

STRATEGY AND RESOURCES SCRUTINY COMMITTEE

13 July 2015
5.00 - 10.10 pm

Present: Councillors Robertson (Chair), Sinnott (Vice-Chair), Benstead, Bick, Holt, Sarris, M. Smart, Abbott and C. Smart

Leader of the Council: Councillor Lewis Herbert

Executive Councillor for Finance and Resources: Councillor George Owers

Also present: Executive Councillor for Housing: Councillor Kevin Price and the Executive Councillor for Planning Policy and Transport: Councillor Kevin Blencoe

Officers:

Chief Executive: Antoinette Jackson

Director of Customer and Community Services: Liz Bisset

Director of Environment: Simon Payne

Director of Business Transformation: Ray Ward

Head of Corporate Strategy: Andrew Limb

Head of Finance: Caroline Ryba

Head of Property Services: Dave Prinsep

Strategy and Partnerships Manager: David Kidston

Safer Communities Section Manager: Lynda Kilkelly

Head of Strategic Housing: Alan Carter

Head of Planning: Patsy Dell

Local Taxation Manager: Kevin Jay

Committee Manager: Toni Birkin

FOR THE INFORMATION OF THE COUNCIL

15/45/SR Apologies for Absence

Apologies were received from Councillors Hipkin, Baigent and Cantrill. Councillors Abbott and C. Smart were present as alternates.

15/46/SR Declarations of Interest

No interests were declared.

15/47/SR Minutes of the Previous Meeting

The minutes of the meetings of the 28th May 2015 and the 23rd March 2015 were agreed and signed as correct records.

15/48/SR Public Questions

A public question was received regarding minute item 15/50/SR. Full details can be found with the minute for that item.

15/49/SR Oral Report from the Leader and Proposals for Lead Councillors

The Leader gave an oral report on his portfolio priorities:

- i. The Annual Statement sets out the priorities for the year ahead. Increase use of partnerships would be the focus for the coming year.
- ii. The following Lead Councillors had been appointed:

Lead Councillor	Title and relevant Executive Councillor	To provide advice to the Executive Councillor as follows:
Councillor Richard Robertson	Anti-Poverty - Exec Cllr for Finance and Resources	Advise on the implementation and further development of the council's Anti - Poverty Strategy
Councillor Gerri Bird	Disability - Exec Cllr for Strategy and Transformation	Advise on council disability policies, including access to services, buildings and city centre, and press other Cambridge building owners and service providers to also make improvements
Councillor Dan Ratcliffe	Equalities - Exec Cllr for Strategy and Transformation	Advise on council policies on equalities obligations other than disabilities, including campaigns against discrimination
Councillor Ann Sinnott	Domestic violence and	Advise on continued work on white ribbon status and assist on community

	community safety - Exec Cllr for Strategy and Transformation	safety priorities including effective tackling of domestic violence, working with the police and other partners
Councillor Martin Smart	Climate Change - Exec Cllr for Finance and Resources, and Cycling - Exec Cllr for Planning Policy and Transport	Assist with the implementation of the council's Climate Change Strategy Review planned projects for cycling including in the City Deal, and work on joint initiatives with the County Council Cycling Champion

15/50/SR Shared Service Overview

Public Speaker

Liz Brennan, Unison representative, addressed the Committee and asked the following questions on behalf of staff:

- i. Was the savings target for the first 6 to 12 months realistic?
- ii. Would IT hold up the process?
- iii. Staff had not seen the risk document. Was there a risk from the lack of key personnel factored in?
- iv. Was the EQIA Cambridge specific?
- v. What arrangements were in place for the scrutiny of the future business plan?

The Chief Executive responded as follows:

- i. The targets were realistic and recognised the transition period.
- ii. The risk register would be shared with staff. Risks surrounding staffing issues were included.
- iii. The EQIA was Cambridge specific and had been produced for this Committee.
- iv. Staff would be involved in all future developments.
- v. Detailed staff consultations would follow.

Councillor Herbert stated that there would be on-going staff consultations. He invited Ms Brennan to raise any staff concerns and undertook to answer their questions.

Matter for Decision

In July 2014, Huntingdon District Council (HDC), South Cambridgeshire District Council (SDC) and Cambridge City Council (CCC) agreed in principle to work as a partnership to deliver a range of shared services over a number of phases, building on existing collaborations.

The report outlined the overall approach that had been taken to the development of these shared services proposals.

Decision of the Leader

The Executive Councillor agreed:

- i. That the approach to shared services outlined in the report be endorsed.
- ii. That approval be given to the establishment of a Joint Committee without delegated powers to oversee the delivery of shared services.
- iii. That the Leader be confirmed as the Council's representative to this committee and a deputy be appointed
- iv. That the proposed sovereignty guarantee in section 8 be approved
- v. That the approach to cost sharing principles and partnership agreement as outlined in section 9 be approved.
- vi. That the approval of the final partnership agreement be delegated to the Chief Executive in consultation with the Leader of the Council, Chair of Strategy and Resources Scrutiny Committee and Spokes.
- vii. That, subject to the approval of the business cases for IT, Legal and Building Control Shared Services, formal consultation commences with Trade Unions/Staff Council and affected staff on 24 July 2015, closing on 1 September 2015.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Chief Executive regarding the Shared Services Overview.

In response to Members' questions the Chief Executive stated that:

- i. Shared Waste Services were not part of this report as they were already in the pipeline and had already established a shared governance arrangement. However, this might be rationalised at a later date.
- ii. The Lead Authority had been agreed in preference to other models as this allowed the individual authorities to keep control of the decisions. The authority to make decisions would remain with the Executive Councillors.
- iii. Differences in approaches to staff negotiations, such as the fact that Huntingdon had a staff council but did not recognise unions, had been considered and harmonisation discussions were on-going.
- iv. The powers and functions of the Joint Committee would reflect current delegations.
- v. Recharging individual authorities for services used would require consistent information about costs and service consumption.
- vi. A detailed exit strategy and notice periods would be included in the partnership agreement.
- vii. Initial costs of moving to a shared service, such as redundancy payments for senior managers, would be met by the individual authorities.
- viii. A formula for allocation and mechanisms for repaying host authorities for services was under development. All three authorities would be both providers and users of services and therefore, had vested interests in agreeing fair mechanisms.
- ix. The employing authorities would set pay policy for staff. However, work would be needed regarding harmonisation of policies.
- x. The Transformation Challenge Award funding was a government grant.

Councillor Herbert confirmed that the move to shared services would present issues and challenges. The proposals would allow individual authorities to retain sovereignty over decision making whilst minimising lead in time and risks. Lessons would be learnt from existing best practice. Existing pay bargaining arrangements would be honoured for TUPE'd (Transfer of Undertakings [Protection of employment]) staff.

The Committee resolved unanimously to endorse the recommendations.

The Executive Councillor approved the recommendations.

15/51/SR Shared Legal Service

Matter for Decision

Cambridge City Council (CCC), Huntingdonshire District Council (HDC) and South Cambridgeshire District Council (SCDC) had agreed to work in partnership to deliver shared services and had agreed general principles to underpin the approach.

The report provided the business case to establish a Shared Legal Service (to be known as the Practice) between the Councils and detailed the activity to create the Practice.

Decision of the Leader

Approved the Business Case and delegate authority to the Director of Business Transformation to make decisions and to take steps which are necessary, conducive or incidental to the establishment of the Practice in accordance with the business case.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Director of Business Transformations regarding Shared Legal Services.

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

- i. Expressed concerns that a permanent Head of Service had not been appointed to shape the services.
- ii. Suggested that protocols regarding which tasks were to be outsourced to an external provider needed to be in place soon.

In response to Members' questions the Director of Business Transformation stated that:

- i. Appointing a permanent Head of Service at this point would have delayed the project. Consultations regarding the management team structure and operating model were on-going.
- ii. The Interim Head of Service had the capacity to get the initial tasks completed.
- iii. The larger team would result in a broader range of in house services being available.
- iv. The Interim Head of Service would have line management function for the three teams.
- v. The existing close working relationship between City Legal and Planning Teams would be maintained.
- vi. Procurement would not be a shared service.

The Committee resolved unanimously to endorse the recommendation.

The Executive Councillor approved the recommendation.

15/52/SR Shared ICT Service

Matter for Decision

Cambridge City Council (CCC), Huntingdonshire District Council (HDC) and South Cambridgeshire District Council (SCDC) had agreed to work in partnership to deliver shared services and had agreed general principles to underpin the approach.

The report provided the business case to establish an ICT Shared Service (ICTSS) between the Councils and details the activity to create the ICTSS

Decision of the Leader

Approved the Business Case and delegated authority to the Director of Business Transformation to make decisions and to take steps which are necessary, conducive or incidental to the establishment of ICTSS in accordance with the business case.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Director of Business Transformation regarding the Shared ICT Service.

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

- i. Suggested that further explanations of costs were needed.
- ii. Questioned the compatibility of the systems currently used by the different authorities.
- iii. Questioned how the three authorities, with different functions, could be brought together. For example, only two had housing services.

In response to Members' questions the Director of Business Transformation said the following:

- i. Northgate held a fixed term contract which would run until 2018, and this had been factored into the proposals. The contract would not be terminated as no breach of contract had occurred.
- ii. Some applications would be service specific but it was expected that the majority of systems would be compatible.
- iii. Future provision would offer better value for money.

Councillor Herbert stated that this service was important and this was an opportunity to achieve both better value for money and an improved service.

The Committee resolved by unanimously to endorse the recommendation.

The Executive Councillor approved the recommendation.

15/53/SR Shared Building Control**Matter for Decision**

Cambridge City Council (CCC), Huntingdonshire District Council (HDC) and South Cambridgeshire District Council (SCDC) had agreed to work in partnership to deliver shared services and had agreed general principles to underpin the approach.

The report provided the business case to establish a Building Control Shared Service (BCSS) between the Councils and details the activity to create the BCSS.

Decision of the Leader

Approved the Business Case and delegated authority to the Director of Environment to make decisions and to take steps which are necessary, conducive or incidental to the establishment of the shared service in accordance with the business case.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Head of Planning regarding Shared Building Control.

In response to Members' questions the Head of Planning stated the following:

- i. She was confident about the ability of building a shared service with a commercial function.
- ii. There would be a need for succession planning as skilled staff in this field would be in demand from commercial organisations.

Councillor Herbert stated that he was proud of the service and welcomed the opportunity for it to grow. It would bring savings for the authority and for its customers.

The Committee resolved unanimously to endorse the recommendations.

The Executive Councillor approved the recommendations.

15/54/SR Shared Waste Service

Matter for Decision

The report updated all Members on the development of a Shared Waste Service between Cambridge City Council and South Cambridgeshire District Council, the principles of which were approved in July 2014 and October 2014.

Decision of the Leader

The Executive Councillor agreed:

- i. To note the progress of Cambridge City Council and South Cambridgeshire District Council towards to the development of a shared waste service, in particular:
 - a. The creation of a single tier of senior management;
 - b. Progress made towards co-location of the two Councils at the Waterbeach depot;
 - c. Progress made on establishing a Single Waste Service and likely future developments.
- ii. To delegate to the City Council Chief Executive the power to approve any changes necessary to the Council's Scheme of Delegation arising from the changes reported in the officer's report.
- iii. To delegate to the Director of Environment the power to implement the changes to managerial arrangements arising from the changes reported in the Officer's report.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Director of Environment regarding a Shared Waste Service.

In response to Members' questions the Director of Environment stated that:

- i. Decisions regarding the Shared Waste service had previously been considered at the Environment Scrutiny Committee. However, the decision delegations were complicated. Further reports on this matter were expected to be brought back to this Committee later in the year.
- ii. Staff had made constructive suggestions.
- iii. Discussions with staff and unions were on-going regarding travel plans.

Councillor Herbert stated that he was committed to working with staff. He thanked the staff of the two authorities for their hard work in moving forward plans for a shared service.

The Committee resolved unanimously to endorse the recommendations.

The Executive Councillor approved the recommendations.

15/55/SR Housing Development Agency

Exclusion of the Press and Public

The Chair reminded the Committee that some of the appendices to the report were confidential and that if they were minded to discuss matter in those documents, it would be necessary to consider excluding the press and public.

The Committee resolved to discuss the report in open session.

Matter for Decision

The report proposed the establishment of a shared Housing Development Service with the City Deal local authority partners (Cambridge City Council, South Cambridgeshire District Council and Cambridgeshire County Council).

Decision of the Leader

The Leader:

- i. Approved the establishment of the Housing Development Agency under shared governance with the City Deal local authority partners (Cambridge City Council, South Cambridgeshire District Council and Cambridgeshire County Council); and
- ii. Agreed to delegate authority to the Director of Customer and Community Services to make decisions and to take steps which are necessary,

conducive or incidental to the establishment of the shared housing development service in accordance with the business case.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Head of Strategic Housing regarding the establishment of a Housing Development Agency. The Committee noted the additional recommendation that had been circulated in advance of the meeting (item ii above).

The Committee welcomed the proposals.

In response to Members' questions the Head of Strategic Housing and Director of Customer and Community Services stated that:

- i. The new staffing structure and job titles would reflect the Housing industry norms and were not comparable with internal posts. An Assistant Director post would be included.
- ii. The Housing Development Agency would be self-funding.
- iii. Structures would be developed to address profits and losses.

Councillor Herbert stated that the proposal had the support of the City Deal Board.

The Committee resolved unanimously to endorse the amended recommendations.

The Executive Councillor approved the recommendations.

15/56/SR Street Lighting - County Council Proposals

Matter for Decision

Following major budgetary reviews, the County Council proposed to dim street lighting, and to turn off lights in a number of areas across the County overnight, with midnight to 6am the current proposed hours.

The report set out the framework of the lighting proposal and detailed the areas of significant concern in the City and suggested considerations for negotiation with the County Council.

Decision of the Leader

- i. The Executive Councillor agreed to work with the County Council on options to minimise the impact of the changes, and approve a formal response by the City Council to the County Council following input by Committee, and seek:
 - a) A timeframe and effective method for public consultation on the lighting proposals being put forward by the County Council and agreement to undertake consultation jointly with the County Council.
 - b) Further views from the City's police and any additional recommendations on overnight street lighting, and also the views of other key stakeholders including our two Universities and central city businesses.
 - c) County Council agreement to remove streets from dimming or switching off where CCTV is located.
 - d) The removal from the proposal of walking and cycling routes, particularly across open spaces.
 - e) Changes to the timing and scope of the proposed switch off to take into account the needs of city centre life and the night-time economy.
- ii. Any Additional recommendation to the County Council, to be agreed in consultation with the Chair and Spokes

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Safer Communities Manager regarding County Council proposals for changes to street lighting provision.

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

- i. Suggested that public perception of danger could result in increased stress levels or social isolation as people chose to stay at home.
- ii. Suggested negotiating with the County Council to limit the cuts to 1.00am to 5.00am instead of midnight to 6.00am.
- iii. Suggested that the maps demonstrate a lack of understanding of the night time economy in Cambridge.
- iv. Suggested that crime and anti-social behaviour would increase.
- v. Expressed concern that most of King's Hedges would be in darkness after midnight.
- vi. Expressed concerns about paths across open spaces, roads that connected to the existing and the proposed new rail station and coach drop off points.
- vii. Proposed that the County Council be asked to carry out wider public consultations.

Councillor Herbert proposed that any additional recommendations to the County Council would be agreed with the Chair and Spokes to incorporate the concerns raised by members.

This was agreed *nem con*.

The Committee resolved unanimously to endorse the recommendations.

The Executive Councillor approved the recommendation.

15/57/SR Single Equality Scheme 2015-2018

Matter for Decision

The draft of the new Single Equality scheme was approved for public consultation at Strategy and Resources Committee on 19 January 2015. Public consultation on the scheme took place for 13 weeks from 2 March to 29 May 2015. The report presented the key findings from the consultation and a finalised version of the Single Equality Scheme for approval.

Decision of the Leader

Approved the finalised Single Equality Scheme 2015-2018 at Appendix C of the Officer's report.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Strategy and Partnership Manager regarding the Single Equality Scheme 2015-2018.

Councillor Sarris stated that the lesbian, gay, bisexual, and transgender community lack social spaces or venues; this in turn made it harder to target health messages. The Strategy and Partnership Manager confirmed that this had been identified as an area for action. His team were currently working with grant funded community groups to support events in the future.

Councillor Herbert stated that he would be asking the Executive Councillor for Communities to investigate the options available. He further suggested that Councillor Sarris be involved in the project.

Councillor Benstead was concerned that declarations of Gypsy and Traveller ethnicity were under recorded in the last census. He suggested that those who moved to a settled lifestyle might hide their heritage as discrimination against these groups remained an issue. He requested more work be done to engage these communities as Cambridge had always been an important place to Gypsy and Traveller communities.

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

- i. Stated that some of the newer hi tech companies have very good gender support networks and might be willing to share best practices.
- ii. Suggested using an external agency for future surveys to see if this resulted in a higher return rate.

In response to Members' questions the Strategy and Partnership Manager said the following:

- i. Whilst individual response rates to the survey were low, a number of meetings were held with community groups, on a one to one basis.
- ii. Work was on-going to establish links with community and faith groups. Officers would welcome any contact details Members might be aware of.

The Director of Customer and Communities stated that this initiative belonged to all staff and Members. If Members felt the Gypsy and Traveller issues were priorities, a review, including housing needs of those groups, could be carried out ahead of next year's Single Equality Scheme report.

The Committee resolved unanimously to endorse the recommendations.

The Executive Councillor approved the recommendations.

15/58/SR Oral Report from the Executive Councillor for Finance & Resources and Proposals for Lead Councillors

The Executive Councillor gave an oral report on his portfolio priorities. Important issues for the year ahead included: Reviewing the Climate Change Strategy, the Anti-Poverty Strategy, Commercial Property Successes and the Review of Support Services.

15/59/SR Adopting A Discretionary Transitional Relief Policy For Non Domestic Rates

Matter for Decision

The purpose of the report was to recommend the adoption of a policy to award "Transitional Relief" in accordance with the Discretionary Rate Relief powers as contained within Section 47 of the Local Government Finance Act 1988 (as amended) for the 2015-16 and 2016-17 billing years.

Decision of Executive Councillor for Finance and Resources

The Executive Councillor agreed to:

- i. Adopt the Transitional Relief Policy (Appendix A of the Officer's report) for qualifying businesses in occupation of premises which have a rateable value of £50,000 or less, for the financial years 1 April 2015 to 31 March 2016 and 1 April 2016 to 31 March 2017 only.

- ii. Delegate authority to the Head of Revenues and Benefits to award the “Discretionary Transitional Relief” where a ratepayer demonstrates their entitlement.

Reason for the Decision

As set out in the Officer’s report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Local Taxation Manager regarding the adoption of a Discretionary Transitional Relief Policy for Non Domestic Rates.

The Committee resolved unanimously to endorse the recommendations.

The Executive Councillor approved the recommendations.

15/60/SR Annual Climate Change Strategy Progress Report, Including Carbon Management Plan and Climate Change Fund Status Report

Matter for Decision

The report provided an update on progress during 2014/15 on actions to deliver the three strategic objectives of the City Council’s current Climate Change Strategy, which covers a five year period from 2012/13 to 2015/2016. As part of this, the report included an update on progress in implementing the Council’s Carbon Management Plan. The Plan sat under the Strategy and played a key role in achieving its first strategic objective, which was to reduce carbon emissions from the City Council’s estate and operations.

The report also provided an update on the position of the Climate Change Fund, which provided support to projects that help to reduce the Council’s own carbon emissions and/or manage climate change risks to Council staff and property.

Decision of Executive Councillor for Finance and Resources

The Executive Councillor:

- i. Noted the progress achieved during 2014/15 in implementing the Climate Change Strategy and the Carbon Management Plan.
- ii. Noted the Climate Change Fund Status Report.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Strategy and Partnership Manager regarding the Annual Climate Change Strategy Report.

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

- i. Expressed concerns that the Carbon management plan had encouraged many projects but appeared to show few completions.
- ii. Suggested that there were better ways of presenting carbon usage data which would add to the decision making process.

In response to Members' questions the Director of Environment, the Head of Strategic Housing and the Strategy and Partnership Manager stated the following:

- i. The Code for Sustainable Homes had been discontinued and would no longer be available for Planning Policy. However, the planning department would continue to encourage high standards
- ii. Cambridge City Council had joined the Good Homes Alliance which would encourage high standards.
- iii. Some projects had been reconsidered or rephased as new information or initiatives became available.
- iv. Information on carbon use was audited and the results published.
- v. Previous problems of recording accurate energy usage had been addressed and systems were now in place to provide an accurate base line measurement.

Councillor M. Smart undertook to supply Officer's with useful contacts at Bath University who were working in this field.

The Committee resolved unanimously to endorse the recommendations.

The Executive Councillor approved the recommendations.

15/61/SR Mill Road Depot Redevelopment

Matter for Decision

The report requested approval to begin the process to redevelop the Mill Road Depot site.

The site had been included in the draft Local Plan but, could only be redeveloped if its inclusion was confirmed in the final Local Plan.

A fully costed, final scheme, would be brought to the Committee for scrutiny and approval of the Executive Councillor before a contract is signed with a developer partner to redevelop the site.

Decision of Executive Councillor for Finance and Resources

The Executive Councillor:

- i. Approved the procurement of a planning and development brief for the site.
- ii. Agreed that an options report would be brought back to this Committee prior to seeking a development partner.
- iii. Delegated authority to the Director of Environment to agree a procurement process to select a preferred partner to develop the site following consultation with the Director of Business Transformation, Director of Customer and Community Services; Leader; relevant Executive Councillors; and Opposition Spokespersons.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Head of Strategic Housing regarding the redevelopment of the Mill Road Depot.

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

- i. Suggested that more local consultation was needed
- ii. Requested that the main access to the site be restricted to come directly off Mill Road and not via any of the small side roads.
- iii. Expressed concerns that members would not have an opportunity to scrutinise the development brief in advance of a preferred development partner being selected.

In response to Members' questions the Head of Strategic Housing suggested that a Member briefing could be arranged.

Councillor Price stated that the site would be used to provide good housing for a range of tenures.

Councillor Owers confirmed that a range of options had been included in the report in order to set the development brief process in motion.

The Director of Customer and Community Services confirmed that it was unlikely that the site could be developed exclusively as social housing due financial constraints. She suggested an additional recommendation could be added to address concerns regarding further scrutiny opportunities.

Additional Recommendation B (existing recommendation B to become recommendation C):

B: An options report would be brought back to this Committee prior to seeking a development partner.

This was agreed *Nem Con*.

The Committee resolved unanimously to endorse the recommendations.

The Executive Councillor approved the recommendations.

15/62/SR 2014/15 Revenue and Capital Outturn, Carry Forwards and Significant Variances - Strategy and Transformation Portfolio (Decision of the Leader)

Matter for Decision

The report presented a summary of the 2014/15 outturn position (actual income and expenditure) for services within the Strategy & Transformation Portfolio, compared to the final budget for the year. The position for revenue and capital was reported and variances from budgets were highlighted, together with explanations. Requests to carry forward funding arising from certain budget underspends into 2015/16 were identified.

Decision of the Leader

The Executive Councillor:

- i. Agreed the carry forward requests, totalling £18,620 as detailed in Appendix C of the Officer's report, to be recommended to Council for approval.
- ii. Agreed to seek approval from Council to carry forward capital resources to fund rephased net capital spending of £23,000 from 2014/15 into 2015/16 as detailed in Appendix D of the Officer's report.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Head of Finance regarding the 2014/15 outturn position.

The Committee sought clarification regarding underspends and asked if there were common threads.

In response to Members' questions the Head of Finance stated that underspends were mainly staffing related and were linked to recruitment processes and unfilled vacancies.

The Committee resolved by 6 votes to 0 to endorse the recommendation.

The Executive Councillor approved the recommendations.

15/63/SR 2014/15 Revenue and Capital Outturn, Carry Forwards and Significant Variances - Finance and Resources Portfolio

Matter for Decision

The report presented a summary of the 2014/15 outturn position (actual income and expenditure) for services within the Finance & Resources Portfolio, compared to the final budget for the year. The position for revenue and capital was reported and variances from budgets were highlighted, together with explanations. Requests to carry forward funding arising from certain budget underspends into 2015/16 were identified.

Decision of Executive Councillor for Finance and Resources

The Executive Councillor:

- i. Agreed the carry forward requests totalling £153,310 as detailed in Appendix C of the Officer's report, to be recommended to Council for approval.
- ii. Agreed to seek approval from Council to carry forward capital resources to fund rephased net capital spending of £1,542,000 from 2014/15 into 2015/16, as detailed in Appendix D of the Officer's report.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Head of Finance regarding the 2014/15 outturn position.

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

- i. There appeared to be significant slippage on a number of items in the Capital Programme.
- ii. Requested that more details on slippages be included in future reports.

In response to Members' questions the Head of Finance said that whilst the Capital Plan did phase planned spending, slippages still happened.

Councillor Owers stated that this report was based on the budget set by the previous administration. In future, slippages would be reviewed and would be subject to removal from the plan. . Later on the agenda of the meeting there was an item on Capital Plan Processes which sought to introduce a new system to remedy the slippage problems inherited from the previous administration. He acknowledged that some projects, such as Clay Farm, were dependant on external bodies and therefore slippages were beyond the control of the council.

The Committee resolved by 6 votes to 0 to endorse the recommendations.

The Executive Councillor approved the recommendations.

15/64/SR 2014/15 Revenue and Capital Outturn, Carry Forwards and Significant Variances – all General Fund Portfolios

Matter for Decision

The report presented a summary of the 2014/15 outturn position (actual income and expenditure) for all portfolios, compared to the final budget for the year. The position for revenue and capital was reported and variances from budgets were highlighted. Explanations had also been reported to individual Executive Councillors / Scrutiny Committees.

Decision of Executive Councillor for Finance and Resources

The Executive Councillor agreed:

- i. The final carry forward requests, totalling £657,030, as detailed in Appendix C of the officer report, were to be recommended to Council for approval, subject to the final outturn position.

- ii. To seek approval from Council to carry forward (net) capital resources to fund re-phased capital spending of £27,044,000 (of which HRA is £13,758,000) as shown in Appendix D – Overview of the Officer's report.
- iii. To ask Officer's to report to the next meeting on trends in staffing underspend.

Buchan Street Community Centre - New roof replacement

- iv. To approve the refurbishment of the tiled roof and thermal insulation replacement at Buchan Street Community Centre, which has been properly planned and is ready for implementation, subject to any feedback from the Capital Programme Board
- v. To recommend that Council approve capital funding of £60,000 for the refurbishment of the tiled roof and replacement of thermal insulation project.

Ross Street Community Centre - New Boiler system

- vi. To approve the replacement of the boiler system at Ross Street Community Centre, which has been properly planned and is ready for implementation, subject to any feedback from the Capital Programme Board
- vii. To recommend that Council approve capital funding of £36,000 for the replacement boiler system project.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Head of Finance regarding a summary of the 2014/15 outturn position (actual income and expenditure) for all portfolios.

Additional recommendations, circulated in advance and tabled at the meeting, were noted.

Concerns were raised regarding the number of staff vacancies and requested a full report on this matter.

Councillor Owers stated that a number of departments were in a phase of transition and might be leaving vacancies unfilled in order to avoid future redundancies. He suggested that Officers produce a report on the reasons for staffing underspends for the next meeting.

The Committee resolved by 6 votes to 0 to endorse the recommendations.

The Executive Councillor approved the recommendation.

15/65/SR Review of Capital Plan Processes and Procedures

Matter for Decision

Mid-year Financial Review (MFR) 2014 and Budget Setting Report (BSR) 2015 highlighted the need to improve existing capital plan processes.

The report built on Phase 1 of the review of the capital plan. The report proposed detailed changes to the process whereby new projects come forward onto the Capital Plan and existing projects move from the Projects Under Development (PUD) list for approval and inclusion on the General Fund capital plan.

Decision of Executive Councillor for Finance and Resources

The Executive Councillor:

- i. Approved the establishment of a Capital Programme Board (CPB) officer group, to be convened by the Head of Finance (HoF) with delegated authority to approve project appraisals (full business case) for capital projects up to £300k, subject to changes to the Council's existing delegations (see Appendix A of the Officer's Report)
- ii. Approved the changes identified in Appendices B and C of the Officer's report for 'other' capital approval processes.
- iii. Agreed to recommend Council to approve a Capital Feasibility Fund of £35,600 in 2015/16, funded from a 'top-sliced' 5% of net capital funding

available, with delegated authority for allocation of these funds given to the CPB in conjunction with the s151 officer.

- iv. Approved the appointment of a capital accountant/programme manager, funded from existing resources, to implement the proposed changes detailed in this report.
- v. Agreed to recommend Council to approve placing all current projects on the General Fund capital plan that do not produce a full business case by 30 November 2015 on to the PUD list, i.e. remove approved funding and require these projects to come forward for funding once a full business case has been approved.
- vi. Agreed to ask Officers, in consultation with the Executive Councillor Chair and Spokes, to develop a process to ensure there is transparency and opportunity for Member oversight of projects between £75,000 and £300,000.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Head of Finance regarding the mid-year Financial Review.

In response to Members' questions the Head of Finance confirmed that Appendix A – Amendments to Financial Delegations, contained an omission. Corrected text to read as follows:

For projects where the estimated total cost is over £15,000 and up to £300,000: a full business case report must be completed and referred to the Capital Programme Board for approval, provided that the relevant Ward Councillors have been consulted, where appropriate.

For projects where the estimated cost is over £300,000: a full business case report must be completed and referred to the Capital Programme Board for consideration and then the relevant scrutiny committee and referral to the

relevant Executive Councillor for approval, provided that the relevant Ward Councillors have been consulted, where appropriate.

The Committee expressed concerns that public consultation might begin before any decision had been made about a project. This could raise public expectations. The Head of Finance confirmed that public expectations would need to be managed. However, early consultation was regarded as the best way to shape the project.

The Committee questioned their opportunities to scrutinise projects. The Chief Executive stated that the report was seeking to achieve a balance between opportunities for scrutiny and efficient delegations that made the decision making process manageable.

An additional recommendation requesting that Officers develop a consultation process for member oversight of smaller projects was suggested. Wording as follows:

Agreed to ask Officers, in consultation with the Executive Councillor Chair and Spokes, to develop a process to ensure there is transparency and opportunity for Member oversight of projects between £75,000 and £300,000.

The Committee resolved unanimously to endorse the amended recommendations.

The Executive Councillor approved the recommendations.

15/66/SR Annual Treasury Management Report 2014/15

Matter for Decision

The Council is required by regulations issued under the Local Government Act 2003, to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for each financial year.

The report met the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code) in respect of 2014/15.

Decision of Executive Councillor for Finance and Resources

The Executive Councillor:

- i. Agreed to recommend the report to Council, which included the Council's actual Prudential and Treasury Indicators for 2014/15.
- ii. Agreed to recommend to Council changes (shown in bold) to our Counterparty List as highlighted within Appendix D of the Officer's report.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Head of Finance regarding the Annual Treasury Management report.

The Committee sought clarification regarding organisations on the Counterparty list. The Head of Finance confirmed that there were organisations on the list that were never used as their rates were uncompetitive.

The Committee resolved by 6 votes to 0 to endorse the recommendations.

The Executive Councillor approved the recommendations.

15/67/SR Replacement Financial Management System

Matter for Decision

To approve a project to replace the Council's financial management system. Initial work indicated that a capital budget of up to £242k and an additional revenue budget of up to £105k each year ongoing would be required. These figures reflected the upper end of the indicative price range obtained from suppliers and were before any contributions received from partners or savings achieved as a result of the implementation. Based on average costs from suppliers and a conservative saving assumption, this project should deliver net savings in future years.

Decision of Executive Councillor for Finance and Resources

The Executive Councillor:

- i. Approved the replacement financial management system project, as detailed in the attached appendices to the Officer's report.
- ii. Agreed to recommend that Council approve capital and revenue funding for the replacement financial management system project

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Details of alternative systems considered were detailed in Appendix 2 of the Officer's report.

Scrutiny Considerations

The Committee received a report from the Head of Finance regarding a replacement financial management system.

The Committee questioned the procurement process for a new system and asked for assurances that references would be sought from existing users.

The Head of Finance outlined the tendering process.

The Committee resolved unanimously to endorse the recommendations.

The Executive Councillor approved the recommendations.

15/68/SR General Fund Investment in Housing

The Chair reminded the Committee that some of the appendices to the report were confidential and that if they were minded to discuss matter in those documents, it would be necessary to consider excluding the press and public.

The Committee resolved to discuss the report in open session.

Matter for Decision

The report examined the opportunities to invest General Fund monies in housing let at rents below market values to assist in meeting the needs of those who do not have priority for social housing but cannot afford market housing (known as the intermediate market). The report proposes a pilot project involving the acquisition of 24 new homes on the Aylesborough Close and Water Lane schemes currently being developed on Council land under the Housing Revenue Account. The pilot project would allow the Council to test the risks and opportunities of the proposition before consideration of any further investment.

Decision of Executive Councillor for Finance and Resources

The Executive Councillor:

- i. Delegated authority to the Director of Customer and Community Services in consultation with the Head of Finance and Head of Legal Services:
 - to acquire 24 homes on the Aylesborough Close and Water Lane schemes (currently being developed on Council land by Keepmoat):
 - to set up a housing company (wholly owned by the Council) to borrow from the General Fund to acquire the housing
 - to let the homes at 80% of market rent on short-term tenancies ensuring all risks have been considered in the business case.
- ii. Agreed to recommend to Council that a budget provision is made to allow the General fund to lend money to the Housing Company to acquire 24 properties at Aylesborough Close and Water Lane as detailed in the report.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected
Not applicable.

Scrutiny Considerations

The Committee received a report from the Head of Strategic Housing regarding General Fund Investment in Housing.

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

- i. Welcomed the move as a way to add to the supply of intermediate housing in Cambridge
- ii. Expressed regret that it would not be increasing housing stock.

In response to Members' questions the Head of Strategic Housing stated that the initial borrowing would be a very limited pot. However, it would be sufficient for lessons to be learnt for future ventures.

Councillor Price stated that the project would meet an identified need. It was intended to be a pilot scheme but would be income generating. The properties in the pilot had been selected as they would be available very soon and would bring the land back into council ownership.

The Committee resolved by unanimously to endorse the recommendations.

The Executive Councillor approved the recommendations.

The meeting ended at 10.10 pm

CHAIR