Scrutiny Committee
20/10/2014
Wards affected: All Wards

ANNUAL CLIMATE CHANGE STRATEGY, CARBON MANAGEMENT PLAN AND CLIMATE CHANGE FUND STATUS REPORT
Not a Key Decision

1. Executive summary

- 1.1 This report provides an update on progress during 2013/14 on actions to deliver the three strategic objectives of the City Council's current Climate Change Strategy, which covers a five year period from 2012-2016. As part of this, the report includes an update on progress in implementing the Council's Carbon Management Plan 2011-2016. The Plan sits under the Strategy and plays a key role in achieving its first strategic objective, which is to reduce carbon emissions from the City Council's estate and operations.
- 1.2 The report also provides an update on the current position of the Climate Change Fund, which provides support to projects that help to reduce the Council's own carbon emissions and/or manage climate change risks to Council staff and property.

2. Recommendations

The Executive Councillor is recommended to:

- a) Note the progress achieved during 2013/14 in implementing the Climate Change Strategy and the Carbon Management Plan.
- b) Note the Climate Change Fund Status Report.

3. Background

- 3.1 At Environment Scrutiny Committee on 9 October 2012, the then-Executive Councillor for Planning and Climate Change approved a revised Climate Change Strategy and Action Plan. The Strategy sets the framework for the City Council's action to address the causes and consequences of climate change between 2012/13 and 2015/16. It has three strategic objectives, which are:
1. To reduce carbon emissions from the Council's estate and operations and manage the risks to its staff and property;
 2. To set high standards and assist residents, businesses and organisations to reduce their carbon emissions and manage climate risks;
 3. To work in partnership with other organisations to address the causes and effects of climate change.
- 3.2 As part of the performance management arrangements for the Climate Change Strategy, it was agreed that officers would provide an annual update on progress in delivering the Climate Change Strategy Action Plan to the Executive Councillor for Finances and Resources at Strategy and Resources Scrutiny Committee. This report provides details of progress on some of the key actions during the second year of the Strategy. The majority of actions in the strategy have been progressed to the timescales set out in the strategy, but there have been some delays to some actions. A full list of progress towards all the 44 actions in the Action Plan is available on request.

4.0 Progress in delivering the key actions under Objective 1

- 4.1 Objective 1 will be delivered primarily through the Council's Carbon Management Plan for 2011-2016, which was approved at Environment Scrutiny Committee by the Executive Councillor for Planning and Climate Change on 26 June 2012. The Carbon Management Plan sets out 65 carbon reduction projects targeted at the areas of the Council's activity which contribute most to our carbon emissions (e.g. swimming pools, car parks, vehicle fleet, offices and sheltered and temporary housing). This report provides details of the Carbon Management Plan projects delivered in 2011/12 and 2012/13 as well as 2013/14.

4.2 Wherever possible we have sought in this report to quantify the impact of individual projects included in the Carbon Management Plan on the Council's finances and its carbon emissions. It is anticipated that these projects will reduce the Council's energy and fuel usage, which will lead to reductions in the Council's carbon emissions. By reducing energy and fuel usage at key sites, the projects will also lead to reductions in what the Council would otherwise have spent on energy and fuel costs at these sites. However, it should be noted that the actual amount that the Council spends on energy and fuel at these sites may also be influenced by other factors, such as any changes in usage of buildings, changes to service levels, unseasonal variations in weather or increases in energy costs beyond those already budgeted for. For this reason, this report provides figures on 'project cost avoidance' rather than financial savings. However, where tangible savings have been made, these have been recouped and are reported in this report.

4.3 A total of 28 projects have been delivered to date: nine in 2011/12; 12 in 2012/13; and seven in 2013/14. Full details of projects implemented are provided in Appendix A. The key Carbon Management Plan projects delivered to-date include:

- Installation of a range of energy efficiency improvements at Cherry Hinton Village Centre, Parkside Pools, Abbey Pool, Jesus Green Lido and Kings Hedges Learner Pool. The measures installed have included: LED lighting, pool covers, Building Energy Management Systems¹ and Variable Speed Drives².
- Installation of a solar thermal system at Abbey Pool, which use an array of photovoltaic (PV) panels installed on the roof of the pools to capture solar energy and provide a renewable source of hot water for the pool.
- Replacement of existing lighting in the Grand Arcade Annex car park and the Corn Exchange house lighting with more energy efficient LED lighting.

¹ Building Energy Management Systems (BEMS) control and monitor a building's mechanical and electrical equipment, such as ventilation, lighting, power systems, fire systems, and security systems.

² Variable Speed Drives (VSD) regulate the speed and rotational force of electric motors at the pools in response to changing levels of demand for energy from water and air pumps at the pools.

- Installation of a solar PV system and a range of energy efficiency measures, including internal wall insulation, heating upgrades and LED lighting, as part of the wider refurbishment of the Brandon Court sheltered housing scheme. A further solar PV system has also been installed at New Street hostel.
- Installation of a heat recovery system at the crematorium.
- Installation of more efficient boilers at Llandaff Chambers and Mill Road Depot and associated improvements to start controls and pipework.
- The installation of voltage optimisation³ technology at Grafton East Car Park and Mandela House.

4.4 The total cost of projects implemented during 2011/12, 2012/13 and 2013/14 was £1,340,360, which is lower than the amount we expected to spend during this period (£1,776,740) when the Carbon Management Plan was published in June 2012. The main reasons for this difference are:

- As projects have been refined and moved forward into implementation, and suppliers' quotes have been obtained, their costs have varied from our original estimates, in some cases considerably. For example, we originally expected the LED lighting upgrade in the Grand Arcade Annex car park (which was fully funded by the Climate Change Fund) to cost in the region of £120,500; in practice, the project cost £94,100. This partly reflects the rate at which LED products are developing and becoming more cost effective.
- Some of the projects proposed for implementation in 2012/13 and 2013/14 were not completed. Some of these projects have been rephased and will be completed in later years of the Plan, but others will not be taken forward as further investigation into their feasibility revealed that there was not a viable business case. For example, the proposed installation of voltage optimisation technology at Mill Road Depot did not proceed because further site surveys showed that the technology was not appropriate for the site and did not present a strong business case. Furthermore, the flood lights at Abbey Pool were due to be replaced with LED equivalents,

³ Voltage optimisation is a term given to the systematic controlled reduction in the voltages received by an energy consumer to reduce energy use, power demand and reactive power demand.

but because the lights were very specialist, the LED equivalents were not cost effective.

- 4.5 While we cannot be 100% certain, due to the difficulties we have had with our energy monitoring as outlined in paragraphs 4.9 - 4.12 below, it is estimated that the projects delivered during the last three years have reduced the Council's energy expenditure by around £143,000 per year; and achieved on-going carbon savings of around 800 tonnes of carbon dioxide equivalent (tCO₂e) per year.
- 4.6 Where tangible savings are made, it was agreed that we would only recoup savings from projects where the implementation cost was more than £15k AND where annual savings were more than £1k per annum. In other words we would only look to recoup £123,161 from the total estimated savings of £143,297. To-date we have already recouped tangible savings of £110,100 per annum and an additional £13,000 will potentially be recouped as part of the budget in October 2014 if tangible savings have been made. See Appendix A for details of individual projects.

Future projects – the next two years and post 2016

- 4.7 Over the next two years of the plan 2014-2016, we currently plan to deliver a further 37 projects. These projects will require a total investment of £999,956. £347,100 of this is expected to be funded by the Climate Change Fund; £267,100 from Repairs and Renewal; £96,947 from Housing Revenue Account (HRA); £148,809 from the managing agents of the leisure centres (GLL); and £140,000 from other internal budgets. These projects are estimated to reduce the Council's energy and fuel costs by approximately £140,455 per year at current prices, as well as reduce our carbon emissions by a further 770 tCO₂e per year. See Appendix B for a full list of projects proposed for implementation during 2014/15 and 2015/16.
- 4.8 Whereas, in recent years we have generally been picking the "low hanging fruit" – the smaller scale, easier to implement retrofit projects; to reduce our energy bills and carbon emissions further, we need to improve the fabric and insulation of our buildings. This is why we are currently working with the University-led Cambridge Retrofit partnership to carry out detailed energy surveys of our operational estate, to establish what else we can do within our

buildings to make them even more energy efficient. These surveys may uncover projects that are more cost effective than some projects already in the Plan. Where this is the case, we will seek to carry out the most cost effective projects first i.e. the projects that will reduce energy use and CO₂ emissions the most. It is hoped that the surveys conducted by Cambridge Retrofit, as well as surveys conducted by Council officers, will generate new project ideas which will help us create a new Carbon Management Plan which will be the blueprint for reducing our emissions further between 2016 and 2021. We are working to join up and align energy-efficiency work on our operational and commercial property portfolios as well as our administrative buildings.

Improvements to energy monitoring and baseline measurement

- 4.9 As previously reported to Environment Scrutiny Committee, the Council discovered in 2012 that it could not be completely confident in the accuracy of its total annual energy usage figures. This was because we were previously reliant on the data provided by our energy suppliers. Previously, our energy suppliers would take meter readings, but the frequency with which they did this varied greatly from site to site and rarely provided data for a complete financial year. As a result, for many sites we were reliant, at least in part, upon *estimated* energy usage data.
- 4.10 During 2012/13, we took steps to ensure that in future we have accurate data for all City Council sites included in the baseline for the Carbon Management Plan. The Council has invested in the installation of Automatic Meter Readers (AMRs) at all major sites that did not previously have them. AMRs will remove the need for estimated billing by automatically and remotely reading meters. This will provide more reliable data on our energy usage at all sites, but it will also enable us to identify any patterns or trends in energy usage and help highlight opportunities for future carbon reduction measures.
- 4.11 While AMRs considerably improve the accuracy of our energy usage data, they are not failsafe. As an additional measure, officers also take annual and biannual visual meter readings at all sites. We have assigned responsibility for reading each meter to a specific officer and provided them with training to ensure that they are able to read the meters correctly.

4.12 The 2013/14 financial year is the first year that we have had AMRs in place for both electricity and gas at all our major sites, as well as being the first year that we have taken visual meter readings too. So although, to-date it has been impossible to demonstrate how much the CMP projects already delivered have reduced our emissions by, from 2014 onwards we should find it easier to do this, because our 2013/2014 emission figures will be accurate. That said, due to the fact that we have been able to recoup tangible financial saving of £108,000, it could be deduced that our emissions will also have been reduced by an estimated 600 tCO₂e per annum but we can not evidence this with complete confidence through our historic energy use data.

Climate Change Fund status

4.13 The City Council's Climate Change Fund was established in 2008 to help deliver schemes or activities that would contribute to the achievement of its corporate climate change objectives, through both carbon reduction and climate change risk management. Since 2009, an annual status report on the Climate Change Fund has been presented to either Environment Scrutiny Committee or Strategy and Resources Scrutiny Committee depending on the Executive Councillor and Portfolio at that time.

4.14 To date, a total of £813,820 has been invested in the Climate Change Fund. The Fund criteria were revised in June 2012 to focus more explicitly on invest-to-save projects that would mitigate the Council's rising fuel bills, which ran to approximately £1,400,000 in 2013/14.

4.15 A full break down of all expenditure from the Fund is provided in Appendix C. This shows that, to date, a total of 28 projects have been supported by the Fund, representing a total investment of £466,720. Since 2011/12, the Fund has primarily been used to support the delivery of projects in the Carbon Management Plan. 11 of the 13 projects funded since 2011/12 were included in the Plan. These projects account for a total of £332,641 expenditure from the Fund. Two additional projects (the Tree Canopy study and the LED audit of multi-story car parks) have been supported since 2011/12 at a total cost of £21,500 because they met the wider criteria of the fund.

- 4.16 The current remaining balance of the Fund is £347,100. No additional provision was made in the Council's 2013/14 budget because this existing balance is sufficient to meet the projected future expenditure associated with the Carbon Management Plan. The projects currently identified for delivery during 2014/15 and 2015/16 will utilise the remaining money in the Fund and are estimated to deliver annual savings of £140,455 as mentioned in paragraph 4.7 above. See Appendix B for a full list of projects planned for implementation during 2014/15 and 2015/16 including those proposed to be supported by the Climate Change Fund.
- 4.17 Council may wish to consider making further provision for projects in the next Carbon Management Plan as part of future budget rounds, subject to the outcome of the current review of earmarked funds and reserves.

5.0 Progress in delivering the key actions under Objective 2

- 5.1 Objective 2 of the Climate Change Strategy is being achieved by putting climate change at the heart of services such as Planning (not least through the development of the Council's new Local Plan), Refuse and Environment, and Estates and Facilities.
- 5.2 Significant progress has been made during 2013/14 in developing the Cambridge Local Plan, which will set out the planning framework to guide the future development of Cambridge to 2031. Following public consultation on the draft Local Plan from 19 July to 30 September 2013, the Local Plan 2014 Proposed Submission document and supporting documentation were submitted to the Secretary of State on 28 March 2014. Following examination, adoption is hoped to take place in Spring 2015.
- 5.3 The draft Local Plan includes a range of policies to minimise the impact of future development in the City on climate change, including:
- Action 15 a): A policy requiring a minimum of Code for Sustainable Homes Level 4 for all new residential development has been included in the draft Local Plan.

- Action 15 a): Requiring a minimum of BREEAM⁴ 'very good' certification for non-residential development from 2014, rising to BREEAM 'excellent' from 2016. The development of bespoke sustainable construction methodologies is also promoted through policy.
- Action 15 b): Requiring all new developments to integrate the principles of sustainable design and construction into their design. Promoters of major developments will be required to prepare a sustainability statement as part of their Design and Access Statement setting out their approach to the following issues: adaptation to climate change, carbon reduction, water management, site waste management, use of materials.
- Action 15d): Requiring Code for Sustainable Homes Level 5/6 for water consumption in new homes (equivalent to 80 litres/head/day compared to an average current potable water consumption in Cambridge of 150 litres/head/day). To meet this standard, developments will need to use water recycling or rainwater harvesting.
- Action 24: Requiring climate change adaptation measures to be integrated into the design of new developments. The precise measures to be implemented will vary from development to development, taking account of the context of each specific proposal, but some example measures have been included in the Local Plan, with further detail due to be included in the updated Sustainable Design and Construction SPD. Multi-functional open spaces, e.g. spaces that help manage flood risk as well as providing more traditional open space uses, are also promoted through the draft Local Plan.

5.4 However, it should be noted that the Council may have to review some of these policies at a future date following the Government's Housing Standards Review. As a result of the review, it is possible that from 2016 we will no longer be able to use policy or planning conditions to require new homes to be built to the Code for Sustainable Homes. However, it is hoped that policy requiring new developments to demonstrate how they have met the principles of sustainable design and construction can be retained. Officers will continue to work with developers to deliver sustainable construction and to promote other construction methodologies,

⁴ BREEAM is an internationally recognised assessment method for sustainable building design, construction and operation

including the new homes standard currently being developed by the Building Research Establishment (BRE).

5.5 The Government's Housing Standards Review also suggests limiting the extent to which local planning authorities in areas of water stress can set water consumption standards to 105 litres/head/day. The City Council maintains that 80 litres/head/day, is necessary to maintain sustainable water resources in the long term. The Council's final policy approach is likely to be determined at the examination of the Local Plan.

5.6 The City Council has also assisted residents to reduce their carbon emissions through a range of measures in 2013/14 to improve the energy efficiency of existing homes in the City, including:

- Action 9 b): Spending over £1.5 million on improving the energy efficiency of Council homes, through: replacing 720 older boilers with more energy efficient condensing boilers; installing more than 150 loft and cavity wall insulation measures; and installing energy efficiency measures as part of wider housing maintenance work. This work has ensured that the all the City Council's housing stock continues to meet the thermal element of the Decent Homes Standard, with many properties significantly exceeding it. The Council aims to improve the overall SAP energy rating by at least one point per year. We are currently achieving an average score of 70, which is a 'C' rating (using SAP 2009 methodology).
- Action 11 b): Providing support to homeowners to improve the insulation of their properties. Following the end of the national CERT scheme, funding for the City Council's Cambridge Home Insulation Scheme was extended to October 2013. Since the introduction of the scheme, a total of 729 loft and cavity wall insulation jobs were supported. These measures have been installed in a total of 567 properties across the City and this will generate an estimated annual saving of 446 tonnes of CO₂.
- Action 11 d): Working with the five other Cambridgeshire local authorities to jointly procure Climate Energy Ltd to provide Green Deal, Energy Company Obligation (ECO) and self-financed energy efficiency measures across Cambridgeshire. The joint scheme, branded as Action on Energy, was launched on 13th November 2013. It aims to maximise energy efficiency in buildings, whilst engaging communities, generating local

employment and securing revenue streams to sustain local action.

- Action 11 d): In April 2014 the Action on Energy partnership was successfully awarded £7,857,400 from the Government's Green Deal Communities Fund. Part of this funding will be used to support householders to insulate solid wall properties and will be delivered through a street-by-street engagement approach. Another part of the funding will focus on encouraging the installation of improvements in the private rented sector.

5.7 The Council has also assisted residents to reduce their carbon emissions through its recycling and waste collection services during 2013/14. For example:

- Action 12 b): The City Council has promoted use of a new commingled recycling service to businesses. This has resulted in an increase in recycling of commercial waste collected by the Council from 21% in 2011/12 to 26% in 2013/14. Many schools have been provided with commingled recycling also.
- Action 12 b): Volunteers from the Recycling Champions scheme have carried out door-knocking exercises in blocks of flats to raise awareness of recycling. They have also attended local events to provide information and communicate with residents about any barriers they may have to recycling.
- Action 13): Since August 2012, the domestic blue bin recycling scheme has included plastic pots, tubs and trays. During 2013/14 commingled recycling has been provided for many more flats. The overall domestic recycling rate for the City has increased from 43% in 2012/13 to 44% in 2013/14.

6.0 Progress in delivering the key actions under Objective 3

6.1 Objective 3 of the Climate Change Strategy is being achieved by continuing to play a leading role in partnerships with neighbouring local authorities, the city's universities, and the voluntary, community and business sectors.

6.2 The City Council continues to work closely with partners, particularly the County Council in their role as Highways Authority, to help reduce transport-related emissions by promoting a shift to

more sustainable forms of transport, including walking, cycling and public transport.

6.3 The draft Local Plan includes a strategic objective that aims to ensure that all new development in Cambridge is “located to help minimise the distance people need to travel, and be designed to make it easy for everyone to move around the city and access jobs and services by sustainable modes of transport”. This objective is supported by a number of policies to minimise traffic generation and promote sustainable transport, including:

- Ensuring that major developments on the edge of the city and in the urban extensions are accessible to the city centre and major centres of employment by public transport, cycling and walking;
- Safeguarding land for new public transport infrastructure, such as bus lanes, interchange facilities and junction improvements;
- Safeguarding existing cycling and walking routes, identifying new cycle routes on land outside the public highway, for example the Chisholm Trail, and requiring developers to fund high-quality cycle paths;
- Setting minimum standards for numbers of cycle parking spaces to be provided in all new developments;
- Ensuring that new roads make provision for the needs of pedestrians, cyclists and public transport users, including safety measures.

6.4 The City Council has also helped to shape the Transport Strategy for Cambridge and South Cambridgeshire, which was adopted by Cambridgeshire County Council on 4 March 2014. The strategy provides a detailed policy framework and programme of schemes to address current problems for the area. It supports the Cambridge and South Cambridgeshire local plans, taking account of future levels of growth and detailing the transport infrastructure and services necessary to deliver this growth. The aim of the strategy is for more journeys in Cambridge and South Cambridgeshire to be made by bus, train, bike and on foot so that traffic levels are not increased. The Council has this year signed a City Deal agreement with local partners and the Government to, among other things, secure additional funding to deliver key elements of the transport strategy.

6.5 A number of other partnership projects were progressed in 2013/14 that will help promote a shift to more sustainable modes of transport in Cambridge, including:

- Action 37: Progressing a joint programme of improvements to existing highways for cyclists with Cambridgeshire County Council. The Downham's Lane adoption and improvement scheme was completed in 2013/14. The Perne Road/Radegund Road roundabout scheme will reduce vehicle speeds and increase cycle safety and is due to be completed at the end of September 2014. The widening of the avenue path on Jesus Green will be completed by the end of October 2014.
- Working closely with the County Council to install new cycle racks in the city centre which will provide an additional 600 cycle parking spaces by the end of October 2014.
- Action 39: Completing work with the County Council to deliver on-street spaces for car clubs in Cambridge. A policy on provision of on-street spaces for car clubs as part of major new developments has also been included in the draft Local Plan.
- Contributing funding to the Cambridgeshire Travel for Work Partnership, which works with employers to develop workplace travel and implement measures to reduce drive alone commuting and business travel.

6.6 In addition to the Action on Energy partnership outlined at 5.6, in 2013/14 the City Council worked with a range of partners to progress a number of major long-term schemes which will help reduce the impact of climate change. These include:

- Actions 32 and 33: Working with partners to ensure that development on City Council-owned land at Clay Farm meets sustainable construction standards. The Council's development partner and the City Council have submitted a joint planning application for housing development on the site. As part of this application, all housing will be delivered to above Level 5 of the Code for Sustainable Homes, will be of a high quality design and will include 50% affordable housing. The City Council and partners are also currently at the construction tender stage for the new joint community centre at Clay Farm, which will be constructed to at least BREEAM excellent standards.

- Action 29: Working with the University of Cambridge, Anglia Ruskin University and the private sector to explore opportunities for a commercially viable district heating scheme. Arup provided a report to the Sponsors Board for the project in December 2013 which reviewed the financial viability of the proposed scheme. As the rate of return for the scheme was lower than previously identified, a decision was taken not to pursue the scheme. However, the Board asked Arup to review the scope for further collaboration between the Council and the University of Cambridge on strategic carbon initiatives. This review has highlighted the potential for building-by-building heat connections and work is ongoing to explore potential connections between the New Museums site and the Guildhall and Corn Exchange.
- Actions 40 and 41: Continuing to work with partners in the Cambridgeshire Flood Risk management partnership to manage climate change-related flood risks. Key actions have included:
 - Contributing to the development of Cambridgeshire County Council's Local Flood Risk Management Strategy.
 - Including a policy on flood risk management and the role of Sustainable Drainage Systems (SuDS) in the draft Cambridge Local Plan.
 - Working with Cambridgeshire County Council on the development of a county wide Flood and Water Supplementary Planning Document to provide guidance to developers.
 - Establishing Sustainable Drainage Systems (SuDS) in open spaces that are adopted by the City Council and ensuring through the planning process that non-adopted open spaces in the majority of the southern fringe developments are permeable.

6.7 The City Council has also worked closely with local voluntary and community groups during 2013/14 and helped build their capacity to undertake activities to address climate change. It has provided a total of just over £47,000 in grants to 17 local environmental groups as part of the annual Sustainable City Grants programme. A total of 21 projects were supported which ranged from setting up community gardens, to support for the development of a Cambridge Sustainable Food Network. The Council also awarded

£18,190 in cycling and walking promotion grants to local groups for a range of projects, including software development for monitoring cycle usage, bikes and cycle training for young carers, and cargo bikes for a homeless support charity.

7.0. Implications

(a) Financial Implications

Funding for projects included in the Carbon Management Plan (which is the primary vehicle for delivering Objective 1 of the Strategy) will come from a number of different funding sources, including the Climate Change Fund and existing General Fund or Housing Revenue Account (HRA) budgets for delivering services.

The actions contained in the Climate Change Strategy Action Plan under Objectives 2 and 3 will be funded through:

- Existing budgets for delivering key services, particularly for projects or actions that will deliver climate change benefits as part of wider planned developments or improvements to key services. These fall within the General Fund or the HRA depending on the services involved.
- Government and other external funding sources for climate change initiatives.

(b) Staffing Implications (if not covered in Consultations Section)

Lead officers have been identified for projects in the Climate Change Strategy Action Plan and Carbon Management Plan who have the capacity to deliver the projects within the stated timescales. The Climate Change Officer will manage and co-ordinate the overall delivery of the Carbon Management Plan, with support from the Carbon Management Team, which is a corporate group that includes many of the lead officers.

(c) Equality and Poverty Implications

An Equalities Impact Assessment (EqIA) of the aims and objectives was carried out when the Climate Change Strategy and the Carbon Management Plan were developed. This did not identify any specific negative impacts, but the needs of different protected characteristics will need to be considered when implementing the range of actions

contained in the two documents. This is to ensure that the strategy is implemented effectively and that all people are able to benefit from the work being undertaken. Consequently further Equality Impact Assessments may be undertaken for individual projects. For example, an EQIA was carried out for the developing Local Plan.

(d) Environmental Implications

The Climate Change Strategy and Action Plan and the Carbon Management Plan will have a high positive impact on the environment by setting out a planned approach to: reducing the Council's carbon emissions; setting high standards for residents, businesses and organisations to reduce their carbon emissions and manage climate risks; and working in partnership with, influencing and learning from other organisations to address the causes and effects of climate change.

(e) Procurement

The Climate Change Strategy Action Plan includes two actions relating to procurement. The first focuses on improving the Council's contract management processes to ensure that contractors deliver the sustainability requirements of contracts. The second relates to exploring with partner organisations the potential for procuring a joint energy contract with associated sustainability criteria.

(f) Consultation and communication

Public consultation was carried out on a draft of version of the Climate Change Strategy and Action Plan for 10 weeks, starting on 5 July 2012 and finishing on 5 September 2012. The views expressed by respondents to the consultation were taken into consideration in developing the final strategy and were presented to the Executive Councillor and members of the Environment Scrutiny Committee before the Strategy was approved.

(g) Community Safety

The Strategy and Action Plan have minimal impact on Community Safety.

6. Background papers

These background papers were used in the preparation of this report:

- Cambridge City Council Climate Change Strategy and Action Plan
- Cambridge City Council Carbon Management Plan

Both documents can be viewed on the Council's website at:

<https://www.cambridge.gov.uk/climate-change>

Appendices

Appendix A – Details of Carbon Management Plan projects implemented during 2011/12, 2012/13 and 2013/14

Appendix B – Details of the Carbon Management Plan projects proposed for implementation during 2014/15 and 2015/16

Appendix C – Climate Change Fund expenditure to-date

Appendix A – Details of Carbon Management Plan projects implemented during 2011/12, 2012/13 and 2013/14

Projects costing less <£15k or annual savings <£1k. Therefore savings not recouped.								
HRA funded projects. Therefore savings not recouped.								
Ref.	Project	Lead officer	Total implementation cost - £	Annual carbon savings - tCO2e	Estimated Annual project cost avoidance - £	Project cost avoidance that will be recouped - £	Explanation	Total savings already recouped
2011/12								
1	Community Centre Energy Efficiency Improvements	Jackie Hanson	£9,800	7	£1,100		No - project cost less than £15K	
2	Pools Energy Efficiency Improvements - Parkside Pools changing areas	Ian Ross	£40,000	40	£10,300	£10,300	Yes - already recouped	10,300
3	Grand Arcade Annex Car Park LED Lights	Sean Cleary	£94,100	121	£15,366	£15,400	Yes - already recouped	15,400
4	Brandon Court Energy Efficiency Measures	Will Barfield	£440,000	42	£6,540		HRA	
5	Brandon Court - PV cells	Will Barfield	£130,000	12	£5,840		HRA	
7	Crematorium Heat Recovery Project	Paul Necus	£23,145	22	£2,629	£2,600	Yes - already recouped	2,600
8	Install electric bin lift on replacement refuse vehicle	Dave Cox	£5,000	3	£1,322		No - project cost less than £15K	
9	Replace boiler at Llandaff Chambers	Jim Stocker	£28,966	53	£8,578	£8,500	Yes - already recouped	8,500
62	Solar PV installation at New Street Hostel	Sam Griggs	£23,600	2	£1,506		HRA	
2012/13								
10	Implement RHI technologies - Non-housing properties	Ian Ross	£143,833	16	£10,800	£10,800	Partly recouped	6,000
12	Abbey Energy Efficiency Improvements (VSD and BeMS)	Ian Ross	£46,000	137	£20,200	£20,200	Yes - already recouped	20,200
13	Cherry Hinton Village Centre Changing Room Refurbishment	Ian Ross	£20,000	24	£3,550	£3,550	Yes - already recouped	3,550
14	Jesus Green and Kings Hedges Energy Efficiency Improvements	Ian Ross	£23,300	26	£3,950	£3,950	Yes - already recouped	3,950
15	Pool covers for Abbey and Parkside and Kings Hedges Leamer Pool	Ian Ross	£42,600	70	£11,400	£11,400	Yes - already recouped	11,400
16	Parkside Energy Efficiency Improvements (VSD and BeMS)	Ian Ross	£42,640	136	£20,000	£20,000	Yes - already recouped	20,000
22	Corn Exchange - Upgrade to LED House lighting	Chris Norton	£39,652	31	£4,500	£4,500	Yes - already recouped	4,500
24	Mill Road Depot - upgrade to condensing boilers	Jim Stocker	£33,394	10	£1,560	£1,600	Yes - already recouped	1,600
25	Mill Road Depot - Heating optimum start controls	Jim Stocker						
26	Mill Road Depot - pipework inspection & insulation	Jim Stocker						
27	Route optimisation for refuse trucks (HGVs)	Michael Parsons	£15,000				Project did not deliver expected savings	
28	Install stop/start technology on 12 replacement light commercial vehicles	Dave Cox	£2,100	1	£1,329	£1,329	Yes - but not yet recouped	
2013/14								
6	Upgrade lighting and install lighting sensors at Stanton House.	Sam Griggs	£7,000	3.3	£600		HRA	
11	Voltage Optimisation Roll Out - Grafton East Car Park	Clare Palferman & Sean Cleary	£12,612	13.8	£2,100	£2,100	Yes - already recouped	£2,100
17	Voltage Optimisation Roll out - Mandela House	Andy Wood and Clare Palferman	£20,037	20.8	£3,800	£3,800	Yes - but not yet recouped	
30	Upgrade to LEDs & lighting controls in Grafton West Car Park.	Sean Cleary	£30,000	17.0	£3,132	£3,132	Yes - but not yet recouped	
66	Hobson House Boiler Replacement	Andy Muggeridge	£42,000	4.1	£660		No - because annual savings less than £1K	
21	East Road Garages Lighting Upgrade.	Sam Griggs	£13,581	11.7	£1,935		HRA	
67	Replacing 2 Boilers at The Meadows Centre with more efficient types	Jonathon Church	£12,000	4.0	£600		No - because annual savings less than £1K	
TOTAL			£1,340,360	827.7	£143,297	£123,161		110,100
Ref.	Project	Lead officer	Total implementation cost - £	Annual carbon savings - tCO2e	Estimated Annual project cost avoidance - £	Project cost avoidance that will be recouped - £	Explanation	Total savings already recouped

Appendix B – Details of the Carbon Management Plan projects proposed for implementation during 2014/15 and 2015/16

Project	Estimated Total Implementation Cost	Estimated Annual Cost Avoidance (£)	CC Fund Contribution	R&R Contribution	HRA	Managing Agent of Leisure Centres (GLL)	Other internal	Estimated annual carbon savings - tonnes of CO2 (tCO2)
2014/15								
Corn Exchange - Heating Controls in foyer	£15,000	£2,000	£15,000					1.9
Rewiring of lighting circuits in Grand Arcade Car Park so LED lights can be installed.	£10,000	£0	£10,000					
Corn Exchange - Awareness Raising Campaign	£1,000	£1,170	£1,000					7.7
Community Centres - Awareness Raising Campaign	£1,000	£2,000	£1,000					12.9
Offices - Staff Awareness Campaign	£1,000	£10,200	£1,000					67.6
Introduce driver incentive scheme, to encourage more efficient driving	£1,000	£25,420	£1,000					57.1
Mandela House - upgrade to condensing boiler	£60,000	£2,464	£9,000	£51,000				15.2
Mandela House - free cooling - controls for existing fans	£600	£190	£600					1.3
Hobson and Mandela House - pipework and valve insulation	£8,628	£2,000	£8,628					12.0
Lighting upgrades - The Guildhall Third Floor	£2,400	£728	£2,400					5.0
Voltage Optimisation Roll Out - Queen Anne Terrace	£10,356	£3,099	£10,356					21.1
Mandela House - Draught proofing on first floor	£4,000	£262	£4,000					1.6
Install lighting sensors at Whitefriars	£8,000	£600			£8,000			3.3
Voltage Optimisation Abbey Pool.	£27,669	£6,770				£27,669		46.1
Voltage Optimisation Kings Hedges Learner Pool.	£13,947	£2,646				£13,947		18
Voltage Optimisation Jesus Green Outdoor Pool.	£8,496	£1,366				£8,496		9.3
Replacement of CHP plant at Parkside Pools.	£160,000	£16,000				£80,000	£80,000	109.0
Pools - Awareness Raising Campaign	£1,000	£4,500				£1,000		29.3
Voltage Optimisation Roll Out - Parkside Pools	£17,697	£3,200				£17,697		21.8
New project: Guildhall pipework and valve draught proofing	£22,955	£4,000	£22,955					25.0
New project: Solar PV at the Crematorium	£40,000	£6,000	£40,000					25.0
TOTAL FOR 2014/15	£414,748	£94,615	£126,939	£51,000	£8,000	£148,809	£80,000	490
2015/16								
North Area Housing Office - free cooling - controls for existing fans	£400	£21	£400					0.1
North Area Housing Office - pipework inspection/insulation	£1,000	£13	£1,000					0.1
North Area Housing Office - Heating Sequencing	£1,000	£124	£1,000					0.8
North Area Housing Office - secondary glazing	£2,500	£124	£2,500					0.8
North Area Housing Office - Heating optimum start controls	£3,000	£124	£3,000					0.8
Lighting Upgrades - Mill Road offices	£7,900	£2,304	£7,900					15.7
Lighting upgrades - Mandela House	£8,400	£2,376	£8,400					16.2
Lighting Upgrades - Mill Road garage	£11,250	£1,840	£11,250					12.5
Community Centres - Upgrade to condensing boilers	£120,000	£2,700	£18,000	£102,000				16.7
Upgrade to LEDs & lighting controls in Queen Anne Terrace car park	£175,000	£16,403	£100,000	£75,000				111.8
North Area Housing Office - upgrade to condensing boiler	£22,000	£292		£22,000				1.8
Voltage Optimisation Roll out - Ditchburn Place	£13,947	£2,199			£13,947			15
Implement RHI technologies - Housing property (Ditchburn Place)	£60,000	£4,500					£60,000	16.7
Ditchburn Place Refurbishment - energy efficiency improvements	£75,000	£4,320			£75,000			27.9
Replace 12 fleet vehicles with alternatives with Stop/Start technology	£2,100	£2,500		£2,100				3.3
New project: LED lights and motion sensors in the Guildhall basement.	£30,000	£6,000	£15,000	£15,000				40
New project: The remaining Climate Change Fund budget will be spent on retrofit measures identified by Cambridge Retrofit to improve energy efficiency of our administration buildings.	£51,711	TBC	£51,711	TBC	TBC	TBC	TBC	TBC
TOTAL FOR 2015/16	£585,208	£45,840	£220,161	£216,100	£88,947	£0	£60,000	280
TOTAL FOR BOTH YEARS	£999,956	£140,455	£347,100	£267,100	£96,947	£148,809	£140,000	770

Appendix C – Climate Change Fund expenditure to-date

(All figures £'s)	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Cumulative funding available by year	(250,000)	(243,900)	(207,465)	(383,145)	(396,269)	(409,749)
Additional contribution to Fund			(250,000)	(184,770)	(129,050)	
Total surplus available by year	(250,000)	(243,900)	(457,465)	(567,915)	(525,319)	(409,749)
Pilot of Electric Bin Lifts	2,100					
Chesterton Road Toilet Modernisation	900					
Corn Exchange Christmas Lighting Lamps	600					
Arbury Court WC Rainwater Harvesting	2,500					
Romsey Rec Rainwater Harvesting		2,500				
Energy Audit of Pools & Leisure Centres		3,750				
Grand Arcade Annex Car Park Fan system		21,700				
Public Conveniences & Park St Car Park Energy Survey		2,730				
Watercourses Flood Risk Survey			4,510			
Community Centres Energy Audits		2,995				
Corn Exchange LED lighting		2,760				
LED Lighting at the Grand Arcade Annex Car Park				100,000	(5,900)	
Mill Road water efficiency (1)			36,000			
Mill Road water efficiency (2)			11,700			
Replacement boiler - Barnwell House			3,150			
Guildhall Voltage optimisation			17,960			
Market Stall LED lighting			1,000	12,030		
Market Stall LED lighting - Bal Rtn to Fund				(12,030)		
Tree Canopy Study				10,870	4,130	
Community Centres energy efficiency measures				9,800		
Heat recovery at the Crematorium				11,600		
Water and energy saving measures in changing rooms at Parkside Pool				35,000		
LED audit of multi-storey car park lighting				5,420	1,080	
Refund from Power Perfector for Voltage Optimisation at Guildhall				(1,044)		
CM Plan Ref 17 : Voltage Optimisation at Mandela House (capital bid C2736 refers). Including £3,223 of additional IT costs.					21,960	
CM Plan Ref 11: Voltage Optimisation at Grafton East Car Park. Including additional £900 for Parkeon to be onsite.					13,921	
CM Plan Ref 22: Corn Exchange LED House Lights					25,700	
CM Plan Ref 12: Abbey VSD and BMS (38177)					24,650	
CM Plan Ref 16: Parkside VSD and BMS					42,640	
CM Plan Ref 15: Pool covers for Abbey and Parkside and consequent changes to heating system					23,270	
CM Plan Ref 30: Upgrade to LEDs & lighting controls in Grafton West Car Park						30,000
Voltage Optimisation rebate for Mandela House and Grafton East Car Park						(3,232)
Spend by year	6,100	36,435	74,320	171,646	115,570	62,649
Balance remaining carried forward	(243,900)	(207,465)	(383,145)	(396,269)	(409,749)	(347,100)
Those projects shown in highlighted cells are projects that are included in the Council's Carbon Management Plan 2011-2016						



To: Executive Councillor for Finance and Resources:
Councillor George Owers

Report by: David Kidston, Strategy and Partnerships Manager

Relevant scrutiny
committee: Strategy & 20/10/2014
Resources
Scrutiny
Committee

Wards affected: Abbey Arbury Castle Cherry Hinton Coleridge
East Chesterton King's Hedges Market Newnham
Petersfield Queen Edith's Romsey Trumpington
West Chesterton

ANTI-POVERTY STRATEGY

Key Decision

1. Executive summary

1.1 Following a review of available evidence and initial consultation with stakeholders, the City Council has developed a draft Anti-Poverty Strategy. The aim of the strategy is to improve the standard of living and daily lives of those residents in Cambridge who are currently experiencing poverty, but also to alleviate issues that can lead households on low incomes to experience financial pressures. The strategy will bring greater focus and coordination to the Council's existing efforts to address poverty, while identifying areas where the Council can have even greater impact. This report sets out the consultation undertaken to date and seeks approval for wider public consultation on the draft strategy.

2. Recommendations

The Executive Councillor is recommended:

1. To approve the draft Cambridge City Council Anti-Poverty Strategy for public consultation
2. To endorse the four objectives for the draft Cambridgeshire Child Poverty Strategy

3. Consultation on Cambridge City Council Anti-Poverty Strategy

- 3.1 The City Council has developed a draft Anti-Poverty Strategy (attached at Appendix C). The aim of the strategy is to improve the standard of living and daily lives of those residents in Cambridge who are currently experiencing poverty, but also to alleviate issues that can lead households on low incomes to experience financial pressures.
- 3.2 The strategy identifies the key issues relating to poverty in Cambridge, based on a review of available empirical evidence, and initial consultation with stakeholders. It also identifies 7 objectives for City Council activity to address poverty, and some detailed actions that City Council services will undertake during 2014/15 and 2015/16 to address the key issues.
- 3.3 During July and August 2014, 15 face-to-face meetings were held with representatives of local organisations that are working to address different aspects of poverty in the city. A stakeholder workshop was also held on 5 September 2014, which brought together key stakeholders to consider the key issues in Cambridge, and identify interventions which have been successful, both in Cambridge and in other towns and cities. A list of organisations engaged as part of this initial consultation is provided at Appendix A.
- 3.4 It is proposed that officers will carry out full public consultation on the draft strategy from 27 October 2014 to 16 January 2015. A final draft of the strategy will then be brought to Strategy and Resources Committee on 23 March 2015 for approval by the Executive Councillor. During the public consultation period the Council will consult with a wider range of partner organisations and will actively seek the views of local residents. The consultation will involve:
- Publishing the draft strategy and a questionnaire survey on the City Council website. The survey will be publicised via the Council's Twitter account, a media release and other corporate communications channels, and sent directly to relevant partner organisations;
 - Workshops with voluntary and community organisations, local businesses, Cambridge University and Anglia Ruskin University, and faith groups.
 - Engagement with vulnerable residents via local organisations and agencies that they trust.

4. Cambridgeshire Child Poverty Strategy

4.1 The Child Poverty Act 2010 sets a national target to eradicate child poverty by 2020. The Act places a statutory duty on local authorities and other partners to work together to tackle child poverty in the local area, with a specific requirement to produce a local needs assessment and joint local child poverty strategy. In Cambridgeshire, this work is led by the Cambridgeshire Children's Trust through the multi-agency Child Poverty Champions Group, where Cambridge City Council is represented. The Children's Trust, through the Child Poverty Champions Group, produced 'Breaking the Cycle', the first joint Child Poverty Strategy, which covered the period from 2011-2014. The Champions Group is currently leading the development of the second Cambridgeshire Child Poverty Strategy to cover the period from 2015 onwards.

4.2 The second Child Poverty Strategy is currently at an early draft stage, but we will circulate the final strategy to members when it is available in January 2015. Four key objectives for the strategy have been identified through a workshop held on 11 July and other consultation with key stakeholders, and members are asked to endorse these joint objectives:

Objective 1: Building Communities. Families in poverty can access a range of help from within their local community – linking with other families, voluntary organisations and public services.

Objective 2: Building Futures. Adults and young people have the skills and opportunities to access employment and become financially secure.

Objective 3: Supporting the most vulnerable. For the most vulnerable families and where there is a risk of crisis, organisations step in quickly, coherently and decisively to find solutions.

Objective 4: Communication, information and advice.

Organisations understand the issues facing people in poverty and the impact this can have, and make information, advice and support as easy to access as possible.

4.3 City Council officers are engaged in the Child Poverty Champions Group, which brings together representatives from partner organisations across the Cambridgeshire Children's Trust to lead work to combat child poverty. Officers are working closely with colleagues at Cambridgeshire County Council to ensure that there are strong links between the Child Poverty Strategy and Anti-Poverty Strategy. We have identified a number of key actions that the City Council can

deliver which will contribute to the objectives of the Child Poverty Strategy. These actions are set out in Appendix B.

5. Implications

(a) Financial Implications

The Anti-Poverty Strategy will primarily seek to co-ordinate and refocus City Council activity so that it focuses on tackling poverty where possible. However, some additional one-off, fixed term initiatives which contribute to the objectives of the Anti-Poverty Strategy will be supported by the 'Sharing Prosperity Fund'. A £500,000 financial contribution to the Fund was approved at full Council on 24 July 2014.

(b) Staffing Implications (if not covered in Consultations Section)

It is anticipated that much of the work to develop and deliver the Anti-Poverty Strategy will be achieved within existing staff resources. However, some of the initiatives proposed to support the Anti-Poverty Strategy (e.g. Living Wage Co-ordinator, and the Youth Apprenticeship Programme) will involve the recruitment of a limited number of additional staff.

(c) Equality and Poverty Implications

An initial Equality Impact Assessment has been carried out and is attached for information at Appendix D.

(d) Environmental Implications

Some of the activities already identified in the action plan are likely to have a medium positive environmental impact. For example:

- The proposed Water Meter Anti-Poverty Scheme will promote take-up of water meters and water efficiency measures to residents in low income areas of the City, and reduce water consumption and associated carbon emissions.
- The proposed additional promotion of energy efficiency measures to residents in low income areas of the City will reduce energy consumption and associated carbon emissions.

(e) Procurement

One of the actions included in the Strategy is for the City Council to seek accreditation from the Living Wage Foundation as a Living

Wage. As part of this, the City Council has adopted a Living Wage policy in respect of contractors. As set out in a separate report by the Head of Legal Services to this Committee on 14 July 2014, the this policy requires contractors to pay the Living Wage to Qualifying Staff unless it would be unlawful or inappropriate to do so.

(f) **Consultation and communication**

See 3.3 and 3.4 above.

(g) **Community Safety**

There are no specific community safety implications for the Strategy as a whole, but some of the actions identified as the Strategy develops may have a positive impact on community safety.

6. Background papers

There are no background papers for this report.

7. Appendices

Appendix A - Organisations consulted to date

Appendix B - Cambridge City Council actions for inclusion in the Cambridgeshire Child Poverty Strategy

Appendix C – Equality Impact Assessment

Appendix D – Draft Anti-Poverty Strategy

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

Author's Name: David Kidston
Author's Phone Number: 01223 - 457043
Author's Email: david.kidston@cambridge.gov.uk

Appendix A - Organisations consulted to date

Abbey People Neighbourhood Action Group
Barnwell Baptist Church
Bedfordshire Pilgrims Housing Association (BPHA)
Cambridge City Foodbank
Cambridge Council for Voluntary Service
Cambridge Credit Union
Cambridge Cyrenians
Cambridgeshire County Council
Cambridgeshire Ethnic Community Forum
Cambridgeshire Police
CamHealth – GPs from East Barnwell Health Centre and Arbury Road Surgery
CHS Group
Citizen Advice Bureau
Future Business
Guidance Employment and Training (GET) Group
Kings Hedges Neighbourhood Partnership
Rainbow Savers Credit Union
University of Cambridge
Winter Comfort

Appendix B - Cambridge City Council actions for inclusion in the Cambridgeshire Child Poverty Strategy

Priority 1: Building Communities

Key issue/priority	What can your organisation do?
Neighbourhoods	Refocus grants and support to volunteer organisations that help families in need.
Neighbourhoods	Provide additional space in community centres for local pre-school childcare Promote local free/affordable activities for families – e.g. through newsletters to council tenants/social housing
Neighbourhoods/Financial Inclusion	Support credit unions to make them more accessible to in need families

Priority 2: Building Futures

Key issue/priority	What can your organisation do?
Maintaining affordable and warm homes	Continue to invest in heating and energy efficiency improvements and get residents where possible on the lowest energy tariffs to help families manage household bills.

Priority 3: Supporting the most vulnerable

Key issue/priority	What can your organisation do?
Maximise family support networks and access to work and schooling	Continue to invest in the provision of Emergency Accommodation in Cambridge in order to keep homeless children at the same school and their parents in employment.

Priority 4: Communication and information

Key issue/priority	What can your organisation do?
Financial Inclusion/employability/housing affordability/health inequalities/digital inclusion etc.	Ensure that Cambridge City Council's developing Anti-poverty strategy links to, and helps support, the objectives of the Child Poverty Strategy
Debt Advice	Provide funding support to CAB

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Cambridge City Council Equality Impact Assessment

Completing an Equality Impact Assessment will help you to think about what impact your strategy, policy, plan, project, contract or major change to your service may have on people that live in, work in or visit Cambridge, as well as on City Council staff.



The template is easy to use. You do not need to have specialist equalities knowledge to complete it. It asks you to make judgements based on evidence and experience. There are guidance notes on the intranet to help you. You can also get advice from Suzanne Goff, Strategy Officer on 01223 457174 or email suzanne.goff@cambridge.gov.uk or from any member of the Joint Equalities Group.

1. Title of strategy, policy, plan, project, contract or major change to your service:

Anti-Poverty Strategy

2. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?

The City Council has developed a draft Anti-Poverty Strategy. The aim of the strategy is to improve the standard of living and daily lives of those residents in Cambridge who are currently experiencing poverty, but also to alleviate issues that can lead to households on low incomes to experience financial pressures.

The strategy identifies the key issues relating to poverty in Cambridge, based on a review of available empirical evidence and initial consultation with stakeholders. During July and August 2014, 15 face-to-face meetings were held with representatives of local organisations that are working to address different aspects of poverty in the city.

A stakeholder workshop was also held on 5 September 2014, which brought together key stakeholders to consider the key issues in Cambridge, and identify interventions which have been successful, both in Cambridge and in other towns and cities.

A list of organisations engaged as part of the initial consultation for the strategy are listed below:

- Abbey People Neighbourhood Action Group
- Barnwell Baptist Church
- Bedfordshire Pilgrims Housing Association (BPHA)
- Cambridge City Foodbank
- Cambridge Council for Voluntary Service
- Cambridge Credit Union
- Cambridgeshire County Council
- Cambridgeshire Ethnic Community Forum
- Cambridgeshire Police
- CamHealth – GPs from East Barnwell Health Centre and Arbury Road Surgery
- CHS Group
- Citizen Advice Bureau
- Future Business
- Guidance Employment and Training (GET) Group
- Kings Hedges Neighbourhood Partnership
- Rainbow Savers Credit Union
- University of Cambridge
- Winter Comfort

The Council will be carrying out wider public consultation in the autumn, including consultation with other equality groups (e.g. Age UK, Disability Cambridgeshire, Women's Resource Centre, Centre 33, Romsey Mill, Lifecraft, Richmond Fellowship), faith groups (churches etc), Universities (University of Cambridge and Anglia Ruskin University) and businesses (through Cambridge Ahead, Chamber of Commerce, Business in the Community Business Connector)

The Council is aiming to carry out full public consultation on the draft strategy from 27 October 2014 to 16 January 2015. A final draft of the strategy will then be brought to Strategy and Resources Committee on 23 March 2015 for approval by the Executive Councillor. During the public consultation period the Council will consult with a wider range of

2. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?

organisations and will actively seek the views of local residents.

The consultation will involve:

- Publishing the draft strategy and a questionnaire survey on the City Council website. The survey will be publicised via the Council's Twitter account, a media release and other corporate communications channels, and sent directly to relevant partner organisations;
- Workshops with voluntary and community organisations, local businesses, Cambridge University and Anglia Ruskin University, and faith groups.
- Engagement with vulnerable residents via local organisations and agencies that they trust.

The initial consultation and evidence base has been taken and developed into 7 objectives for City Council activity to address poverty, and some detailed actions that City Council services will undertake during 2014/15 and 2015/16 to address the key issues.

These are listed below:

- **Maximising incomes and reducing costs** – credit unions, Living Wage, managing impact of welfare reform and changes to Universal Credit
- **Raising aspirations and making the move into work easier** – volunteering/time credits, apprenticeships, community pride and cohesion
- **Children and families** – childcare in community centres, child poverty strategy, free swimming lessons for those in need
- **Health** – cooking skills, mental health pilot in Barnwell, 50% off entry to sports centres for those on Means Tested Benefits, sports development work/exercise referral
- **Older people and disabled people** – sheltered housing, support services, grants and home improvements, Cambridgeshire Celebrates Age
- **Housing costs and conditions** – affordable housing development and planning process, homelessness services incl. Town Hall lettings scheme
- **Partnership** – digital inclusion and transport barriers

The Strategy is in the early stages of development and the Committee Reports set out the broad approach to developing the Strategy. [Links to the Committee Report](#)

This EqIA will be revised again once the Strategy is finalised in early 2015.

3. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? (Please tick those that apply)

- Residents
- Visitors
- Staff

A specific client group or groups (please state):

4. What type of strategy, policy, plan, project, contract or major change to your service is this? (Please tick)

- New
- Revised
- Existing

5. Responsible directorate and service

Directorate: Chief Executive's Department

Service: Corporate Strategy

6. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service?

- No
- Yes (please give details):

The Anti-Poverty Strategy will be a corporate strategy, so it is likely that many of the City Council's services will contribute to the delivery of the Strategy, either through delivering particular actions or through refocussing existing services. However, the key services which are currently represented on the Project Board are City Homes, Community Development, Corporate Strategy, Refuse and Environment, Revenues and Benefits and Strategic Housing.

While the Council can have a direct impact on poverty through its own services and specific initiatives, much more can be achieved through working in partnership with other organisations. We will engage with a wide range of partners as part of the development of the Strategy to develop a shared understanding of the issues and identify opportunities for joint-working.

7. Potential impact

This is an initial EqIA. The Anti-Poverty Strategy is in a development stage and the Council would like to seek the views of a wide range of people before coming to conclusions on the impact of the strategy.

Over the next few months, as the draft strategy goes through a consultation process and then subsequent refinement, we will work to update and develop the EqIA as a parallel process. A final EqIA will go to Strategy and Resources Committee with the final report.

At the moment, we can list some of the impacts that we think might be relevant but they are not conclusive or exhaustive.

See below:

(a) Age (any group of people of a particular age, including younger and older people – in particular, please consider any safeguarding issues for children and vulnerable adults)

As part of the development of the Anti-Poverty Strategy, the Council will review available evidence on the nature of poverty. However, as set out in the report, current evidence suggests that some age groups of people in the City may be more likely to experience poverty. For example:

- In 2013, 17% of children in Cambridge were living in a household that was claiming housing benefit.
- Pensioners make up a third of all households claiming Housing Benefit in Cambridge. Nearly one pensioner household in five (18%) in the City is claiming Housing Benefit, while more than one in three (38%) of single pensioner households (74%) in the City are claiming Housing Benefit.
- Children and young people - 15.3% child poverty in Cambridge, 12.6% in Cambridge. Highest in Abbey (26.7%), King's Hedges (25.8%), East Chesterton (23.9%)

Two of the proposed objectives and associated actions for the Strategy would help address the impact of poverty on children and older people:

- Helping low income families with the cost of raising a child.
- Ensuring that vulnerable older people get the services that they need and reducing the social isolation they can experience.

Actions that are developed to help achieve the objectives of the Strategy, will help address the impact of poverty on young people and older people.

For example:

- The proposed apprenticeship programme is likely to increase the number of apprenticeships available in City Council services, which would have a positive impact on the skills and employability of those young people that benefit from the apprenticeships created.
- If the employment of an officer to promote the living wage within Cambridge results in more businesses and other organisations within the city, including the Universities, paying a Living Wage to their staff, this will have a positive impact on those residents who are

(a) Age (any group of people of a particular age, including younger and older people – in particular, please consider any safeguarding issues for children and vulnerable adults)

currently not paid the Living Wage. There may be a disproportionate representation of some of the protected characteristics amongst those who are currently paid less than the Living Wage in the city. For example, recent national research by the Resolution Foundation (Low Pay Britain, 2012) found that people aged 16-20 (76%), 21-30 (27%) and 60+ (23%) are most likely to receive less than the living wage. However, further research would be needed to demonstrate the impact on particular groups within Cambridge, as trends may differ from those observed nationally.

(b) Disability (including people with a physical impairment, sensory impairment, learning disability, mental health problem or other condition which has an impact on their daily life)

Further work is needed as part of the development of the strategy to identify the extent to which people with disabilities are likely to experience poverty in the City. The Council will be carrying out wider public consultation in the autumn, including consultation with disability groups (e.g. Disability Cambridgeshire, Lifecraft, and the Richmond Fellowship).

The consultation carried out as part of the review of the council's Community, Arts and Recreation Development Grants has highlighted that disabled people are disproportionately affected by low income. People can face multiple barriers due to the dual impacts of low income and disability. For example, people can experience particular barriers to accessing employment which can result in low income which, in turn, can prevent them from accessing social activities such as sports or arts. This may lead to further social isolation and increased mental health issues.

As the Anti-Poverty Strategy develops, it is likely that actions or projects will be identified which have an impact on people with disabilities. Any such impacts will be highlighted in a revised EqIA to accompany the initial draft strategy.

(c) Gender

Further work is needed as part of the development of the strategy to identify whether the incidence or experience of poverty differs according to gender in the City.

If the proposed employment of an officer to promote the living wage within the City results in more businesses and other organisations within the City, including the Universities, paying a Living Wage to their staff, this will have a positive impact on those residents who are currently not paid the Living Wage. Recent national research by the Resolution Foundation (Low Pay Britain, 2012) found that a higher proportion of women (25%) receive less than the living wage than men (15%). However, further research would be needed to demonstrate the impact on particular groups within Cambridge, as trends may differ from those observed nationally.

Available evidence suggests that there is a link between lower income and poor health in Cambridge. For example, between 2010 and 2012 life expectancy was significantly lower in the most deprived areas of Cambridge than the least deprived. There is a slight gender difference in this life expectancy gap, with life expectancy for women 10.0 years lower in the most deprived area of Cambridge than the least deprived, and 9.6 years lower for menⁱ.

(d) Pregnancy and maternity

No differential impact on those who are pregnant or on maternity leave has been identified through this assessment, particularly as a result of the objectives for the strategy and the projects that are currently proposed to be funded.

(e) Transgender (including gender re-assignment)

No differential impact on transgender people has been identified through this assessment, particularly as a result of the objectives for the strategy and the projects that are currently proposed to be funded.

(f) Marriage and Civil Partnership

No differential impact on people due to their marriage or civil partnership status has been identified through this assessment, particularly as a result of the objectives for the strategy and the projects that are currently proposed to be funded.

However, the evidence base for the Strategy highlights the particular of poverty on single parents and their dependents:

- § Four out of five lone parent households receive Housing Benefit
- § 41% of lone parents with dependent children not in employment

(g) Race or Ethnicity

Recent national research by the Joseph Rowntree Foundation suggest that poverty is higher among all ethnic minority groups than among white British people in the UK, but there is variation within and between ethnic groups. Ethnicity interacts with gender, class, education, disability and geography to affect povertyⁱⁱ.

Cambridge continues to be one of the most diverse places in the country outside of London, with an increasing proportion of its population made up of ethnic groups that are not white. In 2011, 17.5% (or 21,700 people)ⁱⁱⁱ identified themselves as belonging to other ethnic groups, compared to 10.0% in 2001^{iv}. The largest of these groups in 2011 were Bangladeshi, Chinese and Indian, representing an aggregated proportion of the population of 7.9% (or 9,716 people).

While ethnic minority residents in Cambridge have a range of income levels, stakeholders consulted as part of the development of the strategy identified some ethnic groups which experience greater barriers to the labour market. For example, Bangladeshi women are more likely to experience a range of barriers, including lack of English language skills, limited access to IT equipment, and cultural barriers associated with engaging with men. The research and consultation carried out as part of the review of the council's Community, Arts and Recreation Development Grants also suggests that people from some ethnic groups in the city are more likely to be on low incomes or find it hard to access work due to language or skills barriers.

However, further work is needed as part of the development of the strategy to identify whether incidence or experience of poverty differs across ethnic group in the City. As part of this work, we intend to use a forthcoming product from the Office for National Statistics (ONS), which will map demographic data from the 2011 Census by Output Area.

No differential impact on particular ethnic groups has been identified through this assessment, either from the proposed objectives for the strategy or the activities currently proposed for funding through the Sharing Prosperity Fund. However, it may be that as the strategy develops, actions or projects are identified which have an impact on particular ethnic groups. Any such impacts will be highlighted in a revised EqIA to accompany the initial draft strategy.

(h) Religion or Belief

No differential impact on people due to their religion or belief has been identified through this assessment, particularly as a result of the objectives for the strategy and the projects that are currently proposed to be funded.

(i) Sexual Orientation

No differential impact on people due to their sexual orientation has been identified through this assessment, particularly as a result of the objectives for the strategy and the projects that are currently proposed to be funded.

(j) Other factors that may lead to inequality – in particular – please consider the impact of any changes on low income groups or those experiencing the impacts of poverty (please state):

The overall aim of the Anti-Poverty Strategy is to improve the standard of living and daily lives of those residents in Cambridge who are currently experiencing the impacts of poverty. The strategy will bring greater focus and coordination to the Council's existing efforts to address poverty, while identifying areas where the Council can have even greater impact.

The action plan sets out 55 initial actions which aim to have a positive impact on people on low incomes. Some of these actions involve new areas of activity, while others involve an active decision to continue funding existing activity which has a positive impact on residents with low incomes. Some of the new initiatives identified in the strategy which could have the following impacts on low income groups include:

- If the Council secures accreditation from the Living Wage Foundation as a Living Wage employer, this will have a positive impact on staff, agency workers and contractors. Insofar as the Living Wage is calculated to provide for a basic cost of living and to enable employees to provide for themselves and their families, it will contribute in a tangible way to ameliorating the financial disadvantage and difficulties of those in the lowest paid jobs.
- If the employment of a Living Wage External Campaign Officer results in more businesses and other organisations within the City, including the Universities, paying a Living Wage to their staff, this will have a positive financial impact on those residents who are currently not paid the Living Wage.
- Providing additional support to credit unions in the city will help residents on low incomes to access banking services and affordable credit and avoid loan sharks.
- The Water and Energy Costs Anti-Poverty Scheme would provide officer capacity to assist residents to review their water usage and assess whether they would achieve savings through having a water meter installed. If additional support and promotion in lower income areas resulted in greater awareness and take-up of water meters, this could potentially have a positive impact on some residents living on low incomes if it led to a reduction in their water bills.
- The increased budget for promotion of energy efficiency and insulation schemes could have a positive impact on those living on low incomes if the proposed targeting of low income areas of the City results in greater take-up in these areas.
- Extra Cambridge promotion of the Cambridgeshire Collective Energy Switching Scheme could have a positive impact on those on low incomes and those suffering from fuel poverty if it leads to greater awareness and take-up of the County-wide collective energy-switching scheme amongst Cambridge residents
- The apprenticeship programme aims to create more apprenticeships than are currently available in City Council services, which would have a positive impact on the skills and employability of those people that benefit from the apprenticeships created. If these people are from low income households, this could have a positive impact on poverty.
- Providing an expanded programme of 'Community Clear Out Days' in the North and South of the City could have a positive impact on those residents living on low incomes and others who may find it difficult to access existing locations. It would increase access to free disposal of bulky waste rather than paying for these services.

8. If you have any additional comments please add them here

9. Conclusions and Next Steps

- If you have not identified any negative impacts, please sign off this form.
- If you have identified potential negative actions, you must complete the action plan at the end of this document to set out how you propose to mitigate the impact. If you do not feel that the potential negative impact can be mitigated, you must complete question 8 to explain why that is the case.
- If there is insufficient evidence to say whether or not there is likely to be a negative impact, please complete the action plan setting out what additional information you need to gather to complete the assessment.

All completed Equality Impact Assessments must be emailed to Suzanne Goff, Strategy Officer, who will arrange for it to be published on the City Council's website.
Email suzanne.goff@cambridge.gov.uk

10. Sign off

Name and job title of assessment lead officer: David Kidston, Strategy and Partnerships Manager

Names and job titles of other assessment team members and people consulted:
Suzanne Goff, Strategy Officer

Date of completion: 3 October 2014

Date of next review of the assessment: March 2015, to coincide with the presentation of the initial draft Strategy to the Council's Strategy and Resources Committee.

Action Plan

Equality Impact Assessment title:

Date of completion:

Equality Group	Age
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Disability
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Gender
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Pregnancy and Maternity
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Transgender
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Marriage and Civil Partnership
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Race or Ethnicity
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Religion or Belief
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Sexual Orientation
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Other factors that may lead to inequality	
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

ⁱ Public Health England, 2014, Cambridge District Health Profile 2014
<http://www.cambridgeshireinsight.org.uk/health/profilesdata/lahealthprofiles>

ⁱⁱ Joseph Rowntree Foundation, 2014, Tackling Poverty Across All Ethnicities in the UK
<http://www.jrf.org.uk/publications/tackling-poverty-across-all-ethnicities-uk>

ⁱⁱⁱ Office for National Statistics (ONS), 2011, Census

^{iv} Office for National Statistics (ONS), 2011, Census

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Draft Anti-Poverty Strategy

2014-2017

1.0 Executive Summary

- 1.1 Despite the national economic downturn, the Cambridge economy has continued to thrive. The city is a national centre for higher education and research and development, it is home to a globally significant hi-tech and biotechnology economy, and it also has a significant tourism industry. Many residents in Cambridge benefit from the city's prosperous economy, with high average earnings, low rates of unemployment and a large number of jobs available in the city.
- 1.2 However, it is important that the benefits of prosperity are shared by all Cambridge residents. Despite the success of the city's economy as a whole, a review of available evidence suggests that a significant proportion of people living in the City are living on low incomes. A fifth of households in the city have annual earnings of £19,169 or less, and one in ten households earn £16,518 or less each year¹. A significant proportion of Cambridge residents (11.2%) are also in receipt of benefits such as Housing Benefit and Council Tax benefit, and this figure rises to more than 20% in some wards in the city.
- 1.3 By focussing solely on income-based measures of poverty, there is the risk that we miss some of the wider causes and effects of poverty on individuals and households in Cambridge. The Index of Multiple Deprivation 2010 (IMD), which brings together a range of indices to provide a single measure of deprivation, identifies two areas within Kings Hedges which fall within the 20% most deprived areas in the country. There are also a further 18 areas in the city which are amongst the 40% most deprived areas nationally.
- 1.4 The evidence available suggests that there are a number of key issues which contribute to poverty in Cambridge:
- A combination of declining wages in real terms and a high cost of living in Cambridge, resulting from rising housing, energy, food and transport costs.
 - Changes to in-work and out-of-work benefits resulting from national welfare reforms, which have had a significant impact on incomes for some residents.
 - Increasing numbers of residents with low incomes finding themselves in crisis situations because they do not have the financial reserves needed to deal with unexpected events.
 - A proportion of residents working in low paid, low skilled work with limited opportunities for progression, because the majority of employment available in Cambridge is in high skilled occupations.
 - Poorer educational attainment and aspirations for children and young people growing up in low income families.
 - Rising house prices and private rents, which are difficult for residents on low incomes to afford, combined with high demand for social housing available in the city.
 - Higher than average rates of fuel poverty, particularly for households in the private rented sector.

- Poorer health outcomes for those with low incomes in the city, with life expectancy for women 10 years lower in the most deprived area of Cambridge than the least deprived, and 9.6 years lower for men².
- Higher than average rates of child poverty in some areas of the city, including Abbey and King's Hedges wards where more than a quarter of children are living in poverty.
- A significant proportion of older people in the city living on low incomes, and older residents more likely to experience social isolation.
- Issues with limited access to digital media and technology for residents on low incomes, which can make it difficult to access services and exclude people from offers of lower prices for goods and services.

1.5 The City Council recognises that it cannot tackle poverty on its own. There are a range of different factors which contribute to poverty, some of which the City Council is not able to control directly. However, the City Council is committed to taking action, working in partnership with other organisations where there are opportunities to do so. The aim of this strategy is to improve the standard of living and daily lives of those residents in Cambridge who are currently experiencing poverty, but also to alleviate issues that can lead households on low incomes to experience financial pressures.

1.6 The draft strategy identifies 7 key objectives for City Council activity to address poverty, which are set out in the table below. It also some broad areas of activity that will be delivered, and some initial proposed actions that City Council services plan to undertake during 2014/15 and 2015/16 to address the key issues.

Objective	
1	Helping people on low incomes to maximise their income and minimise their costs
2	Raising aspirations and making the move into work easier
3	Reducing the impact of poverty on children and helping low income families with the cost of raising a child
4	Reducing the link between poor health and poverty
5	Ensuring that vulnerable older people get the services that they need and reducing the social isolation they can experience
6	Helping people with high housing costs and improving the condition of people's homes
7	Working in partnership to tackle wider barriers to employment and engagement

2.0 Introduction

- 2.1 Cambridge is a city with a thriving economy where the quality of life enjoyed by many residents is high. However, evidence shows that the benefits of this prosperity are not shared by all Cambridge residents and a significant proportion of people living in the City are living on low incomes. The aim of this strategy is to improve the standard of living and daily lives of those residents in Cambridge who are currently experiencing poverty, but also to alleviate issues that can lead households on low incomes to experience financial pressures.
- 2.2 This document is an initial draft of the anti-poverty strategy. It identifies the key issues which contribute to poverty in Cambridge. It also sets out 7 key objectives for City Council activity to address poverty, and some initial proposed actions that City Council services plan to undertake during 2014/15 and 2015/16 to address the key issues.
- 2.3 The draft strategy builds on a review of available empirical evidence, and initial consultation with stakeholders. During July and August 2014, 15 face-to-face meetings were held with representatives of local organisations that are working to address different aspects of poverty in the city. A stakeholder workshop was also held on 5 September 2014, which brought together key stakeholders to consider the key issues in Cambridge, and identify interventions which have been successful, both in Cambridge and in other towns and cities.
- 2.4 We will carry out wider public consultation on the draft strategy from October 2014 to January 2015. A final draft of the strategy will then be presented to Councillors for approval in March 2015 for approval by the Executive Councillor. During the public consultation period, the Council will consult with a wider range of partner organisations and will actively seek the views of local residents. This consultation will involve:
- Publishing the draft strategy and a questionnaire survey on the City Council website. The survey will be publicised via the Council's Twitter account, a media release and other corporate communications channels, and sent directly to relevant partner organisations;
 - Workshops with voluntary and community organisations, local businesses, Cambridge University and Anglia Ruskin University, and faith groups.
 - Engagement with vulnerable residents via local organisations and agencies that they trust

Key issues

3.0 Sharing prosperity

- 3.1 Despite the national economic downturn, the Cambridge economy has continued to thrive. The city is a national centre for higher education and research and development, with employment in these sectors over 10 and 8 times higher than the national shares of employment respectively³. It also has a globally significant hi-tech and bio-technology economy. In the wider Greater Cambridge sub-region (which includes the districts of Cambridge City and South Cambridgeshire), there are over 1,525 technology companies with more than 54,000 employees and a combined revenue of over £12bn⁴. Cambridge also has a substantial tourism industry that generates annual expenditure of £351m⁵.
- 3.2 Many residents in Cambridge benefit from the city's prosperous economy. In 2013, Cambridge had the sixth highest average weekly earnings (£556 per week) of any city in the UK⁶. There are more jobs available per capita within Cambridge (1.08) than there are nationally (0.78)⁷, and the level of unemployment in the City (5.0% in 2013) is lower than the national average (7.5%)⁸.
- 3.3 However, it is important that the benefits of prosperity are shared by all Cambridge residents. Despite the success of the city's economy as a whole, evidence suggests that a significant proportion of people living in the City are living on low incomes. While the average annual household earnings in Cambridge were £37,344 in 2012, a fifth of households in the city have annual earnings of £19,169 or less, and one in ten households earn £16,518 or less each year⁹.
- 3.4 As might be expected in a city with low levels of unemployment, there are few people in Cambridge claiming out-of-work benefits such as Job Seekers Allowance (JSA). The Centre for Cities identified Cambridge as having the lowest level of JSA claimants (1.4% in November 2014) of any city in the UK¹⁰. However, a significant proportion of Cambridge residents are in receipt of other benefits, such as Housing Benefit and Council Tax benefit, which can be paid to people who are in low paid work, as well as those who are not in work. In 2013, 11.2% of Cambridge residents lived in households in receipt of Housing Benefit and/or Council Tax Benefit.
- 3.5 As Figure 1 below shows, housing benefit claimants and their dependents are concentrated in particular areas within the City, primarily in the North and East of the City. King's Hedges (21.4%), Abbey (20.4%), East Chesterton (18.8%) and Arbury (16.5%) are the wards with the highest levels of housing and/or council tax benefit claimants and their dependents.

3.6 However, by focussing solely on income-based measures of poverty, there is the risk that we miss some of the wider causes and effects of poverty on individuals and households in Cambridge. The Joseph Rowntree Foundation (JRF) provides the following broader definition of poverty:

*“income and resources are so inadequate as to preclude them from having a standard of living considered acceptable in the society in which they live. Because of their poverty they may experience multiple disadvantage through **unemployment, low income, poor housing, inadequate health care and barriers to lifelong learning, culture, sport and recreation**. They are often excluded and marginalised from participating in activities (economic, social and cultural) that are the norm for other people.”*

3.7 Evidence suggests that people living in poverty in Cambridge experience the multiple disadvantages identified by the JRF. The Index of Multiple Deprivation 2010 (IMD) is a single measure of deprivation which brings together seven different individual indices relating to income; employment; education, skills and training; housing; crime; and living environment. As Figure 2 shows, the IMD identifies two areas¹¹ within Kings Hedges which fall within the 20% most deprived areas in the country. There are a further 18 areas in the city which are amongst the 40% most deprived areas nationally.

Figure 1 – Distribution of Housing Benefit claimants in Cambridge by Lower Super Output Area (LSOA)

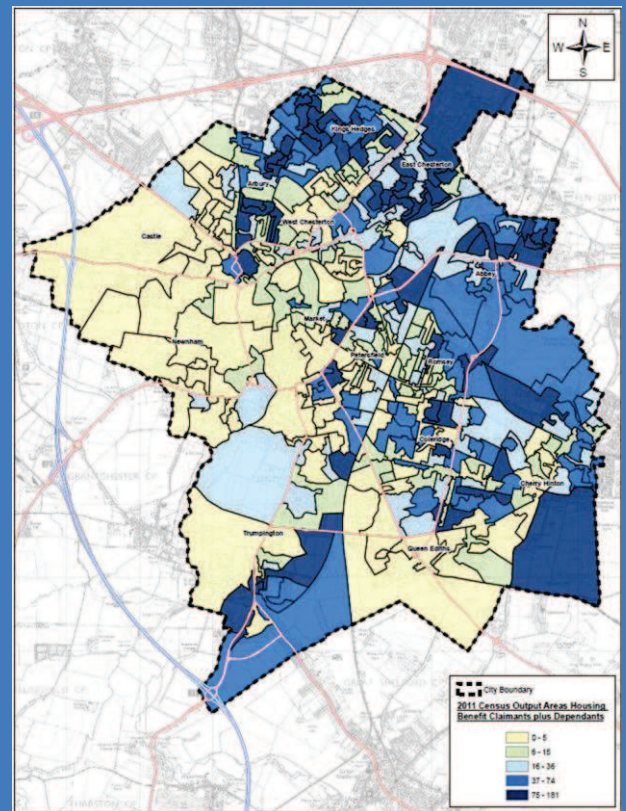
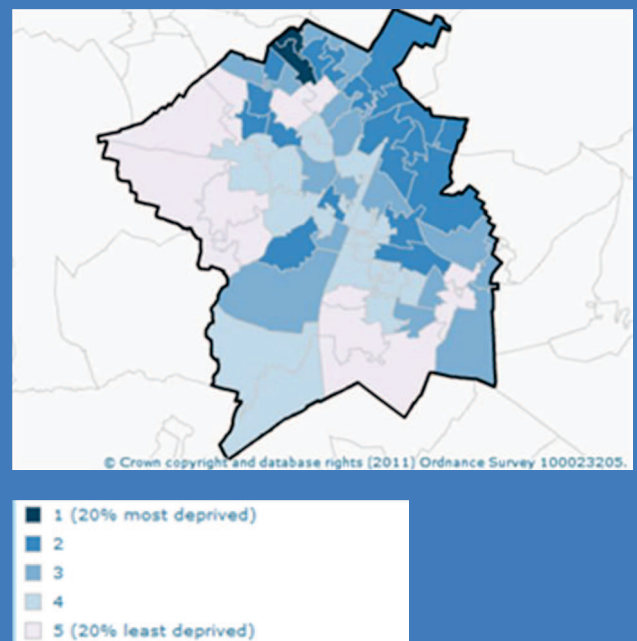


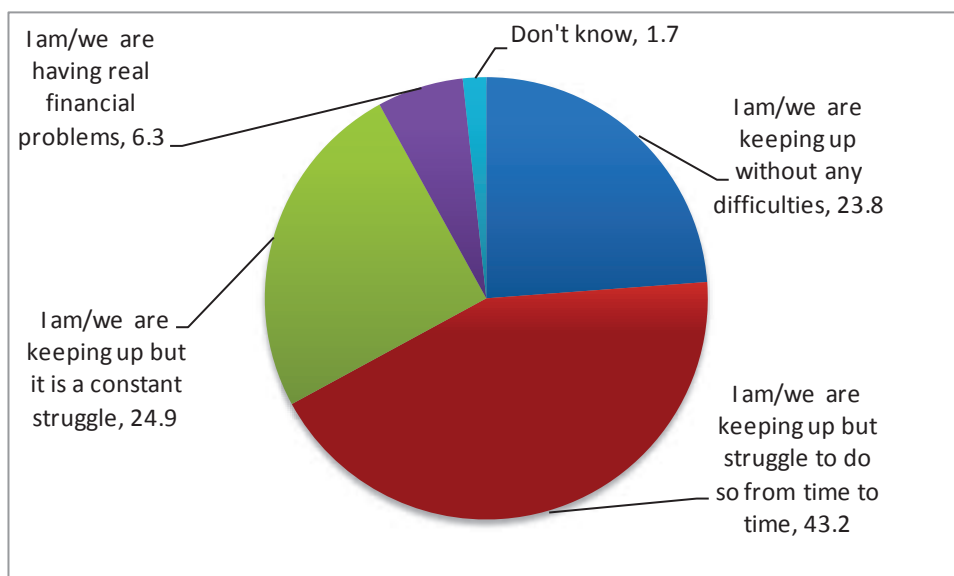
Figure 2– National ranking of Lower Super Output Areas (LSOAs) in Cambridge in the Indices of Multiple Deprivation 2010



4.0 Low incomes and high costs

- 4.1 While average earnings in Cambridge have increased in absolute terms over the past 10 years, analysis by the Centre for Cities shows that wages have declined in 'real' terms in recent years. Cambridge experienced the biggest drop in 'real' earnings of any city in the UK from 2012 to 2013, with average wages falling by £31 from £574 to £543 in real terms in the city in this period¹². Although average incomes in Cambridge are high, a significant proportion of residents are living on low incomes. A fifth of households in the city have annual earnings of £19,169 or less, and one in ten households earn £16,518 or less each year¹³.
- 4.2 It can be particularly difficult to manage on a low income due to the high cost of living in Cambridge, resulting from rising housing, energy, food and transport costs. For example, Cambridge had the highest increase in average house prices (10.7%) between 2012 and 2013 of any city in the UK. Since 2008, nationally the cost of domestic energy has increased by 45%, the cost of travel by 37% and the cost of food by 26%¹⁴.
- 4.3 As the chart below shows, a recent survey of City Council tenants found that in 2014 less than a quarter (23.8%) of respondents felt they were keeping up with the cost of living. 74.4% of tenants experienced at least some difficulty in keeping up with the cost of living, with 31.2% feeling either that it is a constant struggle or that they are having real financial problems.¹⁵

Chart 1 – City Council tenants views on how they are keeping up with the cost of living



Source: Cambridge City Council Tenants Survey 2014 (1548 respondents to this question)

- 4.4 It can also be difficult to manage on a low income due to what is sometimes known as the 'poverty premium'. People on low incomes tend to pay more for many goods and services than those on higher incomes. For example:

- Domestic energy costs more if you do not have a contract and you pay for it on a pre-payment card.
- Many bills (e.g. energy bills, telephone bills) cost more if you cannot pay by direct debit, which is difficult for people without a bank account or with variable monthly income.
- Paying for large items, such as white goods, on credit schemes is ultimately more expensive than if you can afford to pay for them in full at the outset.
- If you do not have access to a car or cannot afford to travel to a supermarket by public transport, food tends to be more expensive in local shops.

4.5 As highlighted at 1.4 and 1.5 above, a significant number of households in Cambridge are receiving both in-work and out-of-work benefits. Changes to benefits resulting from national welfare reforms have had a significant impact on incomes for some residents. Issues with benefits are the most common reason that Cambridge residents seek advice from the Citizen's Advice Bureau; 29% of almost 13,000 problems dealt with by the (CAB) in 2013/14, related to benefits. CAB and other stakeholders have highlighted a number of issues that can affect the incomes of Cambridge residents who are claiming benefits, including:

- Spare Room Subsidy, which has led to increased housing costs for some low income households. 464 households renting from the Council were affected by the Spare Room Subsidy, which represents 6.35% of all City Homes tenants. A further 223 housing association households were similarly affected¹⁶
- 'Sanctions' for missing an appointment with JobCentre Plus, or for not completing agreed job search activities, which include benefits being stopped for a period of weeks. This is a particular issue for homeless people, who may be more likely to miss appointments due to chaotic lifestyles.
- Residents not receiving Employment Support Allowance (ESA) following assessments; and some residents waiting for assessments for Personal Independence Payments (PIP) for a number of months and having no or reduced income for this period.

4.6 While no residents in Cambridge experience the level of poverty experienced by many in the developing world, the evidence suggests that some households in Cambridge struggle to afford services and commodities that most residents take for granted. Cambridgeshire County Council and CHS Group have both recently carried out qualitative research with people on low incomes. As the quotes from low income households who took part in this research below show¹⁷, this can include basic necessities such as food, energy, or housing. For households with children, it can include school uniforms and other clothing, or treats such as trips to the local swimming pool, bowling or cinema, or holidays and excursions.

I struggle to pay my bills and I never have any spare money. I do have to clothe and feed my kids before luxuries

Once I have bought food gas electric bills and the essentials I have no money left

We are not poor but everything is budgeted. He is going to be getting bigger, soon he will be going to school, uniform – don't want to think about it

It's difficult to pay for activities for your kids. How can we afford to pay for all these things?

There are no luxuries, I really miss being able to go on holiday. There is nothing worse than not being able to buy your daughter an ice cream or being able to treat my children

We was going to go bowling, but the bowling was going to cost us £55, just for 2 games. It does cost a lot of money and I just think, how do other people do it?

She was learning swimming but it's really expensive and I had to stop yesterday because I can't afford it

- 4.7 Due to a combination of high living costs and low incomes, some residents in Cambridge have very limited disposable income or savings. They are more likely to find themselves in crisis situations, because they do not have the financial reserves needed to weather unforeseen events, such as the washing machine breaking, the car breaking down, or an unexpectedly large utility bill. As a result, they may need to make use of crisis services, such as emergency food parcels from Foodbanks. The number of people in crisis helped by the Cambridge City Foodbank doubled from 2,390 people in 2012/13 to 4,710 in 2013/14 people. Such emergencies can also lead to residents seeking support from less benevolent sources. Some residents take out high interest loans from loan sharks or doorstep lenders in order to meet these on-off costs, which can lead to debts that they can never afford to pay off.

I had an unexpected bill go out of the bank and it left us with nothing I had to use the food bank. If it hadn't been for my friend telling me about it I don't know what I would have done to feed my family. I didn't enjoy the experience it made me really embarrassed

My husband earns very little, not stable (agency) and income is not the same each week, this week he worked only 7 hours. I borrow money from friends, if I can or try to delay paying the utility bills.

I've had my phone cut off 3 times it's not my fault, the bills have fallen on day when my money's not in the bank for another 2 days.

Phone bill was £97 it should have only been 25 quid, even [the] phone company don't know why. I had to borrow money from my mum to cover other things

My cooker blew up and I had to ask my dad as there is no one else to turn to. I have heard of crisis loans but I don't know how they work, there is Freeman's Charity but because I have money coming in I don't qualify for it. I don't meet the right criteria. Because there is no money left at the end of the month I don't have any money left if I have a crisis.

I once used a loan shark called 'Quid Finder', but even to just sign up to the website they charged me £69.00. This put me in more financial debt so I did not find this helpful at all

- 4.8 A number of stakeholders identified financial literacy as a key issue for some people on low incomes. At a basic level, this can be a lack of understanding about how financial services, such as bank accounts, credit cards, standing orders and direct debits operate. Some residents also need support with financial planning in order to manage on a low income and avoid going into debt. For others, the desire to have the same standard of living as friends and acquaintances or wider societal pressures can lead to unsustainable levels of debt. For example, many people aspire to have expensive mobile phones due to social pressures, but also because many services can only be accessed online and they may not have other means of accessing the internet.

I believe that there should be more help out there in terms of learning how to budget. Most young people in [the] Foyer and probably across the country just have to learn from their mistakes. But it's hard on a low income to make mistakes, you don't have to income to fall back upon, so I think we should either be taught budgeting in school or have more support about how to handle money.

5.0 Employment and Skills

- 5.1 Although employment rates are high within the city, barriers to employment exist for some residents. A number of stakeholders interviewed identified the 'benefits trap' as a key barrier to employment for some residents in Cambridge who are not currently working. For residents on very low incomes, the difference between not working and working can be a matter of a few pounds per week, which significantly reduces the incentive to work. In some cases, people may actually be financially worse off if they are working. This is because their earnings from employment are offset by the reduction in their entitlement to benefits, such as Housing Benefit, when they are working. If an

employment opportunity does not work out, it can take a number of weeks for benefits to be reinstated, which can also act as a disincentive to work.

Working tax credits is a real sore point. Because I get this I don't qualify for free school meals, clothing grants, free prescriptions or help with housing and Council tax. It's so frustrating I am no better off working.

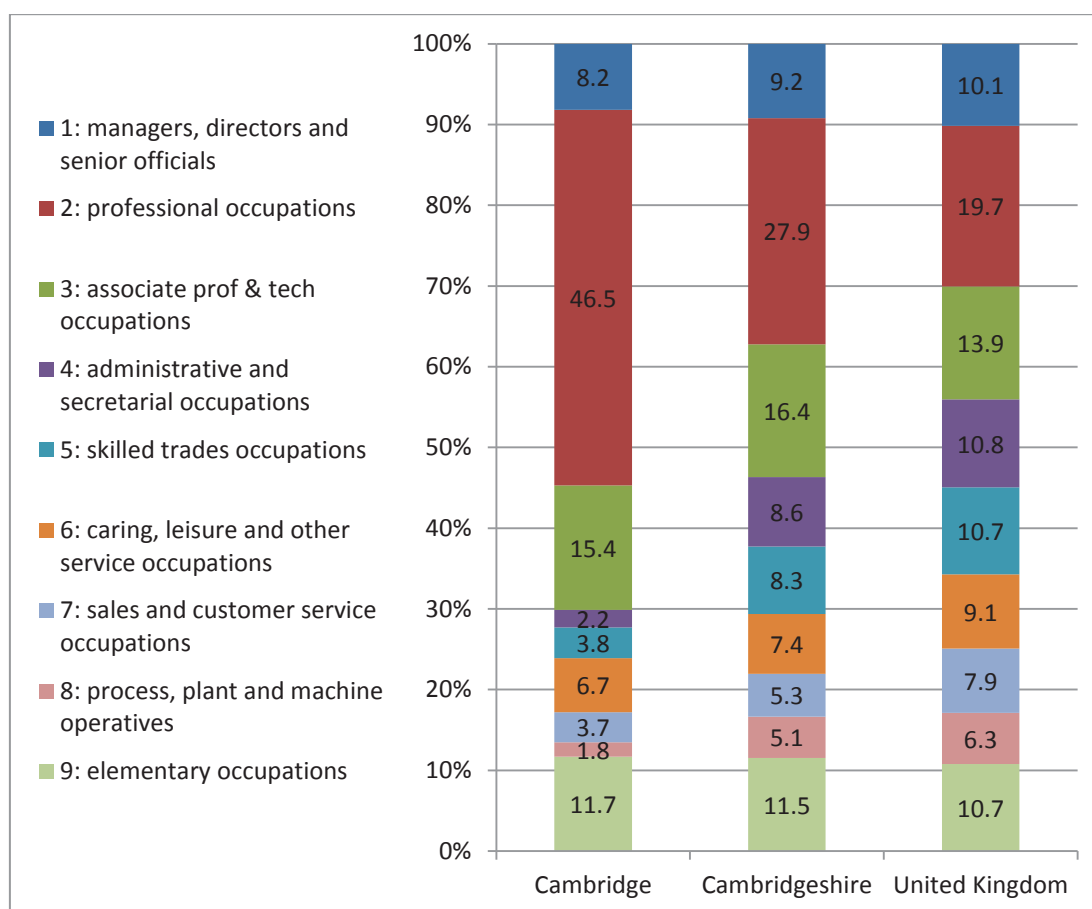
- 5.2 The limited availability and high cost of childcare in Cambridge can act as a barrier to employment or training for those on low incomes. For some parents, it can reduce their net income to the point where working does not pay, or improving their skills is difficult.

They say they want people to go back to work that's fine, but if you've got a kid and they're under 2 you can't. You can't afford it, 'cos you'll be spending most of your wages paying for childcare.

I wish the college had a crèche, it's only open certain days of the week, it's free but the amount of people that are quite a bit younger than me who have had kids and want to go back to college but they can't do it cos they've got nobody else to look after their kids, and then it starts all over again. And then they get to the point when they're my age.

- 5.3 Although there are a large number of job opportunities within Cambridge, this does not necessarily mean that they are all available to Cambridge residents. The strength of the higher education, research and development and hi-tech sectors in Cambridge means that higher than average skill levels are required to access the majority of jobs in the city. As Chart 1 below shows, just over 70% of jobs in the Cambridge economy are in the top 3 classifications (managers, directors, senior officials; professional occupations; and associate professional and technical occupations). This compares to 53.5% of jobs in Cambridgeshire and 43.5 % of jobs nationally.
- 5.4 As a result, a large number of highly skilled people are attracted to live and work in the city. Cambridge has the highest proportion of high skilled residents of any city in the UK (In 2012 65.9% of the working age population had qualifications at NVQ4 level or & above).¹⁸

Chart 2 – Percentage of all who are in employment working in different occupations in 2013



Source: Annual Population Survey, ONS

- 5.5 Only 16.4% of jobs are in mid-level occupations in Cambridge (administrative and secretarial occupations; skilled trades occupations; caring, leisure and other service occupations; sales and customer service occupations), compared to 29.6% of jobs in Cambridgeshire and 38.5% of jobs nationally. At the same time, the proportion of people employed in elementary occupations in Cambridge (level 9) has increased from 6.8% in 2009 to 11.7% in 2013. As a result of these features of the Cambridge labour market, residents who do not have the higher level skills required by the majority of positions can find themselves excluded from higher value employment opportunities and locked into low paid work.
- 5.6 In addition to skills barriers, there is a high level of competition for jobs in Cambridge, due to the large number of people commuting into the City from surrounding areas for work. Cambridge is the third largest travel to work (TTWA) area in the East of England, and is one of two TTWAs in the region which are net importers of workers¹⁹.

6.0 Educational Attainment and Aspirations

- 6.1 Children currently eligible for Free School Meals (FSM), which is a proxy measure for children living in poverty, have poorer educational attainment in Cambridge than those not eligible for FSM.
- In 2014, only 37.1% of FSM pupils in Cambridge achieved a good level of development in the Early Years Foundation Stage (EYFS), compared to 62.6% of children not eligible for free school meals in the city²⁰.
 - In 2014, only 48.8% of FSM pupils achieved L4+ in Key Stage 2 Reading Writing and Maths, compared to 80.7% of children not eligible for free school meals in the city²¹.
 - In 2013, only 32.7% of FSM pupils in Cambridge achieved GCSE 5+ grades A*-C, including English & Maths, compared to 66.7% of children not eligible for free school meals in the city²².
- 6.2 Some stakeholders have suggested that the poorer education attainment of children in poverty is partly due to the more limited opportunities for learning available to children in low income households. It is also partly because some young people in the city grow up with low expectations due to a combination of a lack of role models in their family or community, or a lack of expectation at school.
- 6.3 A number of stakeholders have also suggested that the language that is used to describe people, places and institutions is key to their chance of success. Labelling people, schools or areas of the city as 'poor' or 'deprived' can be demoralising and demotivating. Initiatives which identify individuals as poor or from low income families, such as Free School Meals, can be stigmatising, unless such support can be anonymised. There is a need to balance targeted initiatives, with inclusive services that can be accessed by all residents.

7.0 Housing and poverty

- 7.1 Rising house prices in Cambridge mean most people on low incomes in the city cannot afford to own their own homes. For example, the average house price in Cambridge in March 2014 was £386,782, which is 9.7 times average earnings²³. The lower quartile house price was £216,500, which was 14.08 times the lowest quartile of earnings.
- 7.2 Rents in the private rented sector are also high in Cambridge. In 2013/14 the average private rent in the City was £912 per month. Rent accounts for a high proportion of income for those on low incomes. The lower quartile private rent in 2013/14 for the same period was £563 per month²⁴, which is equivalent to 28% of lower quartile household earnings²⁵.
- 7.3 Families on low incomes who are renting in the private sector or living in social housing are entitled to claim Housing Benefit. However, the amount of Housing Benefit available to residents in private rented accommodation in Cambridge does not always reflect the high cost of rents in the city. Housing

Benefit claimants in private rented accommodation receive Local Housing Allowance (LHA), but LHA rates vary between different Broad Rental Market Areas (BRMAs). The Cambridge BRMA includes both the city, where rents are high, and surrounding rural areas, where rents are much lower. As a result the LHA rate across the whole area is set significantly below the level of the lowest rents in Cambridge. For example, the lower quartile private rental in 2013/14 for a two bedroom property was £825 per month, but the LHA for a two bedroom property in the same period was only £574 per month²⁶.

- 7.4 The City Council and housing associations provide a range of social housing for rent which is more affordable for people on low incomes than many properties in the private rented sector. The City Council currently acts as landlord to 7,250 properties, and housing associations provide further properties at below market rents. However, the level of demand for social housing in the city exceeds the current supply.
- 7.5 As a result of high rental costs, an increasing number of working households in Cambridge are claiming housing benefit. Between January 2011 and February 2014 the number of working households in Cambridge who are claiming housing benefit rose from 1,020 to 1,439, which represents a 41% increase. Over the same period, the total number of working age housing benefit claimants in the city increased from 5,062 to 5,326²⁷.
- 7.6 The dynamics of the housing market in Cambridge also have an impact on some of the employment issues highlighted in section 4.0. For example, some stakeholders have suggested that a combination of the impact of Right to Buy and more recent changes in national housing policy can make it more difficult for some working households on low incomes to access affordable or social housing in locations which are close to their employment.
- 7.7 In 2011, the proportion of households who experienced fuel poverty²⁸ (14.7%) in Cambridge was worse than the national average (12.2%). There were 6,860 (14.7%) households in the City living in fuel poverty, with households in the private rented sector more likely to experience fuel poverty than those living in other tenures²⁹. As highlighted at 3.5, residents on low incomes are more likely to be in fuel poverty because they are less likely to afford rising energy and fuel prices. People living in properties which are less energy efficient are also more likely to experience fuel poverty.
- 7.8 The high cost of housing in Cambridge can make it difficult for homeless people, particular single homeless people, to progress from hostel accommodation to their own tenancies in the private rented or social housing accommodation. The private rented sector can be unaffordable to all sizes of households due to a combination of high rents and low benefit levels.
- 7.9 Local homelessness organisations also said that homeless people experience particular barriers to the labour market. They are more likely to have a range of complex needs, including drug and alcohol misuse, mental health issues and learning disabilities, which can make it more difficult to secure and sustain

employment. Many homeless people also have chaotic lifestyles and require more support to become work-ready as a result.

8.0 Health and Poverty

8.1 It is recognised that there is a relationship between lower incomes and poorer health. Following a review of 272 wide-ranging pieces of research, the Joseph Rowntree Foundation (JRF)³⁰ identified four broad routes through which income influences health:

- *Material* – money buys goods and services that improve health; the more money families have, the more/better goods they can buy;
- *Psychosocial* - managing on a low income is stressful; comparing oneself to others and feeling at the bottom of the social ladder can be distressing. Such stress can lead to biochemical changes in the body, damaging its systems and eventually causing ill health;
- *Behavioural* – for various reasons, people on low incomes are more likely to adopt unhealthy behaviours (smoking and drinking for example), while those on higher incomes are more able to afford healthier lifestyles;
- *Poor health leads to low income* – health may affect income by preventing people from taking paid employment. More indirectly, childhood health may affect educational outcomes, in turn affecting employment opportunities and earnings potential.

8.2 Available evidence suggests that this link between lower income and poor health can be seen in Cambridge. For example, between 2010 and 2012 life expectancy for women was 10.0 years lower in the most deprived area of Cambridge than the least deprived, and 9.6 years lower for men³¹.

8.3 In addition to the influences on health identified by the JRF, some local stakeholders have suggested that some residents on low incomes can make less healthy dietary choices due to a combination of not being able to afford healthier food products, limited cooking skills and a lack of understanding of healthy eating and nutrition.

I can afford the basic food - Simple Value things and pot noodles. But I can't afford to buy good, healthy food to live off.

I struggle to afford extras like luxuries, fresh fruit and veg are very expensive. I buy frozen because it's cheaper - I can get more for my money, fresh goes off too quickly. The lack of fresh fruit and veg makes me feel grim and I don't feel like cooking. I would love to give my four fresh fruit and vegetables but we can't afford it.

- 8.4 The JRF have identified the negative impact that managing on a low income can have on mental health. Some stakeholders also expressed concern that forthcoming welfare reforms, such as the introduction of Universal Credit, are impacting on the mental health of vulnerable residents, as uncertainty about how it will impact on them can lead to fear and anxiety. As a result local advice agencies are currently spending a lot of time providing advice to residents on this issue.

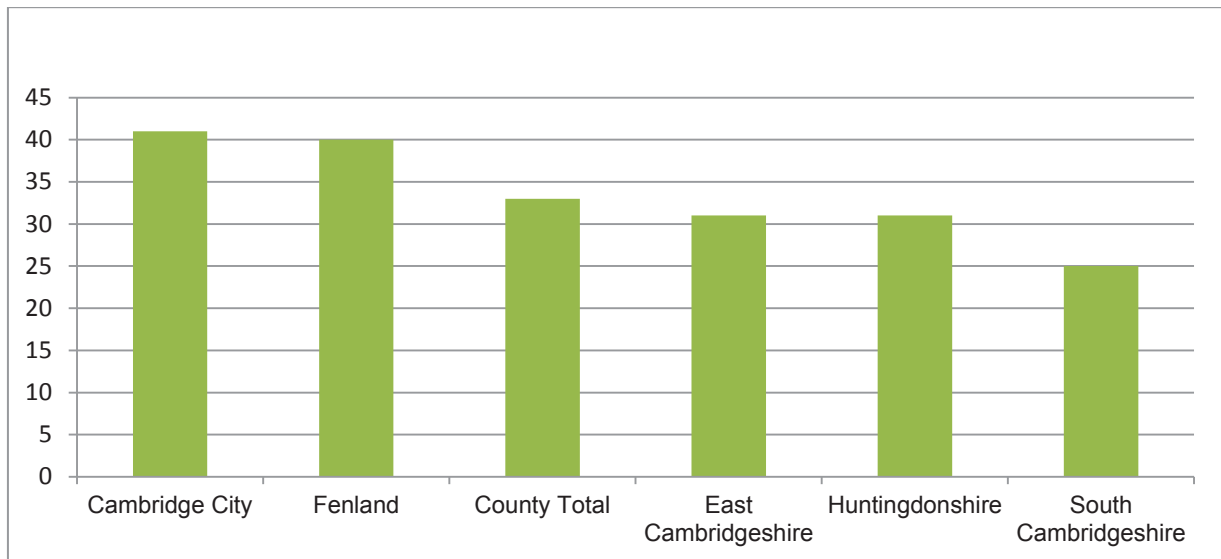
Living on a low income is stressful and gets you down. Especially when you are trying to just keep a roof over your head and not really making any money for yourself to spend.

It's very difficult, the stress of money and debt gets you down. Between me and you, it's got me to the point of suicide before. When you are on your own and you have debt coming through your door it is very scary.

9.0 Children and families

- 9.1 While the majority of children in Cambridge grow up in households with a reasonable level of income, a significant proportion of children in the city live either in poverty, or in low income households. Based on the national definition of child poverty, 15.3% of children were living in poverty in Cambridge in 2011, which was higher than the figure for Cambridgeshire as a whole (12.6%), but lower than the average for England (20.1%)³². In 2013, 17% of children in Cambridge were living in a household that was claiming housing benefit. The number of children living in households claiming housing and/or council tax benefit increased from 3,588 to 4,178 between 2009 and 2013³³.
- 9.2 As might be expected, child poverty rates are higher in the more disadvantaged areas of Cambridge. There are three wards in Cambridge which had higher rates of child poverty in 2011 than the national average and which fall within the top ten wards in Cambridgeshire: Abbey (26.7%), King's Hedges (25.8%) and East Chesterton (23.9%)³⁴. There are two wards in Cambridge which fall within the top ten wards in Cambridgeshire with the highest percentage of households with dependent children where there are no adults in employment. In Abbey the figure is 18.5% and in Kings Hedges the figure is 16.7%³⁵.
- 9.3 Evidence suggests that particular types of household, such as lone parents, are more likely to be on low incomes and therefore may be more likely to struggle with the costs of bringing up children. Almost four out of five lone parent households in the City claim housing benefit³⁶. As Chart 2 below shows, Cambridge has the highest proportion of lone parents with dependent children who are not in employment of the five districts in Cambridgeshire. 41% of the 798 lone parents in the city with dependent children are not in employment. In Abbey, Castle and East Chesterton wards this figure rises to 51.4%, 48.6% and 46.2% respectively³⁷.

Chart 3 – Percentage of lone parents not in employment with dependent children by Cambridgeshire district



Source: 2011 Census, ONS

10.0 Older people

- 10.1 While many older people in Cambridge are relatively affluent, the available evidence suggests that a significant proportion of older people in the city have low incomes. For example, nearly one pensioner household in five (18%) in Cambridge is claiming Housing Benefit, while more than one in three (38%) single pensioner households in the city are claiming Housing Benefit.
- 10.2 Older people are also more likely to experience social isolation than other age groups. National research shows that over half (51%) of all people aged 75 and over live alone.³⁸ 17% of older people are in contact with family, friends and neighbours less than once a week and 11% are in contact less than once a month.³⁹ Two fifths of all older people say the television is their main company.⁴⁰

We feel like we are really rather isolated. As one gets older one needs more support, where do we get support from?

Over 65 General Needs interviewee,
CHS Community Partnership Pilot

It would be nice if they could print out something sometimes so we could meet with other people. I am very lonely sometimes.

Over 65 General Needs interviewee,
CHS Community Partnership Pilot

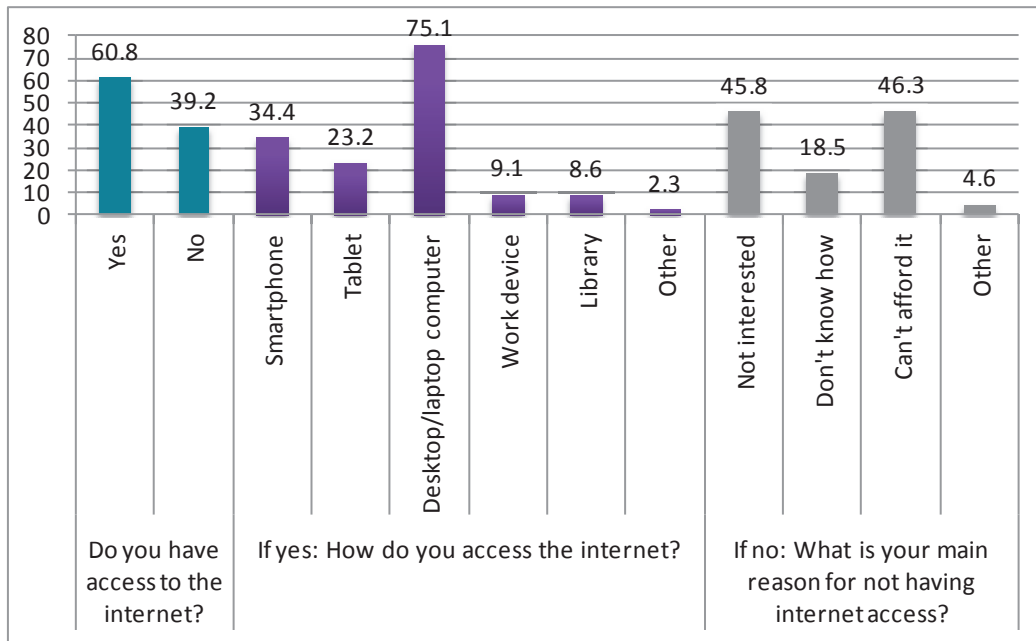
11.0 BAME Communities

- 11.1 Recent research by the Joseph Rowntree Foundation suggests that poverty is higher among all ethnic minority groups than among white British people in the UK, but there is variation within and between ethnic groups. Ethnicity interacts with gender, class, education, disability and geography to affect poverty⁴¹.
- 11.2 Cambridge continues to be one of the most diverse places in the country outside of London, with an increasing proportion of its population made up of ethnic groups that are not white. In 2011, 17.5% (or 21,700 people)⁴² identified themselves as belonging to other ethnic groups, compared to 10.0% in 2001⁴³. The largest of these groups in 2011 were Bangladeshi, Chinese and Indian, representing an aggregated proportion of the population of 7.9% (or 9,716 people).
- 11.3 While ethnic minority residents in Cambridge have a range of income levels, stakeholders identified some ethnic groups which experience greater barriers to the labour market. For example, Bangladeshi women are more likely to experience a range of barriers, including lack of English language skills, limited access to IT equipment, and cultural barriers associated with engaging with men.

12.0 Digital inclusion

- 12.1 Access to digital media and technology can also have an impact on poverty. Public and private services are increasingly being provided online in order to reduce costs and increase service-user choice. For example, residents are being encouraged to manage their benefits on line, many job applications are now completed on line, and doctor's appointments can be booked in advance online at some surgeries in Cambridge.
- 12.2 However, some residents on low incomes lack access to internet or the skills required to access web-based services. For example, a recent survey of City Council tenants found that 39.2% of tenants do not have access to the internet⁴⁴. For those who do not access to the internet, the most common reason given (46.3%) was that they could not afford it. Stakeholders have suggested that providing free access to the internet through libraries, learning hubs and other community facilities is important. Projects such as CHS Group's laptop loan scheme, which provides residents on low incomes with free laptops on loan and access to the internet, have also been successful.

Chart 4 – Internet access for City Council tenants



Source: Cambridge City Council Tenants Survey 2014

- 12.3 Some residents will also require a greater degree of support or need to build up trust with the public sector agencies that they engage with. It therefore may be important to maintain a degree of face-to-face service delivery for more vulnerable residents, while confidence and capability to engage digitally, assisted where necessary, is developed.
- 12.4 For those who do have internet access, there is a need to promote information about services on the sites that people tend to use (e.g. Facebook) and in formats that are appropriate. For example, some people on low incomes do not have access to a computer, but may have access to the internet through their mobile phones. The 2014 Tenants Survey found that 34.4% of City Council tenants who access the internet do so via a smartphone. In response, organisations such as the CAB are seeking to make the services they offer more user-friendly by making them accessible on smart-phones.

13.0 Objectives and action

13.1 Based on the key issues identified through the review of available evidence on the nature of poverty in Cambridge and initial consultations with key stakeholders, we have identified 7 key objectives for our Anti-Poverty Strategy:

Objective	
1	Helping people on low incomes to maximise their income and minimise their costs
2	Raising aspirations and making the move into work easier
3	Reducing the impact of poverty on children and helping low income families with the cost of raising a child
4	Reducing the link between poor health and poverty
5	Ensuring that vulnerable older people get the services that they need and reducing the social isolation they can experience
6	Helping people with high housing costs and improving the condition of people's homes
7	Working in partnership to tackle wider barriers to employment and engagement

13.2 The City Council can have a direct impact on poverty through the types of services it provides, how these services are targeted, and how it spends its capital and revenue budgets. The City Council already carries out a wide range of activity which supports residents living on low incomes, ranging from existing support for Credit Unions to energy efficiency advice for households, from targeted sports development work to providing affordable and accessible community facilities.

13.3 The aim of the Anti-Poverty Strategy is to bring greater focus and coordination to the Council's existing efforts to address poverty, while identifying areas where the Council can have even greater impact. In the future this will include some new initiatives that will improve the lives of residents experiencing poverty, and opportunities to refocus existing services.

13.4 However, the City Council cannot tackle poverty on its own. As demonstrated by the evidence presented above, there are a range of different factors which contribute to poverty, many of which the City Council is not able to control directly. For example, while the Council is seeking accreditation from the Living Wage Foundation and will be promoting the Living Wage to other employers in the city, household incomes will also be influenced significantly by external factors. These include the pay policies of employers, national government fiscal policy such as the ongoing welfare reforms outlined at 2.4, and developments in the UK and international economies. Similarly, the city council cannot control the range of employment opportunities outlined at 3.4, because we cannot directly determine the structure of the labour market in Cambridge. There are also issues where the City Council is only able to have

limited influence because it is not responsible for providing services in this area. For example, we do not have direct influence over the skills and educational issues highlighted at 3.5 and 4.

13.5 However, the Council recognises that much can be achieved through working in partnership with other local organisations from the public, voluntary and private sectors. It currently engages actively in a range of partnerships and joint-working arrangements which have an impact on poverty, including the Cambridge and Peterborough Financial Capabilities Forum, the DWP Benefit Forum, the Cambridgeshire Welfare Reform Strategy Group, Cambridgeshire Child Poverty Strategy, the Children and Young People’s Area Partnership, the Cambridge Local Health Partnership, and the Cambridge Sustainable Food City Network. As we implement this Anti-Poverty Strategy, we will identify opportunities for further and more effective partnerships with external organisations.

13.6 Cambridge City Council will deliver a range of activity to help achieve these objectives over the lifetime of this Strategy, both on its own and in partnership. The table below provides an overview of the key areas of focus under each objective and the rationale for these interventions. Some more detailed initial proposed actions for 2014/15 and 2015/16 are provided in the Action Plan in Appendix A, but further activities may be developed over time.

13.7 The Council is also looking at examples of good practice in other local authorities and will explore the feasibility with relevant partners of implementing innovative projects in Cambridge that have proven to work elsewhere. Examples of good practice include:

- a project led by Experian and Shelter to improve tenant’s credit ratings by taking into account their rental payment record.
- an apprenticeship brokerage scheme which reduces the administrative costs and bureaucracy for businesses of taking on apprentices.
- community shops in low income areas providing low cost food.
- job fairs to match local people with employment opportunities with local employers.

Objective	Areas of focus
1.Helping people on low incomes to maximise their income and minimise their costs	<p>Credit unions – As highlighted at 2.6 above, due to a combination of high living costs and low incomes, some residents in Cambridge have very limited disposable income or savings. They are more likely to find themselves in crisis situations, because they do not have the financial reserves needed to weather unforeseen events. They are also less likely to have access to affordable financial services, and are therefore more vulnerable to loan sharks and other sources of high interest credit.</p> <p>Credit unions can support residents when they find themselves in financial crisis, but can also help residents on low incomes to manage their finances in the longer term. Credit unions currently provide a range of services which benefit low income residents in the city:</p>

- Loans for small amounts which banks often do not provide. Such loans can help cover emergencies like broken washing machines or repairs to motor vehicles which are required to travel to work, or necessities such as school uniforms. This provides an alternative to taking loans from loan-sharks or payday lenders at very high interest rates.
- Savings accounts, which enable residents to save sufficient funds to meet emergencies or pay for more costly items in the future.
- ‘Jamjar’ accounts which help residents to set aside sums to meet regular outgoings such as utility bills.
- Debit cards and transactional accounts for customers who may be less likely to receive them from banks.

The council has previously provided credit unions with operating space in the Customer Service Centre, promotion in Cambridge Matters and Open Door magazines, and emergency loan grants. We will explore how the Council can further support and promote the services offered by credit unions in Cambridge, including investigating the feasibility and business case for a city centre shop unit. We will also explore opportunities to increase financial literacy amongst young people and encourage them to access credit union services.

Debt advice and emergency financial assistance - As outlined at 4.7, residents on low incomes are more likely to find themselves in crisis situations, because they do not have the financial reserves needed to weather unforeseen events. We will support residents who find themselves in debt or in financial crisis through a range of advice and support. This includes continuing to provide a rent advice and debt counselling service to City Council tenants, and continuing to support all Housing Benefit and Council Tax Support claimants to receive their full entitlement.

We will continue to fund debt advice services provided by voluntary organisations and signpost people with financial capability issues to the Citizen’s Advice Bureau (CAB), credit unions and Money Advice Centre for advice. We will work with local voluntary organisations to look at opportunities to bring debt advice services closer to the residents in areas of the city where incomes are lower. We will also work with Cambridgeshire County Council to explore options for the future of the Cambridgeshire Local Assistance Scheme, which provides emergency assistance to residents in financial crisis.

Living Wage – As identified at 2.0, although average incomes in Cambridge are high, a significant proportion of residents are living on low incomes. This is compounded by a combination of rising living costs and declining wages in real terms.

Increasing the number of people in Cambridge who are paid the Living Wage will help maximise the incomes of people who are living on low incomes. A Living Wage is the minimum wage needed to provide “adequate income” to ensure social inclusion for an individual

or their family, particularly in a city such as Cambridge where the cost of living is high.

Joint research by the Resolution Foundation and the Institute for Public Policy Research has found that introducing the Living Wage nationally would increase the gross annual earnings of the country's employees by around £6.5 billion. However, the report also shows that the Treasury would collect more than half of the initial financial gains from a living wage - around £3.6 billion - in the form of higher income tax payments and national insurance contributions, as well as lower spending on benefits and tax credits⁴⁵. According to the University of Cambridge's Centre for Business Research, there are also direct benefits to employers of paying the living wage, include a more loyal and highly motivated workforce⁴⁶.

The Council is currently working towards accreditation from the Living Wage Foundation as a Living Wage employer. Since April 2013, the Council has paid its own employees the Living Wage, but to become an accredited employer the City Council would also need to adopt a living wage policy in respect of contractors. This policy would require contractors to pay the Living Wage to Qualifying Staff unless it would be unlawful or inappropriate to do so.

In addition to securing accreditation as a Living Wage Employer, the Council will seek to promote Living Wage accreditation among businesses and other organisations in Cambridge, such as Colleges and Universities. This promotional activity could include identifying accredited employers who could act as advocates for the benefits to employers of paying the Living Wage, and schemes to raise consumer awareness of Living Wage businesses in the city.

Energy and water costs - As outlined at 2.2 and 2.5, energy and water costs are rising and make up an increasing proportion of household expenditure for households.

We are a partner in the Cambridgeshire wide Action on Energy scheme which provides a service where residents can access advice, book a home assessment, discover financial opportunities and benefit from high quality installations to make their home warmer and save money on their energy bills. Through the scheme residents are guided through the financial support available through the Government's Green Deal and Energy Company Obligation, but also any local funding opportunities that may be available. As part of this scheme we will also be providing focussed promotion to those residents within the City that experience fuel poverty. We will also be providing additional support to promote the Cambridgeshire collective energy-switching scheme, which aims to secure cheaper energy deals for local residents through collective bargaining with energy companies.

The council will assist low income households in Cambridge to review their water costs and take up the opportunities, where available, from water companies to reduce bills. We will target low income households who still pay for their water and sewerage based on rateable values and may benefit from switching to a meter or moving to the 'assessed charge' basis. Further support will include

2. Raising aspirations and making the move into work easier

accessing measures including free water efficiency measures, access to new social tariffs and ensuring households are aware of the financial support available to some low income households

Benefits and welfare reform – As identified in the evidence above (see 2.4, 3.1, 5.3, 5.6 and 6.4), changes to benefits as a result of national welfare reforms have had a significant impact on the incomes of those in poverty in Cambridge. The City Council continues to support benefit claimants to ensure that they receive every penny that they are entitled to, and continues to collect outstanding debts in as sensitive a manner as possible to ensure that further hardship, distress or financial difficulties are not created. During 2013/14 we paid more than £44m in housing benefit and council tax support to over 8,500 households in Cambridge.

As part of further welfare reforms, Housing Benefit, Job Seekers Allowance (working age and income based), Income Support, Employment & Support Allowance (income related), Child Tax Credit, and Working Tax Credits, will all be incorporated into the Universal Credit. The government's current intention is that Universal Credit will be fully available for new claimants during 2016, with the majority of the remaining Housing Benefit caseload moving to Universal Credit during 2016/17. Local support will be available to help support claimants and will be provided through local partnerships.

The Government has acknowledged that vulnerable people will need support to adjust to Universal Credit. It has set out in its Local Support Services Framework (LSSF) how it envisages this support being provided in partnership with Jobcentre Plus, local authorities, housing providers and the voluntary sector. The framework recognises the central role Local Authorities, including Cambridge City Council, will play to provide support services in the transition to Universal Credit and in supporting claimants to increase their capability and become more independent.

Volunteering – Volunteering brings a range of benefits, including helping residents to develop skills and experience which can assist with the progression into work. It can also help build community cohesion and share skills and expertise for the benefit of the wider community. The Council will promote opportunities for residents on low incomes to volunteer. For example, we will support the roll-out of the 'time credits' project (led by Cambridgeshire County Council, CHS Group and SPICE) in Abbey and Kings Hedges. The project will give people a 'time credit' for each hour of voluntary activity, which can be used to pay for local services. Time credits encourage people to engage in activities which benefit the local community, help them to develop valuable skills, and enable them to access services that they might otherwise not be able to afford.

A number of stakeholders have identified the opportunity through volunteering to share the skills and knowledge between university students and high-skilled employees, and help raise the aspirations of local young people and adults through exposure to alternative career paths. We will explore opportunities to work with the Cambridge Hub

3. Reducing the impact of poverty on children and helping low income families with the cost of raising a child

and existing outreach programmes at the University of Cambridge and Anglia Ruskin University, including through a community fair to bring together voluntary groups and students. We will also explore opportunities to work with business organisations (such as Business in the Community's Business Connector, Cambridge Ahead, Cambridge Network, Chamber of Commerce and other groups) to encourage employees to volunteer and share skills with local community and voluntary groups.

Apprenticeships – Apprenticeships can provide an opportunity for young people to gain the vocational skills and work experience needed to progress to employment. Through a four year apprenticeship programme, we will increase the number of apprenticeship opportunities for young people in City Council services. In developing the programme, we will work closely with local learning and development providers, and will learn from the experience of other local organisations that have opened up opportunities for apprentices. We will also promote the benefits of apprentices to other organisations in the city and will work with other partners in the Greater Cambridge City Deal to deliver an additional 420 apprenticeships across the Greater Cambridge area (which covers Cambridge and South Cambridgeshire districts).

Community pride and cohesion – As outlined at 4.3, labelling people, schools or areas of the city as 'poor' or 'deprived' can be demoralising and demotivating. A number of stakeholders highlighted the importance of events and activities which bring together local residents to celebrate the local area. Such events can help foster a sense of pride and belonging, and they can help raise aspirations by bringing together people from different backgrounds.

We will continue to support events which increase community pride, such as the Big Weekend, Chesterton Festival, Arbury Carnival and Cherry Hinton Festival. We will also continue to support events which celebrate diversity and promote community cohesion, including events and activities linked to Black History Month, Cambridgeshire Celebrates Age, Disability History Month, Holocaust Memorial Day, International Day for Older People, International Women's Day, Lesbian Gay Bisexual and Transgender (LGBT) History Month, and Refugee Week. We will also engage with the University of Cambridge to explore whether facilities such as sports facilities could be opened up to local residents as a mechanism from bringing together and increasing interaction between local residents, students and University staff.

Support for children and low income families - As outlined at 7.0, a significant proportion of children in Cambridge grow up in poverty. Particular types of household, such as lone parents, are more likely to be on low incomes and therefore may be more likely to struggle with the costs of bringing on children. We will take a range of action to support low income families in the city, including providing childcare space at community centres, providing free swimming lessons for those in need, and supporting families with a dependent through the City Council's Local Council Tax support scheme. At a strategic level

4. Reducing the link between poor health and poverty

we will engage with the development and delivery of the county-wide Child Poverty Strategy which is being developed by Cambridgeshire County Council on behalf of the Cambridgeshire Children's Trust.

Physical and mental health - As the evidence set out at 6.0 above demonstrates, there is a close relationship between low incomes and poor health. We will take action to help improve the health of people on low incomes, ranging from: providing targeted sports development activities to offering 50% discounts on entry to City Council owned swimming and sports facilities for people on means-tested benefits; from supporting outreach advice work for people with mental health issues associated with low income and debt, to working with partners to promote cooking skills and greater understanding of nutrition and healthy eating for people on low incomes.

5. Ensuring that vulnerable older people get the services that they need and reducing the social isolation they can experience

Services for vulnerable older people - As can be seen from the evidence set out at 8.0, although many older people in Cambridge are relatively affluent, the available evidence suggests that a significant proportion of older people in the city have low incomes. We will continue to provide a range of services to support older people who are vulnerable or on low incomes, including: 459 sheltered housing properties in 13 locations across the city for people aged over 60; grants and loans to vulnerable older people for repairs and home energy improvements to homes; and targeted sports development work with older people, including activity aimed at reducing falls.

Reducing social isolation for older people - As shown by the evidence at 6.0 above, older people are more likely to experience social isolation than other age groups. We will continue to provide a range of inclusive services and activities for older people, including: working with health and social care services at Cambridgeshire County Council and local housing associations to provide a city-wide support service for older people living in all tenures to help them live independently and have an active social life; providing low cost arts and recreation activities for older people such as tea dances and the Mayors Day Out; and supporting an extensive programme of events as part of the annual Cambridgeshire Celebrates Age festival.

6. Helping people with high housing costs and improving the condition of people's homes

Affordable Housing Development Programme - The City Council is currently constructing a number of new properties across Cambridge through its Affordable Housing Development Programme. The Council will seek to ensure that these properties are available at rent levels that are affordable. Where these developments are funded by grants from the Homes and Communities Agency, they must be made available at up to 80% of the market rate, which can be difficult for some residents who earn very low incomes to pay. However, the Council is aiming to keep grant funded new homes at or below 60% of market rates, and will also be funding new homes through receipts from properties sold under the Right to Buy, which can be made available at lower rents.

Affordable Housing on Strategic Growth Sites and other non-City Council land - The City Council is also working to increase the

7. Working in partnership to tackle wider barriers to employment and engagement

supply of housing available at sub-market rents through the planning process, by seeking up to 40% affordable housing to be provided by private developers on larger new residential sites in the city. This has resulted in the construction of 433 affordable homes in 2012/13 and 2013/14, with a further 274 properties scheduled for completion during 2014/15.

Support for homeless people – To address the issues facing homeless people identified at 5.9, we will continue to provide financial support and funding to voluntary and community organisations providing housing, welfare, learning and employment support to homeless people in Cambridge. We will also continue to develop the Council's Town Hall Lettings scheme, which is helping to alleviate the pressure on hostel accommodation in the city, by providing a local lettings agency to support single homeless people with lower needs to move on from hostels into private rented accommodation. The scheme includes offering a bond/guarantee or a sum of money to help single homeless people pay the deposit and first month's rent on a private rented property.

Digital inclusion - As highlighted at 10.0, access to digital media and technology can also have an impact on poverty. Through our developing Digital Access Strategy for 2015-2017, we will make more services available via digital methods, and redesign them to provide a more intuitive, customer-focussed journey from start-to-finish. This will ensure that customers find it easy to use our services in ways and times that suit them. By providing greater online access to information, documents, forms and processes, we will also free up staff time and save money. This will contribute to managing the financial pressures the Council faces and help us to focus our resources on those who need our services most and where they can make the most difference.

To overcome some of the barriers identified at 10.2, we will work with partners to increase internet access points in community buildings (for example leisure centres and community centres) to ensure that vulnerable people can access the information or services they need more readily and without having to travel. Where necessary, we will train staff or 'Digital Champions' to support our most vulnerable residents to build their digital capacity, capability and connectivity. . As part of the strategy, we will also help ensure that the voices of our most vulnerable residents are heard through improved consultation methods and real-time interaction.

14.0 Measuring and monitoring impact

- 14.1 It will be important to measure the impact of this strategy on poverty in Cambridge, to assess whether the action we have taken and the investment we have made has made a difference. Where possible, we have identified or proposed potential targets for individual actions included in the action plan below. These targets relate to the expected outputs from these activities. For example, for action 6.2 on affordable housing delivery we have identified a target of '274 affordable homes delivered on strategic growth sites and other non-City Council land in 2014/15'.
- 14.2 Where projects are still in the early stages of development, or it is more difficult to identify tangible outputs due to the nature of the project, we have identified clear project milestones that will be achieved by the completion date. For example, the key milestone for action 2.4, which focuses on working with the Cambridge Hub and University outreach programmes to promote volunteering opportunities in local communities, is: 'A Community Fair is held which brings voluntary groups and students together to promote volunteering – February 2015.' We will firm up targets for these actions before the final anti-poverty Strategy is approved in March 2015.
- 14.3 We will report progress on the key actions and output measures to the City Council's Strategy and Resources Committee on a regular basis, with the first report to be provided in 2016.
- 14.4 As outlined at 11.4, the City Council cannot tackle every aspect of poverty on its own because incomes in the city are influenced by a range of external factors and because we are not responsible for areas of policy and service provision which impact on poverty. We have identified a basket of high level measures at Appendix B which can be used as a barometer for poverty in Cambridge. These measures will enable us to monitor the effects of national government fiscal policy and changes in local and national economy, as well as the collective impact that partner agencies are having on poverty.

Appendix A - Action plan

Action	Lead officer and service	Completion date	Performance measures
Objective 1. Helping people on low incomes to maximise their income and minimise their costs			
1.1 Launch the new Community Grants programme focussing on city residents with the highest needs, including those in poverty. This funding will support a number of the anti-poverty strategy objectives, by providing funding for activities such as employment support, legal and financial advice, reducing isolation, supporting low income families, providing low cost activities, and digital inclusion.	Jackie Hanson, Community, Arts and Recreation	July 2014	Additional workshops and support provided to community groups prior to application submission Grants budget for 2015/16 is fully allocated to Voluntary Sector activities that meet the Council's new grants priorities - Mar 2015 Grant awards for 2015/16 are monitored to ensure they deliver the outcomes set out in funding agreements - Summary report produced in June 2016
1.2 Work with the Living Wage Foundation to become an accredited Living Wage employer, including paying City Council staff the Living Wage and working with our contractors to pay the Living Wage	Debbie Quincey, Procurement	February 2015	All City Council direct employees to be paid a minimum if the national Living Wage rate All agency workers to be paid a minimum of the national Living Wage rate after 4 weeks of their engagement with the City Council. All new City Council contracts let on a Living Wage basis, where this is legally possible All existing contracts reviewed for the Living Wage position at the earliest opportunity: at a break clause in the contract; when considering whether or not to take up an option to extend a contract; or at the contract renewal date.
1.3 Appoint a Living Wage Co-ordinator and promote Living Wage accreditation among businesses and other organisations in Cambridge, such as Colleges and	Andrew Limb, Corporate Strategy	December 2016	Number of Cambridge employers that have achieved Living Wage accreditation Number of employees working for employers

Action	Lead officer and service	Completion date	Performance measures
Universities.			that have achieved Living Wage accreditation
1.4 Continue to assist City Council tenants to apply for welfare benefits, and provide a rent advice and debt counselling service to City Council tenants	Robert Hollingsworth, City Homes/ Alison Cole, Revenues and Benefits	Ongoing	Support provided to new tenants who claim Housing Benefit or Council Tax Support so that they do so in their first week of their tenancy commencement Keep the number of evictions for rent arrears to no more than 22 during 2014 / 2015 Keep rent arrears below 1.80 % of annual debit of £38 million.
1.5 Continue to support Housing Benefit and Council Tax Support claimants to receive their full entitlement, and continue to collect outstanding debts in as sensitive a manner as possible to ensure that further hardship is minimised	Alison Cole, Revenues and Benefits	Ongoing	Performance measure to be confirmed
1.6 Work in partnership with Jobcentre Plus, housing providers and the voluntary sector to support vulnerable benefit claimants in the transition to Universal Credit, as set out in the DWP's Local Support Services Framework (LSSF)	Alison Cole, Revenues and Benefits	March 2017	Performance measure to be confirmed
1.7 Continue to fund debt advice services provided by voluntary organisations and signpost people with financial capability issues to the Citizen's Advice Bureau (CAB), credit unions and Money Advice Centre for advice	Community, Arts and Recreation/ Strategic Housing/ Revenues and Benefits	February 2015	Funding for debt advice services confirmed (level of funding will depend upon grant applications and how it meets the Council's grant priorities) – January 2015
1.8 Further support and promote the services offered by credit unions in Cambridge, through holding a stakeholder event in January 2015 and exploring options for a city centre shop	Trevor Woollams/ Debbie Kaye, Community, Arts and Recreation	June 2015	Performance measures will be confirmed once the project is worked up in more detail. However, they are likely to include: Increase in credit union membership from

Action	Lead officer and service	Completion date	Performance measures
			<p>residents living in wards in Cambridge with higher levels of deprivation</p> <p>Number of Cambridge residents joining the credit union who are currently unable to access bank accounts</p> <p>Increase in the number of loans by credit unions to residents living in wards in Cambridge with higher levels of deprivation</p> <p>Increase in the number of Cambridge residents opening 'jamjar' accounts with credit unions</p>
1.9 Provide extra promotion in Cambridge for the collective County-wide energy-switching scheme, which aims to secure cheaper energy deals for local residents.	Jo Dicks/Jas Lally, Refuse and Environment	Ongoing	Number of residents switching to cheaper energy deals as a result of the collective-switching scheme
1.10 Implement a Water and Energy Costs Anti-Poverty Scheme, helping residents in low income areas of the City to assess whether they would benefit from a water meter, an assess rate, or from water efficiency measures	Jo Dicks/Jas Lally, Refuse and Environment	September 2016	Number of residents in low income target areas taking up water meters or moving to an assessed rate
1.11 Continue to provide funding for low cost furniture to people on low incomes	David Greening, Strategic Housing	Ongoing	630 people per annum provided with low cost furniture across all tenures
1.12 Provide an expanded programme of 'Community Clear-out Days' in the North and South of the city, which will save residents money from disposing of bulky waste and help promote a sense of community pride.	Liz Bisset, Customer and Community Services	October 2014	<p>6 large scale community clear-out days organised across Cambridge – August 2014.</p> <p>3 community clear-out days organised by volunteers and community resources - September and October 2014</p>
1.13 Work with partners in the Cambridge Sustainable Food City Network to increase food recycling and	Rebecca Weymouth-Wood,	March 2016	Multimedia 'Love Food Hate Waste' campaign delivered to residents in the city, including stalls

Action	Lead officer and service	Completion date	Performance measures
reduce food waste	Refuse and Environment		at 3 events Promotion of food waste recycling, including 6 caddy give-away events Double recycling of food waste in the City from 1 tonne per day
1.14 Work with Cambridgeshire County Council to explore options for the future of the Cambridgeshire Local Assistance Scheme, and consider alternative sources of funding for individuals or households in crisis situations if CLAS is discontinued	Alison Cole, Revenues and Benefits	March 2015	Map data of benefit claimants to Cambridgeshire Local Assistance Scheme applications – end of December 2014 Work with partners to identify potential income streams for the scheme.
1.15 Explore opportunities for establishing a single referral mechanism to ensure that individuals on low incomes who contact the Council are signposted to relevant services, e.g. advice on debt, benefits or reducing energy and water costs	Jonathan James, Customer Services/ Alison Cole, Revenues and Benefits/Robert Hollingsworth, City Homes		Project targets and milestones to be confirmed once project is fully scoped
Objective 2. Raising aspirations and making the move into work easier			
2.1 Continue to invest in employment support in order to help families get off benefits and into work	Simon Hunt, Strategic Housing		Performances measures to be confirmed
2.2 Deliver an apprenticeship programme, which will increase the number of apprenticeship opportunities for young people in City Council services.	Jon Summerson, Human Resources	March 2018	5 new apprenticeship opportunities created during 2014/15 20 apprenticeship opportunities created in total by 2017/18
2.3 Work with Cambridgeshire County Council, SPICE and CHS Group to roll-out the 'time-credit' scheme in Abbey and Kings Hedges to support residents on low	Sally Roden, Arts Community, Arts	June 2015	Milestones for project are yet to be confirmed - Cambridgeshire County Council are leading

Action	Lead officer and service	Completion date	Performance measures
incomes to volunteer	and Recreation		
2.4 Explore opportunities to work with the Cambridge Hub and existing outreach programmes at the University of Cambridge and Anglia Ruskin University to help connect students to volunteering opportunities in local communities	Sally Roden, Community, Arts and Recreation	February 2015	A Community Fair is held which brings voluntary groups and students together to promote volunteering -. 28 February 2015
2.5 Work with partners in the Greater Cambridge City Deal and the Greater Cambridge Greater Peterborough LEP to better match vocational training opportunities to local employment and business needs	Andrew Limb, Corporate Strategy	March 2020	420 additional apprenticeships created across the Greater Cambridge City Deal area by March 2020
2.6 Continue community development work in partnership with others to build the confidence of communities, including those which experience barriers to the labour market	Sally Roden, Community, Arts and Recreation	Ongoing	Performances measures to be confirmed
2.7 Continue to fund a learning and development service for homeless people based in a partner agency	David Greening, Strategic Housing	Ongoing	Number of homeless people attending learning and development sessions
2.8 Continue to fund an employment worker in a partner agency with a specific remit to target those in housing need	David Greening, Strategic Housing	Ongoing	Number of people in housing need receiving support from the employment worker Number in housing need supported by the employment worker who subsequently gain employment or training/educational placements
2.9 Continue to fund and support events which increase community pride and cohesion, such as the Big Weekend, Chesterton Festival, Arbury Carnival and Cherry Hinton Festival	Debbie Kaye, Community, Arts and Recreation	Ongoing	Big Weekend event held – July 2015 Community events supported, such as Chesterton Festival (June), Arbury Carnival (June) and Cherry Hinton Festival (September)
2.10 Continue to support an annual programme of events which celebrate diversity and promote community cohesion	Ariadne Henry, Community, Arts and Recreation	June 2015	Successful programme of events delivered linked to each national or international event <ul style="list-style-type: none"> • Black History Month (October 2014)

Action	Lead officer and service	Completion date	Performance measures
			<ul style="list-style-type: none"> Cambridgeshire Celebrates Age (October 2014) Disability History Month (November – December 2014) Holocaust Memorial Day (January 2015) International Women’s Day (March 2015) Lesbian Gay Bisexual and Transgender (LGBT) History Month (February 2015) Refugee Week (June 2015)
Objective 3. Reducing the impact of poverty on children and helping low income families with the cost of raising a child			
3.1 Work with Cambridgeshire County Council to provide pre-school childcare space at Buchan Street and Ross Street Community Centres	Sally Roden, Community, Arts and Recreation	January 2016	<p>Childcare providers selected by September 2014 Building works complete by December 2014.</p> <p>Childcare providers operational in February/March 2015 (subject to OFSTED certification)</p> <p>Childcare providers are working successfully and all available spaces are filled - Jan 2016</p> <p>Number of new childcare places created at Buchan Street and Ross Street Community Centres</p>
3.2 Continue to provide local emergency accommodation to keep homeless children and their families within their existing school catchment area	Robert Hollingsworth, City Homes/David Greening, Strategic Housing	Ongoing	Number of temporary accommodation units maintained at 88 to 92, unless demand over a six month period dictates otherwise
3.3 Continue to provide support for school swimming, and free swimming lessons for those in most need	Ian Ross, Arts and Recreation	Ongoing	Performances measures to be confirmed, but could include:

Action	Lead officer and service	Completion date	Performance measures
based on referrals from teachers			Number of children receiving free swimming lesson following referrals from teachers
3.4 Continue to support families with a dependent through the City Council's Local Council Tax Support scheme	Alison Cole, Revenues and Benefits	Ongoing	Performance measure to be confirmed
3.5 Work in partnership with Cambridgeshire County Council to raise awareness of Free School Meals. This will include reviewing the claiming process for Housing Benefit and Council tax support to ensure awareness, and matching data held to identify increases in take-up.	Alison Cole, Revenues and Benefits		Performance measure to be confirmed
3.6 Work in partnership with other organisations in Cambridge and services within the City Council to help develop and deliver the Cambridgeshire Child Poverty Strategy	David Kidston, Corporate Strategy	January 2015	Cambridgeshire County Council to agree new Child Poverty Strategy - January 2015. Percentage of children in Cambridge living in poverty
Objective 4. Reducing the link between poor health and poverty			
4.1 Support Citizen's Advice Bureau to prepare a plan and to seek funding for advice sessions in East Barnwell Medical Practice. Sessions would focus on mental health issues due to low income, debt or addiction. They would be run on a pilot basis and will be assessed to see whether the approach is suitable for extending to other practices.	Graham Saint, Corporate Strategy	Progress update to Cambridge Local Health Partnership on 23 October 2014. Implementation during early 2015.	The project is in the early stages of development and performance measures are not yet identified. However, they could include: Number of residents attending advice sessions and number of issues resolved.
4.2 Promote 50% off entry prices at Council-owned sports and swimming facilities for people receiving Means Tested Benefits and free usage of Splashpads	Ian Ross, Community, Arts	Ongoing	Performances measures to be confirmed, but could include:

Action	Lead officer and service	Completion date	Performance measures
and Paddling Pools in parks and open spaces	and Recreation		Number of visits to Council-owned sports and swimming facilities where people have benefitted from 50% reduction in entry prices
4.3 Continue to provide targeted sports development work to compliment NHS services in the community e.g Exercise Referral	Ian Ross, Community, Arts and Recreation	Ongoing	Performances measures to be confirmed
4.4 Work with partners in the Cambridge Sustainable Food Network to deliver food projects focussing on cooking skills, growing produce, and information on healthy food and nutrition at neighbourhood level	Sally Roden, Community Arts and Recreation/ Frank Harrison, Refuse and Environment	Ongoing	Performances measures to be confirmed
4.5 Explore opportunities to work with partners in the Local Health Partnership to promote public health messages, particularly in relation to anti-smoking, reducing alcohol consumption and healthy eating.	Yvonne O'Donnell/ Jas Lally, Refuse and Environment	To be confirmed	Performance measures to be identified following further scoping of work on public health promotion
4.6 Work with Cambridgeshire Community Safety Partnership, Cambridge Police, Cambridgeshire County Council, NHS, the Drug and Alcohol Action Team, Cambac and city retailers and other partners to develop a voluntary code on the sale of high strength beers and ciders, which will help address anti-social-behaviour issues and reduce harmful alcohol consumption	Robert Osbourn, Refuse and Environment	Summer 2015, subject to engagement of key partners	Initial discussions with potential partners through the Alcohol Related Violent Crime Group – October 2014 Number of city retailers who adopt the proposed voluntary code on the sale of high-strength beers and ciders
4.7 Pilot new ways of working with people involved in street-based anti-social behaviour, including exploring the support available for people with medium to high needs in terms of mental health, substance misuse and alcohol issues	Lynda Kilkelly, Strategic Housing	First phase of the pilot will be completed by end of March 2015	Phase one: 12 people identified that fit the pilot criteria and individual action plans developed identifying future support needs Phase two: Reduction in anti-social behaviour incidents

Action	Lead officer and service	Completion date	Performance measures
			involving the individuals in the pilot Increase in number of individuals sustaining a tenancy or hostel accommodation
4.8 Continue to provide move on accommodation for adults recovering from mental ill health, in conjunction with the Cambridgeshire County Council and Metropolitan Housing Group	Frances Swann, City Homes	Ongoing	100% of move-on accommodation is occupied 75% or more of tenants in move-on accommodation move into independent accommodation within 3 years
Objective 5. Ensuring that vulnerable older people get the services that they need and reducing the social isolation they can experience			
5.1 Continue to provide good quality modern sheltered housing schemes for older people, which incorporate assisted bathrooms and wet rooms	Frances Swann, City Homes	Ongoing	Percentage of residents in sheltered housing who are satisfied with their accommodation Number of people referred to agencies such as occupational therapy in order to make their home safer Number of people helped to access benefits, such as Attendance Allowance, which can be used to pay for care
5.2 Continue to provide a tenure neutral city-wide support service for older people, working with health and social care services at Cambridgeshire County Council and local housing associations	Frances Swann, City Homes	Ongoing	Number of new clients assessed for support as an older person Percentage of new clients who feel that the service's intervention has had a positive impact on their independence as an older person.
5.3 Continue to fund the Cambridgeshire Home Improvement Agency (HIA), which provides people living in Cambridge who are elderly or vulnerable, who have disability needs, or who are on a low income, to repair, maintain or adapt their homes	Pat Strachan, Cambridgeshire Home Improvement Agency	Ongoing	Number of people in Cambridge who are elderly or vulnerable, who have disability needs, or who are on a low income, provided with support to repair, maintain or adapt their homes

Action	Lead officer and service	Completion date	Performance measures
5.4 Improve promotion of grants and loans to older and vulnerable people with low incomes and savings levels for repairs and home energy improvements to their homes	Helen Reed, Strategic Housing	September 2015	Targets for increase in uptake to be agreed, subject to Home Improvement Agency's capacity to deliver
5.5 Continue to provide targeted sports development work to complement NHS services in the community, including work to reduce falls amongst older people	Ian Ross, Community, Arts and Recreation	Ongoing	Performance measures to be confirmed
5.6 Work with partners and voluntary groups to develop and deliver the annual "Cambridgeshire Celebrates Age" festival, which provides a range of inclusive and accessible events	Sally Roden, Community, Arts and Recreation	October 2014	Programme published - October 2014 Regular listings produced for 2015 – January 2015 "Cambridgeshire Celebrates Age" festival delivered - October 2015
5.7 Continue to provide low cost activities for older people which promote activity and social cohesion e.g Tea Dances and the Mayors Day Out	Jane Wilson, Arts and Recreation	Ongoing	18 tea dances provided at the Guildhall – September 2014 to May 2015
5.8 Continue to ensure that at least 2% of new social housing is fully wheelchair accessible, with a further 8% to meet other specialist needs provided there is an identified need and appropriate support for the residents is available.	Sabrina Walston, Strategic Housing	Ongoing	2% of new social housing is fully wheelchair accessible Up to 8% of new social housing is provided to meet other specialist needs
Objective 6. Helping people with high housing costs and improving the condition of people's homes			
6.1 Develop new homes for rent through the Council's Affordable Housing Development Programme, and ensure that rent levels are as affordable as possible	Sabrina Walston, Strategic Housing	March 2018	146 new homes for rent are provided by March 2015 29 new homes for rent are provided on Homerton College land by 2016/17 78 new homes for rent are provided at Clay

Action	Lead officer and service	Completion date	Performance measures
			Farm by 2017/18 Rents levels are set at 60% of market rents wherever possible.
6.2 Work through the planning process and with Registered Providers to enable the delivery of new high quality, energy efficient homes for rent at sub-market rates	Sabrina Walston, Strategic Housing	March 2015	274 affordable homes delivered on strategic growth sites and other non-City Council land in 2014/15 (<i>projected figure – actual delivery dependent on external factors</i>).
6.3 Continue to invest in heating and energy efficiency improvements to City Council homes	Sam Griggs, Estates and Facilities	Ongoing – annual programme of improvement	Improve the heating systems of at least 500 properties per year Install insulation to at least 100 properties per year Increase the average SAP energy rating for Council homes by at least 1 point per year
6.4 Continue to promote energy efficiency improvements to private landlords and homeowners through the Green Deal, and provide additional promotion of energy efficiency measures to residents in low income areas of the City.	Jo Dicks/Jas Lally, Refuse and Environment	June 2015	Number of completed installs of domestic energy efficiency measures facilitated through Action on Energy
6.5 Continue the Town Hall Lettings scheme providing a local lettings agency to support single homeless people who do not need supported housing to move into private rented accommodation and, in so doing, freeing up spaces in supported accommodation for those who need it	David Greening, Strategic Housing	Ongoing	50 single homeless people placed into accommodation in the private rented sector during 2014/15
6.6 Continue to fund a Chronically Excluded Adults service, to help people get on a more stable footing and significantly reduce the drain on public resources across sectors	David Greening, Strategic Housing	Ongoing	Improvement in mental well-being per client (measured through a questionnaire-based assessment) Level of reduction in monthly average service

Action	Lead officer and service	Completion date	Performance measures
6.7 Ensure that charges for the new handyperson service are set at a reasonable level, and that the service is accessible to those on low incomes (N.B. subject to PPF bid approval in budget process)	Helen Reed, Strategic Housing	September 2015	use costs per client to the City Council and other public agencies Charging policy to be agreed by April 2015 Performance measures to be identified as part of the development of the project
Objective 7. Working in partnership to tackle wider barriers to employment and engagement			
7.1 Measures to reduce digital exclusion through the developing City Council Digital Access Strategy, and/or through influencing the digital inclusion strand of Cambridgeshire County Council's 'Connecting Cambridgeshire' programme. Measures could include: <ul style="list-style-type: none"> Working with partners to increase internet access points in community buildings (for example leisure centres and community centres) Ensuring that adequate training and support is provided to users by trained staff or 'Digital Champions' Continuing to support City Council tenants with access to the internet through the Get On-Line scheme 	Jonathan James, Customer Services James Nightingale, ICT Andrew Limb, Corporate Strategy	March 2017	Performance measures to be confirmed as part of the developing Digital Access Strategy. These could include: Numbers of people in most deprived wards in Cambridge accessing the internet in community buildings Numbers of people in most deprived wards in Cambridge taking up free digital skills training
7.2 Working with partners in the Greater Cambridge City Deal and the Greater Cambridge Greater Peterborough LEP to ensure that investment in transport infrastructure improves connectivity between key employment locations and more deprived areas of the City	Andrew Limb, Corporate Strategy	Ongoing	

Appendix B – Basket of indicators for measuring poverty in Cambridge

	Objective	Measures
1	Helping people on low incomes to maximise their income and minimise their costs	<p>Level of average household earnings and lower quartile household earnings</p> <p>Number of Housing Benefit and Council Tax Benefit claimants and their dependents, particularly in the most deprived wards</p> <p>Number of working households claiming housing benefit</p>
2	Raising aspirations and making the move into work easier	<p>Educational attainment of children currently eligible for Free School Meals at Early Years Foundation Stage, Key Stage 2 and GCSE</p> <p>Number of young people who are not in education, employment and training (NEET), particularly in the most deprived wards in Cambridge</p> <p>Percentage of working age population who are unemployed</p> <p>Percentage of those who are in employment who are employed in different occupations</p> <p>Percentage of working age population with no qualifications</p>
3	Reducing the impact of poverty on children and helping low income families with the cost of raising a child	<p>Percentage of children living in poverty, particularly in the most deprived wards</p> <p>Percentage of lone parent households claiming Housing Benefit and Council Tax Benefit</p> <p>Percentage of lone parents with dependent children who are not in employment, particularly in the most deprived wards</p>
4	Reducing the link between poor health and poverty	<p>Gap in life expectancy between the least and most deprived areas in Cambridge</p> <p>Gap in early deaths between the least and most deprived quintiles in Cambridge</p>
5	Ensuring that vulnerable older people get the services that they need and reducing the social isolation they can experience	<p>Percentage of older people in Cambridge that are claiming Housing Benefit</p> <p>Percentage of single older people in Cambridge that are claiming Housing Benefit</p> <p>Satisfaction of vulnerable older people with targeted services provided by the City Council, such as sheltered housing and support services</p>
6	Helping people with high housing costs and improving the condition of people's homes	<p>The relationship between the lower quartile house price and lower quartile earnings</p> <p>Lower quartile private sector rents as a percentage of lower quartile earnings</p>

	Objective	Measures
		The percentage of households in Cambridge experiencing fuel poverty
7	Working in partnership to tackle wider barriers to employment and engagement	Percentage of City Council tenants who currently access the internet (based on a sample survey)

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To: The Leader and Executive Councillor for Strategy and Transformation: Councillor Lewis Herbert
Report by: Head of Arts & Recreation
Relevant scrutiny committee: Strategy & Resources 20/10/2014
Scrutiny Committee
Wards affected: ALL

ARRANGEMENTS TO ESTABLISH THE CULTURAL TRUST

Key Decision

1. Executive summary

Summary of report:

- § The business plan assumptions are robust and cautious
- § The model will deliver savings of £415k per year on the existing position from 2019/20 onwards, against the current annual turnover figure of £4.5million.
- § The project delivers savings through cumulative reduction in subsidy, reduction in the cost of the Council's outdoor events, and through reduced demand on the Council's central costs allowing these to shrink over time
- § There is currently a cost to the Council in year 1 which is covered in the five year payback model
- § Sara Garnham has been appointed as Founding Chair of Cambridge Live (the name of the Trust)
- § Arrangements for transfer of staff have progressed in consultation with staff and Trades Unions.
- § Arrangements for use of Council property and assets such as trademarks have been developed in discussion with the Chair
- § The proposals for the Council's outdoor event programme enable the Council to have input and influence over funding and scope/content

2. Recommendations

2.1 That the Leader:

- a) Approves the transfer to the Cultural Trust ("Cambridge Live") of the Council responsibilities set out in the report;

- b) Approves the funding, property, staffing and relationship management arrangements proposed in the report;
 - c) Authorises the Director of Customer and Community Services to take all decisions and actions needed to implement the proposals set out in this report.
- 2.2 Recommends Council to approve, through the Budget Setting Report 2015, the budget and finance proposals set out in the report.
- 2.3 Notes the recommendations made by the Executive Councillor for Arts & Recreation and approves two Councillor Trustees to be appointed to the board of Cambridge Live as set out in the report
- 2.4 Notes the decision by the Executive Councillor for Communities Arts & Recreation taken on 16th October 2014 in respect of the review of outdoor events

3. Background

3.1 Purpose

3.1.1 Reflection on the project objectives:

- i) To reduce the subsidy required to these services
- ii) To provide a sustainable financial and operational basis on which the services can thrive
- iii) To manage and mitigate the increasing risk to the authority of continuing to provide the services directly.

There is an emerging fourth strategic driver, linked to the corporate objective of transforming services to meet the needs of residents with fewer resources. In this case, part of the savings gained over time relate to an expected reduction in demand upon the Council's central infrastructure, enabling it to shrink and cost less.

3.1.2 There are significant risks to the Council in not doing anything:

a) The Folk Festival faces increasing financial risks

- § Raising sponsorship and investment is increasingly difficult and there has been shortfalls in each of the last 2 years
- § The economic downturn has created a challenging business climate for festivals
- § In recent years there have been significant increases in performing artist fees as musicians seek revenue from live performance as opposed to recorded music.
- § It operates in a crowded and highly competitive festival market.
- § Council budgeting requires year on year net increases in income targets which are levied on an already pressured budget with a 100% predication on sell out which cannot be guaranteed

b) The Arts & Recreation budgets have been re-assessed and re-organised in recent years but still incorporate challenge and uncertainty.

- § Since 2010/11, and by 2015/16, subsidy to the cultural element of the service area will have been reduced by £500k per annum via restructuring and the introduction of more cost efficient and commercial ways of working e.g. new box office software. This annual saving against the base budget is in addition to the further saving anticipated through the cultural trust project.
- § Whilst the service now operates in a more effective and streamlined manner, the transformation revealed budget deficiencies. These shortfalls have been covered in 2012/13 and to a greater extent in 2013/14 through strict expenditure and vacancy management and one off exceptional income items.

c) The Trust model is better placed to take advantage of operating efficiencies, cost savings and income generating opportunities. These opportunities include taking the bar operation in house and an increased focus on philanthropy, trust and foundation funding.

d) The risk profile for this area of activity is high, due to local and national public profile and financial volatility of the events and entertainment sector (the budgets rely on achieving over £4m income each year). Given the current financial position, and its operational constraints, the Council is not in a strong position to address these risks itself.

e) Citizens' Surveys show that residents support these services but challenge levels of subsidy and do not think the Council should run them directly

3.2 In March 2014, the then Executive Councillor for Community Well-being took the following decision:

- a) To approve in principle the establishment of a Trust to run Cambridge Corn Exchange, Cambridge Folk Festival and other events, and to authorise work to progress this, subject to further decisions required as below.
- b) To approve that a Working Group should be set up as outlined in section 3.10 of the officers report¹ to support the work involved in the implementation stage.
- c) To agree that the following further work which has wider implications for the Council, is progressed in discussion with the relevant Directors and the Working Group prior to discussion at Strategy & Resources Scrutiny Committee and final authorisation by the Executive Councillor

for Customer Services and Resources: Management of transfer of staff; Funding Agreement; Agreement of property, land use and other rights; Expectations and relationships between the Council and the Trust

- d) To delegate authority for all other decisions necessary to implement and establish the Trust (including the appointment of a Chair) to the Director of Customer and Community Services in discussion with the Working Group.
- e) To acknowledge the indicative timetable for implementation, and agree that this may be varied in accordance with the delegation in 2.4 of the report.
- f) To bring forward proposals to the autumn 2014 committee cycle for a refreshed programme of outdoor events

3.3 Cross party working group

The working group has been formed with each party leader nominating two representatives. Following the local election changes it now comprises Executive Councillor for Communities, Arts and Recreation Richard Johnson; Councillors Zoe Moghadas, Sian Reid and Andy Blackhurst; also Nick Dodds (consultant), Debbie Kaye and Liz Bisset (chair). The group meets monthly and at the time of writing, has met four times.

3.4 Project teams

a) There is an internal core project team which meets every 6-8 weeks, and which provides a coordinated oversight as well as individual expertise on specific pieces of work.

b) The external project team is led by Bates Wells Braithwaites (BWB) with associates Festivals and Events International (FEI) Ltd.

BWB advise on governance and legal aspects of the establishment of the Trust as a company limited by guarantee registered with the Charity Commission and HMRC. This includes drafting of the Articles of Association (constitution), incorporation with Companies House, drafting of the charity application and guiding the Trust's trustees through the process of registering as a charity. BWB also provide specialist advice on the governance structure, taxation, cultural exemption, property and the transfer of staff. BWB are responsible for drafting the agreements between the Council and the Trust.

FEI have assisted the Council with recruitment of the chair, trustees and managing director for the new Trust. Having completed the business case in the first stage, FEI have worked with the Cultural Facilities Manager and Principal Accountant to produce a detailed business plan and zero based budget for the Trust.

3.5 Set up progress

3.5.1 Appointment of Chair of Cambridge Live

Following an open recruitment process, a panel comprising the Leader of the Council, Liz Bisset, Antonia Byatt (Arts Council England) and FEI consultant Nick Dodds interviewed a shortlist of candidates. Following a further discussion with the Leader and Opposition Spokesperson for Communities, Arts and Recreation, Sara Garnham was asked by the Council to take up the position of Chair of Cambridge Live. The Council made a public announcement about the appointment on 7th August. It was agreed that once the chair is in place, BWB would offer more specific legal advice to the new entity. A 'Chinese wall' will need to be in place to ensure both the Council and the Trust are receiving specific advice and neither is compromised by the shared use of BWB in the set up phase

3.5.2 Appointment of Trustees

The Chair has proposed a process for the recruitment of Trustees and discussed this with the cross party working group. The recruitment campaign will begin as soon as the Council agrees the proposed arrangements between the Trust and the Council.

3.5.3 Secondment of Cultural Facilities Manager

The Cultural Facilities Manager (Steve Bagnall) has been seconded to work for the Trust for 2 days a week. The arrangement started in August and will finish on 31st December. The purpose of the secondment is to provide expertise and support to the Chair as she sets up the Trust. A Chinese wall has been agreed and is in place to protect confidentiality.

3.6 Property issues

3.6.1 Historic principles

- a) Historically external organisations pay market rent and grants are dealt with separately. However, this scenario is different in that the Trust is being established to take on existing Council services, and the Head of Property Services believes there is a justifiable basis for a different approach.
- b) Generally speaking, the Council transfers repair liabilities to reduce risk to the Council – i.e. the risk is transferred to the providers where possible.

3.6.2 Proposed principles

- a) It is proposed that arrangements are simplified, and that one agreement with rent for the Corn Exchange and Guildhalls is reflected in the overall contract.
- b) Any charges not currently in the budget that the Council would wish to additionally impose would at least in formative years, need to be covered by an additional subsidy to the Trust e.g. imposition of a market rent instead of a peppercorn. This could be reflected in consideration of any positive subsidy at a Review point (see point 3.6.6).
- c) Arrangements for repair and maintenance will reflect current responsibilities, funding, risks, specialisms and budget lines. For example, the Council will continue to have responsible for the external and structural

aspects; the Trust will have responsibility for internal and operational aspects – as the service does now.

d) The duration of agreements should reflect operational models

e) The Trust would be responsible for all utility costs – and mechanisms found to manage this in areas where readings are currently jointly taken

3.6.3 Issues

a) The Council is undertaking a corporate review of repair and renewal funding

b) There is a 20 year comprehensive planned repair and renewal programme for the internal and operational elements of the Corn Exchange which is funded through a repair and renewal code, into which revenue contribution are made each year. Under the arrangements, the accrued repair and renewal budgets for the transferred services will be transferred to the Trust under ring-fenced, monitored arrangements. The following accounts will transfer:

- § Corn Exchange internal building
- § Corn Exchange equipment
- § Corn Exchange office equipment
- § Civic rooms
- § Parsons Court Roadway
- § Distribution Boards

c) The Council and the Trust may reconsider property arrangements in light of any positive subsidy (i.e. once reserves have built up) at the Review point (see point 3.6.6).

d) Some of the Council's landlord responsibilities are volume dependent i.e. costs go up with more use but without necessarily generating additional income (wear and tear on general buildings, utilities).

e) The current cost of business rates is £36,500. If the Trust can claim rate relief, this will impact on rates received by the Council and this is reflected as a cost in the overall business model.

3.6.4 Trademarks, Rights, and licences

The Council holds the right to the name 'Cambridge Folk Festival'. This is a registered trademark. The Council will grant Cambridge Live a licence to run Cambridge Corn Exchange and Cambridge Folk Festival, and for a period of 25 years. The leases for the venues and rights to use land at Coldham's Common and Cherry Hinton Hall will run alongside these.

3.6.5 Review points.

The Council will require periodic contractual review points at which overall performance, direction of travel and funding arrangements can be discussed. The proposed frequency is five years, although the first point would be scheduled for the autumn of 2017.

3.6 Staffing – principles of arrangements

3.6.1 All work related to the Corn Exchange and Folk Festival and the people that do that work will transfer to the Trust under the TUPE (transfer of undertakings and protection of employment) legislation on their existing terms and conditions. The business plan includes a full allocation of existing staff costs. There will be an immediate need to review management responsibilities as the head of service is not transferring.

3.6.2 Pension contributions have been determined assuming the Trust becomes an Admitted Body within the LGPS arrangements. The business plan also assumes that as an admitted body, the Trust will operate a closed LGPS pension scheme i.e. the LGPS will be available only to transferred Council staff. New staff will be enrolled in a separate scheme

Indicative costs for a bond to mitigate against project failure have been determined; however the Head of Finance has recommended that the Council underwrites the risk rather than require the purchase of a bond.

3.6.3. The business plan assumes the Trust will pay the national living wage to its staff. The Council would expect the Trust to recognise Trade Unions.

3.6.4 TUPE letters have been sent to Trade Union representatives informing them that a transfer of staff is envisaged in connection to the creation of a cultural trust, and those staff who have been identified as working wholly or substantially in the service transferring received TUPE letters week commencing 11.08.2014.

3.6.5 A due diligence exercise in relation to TUPE is being undertaken with BWB. This will be used to inform the staff consultation process.

3.6.6 Unison has recently undertaken a survey with staff on the transfer and the results of this will also be used to inform the consultation.

3.7 Zero based business plan (see Appendix A)

3.7.1 Approach

It was recognised in the BWB/FEI report in February 2014 that a zero based, bottom up business planning exercise would be needed to support and verify the business case budget that was presented alongside that report. This original budget was largely based on historic Council accounts. The new 5 year business plan is a comprehensive work book and the key points are summarised in this report. It is structured in a way that recognises that the new organisation is an event driven operation and is built up from event analysis based on known and understood projections of business activity for the Corn Exchange, Guildhalls and Folk Festival alongside a detailed analysis of future operational and infrastructure expenditure that will be required by the Trust. The business plan will form the basis for the chart

of accounts and management reporting for the new organisation. Income and cost projections have been worked up by Arts and Recreation managers with FEI. The business plan has been reviewed by the Council's Finance section and the cross party working group.

3.7.2 Comparison with February 2014 model

The February 2014 report indicated a Council subsidy requirement of £350k in year 1 reducing by £50k year on year for the following 4 years plus a grant to fund the Outdoor Event programme that was a balancing figure after taking into account costs and projected income.

The subsidy reduction is driven by the following factors:

- § Increased revenue from the in house catering operation
- § Increased revenue from sponsorship and philanthropy
- § Cost reductions from efficiencies and a more flexible approach to procurement and operational delivery.

3.7.3 Summary of the June 2014 plan

The work on the zero based budget has largely confirmed the February business case. There are many variances across both income and expenditure lines as would be expected but the overall impact is broadly neutral. The June 2014 business plan again projected subsidy of £350k reducing to £150k in Y5. This position has been improved on since then, largely due to the Trust buying back a number of services from the Council that were not originally assumed for example, legal, HR advice and accountancy support. The subsidy now stands at £275k in Y1 reducing to £50k in Y5. These revised figures are shown in the table on page 13.

The cost of Outdoor Events remains a balancing figure between projected income and expenditure.

3.7.4 Assumptions

Detailed assumptions that informed the zero based business planning process are contained in the FEI reports. The key assumptions are as follows:

- § Catering - The Business Plan assumes that the Corn Exchange catering operation moves in house. Revenue is expected to increase with the elimination of overheads charged by the incumbent contractor and a more efficient and flexible approach to the business.
- § Events - Event numbers in the Corn Exchange and Guildhalls increase from 345 to 417 in the life of the Business Plan. The majority of this growth is anticipated to be in the Guildhalls. The year 1 figures are based on actuals from 13/14 and projections for the current year.
- § Fundraising – It is anticipated that a Fundraising Manager will be appointed by the Trust later this year. Fundraising income is projected to grow significantly during the life of the Business Plan. This is a reflection of the greater potential for corporate and philanthropic giving with the Trust Model.

- § Staff – The Business Plan assumes that all staff whose work transfers to the trust will transfer under TUPE into the Trust and the existing staffing budget is reflected. Pension contributions have been determined assuming the Trust becomes an Admitted Body within the LGPS arrangements. The plan assumes the Trust will pay the national living wage.

3.7.5 Taxation/VAT/Cultural exemption

Cultural exemption was explored in detail as part of the February business case. At the time BWB advised that on the basis of their work so far, the Trust should not apply Cultural Exemption at the outset. The rationale for this is that whilst it could deliver a small saving, there are risks in that:

- § The position is marginal and small changes to the business model may have a negative impact; and
- § It is difficult to reverse

That position has been revisited as part of the zero base project and BWB conclude that there is still a marginal saving of £22k but the risk detailed above still exists. The Business Plan has been prepared on the basis that VAT is charged on all tickets.

3.7.6 Start-up costs

Start-up costs have reduced from the £200k indicated in the February plan to £167k. The bulk of this reduction relates to reduced expectation of any management of change costs. The February business case was based on an indicative staff structure that would have required restructuring and redundancy costs. The July business plan assumes full costing for all staff that will transfer under TUPE. There is a £15k staff cost in year 0 (2014/15) to cover the appointment of the Fundraising Manager. The Chief Executive has agreed the set up costs should be met through the Council's Efficiency Fund.

	Y -1	Y 0	Y 1	
Set up costs	2013/14	2014/15	2015/16	Total
BWB Phase 1 Cost	25000			25000
BWB Phase 2 Cost		65000		65000
BWB Legal/Project Management contingency		20000		20000
VAT project	4730			4730
FF Consultancy	7500			7500
Trust communications and IT set up		30000		30000
Trust Staff Costs in year 0		15000		15000
Provisional MOC costs			0	0
Total set up costs	37230	130000	0	167230

3.7.7 Business rates/rate relief & property insurance

As a charity the Trust will receive an 80% mandatory relief from the amount of business rates. It will be able to apply to the Council for the other 20% discretionary relief and the business plan assumes that this will be granted. The extra cost to the Council is calculated at £15k and this has been factored into the overall impact of the project. Costs for property insurance may change as a result of movement from general to commercial cover. Quotes for this are being obtained.

3.7.8 Funding agreement

The Council overall financial support for the Trust over the next 5 years is detailed below. Subsidy post 2020/21 would be discussed at a Review Point in the autumn of 2017.

	2015/16	2016/17	2017/18	2018/19	2019/20
Trust Subsidy	275k	212k	175k	100k	50k
Outdoor events Grant	207k	196k	185k	17k5	165k
Total (excluding inflation)	482k	421k	360k	275k	215k

3.7.9 Impact of the project to the Council

Referring to the table on page 13 which has been produced by the Finance team, the following observations can be made:

- a) Current costs are calculated at £1.01m
- b) Subsidy (excluding outdoor events) in year 1 is reduced from February 2014 projection of £350k to £275k by internal purchasing of services (i.e. reducing duplication in subsidy funding) and further budget rationalisation. Trust subsidy reduces to £50k by year 5
- c) The subsidy in year 1 for outdoor events is £207k. This includes the outdoor events programme such as content, infrastructure, operational and proportionate permanent staffing costs.
- d) The outdoor events programme reduces in cost by 21% over the first 5 years due to the Trust's ability to operate the events more efficiently whilst maintaining quality and standards. This will be achieved via more flexible procurement, greater ability to fund raise and increased use of volunteers
- e) Since the February report, as part of the corporate business transformation project, the Council has redistributed back office

costs/recharges to front line services, creating a significant increase in the presented cost of the service. The overall impact to the Council is neutral. Recharges will be addressed through this project and the business plans assumes a 15% reduction from year 2, with a total of a 47% reduction by year 5. Recharges remain at 100% of current costs in year 1.

- f) Business rates – this relates to the additional cost of mandatory charitable rates relief to the Council
- g) Proportionate Head of Service relationship management/monitoring role is allocated as a cost to the project (estimated at 10%)
- h) The start-up costs have been reduced from £200k to £167k. This is because management of change costs have been removed as the staffing structure is fully funded
- i) There is an additional cost of £109k in year 1 which is recovered across the 5 years through the project savings to the Council. This figure includes the additional fundraising staff post in year 1, assumed no impact of fundraising in year 1, and additional duplicated unavoidable costs for the Trust associated with the purchase of Sage and IT systems and support.
- j) From year 6, the ongoing annual saving to the Council is £415k
- k) Savings to the Council are primarily driven via
 - § The reduction in subsidy to the Trust from £275 in year 1 to £50k in year 5
 - § The reduced cost of operating the outdoor events in a more efficient environment
 - § Reduction in central recharge costs
- l) The business plan does not include a reserves policy, which the Trust is developing. The small surplus predicted in each of the first few years would need to be set aside for this purpose. The Council will agree a process for monitoring this with the Trust to ensure levels of both reserves held by the Trust, and subsidy provided by the Council are appropriately balanced, and accordingly agree any adjustments.
- m) The business plan does not include associated benefit for example, from increased car parking revenue related to the additional events at The Guildhall and Corn Exchange

Table notes:

1. Starting base budget includes Head of Service salary
2. Assumes services to the value of £50,000 purchased from the Council (Telephone, Accountancy, HR & Legal) [SB email 16/07/2014]
3. Current business model includes inflation for both costs and income. This calculation deletes that impact for a like for like comparison
4. A new Council cost for mandatory business rates relief (80% of £36k @40% - CCC share)
5. This is based upon approximately 10% (2 days / month) of future costs of the Head of Service acting as client manager
6. Payback is contingent upon speed with which the Council is able to deliver support service efficiencies
7. Timing of repayment of start-up costs is contingent on ascertaining what the actual costs are and when the Trust can afford to reasonably pay them
8. Further refinement of these figures may take place, on the basis that there will be no negative financial impact for the Council.

Table showing impact of project to the Council

Current Model Cost £ '000s	Notes	2015/16	2016/17	2017/18	2018/19	2019/20	5 year cost
Budget 2014/15 (uninflated)	1	1,010	1,010	1,010	1,010	1,010	5,050
Trust Model							
Trust Subsidy (per original model)		350	300	250	200	150	1,250
Services to be purchased from CCC		(50)	(50)	(50)	(50)	(50)	(250)
Further business model efficiencies		(25)	(38)	(25)	(50)	(50)	(188)
Revised subsidy requirement	2	275	212	175	100	50	812
Exclude Inflation from model	3	(20)	(10)	(5)	10	20	(5)
Outdoor Events SLA		207	196	185	175	165	928
Total Subsidy		462	398	355	285	235	1,735
Total cost to CCC		2015/16	2016/17	2017/18	2018/19	2019/20	
Unavoidable Residual recharges	<i>see below</i>	628	533	453	385	328	2,327
	15.0%						
Business Rates charitable relief	4	15	15	15	15	15	75
Ongoing Head of Service costs	5	17	17	17	17	17	85
Trust Subsidy		462	398	355	285	235	1,735
Total cost to City Council		1,122	963	840	702	595	4,222
Variance		112	(47)	(170)	(308)	(415)	(828)
Payback Summary							
	6	2015/16	2016/17	2017/18	2018/19	2019/20	
Variance as above		112	(47)	(170)	(308)	(415)	(828)
Repay start up costs (timing provisional)	7	0	0	50	50	67	167
Total cost / (income)		112	(47)	(120)	(258)	(348)	(661)
Cumulative		112	65	(55)	(313)	(661)	

3.7.10 Due diligence

Financial due diligence checks have been undertaken by Caroline Ryba, the Council's Head of Finance and Section 151 Officer

3.8 Outdoor events

3.8.1 Under the new arrangements, the Trust will deliver the Council's annual outdoor event programme, namely Midsummer Fair, Big Weekend, Mayor's Day Out, Tea Dances and November 5th Bonfire Night. The Council provide a sum equal to that provided at present but which reduces

by up to 21% over the 5 year agreement to reflect the trust ability to operate the events more efficiently. This reduction does not reflect an expectation in reduction in spend on event programme and content.

3.8.2 There are opportunities to develop the programme, at one end of the scale by working with smaller, existing community led events, and at the other with more high profile events, such as the recent visit of the Tour de France, and the hosting of the Olympic Torch Relay, and clearly, the Cambridge Folk Festival. The move to the Cultural Trust offers more opportunity to innovate and develop the existing programme, both creatively and financially, at the same time as continuing to deliver open and accessible events. Along with other external organisations, the Trust may bring forward new ideas for events for the Council to consider. The Council may request support from the Trust for additional events such as major sports events, civic occasions etc.

3.8.3 Three key areas for development are set out below:

a) A Coherent City Wide Programme

Continue to work with the Council via the Event Management Group on the broader programme of outdoor events regulated by Streets & Open Spaces, bringing together Trust events, community events and potentially other commercial and professional events into a coherent, highly visible and easily recognised programme of City based outdoor activity

b) Community Events Capacity Building and Development

Working with community events to build their skills and aspirations, through targeted professional support and programming

c) Increased Scope and Quality for Existing Programme

Development of the existing outdoor event programme, in particular building the scope of the programming to include high quality outdoor arts, funded through external sources such as Lottery, Arts Council and philanthropy.

3.8.4 The business plan for the Cultural Trust highlights that by year 5, savings against the base budget of 21% (£42k) can be made. This will be achieved by a combination of the following:

- § The Trust's enhanced ability to seek external funding
- § Operational efficiencies e.g. procurement
- § Less use of temporary agency staff (more directly employed staff)
- § Greater use of volunteers where appropriate and in suitable roles
- § Considering options for maximising use of infrastructure (in discussion with the Council)
- § Examining scope for increasing income for example through traders and partners

3.8.5 The funding for the outdoor event programme will be ring-fenced in the Trust budget, giving the Council visibility and offering opportunity for influence and review. Under this proposal, the Trust will be contracted to maintain existing events, and develop the programme so far as is possible. The current event programme will be maintained with the reduced subsidy, some of which will come from cost savings, and some replaced with additional earned income. Unless the Council wished to offer extra funding, any additional activity, including development and planning, would have to be funded from external sources. The arrangements will permit the Council to request inclusion of additional activity as well as allow the Trust to bring forward ideas to develop new events.

3.8.6 At present, each autumn the Arts & Events team consult with stakeholders and community groups to review the summer's programme and begin to collate ideas for the following year. This process will continue under the Trust, with the added formality of a meeting with the Relationship Manager and the Executive Councillor for Communities, Arts & Recreation in autumn each year at which the Trust will outline the proposed programme for the Council's comment and input. The early planning currently being undertaken to consider a programme to commemorate the end of World War Two is a good example of how this opportunity for influence is working now and will continue to in the future.

3.8.7 The outdoor events will be monitored via the overall performance framework identified in point 3.10 which is being established to manage the Council's relationship with the Trust.

3.9 Governance arrangements

Cambridge Live has been set up as a private company limited by guarantee, with an associated private company limited by shares, Cambridge Live (Trading) Limited. Draft Articles of Association have been prepared and have been reviewed by the Chair but not yet been submitted to the Charity Commission. The draft objects are for the public benefit:

- § ...the promotion of arts and culture, particularly, but not exclusively, by promoting and facilitating access to performances of live music and other art forms;
- § ...the advancement of education, particularly, but not exclusively, in relation to music, arts and performing arts;
- § ...the promotion of social inclusion by preventing people from becoming socially excluded, relieving the needs of those people who are social excluded and assisting them to integrate into society; and
- § ...the provision of facilities and events in the interests of social welfare for recreation or other leisure time occupation of individuals.

Other the key points to note are as follows:

- § The Chair of Cambridge Live has expressed a wish to operate a board with eleven trustees, with a maximum number set at 15.
- § At this level, the Council can appoint a maximum of 2 trustees and these can be appointed and removed at any time. The Executive Councillor for Communities Arts and Recreation has responsibility for the nomination of the Council's 2 appointed trustees.
- § The Quorum for Trustees meetings is 3
- § Any decision outside the board meeting structure can only be taken if it is unanimously agreed by all trustees
- § The Trustees may appoint patrons and establish associate members

3.9.1 Appointment of Cambridge City Council Trustees to the Board of Cambridge Live.

The Executive Councillor for Communities, Arts & Recreation has responsibility for the nomination of two Council trustees. He has advised that Councillors Dan Ratcliffe and Sian Reid have been nominated. The chairs of Strategy & Resources and Community Services scrutiny committees and the minority spokes for Communities Arts & Recreation and Strategy and Transformation have been informed of nomination process.

3.10 Management of relationship

The relationship will be managed under contract via a performance framework, which will include the following components:

3.10.1 Contractual requirements

a) The use of Council buildings and assets will be controlled through leases and licences. This will identify the duration of arrangements, responsibilities of each party and financial relationships

b) Establishment of Council requirements for the use of the Cambridge Folk Festival trademark. This could include, for example

- § The event must focus on the folk music genre
- § The event must be held at Cherry Hinton Hall unless permission for an alternative site is given by the Council

c) The Council's contracts with Cambridge Live will run for 25 years to reflect the Council's relationship with the Trust across the duration of the other arrangements. There will be review points to assess strategic and financial direction, also termination clauses relating to serious contractual breaches for reputational, financial mismanagement, health and safety reasons.

d) Review points – proposed every 5 years, although the first would take place in autumn 2017 to consider requirements and subsidy post 2020/21

e) Performance and Service Outcomes

- § Agreed subsidy
- § Performance management outcomes relating to Corn Exchange, Cambridge Folk Festival and outdoor events, for example in relation to audience development, equality, diversity and accessibility.
- § Development of an artistic vision
- § Engagement with the Council (for example in regard to the outdoor events programme)

3.10.2 Board of Trustees

- § Appointment of Council trustees
- § Open and transparent recruitment of Trustees

3.10.3 Monitoring

- § Relationship manager – Head of Communities Arts & Recreation (HoCAR) will be an observer at board meetings
- § Monthly meetings with Managing Director (MD)
- § Quarterly finance and performance report (QFPR) with Chair and MD
- § 5 year review points – proposed every 5 years, although the first would take place in autumn 2017 to consider requirements and subsidy post 2020/21.

3.10.4 Political scrutiny

- § Councillor nominated trustees
- § The Council will discuss with the Trust the option of appointing observers as alternates to its nominated Trustees in the event of absence.
- § Executive Councillor attends QFPR meeting
- § Annual Report by Chair to Council (proposed half yearly in the first yearly)
- § Review points

3.10.5 Public scrutiny

- § Feedback to Trust and Council from members of the public
- § Minutes of Board meetings available
- § Open aspect to AGM
- § Annual report published
- § Public can apply to be Trustees through open process

3.10.6 Recommended length of terms

Contract: 25 years

Leases, licences, trademarks: 25 years

Funding agreement: 5 years (to run alongside current 5 year business plan)

Review periods: 5 years

3.10.7 Performance framework diagram



3.11 Risk assessment

The following risks have been identified and are outlined in the summary below. The full risk assessment is available upon request.

Risk	Category	Cause	Controls
1. Business fails to meet financial targets	Financial	Trust fails to meet business targets	CCC scrutiny of 5 year business plan believed to be robust; Performance management framework involves monthly meeting between CCC relationship manager HoCAR and MD, and monthly oversight of accounts by CCC accountant, quarterly meeting between Chair, MD, HoCAR and Executive Councillor, oversight by CCC-appointed Trustees, six monthly report by Chair to Councillors.
2. Service failure	Operational	Trust fails to deliver against expected performance or quality outcomes	CCC performance requirements outlined in SLA and other contracts. Performance management framework (as above).
3. Trust causes reputation damage to	Political	Actions of the Trust cause reputational damage to the	CCC endorses a robust process for recruitment of Trustees. Performance management framework ensures close working relationship to address any

the Council		Council	concerns in a timely manner.
4. Trust faces business continuity problems	Operational	Chair, Trustees or key staff leave the Trust. Buildings are unusable for a reason	Performance management framework ensures close working relationship to anticipate and offer support. Expect to see a business continuity plan in place and issues managed via risk register.
5. Trust responsible for significant health and safety breaches	Operational	Failure to comply with health and safety legislation, including Fire Risk Assessment	Area governed by legislation. Responsibilities of the Council and Trust respectively to be made clear in funding and contractual agreements. Along with Risk Management, we would expect to see health and safety as a routine Board agenda item. The Performance management framework and close working relationship will enable health and safety issues to be identified and managed
6. Trust responsible for safeguarding breaches	Operational	Failure to comply with legislation and County Council procedures in place to protect children and young people and vulnerable adults	Area governed by legislation. Responsibilities of the Council and Trust respectively to be made clear in funding and contractual agreements. Expect to see Safeguarding policies in place and engagement by Trust in local safeguarding training and events. The Performance management framework and close working relationship will enable monitoring to check arrangements are in place.
7. Taxation or contractual breaches	Financial	Procurement set up and VAT arrangements insufficiently robust	Expert advice taken from BWB, Counsel opinion. Council procurement and VAT advisor involved in set up of arrangement

4. Implications

(a) Financial Implications

Outlined in section 3.8.9

(b) Staffing Implications (if not covered in Consultations Section)

Outlined in section 3.7

(c) Equal Opportunities Implications

A summary of the issues and actions arising from the EQIA (Appendix B)

Equality Group	Possible impact or disadvantage	Action
Age	Staff concerned about LGPS pensions in the transfer	Discuss LGPS options with Trust; Discuss proposals and method of consultation with Trade Unions. Consult on arrangement with staff
Disability	Lack of opportunity to engage in the process if absent from work (also applies to other long term absence)	Members of staff are being kept informed by a mixture of briefings from the Head of Service, emails from the Head of Service, and updates from managers at team meetings. Paper copies of key pieces of communication will be posted to home addresses where necessary. Formal consultation will include measures to ensure anyone with a disability has appropriate opportunity and support to participate. Staff on long term absence or sick leave will be consulted and kept informed.
Pregnancy and maternity	Lack of opportunity to engage in the process and or may be on maternity or adoption leave during transfer period	Members of staff are being kept informed by a mixture of briefings from the Head of Service, emails from the Head of Service, and updates from managers at team meetings. Paper copies of key pieces of communication will be posted to home addresses where necessary. Employees will be kept informed and offered opportunity to engage in the processes.
Other factors that may lead to inequality	Inequality may arise if the approach to programming venues or events does not proactively consider the wide range of equality issues.	The Council will require the Trust to undertake audience development activity, to research and consult widely with communities and cultures in the City to ensure programming is responsive, and audiences reflect the diverse population of the City. In particular, the Trust will be asked to consider ways to create better access to people on lower incomes.

(d) Environmental Implications

The project is estimated to have a low negative impact as the number of events held in the Guildhall is planned to rise, causing greater use of gas, electricity and water than at present.

(e) Procurement

The Council has considered the package of services carefully and taken both industry and legal advice on the future arrangements. An early options appraisal was conducted in the autumn of 2013 and this concluded the Council should establish a new trust (or not for profit distributing organisation) to run them. The rationale behind packaging the delivery of the services in this way was as follows:

- § The services are unusually diverse in their scope, scale and complexity and type of activity
- § The activities within the services (for example the marketing function and the box office) have significant levels of cross-staffing and other resource dependency

- § The services require significant levels of local fund-raising to be affordable and it is considered that these are more likely to be delivered by a local not for profit organisation than by a large profit making organisation remote from the City
- § The Council wishes to maintain a close link with the service provider in order for the Council to be able to influence the outdoor events programme - albeit at a high level
- § Publicity in the press and by the Council about the Council's proposals over the last 12 months has not given rise to any enquires about the proposed operation of the services.

The options which were discounted were:

- § Full or partial externalisation via a procurement exercise to the market
- § Merger with an existing NPDO or organisation
- § Retain part or all of the services in house

This appraisal was assessed by BWB and FEI as part of the phase 1 work on the Cultural Trust project and was re-appraised recently. On each occasion the consultants and solicitors supported the conclusion reached.

Given the nature of the services and the requirement for the service provider to raise substantial funding to maintain them, it is considered that there are no outstanding procurement implications.

(f) Consultation and communication

In addition to the working group, political briefings have been offered. Staff have been briefed by meetings and by email and have had the opportunity to comment and raise questions to both the head of service and the chair of the cultural trust. Regular briefings have been held with Trades Unions. Unison has undertaken a survey with the arts and recreation staff who will transfer. The responses and arising issues will be brought forward and addressed through the TUPE and staff consultation process. The Council has issued news releases to announce the recruitment and appointment of the Chair of the trust.

(g) Community Safety

Not applicable

5. Background papers

- § BWB/FEI Business Plan CONFIDENTIAL: *By virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.*
- § BWB/FEI Business Plan summary CONFIDENTIAL: *By virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.*
- § Report to Community Services Scrutiny Committee 16.10.2014: Review of Outdoor Events

6. Appendices

- A. Revised Cambridge Live budget summary
- B. EQIA

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

Author's Name: Debbie Kaye
Author's Phone Number: 01223 - 457551
Author's Email: debbie.kaye@cambridge.gov.uk

Cambridge Live 5 year Business Plan

	2015/16	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000	£'000
Revenue					
Corn Exchange/Guildhall Events	1216	1286	1367	1473	1536
CEX/GH Bars and Catering	464	473	483	493	502
Folk Festival/Outdoor Events	1645	1681	1718	1756	1794
Marketing Services	135	138	140	143	146
Ticket Services	375	383	390	398	406
Fundraising	179	201	218	235	265
Revenue: CCC Core grant	275	212	175	100	50
Revenue: CCC Outdoor Events	207	196	185	175	165
Total Revenue	<u>4497</u>	<u>4570</u>	<u>4676</u>	<u>4772</u>	<u>4865</u>
Cost of sales					
Corn Exchange/Guildhall Events	543	570	609	655	679
CEX/GH Bars and Catering	180	183	187	191	195
Folk Festival/Outdoor Events	1484	1492	1472	1482	1493
Marketing Services	47	48	49	50	51
Ticket Services	115	117	120	122	125
Fundraising	4	9	12	14	20
Total Cost of Sales	<u>2374</u>	<u>2420</u>	<u>2449</u>	<u>2514</u>	<u>2563</u>
Contribution	<u>2124</u>	<u>2150</u>	<u>2227</u>	<u>2257</u>	<u>2302</u>
Overheads					
Management/Executive	253	253	263	269	274
CEX/GH Technical	188	192	196	200	204
CEX/GH Catering	88	89	91	93	95
Folk Festival/Outdoor Events	171	175	178	182	186
Customer Services	122	124	127	129	132
Marketing & Communications	324	330	336	341	347
Box Office	223	228	233	237	242
Fundraising	36	36	37	38	39
Property/Infrastructure	390	395	405	413	421
Finance and General Administration	287	288	299	305	311
	<u>2083</u>	<u>2111</u>	<u>2165</u>	<u>2208</u>	<u>2252</u>
Surplus/(Deficit)	<u>41</u>	<u>38</u>	<u>63</u>	<u>50</u>	<u>51</u>

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Cambridge City Council Equality Impact Assessment



Completing an Equality Impact Assessment will help you to think about what impact your strategy, policy, plan, project, contract or major change to your service may have on people that live in, work in or visit Cambridge, as well as on City Council staff.

The template is easy to use. You do not need to have specialist equalities knowledge to complete it. It asks you to make judgements based on evidence and experience. There are guidance notes on the intranet to help you. You can also get advice from David Kidston, Strategy and Partnerships Manager on 01223 457043 or email david.kidston@cambridge.gov.uk or from any member of the Joint Equalities Group.

1. Title of strategy, policy, plan, project, contract or major change to your service:

Arrangements for the transfer of services to the cultural trust, Cambridge Live

2. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?

To reduce the subsidy required to these services.
To provide a sustainable financial and operational basis on which the services can thrive.
To manage and mitigate the risks to the authority of continuing to provide the services directly

3. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? (Please tick those that apply)

- Residents
- Visitors
- Staff

A specific client group or groups (please state):

4. What type of strategy, policy, plan, project, contract or major change to your service is this? (Please tick)

- New
- Revised
- Existing

5. Responsible directorate and service

Directorate: Customer & Community Services

Service: Arts & Recreation

6. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service?

No

Yes (please give details):

Legal, Finance, Property, HR

7. Potential impact

Please list and explain how this strategy, policy, plan, project, contract or major change to your service could **positively** or **negatively** affect individuals from the following equalities groups.

When answering this question, please think about:

- The results of relevant consultation that you or others have completed (for example with residents, people that work in or visit Cambridge, service users, staff or partner organisations).
- Complaints information.
- Performance information.
- Information about people using your service (for example whether people from certain equalities groups use the service more or less than others).
- Inspection results.
- Comparisons with other organisations.
- The implementation of your piece of work (don't just assess what you think the impact will be after you have completed your work, but also think about what steps you might have to take to make sure that the implementation of your work does not negatively impact on people from a particular equality group).
- The relevant premises involved.
- Your communications.
- National research (local information is not always available, particularly for some equalities groups, so use national research to provide evidence for your conclusions).

(a) Age (any group of people of a particular age, including younger and older people)

Concern has been expressed by some members of staff about how their pensions would be affected in any change.

(b) Disability (including people with a physical impairment, sensory impairment, learning disability, mental health problem or other condition which has an impact on their daily life)

Opportunity to engage in the process if absent from work.

(c) Gender

None

(d) Pregnancy and maternity

Opportunity to engage in the process. Staff may be pregnant, or on maternity or adoption leave during transfer period.

(e) Transgender (including gender re-assignment)

None

(f) Marriage and Civil Partnership

None

(g) Race or Ethnicity

None

(h) Religion or Belief

None

(i) Sexual Orientation

None

(j) Other factor that may lead to inequality (please state):

The services currently run by the Council are tasked to be responsive and promote access to a broad section of the community. The Trust will be required to continue to develop a diverse and inclusive programme. Failure to do so would result in an exclusive programme that would not meet Council objectives.

8. If you have any additional comments please add them here

9. Conclusions and Next Steps

- If you have not identified any negative impacts, please sign off this form.
- If you have identified potential negative actions, you must complete the action plan at the end of this document to set out how you propose to mitigate the impact. If you do not feel that the potential negative impact can be mitigated, you must complete question 8 to explain why that is the case.
- If there is insufficient evidence to say whether or not there is likely to be a negative impact, please complete the action plan setting out what additional information you need to gather to complete the assessment.

All completed Equality Impact Assessments must be emailed to David Kidston, Strategy and Partnerships Manager, who will arrange for it to be published on the City Council's website. Email david.kidston@cambridge.gov.uk

10. Sign off

Name and job title of assessment lead officer: Debbie Kaye

Names and job titles of other assessment team members and people consulted:
Steve Bagnall, Cultural Facilities Manager,
Deborah Simpson, Head of HR
Karl Tattam, Support Services Manager

Date of completion: 3.1.2014 Reviewed October 2014

Date of next review of the assessment: N/A

Action Plan

Equality Impact Assessment title: Arrangements for the transfer of services to the cultural trust, Cambridge Live

Date of completion: 3.10.2014

Equality Group	Age
Details of possible disadvantage or negative impact	Staff concerned about LGPS pensions in the transfer
Action to be taken to address the disadvantage or negative impact	Discuss LGPS options with Trust; Discuss proposals and method of consultation with Trade Unions. Consult on arrangement with staff
Officer responsible for progressing the action	Debbie Kaye, Deborah Simpson
Date action to be completed by	December 2014
Equality Group	Disability
Details of possible disadvantage or negative impact	Lack of opportunity to engage in the process if absent from work (also applies to other long term absence)
Action to be taken to address the disadvantage or negative impact	Members of staff are being kept informed by a mixture of briefings from the Head of Service, emails from the Head of Service, and updates from managers at team meetings. Paper copies of key pieces of communication will be posted to home addresses where necessary. Formal consultation will include measures to ensure anyone with a disability has appropriate opportunity and support to participate. Staff on long term absence or sick leave will be consulted and kept informed.
Officer responsible for progressing the action	Debbie Kaye
Date action to be completed by	Ongoing
Equality Group	Gender
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Pregnancy and Maternity
Details of possible disadvantage or negative impact	Lack of opportunity to engage in the process and or may be on maternity or adoption leave during transfer period
Action to be taken to address the disadvantage or negative impact	Members of staff are being kept informed by a mixture of briefings from the Head of Service, emails from the Head of Service, and updates from managers at team meetings. Paper copies of key pieces of communication will be posted to home addresses where necessary. Employees will be kept informed and offered opportunity to engage in the processes.
Officer responsible for progressing the action	Debbie Kaye
Date action to be completed by	Ongoing
Equality Group	Transgender
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	
Equality Group	Marriage and Civil Partnership
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	
Equality Group	Race or Ethnicity
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	

Equality Group	Pregnancy and Maternity
Date action to be completed by	
Equality Group	Religion or Belief
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	
Equality Group	Sexual Orientation
Details of possible disadvantage or negative impact	
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	
Other factors that may lead to inequality	
Details of possible disadvantage or negative impact	Inequality may arise if the approach to programming venues or events does not proactively consider the wide range of equality issues.
Action to be taken to address the disadvantage or negative impact	The Council will require the Trust to undertake audience development activity, to research and consult widely with communities and cultures in the City to ensure programming is responsive, and audiences reflect the diverse population of the City. In particular, the Trust will be asked to consider ways to create better access to people on lower incomes.
Officer responsible for progressing the action	Debbie Kaye
Date action to be completed by	October 2015

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To: The Leader and Executive Councillor for Strategy and Transformation: Councillor Lewis Herbert
Report by: Jas Lally Head of Refuse and Environment
Relevant scrutiny committee: Strategy & Resources 20/10/2014
Scrutiny Committee
Wards affected: All

CORPORATE ENFORCEMENT POLICY

Not a Key Decision

1. Executive summary

1.1 Legislative changes and in particular the Regulators Code which is a statutory code came into force in April 2014 making it necessary to review and update the Council's Corporate Enforcement Policy.

2. Recommendations

2.1 The Leader of the Council is recommended to consider and adopt the proposed Corporate Enforcement Policy attached as Appendix A.

3. Background

3.1 The current Enforcement Policy is now out of date and does not reflect the current legislation and guidance, in particular the Regulators Code. The Corporate Enforcement Policy forms the basis under which specific service enforcement policies are derived where required.

3.2 The policy has been considered, reviewed and commented on by Legal Services as well as various officers representing their services on the Enforcement Steering Group.

3.3 The policy is essential to provide clarity to residents and businesses in the way we act, as well as, minimising risks associated with failed enforcement action. The Enforcement Policy is one of a number of methods and tools used to deliver the Council's Vision "One Cambridge – Fair for All".

3.4 Once adopted, the new policy will need to be published on the Council's website. Directors, Heads of Service and managers will need to cascade the new policy to operational staff and ensure it is taken into account in all enforcement actions.

3.5 What is the Regulators Code?

It is a code of practice that is replacing the Regulators' Compliance Code. It is shorter, easier to follow and provides a framework for how regulators, ranging from national organisations to local authorities, should engage with those they regulate.

3.6 Why is there a new Code?

Following a review of the Regulators' Compliance Code it was found that although regulators had largely adopted its principles, its delivery was inconsistent nationally and it had not changed regulatory culture and practice. The new Regulators' Code is designed to address these concerns. It is part of a package of measures to improve relationship between regulators and those they regulate and to overcome barriers to growth, by improving the way regulation is delivered.

3.7 Who will need to consider the Code?

Nearly all non-economic regulators, including local authorities and fire and rescue services, will need to have regard to the Code when developing standards, policies or procedures that either guide their regulatory activities with businesses or apply to other regulators.

3.8 Each service which deals with enforcement will draw up clear standards setting out the level of service and performance that the public and businesses can expect from them. This will be in consultation with business and all other relevant interested parties. We will publish these standards within individual service areas and also the annual performance targets and measures against them.

3.9 The information published will be easily accessible through a single point on the Councils website which will be clearly signposted and kept up to date.

3.10 Each service will ensure that all members of staff will receive the appropriate training and authorisation to carry out enforcement activity where appropriate.

4. Implications

(a) Financial Implications

The policy has no direct costs as services are staffed to undertake the relevant enforcement roles. Working to an up to date policy will reduce enforcement risks and support the potential award of costs for carrying out enforcement work.

(b) Staffing Implications

There are no staff implications other than communicating the change and ensuring action is taken in accordance with the policy.

(c) Equality and Poverty Implications

An EQiA has been carried out on this policy.

(d) Environmental Implications

The Policy is used to guide the way we enforce appropriate legislation that regulates the environment.

(e) Procurement

Not Applicable

(f) Consultation and communication

Following the production of each of the service standards from each service area, consultations will take place with both businesses and residents of the City to obtain their views and contribute to the development of the service standards.

(g) Community Safety

The Policy is used to guide the way we enforce appropriate legislation that regulates the environment.

5. Background papers

Regulators Code

The Code for Crown
Prosecutors

Equality Impact
Assessment

These background papers were used in the preparation of this report:

6. Appendices

Appendix A Draft Enforcement Policy

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

Author's Name: Yvonne O'Donnell
Author's Phone Number: 01223 - 457951
Author's Email: yvonne.odonnell@cambridge.gov.uk



Corporate Enforcement Policy

October 2014

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1. Introduction

The Legislative and Regulatory Reform Act 2006 (2006 Act) requires Local Authorities to have regard to the Principles of Good Regulation when exercising a specified regulatory function.

A new Regulators' Code came into force in April 2014 and Regulators must have regard to the Code when developing policies and operational procedures that guide their regulatory activities. If a regulator concludes, on the basis of material evidence, that a specific provision of the Code is either not applicable or is outweighed by another relevant consideration, the regulator is not bound to follow that provision but should record that decision and the reasons for it.

The Council fully supports the principles set out in the 2006 Act and the Regulators Code and has set out within this Enforcement Policy the procedures to be adopted by all services and officers exercising any enforcement functions. The Council is committed to services which are courteous and helpful and seeks to work with individuals and businesses, wherever possible, to help them comply with the law.

The Council, nevertheless, acknowledges the need for firm action against those who flout the law and put consumers and others at risk. The Council expects all officers taking enforcement decisions to take this Policy as a guide when making their decision. Every case must be decided on its own individual facts. Officers must ensure that, if they depart from the Policy when they make their decision, they can provide reasons for doing so.

This document represents the Council's Corporate Enforcement Policy, and supersedes any previous corporate policy statements on enforcement. It may be supplemented in some cases, by more specific and detailed service policies.

2. Enforcement activity

The Council has a duty to enforce a wide range of statutes relating to:

- public health and safety,
- quality of life,
- preservation of public and residential amenity
- maintenance of the environment and
- protection of public funds.

All of these activities will be carried out having regard to the general principles of good enforcement practice outlined in this Policy. Although not exhaustive the service areas falling within the scope of this policy include:

Environmental

Noise pollution and control	Public Health
Environmental Protection	Health and Safety at Work
Food Safety	Private Sector Housing including HMOs
Animal Welfare	Pest Control
Dog Warden Services	Licensing
Development and use of land – planning	Advertisements
Building regulation applications	Plan assessments and site inspections
Building regulations and building related advice	Safety at sports grounds and temporary stands
Naming and numbering of streets and properties	Approved inspector notifications
Competent persons schemes	Advanced payments
Relaxations and dispensations	Demolition notices
Dangerous structures	Street Trading
Markets and other street licensing functions	Listed Buildings
Conservation Areas	Tree Preservation
High hedges	River Mooring

Financial

Revenue Recovery and the investigation of Housing Benefit	Council Tax and National non-domestic rate fraud
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Community

Antisocial Behaviour and neighbour nuisance	Harassment and Illegal Evictions
Parking regulation	Abandoned Vehicles
Street, open spaces and waste enforcement	

Although primary responsibility for compliance with the law rests with individuals and businesses, the Council will provide information and advice to help them understand their legal obligations and will seek to raise awareness about the need to comply.

3. Delegation of authority

The Council's Scheme of Delegations specifies the extent to which enforcement powers are delegated to officers. Whilst delegation is mainly to officers, in some specific circumstances the decision to take enforcement action lies with the relevant Council Committee.

4. Objective

The approach adopted by services when carrying out the Council's duty to apply or enforce a wide range of legislation is intended to:

- Assist businesses and others in meeting their legal obligations without unnecessary expense
- Focus on prevention rather than cure
- Ensure that we enforce the law in a fair, equitable and consistent manner
- Take firm action when it is necessary and appropriate to do so.
- Carry out enforcement that is risk-based, consistent, proportionate and effective.

5. Principles of enforcement

5.1. Overview

The Council believes in the principles of good enforcement, as set out in the 2006 Act, which must be adopted by the Council's services. The principles covered are:

- Courtesy and Helpfulness
- Clear Standards and Practices
- Consistency
- Openness
- Proportionality
- Training of Staff

The Council will employ the provisions of the Regulators' Code ('RC'). www.gov.uk/government/publications/regulators-code We will observe any requirements of national bodies and, where practicable, national good practice guidance. Where appropriate, services will provide enforcement advice and information in accessible formats such as minority languages, large print, Braille and face to face.

We will adhere to the principles of the RC, as follows:

- Regulators should carry out their activities in a way that supports those they regulate to comply and grow
- Regulators should provide simple and straightforward ways to engage with those they regulate and hear their views
- Regulators should base their regulatory activities on risk
- Regulators should share information about compliance and risk
- Regulators should ensure clear information, guidance and advice is available to help those they regulate meet their responsibilities to comply
- Regulators should ensure that their approach to their regulatory activities is transparent

5.2. Specific Commitments

5.2.1 Regulators should carry out their activities in a way that supports those they regulate to comply and grow

Effective and well-targeted regulation is essential in promoting fairness and protection from harm. We will ensure that our enforcement is proportionate and flexible enough to allow and encourage economic progress, and provide help and encouragement to businesses in order that they can meet regulatory requirements more easily. We will keep under review our regulatory activities and interventions to ensure that we do not impose unnecessary burdens, paying particular attention to the impact we may have on smaller businesses. In this connection, we will consider the impact our regulatory interventions may have on such businesses to ensure that our interventions are fair and proportionate (by giving consideration to their size and the nature of their activities).

5.2.2 Regulators should provide simple and straightforward ways to engage with those they regulate and hear their views

We will create effective consultation and feedback opportunities to enable continuing cooperative relationships with businesses and other interested parties. We will ensure that our employees provide a courteous and efficient service to businesses and seek the comments and views of regulated businesses. The Council has established and published a comprehensive complaints procedure which is available to any aggrieved party.

www.cambridge.gov.uk/contactus.

In response to non-compliance that we have identified we will clearly explain what the non – compliant item or activity is, the advice being given and the action required or decision taken, and the reasons for these. We will provide an opportunity to discuss any such actions that need to be taken and any appeal process available.

5.2.3 Regulators should base their regulatory activities on risk

Risk assessment will underpin our approach to planned regulatory activity (comprising inspections, data collection, advice and support, and enforcement and sanctions). We will target our efforts and resources where they would be most effective and rate risks to regulatory outcomes. We will base our risk assessment on all available and good-quality data and consider the combined effect of:

- the potential impact of non-compliance on regulatory outcomes; and
- the likelihood of non-compliance (where we will take into account past compliance and potential future risks and willingness to comply)

5.2.4 Regulators should share information about compliance and risk

We follow the principle of “collect once, use many times” when requesting information from businesses. To help target resources and activities and minimise duplication we will share wherever possible information with other enforcement agencies

5.2.5 Regulators should ensure clear information, guidance and advice is available to help those they regulate meet their responsibilities to comply

Ensure that businesses are provided with, or signposted to, clear and accessible information on legal requirements relating to their operations.. Targeted and practical information will be provided through a variety of means including on-site visits, telephone advice lines and online guidance (both national and local guidance). We will endeavour to distinguish between legal requirements and advice or guidance which seeks to improve the basic level of practice. The response to a request for advice will be to provide such advice and to help secure compliance rather than directly triggering enforcement action.

5.2.6 Regulators should ensure that their approach to their regulatory activities is transparent

In consultation with business and all other relevant interested parties, we will draw up clear standards setting out the level of service and performance that the public and businesses can expect from our enforcement services, our approach to check on compliance, this enforcement policy, the fees and charges, if any and how they are calculated.. We will publish these standards within individual service areas and also our annual performance as measured against them. We will justify our choice of enforcement action to relevant interested parties, follow up enforcement actions where appropriate and enforce in a transparent, fair and consistent manner following the Code for Crown Prosecutors.

The information published will be easily accessible through single point on the Councils website which will be clearly signposted and kept up to date

5.2.7 Other Considerations

- The Council will consider the desirability of using formal enforcement in the case of a person who is elderly or is, or was at the relevant time, suffering from significant mental or physical ill health. It will balance this with the need to safeguard others, taking into account the public interest.
- The Council will consider its Safeguarding for Children and Vulnerable Adults Policy when determining what enforcement action we are considering. We are committed to safeguarding and promoting the welfare of children, young people and vulnerable adults. We take our responsibilities seriously and expect all of our staff to share this commitment [Safeguarding children and vulnerable adults policy](#)
- The Council will consider its Equality and Diversity Policy Statement and Equality Value Statement when determining what enforcement action we are considering and how we communicate the message. We believe in the dignity of all people and their right to respect and equality of opportunity. We value the strength that comes with difference and the positive contribution that diversity brings to our city. [Equalities & Diversity in Cambridge City Council](#)
- The Council operates a closed circuit television (CCTV) in the city. The code of practice for its operation can be found at this address: <http://www.cambridge.gov.uk/public/docs/CCTV%20code%20of%20practice.pdf>
- The Council will have regard to the Crown Prosecution Service public policy statements on dealing with cases which involve victims and witnesses who have a learning disability and victims and witnesses who have mental health issues.
- The Council's approach to the collection of Local Taxes [Council Tax & Business Rates] and in the recovery of overpaid Housing & Council Tax Benefit is one which seeks to strike a balance between the need to maximise income to the Council and the desire not to cause further hardship to the poorest within the community

6. Enforcement options

The Council recognises the importance of achieving and maintaining consistency in its approach to enforcement. For many areas of our enforcement activity government guidance already exists in the form of Codes of Practice, Planning Policy Guidance, and Government Circulars etc. There may also be local or regional Codes of Practice such as the Charter and Code of Practice for the collection of debts, which have been produced locally to promote consistency in our enforcement activity. When making enforcement decisions officers must have regard to any relevant national or local guidance as well as the provisions of the Human Rights Act 1998, Equalities Act 2010 and this Enforcement Policy.

6.1 Prevention

We believe that the first step in enforcement is to promote good practice, ensure policy compliance and prevent contravention of the law by raising awareness and promoting good practice. Methods of achieving this include training courses, seminars, special promotions, the issuing of press releases, newsletters, the Council's web site, the production of leaflets and other forms of written guidance and opportunities presented by day to day contact with businesses and other customers.

This approach will be applied when we are not aware of any specific contraventions of the law.

6.2 Approvals, Consents and Licences

We provide a range of approvals consents and licences as specified by individual pieces of legislation. Most of these are compulsory, such as planning applications, licensing applications and building regulation approvals, but a few are optional. These are an important part of the preventative aspect of our work.

We will work with applicants to help them to understand what is required to gain approval through pre-application advice, published guidelines, and post-application discussion.

Applications may be approved as they are submitted, varied by agreement and then approved, approved subject to conditions, or rejected. Applicants, or their agents, will always be notified, in writing, of the outcome of their application, including the reasons if rejected. Details of any rights of appeal will be provided at the time the decision is notified.

Depending on which service is being provided, the kind of circumstances in which conditions may be attached include (but are not restricted to):

- Building work is not inherently wrong but plans need to be modified or further plans are required
- Developments would be refused if conditions were not attached

- Conditions are necessary to ensure that the purpose of an approval, licence or registration is adhered to (for example animal welfare conditions for a Pet Shop licence)
- Where a food premises meets all the infrastructure and equipment requirements for approval but does not fully comply with some other requirements

The circumstances in which applications may be refused include (but are not restricted to):

- Where plans do not show compliance with Building Regulations
- Where a reply to a plan assessment letter is not received, is received too late to allow an adequate response, or is unsatisfactory
- Where work, at inspection stage, does not meet minimum standards and remedial action is required
- Where contraventions exist.
- Where an application is against local policy
- Where there is reason to believe that the applicant will not comply with the purpose of a licence or registration or any conditions attached to it (for example where there have been previous infringements)
- Where a food business operator fails to meet all the structural and equipment requirements

Any rejection notice will inform the applicant, or their agent, of the reasons for refusal and any right of appeal.

6.3 Informal Action

We would prefer to avoid unnecessary costs for the customer, preferring their time and money to be invested in solutions rather than legal procedures. We will therefore use our best efforts to resolve situations where the law may have been broken without issuing formal notices, or taking other kinds of formal action.

Informal action will involve offering advice, mediation where appropriate, requests for action, or warnings, or seeking and monitoring the delivery of undertakings or timetabled schedules of action. General advice will not necessarily be confirmed in writing. Where more than the most minor contravention exists, we will confirm the situation in writing in a clear manner and explain why any recommendations are necessary and over what timescale they should be met. When we write we will make sure that legal requirements are clearly distinguished from recommendations. Informal action will be supported throughout by contact between the customer and Council officers.

This approach may be applied provided that the consequences of non-compliance are considered acceptable. This includes (but is not restricted to) occasions where the time period allowed to seek compliance does not present a significant risk to or impact on health, safety, welfare or the environment, and either:

- The contravention is not serious enough to warrant immediate formal action
- There is no demonstrable harm to the amenity of the area
- The past history (of the individual or business) suggests that informal action will achieve legal compliance in a reasonable timescale
- Standards are generally good, suggesting a high level of awareness of, and compliance with, statutory responsibilities
- The action is being taken on behalf of a customer, who prefers the matter to be handled informally

6.4 Formal Action

Circumstances where formal action will be considered include (but are not restricted to):

- There is a significant contravention of legislation
- The wording of legislation requires the Council to take a specified action
- An informal approach has failed
- There is a history of non-compliance with informal action
- There is a lack of confidence in the successful outcome of an informal approach
- Standards are generally poor, suggesting a low level of awareness of, and compliance with, statutory responsibilities
- The consequences of non-compliance, for health, safety, the environment, or other Council priorities, are unacceptable and/or immediate
- There is demonstrable harm to the amenity of the area
- Effective action needs to be taken quickly in order to remedy conditions which are deteriorating
- Formal action is expected to achieve the desired outcome without incurring expense or inconvenience that is disproportionate to the risks
- Legal requirements, relevant formal guidance, or other Council policies or strategies require formal action to be taken
- A charge applied by a Fixed Penalty Notice has not been paid

In most situations before formal action is taken, we will provide an opportunity to discuss matters and, hopefully, resolve points of difference. The extent of this will depend on the seriousness of the contravention, and may not be possible where immediate action is considered necessary, e.g. where there is an immediate risk to health, safety or the environment, or where the formal action takes the form of a fixed penalty notice.

Only officers who have reached a sufficient level of competence will be given the delegated authority to take formal action. Formal action can take any form that the Council is empowered by legislation to take. The following will be the most commonly used.

6.5 Statutory Notices

Many of the various pieces of legislation that we enforce provide for the service of 'statutory notices' on individuals, businesses and other organisations requiring them to meet specific legal obligations. Where a 'statutory notice' is served, the method of appealing against the notice and the timescale for doing so will be provided in writing at the same time. The notice will explain what is wrong, what is required to put things right and what the likely consequences are if the notice is not complied with. In some cases a 'statutory notice' can be served to prevent the occurrence or recurrence of a problem e.g. a noise nuisance. In most cases, failure to comply with a 'statutory notice' will result in more severe formal action being taken. In some cases such as Housing Notices there will be a charge from when the notice has been served.

6.6 Fixed Penalty Notices

These are notices that apply a fixed penalty for specific offences, such as littering. The notice will describe the method of payment and the options and timescales for doing so. Failure to make a payment will result in prosecution for the original offence, unless there are exceptional circumstances.

6.7 Work In Default

In general, it is the responsibility of others to achieve compliance with the law. In certain cases the Council may undertake work to achieve compliance on behalf of others, and may seek a warrant to gain entry to land or premises to do so. This may occur if the responsible person fails to comply, cannot comply by virtue of genuine hardship, or is unable to comply by virtue of being absent. In these cases the Council's costs will be recovered from the responsible person. If the costs cannot be recovered, they will usually be placed as a charge against the property, to be recovered at a later date.

This kind of formal action will be considered (but is not restricted to) occasions where:

- A 'statutory notice' requiring work to be undertaken has not been complied with
- Immediate work is required and it is not practicable to contact the responsible person, or they are not willing to respond immediately
- There is no responsible person e.g. burial or cremation of a deceased person with no next-of-kin

6.8 Cautions

A simple caution (previously known as a formal caution) may be issued as an alternative to a prosecution and will be considered during any decision to prosecute. Cautions will be issued to:

- deal quickly and simply with less serious offences;
- divert less serious offences away from the courts; or
- reduce the chances of repeat offences.

To safeguard the suspected offender's interests the following conditions will be fulfilled before a caution is administered:

- there must be evidence of the suspected offender's guilt sufficient to give a realistic prospect of conviction; and
- the suspected offender must admit the offence; and
- the suspected offender must understand the significance of a caution and give an informed consent to being cautioned.

A caution is a serious matter, which will influence any future decision should the company or individual offend again. It can be referred to in any subsequent court proceedings, but this will not apply if the caution was issued more than 3 years before. Where the offer of a caution is refused, a prosecution will generally be pursued.

No pressure will be applied to a person to accept a caution.

The Council maintains a central register of cautions administered.

6.9 Prosecution

The Council recognises that the decision to prosecute is significant and would be a last resort and could have far reaching consequences on the offender. The decision to undertake a prosecution will normally be taken by the relevant Director/Head of Service/ Planning Regulatory Committee in consultation with the Council's Solicitor.

All relevant evidence and information will be considered before deciding upon a prosecution in order to enable a consistent, fair and objective decision to be made. The Council will have regard to the Attorney General's Code for Crown Prosecutors, which means that the following criteria will be considered:

- Whether the standard of evidence is sufficient for there to be a realistic prospect of conviction;
- Whether the prosecution is in the public interest;

The public interest test will be considered in each case where there is enough evidence to provide a realistic prospect of conviction. The Council will consider whether there are public interest factors tending against prosecution which clearly outweigh those tending in favour, or it appears more appropriate in all the circumstances to divert the person from prosecution.

To determine the public interest test the following questions should be considered:

- a) How serious is the offence committed?

The more serious the offence, the more likely it is that a prosecution is required. When deciding the level of seriousness we will include amongst the factors for consideration the suspect's culpability and the harm to the victim

b) What is the level of culpability of the suspect?

The greater the suspect's level of culpability, the more likely it is that a prosecution is required. Culpability is likely to be determined by the suspect's level of involvement; the extent to which the offending was planned and whether there are previous convictions

c) What are the circumstances of and the harm caused to the victim?

The greater the vulnerability of the victim the more likely it is that a prosecution is required. A prosecution is also more likely if the offence has been committed against a victim who was a person serving the public. We will take into account the views of the victim and the impact it would have on the victim and families.

d) Was the suspect under the age of 18 at the time of the offence?

The best interests and welfare of the child or young person must be considered including whether a prosecution is likely to have an adverse impact on his or her future prospects that is disproportionate to the seriousness of the offending.

e) What is the impact on the community?

The greater the impact of the offending on the community the more likely it is that a prosecution is required. In considering this question, prosecutors should have regard to how "community" is an inclusive term and is not restricted to communities defined by location

f) Is prosecution a proportionate response?

We will consider whether prosecution is proportionate to the likely outcome, and in doing so the following may be relevant to the case:

The cost to the Council especially where it could be regarded as excessive when weighed against any likely penalty.

Cases should be capable of being prosecuted in a way that is consistent with principles of effective case management

g) Do sources of information require protecting?

In cases where public interest immunity does not apply, special care should be taken when proceeding with a prosecution where details may need to be made public that could harm sources of information. It is essential that such cases are kept under review.

In deciding on the public interest the Council will make an overall assessment based on the circumstances of each case.

Where there has been a breach of the law leading to a work-related death, the Council will liaise with the police, coroner and the Crown Prosecution Service (CPS) and, if there is evidence of manslaughter, we will pass the case to the police or, where appropriate, to the CPS and /or the Health & Safety Executive (HSE)

6.10 Restorative Justice

Where appropriate and available, the Council will consider the use of Restorative Justice. Restorative Justice is a process through which parties with a stake in a specific offence collectively resolve how to deal with the aftermath of the offence and its implications for the future.

6.11 Proceeds of Crime

Where appropriate the Council will consider the use of the Proceeds of Crime Act 2002. The Proceeds of Crime Act allows Local Authorities to recover assets that have been accrued through criminal activity.

7. Training and appointment of officers

All officers undertaking enforcement duties will be suitably trained and qualified so as to ensure that they are fully competent to undertake their enforcement activities.

Officers will be mentored and shadowed to ensure that there is a consistent approach to enforcement

The Council supports the principle of continuing professional development and will ensure that all officers are given additional in-post training to maintain up to date knowledge and skills. This will be highlighted through their learning and development plan as part of their performance review

Officers may have a variety of delegated powers to assist them in carrying out investigations. For example, this can include the power to require answers to questions and the power to enter premises, usually during reasonable hours e.g. normal opening times. Officers will carry an identity card and their authorisation with them at all times. We will not insist on entry into a person's home without giving 24 hours notice or producing a Court Order. In the event of any doubt as to an officer's powers, confirmation can be obtained from any Council notice describing their powers, or by contacting their manager at the Council. It is an offence to obstruct an authorised officer who is conducting an inspection or investigation. Obstruction may lead to prosecution.

8. Shared Regulatory Roles

Where the Council has a complementary regulatory role or is required to inform an outside regulatory agency of an incident or occurrence it will do so. Such external agencies include (but are not restricted to):

- Police
- Fire Authority
- County Council services
- Other Council services
- Health and Safety Executive
- Environment Agency
- Utility Providers
- Other Councils

Officers will attempt to co-ordinate visits and actions with other agencies to achieve the most efficient and effective outcomes and to minimise inconvenience for those who are being visited, inspected, or subject to other enforcement action.

Wherever possible, in situations where there is a shared enforcement role, the most appropriate authority will, by mutual agreement, carry out the enforcement action.

Exchange of information with other enforcement teams within the Council will take place wherever applicable. Liaison will also take place between relevant services and Members within the Council to avoid potential conflicts of interest.

9. What You Can Expect From Us

- We will be objective to ensure that our decisions are not influenced by gender, ethnic origin, religious or political beliefs, disability or sexual orientation
- We will enter into discussion and offer advice to anyone to try to ensure that they do not unnecessarily expose themselves to the possibility of formal action through a lack of understanding or information
- We will be consistent in our approach by following the criteria and guidance set down in relevant legislation, codes of practice, and our own written procedures and work instructions
- We will ensure that before deciding to offer a caution, or take a prosecution, the case will be subject to independent review by a senior manager
- We will provide a courteous and efficient service and our staff will identify themselves by name when they visit you, or speak to you on the telephone
- We will respect confidentiality subject to any legal requirements to disclose information (for example disclosure to support a prosecution)

10. How To Complain

If you are dissatisfied with the service you have received, please let us know. We are committed to providing quality services and your suggestions and criticisms about any aspect of our service will help us to do this. Most problems can be resolved with the Council employee who has been dealing with the matter, or you may wish to speak to their supervisor.

We will respect confidentiality subject to any requirement to disclose information (for example if it is necessary to do so in order to investigate the complaint, or to provide information to the Local Government Ombudsman). We will not normally investigate anonymous service complaints.

If you are still not happy, you can make a formal complaint using the Council's Complaints Procedure. You can ask us to register your formal complaint by phone, fax, letter, e-mail or in person. Once we receive a formal complaint we will acknowledge receipt, in writing, immediately. A manager will investigate the complaint and will normally reply to you, in writing, within 7 working days, either giving a full answer or an indication of the likely time scale for the provision of a full answer. You will also be advised of what further action you can take if you are still dissatisfied. The Complaints Procedure can be viewed on the Council's web site at: www.cambridge.gov.uk/contactus

11. How To Contact Us

by telephone

You can use the telephone number given on any correspondence we have sent you, or telephone our Customer Service Centre (01223 457000).

Strictly for emergency situations that cannot wait for the next working day, you may telephone us outside office hours on 0300 303 8389.

in person

At the Customer Service Centre at Mandela House, 4 Regent Street, Cambridge CB2 1BY (Monday 8am to 5.15pm and Tuesday to Friday, 9am to 5.15pm)

in writing

You can write to us at the following address: PO Box 700, Cambridge CB1 0JH

by Fax

01223 457982

by e-mail

enquiries@cambridge.gov.uk

12. Review of Enforcement Policy

This policy document will be reviewed every 3 years or sooner should legislation change

This document was published in October 2014

For further information email enquiries@cambridge.gov.uk or contact Environmental Health Manager on 01223 457951



To: The Leader and Executive Councillor for Strategy and Transformation: Councillor Lewis Herbert

Report by: Ray Ward

Relevant scrutiny committee: Strategy & Resources
20/10/2014
Scrutiny Committee

Wards affected: Abbey Arbury Castle Cherry Hinton Coleridge
East Chesterton King's Hedges Market Newnham
Petersfield Queen Edith's Romsey Trumpington
West Chesterton

SHARED SERVICES

Key Decision

1. Executive summary

1.1 Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council all made decisions in July to work in partnership to deliver shared services. A significant amount of work has taken place since then and this report sets out progress together with proposed next steps to ensure momentum is maintained.

2. Recommendations

The Executive Councillor is recommended:

- 2.1 To note the good progress to date by all three Councils working together to deliver shared services.
- 2.2 To agree the general principles set out in Paragraph 4, namely:

The lead authority model in the first instance (4.2)

Proposed lead and location arrangements (4.3)

Proposed cost sharing proposals (4.4)

- 2.3 To agree to a phased approach to the development of ICT and Legal Shared Services, with interim project support appointed to assist with the process and develop full business cases.

- 2.4 To establish a Business and Legal Practice Manager in advance of the proposed shared legal service to assist with the transformation programme and development of the shared service.

3. Summary of Progress to Date

- 3.1 The three councils have been working well together to deliver Phase 1 of a series of shared services. Progress on ICT and Legal is included later in this report. Waste Collection, involving the City Council and South Cambridgeshire, forms a separate report and Building Control, involving Huntingdonshire and South Cambridgeshire, will be brought forward for decision in November. Other discussions involving shared services are also currently taking place through City Deal.

4. General Principles

- 4.1 As part of ongoing work on shared services, a number of general principles have emerged that will help to ensure coherence and consistency across all shared services moving forward. These general principles will help to provide a framework within which specific decisions can be made on a service by service basis to meet operational requirements.

4.2 Shared Service Models

- 4.2.1 There are a number of shared service models that can and have been adopted elsewhere in the country, each with advantages and disadvantages. These range from a lead authority model through to a company structure and joint outsourcing.
- 4.2.2 It is believed that, in the first instance, the lead authority model would best suit our circumstances and would enable current momentum to be maintained. Under the lead authority model, one authority would be responsible for the shared service, including staff seconded on their substantive terms and conditions from the remaining two authorities. However it is important to stress that shared member and officer governance arrangements would be put in place with regard to overseeing performance.
- 4.2.3 Whilst it is proposed that the lead authority model should be the starting point for consideration, other models may be suggested as part of specific business cases, or explored over time once a shared service model has been created.

4.3 Lead and host authority arrangements

4.3.1 It will be important to ensure overall across the first phase of shared services that the decisions on lead authorities are made equitably, bearing in mind the cumulative impact on each of the three authorities.

4.3.2 In the first instance, it is proposed that Cambridge City Council should lead on Legal Services, Huntingdonshire on ICT and South Cambridgeshire on Waste Collection. Decisions on building control and other services as appropriate will be made at a later date.

4.3.3 As far as location is concerned, it is proposed that this should be an operational decision made on a service by service basis as a part of each business case. However, the cumulative impact will need to be borne in mind together with the strategic accommodation priorities of each Council.

4.3.4 As part of developing shared services, it will be important to reduce the need for travel across the three authorities to minimise costs and environmental impact. It is proposed therefore to create:

- hot desking in each authority for other partners/services to use as appropriate;
- a common document management system for meetings;
- video conferencing and related ICT facilities

4.4 Cost Sharing / Efficiencies

4.4.1 There are a number of cost sharing models operating elsewhere, some of which are more sophisticated than others, including:

- An equal split of any savings achieved across the participating authorities.
- A proportional split based on an agreed formula (eg population, number of employees).
- A service by service approach based on the budget of each service incorporated.
- A service by service approach based on the level of service specification by each partner

4.4.2 It is important to be fair and transparent, whilst at the same time not creating a significant amount of work that is disproportional to potential outcomes. It is proposed that a service by service approach based in the first instance on the budget of each service incorporated should be the starting point, whilst also ensuring that appropriate efficiency

targets are built in for each Council. An appropriate cost sharing agreement will be made between the parties concerned at the outset.

4.4.3 Once the shared service is created, we will need to ensure a more sophisticated approach by which each authority can determine the performance required and target potential efficiencies appropriately.

5. ICT Shared Service

5.1 Progress to date

5.1.1 It was agreed in July that the three authorities would work towards a shared ICT Service as an early priority. Following the appointment of additional capacity to help with this process, progress has been made on mapping existing activity and resources, considering different delivery models, determining desired outcomes and using these to shape the next steps as part of the development of a shared service.

5.2 The proposed desired outcomes from a shared service are as follows:

5.2.1 Improving resilience – better able to prevent service loss or interruption and cope with peaks in workload and staff absences. A larger team will also give each council access to a greater breadth and depth of professional expertise.

5.2.2 Reduced external expenditure – additional resources and a broader skills base will lead to a reduction in the need for external advice. Where this is required, the combined purchasing power of all three councils should lead to more competitive procurement rates.

5.2.3 Improved customer service – access to a more comprehensive ICT service should result in a better and a more responsive service to officers and members.

5.2.4 Decreased fixed costs – sharing or joining up ICT services across three councils should lead to savings in, management, hardware, software and services, administrative support and accommodation costs.

5.2.5 Remodelling of ICT services – bringing together the ICT services of three councils gives the opportunity to look at models of operation that are not suitable or feasible for those councils at an individual level.

5.2.6 Staff development – a larger service will increase the opportunity for staff development, by allowing staff to work across a broader range of areas, or to become more specialised as appropriate.

5.2.7 Staff recruitment/retention – greater work opportunities should improve staff retention and help to reduce turnover. A larger shared service could provide increased opportunity to consider participating in a higher apprentice training scheme (growing our own).

5.2.8 Improved support for ICT users to ensure that the technical strategy aligns with and enables client council objectives.

5.3 Current Services

5.3.1 The three councils provide ICT services to approximately 2000 users across 60 sites within Cambridgeshire

- Huntingdonshire ICT serves 650 Users across 18 sites
- South Cambs ICT serves 350 Users across 2 main sites and several community hubs
- Cambridge City ICT serves 1000 Users across 40 sites (6 core sites)

5.3.2 Huntingdonshire and South Cambs operate an in house ICT operation covering all functions of ICT (Service Desk, Application Support, Infrastructure Services, Project Management and Web Services). Cambridge City operate outsource model, whereby 90% of ICT services are outsourced to Northgate.

5.3.3 All three councils operate their own Data Centres located in their core offices. Cambridge City and South Cambs operate a traditional Disaster Recovery contract with a 3rd party, whilst Huntingdonshire have an in house full failover system to a secondary site. All three ICT services provide very similar systems to each other and often are using the same applications, each with their own contract arrangements.

5.3.4 All three Councils have implemented changes in recent years to improve services and reduce costs, including via staffing restructures. Cambridge City has achieved this through contract efficiencies and the new core contract with Northgate.

5.3.5 All three services are challenged to meet the increasing demands from services for modern ICT as well as from central Government through initiatives such as Digital First, Cloud & G-Cloud and PSN /

CESG controls. Huntingdonshire and South Cambs have continued to invest in Microsoft infrastructure platforms for delivering services, whereas Cambridge City until recently had continued to use the Novell platform. With Cambridge City now implementing a programme to move to Microsoft, by the end of 2014 all three will be fairly aligned in their infrastructure platform.

5.3.6 There is significant spend in the ICT services of the three councils, amounting to more than £6.1m

•	South Cambs ICT budget	£1,540,220
•	Huntingdonshire ICT budget	£1,485,489
•	Cambridge City ICT budget	£3,169,470
•	TOTAL SPEND	£6,195,179

5.3.7 Experience in other authorities suggests that the next stage of modernisation, through moving to the Cloud alone, achieves savings in the range of 5% to 10%. This enables ICT activities to be less focussed on the day-to-day maintenance of the service infrastructure and more focussed on modernising customer-facing services. In addition savings will flow from reduced energy consumption, consolidation of the supply chain and management efficiencies. Based upon experience in other councils, a minimum 15% saving on the combined ICT spend should be possible.

5.3.8 The average cost, including all on costs, of a member of ICT staff within the services is in the region of £48,000 PA.

Topic	HDC	SCDC	CCC
FTE (exc Outsourcers)	30	17	6
Vacancies	9	0	0
Actual Personnel	21	17	6
Av Cost of ICT staff	£45,386	£45,919	£56,020

The variation in cost between Huntingdonshire and South Cambs, when compared with Cambridge City, is due to the impact of the different operational models leading to Cambridge City having fewer but more senior client staff. The majority of the City Council's operational staff are with the contractor.

5.4 Proposed Next Steps

A phased approach to the development and implementation of an ICT Shared Service is believed to be appropriate in the circumstances, given the complexities of the services. This will enable early efficiencies to be identified and secured as part of Phase 1, whilst further work takes place on the full business case and on shaping the shared service to be delivered in Phase 2. Cambridge City would work with Northgate to maximise the value from this initial phase. The adoption of a lead authority model in the first instance does not rule out any options on other service delivery models at a future point, should they be supported by a business case.

6. Legal Shared Services

6.1 Progress to Date

6.1.1 It was agreed in July that the three authorities would work towards a shared Legal Service as an early priority. Following the appointment of additional capacity to help with this process, progress has been made on mapping existing activity and resources, considering different delivery models, determining desired outcomes and using these to shape the next steps as part of the development of a shared service.

6.2 Desired outcomes from a shared service

The proposed desired outcomes from a shared service are as follows:

6.2.1 Improving resilience – better able to cope with peaks in workload and staff absences. A larger team will also give each council access to a greater breadth and depth of professional expertise.

6.2.2 Reduced external expenditure – additional resources and a broader skills base will lead to a reduction in the need for external advice and representation. Where this is required, the combined purchasing power of all three councils should lead to more competitive procurement rates.

6.2.3 Improved customer service – access to a more comprehensive legal service should result in a better and a more responsive service to officers and members.

6.2.4 Decreased fixed costs – sharing or joining up legal services across three councils should lead to savings in software (licences), legal library resources, administrative support and accommodation costs.

6.2.5 Remodelling of legal services – bringing together the legal services of three councils gives the opportunity to look at systems, processes and workflow arrangements at each, and finding a leaner solution and more agile service offering.

6.2.6 Staff development – a larger team will increase the opportunity for staff development, by allowing staff to work across a broader range of areas, or to become more specialised as appropriate.

6.2.7 Staff recruitment/retention – greater work opportunities should improve staff retention and help to reduce turnover (always a problem around the Cambridge area). A larger shared service will give the opportunity to consider participating in a higher apprentice training scheme (growing our own).

6.2.8 Increased opportunities for income generation – a larger, more commercially focused legal services team, should make it possible to increase income generation, for example by offering legal services to other public and voluntary sector bodies.

6.2.9 Support for client officers to enable them to properly instruct legal services, incorporating:

- The development of a collaborative culture between client and legal services.
- Consistency in how the client accesses services.
- Strong client leadership – setting the tone for each council.
- Focus on early involvement of legal services in their role as supplier of services.
- Establishment of mutual objectives.
- Commitment to continuous improvement.
- Transparent issue resolution.
- Opportunity to innovate.

The development of a more effective client function across all services in the three authorities will assist the shared legal service with regard to managing priorities and workloads, reducing unnecessary work and managing risks.

6.3 Current Services

6.3.1 Each council currently operates its own discrete legal services section with a small to medium sized team of legal and support staff. The total number of staff currently employed across all three councils is 27.

There are 19 lawyer/solicitors and 8 legal assistants/support staff. Cambridge City has the highest number of legal staff overall, including a relatively large team of 10 lawyers. All councils are currently carrying vacancies and facing recruitment challenges.

- 6.3.2 Within the existing legal services functions, a range of roles are carried out by the Heads of Legal. These include the Monitoring Officer role, professional leadership of the team, management of the practice and commissioner of legal work. Moving forward would enable these roles to be separated with greater clarity.
- 6.3.3 The total direct spend is currently estimated at around £1.7m, including at least £300,000 spent on external legal advice not including departmental budgets. Research suggests that approximately 15% of savings should be expected from direct costs in a shared legal services arrangement – around £255,000 between all three councils. This is a conservative estimate, with more savings possible from improved procurement and more efficient use of staff, including reductions in buying external legal services. Further, more detailed work would be carried out in this regard as part of the full business case. Looking ahead, we would also expect an established and high performing shared legal service team to be in a position ultimately to generate additional income, thereby further reducing the need for subsidy.

7. Service Delivery Models

- 7.1 There are already a number of models for shared legal services operating across the country and various options for change have been considered including those set out below.
- 7.2 Simple Shared Service – this includes a sharing of knowledge and information as well as some joint procurement activity. Specialists are available to work across a number of councils, thus improving resilience and reducing the need to go externally for support.
- 7.3 Joint Outsourcing – councils join together to outsource part or all of their legal services functions to another legal provider.
- 7.4 Alternative Business Structures (ABS) – councils who want to trade with third parties and generate income could need to set up an ABS. This could be jointly with other councils or also in partnership with a private sector organisation. ABSs are relatively new and several councils are currently exploring a wide range of trading and partnership options.

- 7.5 Cost Sharing Group (CSG) – This involves councils setting up a cost sharing company with members of the not for profit sector, allowing the trade in legal and other back office services exempt from VAT, with other members of the group.
- 7.6 It is considered, however, that the most appropriate option in the first instance would be a lead authority model. This would enable momentum to be maintained whilst managing the risks associated with moving to a shared service.
- 7.7 The adoption of a lead authority model in the first instance does not rule out any options on other service delivery models at a future point. Recent changes in the law have increased the opportunity for councils to be more innovative about how they operate their legal services, including increased opportunities for generating income through trading, and this may be worthy of consideration at some point in the future.

8. Proposed Next Steps

- 8.1 As with ICT, it is proposed that a phased approach to the development and implementation of a Legal Shared Service would be appropriate. The first phase would incorporate the delivery of early efficiencies, the putting in place of a programme to transform practices and processes and the development of a full business case for implementation in Phase 2. A phased approach will also help to ensure the management and mitigation of risk whilst moving the proposed shared service forward.
- 8.2 Interim project support will continue to be necessary in order to maintain momentum moving forward as the new shared service is developed. In addition, it is proposed that a shared legal service would benefit from the appointment of a Business & Legal Practice Manager to manage workloads and priorities across the three authorities, as is common in private law practice. Given that a post of this nature does not currently exist in any of the three services, it is recommended that such a post be created at this stage in order to support the transformation programme, the delivery of early efficiencies and the move to the shared service.

9. Capacity

- 9.1 As far as the overall programme is concerned, each Council has informally provided project management and support for different

aspects of the Programme. However, overall co-ordination and capacity to move forward with momentum has proved challenging and this will need to be more structured in future if we are to maintain momentum, improve co-ordination and address more effective internal and external communications.

9.2 The successful outcome of the TCA bid is excellent news and can be used for this purpose. It is anticipated that this will be spent on:

- overall project management / co-ordination;
- interim and permanent shared posts to ensure momentum and the early delivery of efficiencies/additional income within legal, ICT and building control;
- shared training programmes;
- ICT harmonisation.

9.3 We will also continue to make applications to other funding streams where possible. We have, for example, been successful in securing funding from EELGA for joint training of key staff in developing shared services and producing business cases.

10. Member Governance Arrangements

10.1 It was agreed in July that overall progress would be overseen by a joint steering group involving Leaders, and relevant portfolio holders where appropriate, reporting back to the respective Cabinets and other decision-making bodies.

10.2 In addition, portfolio holders from each authority will also need to be involved in overseeing performance once specific shared services have been established.

11. Implications

(a) Financial Implications

The delivery of shared services will require additional capacity upfront in order to ensure effective delivery. However it is anticipated that this will be recovered via future efficiencies and via external funding, in particular the Transformation Challenge Award.

(b) Staffing Implications (if not covered in Consultations Section)

Whilst moving to shared services creates uncertainty for staff, it will also help to ensure greater capacity and resilience together with enhanced career opportunities. In the longer term, this will help to

provide better job security and to minimise the need for compulsory redundancies.

As part of the process, it will be important to ensure full engagement and consultation with both staff and trade unions moving forward. The lead HR officers from all three Councils are currently working together to ensure a co-ordinated approach.

(c) Equalities and Poverty Implications

Has an Equality Impact Assessment been conducted on this strategy/policy/procedure/process/service change/decision?

Yes.

(d) Environmental Implications

None.

(e) Procurement

(f) Consultation and communication

See (b) above.

(g) Risk Management

A dedicated risk log will be set up for the Shared Services Programme Board to ensure that risks are identified and managed. In addition, specific operational risks will be identified and managed through the business plan process.

(h) Legal

Any legal implications will be addressed as part of outline business cases as they are brought forward.

(i) Community Safety

12. Background papers

These background papers were used in the preparation of this report:

If an Equality Impact Assessment has been undertaken please include details in the background papers

13. Appendices

14. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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To: The Leader and Executive Councillor for Strategy and Transformation: Councillor Lewis Herbert

Report by: Liz Bisset

Relevant scrutiny committee: Strategy & Resources Scrutiny Committee 20/10/2014

Wards affected: All wards

NEIGHBOURHOOD RESOLUTION PANEL SCHEME Progress Report Not a Key Decision

1. **Executive summary**

This report sets out interim progress made in relation to the development of the Neighbourhood Resolution Panel Scheme (NRPS) following a report to the committee on 17 March 2014.

Considerable further progress has been made to date which is outlined in this report and detailed in Appendix 1. Key points are summarised below:

- To date there have been twenty-one referrals from the police and the City Council anti-social behaviour (ASB) team with some very positive outcomes. A summary of the range of referrals is included in Appendix 1.
- Eighty per cent of those who participated in the scheme, and provided feedback, were satisfied with the outcome and said that they would recommend the scheme to those in similar situations.
- For low-level criminal offences the NRPS can form part of an out-of-court disposal (a community resolution or a conditional caution).
- The scheme fits comfortably within the new Anti-Social Behaviour Act 2014 community remedy 'menu', providing victims and complainants with the opportunity to consider and identify outcomes that best suit their particular needs and circumstances.
- The very nature of the scheme promotes partnership working and provides the police and ASB team with a valuable additional mechanism by which to help agree and deliver community resolutions. The parties can decide what works best for them which can increase outcome satisfaction and help prevent escalation, ultimately saving time and the costs associated with repeat interventions by the police and other agencies. A table of approximate costing is included in Appendix 1.

It is recommended that continued emphasis is placed on promoting the benefits of the scheme, embedding policies and procedures and building on partnership working with the police, ASB and housing teams, so that referrals, and positive resolutions for victims/complainants, continue to increase steadily over the next twelve months.

2. Recommendations

The Executive Councillor is recommended:

1. to note the report attached as Appendix One which sets out progress since March 2014 and
2. to endorse progress made and proposals for continued development of the scheme.

3. Background

A detailed account of the progress to date is attached at Appendix One. The NRPS is a 'restorative justice' initiative, working collaboratively with the police and anti-social behaviour (ASB) team, to address crime and non-crime incidents, including anti-social behaviour and disputes between neighbours, in a positive and constructive way.

The NRPS focuses on bringing parties together in a restorative justice (RJ) meeting, known as a 'panel', which is facilitated by volunteers who have completed RJ practitioner training. The parties agree the outcomes which are then recorded in a written agreement. Compliance with the agreement is monitored by the scheme co-ordinator and any non-compliance is referred back to the original referring agency to decide how best to deal with the matter thereafter.

4. Implications

(a) Financial Implications

As noted in Appendix One the volunteer pool needs to be quite extensive and is resource intensive in management terms.

(b) Staffing Implications

See above

(c) Equality and Poverty Opportunities Implications

An Equality Impact Assessment was conducted in 2012. It is currently being reviewed and will be revised accordingly.

(d) **Environmental Implications**

Nil

(e) **Procurement**

None

(f) **Consultation and communication**

The campaign to recruit volunteers has included the Cambridge Volunteer Centre, Cambridge University Students Union, Anglia Ruskin Students Union, Cambridgeshire.net, ShapeYourPlace, Cambridge Student Community Action and the Cambridge Hub, as well as internal sources.

(g) **Community Safety**

As reported

5. **Background papers**

See below.

6. **Appendices**

Appendix One: Neighbourhood Resolution Panel Scheme Progress Report

7. **Inspection of papers**

To inspect the background papers or if you have a query on the report please contact:

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APPENDIX ONE:

Neighbourhood Resolution Panel Scheme (NRPS) Progress report

1.0 Background

- 1.1 The current NRPS co-ordinator started in post in January 2013, working 18.5 hours per week (Monday to Wednesday). Considerable work was undertaken in the first half of 2013 to:
- establish a framework to manage, train and support volunteer facilitators in line with good practice and,
 - to develop an effective method of processing referrals received by the scheme.
- 1.2 A number of discussions took place to inform this process in particular with the police, the council's anti-social behaviour (ASB) team, Restorative Solutions (a not-for-profit company which provided training for the NRPS volunteer facilitators) and with other established restorative justice (RJ) projects such as Sheffield Community Justice.
- 1.3 A framework and resource pack for volunteer facilitators was completed in March 2013 which included details of the council's policy on volunteering and provided guidance to volunteers on matters such as confidentiality, safeguarding, personal safety, claiming expenses and so on.
- 1.4 Progress was also made with regard to shaping the detail of the referral process in consultation with partners, in particular with the police. The referral process was completed in June 2013 and the scheme co-ordinator made a presentation to the Cambridgeshire Constabulary Senior Management Team (SMT) on 25 June to provide an overview and to invite feedback. The presentation was well received and the SMT reaffirmed their commitment to the scheme.
- 1.5 During August and September 2013, the co-ordinator met with neighbourhood policing sergeants at Parkside Police Station and delivered weekly presentations to the reactive and neighbourhood policing teams in order to promote the scheme and to inform staff of the relevant processes and procedures. The co-ordinator recently shadowed reactive officers to gain an insight into the challenges that they face on a daily basis and how best the NRPS could assist them in their work.

2.0 The referral process

- 2.1 The objectives of the NRPS are to:

- improve outcome satisfaction levels for those affected by crime and anti-social behaviour and to provide victims and complainants with a greater 'voice'
 - maintain/restore community cohesion and to increase public confidence
 - encourage wider community engagement and to train and support community volunteers to ensure the sustainability of the scheme
 - reduce the risk of re-offending and/or repeated unacceptable behaviour
 - encourage and maintain positive agency collaboration
- 2.2 The scheme focuses on bringing parties together in a restorative meeting, known as a 'panel' which is facilitated by volunteers who have successfully completed the RJ practitioner training provided by Restorative Solutions.
- 2.3 Referrals to the scheme currently come from the police and the council's ASB team, with a view to broadening this over time (see further detail below).
- 2.4 Before referring a matter to the scheme, all parties must have given their consent and have expressed a willingness to participate in a panel meeting. The wrongdoer/s must also have accepted some responsibility for their actions. Potential referrals are considered on a case-by-case basis, focusing on the specific circumstances of the case, the needs and wishes of the complainant and any associated risk assessments.
- 2.5 Matters considered suitable for referral include low-level crime (this would normally include cases with a score of 3 or below on the Association of Chief Police Officers Gravity Score Matrix) and non-crime incidents such as;
- low level criminal damage
 - low value theft
 - minor assault
 - anti-social behaviour
 - disorder
 - nuisance
 - neighbour disputes
- 2.6 Matters that would not normally be considered suitable include serious assaults, domestic violence and breach of trust cases.
- 2.7 Once a matter has been referred, the co-ordinator decides whether or not it is suitable for the scheme, in consultation with the referring agency, and, where appropriate, with the Safer Communities Manager.
- 2.8 An overview of the referral process is attached at Appendix Two.

3.0 The Panel Meeting

- 3.1 When a matter is referred, the co-ordinator undertakes risk assessments in conjunction with the referring agencies, and identifies two volunteers to co-work to prepare participants and facilitate all aspects of the panel meeting.
- 3.2 The volunteers meet all those involved on a one to one basis before getting them together in the panel meeting. This gives everyone the chance to tell their side of the story – it also helps the volunteers to get to know the issues and to build a rapport.
- 3.3 Thorough preparation is key to the success of the panels and more than one prep meeting may be needed to ensure that all of the parties are adequately prepared and ready to participate. Once everyone is happy to proceed, the panel meeting will take place in a neutral venue such as a community centre. Representatives from referring agencies are welcome to attend and participate.
- 3.4 The panel itself is quite structured - the wrongdoer is asked to explain their actions and is invited to listen to the views of the complainant. All parties, including appropriate supporters (for example, a parent, partner or friend) and representatives from referring agencies, are given the opportunity to express their views. The volunteers ask a range of set questions commonly used in RJ, such as – tell me what happened, who do you think has been affected, what do you think you need to happen now...and so on. Ground rules for the meeting will have been agreed beforehand and everyone will get a chance to speak. The structure is simple and effective.
- 3.5 The meeting could take up to an hour, depending on the issues being discussed, and once everyone has had their say, the volunteers will help the parties come to some kind of agreement. This might be anything from an apology through to a written undertaking or a good neighbour agreement. It might be that the wrongdoer does something that benefits the whole community. There are lots of possibilities and over time it is hoped that the scheme will be able to offer a number of reparative options for a range of different circumstances.
- 3.6 Often, for the victim, simply having the opportunity to 'be heard' is enough to help them to draw a line under the matter and to move on, and for the wrongdoer, it can prove to be a turning point.
- 3.7 Whatever has been agreed by the parties is recorded in writing and signed by all those involved. The beauty of the scheme is that the parties are encouraged to talk to each other and to work things out face to face, which can help prevent escalation and ultimately save time on repeat visits by the police and other agency interventions.

- 3.8 Compliance with the agreement is monitored by the scheme co-ordinator and any non-compliance is referred back to the original referring agency to decide how best to deal with the matter.
- 3.9 Once a panel meeting has been completed, parties are invited to complete a participant feedback form to assist with the monitoring and evaluation of the scheme. The co-ordinator provides the referring agency with feedback as soon as possible following the panel meeting and provides copies of any written agreement within five working days.

4.0 Referrals

- 4.1 The scheme began to process referrals in July 2013. To January 2014, there have been ten referrals as follows:
- Two referrals were considered to be unsuitable for the NRPS.
 - Four are currently being processed, of which one is a common assault and three are neighbour disputes. Three of these have been referred by the police.
 - Two referrals are on hold (both long-standing neighbour disputes) due to intermittent engagement by the parties.
 - A case of theft was closed because the victim withdrew (she felt the young person involved had reformed).
 - A case of common assault referred by the police went to a panel meeting in December 2013 with very positive feedback. The wrongdoer provided a written apology and the parties made efforts following the panel meeting to further repair their relationship.
- 4.2 Extracts from the feedback received is included below:
- 4.3 Victim *'...even after the process was over there was further progress with my neighbour, which would not have happened without the panel.....'*
- 4.4 Wrong doer *.....'I found the panel meeting helpful and to realise how upset and agitated my neighbour was, due to the incident involved. The meeting has made me look at my neighbours needs more...'*
- 4.5 Both parties said that they would recommend the process to others in a similar situation.

5.0 Volunteer Facilitators

- 5.1 Twelve volunteers initially completed the Restorative Solutions RJ training course in October 2012, following a successful bid to the Ministry of Justice for their training resource. All volunteers were interviewed and their criminal records checked via the Disclosure & Barring Service (DBS). They have all signed a confidentiality agreement stating that they will not disclose personal and/or sensitive data, or use it for their own or another's benefit without the consent of

the party concerned. The co-ordinator and volunteers use the E-CINS database to report on cases and share confidential information in a secure way, which was introduced in August 2013.

- 5.2 Over the last twelve months, the volunteers have been provided with guidance, training and support including a resource pack, refresher training with Restorative Solutions, support meetings, personal safety training and other relevant courses, as well as regular 1-1 support provided by the co-ordinator as and when it is needed.
- 5.3 As is usual and expected, some of the volunteers have moved on, largely due to changes in their personal circumstances, and the scheme currently has a team of six volunteers.

6.0 Recommendations for further development of the NRPS

6.1 Co-ordination of the NRPS

- 6.1.1 The co-ordinator is the main point of contact for the NRPS and it became clear that cover limited to three days (Monday-Wednesday) might impede the effectiveness of the scheme. The police, in particular, expect prompt responses to potential referrals so that they can quickly take decisions about any alternative action. In addition, the co-ordinator was regularly undertaking additional tasks outside of her normal working hours in order to ensure the effective development and running of the scheme.
- 6.1.2 To address these issues, the co-ordinator commenced an additional four working hours per week (on a Thursday) in November 2013. This helps to ensure that referrals to the scheme, and any issues raised by those involved in the process, are responded to in a timely and effective manner, which is essential to the on-going development of the scheme. As such, it is recommended that the role of the co-ordinator continues on the basis of a 22.5 hour working week.

6.2 Volunteer Recruitment Campaign

- 6.2.1 When the NRPS started to receive referrals, it became clear that managing potential conflicts of interest for volunteers was an issue that needed consideration. On four occasions to date, volunteers have had to withdraw due to a potential conflict of interest. Volunteers tend to be active members of their community and/or their employment brings them into contact with a wide range of people. In addition, as many volunteers are in full time employment and have a number of personal commitments, their time is scarce, and valuable, which means that the scheme cannot rely solely on a small team of dedicated individuals for all of its support.
- 6.2.2 Without more active volunteers, the scheme faces a capacity issue. With six volunteers, the scheme can only deal with three or possibly

four referrals at any given time as the volunteers work in pairs on each case.

- 6.2.3 This has underlined the importance of having a large pool of available volunteers to ensure that the scheme is effective and can respond quickly to referrals. In response to this we are currently running a campaign for new volunteer facilitators, with a view to running a training course in March/April 2014.
- 6.2.4 Restorative Solutions have provided some additional support and mentoring to the co-ordinator, and to the volunteers, since the provision of the original training in October 2012 and it makes sense for the training of further volunteers to be led by them, and the course tailored to the particular needs of scheme. The cost of training approximately ten new volunteers on a three day RJ course provided by Restorative Solutions is £2850.
- 6.2.5 It is recommended that a team of approximately ten new volunteers are trained as proposed. Thereafter, as the NRPS becomes more established, and the current team of volunteers become more experienced, it is hoped that the scheme will be able to provide in-house training for further volunteers.

6.3 Scope

- 6.3.1 The overall experience of newly established NRPSs indicates that the referral process can be slow to take off. However, with one or two successes, referrals start to come in greater volume.
- 6.3.2 The Sheffield scheme has been working successfully with the police and other agencies since 2009. Following a slow start, referrals in Sheffield are now averaging twenty per month. Sheffield has a population of approximately 500,000 to Cambridge's 130,000 and the scheme currently has a large team of around forty volunteers. Scaling the Sheffield example to Cambridge, referrals are currently as expected, with the likelihood that they will rise to three or more a month once the scheme is more established.
- 6.3.3 To ensure that this is the case, the process has to be carefully managed ensuring capacity within the volunteer team, as discussed above. Following the very positive feedback from the panel meeting at the end of last year, a steady flow of referrals is now expected during 2014.
- 6.3.4 Referrals are currently limited to those received from the police and the ASB team. This approach was adopted partly to allow time for processes and procedures to embed before widening the net and partly due to the small number of available volunteers.

6.3.5 Restorative practices can be used beneficially in a wide range of settings, particularly in environments such as educational establishments and residential communities. Good progress has been made with regard to developing links with the police and the ASB team. It is recommended that further work is carried out over the next twelve months to build on this and to promote the work of the scheme, and to invite referrals, from other partner agencies, ensuring that there is a co-ordinated approach to restorative interventions and practices across the city.

6.4 Board of Governance, Monitoring and Evaluation

6.4.1 It is recommended that a board of governance is established to help to steer the continuing development of the scheme, involving representatives from a number of key referring agencies.

6.4.2 In keeping with the tenor of the scheme, it is proposed that governance arrangements will be comprehensive but also "light touch" so that the scheme proceeds with the minimum of bureaucracy and the maximum 'ownership' by complainants and members of the community.

6.4.3 It is anticipated that the board will meet to monitor and advise the scheme on a six-monthly basis, once there is a steady flow of referrals, and will meet on other occasions as necessary. The board will also contribute to an annual report on the progress of the scheme.

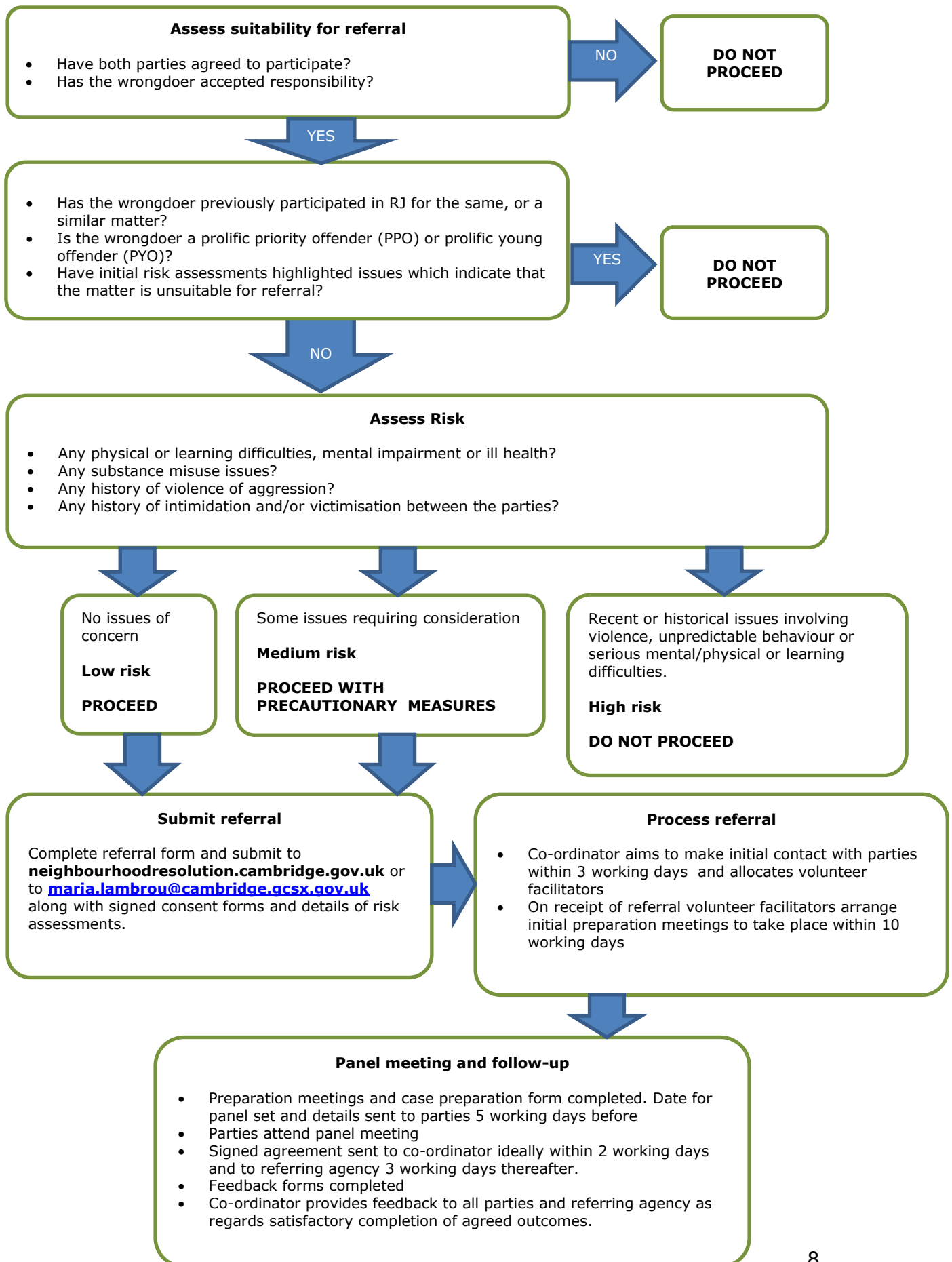
6.4.4 Some discussion has taken place with regard to identifying and approaching potential representatives from appropriate bodies such as – the police; fire service; victim support; YOT, magistrates and probation. Further work will be carried out during 2014 with a view to holding the inaugural meeting of the board by the autumn.

6.4.5 The co-ordinator met with Dr.Heather Strang and Professor Loraine Gelsthorpe at the University of Cambridge Institute of Criminology, both of whom reaffirmed their interest in the scheme. Both expressed support for the scheme and a willingness to be involved in its governance and in helping to establish a formal method of monitoring and evaluation the NRPS, once it is more established.

6.5 Promotion of the NRPS

6.5.1 It is recommended that a comprehensive communications strategy is developed to include matters such as establishing a dedicated web page for the NRPS and agreeing a formal launch date for the scheme with attendant publicity. Work will be carried out on this during 2014.

REFERRAL PROCESS MAP





To: The Leader and Executive Councillor for Strategy and Transformation: Councillor Lewis Herbert

Report by: Andrew Limb, Head of Corporate Strategy

Relevant scrutiny committee: Strategy & Resources
20/10/2014
Scrutiny Committee

Wards affected: Abbey Arbury Castle Cherry Hinton Coleridge
East Chesterton King's Hedges Market Newnham
Petersfield Queen Edith's Romsey Trumpington
West Chesterton

ESTABLISHMENT OF GREATER CAMBRIDGE JOINT GOVERNANCE FRAMEWORK
Key Decision

1. Executive summary

1.1 The Greater Cambridge City Deal document was signed on 19 June 2014 on behalf of all five local partners (Cambridgeshire County Council, Cambridge City Council, South Cambridgeshire District Council, the Greater Cambridge Greater Peterborough Enterprise Partnership and the University of Cambridge) and Government.

1.2 The Deal is underpinned by a commitment to deliver transformative economic benefits through investment in infrastructure and through a collaborative governance framework, featuring an Executive Board that brings together the partner organisations and a wider Assembly. An effective and efficient governance structure is recognised in the deal document as key to the delivery of the infrastructure programme and to planning effectively for future growth.

1.3 It is envisaged that the governance framework will consist of a five person Executive Board, supported by a 15 person Assembly that comprises a mix of elected Members and wider stakeholders. The Assembly is envisaged to perform an advisory function in support of the work of the Executive Board, which is expected to be the decision-making body for those issues within the remit of the governance framework.

2. Recommendations

2.1 The Executive Councillor is recommended to agree the following and to recommend them to Full Council for endorsement:

a) The Terms of Reference for the Executive Board;

b) The Leader of the Council be appointed to represent the Council on the Executive Board;

c) Councillor Blencowe be appointed as the Council's substitute representative on the Executive Board;

d) The Terms of Reference for the Assembly;

and e) The delegation of the executive functions of the City Council referred to in the Terms of Reference for the Executive Board.

2.2 The Executive Councillor is recommended to invite Full Council to:

e) Appoint Council's three representatives on the Assembly, on a politically proportionate basis.

3. Background

3.1 The Greater Cambridge City Deal document was signed on 19 June 2014 on behalf of all five local partners (Cambridgeshire County Council, Cambridge City Council, South Cambridgeshire District Council, the Greater Cambridge Greater Peterborough Enterprise Partnership and the University of Cambridge) and Government.

3.2 Partners have expressed a preference for the creation of a Greater Cambridge Combined Authority. However, legislation governing Combined Authorities will need to be amended if such a body is to be created for the Greater Cambridge area. An initial consultation was undertaken on potential changes to this legislation by Government earlier this year, to which the partners submitted a combined response. It is unclear at this point when changes to legislation can be expected to be proposed by Government.

3.3 In the interim period before a Combined Authority can be established, the partners have committed to set up a Joint Committee to drive greater coordination and closer working.

3.4 The Leader is recommended to agree to the establishment of the Greater Cambridge Executive Board as a joint committee. Similar processes are currently being followed in South Cambridgeshire DC and Cambridgeshire County Council.

Executive Board

3.5 As stated above, the Executive Board is expected to be the key decision-making body within the governance framework. Proposed Terms of Reference for the Executive Board are attached in Appendix A. These include delegation of exercise of member councils' functions to the Executive Board to the extent necessary for the Board to exercise its powers.

3.6 The Executive Board is expected to consist of one representative from each of the five partner organisations, with each organisation determining its own representative. It is proposed that the Leader of the Council be appointed to represent the Council on the Executive Board.

3.7 Each partner organisation will also need to appoint a named substitute representative who may act in all respects as a voting member of the Executive Board in the absence of the voting member appointed. It is proposed that Councillor Blencowe be appointed as the Council's substitute representative on the Executive Board.

3.8 Due to restrictions in legislation governing Local Authority Joint Committees, it is anticipated that the three Local Authority representatives on the Executive Board would hold voting powers, whilst the representatives of the University of Cambridge and Local Enterprise Partnership (who would be co-opted) would act as non-voting members. The Local Authority representatives would commit through the Terms of Reference to act with due regard to the opinions of those representatives.

3.9 Where possible, it is expected that the Executive Board would operate on the basis of consensus to ensure that decisions taken have the backing of Members across the city-region. It is recognised that this may not always be possible, and this is addressed in the Terms of Reference.

Assembly

3.10 It is anticipated that the Assembly will play an advisory role, acting as a forum for discussion with a wider range of Members and stakeholders across the Greater Cambridge area, so that the Board benefits from a wider range of input and expertise in making its decisions. The Assembly will usually meet in advance of Executive Board meetings to pre-scrutinise the

issues the Board will be taking decisions on and advise the Board accordingly.

3.11 The most appropriate structure for the Assembly to be constituted in order to fulfil its advisory role is a forum (a joint advisory committee) convened by the Executive Board, which allows it to be used in a flexible way in supporting the Executive Board's decision-making.

3.12 Proposed Terms of Reference for the Assembly are included in Appendix B.

3.13 It is proposed that the Assembly consist of 15 representatives, with three nominated by each partner organisation. The representatives nominated by each Council will need to be drawn from within that organisation, representing the political composition of the Greater Cambridge area. However, that requirement does not exist for the representatives of the University of Cambridge and Local Enterprise Partnership.

3.14 The Leader is recommended to invite Full Council appoint the Council's three representatives on the Assembly in accordance with the proportionality principle set out in para 2.9 above, and usual principles for nominations from Groups.

Strategic spatial/transport planning

3.15 Throughout the Deal process, there has been a shared desire amongst the partner organisations to integrate more closely the Councils' powers and responsibilities relating to strategic spatial and transport planning. Through the Deal Document we have committed to formalise the existing good joint working arrangements as part of the move towards a Combined Authority structure. It should be noted that the emerging Local Plans for Cambridge and South Cambridgeshire are still to go through public examination and be adopted.

3.16 The most effective means by which this integration could be achieved would be to merge the statutory Local Plan-making responsibilities of Cambridge City Council and South Cambridgeshire District Council with the County Council's transport strategy powers relating to the city-region to form a single Growth Plan when the Local Plans are next reviewed – and we have committed to begin an early review in 2019 to take into account the changed circumstances arising from substantial City Deal investment.

3.17 As it stands the only means by which this could be done would be through the formation of a Section 29 Committee, which would require a parliamentary process to establish and revoke. However, there is unlikely to

be a workload for such a body at this point in time given the fact that the Local Plan review would not be started until 2019. The requirement to form a Section 29 Committee is currently expected to be superseded by the creation of a Combined Authority. No action to create a section 29 committee and delegate planning powers to it is therefore proposed at this time, but in coming years it may prove necessary to propose such action, to ensure that those powers are joined up and delegated for joint decision making through the City Deal governance arrangements ahead of the Local Plan review due to start in 2019.

3.18 Through the examination of the strategic planning and transport commitment, it has become clear that moving towards a more fully integrated, shared planning and transport service could offer many potential advantages to the three councils and their stakeholders in delivering City Deal and sustainable growth more broadly across the Greater Cambridge area. The alignment of strategic planning and transport strategy preparation with the growth delivery activities that the councils are engaged upon will ensure the achievement of City Deal outcomes is optimised. The exploration of ways in which an integrated shared service approach can be achieved will be undertaken by the councils over the next 12 months, and brought back to committee for decision at the appropriate time.

4. Implications

(a) Financial Implications

There are no direct financial implications from the decisions in this report, other than the Council's interest in the City Deal funding received from Government (which is delegated to the Joint Committee). Other funding may be delegated to the Joint Committee in due course. Officer support for the new committee will be provided by the three councils from existing resources.

(b) Staffing Implications (if not covered in Consultations Section)

None – officers will support the new committee as per current objectives.

(c) Equal Opportunities Implications

An equality impact assessment has not been carried out. Officers are of the view that there are no direct equalities implications from the creation of this committee. Decisions that the committee takes will be informed by equality impact assessments where appropriate.

(d) Environmental Implications

There are no significant environmental implications from this decision.

(e) **Procurement**

No procurement connected directly to this decision.

(f) **Consultation and communication**

The intention to create a new joint governance framework as part of the city deal has been communicated publicly through press releases previously, and the creation of this committee will be communicated through the Council's normal channels.

(g) **Community Safety**

No direct implications.

5. Background papers

These background papers were used in the preparation of this report:

<https://www.gov.uk/government/publications/city-deals-greater-cambridge>

6. Appendices

Appendix A: Executive Board Terms of Reference & Standing Orders.

Appendix B: Assembly Terms of Reference & Standing Orders

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

Author's Name: Andrew Limb
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GREATER CAMBRIDGE CITY DEAL EXECUTIVE BOARD

TERMS OF REFERENCE

1. Parties

Cambridge City Council
Cambridgeshire County Council
South Cambridgeshire District Council
The Greater Cambridge Greater Peterborough Enterprise Partnership
The University of Cambridge

2. Status

The Greater Cambridge Executive Board has been established by Cambridge City Council, Cambridgeshire County Council and South Cambridgeshire District Council. It is a joint committee of the three Councils, established by Cambridgeshire County Council under section 102(1)(b) of the Local Government Act 1972 and by Cambridge City Council and South Cambridgeshire District Council under section 9EB of the Local Government Act 2000.

3. Membership

3 elected members with full voting rights (one from each of the three member Councils)
2 non-voting members (one from the Local Enterprise Partnership and one from the University of Cambridge).

4. Functions of the Executive Board

- 4.1 The Executive Board is established to ensure that the objectives of the Greater Cambridge City Deal Agreement dated 19 June 2014 are met. To this end, the Board will have oversight of the strategic direction and delivery of the City Deal and its objectives.
- 4.2 The Executive Board will also be responsible for the commissioning of projects funded by money provided through the City Deal, and for overall control of that programme of investments. The scheme promoter for each individual project will be responsible for the delivery of that budget, under the oversight of the Executive Board. This shall also apply to circumstances in which funding is provided to the Board by the member Councils or by other parties, such as the Local Enterprise Partnership.

- 4.3 The three Councils agree to delegate exercise of their functions to the Executive Board to the extent necessary for the Board to exercise its powers. The three Councils may also, from time to time, agree to delegate further functions to the Board. The Executive Board may further delegate to officers of the three Councils.
- 4.4 The Executive Board will consider any reports and recommendations from the Joint Assembly as appropriate.

5. Professional and administrative support

- 5.1 Cambridgeshire County Council shall act as the accountable body for the Executive Board in respect of financial matters and its financial procedure rules will apply in this context.
- 5.2 Committee management and administrative support to the Executive Board will be provided by South Cambridgeshire District Council.
- 5.3 The lead role on projects shall be determined by the Board, subject to the principle that the lead authority should be the Council primarily responsible for the service in question for their area. The procurement and other rules of the lead authority will apply in respect of projects.

6. Standing Orders

The Executive Board will be governed by the Standing Orders set out in Annex A attached to these Terms of Reference.

7. Costs

- 7.1 The three Councils will each bear its own costs in relation to the operation of the Executive Board, with the exception of approved project delivery costs met from budgets managed by the Board.
- 7.2 Each Council makes a legally binding commitment that, should it withdraw from or modify its role within the Executive Board, it agrees to pay all additional costs that fail to be met by the other partner Councils that are reasonably attributable to that decision. This could include, for example, the costs that are locked in to projects that have already been committed to, or the costs of dissolving integrated officer and Member arrangements and re-establishing independent arrangements.
- 7.3 The firm intention is that the Executive Board will continue until it is either replaced by a Combined Authority, subject to the carrying out of a governance review following necessary legislative changes, or until the programme is completed. Recognising the very serious implications of withdrawal from the Board for the delivery of the City Deal programme, if a Council decides to withdraw from or modify its role within the Board, it commits to sharing this with the Committee at the earliest possible opportunity, and to entering into constructive discussions to avoid this happening or to reach a way forward.

GREATER CAMBRIDGE CITY DEAL EXECUTIVE BOARD

STANDING ORDERS

1. Membership

- 1.1 The Executive Board will have a voting membership of three, each Council being entitled to appoint one voting member.
- 1.2 The Executive Board will also have two non-voting members, to be co-opted by the Committee on a nomination by each of the Greater Cambridge Greater Peterborough Enterprise Partnership and the University of Cambridge.

2. Alternate or substitute members

- 2.1 Each Council will be entitled to appoint one named alternate or substitute member who may act in all aspects as a voting member of the Executive Board in the absence of the voting member appointed.
- 2.2 Alternative or substitute members will be invited to attend all meetings of the Executive Board.
- 2.3 The Greater Cambridge Greater Peterborough Enterprise Partnership and the University of Cambridge will each be entitled to nominate an alternate or substitute non-voting member to act in the absence of their principal co-opted member.

3. Term of office

- 3.1 The term of office of voting and alternate or substitute voting members shall end:
 - if rescinded by the appointing Council; or
 - if the member ceases to be a member of the appointing Council.
- 3.2 The Greater Cambridge Greater Peterborough Enterprise Partnership and University of Cambridge may at any time ask the Executive Board to replace their nominated co-opted member and alternate or substitute member by way of further nomination.

4. Appointment of Chairman and Vice-Chairman

- 4.1 The Executive Board will appoint a Chairman and Vice-Chairman at its first meeting and thereafter annually at the first meeting following the Annual Meetings of the three Councils. The Chairman and, in his or her absence, the Vice-Chairman will have a casting vote.
- 4.2 The Chairman and Vice-Chairman will be one of the three voting members of the Executive Board.

4.3 Where a vote is taken for more than one candidate and the result is a tie, a second vote will be taken. In the event of a continuing tie the matter will be decided by the toss of a coin.

5. Quorum

5.1 The quorum for meetings of the Executive Board will be three voting members.

5.2 If there is no quorum at the published start time for the meeting, a period of ten minutes will be allowed, or longer, at the Chairman's discretion. If there remains no quorum at the expiry of this period, the meeting will be declared null and void.

5.3 If there is no quorum at any stage during a meeting, the Chairman will adjourn the meeting for a period of ten minutes, or longer, at their discretion. If there remains no quorum at the expiry of this period, the meeting will be closed and the remaining items will be declared null and void.

6. Member conduct

6.1 Executive Board members appointed by the three Councils shall be bound by the Code of Conduct of their nominating authority. Board members nominated by the Greater Cambridge Greater Peterborough Enterprise Partnership and the University of Cambridge will be bound by the Code of Conduct of South Cambridgeshire District Council.

6.2 If a member persistently disregards the ruling of the Chairman, or person presiding the meeting, by behaving improperly or offensively or deliberately obstructs business, the Chairman, or person presiding the meeting, may move that the member be not heard further. If seconded, a vote will be taken without discussion.

6.3 If the member continues to behave improperly after such a motion is carried, the Chairman, or person presiding the meeting, may move that either the member leaves the meeting or that the meeting is adjourned for a specified period. If seconded, a vote will be taken without discussion.

7. Notice of and summons to meetings

7.1 Notice will be given to the public of the time and place of any meeting of the Executive Board in accordance with the Access to Information rules of South Cambridgeshire District Council.

7.2 At least five clear working days before a meeting, a copy of the agenda and associated papers will be sent to every member of the Executive Board. The agenda will give the date, time and place of each meeting and specify the business to be transacted, and will be accompanied by such details as are available.

8. Meeting frequency

The Executive Board will meet on at least a quarterly basis, with one of those meetings acting as the annual meeting.

9. Voting

- 9.1 Executive Board members commit to seek, where possible, to operate on the basis of consensus.
- 9.2 Should it not be possible in a specific instance to find a consensus, the issue will be deferred to a later meeting of the Executive Board. Executive Board members can choose to simply re-submit the item to a following meeting, or to refer the item to the Joint Assembly for consideration and recommendation. Following this, a vote will be again taken and, if a consensus is still not achievable, the decision will be made on the basis of a simple majority.
- 9.3 The voting members of the Executive Board will act with due regard to the opinions of the non-voting members of the Board.

10. Reports and recommendations from the Joint Assembly

The Executive Board will receive reports and recommendations from the Joint Assembly as appropriate and the Chairman of the Assembly, or a nominated representative on his or her behalf, will be entitled to attend meetings of the Board to present them.

11. Questions by the public and public speaking

At the discretion of the Chairman, members of the public may ask questions at meetings of the Executive Board. This standard protocol is to be observed by public speakers:

- (a) notice of the question should be given to the Democratic Services team at South Cambridgeshire District Council (as administering authority) by 10am the day before the meeting;
- (b) questioners will not be permitted to raise the competence or performance of a member, officer or representative of any partner on the Executive Board, nor any matter involving exempt information (normally considered as 'confidential');
- (c) questioners cannot make any abusive or defamatory comments;
- (d) if any clarification of what the questioner has said is required, the Chairman will have the discretion to allow other Board members to ask questions;
- (e) the questioner will not be permitted to participate in any subsequent discussion and will not be entitled to vote;

- (f) the Chairman will decide when and what time will be set aside for questions depending on the amount of business on the agenda for the meeting. Normally questions will be received as the first substantive item of the meeting;
- (g) individual questioners will be permitted to speak for a maximum of three minutes;
- (h) in the event of questions considered by the Chairman as duplicating one another, it may be necessary for a spokesperson to be nominated to put forward the question on behalf of other questioners. If a spokesperson cannot be nominated or agreed, the questioner of the first such question received will be entitled to put forward their question.

12. Petitions

Petitions received in relation to the Greater Cambridge City Deal will be referred to the Joint Assembly for consideration. Any matters arising from petitions considered by the Assembly can be reported to the Board, as per Standing Order 10.

13. Participation at Executive Board meetings by other members of partner Councils or other representatives of partner bodies

At the discretion of the Chairman, other elected members of the three partner Councils or other representatives from the Greater Cambridge and Greater Peterborough Enterprise Partnership or the University of Cambridge may be entitled to speak and participate at meetings of the Board.

14. Minutes

- 14.1 The Chairman will sign the minutes of the proceedings at the next suitable meeting. The Chairman will move that the minutes of the previous meeting be signed as a correct record.
- 14.2 The minutes will be accompanied by a list of agreed action points, which may be discussed in considering the minutes of the previous meeting should they not be specifically listed as items on the agenda for the meeting.

15. Exclusion of the public and press

Members of the public and press may be excluded from meetings in accordance with the Access to Information rules of South Cambridgeshire District Council with regard to the consideration of exempt or confidential information.

16. Recording of proceedings

The recording in any format of meetings of the Executive Board is permitted, except:

- where the Chairman, or person presiding the meeting, rules that filming is being undertaken in such a way that is disruptive or distracting to the good order and conduct of the meeting;

- where the public have been excluded from the meeting in accordance with the Access to Information rules of South Cambridgeshire District Council during the consideration of exempt or confidential information.

17. Disturbance by public

- 17.1 If a member of the public interrupts proceedings, the Chairman, or person presiding the meeting, will warn the person concerned. If they continue to interrupt, the Chairman will order their removal from the meeting room.
- 17.2 If there is a general disturbance in any part of the meeting room open to the public, the Chairman, or person presiding the meeting, may call for that part to be cleared.
- 17.3 If there is a general disturbance making orderly business impossible, the Chairman, or person presiding the meeting, may adjourn the meeting for as long as he or she thinks is necessary.

18. Interpretation of Standing Orders

The ruling of the Chairman of the Executive Board as to the application of these Standing Orders shall be final.

19. Suspension of Standing Orders

Any of these Standing Orders may, as far as is lawful, be suspended by motion passed unanimously by those entitled to vote.

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GREATER CAMBRIDGE CITY DEAL JOINT ASSEMBLY

TERMS OF REFERENCE

1. Parties

Cambridge City Council
Cambridgeshire County Council
South Cambridgeshire District Council
The Greater Cambridge Greater Peterborough Enterprise Partnership
The University of Cambridge

2. Status

The Greater Cambridge City Deal Joint Assembly has been established by Cambridge City Council, Cambridgeshire County Council and South Cambridgeshire District Council. It is a joint advisory committee of the three Councils, established under section 102(4), Local Government Act, 1972.

3. Membership

3 elected members appointed by each of the three member Councils
3 members nominated by the Greater Cambridge Greater Peterborough Enterprise Partnership
3 members nominated by the University of Cambridge

4. Functions of the Joint Assembly

- 4.1 The Joint Assembly is established to advise the Greater Cambridge City Deal Executive Board with regard to the latter's role in achieving the objectives of the Greater Cambridge City Deal Agreement dated 19 June 2014.
- 4.2 The Assembly will act as a forum for discussion with a wider range of members and stakeholders across the Greater Cambridge area, so that the Executive Board benefits from a wider range of expertise in making its decisions.
- 4.3 To this end, the Assembly may receive and comment on ("pre-scrutinise") reports to the Executive Board, may offer advice to the Board on the discharge of its functions and may review its work.
- 4.4 The Assembly may develop its own work programme and submit reports or recommendations to the Executive Board for consideration, as appropriate.

5. Professional and administrative support

5.1 Committee management and administrative support to the Joint Assembly will be provided by South Cambridgeshire District Council.

5.2 Other professional support will be provided to the Assembly on an ad hoc basis as agreed between the three Councils.

6. Standing Orders

The Joint Assembly will be governed by the Standing Orders set out in Annex A attached to these Terms of Reference.

7. Costs

The three Councils, the Greater Cambridge Greater Peterborough Enterprise Partnership and the University of Cambridge will each bear its own costs in relation to the operation of the Joint Assembly.

GREATER CAMBRIDGE CITY DEAL JOINT ASSEMBLY

STANDING ORDERS

1. Membership

- 1.1 The Joint Assembly will have a membership of 15, with each Council being entitled to appoint three members and the Greater Cambridge Greater Peterborough Enterprise Partnership and the University of Cambridge both being entitled to nominate three members.
- 1.2 The appointments of the three Councils will represent the political composition of the Greater Cambridge area. Appointments by Cambridge City Council and South Cambridgeshire District Council will therefore be proportional to the political composition of the respective authority, whereas appointments by Cambridgeshire County Council will be proportional to those electoral divisions that fall within the Greater Cambridge area.
- 1.3 Members nominated by the Greater Cambridge Greater Peterborough Enterprise Partnership and the University of Cambridge will become co-opted members on endorsement by the Executive Board.

2. Alternate or substitute members

No alternate or substitute members will be permitted on the Joint Assembly.

3. Term of office

- 3.1 The term of office of members and alternate or substitute members from the three Councils shall end:
- if rescinded by the appointing Council; or
 - if the member ceases to be a member of the appointing Council.
- 3.2 The Greater Cambridge Greater Peterborough Enterprise Partnership and University of Cambridge may at any time ask the Joint Assembly to replace their nominated co-opted member and alternate or substitute member by way of further nomination.

4. Appointment of Chairman and Vice-Chairman

- 4.1 The Joint Assembly will appoint a Chairman and Vice-Chairman at its first meeting and thereafter annually at the first meeting following the Annual Meetings of the three Councils. The Chairman and, in his or her absence, the Vice-Chairman will have a casting vote.

- 4.2 Where there are three or more candidates for appointment and there is, after balloting, no candidate with a clear majority, meaning in this case the votes of more than 50% of members present and voting, the candidate with the least number of votes will withdraw and there will be a fresh ballot of remaining candidates; and so on until a candidate has that majority. In the event of a continuing tie the matter will be decided by the toss of a coin.

5. Quorum

- 5.1 The quorum for meetings of the Joint Assembly will be five members.
- 5.2 If there is no quorum at the published start time for the meeting, a period of ten minutes will be allowed, or longer, at the Chairman's, discretion. If there remains no quorum at the expiry of this period, the meeting will be declared null and void.
- 5.3 If there is no quorum at any stage during a meeting, the Chairman will adjourn the meeting for a period of ten minutes, or longer, at their discretion. If there remains no quorum at the expiry of this period, the meeting will be closed and the remaining items will be declared null and void.

6. Member conduct

- 6.1 Joint Assembly members appointed by the three Councils shall be bound by the Code of Conduct of their nominating authority. Assembly members nominated by the Greater Cambridge Greater Peterborough Enterprise Partnership and the University of Cambridge will be bound by the Code of Conduct of South Cambridgeshire District Council.
- 6.2 If a member persistently disregards the ruling of the Chairman, or person presiding the meeting, by behaving improperly or offensively or deliberately obstructs business, the Chairman, or person presiding the meeting, may move that the member be not heard further. If seconded, a vote will be taken without discussion.
- 6.3 If the member continues to behave improperly after such a motion is carried, the Chairman, or person presiding the meeting, may move that either the member leaves the meeting or that the meeting is adjourned for a specified period. If seconded, a vote will be taken without discussion.

7. Notice of and summons to meetings

- 7.1 Notice will be given to the public of the time and place of any meeting of the Joint Assembly in accordance with the Access to Information rules of South Cambridgeshire District Council.
- 7.2 At least five clear working days before a meeting, a copy of the agenda and associated papers will be sent to every member of the Joint Assembly. The agenda will give the date, time and place of each meeting and specify the business to be transacted, and will be accompanied by such details as are available.

8. Meeting frequency

The Joint Assembly may set its own timetable for meetings but will initially meet quarterly, normally on a date preceding meetings of the Executive Board in order to allow the Assembly to consider issues the Board will be taking decisions on and advise accordingly.

9. Voting

9.1 All Joint Assembly members will be voting members.

9.2 Voting for meetings of the Joint Assembly will be conducted on the basis of a simple majority.

10. Reports and recommendations from the Joint Assembly to the Executive Board

The Chairman of the Joint Assembly, or a nominated representative on his or her behalf, will be entitled to attend meetings of the Executive Board to present reports and recommendations from the Assembly as appropriate.

11. Questions by the public and public speaking

At the discretion of the Chairman, members of the public may ask questions at meetings of the Joint Assembly. This standard protocol is to be observed by public speakers:

- (a) notice of the question should be given to the Democratic Services team at South Cambridgeshire District Council (as administering authority) by 10am the day before the meeting;
- (b) questioners will not be permitted to raise the competence or performance of a member, officer or representative of any partner on the Joint Assembly, nor any matter involving exempt information (normally considered as 'confidential');
- (c) questioners cannot make any abusive or defamatory comments;
- (d) if any clarification of what the questioner has said is required, the Chairman will have the discretion to allow other Assembly members to ask questions;
- (e) the questioner will not be permitted to participate in any subsequent discussion and will not be entitled to vote;
- (f) the Chairman will decide when and what time will be set aside for questions depending on the amount of business on the agenda for the meeting. Normally questions will be received as the first substantive item of the meeting;
- (g) individual questioners will be permitted to speak for a maximum of three minutes;

- (h) in the event of questions considered by the Chairman as duplicating one another, it may be necessary for a spokesperson to be nominated to put forward the question on behalf of other questioners. If a spokesperson cannot be nominated or agreed, the questioner of the first such question received will be entitled to put forward their question.

12. Petitions

12.1 At the discretion of the Chairman, members of the public may submit and present petitions to the Joint Assembly. This standard protocol is to be observed by petitioners:

- (a) petitions should include a clear statement of the petition organiser's concerns and what they would like the Joint Assembly to do;
- (b) petitions must relate to something which is within the responsibility of the Joint Assembly, or over which the Assembly has some influence;
- (c) petitions must include the name and contact details of the petition organiser;
- (d) petitions must include at least 500 signatures. Petitions below this threshold will not be presented to the Joint Assembly, but Assembly members will be notified of them as long as they contain at least 50 signatures;
- (e) petitions must be submitted to the Democratic Services Team at South Cambridgeshire District Council (as the administering authority) either in paper format or using its e-petitions facility at least 5 clear working days before the date of the meeting;
- (f) petition organisers will be permitted to present their petitions for a maximum of three minutes;
- (g) where more than one petition is received in time for a particular meeting and they are considered by the Chairman as supporting the same outcome or being broadly similar in intent, it may be necessary for a spokesperson to be nominated and present the petitions. If a spokesperson cannot be nominated or agreed, the petition organiser of first petition received will be entitled to present their petition;
- (h) petitions will be rejected if the Chairman considers them to be abusive or libellous, frivolous, vague or ambiguous, rude, offensive, defamatory, scurrilous or time-wasting or require the disclosure of exempt information (normally considered as 'confidential').

12.2 Any matters arising from petitions considered by the Joint Assembly can be reported to the Executive Board as per Standing Order 10.

13. Participation at Joint Assembly meetings by other members of partner Councils or other representatives of partner bodies

At the discretion of the Chairman, other elected members of the three partner Councils or other representatives from the Greater Cambridge and Greater Peterborough Enterprise Partnership or the University of Cambridge may be entitled to speak and participate at meetings of the Assembly.

14. Minutes

- 14.1 The Chairman will sign the minutes of the proceedings at the next suitable meeting. The Chairman will move that the minutes of the previous meeting be signed as a correct record. The only part of the minutes that can be discussed is their accuracy.
- 14.2 The minutes will be accompanied by a list of agreed action points, which may be discussed in considering the minutes of the previous meeting should they not be specifically listed as items on the agenda for the meeting.

15. Exclusion of the public and press

Members of the public and press may be excluded from meetings in accordance with the Access to Information rules of South Cambridgeshire District Council with regard to the consideration of exempt or confidential information.

16. Recording of proceedings

The recording in any format of meetings of the Joint Assembly is permitted, except:

- where the Chairman, or person presiding the meeting, rules that filming is being undertaken in such a way that is disruptive or distracting to the good order and conduct of the meeting;
- where the public have been excluded from the meeting in accordance with the Access to Information rules of South Cambridgeshire District Council during the consideration of exempt or confidential information.

17. Disturbance by public

- 17.1 If a member of the public interrupts proceedings, the Chairman, or person presiding the meeting, will warn the person concerned. If they continue to interrupt, the Chairman will order their removal from the meeting room.
- 17.2 If there is a general disturbance in any part of the meeting room open to the public, the Chairman, or person presiding the meeting, may call for that part to be cleared.
- 17.3 If there is a general disturbance making orderly business impossible, the Chairman, or person presiding the meeting, may adjourn the meeting for as long as he or she thinks is necessary.

18. Interpretation of Standing Orders

The ruling of the Chairman of the Joint Assembly as to the application of these Standing Orders shall be final.

19. Suspension of Standing Orders

Any of these Standing Orders may, as far as is lawful, be suspended by motion passed unanimously by those entitled to vote.