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NOTICE OF COUNCIL MEETING - 14 JULY 2016

Dear Councillor,

A meeting of Cambridge City Council will be held in the Council Chamber, The Guildhall, Market Square, Cambridge, CB2 3QJ on Thursday, 14 July 2016 at 6.00 pm and I hereby summon you to attend.

Dated 6 July 2016

Yours faithfully

A handwritten signature in black ink, appearing to read 'AP Jackson', written in a cursive style.

Chief Executive

Agenda

- 1 Mayors Announcements**
- 2 Public Questions Time - see at the foot of the agenda for details of the scheme**
- 3 To consider the recommendations of the Executive for Adoption**
 - 3a 2015/16 Revenue and Capital Outturn, Carry Forwards and Significant Variances - HRA**

(Pages 9 - 24)

3b 2015/16 Revenue and Capital Outturn, Carry Forwards and Significant Variances – General Fund - OVERVIEW

(Pages 25 - 66)

3c Annual Treasury Management (Outturn) Report 2015/16

(Pages 67 - 86)

4 To consider the recommendations of Committees for Adoption

**4a 21/06/16 Employment (Senior Officer) Committee:
Monitoring Officer Arrangements**

(Pages 87 - 90)

**4b 29/06/16 Civic Affairs Committee: Assurance Framework,
Draft Annual Governance Statement and Draft Code of
Corporate Governance 2015/16**

(Pages 91 - 130)

**4c 29/06/16 Civic Affairs Committee: Review of Members'
Allowances Scheme**

(Pages 131 - 162)

5 To deal with Oral Questions

**6 To consider the following Notices of Motion, notice of which
has been given by:**

6a Councillor Ratcliffe: EU citizens and hate crime.

The Motion

This Council notes

- The majority national referendum vote to leave the European Union, creating new challenges for Cambridge as an international

city

- That nationally and locally there is a need to address the wider reasons for the exit vote and the disaffection many felt towards the EU and the wider political system
- That locally a large majority of Cambridge and South Cambridgeshire residents voted to remain
- That our community enjoys and welcomes EU citizens as residents, people who regard Cambridge as their home and who perform key roles in our economy and in local NHS services and study or research at the city's two Universities, and who deserve clear assurances that they are welcome to stay
- That there have been disturbing reports of a rise of racist and xenophobic incidents, hate crime and racist graffiti in Cambridgeshire, including hate messages targeted at local residents from Poland distributed recently in nearby Huntingdon
- That Cambridgeshire police and the Council's Safer Communities Team are working effectively to combat hate crime and encourage community cohesion

This council states that:

- Cambridge is determined to stay a diverse, open, welcoming and tolerant city
- EU citizens contribute much to our community and should be granted clear rights to remain, and need a statement now by Government supporting this
- There is no place for racism or hate crimes in our city and that any perpetrators need to be caught and prosecuted.

This council therefore resolves to:

- Write to the Prime Minister, and all the candidates for that job, asking for a clear statement from each of them supporting the

rights of EU citizens already here in Cambridge to remain in the UK

- Write in similar terms to the city's two MPs informing them of this motion and asking for their assistance in lobbying government to achieve our objectives on this, and in tackling hate crime
- Continue the council's work with community organisations and Cambridgeshire police in combating and preventing hate crime, and investigate further opportunities to build our city's commitment to togetherness and tolerance and support the rights of all our residents to live and work here in peace, whatever their nationality and culture
- Continue to work on the wider impacts on the city of the exit vote, and any opportunities, working with local organisations, employers and our MPs.

6b Councillor Bick: Viability Assessments for Affordable Housing

The motion

Council notes that Greenwich Borough Council has adopted a requirement obliging publication of a viability assessment that is both full and un-redacted to justify any shortfall from Local Plan affordable housing targets in plans that are submitted for residential developments. It requests the Executive Councillor for Planning Policy and Transport to work with officers to investigate this approach for introduction in Cambridge as part of a wider review to update the Council's handling of developer obligations for affordable housing.

6c Councillor O'Connell: EU Referendum

The motion

The council believes that foreign EU and non-EU nationals who live, study and work in Cambridge are integral members of our community and condemns the recently reported rise in racist and xenophobic hate crimes recorded across the country. These crimes

are an unacceptable attack on members of our community and do not represent the views of the citizens of Cambridge.

We resolve to work to ensure that local organisations have the support and resources they need to fight and prevent racism and xenophobia, and ask officers to bring to the attention of councillors any areas where additional resources may now be required.

The council also reaffirms its belief that close ties with Europe are in the best interests of residents, businesses and academics in and around Cambridge, and that this was reflected in a strong "Remain" vote in the city. It resolves to work with local businesses and universities in particular to maintain and enhance ties with Europe wherever possible.

7 Written Questions

No discussion will take place on this item. Members will be asked to note the written questions and answers document as circulated around the Chamber.

8 Urgent Decision

Part 4C section 6.1 of the Councils Constitution provides that individual members of the Executive 'may take a decision which is contrary or not wholly in accordance with the budget approved by the full Council if the decision is a matter of urgency'. The decision is reported to Council for information purposes only.

8a Approval of capital budget of £46,000 to purchase the MOT plant for the fleet service which will be funded from DRF
(Pages 163 - 164)

8b Approval of a capital budget of £160,000 for Stamp Duty Land Tax on Land Transfer for Site K1 Orchard Park, Cambridge
(Pages 165 - 166)

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.

All the meeting rooms (Committee Room 1, Committee 2 and the Council Chamber) are on the first floor, and are accessible via lifts or stairs.

Public Participation Some meetings may have parts that will be closed to the public, but the reasons for excluding the press and public will be given.

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

To ask a question or make a statement please notify the Committee Manager (details listed on the front of the agenda) prior to the deadline.

- 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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A loop system is available in Committee Room 1, Committee Room 2 and the Council Chamber.

Accessible toilets are available on the ground and first floor.

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HOUSING SCRUTINY COMMITTEE

21 June 2016
5.30 - 19.40 pm

Present:

Scrutiny Committee Members: Councillors Todd-Jones (Chair), Bird (Vice-Chair), Avery, Gawthrope, Holland, R.Moore, Page-Croft

<p style="text-align: center;">RECOMMENDATION TO COUNCIL (EXECUTIVE COUNCILLOR FOR HOUSING - COUNCILLOR PRICE)</p>

Revenue and Capital Outturn, Carry Forwards and Significant Variances – HRA

The report presented a summary of the 2015/16 outturn position (actual income and expenditure) for services within the Housing Revenue Account, compared to the current budget for the year.

Accordingly, Council is recommended to:

- i. Approve carry forward requests of £2,171,000 in HRA and General Fund Housing capital resources from 2015/16 to 2016/17 to fund rephased net capital spending, as detailed in **Appendix D** and the associated notes to the appendix of the Officer's report.

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To Executive Councillor for Housing
Report by Business Manager / Principal Accountant (Housing)
Relevant Scrutiny Committee Housing Scrutiny Committee 21 June 2016

2015/16 Revenue and Capital Outturn, Carry Forwards and Significant Variances – Housing Revenue Account

Key Decision

1. Executive summary

1.1 This report presents, for the Housing Revenue Account :

- a) A summary of actual income and expenditure compared to the final budget for 2015/16 (outturn position)
- b) Revenue and capital budget variances with explanations
- c) Specific requests to carry forward funding available from budget underspends into 2016/17.
- d) A summary of housing debt which was written off during 2015/16.

2. Recommendations

Under Part 1 of the Housing Scrutiny Committee Agenda, the Executive Councillor, is recommended, following scrutiny and debate at Housing Scrutiny Committee:

- a) To approve carry forward requests totalling £1,987,000 in revenue funding from 2015/16 to 2016/17, as detailed in **Appendix C**

Under Part 2 of the Housing Scrutiny Committee Agenda, the Executive Councillor for Housing is asked to recommend to Council (following scrutiny and debate at Housing Scrutiny Committee):

- b) Approval of carry forward requests of £2,171,000 in HRA and General Fund Housing capital resources from 2015/16 to 2016/17 to fund rephased net capital spending, as detailed in **Appendix D** and the associated notes to the appendix.

3. Background

Revenue Outturn

3.1 The overall revenue budget outturn position for the Housing Revenue Account is given in the table below.

2014/15 £'000	Housing Revenue Account Summary	2015/16 £'000	% Final Budget
(70)	Original Budget (HRA Use of Reserves)	990	9.5
3,393	Adjustment – Prior Year Carry Forwards	9,272	88.9
0	Adjustment – Service Restructure Costs	270	2.6
0	Adjustment – Increased Interest Receipts	(97)	(1.0)
1,488	Other Adjustments	0	0
4,811	Final Budget	10,435	100.0
(4,771)	Outturn	5,497	52.7
(9,582)	(Under) / Overspend for the year	(4,938)	(47.3)
9,272	Carry Forward Requests	1,987	19.0
(310)	Resulting Variation for the HRA	(2,951)	(28.3)
0	Other variances	0	0
(310)	Variance and reduced use of HRA Reserves	(2,951)	(28.3)

- 3.1 **Appendix A** shows original and final budgets for the year (with the movements summarised in the above table) and compares the final budget with the outturn position for the HRA for 2015/16. The original revenue budget for 2015/16 was approved by the Executive Councillor for Housing on 14 January 2015.
- 3.2 **Appendix B** provides explanations of the main variance.
- 3.3 **Appendix C** lists revenue carry forward requests.
- 3.4 The net underspend across the Housing Revenue Account of £4,938,798 incorporates a number of key areas of underspending.
- 3.5 Slippage and savings in the Housing Capital Investment Plan result in a reduced use of revenue financing of capital expenditure of £3,090,512, non-delivery of much of the 2015/16 revenue planned maintenance programme results in an underspend of £842,369, a reduction in void activity in 2015/16 means that repairs underspending in this area is £312,321 and changes to the Housing Services restructure at implementation stage result in a lower level of exit cost being incurred than provided for as a worst case scenario, with underspending of £210,000.

Capital Outturn

- 3.6 The overall capital budget outturn position for the Housing Capital Investment Plan (HRA and Housing General Fund) is provided in the table below. **Appendix D** shows the outturn position by programme with the associated notes providing explanations of variances.

2014/15 £'000	HRA Capital Summary	2015/16 £'000	% Final Budget
32,839	Original Budget	29,946	81.2
11,733	Adjustments (Rephasing from prior year)	13,758	37.3
(5,315)	Other Adjustments	(6,830)	(18.5)
39,257	Final Budget	36,874	100.0
24,404	Outturn	33,355	90.5
(14,853)	(Under)/Overspend for the year	(3,519)	(9.5)
13,758	Rephasing Requests	2,171	5.9
(1,095)	(Under) / Overspend	(1,348)	(3.6)

- 3.7 Spending in the Housing Capital Investment Plan in 2015/16 has been at a far higher level than has been achieved in previous years, with both decent homes and new build expenditure delivering against the budgets set for the year.
- 3.8 The biggest area of slippage in the programme is in respect of the refurbishment scheme at Ditchburn Place, where work is yet to begin. There have been significant delays in the project, which will ultimately be delivered in a phased manner, with many residents still in occupation, due to the need to obtain planning permission for some of the changes proposed and overcoming some challenges in securing a contractor to undertake the works.
- 3.9 Permission is sought to re-phase the use of £1,686,000 of direct revenue financing of capital expenditure from the Housing Revenue Account and £545,000 of land receipt into 2016/17 and beyond to finance the re-phased capital expenditure identified. The resulting use of direct revenue financing of capital will be a reduction in the use of this resource of £110,000 in 2015/16 and an increase in 2017/18 of £1,796,000. The deferred use of revenue resource to fund capital expenditure also recognises the need to fund £60,000 of expenditure that would otherwise have been met by HCA grant, where the grant was received earlier than anticipated and therefore used to finance expenditure in 2015/16.

HRA Write Offs

- 3.10 In line with the revised process for the writing off of HRA debt, considered by Housing Scrutiny Committee in March 2015, this report also provides an appendix detailing write off of HRA debt during the financial year 2015/16.

Appendix E includes a summary of debt written off by both category of write off and also value banding.

4. Implications

- 4.1 The variance from the final revenue budget (see above), would result in a decreased use of Housing Revenue Account of £4,938,798. After rephrasing resource for capital projects financed from revenue, and carry forward of revenue resource to fund deferred revenue expenditure, the overall variance and decreased use of Housing Revenue Account Reserves is £2,951,798.
- 4.2 A decision not to approve a carry forward request may impact on officers' ability to deliver the service or scheme in question and this could have staffing, equality and poverty, environmental, procurement, consultation and communication and/or community safety implications.

5. Background Papers

- Directors Variance Explanations – March 2016
- Budgetary Control Reports to 31 March 2016

6. Inspection of papers

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

Authors' Names: Julia Hovells
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Housing Committee - Housing Revenue Account

Revenue Budget 2015/16 - Final Outturn

Service Grouping	Original Budget £'s	Final Budget £'s	Outturn £'s	Variation Increase/ (Decrease) £'s	Carry Forward Requests - see Appendix C £'s	Net Variance £'s
INCOME						
Dwelling Rents	(37,185,810)	(37,185,810)	(37,032,891)	152,919	0	152,919
Rental Income (Other)	(1,096,480)	(1,096,480)	(1,104,609)	(8,129)	0	(8,129)
Service Charges	(2,447,980)	(2,447,980)	(2,572,346)	(124,366)	0	(124,366)
Contributions towards Expenditure	(3,210)	(3,210)	(97,545)	(94,335)	0	(94,335)
Other Income (Incl. RTB Capitalisation)	(455,090)	(455,090)	(432,810)	22,280	0	22,280
Total Income	(41,188,570)	(41,188,570)	(41,240,201)	(51,631)	0	(51,631)
EXPENDITURE						
Supervision & Management (General)	3,441,480	3,268,270	2,930,678	(337,592)	0	(337,592)
Supervision & Management (Special)	2,414,310	2,507,580	2,513,365	5,785	0	5,785
Repairs & Maintenance	6,824,030	6,855,150	5,645,005	(1,210,145)	301,000	(909,145)
Depreciation	10,509,920	11,444,060	8,711,358	(2,732,702)	0	(2,732,702)
Debt Management Expenditure	21,180	21,180	0	(21,180)	0	(21,180)
Other Expenditure	3,038,890	3,406,820	3,343,645	(63,175)	0	(63,175)
Total Expenditure	26,249,810	27,503,060	23,144,051	(4,359,009)	301,000	(4,058,009)
Net Cost of HRA Services	(14,938,760)	(13,685,510)	(18,096,150)	(4,410,640)	301,000	(4,109,640)
Interest Receivable (Interest on Balances)	(228,910)	(326,420)	(466,080)	(139,660)	0	(139,660)
(Surplus) / Deficit on the HRA for the Year	(15,167,670)	(14,011,930)	(18,562,230)	(4,550,300)	301,000	(4,249,300)
Appropriations / Other Movement in the HRA Balance						
Loan Interest	7,541,290	7,541,290	7,541,505	215	0	215
Housing Set-Aside	0	0	0	0	0	0
Depreciation Adjustment (MRA)	(2,351,280)	(3,285,420)	(769,806)	2,515,614	0	2,515,614
Impairment	0	0	186,185	186,185	0	186,185
Direct Revenue Financing of Capital	10,968,440	20,191,440	17,100,928	(3,090,512)	1,686,000	(1,404,512)
(Surplus) / Deficit for year	990,780	10,435,380	5,496,582	(4,938,798)	1,987,000	(2,951,798)
(Surplus) / Deficit b/f	(14,864,833)	(14,864,833)	(14,864,833)			
Transfer to / from Ear-Marked Reserves	0	0	(422,307)			
Balance Carried Forward	(13,874,053)	(4,429,453)	(9,790,558)	0	0	0

Changes between original and final budgets may be made to reflect:

- departmental restructuring
- approved budget carry forwards from the previous financial year
- technical adjustments, including changes to the capital accounting regime
- virements approved under the Council's constitution
- additional external revenue funding not originally budgeted for

and are detailed and approved:

- in the June committee cycle (outturn reporting and carry forward requests)
- in September (as part of the HRA Mid-Year Financial Review)
- in the January committee cycle (as part of the HRA budget setting report)
- and via technical adjustments/virements throughout the year

Housing Committee - Housing Revenue Account

Revenue Budget 2015/16 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £
Supervision and Management (General)		
HRA Departmental Overheads	The financial provision made for potential exit costs arising from the Housing Services restructure was higher than the level of funding required once all recruitment had been completed, resulting in an underspend (£210k). HRA maternity provision was not required in 2015/16 (£33k). Employee costs underspent due to vacancies in the team and abortive HRA development fee budget not utilised in the year.	(276,185)
City Homes	Underspending in this area was due predominantly to staff vacancies held pending the outcome of the Housing Services restructure, coupled with general underspending in office based costs.	(73,992)
Provision for Central Costs	The provision held in the HRA for contribution towards the cost of corporate change was insufficient to meet the HRA share of costs incurred in 2015/16.	32,653
Computer Services	IT services underspent, particularly in relation to the Housing Management System, where savings have been realised and development has not been undertaken as anticipated. Budget has been reduced accordingly in 2016/17.	(25,949)
	Minor Variations	5,881
	Total	(337,592)
Supervision and Management (Special)		
Estate Management	Overspending due to the costs of dealing with increased levels of fly-tipping on housing estates across the city coupled with increased electricity costs in communal areas of flatted accommodation.	41,258
Independent Living Service	Support income from the County Council and self-funding tenants was above that anticipated, particularly due to continued County Council funding for staff transferred to the City Council under TUPE for the earlier part of 2015/16.	(32,912)
Temporary Accommodation	Underspending due to staffing vacancies and utility costs being lower than anticipated.	(30,578)
Brandon Court	The cost of gas, electricity and water used at this scheme was significantly higher than anticipated. Both the usage levels and the budgets for utilities will be reviewed as part of the 2017/18 budget process.	15,267

Housing Committee - Housing Revenue Account

Revenue Budget 2015/16 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £
Ditchburn Place	Income from the County Council for the use of the Day Centre at Ditchburn Place was under-achieved in 2015/16 as a direct result of the County Council de-commissioning the site for day centre purposes. The impact of this will be ongoing, but is anticipated to be addressed as part of the discussions surrounding the future of care provision on the site and the project to refurbish the scheme.	11,289
	Minor Variations	1,461
	Total	5,785
Repairs and Maintenance		
Planned Repairs	Changes to the specification for cyclical maintenance works have resulted in the need for additional surveying work. This has delayed the work on site and slippage of the work into 2016/17. In order to complete the works outstanding, budget rephasing of £301,000 is required. If this is not carried forward, the programme of works arising for 2016/17 cannot be fully funded. This position still results in a budget saving for 2015/16 of £542,000.	(842,369)
Void Repairs	Underspending in this area is due to an overall reduction in the number of void properties, coupled with a review of the work carried out during the void period.	(312,321)
Gas Servicing	The underspend of £30,000 is a combination of savings against the budget for third party inspections, where fewer than anticipated were required, and gas servicing, where the budget allowed for second servicing in voids, but due to the lower number of void properties arising, savings have been realised. The total underspend was offset to a degree by an increase in the number of repairs carried out during the year. Although this has led to an overspend in this particular area of the contract, there has been a saving in capital spending, as boiler life cycles have been extended and therefore less replacements have been carried out.	(29,807)
Response Repairs	Minor underspend in percentage terms at year end arising due to mild winter weather, which has in turn led to a reduction in demand across the year.	(28,591)
	Minor Variations	2,943
	Total	(1,210,145)

Housing Committee - Housing Revenue Account

Revenue Budget 2015/16 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £
Other HRA Expenditure		
Depreciation	The level of depreciation charged to the HRA for 2015/16 was significantly lower than anticipated. This arose from a formal review of the remaining useful lives of the dwelling assets held in the HRA, and an appropriate approach to componentisation. Delays in the new build delivery programme also meant that fewer assets required depreciating in 2015/16 than anticipated.	(2,732,702)
Bad Debt Provision	The contribution to the bad debt provision for 2015/16 was lower than budgeted based upon the opening fund balance, call on the fund in the year and the incidence of both current and former tenant arrears at 31st March 2016.	(64,797)
Debt Management Expenditure	Changes in national housing policy have altered the landscape for new build housing, and therefore the associated need to borrow up to the debt cap. As a direct result of not borrowing, there have been no additional debt management costs incurred in 2015/16.	(21,180)
	Minor Variations	1,622
	Total	(2,817,057)
HRA Income and Other		
Dwelling Rents	Rent income was under-achieved by 0.4% due predominantly to delays in the delivery of much of the new build housing programme in 2015/16.	152,919
Service Charges	Service Charge income was over-achieved due to a combination of the decision to utilise otherwise empty units at Ditchburn Place for emergency move-on accommodation, increased income from temporary housing units due to higher numbers of dwellings being utilised for this purpose in 2015/16 and income from new build units, where the services required on sites, and therefore the levels of charges to be levied are higher than originally anticipated.	(124,366)
Contributions towards Expenditure	Income from the County Council for the provision of support services in temporary housing was received for one final year, as part of a late contract extension and a higher level of receipts for small parcels of HRA land or access rights were received than estimated.	(94,335)
	Minor Variations	14,151
	Total	(51,631)

Housing Committee - Housing Revenue Account

Revenue Budget 2015/16 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £
HRA Interest, Premiums and Appropriations		
Direct Revenue Funding of Capital Expenditure (DRF)	A reduced demand on the use of revenue funding of capital was realised in 2015/16, due to slippage in the Housing Capital Investment Programme. This included the impact of delays in the major refurbishment project at Ditchburn Place. coupled with some slippage in decent homes investment, other spend on the housing stock and estate investment. A significant proportion of this resource will instead be required in 2016/17.	(3,090,512)
Depreciation Adjustment	Transfer of funding into the Major Repairs Reserve (the equivalent of depreciation for HRA dwelling assets) can be adjusted under transitional arrangements for a five year period, after which full depreciation will be applicable. The transitional income adjustment for 2015/16 was lower than budgeted as a direct result of the changes in the level of depreciation charged in 2015/16 as described above.	2,515,614
Interest Received	Interest is received in the HRA based upon both revenue and capital balances held. Interest received in respect of HRA balances during 2015/16 was significantly higher than anticipated due to a combination of the level of underspending across the HRA as a whole and the levels of retained right to buy receipts and other capital receipts held. The resulting higher cash balances at 31st March 2016 mean that interest earned was greater than budgeted.	(139,660)
Impairment	This year-end adjustment, following receipt of asset valuations, relates to revaluation losses on non-dwelling assets, particularly garages, which unlike dwelling revaluation movements, are not permitted to be reversed elsewhere in the accounts.	186,185
	Minor Variations	215
	Total	(528,158)
Total for Housing Revenue Account		(4,938,798)

Housing Committee - Housing Revenue Account

Revenue Budget 2015/16 - Carry Forward Requests

Request to Carry Forward Housing Revenue Account Budgets from 2015/16 into 2016/17 and future years

Item	Request £
<p>Director of Customer and Community Services</p> <p>Supervision and Management General</p> <p>No carry forward requests from 2015/16 into 2016/17</p> <p>Supervision and Management Special</p> <p>No carry forward requests from 2015/16 into 2016/17</p> <p>Repairs and Maintenance</p> <p>1 The 2015/16 PTR revenue planned maintenance programme was not fully delivered in year. A proportion of the 2015/16 budget (£301,000) is requested as a carry forward into 2016/17 to allow existing commitments to be fulfilled alongside the 2016/17 programme.</p> <p>Appropriations</p> <p>5 A reduced demand on the use of revenue funding of capital was evident in 2015/16 as a direct result of underspending in the Housing Capital Investment Plan, predominantly relating to a delay in the delivery of the major refurbishment project at Ditchburn Place . This resource, in addition to resource for decent homes and other planned works to the housing stock, estate investment and other HRA capital spend, will instead be required in 2016/17 to fund the deferred expenditure.</p>	<p style="text-align: right;">301,000</p> <p style="text-align: right;">1,686,000</p>
	1,987,000

2015/16 Housing Capital Investment Plan - HRA & General Fund Housing

	Original Budget £000's	Current Budget £000's	Outturn £000's	Variance £000's	Re-phase Spend £000's	Notes	Re-Phasing Year				Budget
							2016/17 £000's	2017/18 £000's	2018/19 £000's	Post 2018/19 £000's	2016/17 £000's
General Fund Housing Capital Spend											
Investment in Non-HRA Affordable Housing	0	0	0	0	0		0	0	0	0	0
Other General Fund Housing	795	775	782	7	25	1	25	0	0	0	770
Total General Fund Housing Capital Spend	795	775	782	7	25		25	0	0	0	770
HRA Capital Spend											
Decent Homes Programme	7,758	7,603	7,585	(18)	167	2	167	0	0	0	5,517
Other Spend on HRA Stock	3,670	3,453	3,185	(268)	234	3	234	0	0	0	3,530
HRA New Build & Acquisition	13,995	21,049	21,190	141	(163)	4	(163)	0	0	0	22,742
Cambridge Standard Works	200	250	198	(52)	52	5	52	0	0	0	52
Sheltered Housing Capital Investment	1,900	1,900	104	(1,796)	1,796	6	0	1,796	0	0	2,408
Other HRA Capital Spend	353	569	311	(258)	60	7	60	0	0	0	404
Inflation Allowance	1,275	1,275	0	(1,275)	0	8	0	0	0	0	2,223
Total HRA Capital Spend	29,151	36,099	32,573	(3,526)	2,146		350	1,796	0	0	36,876
Total Housing Capital Spend	29,946	36,874	33,355	(3,519)	2,171		375	1,796	0	0	37,646
Housing Capital Resources											
Right to Buy Receipts (General Use)	(516)	(516)	(260)	256	0	9	0	0	0	0	(522)
Right to Buy Receipts (Retained for New Build / Acquisition)	(2,199)	(3,303)	(3,946)	(643)	0	9	0	0	0	0	(5,242)
Right to Buy Receipts (Debt Set-Aside)	0	0	(1,080)	(1,080)	0	9	0	0	0	0	0
Other Capital Receipts (Land and Dwellings)	(3,682)	(3,194)	(4,677)	(1,483)	(545)	10	(545)	0	0	0	(545)
MRA / MRR	(7,432)	(7,499)	(7,499)	0	0		0	0	0	0	(10,292)
Client Contributions	0	0	(145)	(145)	0	11	0	0	0	0	0
Direct Revenue Financing of Capital	(10,968)	(20,191)	(17,101)	3,090	(1,686)	12	110	(1,796)	0	0	(11,129)
Other Capital Resources (Grants / Shared Ownership / Loan Repayments / R&R)	(571)	(2,171)	(1,719)	452	60	13	60	0	0	0	(2,695)
Prudential Borrowing	0	0	0	0	0		0	0	0	0	0
Total Housing Capital Resources	(25,368)	(36,874)	(36,427)	447	(2,171)		(375)	(1,796)	0	0	(30,425)
Net (Surplus) / Deficit of Resources	4,578	0	(3,072)	(3,072)			0	0	0	0	7,221
Capital Balances b/f	(21,090)	(21,090)	(21,090)								(10,146)
Use of / (Contribution to) Balances in Year	4,578	0	(3,072)								7,221
Set-aside for future Debt Redemption	3,999	3,999	5,079			9					
Ear-marked for specific Retained Right to Buy Receipts 1-4-1 Investment	8,457	8,457	8,937			9					
Residual capital resources remaining to fund future Housing Investment Programme	(4,056)	(8,634)	(10,146)								(2,925)

Notes to the Housing Capital Investment Plan

Note	Reason for Variance
1	An apparent overspend in respect of Disabled Facilities and Private Sector Grants of £33,000, is actually more than offset by the receipt of contributions and grant repayments from clients, as detailed in note 11. The underspending in choice based lettings IT implementation due to delays in the go-live date for the new system will necessitate a carry forward of resource to allow completion of the project in early 2016/17.
2	A net underspend of £18,000 in decent homes expenditure during 2015/16 is a combination of under and overspending against the specific decent homes elements. Overspending in wall insulation (£32,000), kitchens (£149,000), bathrooms (£224,000), roof structure works (£446,000), chimneys (£7,000) and contractor overheads (£519,000), was more than offset by underspending in the remainder of decent homes elements, including heating and boilers, electrical rewiring, health and safety works and roof coverings. Re-phasing of underspending in 2015/16 into 2016/17 is requested in respect of energy improvements (£36,000), wall finishes (£30,000), doors (£18,000), major voids (£60,000) and wall structure works (£23,000).
3	A net underspend of £268,000 was evident in 2015/16, combining underspending in a number of areas where work is still required and funds will need to be re-phased into 2016/17, including; fencing (£41,000, with £38,000 to be re-phased), communal area floor coverings (£100,000, with £98,000 to be re-phased), lifts and door entry systems (£38,000) and contractor overheads (£274,000, with £60,000 to be re-phased). Underspending also occurred in asbestos removal works (£42,000), garage improvements (£18,000), tenants initiative scheme (£11,000) and officer fees (£4,000), where no re-phasing is required. Overspending in disabled adaptations (£97,000), communal area uplift (£65,000), fire prevention works (£91,000) and hard surfacing (£8,000), mean that after carry forward of resource into 2016/17, a net overspend will be reported in this area of the programme.
4	The net overspend in the new build programme in 2015/16 relates to a combination of delays in delivery in some areas of the programme, coupled with spending ahead of profile in respect other schemes. Net negative re-phasing of £163,000 is required, recognising earlier than anticipated use of resource for the Clay Farm (£3,884,000), Homerton (£255,000) and Akeman Street (£3,000) sites in 2015/16. Slippage of resource for Roman Court (£6,000), Colville Road (£107,000), Aylesborough Close (£282,000), Water Lane (£854,000), Ekin Road (£268,000), Hawkins Road (£680,000), Fulbourn Road (£1,293,000), Anstey Way (£389,000) and the 2015/16 garage sites (£100,000) is requested into 2016/17. The profile of spending on all of these schemes will be reviewed again as part of the HRA Mid-Year Financial Review process, in light of resources held and the timeframes in which expenditure must be incurred within.
5	Some of the projects identified as part of the last phase of the City Homes Estate Improvement Programme are yet to be completed and resources of £52,000 are requested to be carried forward into 2016/17 to allow these projects to take place.
6	Underspending of £1,796,000 in respect of the budget for work to re-develop Ditchburn Place is requested to be re-phased into 2017/18 to allow this scheme to still be progressed in phases across 2 years from the summer of 2016. This follows further delays in the planning and tender stage of the project, where the authority has been keen to ensure that it makes best use of the site given the proposed level of investment, the mixed use nature of the buildings as a whole and the involvement of third party partner organisations in the services provided there.

7	A net underspend of £258,000 in this area of the programme comprises a lower level of activity in respect of shared ownership re-purchase in 2015/16 (£179,000), coupled with delays in the delivery of IT and office accommodation infrastructure projects during 2015/16. Funding to upgrade aspects of housing IT system has not been utilised in 2015/16, with a request to re-phase the underspend of £23,000 into 2016/17. The balance of funding for projects to introduce the Cambridge Public Sector IT Network (£23,000), to upgrade the air cooling systems in housing administrative buildings (£11,000) and to complete works to HRA commercial premises (£3,000) is requested as a carry forward into 2016/17 to allow completion of all ongoing projects.
8	The sum of money set-aside in 2015/16 to meet the costs of inflation in the capital programme was not utilised in 2015/16 due to a combination of the level of planned maintenance work ordered in the year at target prices and the fixed price nature of the majority of new build contracts which were fulfilled during the year.
9	42 properties were sold in total during 2015/16. £260,000 of the capital receipt is available for general use (after all costs have been deducted from each receipt), while £1,080,000 of the overall capital receipt is identified as set-aside to be offset against the debt associated with the unit no longer owned. A further £3,946,000 of right to buy receipts have been retained by the local authority in 2015/16, but must be re-invested in financing up to 30% of additional social housing units, provided this is done within a 3 year time frame. The authority is required to invest a significant sum during 2016/17 to ensure that it meets its responsibilities under the retention agreement, and this is now likely to mean the acquisition of dwellings on the open market with some of the new build schemes meeting delays which will put the use of the receipts at risk of being returned.
10	Capital receipts totalling £3,194,000 in respect of the value of land transfer for the market housing at the new build / re-developments which had progressed during the year to the point at which the expenditure incurred by the developer in respect of the affordable housing element of the site exceeded the value of the land, were accounted for in 2015/16. These receipts have been used to finance some of the spend in respect of the affordable housing on the same sites. Receipts of £1,483,000 were also received in 2015/16 in respect of the open market sale of three dwellings and the sale of one property to a returning leaseholder on a new build site. The receipts from the three market sales will be used to 70% match fund retained right to buy receipts in 2016/17 and beyond.
11	Income was recovered from leaseholders in 2015/16 in relation to their share of the cost of major improvements undertaken as part of the decent homes programme (£91,000) and was also received from private residents in relation to contributions towards, or repayments of, private sector housing repair grants (£54,000).
12	Due to slippage in the housing capital plan in 2015/16, the use of revenue funding for capital purposes was less than anticipated. A request to adjust the use of revenue funding of capital expenditure in 2016/17 and 2017/18, resulting in the deferred use of a net sum of £1,686,000 of the funding not utilised in 2015/16, will ensure that there is sufficient funding to meet the re-phased expenditure requested above.
13	Homes and Communities Agency Grant of £1,327,000 was received in 2015/16 for 7 schemes which started on site or reached completion. £60,000 of this was grant received earlier than anticipated, and as a result was used to fund expenditure in 2015/16 instead of 2016/17 as originally planned.

HRA Debts Written Off in 2015/16Write Off Cases by Category

Write Off Category	No. of Cases	Value Written Off
Bankruptcy / Insolvency	2	4,648.30
Debt re-instated	3	(3,085.61)
Debt relief order	9	17,829.63
Debtor deceased	56	38,065.50
Debtor untraceable	3	5,616.25
Other special circumstances	4	2,644.50
Recovery procedures exhausted	14	18,639.35
Statute barred	71	100,640.76
Uneconomical to recover	14	791.37
Total Written Off (Net)	176	185,790.05

Write Off Cases by Value Banding

Write Off Value Band	No. of Cases	Value Written Off
Less than £100.00	18	650.06
£100.00 to £199.99	10	1,449.01
£200.00 to £299.99	10	2,573.30
£300.00 to £399.99	8	2,733.38
£400.00 to £499.99	7	3,177.11
£500.00 to £749.99	32	19,827.29
£750.00 to £999.99	21	18,207.29
£1,000.00 to £1,499.99	25	30,717.39
£1,500.00 to £1,999.99	11	19,187.47
£2,000.00 to £2,999.99	20	45,893.46
£3,000.00 to £3,999.99	6	20,411.15
£4,000.00 to £4,999.99	3	12,551.51
Greater than £5,000.00	2	11,497.24
Debt re-instated	3	(3,085.61)
Total Written Off (Net)	176	185,790.05

Present: Councillors Sarris (Chair), Barnett (Vice-Chair), Baigent, Bick, Cantrill, and Sinnott

<p style="text-align: center;">RECOMMENDATION TO COUNCIL (EXECUTIVE COUNCILLOR FOR FINANCE AND RESOURCES – COUNCILLOR ROBERTSON)</p>

Revenue and Capital Outturn, Carry Forwards and Significant Variances – all General Fund Portfolios

The report presented a summary of the 2015/16 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 been reported to individual Executive Councillors / Scrutiny Committees and were reproduced here.

The Strategy and Resource Scrutiny Committee resolved by 4 votes to 0 to endorse the recommendation.

Accordingly, Council is recommended to:

- i. Agree the carry forward requests, totalling £485.3K revenue funding from 2015/16 to 2016/17 as detailed in Appendix C.
- ii. Agree the carry forward requests of £18,616k (including £2,171k relating to the Housing Capital Investment Plan) capital resources from 2015/16 to 2016/17 to fund rephrased net capital spending as detailed in Appendix D – Overview.

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To Executive Councillor for Finance and Resources, Councillor
Richard Robertson

Report by Head of Finance

Relevant Scrutiny Committee Strategy and Resources 4 July 2016

2015/16 Revenue and Capital Outturn, Carry Forwards and Significant Variances – General Fund - OVERVIEW

Key Decision

1. Executive summary

1.1 This report presents, for all portfolios:

- A summary of actual income and expenditure compared to the final budget for 2015/16 (outturn position)
- Revenue and capital budget variances with explanations, as reported to individual Executive Councillors and Scrutiny Committees
- Specific requests to carry forward funding available from budget underspends into 2016/17.

1.2 The outturn reports presented in this Committee cycle reflect the reporting structures in place before the recent changes in Executive portfolios. This meets the requirement to report outturn on the basis of portfolios in place during 2015/16. Members of all committees have been asked to consider proposals to carry forward budgets and make their views known to the Executive Councillor for Finance and Resources, for consideration at Strategy and Resources Scrutiny Committee prior to his recommendations to Council. As this report was published prior to completion of all the Scrutiny Committee meetings, a list of all comments received will be published once available.

1.3 The outturn position for the Housing Revenue Account (HRA) was reported to the Housing Scrutiny Committee and the Executive Councillor for Housing on 21 June 2016.

2. Recommendations

The Executive Councillor for Finance and Resources is recommended to seek Council approval for the following:

- a) Carry forward requests totalling £485.3k revenue funding from 2015/16 to 2016/17, as detailed in **Appendix C**

- b) Carry forward requests of £18,616k (including £2,171k relating to the Housing Capital Investment Plan) capital resources from 2015/16 to 2016/17 to fund rephased net capital spending, as detailed in **Appendix D - Overview**.

3. Background

Revenue Outturn

- 3.1 The overall revenue budget outturn position for all portfolios is given in the table below. Detail by portfolio is presented in **Appendix A**.

2014/15 £'000	General Fund Revenue Summary	2015/16 £'000	% Final Budget
19,900	Original Budget	17,855	92.5
-	Adjustment – Prior Year Carry Forwards	657	3.4
-	Adjustment – BSR Feb 2016 approvals	408	2.1
-	Adjustment – Service Restructure Costs	5	0.0
-	Adjustment – Earmarked Reserves	(60)	(0.3)
-	Adjustment – Capital Charges	459	2.4
-	Adjustment – Central & Support reallocations	71	0.4
1,659	Other Adjustments	(97)	(0.5)
21,559	Final Budget	19,298	100.0
18,062	Outturn	16,334	84.6
(3,497)	(Under)/Overspend for the year on committees	(2,964)	(15.4)
657	Carry Forward Requests - revenue	485	2.5
(2,840)	Variation on committees	(2,479)	(12.8)
(1,303)	Other variances (mainly capital rephasing, earmarked reserves and retained business rates)	(2,622)	(13.6)
390	Carry Forward Requests – capital funding	2,208	11.4
(3,753)	Variance and reduced use of General Fund Reserves	(2,893)	(15.0)

- 3.2 **Appendix A** shows original and final budgets for the year (with the movements summarised in the above table) and compares the final budget with the outturn

position for this Portfolio for 2015/16. The original revenue budget for 2015/16 was approved by Council on 26 February 2015.

3.3 **Appendix B** provides explanations of the main variances, which have been reported to appropriate Executive Councillors and Scrutiny Committees.

3.4 **Appendix C** lists revenue carry forward requests.

Capital Outturn

3.5 The overall revenue capital budget outturn positions for all portfolios and the HRA are given in the tables below. **Appendix D** shows the outturn position by scheme and programme with explanations of variances.

2014/15 £'000	General Fund Capital Summary	2015/16 £'000	% Final Budget
29,385	Original Budget	20,729	49.2
(9,591)	Adjustments	21,397	50.8
19,794	Final Budget	42,126	100.0
6,537	Outturn	25,561	60.7
(13,257)	(Under)/Overspend for the year	(16,565)	(39.3)
13,289	Rephasing Requests	16,445	39.0
32	(Under) / Overspend	(120)	(0.3)

2014/15 £'000	HRA Capital Summary	2015/16 £'000	% Final Budget
32,839	Original Budget	29,946	81.2
11,733	Adjustments (Rephasing from prior year)	13,758	37.3
(5,315)	Other Adjustments	(6,830)	(18.5)
39,257	Final Budget	36,874	100.0
24,404	Outturn	33,355	90.5
(14,853)	(Under)/Overspend for the year	(3,519)	(9.5)
13,758	Rephasing Requests	2,171	5.9
(1,095)	(Under) / Overspend	(1,348)	(3.6)

- 3.6 Spending in the Housing Capital Investment Plan in 2015/16 has been at a far higher level than has been achieved in previous years, with both decent homes and new build expenditure delivering against the budgets set for the year.
- 3.7 The biggest area of slippage in the programme is in respect of the refurbishment scheme at Ditchburn Place, where work is yet to begin. There have been significant delays in the project, which will ultimately be delivered in a phased manner, with many residents still in occupation, due to the need to obtain planning permission for some of the changes proposed and overcoming some challenges in securing a contractor to undertake the works.
- 3.8 Permission is sought to re-phase the use of £1,686,000 of direct revenue financing of capital expenditure from the Housing Revenue Account and £545,000 of land receipt into 2016/17 and beyond to finance the re-phased capital expenditure identified. The resulting use of direct revenue financing of capital will be a reduction in the use of this resource of £110,000 in 2015/16 and an increase in 2017/18 of £1,796,000. The deferred use of revenue resource to fund capital expenditure also recognises the need to fund £60,000 of expenditure that would otherwise have been met by HCA grant, where the grant was received earlier than anticipated and therefore used to finance expenditure in 2015/16.

4. Implications

- 4.1 The variance from the final revenue budget (see above) on committees would result in a decreased use of General Fund reserves of £2,479k. After capital projects financed from revenue rephasing and other variances the overall variance and decreased use of General Fund Reserves is £2,893k.
- 4.2 A decision not to approve a carry forward request may impact on officers' ability to deliver the service or scheme in question and this could have staffing, equality and poverty, environmental, procurement, consultation and communication and/or community safety implications.

5. Background papers

- Reports for all portfolios to the June 2016 Scrutiny Committee cycle.

6. Inspection of papers

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

Authors' Names: John Harvey
Authors' Phone Numbers: 01223 - 458143
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General Fund Overview / Strategy & Resources Scrutiny Committee

Revenue Budget - 2015/16 Outturn

Committee / Portfolio	Original Budget £000	Final Budget £	Outturn £	Variation Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
Community Services						
City Centre & Public Places	2,216,540	2,377,000	2,420,240	43,240	25,000	68,240
Communities (formerly Community Arts & Recreation)	7,914,170	7,613,220	7,440,054	(173,166)	60,000	(113,166)
Total Community Services	10,130,710	9,990,220	9,860,294	(129,926)	85,000	(44,926)
Environment						
Environment & Waste (formerly Environment, Waste & Public Health)	7,823,030	7,961,710	7,727,788	(233,922)		(233,922)
Planning Policy & Transport	(117,880)	(28,690)	(973,998)	(945,308)	44,550	(900,758)
Total Environment	7,705,150	7,933,020	6,753,790	(1,179,230)	44,550	(1,134,680)
Housing						
Housing GF	3,329,610	3,392,670	3,310,279	(82,391)		(82,391)
Strategy & Resources						
Finance & Resources	(6,102,620)	(5,808,680)	(6,769,097)	(960,417)	233,100	(727,317)
Strategy & Transformation	2,792,290	3,790,860	3,178,391	(612,469)	122,650	(489,819)
Total Strategy & Resources	(3,310,330)	(2,017,820)	(3,590,706)	(1,572,886)	355,750	(1,217,136)
Total Portfolios / Committees	17,855,140	19,298,090	16,333,657	(2,964,433)	485,300	(2,479,133)
Capital accounting adjustments	(4,964,190)	(5,422,730)	(5,423,427)	(697)		(697)
Capital expenditure financed from revenue	9,791,000	10,742,000	8,533,569	(2,208,431)	2,208,431	0
Contributions to earmarked funds	11,526,090	11,024,090	10,462,706	(561,384)		(561,384)
Contributions to/(from) Reserves	393,960	(1,099,490)	4,487,024	5,586,514	(2,693,731)	2,892,783
	16,746,860	15,243,870	18,059,872	2,816,002	(485,300)	2,330,702
Net spending requirement	34,602,000	34,541,960	34,393,529	(148,431)	0	(148,431)
Financed by:						0
Settlement Funding Assessment	(6,889,610)	(6,889,610)	(6,889,610)	0		0
Locally Retained Business Rates - growth element	(800,300)	(800,300)	(1,388,555)	(588,255)		(588,255)
New Homes Bonus (NHB)	(4,962,980)	(4,962,980)	(4,975,637)	(12,657)		(12,657)
Other grants from central government:	0	0	(85,827)	(85,827)		(85,827)
Appropriations from earmarked funds	(14,951,210)	(14,891,170)	(14,053,742)	837,428		837,428
Council Tax	(7,058,230)	(7,058,230)	(7,060,491)	(2,261)		(2,261)
Collection Fund (Surplus)/Deficit	60,330	60,330	60,333	3		3
Total Financing	(34,602,000)	(34,541,960)	(34,393,529)	148,431	0	148,431
Net Total	0	0	0	0	0	0

Changes between original and final budgets may be made to reflect:

- portfolio and departmental restructuring
- approved budget carry forwards from the previous financial year
- technical adjustments, including changes to the capital accounting regime
- virements approved under the Council's constitution
- additional external revenue funding not originally budgeted

and are detailed and approved:

- in the January committee cycle (as part of the Budget-Setting Report)
- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Mid-year Financial Review, MFR)
 - via technical adjustments/virements throughout the year

**City Centre & Public Places Portfolio / Community Services Scrutiny
Committee**

**Revenue Budget 2015/16 - Major Variances
from Final Revenue Budgets**

Service Grouping	Reason for Variance	Amount £	Contact
Environment - Open Space Management	Bill Posting & Distribution: A service review is being undertaken to identify possible efficiencies and income opportunities. A one off budget bid of £25,000 was approved for the 2016/17 budget to reflect the underachievement in income.	30,613	Anthony French
	Arboriculture: Temporary staff costs to cover recruitment difficulties of arboricultural officer. Recharges yet to be received from the County Council.	39,226	Alistair Wilson
	Closed Churchyards: Underspend due to delay in obtaining the necessary consents and permissions to start projects relating to Mill Road Cemetery - hence the carry forward request.	(42,681)	Alistair Wilson
Environment - Streets and Open Spaces	Environmental Projects / Project Delivery: Majority of officer costs incurred during year now recharged to project cost centres. Overspend relates to salary costs incurred for agency Landscape Architect seconded to cover maternity absence.	36,457	John Richards
Other		(20,375)	-
Total		43,240	

Communities Portfolio / Community Services Scrutiny Committee

Revenue Budget 2015/16 - Major Variances
from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
Cultural Facilities	Cultural Facilities Administration: Variance primarily due to unaccounted/unanticipated past year costs incurred by the service since the transfer to Cambridge Live. This overspend has been offset by the planned underspend within cost centre 07101.	49,807	Debbie Kaye
Sport & Recreation	Leisure Contract Client Costs: £14k of this underspend relates to funding held to cover unavoidable additional costs relating to the capital project at Buchan St Neighbourhood Centre.	(20,833)	Ian Ross
	Sport & Recreation Administration: The variance is predominantly down to several staff vacancies throughout the year. £80k was originally held to cover vandalism costs to Parkside Pool windows. This is now being met by the insurance fund which will have an additional contribution paid in for 2016/17.	(74,446)	Ian Ross
Community Development	Community Development - Admin: This variance is mainly due to a planned underspend to cover additional in year costs relating to the transfer of Cultural Services to Cambridge Live (cost centre 20004).	(63,546)	Cathy Heath
Neighbourhood Community	Neighbourhood Community Development: £50k of this underspend relates to Clay Farm set up costs. Progress with the opening of the centre has been delayed and the new manager not in place until April 2016.	(51,217)	Sally Roden
Other		(12,931)	-
Total		(173,166)	

Environment & Waste Portfolio / Environment Scrutiny Committee

Revenue Budget 2015/16 - Major Variances from Final Revenue Budgets

Cost Centre	Reason for Variance	Amount £	Contact
	Environment - Environmental Services		
Scientific Team	There are two main reasons for this underspend. Firstly funds to deal with a specific potential contaminated land issue were carried forward from 14/15. This issue was resolved without substantial expenditure on our part and so no further carry forward is requested. This accounts for £15,631 of the variance. Also additional income was received for Planning Performance Agreements and Air Quality Services.	(24,167)	Jo Dicks
Food and Occupational Safety	The underspend is due to two staff vacancies and the reduction of hours by 1 officer.	(49,092)	Frank Harrison
	Environment - Streets and Open Spaces		
Rangers	Underspend due to part year staff vacancies	(28,639)	Wendy Young
Public Toilets	Expenditure budget for programmed works is for twelve months with only ten months of actual charges - linked to the toilet cleaning cost centre which holds the first two months worth of costs	(53,029)	Anthony French
Toilet Cleaning	Linked to the Public Toilets cost centre - this represents the first two months of costs prior to the transfer to CCS	95,554	Don Blair
Street Cleansing	Variance relates to additional income (£60k) from Cbid and underspends on staffing, fleet maintenance and subcontractors	(120,846)	Don Blair
	Environment - Waste and Recycling		
Domestic Special Collections	A budget saving of £90k was approved to review bulky waste in 2015-16. The project to realise this saving could not commence due to resource constraints and pressures of other changes within the service. The saving was deleted for 2016-17 onwards in the October 2015 MFR.	86,247	Simon Payne
Trade Refuse	Income was higher than budgeted for largely due to new contracts (230k). This was partly offset by additional expenditure on bin purchase and refurbishment (77k) and gate fee and waste disposal charges (37k). Budget bids were approved to take account of these variances in 2016-17.	(105,690)	Greg Hutton-Squire
Trade Waste Bulky Collections	The variance is mainly due to increased income.	(26,091)	Greg Hutton-Squire
Recycling Strategy	The variance is due to increased recycling credit income and an underspend on the purchase of bins budget.	(47,135)	Simon Payne
Shared Waste Implementation Costs	The shared waste implementation budget was overspent largely due to the delay in appointing the new shared head of service plus other costs that were greater than expected and were not covered by the efficiency fund budget that was allocated to the project.	80,641	Simon Payne
Other		(41,675)	-
Total		(233,922)	

Planning Policy & Transport / Environment Scrutiny Committee

Revenue Budget 2015/16 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
	Environment - Parking Services		
Car Parks	Income exceeded budget expectations due to buoyant local economic conditions. There was also an underspend on maintenance and one off staffing costs resulting in expenditure savings	(861,858)	Sean Cleary
	Environment - Planning		
City Development	Overall, there has been a significant saving on salaries because of the number of vacancies within the planning service over the past 12 months, in both City Development and New Neighbourhoods Team but this has been off-set by equivalent expenditure on temporary agency staff to cover vacancies, given the high volumes of workloads within the teams. Most of the expenditure on temporary staff can be clawed back through planning performance agreement payments which are phased throughout and across financial years and are therefore ongoing. There has been an over-achievement on major applications planning fee income within the City Development Team and an over-achievement generally on other types of planning fee income such as pre-application fees and discharges of conditions, reflecting the high levels of growth activities generally. However, there has been a significant shortfall in planning fee income associated with large-scale strategic major applications within the New Neighbourhoods Team which has created the overall variance. This is a result of some large-scale applications that were due to be submitted before the end of the financial year being delayed. One example of this is the West Cambridge outline application where submission is delayed until the end of May/early June -the planning application fee for this is £86,462. There are also a number of other projects that have been delayed on Darwin Green 1 site where development has not yet commenced. Planning application fee income is volatile and the outturn forecast is difficult to predict accurately because of this. Officers are reliant on developer programme information, which is subject to constant change at short notice, to project this.	118,170	Sarah Dyer
Cambridge University Contract	This is University contract funding for officer resources to progress and provide inputs to University projects The University confirmed that recruitment could not start until the contract had been signed in February 2016 and this first contract payment has only recently been received. Recruitment is therefore ongoing in some cases so this needs to be carried forward into the next financial year.	(36,942)	Sharon Brown
Urban Design & Conservation	The underspend relates principally to funding within on going program of proactive conservation work (updating conservation area appraisals and historic signage/advertising programme) which should be spent in 2016/17. Exec Cllr has approved year on year carry over in order to complete program.	(33,445)	Glen Richardson
Taxicard Service	The variance is due to fluctuations in passenger usage.	(33,264)	Sara Saunders
	Environment - Director & Business & Information Service (BIS)		
Urban Growth Project Management	The underspend relates to the vacancy of the Corporate Growth Programme Manager which was partly offset by part time administrative support.	(49,435)	Simon Payne
Other		(48,534)	-
Total		(945,308)	

General Fund Housing Portfolio / Housing Committee

Revenue Budget 2015/16 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
Customer & Community Services - Housing Strategy, Development, Housing Advice, Private Sector Housing and Miscellaneous Housing			
Contribution to the HRA	The contribution to the HRA for amenities provided by the HRA, but benefitting the wider population, was lower than budgeted in 2015/16, with more of the estate management expenditure incurred in the HRA being tenant related expenditure.	(34,344)	J Hovells
Development	Underspending in employee costs as a result of a vacancy within the team and also in consultants fees in 2015/16, coupled with a nil contribution to a post intended to be shared with South Cambridgeshire Council due to changes introduced as part of the creation of the HDA. Underspending was partially offset by an under-achievement in fee income.	(19,781)	S Walston
Minor Variations		7,946	
Total		(46,179)	

General Fund Housing Portfolio / Housing Committee

Revenue Budget 2015/16 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
Environment - Environmental Health			
Housing Standards	Underspending in employee costs and associated staff based expenditure due to delays in recruiting to two new posts coupled with no revenue expenditure in relation to CPO's in 2015/16.	(25,393)	R Ray
Energy Officer	Underspend in respect of energy work and software budgets	(12,651)	J Dicks
Minor Variations		1,832	
	Total	(36,212)	
Total for Housing Portfolio / Community Services Scrutiny Committee		(82,391)	

**Finance & Resources Portfolio /
Strategy & Resources Scrutiny Committee**

**Revenue Budget 2015/16 - Major Variances
from Final Revenue Budgets**

Service Grouping	Reason for Variance	Amount £	Contact
	Business Transformation		
Finance - General	Variance is primarily due to an over achievement of income (interest receipts, CCLA Property Fund dividend income and adjustments to estimates of recoverability in respect of Heritable Bank investment).	(90,195)	Charity Main
General Properties and Grand Arcade	The variance is primarily due to the receipt of new rental income following the acquisition of the Orchard Park Local Centre and the Cambridge Road Retail Park, Haverhill. The income was not budgeted to be received until the 2016/17 financial year. The remaining variance is primarily due to the receipt of backdated rental income following the completion of rent reviews and audits and one-off lease premiums.	(316,903)	Dave Prinsep
	Customer and Community Services		
Revenues and Benefits	The variance is primarily due to unspent Homelessness Prevention Funding of £197.6k allocated to Discretionary Housing Payment use (top up funding) for which a carry forward of budget to the 2016/17 financial year was approved at the Strategy & Resources Scrutiny Committee meeting on 21 March 2016 (see Appendix C) and higher than forecast recovery of Housing Benefit Overpayments from claimants no longer claiming benefits - £149k. The remaining variances are due to one-off residual Council Tax Benefit receipts of £15k, underspend on staffing costs of £16k primarily due to vacancies during part of the 2015/16 financial year (N.B. the majority of the vacant posts have now been filled) and a positive variance of £62k across a range of transport, supplies and services and income budget headings.	(440,121)	Alison Cole
	Environment		
Land Charges and Searches	The variance is primarily due to the Land Charges fee income exceeding the income budget that was set. The income budget is always set conservatively due to year on year changes to the housing market conditions.	(46,897)	Paul Boucher
	Support Services		
Accountancy & Support Services	The Accountancy and Support Services variance is primarily due to the Capital Accountant post being vacant until the end of November 2015 and income received in respect of the shared Head of Finance post of £35.5k for which a carry forward of budget to the 2016/17 financial year is requested for the backfill of Finance staff involved in the Financial Management System project (see Appendix C).	(82,140)	Caroline Ryba
Human Resources	The main variance is due to an underspend on staffing costs, including Salary & Pension (£14k) and a Service Level Agreement (now ended £10k). The remaining variance is primarily due to transport and supplies and services underspends across a range of budget headings. (£7.8k)	(31,809)	Deborah Simpson
IT	The variance is primarily due to one-off costs recharged to the ICT Shared Service.	(87,168)	Tony Allen
Admin Buildings (including Facilities Management)	The underspend is primarily due to a service charge refund paid to the Council in respect of a prior year - £17k and an underspend on Facilities Management of £20k due to a member of staff being on paternity leave during the early part of the 2015/16 financial year - £7k and transport and supplies and services underspends across a range of budget headings - £13k.	(36,875)	Trevor Burdon
Support Services	Services recharged to Departments	265,640	-
Other		(93,949)	-
Total		(960,417)	

Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee

Revenue Budget 2015/16 - Major Variances
from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
CCTV	Overspend relates to understating 2014/15 creditors for shared service - final invoice was higher than expected. There is also some loss of income relating to monitoring of CCTV for the County Council.	41,302	Paul Necus
Community Safety	Combination of an underspend of £8k on NRP Volunteer Training as this was picked up by the OPCC but will be required in future years. There is also an admin error in the actual amount for special projects of £8k which should be adjusted down to £2,190 (currently £10,190).	(22,870)	Lynda Kilkelly
Corporate & Democratic Services	Balances on the Corporate Management Services that have been cleared to this centre include underspends of £16k Emergency Planning (£8k additional income, £5k staffing) and £8k Finance General recharges for consultants. Balances on Corporate Services that have been cleared to this centre include underspends of £57k on Corporate Policy, Committee Management, Members Support, Civic Affairs and Twinning relating mainly to staff (including Sergeant at Mace) and office costs.	(81,261)	John Harvey
Central Provisions and Centrally allocated costs	Unspent balances on central provisions which are held on this centre may be partly offset by variances reported within service budgets. So the major areas of variances include net underspend of £34k (Maternity Fund), £80k (R&R), £75k Electricity, £20k Gas, £34k overachievement of savings on SSR phase 1&2. Other underspends are £63k Apprenticeships and £31k Programme Office (and for both of these the unspent balances will be requested to be carried forward). In addition, balances on the Central and Support Services have been cleared to this centre ready for reallocation during final accounts closedown. So, whilst the variance amounts are shown here, where variances are significant they have been explained within the source cost centre so are therefore not reproduced here. So the major variances include underspends of £84k IT, £16k Admin Buildings (primarily due to a £17k prior year service charge refund in respect of Lion House), £20k Facilities Management (staffing £7k, supplies and services £12), £32k HR, £82k Accountancy, £21k Customer Service Centre, £15k Internal Audit, partly offset by an overspend on Insurance Fund of £156k (includes MMI additional levy £76k and an additional £80k contribution towards Parkside Window replacement).	(429,770)	John Harvey
Programme Office	The variance is due to the reduced requirement in 2015/16 to fund transformation projects, as existing sources of funding such as the Efficiency Fund or TCA (Transformation Challenge Award) were available and applied. As these sources of funding are unlikely to be available again in 2016/17 and given the nature of transformation projects, it is requested the underspend is c/fwd to 2016/17 to meet future bids and commitments as they arise.	(91,652)	Ray Ward
Other		(28,219)	-
Total		(612,469)	

Community Services Scrutiny Committee

City Centre & Public Places Portfolio

Revenue Budget 2015/16 - Carry Forward Requests

Request to Carry Forward Budgets from 2015/16 into 2016/17

Item	Reason for Carry Forward Request	Amount £	Contact
1	<p>Open Space Management</p> <p>Underspend due to delay in obtaining the necessary consents and permissions to start projects relating to Mill Road Cemetery - hence the carry forward request</p>	25,000	Alistair Wilson
Total Carry Forward Requests for City Centre & Public Places Portfolio / Community Services Scrutiny Committee		25,000	

Community Services Scrutiny Committee

Communities Portfolio

Revenue Budget 2015/16 - Carry Forward Requests

Request to Carry Forward Budgets from 2015/16 into 2016/17

Item	Reason for Carry Forward Request	Amount £	Contact
1	<p>Neighbourhood Community Development</p> <p>A carry forward of £50k is requested relating to set up costs for Clay Farm Community Centre. The planned opening has been delayed a second time to the end of October 2016.</p>	50,000	Sally Roden
2	<p>Community Development - Admin</p> <p>A carry forward is requested to reflect the contingent costs of staff affected by restructuring either through pay protection or redundancy costs. This is the remaining amount required from a fund that was earmarked to cover restructuring within Community Services.</p>	10,000	Jackie Hanson
	<p>Total Carry Forward Requests for Communities Portfolio / Community Services Scrutiny Committee</p>	60,000	

Environment & Waste Portfolio / Environment Scrutiny Committee**Revenue Budget 2015/16 - Carry Forward Requests**

Request to Carry Forward Budgets from 2015/16 into 2016/17

Item	Reason for Carry Forward Request	Amount £	Contact
	No carry forwards are requested for this portfolio		
	Total Carry Forward Requests for Environmental & Waste Services Portfolio / Environment Scrutiny Committee		

Planning Policy & Transport / Environment Scrutiny Committee

Revenue Budget 2015/16 - Carry Forward Requests

Request to Carry Forward Budgets from 2015/16 into 2016/17

Item	Reason for Carry Forward Request	Amount £	Contact
	Director of Environment		
1	Walking & Cycling Strategy - Allocation of funding delayed due to prioritising limited staff time to supporting City Deal project work.	1,850	Alistair Wilson
2	Flood Risk Management - Carry forward request due to delays in starting major drainage projects.	19,900	Simon Bunn
3	Planning Policy - MLEI grant funding received and earmarked for training which will be undertaken in 2016 - 2017.	2,800	Sara Saunders
4	Urban Design & Conservation - Ongoing program of pro-active conservation work which should be spent in 2016/17.	20,000	Glen Richardson
	Total Carry Forward Requests for Planning Policy & Transport Portfolio / Environment Scrutiny Committee	44,550	

General Fund Housing Portfolio / Housing Committee

Revenue Budget 2015/16 - Carry Forward Requests

Request to Carry Forward Budgets from 2015/16 into 2016/17 and future years

Item		Request £	Contact
1	<p>Director of Customer & Community Services</p> <p>No carry forward requests from 2015/16 into 2016/17 from this directorate for this portfolio</p>		
2	<p>Director of Environment</p> <p>No carry forward requests from 2015/16 into 2016/17 from this directorate for this portfolio</p>		
	<p>Total Carry Forward Requests for General Fund Housing Portfolio / Housing Scrutiny Committee</p>		

**Finance & Resources Portfolio /
Strategy & Resources Scrutiny Committee**

Revenue Budget 2015/16 - Carry Forward Requests

Request to Carry Forward Budgets from 2015/16 into 2016/17

Item	Reason for carry forward request	Amount £	Contact
	Director of Customer and Community Services		
1	Revenues and Benefits Request to carry forward unspent Homelessness Prevention funding of £197,600 to support Discretionary Housing Payments. (N.B. The above-mentioned carry forward was approved at the Strategy & Resources Scrutiny Committee meeting on 21 March 2016).	197,600	Alison Cole
	Director of Business Transformation		
2	Request to carry forward unspent funding of £35,500 from the shared Head of Finance post for the backfill of Finance staff involved in the Financial Management System project.	35,500	Caroline Ryba
	Total Carry Forward Requests for Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee	233,100	

**Strategy & Transformation Portfolio / Strategy & Resources Scrutiny
Committee**

Revenue Budget 2015/16 - Carry Forward Requests

Request to Carry Forward Budgets from 2015/16 into 2016/17

Item	Reason for Carry Forward Request	Amount £	Contact
1	<p align="center">Central Provisions and Centrally allocated costs</p> <p>Cost of change on Business Transformation.</p> <p align="center">Programme Office</p>	31,000	Ray Ward
2	<p>The underspend occurred due to the reprioritisation of projects within the overall transformation programme. This resulted in the earlier execution of projects that were part funded from other funding streams. The carry forward request is made as the funds are required for re-phased and planned change projects.</p>	91,650	Lynda Kilkelly
	<p>Total Carry Forward Requests for Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee</p>	122,650	

Appendix D - Overview

Overview (Committees and Housing Capital Investment Plan) / Strategy & Resources Scrutiny Committee

Capital Budget 2015/16 - Outturn

Committee	Original Budget £000	Final Budget £000	Outturn £000	Variance £000	Rephase £000	Over / (Under) Spend £000
Community Services:						
City Centre & Public Places	450	1,586	708	(878)	881	3
Communities (formerly Community Arts & Recreation)	6,271	10,520	4,566	(5,954)	5,991	37
Total Community Services	6,721	12,106	5,274	(6,832)	6,872	40
Environment:						
Environment & Waste (formerly Environment, Waste & Public Health)	1,010	1,566	1,186	(380)	418	38
Planning Policy & Transport	2,526	8,831	3,449	(5,382)	5,377	(5)
Total Environment	3,536	10,397	4,635	(5,762)	5,795	33
Housing						
Housing GF	200	316	49	(267)	210	(57)
Strategy & Resources:						
Finance & Resources	10,272	18,900	15,521	(3,379)	3,243	(136)
Strategy & Transformation	0	407	82	(325)	325	0
Total Strategy & Resources	10,272	19,307	15,603	(3,704)	3,568	(136)
Total Committees	20,729	42,126	25,561	(16,565)	16,445	(120)
Housing Revenue Account (HRA)	29,151	36,099	32,573	(3,526)	2,146	(1,380)
General Fund Housing	795	775	782	7	25	32
Total for Housing Capital Investment Programme	29,946	36,874	33,355	(3,519)	2,171	(1,348)
Total Capital Plan	50,675	79,000	58,916	(20,084)	18,616	(1,468)

Changes between original and final budgets may be made to reflect: and are detailed and approved:

- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects
- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Mid-year Financial Review, MFR)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)
- via technical adjustments/virements throughout the year

City Centre & Public Places Portfolio / Community Services Scrutiny Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16	Final Budget 2015/16	Outturn	Variance - Outturn compared to Final Budget	Rephase Spend	Over / (Under) Spend	Variance Explanation / Comments
PR010a - 35523	Environmental Improvements Programme - North Area	A Wilson	30	132	27	(105)	105	0	Rolling programme delayed by complex dependencies, including staffing changes and highways approvals/ processes. Recent push with 17 projects completed, further 6 imminent. 2016/17 project bids approved at Area Committee Spring 2016, with further round due later in 2016.
PR010b - 35524	Environmental Improvements Programme - South Area	A Wilson	29	143	1	(142)	142	(0)	Rolling programme delayed by complex dependencies, including staffing changes and highways approvals/ processes. Recent push with 7 projects completed, further 2 (Rectory Terrace, Cherry Hinton and Bateman St.) imminent. Further work needed to allocate outstanding, and 2016/17 programme, funds through Area Committee.
PR010c - 35525	Environmental Improvements Programme - West/Central Area	A Wilson	66	136	28	(108)	108	0	Rolling programme delayed by complex dependencies, including staffing changes and highways approvals/ processes. Recent push with 15 projects completed, further 4 in preparation. 2016/17 project bids approved at Area Committee Spring 2016, with further round due later in 2016.
PR010d - 35526	Environmental Improvements Programme - East Area	A Wilson	50	144	25	(119)	119	(0)	Rolling programme delayed by complex dependencies, including staffing changes and local stakeholder engagement. Recent push with 12 projects completed, further 4 imminent. 2016/17 project bids approved at Area Committee Spring 2016.
PR010di - 35527	Environmental Improvements Programme - Riverside/Abbey Road Junction	A Wilson	0	31	0	(31)	31	0	Project complete
PR027 - 38168	Replacement of Parks & Open Space Waste/Litter Bins	D Blair	75	116	68	(48)	48	(0)	Works complete at Parkers Piece, Christ's Pieces, Queens' Green and Jesus Green. Some new bagged liners to fit to the bins to speed up emptying and reduce manual handling risks. Litter bin replacement programme is on-going for 2016/17
PR030d - 38257	St Thomas Square Play Area Improvements (S106)	A Wilson	0	50	50	(0)	0	(0)	Project complete
PR030e - 38258	Cavendish Rd (Mill Rd end) improvements: seating & paving (S106)	A Wilson	0	8	1	(7)	7	0	Project delayed by dependencies on key local stakeholder and parallel art project. Issues now resolved. Project being firmed up with target implementation late summer 2016.
PR030f - 38259	Bath House Play Area Improvements (S106)	A Wilson	0	49	2	(47)	47	(0)	Local consultation in 2015/16 has clarified the way forward for this play area project. Project now reconfigured and estimated to cost around £60k (S106 funding is available). Business case has been approved by Capital Programme Board, subject to comments from East Area Chair, Vice Chair and Opposition Spokes. Expected to be delivered in summer 2016.

City Centre & Public Places Portfolio / Community Services Scrutiny Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16	Final Budget 2015/16	Outturn	Variance - Outturn compared to Final Budget	Rephase Spend	Over / (Under) Spend	Variance Explanation / Comments
PR030h - 38255	Romsey 'town square' public realm improvements (S106)	A Wilson	54	58	2	(56)	56	0	Public consultation completed with majority support, nevertheless key stakeholder desire to add value to project. Currently under review, in conjunction with ward councillors. Additional £10k County Council funding available.
PR031b - 38211	BMX track next to Brown's Field Community Centre (S106)	A Wilson	0	29	30	1	0	1	Project complete
PR031d - 38262	Chestnut Grove play area improvements (S106)	A Wilson	0	50	50	(0)	0	(0)	Project complete
PR031i - 38280	Perse Way Flats Play Area (S106)	A Wilson	0	25	23	(2)	2	(0)	Project complete
PR031j - 38345	Landscaping and play area improvements on green on Bateson Road (S106)	A Wilson	0	0	27	27	(27)	(0)	Project starts on site 16th May
PR031m - 38346	Install play equipment at Dundee Close, Discovery Road and Scotland Road play areas (S106)	A Wilson	0	0	10	10	(10)	(0)	Projects complete at Dundee Close and Scotland Road. Discovery Way before 30/05/2016
PR031n - 38267	Accordia Trim Trail & Jnr Scooter Park (S106)	A Wilson	0	50	35	(15)	0	(15)	Scooter trail complete. Area Committee agreed not to go ahead with the adult trim trail, so the £15k informal open space contributions returns to the devolved funds for other local projects.
PR033c - 38222	Public Art element of improvements to the entrances at Histon Rd Rec (S106)	A Wilson	0	31	29	(2)	2	(0)	Project completed. Residual spending to be drawn down. Any remainder to be returned to devolved funding available for other local projects.
PR033f - 38272	Histon Rd Rec Ground Improvements (S106)	A Wilson	0	55	41	(14)	14	0	Project completed. Residual spending to be drawn down. Any remainder to be returned to devolved funding available for other local projects.
PR034c - 38226	Drainage of Jesus Green (S106)	A Wilson	0	6	0	(6)	6	0	Drainage project complete. Repairs to Victoria Ave. gate apron anticipated Summer/ Autumn 2016 (additional £5k County Council funding contribution).
PR034d - 38227	Public Art - 150th & 400th Anniversary (S106)	A Wilson	93	98	(14)	(112)	112	(0)	Project underway with website launched and work on the physical artwork on (revised) programme.
PR037 - 38252	Local Centres Improvement Programme	A Wilson	20	44	17	(27)	27	0	Funding to develop project proposals for 3 local centres. Development work for Cherry Hinton High St. complete with officer costs to be recharged, Arbury Ct. and Mitcham's Corner under development.
PR037a - 37050	Local Centres Improvement Programme - Cherry Hinton High Street	G Richardson	0	15	7	(8)	8	0	Main element of works commenced May 2016 following consultation in 2015
PR040a - 38295	Big Draw event 2015, Chesterton (public art grant) (S106)	A Wilson	0	1	0	(1)	1	0	Project completed. Final accounts to be settled and remaining S106 spending to be drawn down.

City Centre & Public Places Portfolio / Community Services Scrutiny Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16	Final Budget 2015/16	Outturn	Variance - Outturn compared to Final Budget	Rephase Spend	Over / (Under) Spend	Variance Explanation / Comments
PR040b - 38296	Rock Road library community garden (public art grant) (S106)	A Wilson	0	7	0	(6)	7	1	Project completed.
PR040c - 38297	Creating my Cambridge: clicking to connectivity (public art grant)	A Wilson	0	15	0	(15)	15	0	Project completed. Final accounts to be settled and remaining S106 spending to be drawn down.
PR040d - 38298	Twilight at the Museums 2016: animated light projection (public art grant) (S106)	A Wilson	0	14	0	(14)	14	0	Public art event delivered. Final stage digital resource to be completed in summer 2016 (as planned). Final accounts to be settled and residual S106 spending to be drawn down.
PR040e - 38299	Cambridge Sculpture Trails leaflet (public art grant) (S106)	A Wilson	0	3	0	(3)	3	0	Project completed. Final accounts to be settled and remaining S106 spending to be drawn down.
PR040f - 38317	Public art grant - Syd Barrett (S106)	S Tovell	0	10	8	(2)	2	0	Project on-going and first instalment of grant has been paid - completion expected in 2016/17 (as planned).
PR040g - 38322	Public art grant - Chesterton mural (S106)	S Tovell	0	3	2	(1)	1	0	Project on-going and first instalment of grant has been paid - completion expected in 2016/17 (as planned).
PR040h - 38323	Public art grant - Growing spaces in King's Hedges (S106)	S Tovell	0	2	2	(1)	0	(1)	Project on-going and first instalment of grant has been paid - completion expected in 2016/17 (as planned).
PR040i - 38325	Public art grant - History Trails (S106)	S Tovell	0	20	15	(5)	5	0	Project on-going and first instalment of grant has been paid - completion expected in 2016/17 (as planned).
PR040j - 38325	Public art grant - Sounds of Steam (S106)	S Tovell	0	15	10	(5)	5	0	Project on-going and first instalment of grant has been paid - completion expected in 2016/17 (as planned).
PR040k - 38326	Public art grant - Mitcham's models at Christmas (S106)	S Tovell	0	6	5	(1)	1	0	Project completed. Final accounts to be settled and residual S106 spending to be drawn down.
PR040l - 38327	Public art grant - Newnham Croft stained glass window (S106)	S Tovell	0	12	10	(2)	5	3	Project on-going and first instalment of grant has been paid - completion expected in 2016/17 (as planned).
PR040m - 38328	Public art grant - public art at North Cambridge Academy (S106)	S Tovell	0	15	10	(5)	5	0	Project on-going and first instalment of grant has been paid - completion expected in 2016/17 (as planned).
PR040n - 38329	Public art grant - public art at Humberstone Road (S106)	S Tovell	0	2	2	(1)	0	(1)	Project on-going and first instalment of grant has been paid - completion expected in 2016/17 (as planned).
PR040o - 38330	Public art grant - 'The place where we stand' (S106)	S Tovell	0	15	12	(3)	3	0	Project on-going and first instalment of grant has been paid - completion expected in 2016/17 (as planned).
PR040p - 38331	Public art grant - Life in Trumpington (S106)	S Tovell	0	8	7	(1)	1	1	Project on-going and first instalment of grant has been paid - completion expected in 2016/17 (as planned).
PR042A - 38336	Improved access to Hobson's Folly (S106)	S Tovell	0	0	6	6	(6)	(0)	Awaiting Cambridge Past Present & Future input
Total Programmes			417	1,417	547	(870)	859	(11)	
SC410 - 38118	Mill Road Cemetery	A Wilson	0	21	11	(10)	10	(0)	Project delayed by various dependencies. Now largely resolved, with funding commitment anticipated Spring 2016.
SC469 - 38131	Vie Public Open Space (S106)	A Wilson	0	32	25	(7)	7	0	Project completed. Residual spending to be drawn down.

City Centre & Public Places Portfolio / Community Services Scrutiny Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16	Final Budget 2015/16	Outturn	Variance - Outturn compared to Final Budget	Rephase Spend	Over / (Under) Spend	Variance Explanation / Comments
SC492 - 38153	Jesus Green Play Area (S106)	A Wilson	0	2	12	10	0	10	Fencing follow-up project completed, after completion of main play area improvements in 2013..
SC540 - 39152	Electronic Market Management Software	D Ritchie	0	4	0	(4)	2	(2)	Improvements/modifications made to market management software that should have been part of the initial procurement in order that system worked as intended. Work ordered in March 2016 and subsequently invoiced and completed. £1,750 remaining unlikely to be required.
SC544 - 38175	Coleridge Recreation Ground Improvements (S106)	A Wilson	0	70	88	18	0	18	Main project completed. Remaining landscaping improvements (seasonal) due to completed in autumn.
SC548 - 38179	Southern Connections Public Art Commission (S106)	A Wilson	18	25	22	(3)	3	(0)	Long term project delayed due to land transfers, staffing changes and absence. Support for community engagement now in place with next planting phase anticipated Autumn 2016.
SC600 - 38287	Far East Prisoners of War Commemorative Plaque	A Wilson	15	15	4	(11)	0	(11)	Project complete
Total Projects			33	169	161	(8)	22	14	
-	-	-	0	0	0	0	0	0	-
Total Provisions			0	0	0	0	0	0	
Total for City Centre & Public Places Portfolio			450	1,586	708	(878)	881	3	

Changes between original and final budgets may be made to reflect:

- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

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Communities Portfolio / Community Services Scrutiny Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16 £000	Final Budget 2015/16 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
PR030k - 38290	C3: grant for kitchen facilities & portable stage lift (S106)	J Hanson	0	53	53	0	0	0	n/a
PR031k - 38291	St Luke's Church: grant for refurbishment of community facilities (S106)	J Hanson	0	30	22	(8)	8	0	Project on target
PR032f - 38268	Cherry Hinton Baptist Church Family Centre (S106)	B Keady	0	111	121	10	0	10	Project Completed. Current Year budget should be £121k and funds have now been drawn down from S106 contributions
PR032g - 38269	Cherry Hinton Rec Ground pavilion refurb. (S106)	I Ross	0	99	2	(97)	97	0	Project reworked at request of local clubs and ward Councillors to provide additional changing rooms, further approval for funds obtained S.Area Committee 14/12/15. Planning approval granted and South Area permissions obtained to procure granted in April 16. Currently out to tender for September 16 completion.
PR032h - 38270	Trumpington Bowls Club Pavilion Ext. (S106)	I Ross	0	70	75	5	2	7	Project complete. Retention money to be carried over for payment in 16/17. overspend funded from S106 draw downs
PR033j - 38292	St Augustine's Church: grant for church hall side extension (S106)	J Hanson	0	87	87	0	0	0	n/a
PR034p - 38293	Cambridge 99 Rowing Club: grant for kitchen facilities (S106)	I Ross	0	5	0	(5)	5	0	Is a grant to the Cambridge 99 rowing club and they have not completed the works to date. Expected completion June 2016.
PR034q - 38294	Cambridge Canoe Club: additional boat and equipment store (S106)	I Ross	0	10	2	(8)	8	0	Is a grant to the Cane Club and some modifications works are completed and in use. Planning permissions had to be sought for containers and was finally granted in late April 2016. Currently procuring containers. Grant to be paid over when works are completed.
Total Programme			0	465	364	(101)	120	19	
SC476 - 38137	Water Play Area Abbey Paddling Pool (S106)	I Ross	0	2	3	1	0	1	Project complete and in use over last two summer seasons 14/15 & 15/16.
SC477 - 38138	Coleridge Paddling Pool Enhancement (S106)	I Ross	0	2	2	0	0	0	Project complete and in use over last two summer seasons 14/15 & 15/16.
SC478 - 38139	Water Play Area Kings Hedges "Pulley" (S106)	I Ross	0	2	3	1	0	1	Project complete and in use over last two summer seasons 14/15 & 15/16.

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16	Final Budget 2015/16	Outturn	Variance - Outturn compared to Final Budget	Rephase Spend	Over / (Under) Spend	Variance Explanation / Comments
SC560 - 38189	Guildhall & Corn Exchange Cap Schemes RO AR9	D Kaye	0	98	35	(63)	63	(0)	Works to toilets are programmed for August 2016
SC602 - 38306	Buchan Street Community Centre - new roof replacement	I Ross	0	60	74	14	0	14	Project completed. £14K overspend is from installation of Solar PV array and funded from revenue budget.
SC603 - 38307	Ross Street Community Centre - new boiler system	I Ross	0	36	26	(10)	0	(10)	Project completed. Tenders for works came in under budget and underspend can be returned to central reserves.
SC034o - 38304	Netherhall School: supplementary grant for gym and fitness suite facilities (S106)	I Ross	0	45	19	(26)	26	(0)	Is a grant to the School, which has recently changed to an Academy and the new governing body and trustees are reviewing the remaining parts of the proposed scheme of works to ensure that they are a best fit for the new direction of the Academy and the facility improvements are still required.
Total Projects			0	245	162	(83)	89	6	
PV526 4107	Clay Farm Community Centre - Phase 1 (S106)	A Carter	0	0	12	12	0	12	Architects and other professional fees incurred in 2015/16. Future costs to be met from the Phase 2 (construction) budget.
PV567 - 38199	Clay Farm Community Centre -Phase 2 (Construction)	A Carter	6,271	9,810	4,028	(5,782)	5,782	0	Scheme is currently behind schedule
Total Provisions			6,271	9,810	4,040	(5,770)	5,782	12	
Total for Communities Portfolio			6,271	10,520	4,566	(5,954)	5,991	37	

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- approval of new capital programmes and projects

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- via technical adjustments/virements throughout the year

Environment and Waste Portfolio / Environment Scrutiny Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16 £000	Final Budget 2015/16 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC588	NW Cambridge Development Underground Collection Vehicle	Simon Payne	210	210	0	(210)	210	0	Vehicle order now place (136719) awaiting confirmation of deliver date, expected sept/Oct. 2016. Total cost of vehicle 265k. 108k to be reclaimed from the university on delivery
SC607	Fleet Maintenance & Management Service at Waterbeach	David Cox	0	34	0	(34)	34	0	Original budget bid was based on a 1 April 2016 occupancy at the Waterbeach garage. This has now slipped to early 2016/17 so a rephase of the budget is requested.
Total Projects			210	244	0	(244)	244	0	
PR016	Public Conveniences	Alistair Wilson	0	41	11	(30)	30	0	Final account for Lion Yard refurbishment still to be agreed. Business Case for Silver St. upgrade under development following options shortlisting Exec Cllr & Env Scrut C'tee March 2016. Public consultation anticipated Summer 2016.
Total Provisions			0	41	11	(30)	30	0	
PR017	Vehicle Replacement Programme	David Cox	597	1,027	1,065	38	0	38	Overspend due to individual cost of one Refuse Collection Vehicle (fleet 238) being greater than expected
PR028	Litter Bin Replacement Programme	Don Blair	125	132	18	(114)	114	0	Litter bin replacement programme is on-going for 2016/17
PR035	Waste & Recycling Bins - New Developments (S106)	Simon Payne	78	122	92	(30)	30	0	The original budget was based on the housing trajectory at the time of setting the budget however the actual build out profile differed.
Total Programmes			800	1,281	1,175	(106)	144	38	
								0	
Total for Environmental and Waste Services Portfolio			1,010	1,566	1,186	(380)	418	38	

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Planning Policy & Transport Portfolio / Environment Scrutiny Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16 £000	Final Budget 2015/16 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC416	UNiform e-consultee Access Module	Paul Boucher	0	7	5	(2)	0	(2)	Project Complete
SC570	Essential Structural/Holding Repairs - Park Street Multi-Storey car park	Sean Cleary	41	45	28	(17)	17	0	3 Year repair project with majority of 3rd year works completed. Final retention invoices are not due until summer 2016. Capital account will need to be rephrased to carry the remaining £17,000 forward into 2016/17 for this.
SC571	Procurement of IT System to Manage Community Infrastructure Levy	Sara Saunders	0	20	0	(20)	20	0	Implementation of CIL dependant on timing of Local Plan Examination.
SC589	Grand Arcade Car Park Stairwell Refurbishment	Sean Cleary	0	7	4	(3)	0	(3)	Final invoice now received and paid. Project complete and capital account can be closed
SC590	Structural Holding Repairs & Lift Refurbishment - Queen Anne Terrace Car Park	Sean Cleary	360	499	215	(284)	284	0	5 year holding repair project with majority of second year works complete. Some of year 2 works have needed to be rescheduled into year 3 resulting in the need for the remainder of year 2 budget to be rephased and added to preplanned year 3 budget. Will liaise with service accountant for roll over of funds into 16/17
Total Projects			401	578	252	(326)	321	(5)	
PV007	Cycleways	Alistair Wilson	240	275	21	(254)	254	0	Rolling programme delayed due to prioritising limited staff time towards City Deal projects. Spend on Green Dragon Bridge likely to be less than anticipated, with forward priorities under review.
PV018	Bus Shelters	Alistair Wilson	0	127	17	(110)	110	0	Rolling programme delayed due to staffing changes and technical difficulties. Solutions largely identified and in process of being implemented, with further phase to follow later in 2016.
PV033B	Street Lighting	Alistair Wilson	42	82	1	(81)	81	0	City Centre Historic Core upgrades in progress with three Kite area streets works anticipated Spring 2016. Opportunity to undertake additional works under review.
PV532	Cambridge City 20mph Zones Project	Alistair Wilson	140	316	75	(241)	241	0	Phase 2 (East) area works now completed with final phase (South and West Central) designed and being procured for implementation Summer 2016. Monitoring work to continue thereafter.

Planning Policy & Transport Portfolio / Environment Scrutiny Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16 £000	Final Budget 2015/16 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
PV549	City Centre Cycle Parking	Alistair Wilson	190	190	8	(182)	182	0	On-street element of works completed with additional sites included as committed in Portfolio and Operational plans. Scoping work on further opportunities (incl Grand Arcade Cycle Park) continuing.
PV594	Green Deal	Jo Dicks	1,126	5,404	2,894	(2,510)	2,510	0	Good Progress continues to be made on installations and sales of solid wall insulation to private households. Currently Just under 900 (project target of 1000) customers have signed up and paid a deposit. Close to 700 solid wall properties have completed installation. Underspend is very unlikely on this fund as demand remains high.
PV595	Green Deal - Private Rental Sector	Jo Dicks	357	1,829	174	(1,655)	1,655	0	Sales to PRS properties have remained disappointing . However, new sales activity and greater flexibility from DECC as to how this element of the fund can be spent is helping uptake of the funding. Underspent funds return to DECC under the terms of our MoU. DECC are aware of progress through fortnightly updates.
Total Provisions			2,095	8,223	3,190	(5,033)	5,033	0	
PR039	Minor Highway Improvement Programme	Alistair Wilson	30	30	7	(23)	23	0	Contribution to Local Highways Improvement programme delivered by County Council. Year spend to be finalised with transfer of funds accordingly.
Total Programmes			30	30	7	(23)	23	0	

Total for Planning Policy & Transport Portfolio	2,526	8,831	3,449	(5,382)	5,377	(5)
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General Fund Housing Portfolio / Housing Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget £000	Final Budget £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Re-phase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
Page 57 SC597	Empty Homes Loans Fund	Y O'Donnell	200	200	0	(200)	200	0	Scheme slow to start due to the need to recruit to a new post. The nature of the scheme is to recycle funds, so a variance is likely to exist on an ongoing basis. Rephase of budget into 2016/17 is requested.
PV529	Upgrade facilities at 125 Newmarket Road	D Greening	0	88	11	(77)	10	(67)	Work to upgrade the facilities at 125 Newmarket Road were expanded to include some routine maintenance, with additional spend of £80,000 approved. Scheme complete, with the need to carry forward resource only to meet any residual retention costs. Budget in 2015/16 was a budgeting error and should not have been included.
SC599	Buchan Street Shopping Area Improvements	A Preston	0	28	38	10	0	10	Project approved in February 2015, fully funded by County Council contributions. Works completed, but with some reconciliation ongoing in respect of the spend versus the County Council contribution.
Total Provisions			200	316	49	(267)	210	(57)	
Total for Housing			200	316	49	(267)	210	(57)	

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16 £000	Final Budget 2015/16 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC596	Replacement Air Cooling Systems	Will Barfield	0	167	40	(127)	127	0	The work to the Northgate offices within Mandela House has been completed. The work to the Revenues and Benefits offices within Mandela House will be carried out at the same time as other works that are planned as part of the recently approved Office Accommodation Strategy. It makes sense to do work in this part of Mandela House at the same time.
SC605	Replacement Building Access Control System	Will Barfield	0	50	38	(12)	12	0	The work to replace the access control system in the Admin Buildings started in the 2015/16 financial year and is due to be completed in June 2016. The budget needs to be carried forward to pay for the remainder of the work including replacing door readers and setting up new ICT systems.
SC579	Office Accommodation Strategy	Frances Barratt	0	86	22	(64)	0	(64)	Scheme completed. The refurbishment of The Guildhall reception and Mandela House training rooms were completed during the 2014/15 financial year. The separation works required to facilitate the letting of the Annexe at The Guildhall have now been completed. Rental income is scheduled to come on stream in the 2017/18 financial year.
SC616	General Fund Property Acquisition for Housing Company	Alan Carter	0	7,400	5,286	(2,114)	2,114	0	Final properties due to be completed and purchased June 2016.

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16 £000	Final Budget 2015/16 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC391	La Mimosa Punting Station	Philip Doggett	0	2	0	(2)	2	0	Final installation to be arranged.
SC606	Garret Hostel Lane Fencing Project	Dave Prinsep	0	22	19	(3)	0	(3)	Scheme completed.
SC604	Replacement Financial Management System	Caroline Ryba	0	81	0	(81)	81	0	Original schedule delayed by the inclusion of Huntingdonshire District Council in the project. With respect to the planned go-live date, we are awaiting detailed planning with the supplier.
Total Projects			0	7,808	5,405	(2,403)	2,336	(67)	
PV554	Development of Land at Clay Farm	Alan Carter	739	1,159	342	(817)	817	0	This is a scheme whereby we contribute 7% of the net costs incurred in respect of the Collaboration Agreement with Countryside Properties. Rate of invoices from Countryside Properties relate directly to rate of house-building which is variable and beyond our control. Target completion date is long stop date in Development Agreement and equates to four years from estimated planning approval.
PV192	Development Land on the North Side of Kings Hedges Road	Philip Doggett	173	10	4	(6)	6	0	This is a scheme whereby we contribute an average of 7.56% of the Arbury Park Development Collaboration Agreement costs. The variance is due to the expenditure for the 2015/16 financial year being lower than the original estimate supplied by the managing agent.

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16 £000	Final Budget 2015/16 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
PV221b	Lion Yard - Contribution to Works - Phase 2	Philip Doggett	300	40	6	(34)	34	0	This is a scheme whereby we contribute 25% of the overall cost of the capital works at Lion Yard. The Phase 2 capital works were not completed during the 2015/16 financial year. The remaining budget for the 2015/16 financial year therefore needs to be re-phased to the 2016/17 financial year.
PV583	Clay Farm Commercial Property Construction Costs	Dave Prinsep	375	100	180	80	(80)	0	Variance of £80k is due to budget profiling differences. The overall timing for the project remains on target.
Total Provisions			1,587	1,309	532	(777)	777	0	
PR023	Admin Buildings Asset Replacement Programme	Will Barfield	0	71	42	(29)	29	0	Budget of £29k needs to be re-phased to the 2016/17 financial year in order to complete the works to Hobson House, which commenced during the 2015/16 financial year.
PR024	Commercial Properties Asset Replacement Programme	Will Barfield	0	27	26	(1)	1	0	Budget of £1k needs to be re-phased to the 2016/17 financial year in order to complete the programmed works which commenced during the 2015/16 financial year.
PR020	ICT Infrastructure Programme	Head of ICT	170	170	70	(100)	100	0	Work on a replacement SAN and machine room is being progressed as part of the ICT shared service. The bulk of the work will occur in the next financial year (2016/17).

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16 £000	Final Budget 2015/16 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
PR036	Additional Investment in Commercial Property Portfolio	Dave Prinsep	8,515	9,515	9,446	(69)	0	(69)	Scheme completed. Completion of the acquisition of the Orchard Park Local Centre took place on 26 June 2015 and the completion of the acquisition of the Cambridge Road Retail Park, Haverhill, took place on 12 January 2016. The additional investment costs incurred have been financed from capital receipts. The rate of return on the Orchard Park Local Centre capital investment is 5.7%. The rate of return on the Cambridge Road Retail Park, Haverhill capital investment is 6.2%.
Total Programmes			8,685	9,783	9,584	(199)	130	(69)	
Total for Finance & Resources Portfolio			10,272	18,900	15,521	(3,379)	3,243	(136)	

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Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2015/16 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2015/16 £000	Final Budget 2015/16 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC586 - 38246	Wide Area Network	T Allen	0	7	7	0	0	0	Scheme completed.
SC601 - 42107	Replacement Telecommunications & Local Area Network	T Allen	0	400	75	(325)	325	0	Project is on course for delivery between May 2016 - July 2016.
Total Projects			0	407	82	(325)	325	0	
Total for Strategy & Transformation Portfolio			0	407	82	(325)	325	0	

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2015/16 Housing Capital Investment Plan - HRA & General Fund Housing

	Original Budget £000's	Current Budget £000's	Outturn £000's	Variance £000's	Re-phase Spend £000's	Notes	Re-Phasing Year				Budget
							2016/17 £000's	2017/18 £000's	2018/19 £000's	Post 2018/19 £000's	2016/17 £000's
General Fund Housing Capital Spend											
Investment in Non-HRA Affordable Housing	0	0	0	0	0		0	0	0	0	0
Other General Fund Housing	795	775	782	7	25	1	25	0	0	0	770
Total General Fund Housing Capital Spend	795	775	782	7	25		25	0	0	0	770
HRA Capital Spend											
Decent Homes Programme	7,758	7,603	7,585	(18)	167	2	167	0	0	0	5,517
Other Spend on HRA Stock	3,670	3,453	3,185	(268)	234	3	234	0	0	0	3,530
HRA New Build & Acquisition	13,995	21,049	21,190	141	(163)	4	(163)	0	0	0	22,742
Cambridge Standard Works	200	250	198	(52)	52	5	52	0	0	0	52
Sheltered Housing Capital Investment	1,900	1,900	104	(1,796)	1,796	6	0	1,796	0	0	2,408
Other HRA Capital Spend	353	569	311	(258)	60	7	60	0	0	0	404
Inflation Allowance	1,275	1,275	0	(1,275)	0	8	0	0	0	0	2,223
Total HRA Capital Spend	29,151	36,099	32,573	(3,526)	2,146		350	1,796	0	0	36,876
Total Housing Capital Spend	29,946	36,874	33,355	(3,519)	2,171		375	1,796	0	0	37,646
Housing Capital Resources											
Right to Buy Receipts (General Use)	(516)	(516)	(260)	256	0	9	0	0	0	0	(522)
Right to Buy Receipts (Retained for New Build / Acquisition)	(2,199)	(3,303)	(3,946)	(643)	0	9	0	0	0	0	(5,242)
Right to Buy Receipts (Debt Set-Aside)	0	0	(1,080)	(1,080)	0	9	0	0	0	0	0
Other Capital Receipts (Land and Dwellings)	(3,682)	(3,194)	(4,677)	(1,483)	(545)	10	(545)	0	0	0	(545)
MRA / MRR	(7,432)	(7,499)	(7,499)	0	0		0	0	0	0	(10,292)
Client Contributions	0	0	(145)	(145)	0	11	0	0	0	0	0
Direct Revenue Financing of Capital	(10,968)	(20,191)	(17,101)	3,090	(1,686)	12	110	(1,796)	0	0	(11,129)
Other Capital Resources (Grants / Shared Ownership / Loan Repayments / R&R)	(571)	(2,171)	(1,719)	452	60	13	60	0	0	0	(2,695)
Prudential Borrowing	0	0	0	0	0		0	0	0	0	0
Total Housing Capital Resources	(25,368)	(36,874)	(36,427)	447	(2,171)		(375)	(1,796)	0	0	(30,425)
Net (Surplus) / Deficit of Resources	4,578	0	(3,072)	(3,072)			0	0	0	0	7,221
Capital Balances b/f	(21,090)	(21,090)	(21,090)								(10,146)
Use of / (Contribution to) Balances in Year	4,578	0	(3,072)								7,221
Set-aside for future Debt Redemption	3,999	3,999	5,079			9					
Ear-marked for specific Retained Right to Buy Receipts 1-4-1 Investment	8,457	8,457	8,937			9					
Residual capital resources remaining to fund future Housing Investment Programme	(4,056)	(8,634)	(10,146)								(2,925)

Notes to the Housing Capital Investment Plan

Note	Reason for Variance
1	An apparent overspend in respect of Disabled Facilities and Private Sector Grants of £33,000, is actually more than offset by the receipt of contributions and grant repayments from clients, as detailed in note 11. The underspending in choice based lettings IT implementation due to delays in the go-live date for the new system will necessitate a carry forward of resource to allow completion of the project in early 2016/17.
2	A net underspend of £18,000 in decent homes expenditure during 2015/16 is a combination of under and overspending against the specific decent homes elements. Overspending in wall insulation (£32,000), kitchens (£149,000), bathrooms (£224,000), roof structure works (£446,000), chimneys (£7,000) and contractor overheads (£519,000), was more than offset by underspending in the remainder of decent homes elements, including heating and boilers, electrical rewiring, health and safety works and roof coverings. Re-phasing of underspending in 2015/16 into 2016/17 is requested in respect of energy improvements (£36,000), wall finishes (£30,000), doors (£18,000), major voids (£60,000) and wall structure works (£23,000).
3	A net underspend of £268,000 was evident in 2015/16, combining underspending in a number of areas where work is still required and funds will need to be re-phased into 2016/17, including; fencing (£41,000, with £38,000 to be re-phased), communal area floor coverings (£100,000, with £98,000 to be re-phased), lifts and door entry systems (£38,000) and contractor overheads (£274,000, with £60,000 to be re-phased). Underspending also occurred in asbestos removal works (£42,000), garage improvements (£18,000), tenants initiative scheme (£11,000) and officer fees (£4,000), where no re-phasing is required. Overspending in disabled adaptations (£97,000), communal area uplift (£65,000), fire prevention works (£91,000) and hard surfacing (£8,000), mean that after carry forward of resource into 2016/17, a net overspend will be reported in this area of the programme.
4	The net overspend in the new build programme in 2015/16 relates to a combination of delays in delivery in some areas of the programme, coupled with spending ahead of profile in respect other schemes. Net negative re-phasing of £163,000 is required, recognising earlier than anticipated use of resource for the Clay Farm (£3,884,000), Homerton (£255,000) and Akeman Street (£3,000) sites in 2015/16. Slippage of resource for Roman Court (£6,000), Colville Road (£107,000), Aylesborough Close (£282,000), Water Lane (£854,000), Ekin Road (£268,000), Hawkins Road (£680,000), Fulbourn Road (£1,293,000), Anstey Way (£389,000) and the 2015/16 garage sites (£100,000) is requested into 2016/17. The profile of spending on all of these schemes will be reviewed again as part of the HRA Mid-Year Financial Review process, in light of resources held and the timeframes in which expenditure must be incurred within.
5	Some of the projects identified as part of the last phase of the City Homes Estate Improvement Programme are yet to be completed and resources of £52,000 are requested to be carried forward into 2016/17 to allow these projects to take place.
6	Underspending of £1,796,000 in respect of the budget for work to re-develop Ditchburn Place is requested to be re-phased into 2017/18 to allow this scheme to still be progressed in phases across 2 years from the summer of 2016. This follows further delays in the planning and tender stage of the project, where the authority has been keen to ensure that it makes best use of the site given the proposed level of investment, the mixed use nature of the buildings as a whole and the involvement of third party partner organisations in the services provided there.

7	A net underspend of £258,000 in this area of the programme comprises a lower level of activity in respect of shared ownership re-purchase in 2015/16 (£179,000), coupled with delays in the delivery of IT and office accommodation infrastructure projects during 2015/16. Funding to upgrade aspects of housing IT system has not been utilised in 2015/16, with a request to re-phase the underspend of £23,000 into 2016/17. The balance of funding for projects to introduce the Cambridge Public Sector IT Network (£23,000), to upgrade the air cooling systems in housing administrative buildings (£11,000) and to complete works to HRA commercial premises (£3,000) is requested as a carry forward into 2016/17 to allow completion of all ongoing projects.
8	The sum of money set-aside in 2015/16 to meet the costs of inflation in the capital programme was not utilised in 2015/16 due to a combination of the level of planned maintenance work ordered in the year at target prices and the fixed price nature of the majority of new build contracts which were fulfilled during the year.
9	42 properties were sold in total during 2015/16. £260,000 of the capital receipt is available for general use (after all costs have been deducted from each receipt), while £1,080,000 of the overall capital receipt is identified as set-aside to be offset against the debt associated with the unit no longer owned. A further £3,946,000 of right to buy receipts have been retained by the local authority in 2015/16, but must be re-invested in financing up to 30% of additional social housing units, provided this is done within a 3 year time frame. The authority is required to invest a significant sum during 2016/17 to ensure that it meets its responsibilities under the retention agreement, and this is now likely to mean the acquisition of dwellings on the open market with some of the new build schemes meeting delays which will put the use of the receipts at risk of being returned.
10	Capital receipts totalling £3,194,000 in respect of the value of land transfer for the market housing at the new build / re-developments which had progressed during the year to the point at which the expenditure incurred by the developer in respect of the affordable housing element of the site exceeded the value of the land, were accounted for in 2015/16. These receipts have been used to finance some of the spend in respect of the affordable housing on the same sites. Receipts of £1,483,000 were also received in 2015/16 in respect of the open market sale of three dwellings and the sale of one property to a returning leaseholder on a new build site. The receipts from the three market sales will be used to 70% match fund retained right to buy receipts in 2016/17 and beyond.
11	Income was recovered from leaseholders in 2015/16 in relation to their share of the cost of major improvements undertaken as part of the decent homes programme (£91,000) and was also received from private residents in relation to contributions towards, or repayments of, private sector housing repair grants (£54,000).
12	Due to slippage in the housing capital plan in 2015/16, the use of revenue funding for capital purposes was less than anticipated. A request to adjust the use of revenue funding of capital expenditure in 2016/17 and 2017/18, resulting in the deferred use of a net sum of £1,686,000 of the funding not utilised in 2015/16, will ensure that there is sufficient funding to meet the re-phased expenditure requested above.
13	Homes and Communities Agency Grant of £1,327,000 was received in 2015/16 for 7 schemes which started on site or reached completion. £60,000 of this was grant received earlier than anticipated, and as a result was used to fund expenditure in 2015/16 instead of 2016/17 as originally planned.

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Present: Councillors Sarris (Chair), Barnett (Vice-Chair), Baigent, Bick, Cantrill, and Sinnott

<p style="text-align: center;">RECOMMENDATION TO COUNCIL (EXECUTIVE COUNCILLOR FOR FINANCE AND RESOURCES – COUNCILLOR ROBERTSON)</p>

Annual Treasury Management Report 2015/16

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 2015/16.

The report also included information on capital activity during the year together with associated prudential & treasury indicators.

In line with the Code of Practice on Treasury Management all treasury management reports have been presented to Strategy and Resources Scrutiny Committee and to Full Council.

The Strategy and Resource Scrutiny Committee considered and approved the recommendations by 4 votes to 0.

Accordingly, Council is recommended to:

- i. Approve the report which included the Council's actual Prudential and Treasury Indicators for 2015/16.

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To: The Executive Councillor for Finance & Resources:
Report by: Head of Finance (The Council's Section 151 Officer)
Relevant scrutiny committee: Strategy & Resources 04/07/2016
Scrutiny Committee
Wards affected: All Wards

ANNUAL TREASURY MANAGEMENT (OUTTURN) REPORT 2015/16

Key Decision

1. Executive summary

- 1.1 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.
- 1.2 This report meets 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 2015/16.
- 1.3 During 2015/16 the minimum requirements were that Council should receive:-
 - An annual strategy in advance of the year;
 - A mid-year treasury update report; and
 - An annual review following the end of the year describing the activity compared to the strategy (this report)
- 1.4 In line with the above Code of Practice, all treasury management reports have been presented to both Strategy & Resources Scrutiny Committee and to full Council.

2. Recommendations

- 2.1 The Executive Councillor is asked to recommend this report to Council, which includes the Council's actual Prudential and Treasury Indicators for 2015/16.

3. Background

3.1 This report summarises:

- Capital expenditure and financing activity during the year;
- The impact of capital spending on the Council's 'need to borrow';
- The Council's compliance with prudential & treasury indicators;
- Treasury Management Position as at 31st March 2016 (Appendix A);
- The Council's Treasury Management advisors (Capita Treasury Solutions Ltd) view on UK Interest & Investment rates (Appendix B);
- The actual prudential and treasury indicators (Appendix C);
- Counterparty List (Appendix D); and;
- A Glossary of Terms and Abbreviations (Appendix E)

3.2 **The Council's Capital Expenditure and Financing 2015/16**

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.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

	2014/15 £'000 Actual	2015/16 £'000 Current Budget *	2015/16 £'000 Actual
Non-HRA capital expenditure	7,162	41,891	26,430
HRA capital expenditure	23,402	36,099	32,572
Total capital expenditure	30,564	77,990	59,002
Resourced by:			
• Capital receipts	-7,178	-7,678	-11,191
• Other contributions	-23,182	-61,007	-43,200
Total available resources for financing capital expenditure	-30,360	-68,685	-54,391
Un-financed capital expenditure	204	9,305	4,611

* Per Budget Setting Report (BSR) agreed by Council on 25th February 2016

3.3 The Council's overall borrowing need

During 2015/16, there was no requirement for external borrowing. Un-financed capital expenditure of £4,611k shown in the above table, was met from internal cash borrowing.

3.4 Current Debt as at 31st March 2016

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 (£'000)
Authorised Borrowing Limit (A) – Agreed by Council on 20 th October 2011	250,000
HRA Debt Limit (B)	230,839
PWLB Borrowing (for HRA Self-Financing, C)	213,572
General Fund Headroom (A minus B)	19,161
HRA Headroom (B minus C)	17,267
2012/13, 2013/14, 2014/15 and 2015/16 External Borrowing	NIL
Total Current Headroom (A minus C)	36,428

At present the only debt held by the authority relates to the twenty loans from the PWLB for self-financing the HRA.

3.5 Treasury Position as at 31 March 2016

The Council's debt and deposit position is managed in order to ensure adequate liquidity for revenue and capital activities, security for deposits and to manage risk in relation to all treasury management activities. Procedures and controls to achieve these objectives are well established both through the application of approved Treasury Management Practices and regular reporting to Members.

All funds are internally managed.

The tables below provide a comparison of deposit activity and outturn for 2015/16 against 2014/15.

<u>Actual Returns</u>	2014/2015		2015/2016	
	Average Deposits (£m)	Average Rate of Return	Average Deposits (£m)	Average Rate of Return
Fixed Short-Term (<365 days)	60.23	0.70%	70.42	0.83%
Call/Overnight Accounts	32.79	0.57%	17.96	0.70%
Fixed Long-Term (>365 days)	5.38	1.06%	11.35	1.04%
Money Market Funds	5.18	0.47%	10.42	0.49%
CCLA Local Authorities' Property Fund	1.62	4.75%	10.00	4.75%
<u>Overall Deposit Return</u>	105.20	0.73%	120.15	1.13%
<u>Benchmark Returns</u>	2014/2015		2015/2016	
	Offer (LIBOR)	Bid (LIBID)	Offer (LIBOR)	Bid (LIBID)
Average	0.61%	0.49%	0.63%	0.51%

Notes:

The 'Benchmark Return' figures are based upon Global Rates (national interest rate reporting web-site) average money market LIBOR and LIBID rates for periods between 1 night and 1 year as at 31st March 2016.

The Council started using new financial instruments, such as Money Market Funds as an alternative to the bank overnight deposit account for larger sums, and the CCLA Local Authorities' Property Fund, towards the end of 2014/15. The use of these instruments throughout 2015/16 explains the higher yield.

- 3.6 Total interest and dividends of £1.353m has been earned on the Council's deposits during 2015/16 at an average rate of 1.13%. This exceeded the budget of £1.2m. The rate of return compares favourably with the average benchmark rates.
- 3.7 The Council deposited £10m with the CCLA Local Authorities' Property Fund on 29th January 2015. The interest earned for 2015/16 amounted to £480,000 (included in paragraph 3.6) which equated to an annual yield of 4.75% on the original deposit.
- 3.8 A summary of deposits is shown at Appendix A.

4. Interest Rate Update

- 4.1 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 market interest and investment rates. Capita's opinion is presented at Appendix B, and provides an overview as at 31st March 2016.
- 4.2 The Bank of England's May 2016 Inflation Report gives additional information on growth, inflation and interest rates. The Bank of England's Monetary Policy Committee (MPC) noted that the outlook for growth remains solid. Household real incomes have been boosted by the fall in food, energy (including oil prices) and imported goods prices. No changes to interest rates or quantitative easing were made. Noticeable increases in employment were observed, but the MPC expressed concerns around the possible impact of the EU Referendum.

Growth had also moderated to around 2% by the second half of last year. CPI inflation was predicted at 2.0% by mid-2018.

5. Prudential and Treasury Indicators

- 5.1 During the financial year the Council operated within the 'authorised' and 'operational' borrowing limits contained within the Prudential Indicators set out in the Council's Treasury Management Strategy Statement. The outturn for Prudential and Treasury Indicators is shown in Appendix C.

6. Revisions to the Counterparty List

- 6.1 Following a review of rating agency methodology changes, Capita continues to revise its recommendations on counterparties and appropriate durations. The Council follows Capita's recommendations as reflected in the Current Counterparty List at Appendix D.

7. Implications

(a) Financial Implications

Interest payable and receivable are reflected in the Council's existing budgets and reviewed appropriately.

(b) Staffing Implications

None.

(c) Equality & 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.

8. Background papers

- 8.1 None.

9. Appendices

- 9.1 Appendix A – The Council’s deposits as at 31st March 2016
- Appendix B – Capita’s opinion on UK interest rates
- Appendix C – Prudential Indicators – Outturn for 2015/16
- Appendix D – Current Counterparty List
- Appendix E – Glossary of Terms and Abbreviations

10. Inspection of papers

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

Author’s Name:	Stephen Bevis
Author’s Tel. No.	01223 - 458153
Author’s Email:	stephen.bevis@cambridge.gov.uk

TREASURY MANAGEMENT POSITION AS AT 31st March 2016

CURRENT DEPOSITS

The Council's deposits as at 31st March 2016 are shown in the table below:-

Counterparty	% Rate	Duration	Principal (£'000)
Fixed Term Deposits			
Bank of Scotland Plc	0.75	6 months	4,000
Bank of Scotland Plc	0.75	6 months	3,000
Bank of Scotland Plc	0.73	6 months	2,000
Bank of Scotland Plc	0.75	6 months	2,000
Bank of Scotland Plc	0.75	6 months	2,000
Bank of Scotland Plc	0.75	6 months	3,000
Lloyds TSB Bank Plc	1.00	1 year	3,000
Lloyds TSB Bank Plc	0.75	6 months	2,500
Lloyds TSB Bank Plc	0.75	6 months	5,000
Nationwide BS	0.71	6 months	2,000
The Royal Bank of Scotland	0.92	1 year	5,000
The Royal Bank of Scotland	0.90	1 year	5,000
Standard Chartered Bank	0.86	1 year	3,000
Standard Chartered Bank	0.88	1 year	2,000
Newcastle-upon-Tyne City Council	0.95	2 years	2,000
Newcastle-upon-Tyne City Council	0.95	2 years	4,000
Newport City Council	1.10	28 months	3,000
Newport City Council	1.00	28 months	3,000
North Lanarkshire Council	0.95	1 year	5,000
West Dunbartonshire Council	0.95	2 years	5,000
Total Fixed Term Deposits			65,500
Variable Rate Notice Accounts			
Barclays Bank Plc	0.74125	100 Day Notice	13,000
HSBC Bank Plc	0.35	Same Day Notice	2,260
CCLA Local Authorities' Property Fund	4.80	5 years	10,000
Insight GBP Liquidity Fund (Class 3)	0.51231	Same Day Notice	5,300
Total Variable Rate Notice Accounts			30,560
TOTAL	-	-	96,060

The above deposits include any forward-deals or forward-renewals that have been agreed (i.e. where the deposit/renewal will take place at a future date).

CAPITA'S OPINION ON UK INTEREST & INVESTMENT RATES AS AT 31ST MARCH 2016

UK GDP growth rates in 2013 of 2.2% and 2.9% in 2014 were the strongest growth rates of any G7 country; the 2014 growth rate was also the strongest UK rate since 2006 and the 2015 growth rate +2.1% was again a leading rate in the G7 though the US achieved a higher rate of +2.4%. Growth in quarter 1 of 2015 was weak at +0.4% (+2.9% y/y) though there was a slight increase in quarter 2 to +0.5% (+2.3% y/y) before falling back again to +0.4% (+2.2% y/y) in quarter 3. Growth improved to +0.6% in quarter 4 (+2.1% y/y) but overall this was a disappointing outcome for the year which dashed earlier forecasts for a significantly higher rate. The economy now faces headwinds for exporters from the appreciation during 2015 of Sterling against the Euro, (which has only been minimally reversed in 2016), and weak growth in the EU, China and emerging markets, plus the dampening effect of the Government's continuing austerity programme and uncertainty created by the Brexit referendum coming up in June.

The Bank of England February Inflation Report included a forecast for growth for 2016 of 2.2% and 2.3% for 2017, down from 2.5% and 2.6% respectively. Nevertheless, this is still a reasonable rate of growth which is being driven mainly by strong consumer demand as the squeeze on the disposable incomes of consumers has been reversed by a limited recovery in wage inflation and falls in many prices, especially fuel, which has seen CPI inflation fall to, or near to, zero over the last quarter.

The February Bank of England Inflation Report forecast was notably subdued with inflation barely getting back up to the 2% target within the 2-3 year time horizon. However, with the price of oil taking a fresh downward direction and Iran expected to soon rejoin the world oil market after the lifting of sanctions, there could be several more months of low inflation still to come, especially as world commodity prices have generally been depressed by the Chinese economic downturn.

There are, therefore, considerable risks around whether inflation will rise in the near future as strongly as previously expected; this will make it more difficult for the Bank of England to make a start on raising Bank Rate during 2016, especially given the subsequent major concerns around the slowdown in Chinese growth, the knock on impact on the earnings of emerging countries from falling oil and commodity prices, and the volatility we have seen in equity and bond markets over the last year, which could potentially spill over to impact the real economies rather than just financial markets.

Capita's Prediction for Interest Rates

The following table shows when Capita predict interest rates will rise, together with an estimate of other interest rates. Capita estimate that the Bank Rate will rise from 0.5% to 0.75% in December 2016.

	NOW	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
BANK RATE	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00	1.25	1.25	1.50	1.50	1.75	1.75
3 month LIBID	0.52	0.50	0.50	0.60	0.80	0.90	1.00	1.10	1.30	1.40	1.50	1.60	1.80	1.90
6 month LIBID	0.66	0.70	0.70	0.80	0.90	1.00	1.20	1.30	1.50	1.60	1.70	1.80	2.00	2.20
12 month LIBID	0.98	1.00	1.00	1.10	1.20	1.30	1.50	1.60	1.80	1.90	2.00	2.10	2.30	2.40
5 yr PWLB	0.92	2.00	2.10	2.20	2.30	2.40	2.50	2.60	2.70	2.80	2.90	3.00	3.10	3.20
10 yr PWLB	2.58	2.60	2.70	2.80	2.90	3.00	3.10	3.20	3.30	3.40	3.50	3.60	3.60	3.70
25 yr PWLB	3.36	3.40	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00	4.10	4.10	4.10
50 yr PWLB	3.18	3.20	3.20	3.30	3.40	3.50	3.60	3.70	3.80	3.90	3.90	4.00	4.00	4.00

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

	Actual 2014/15 £'000	Current Budget* 2015/16 £'000	Actual 2015/16 £'000
PRUDENTIAL INDICATORS			
Capital expenditure			
- General Fund	7,162	41,891	26,430
- HRA	23,402	36,099	32,572
Total	30,564	77,990	59,002
Capital Financing Requirement (CFR) as at 31 March			
- General Fund	1,360	10,569	5,976
- HRA	214,652	214,748	214,457
Total	216,012	225,317	220,433
Change in the CFR (Note 2)	103	9,305	4,421
Deposits at 31 March (Note 3)	108,400	99,400	96,060
External Gross Debt	213,572	213,572	213,572
Ratio of financing costs to net revenue stream			
-General Fund	-2.11%	-3.15%	-3.51%
-HRA	18.02%	17.52%	17.03%
Total	15.91%	14.37%	13.52%

*Note1: Refers to the Council's Budget Setting Report 2016/17 as agreed by Council on 25th February 2016.

Note 2: Includes unfinanced capital expenditure of £4,611k and statutory adjustment for HRA non-dwelling revaluation losses.

Note 3: As per the Council's Balance Sheet.

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

	Actual 2014/15 £'000	Current Budget* 2015/16 £'000	Actual 2015/16 £'000
TREASURY INDICATORS			
Authorised limit			
for borrowing	250,000	250,000	250,000
for other long term liabilities	0	0	0
Total	250,000	250,000	250,000
HRA Debt Limit	230,839	230,839	230,839
Operational boundary			
for borrowing	216,012	225,317	220,433
for other long term liabilities	0	0	0
Total	216,012	225,317	220,433
Upper limit for total principal sums deposited for over 364 days & up to 5 years	40,000	40,000	40,000
Upper limit for fixed & variable interest rate exposure			
Net interest on fixed rate borrowing/deposits	7,003	6,610	6,141
Net interest on variable rate borrowing/deposits	-23	-23	-54
Maturity structure of new fixed rate borrowing		Upper Limit	Lower Limit
10 years and above (PWLB borrowing for HRA Reform)		100%	100%

*Note1: Refers to the Council's Budget Setting Report 2016/17 as agreed by Council on 25th February 2016.

Annual Treasury Management (Outturn) Report 2015/16

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. These counterparties have also been shown under Specified and Non-Specified Investments (in line with DCLG Guidance).

Name	Council's Current Deposit Period	Category	Limit (£)
Specified Investments:-			
All UK Local Authorities	N/A	Local Authority	20m
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
Debt Management Account Deposit Facility	N/A	DMADF	Unlimited
Barclays Bank Plc	Using Capita's Credit Criteria	UK Bank	25m
HSBC Bank Plc	Using Capita's Credit Criteria	UK Bank	20m
Standard Chartered Bank	Using Capita's Credit Criteria	UK Bank	20m
Bank of Scotland Plc (BoS)	Using Capita's Credit Criteria	UK Bank	20m
Lloyds TSB Bank Plc	Using Capita's Credit Criteria	UK Bank	20m
National Westminster Bank Plc (NWB)	Using Capita's Credit Criteria	UK Nationalised Bank	20m
Santander UK Plc	Using Capita's Credit Criteria	UK Bank	5m
The Royal Bank of Scotland Plc (RBS)	Using Capita's Credit Criteria	UK Nationalised Bank	20m
Other UK Banks	Using Capita's Credit Criteria	UK Banks	20m

Name	Council's Current Deposit Period	Category	Limit (£)
Members of a Banking Group (RBS Group includes NWB)	Using Capita's Credit Criteria	UK Banks and UK Nationalised Banks	30m
Deutsche Bank	Using Capita's Credit Criteria	Non-UK Bank	5m
Svenska Handelsbanken	Using Capita's Credit Criteria	Non-UK Bank	5m
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/V1)	Over 3 months and up to 1 year	Financial Instrument	5m (per single counterparty)
Money Market Funds	Liquid Rolling Balance	Financial Instrument	15m (per fund)
Custodian of Funds	Requirement for Undertaking Financial Instruments	Fund Managers	Up to 15m (per single counterparty)
UK Government Treasury Bills	Up to 6 months	Financial Instrument	15m
Other Specified Investments - UK Building Societies:-			
Name	Council's Current Deposit Period	Society Asset Value (£'m) – as at 28 th April 2016	Limit (£)
Nationwide Building Society	1 month or in line with Capita's Credit Criteria, if longer	194,821	Assets greater than £100,000m - £20m
Yorkshire Building Society		43,231	
Coventry Building Society		33,672	
Skipton Building Society		16,612	Assets between £50,000m and £99,999m - £5m
Leeds Building Society		14,329	
Principality Building Society		7,409	Assets between £5,000m and £49,999m - £2m
West Bromwich Building Society		5,570	
Non-Specified Investments:-			
Name	Council's Current Deposit Period	Category	Limit (£)
All UK Local Authorities – longer term limit	Over 1 year and up to 5 years	Local Authority	Up to 30m (in total)

Name	Council's Current Deposit Period	Category	Limit (£)
CCLA Local Authorities' Property Fund	Minimum of 5 years	Pooled UK Property Fund	Up to 10m
Certificates of Deposit (with UK Banking Institutions)	Liquid Rolling Balance	Financial Instrument	15m (per single counterparty)
Certificates of Deposit (with UK Building Societies)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)
Certificates of Deposit (with Foreign Banking Institutions)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/V1)	Over 1 year and up to 5 years	Financial Instrument	5m (per single counterparty)
Supranational Bonds – AAA	Using Capita's Credit Criteria	Multi-lateral Development Bank Bond	15m
UK Government Gilts	Over 1 year & up to 30 Years	Financial Instrument	15m

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
Certificates of Deposit (CDs)	Low risk certificates issued by banks which offer a higher rate of return
CIPFA	Chartered Institute of Public Finance and Accountancy
Corporate Bonds	Financial instruments issued by corporations
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
Enhanced Cash Funds	Higher yielding funds typically for investments exceeding 3 months
Eurocurrency	Currency deposited by national governments or corporations in banks outside of their home market
External Gross Debt	Long-term liabilities including Private Finance Initiatives and Finance Leases
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
London Interbank Offered rate (LIBOR)	A benchmark rate that some of the leading banks charge each other for short-term loans

Term	Definition
London Interbank Bid Rate (LIBID)	The average interest rate which major banks London banks borrow Eurocurrency deposits from other banks
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
Non-Specified Investments	These are investments that do not meet the conditions laid down for Specified Investments and potentially carry additional risk, e.g. lending for periods beyond 1 year
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
Specified Investments	Those investments identified as offering high security and liquidity. They are also sterling denominated, with maturities up to a maximum of 1 year, meeting the minimum 'high' credit rating criteria where applicable
Supranational Bonds	Multi-lateral Development Bank Bond
UK Government Gilts	Longer-term Government securities with maturities over 6 months and up to 30 years
UK Government Treasury Bills	Short-term securities with a maximum maturity of 6 months issued by HM Treasury
Yield	Interest, or rate of return, on an investment

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Present:

Scrutiny Committee Members: Avery, Bick, Blencowe, Hart, Herbert (Chair) and Price

RECOMMENDATION TO COUNCIL

Monitoring Officer Arrangements

The Committee considered a report from the Strategic Director and a recommendation to Full Council on Monitoring Officer Arrangements.

The Committee resolved unanimously to recommend to Council:

Approve the designation of Maria Memoli, the Interim Head of Shared Legal Practice, as the Council's Monitoring Officer for the period 1 August to 21 August and that Tom Lewis, the new Head of the (Shared) Legal Practice, is designated the Council's Monitoring Officer from the 22 August 2016.

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Report of: Ray Ward, Strategic Director

Report To: Employment (Senior Officer) Committee -
21 June 2016

Monitoring Officer Arrangements

1. Introduction

- 1.1 At its meeting held on 22 March 2016, this committee recommended that Full Council approved the termination of employment of the Head of Legal Services and Monitoring Officer by reason of redundancy in light of the implementation of the Shared Legal Service.
- 1.2 Full Council accepted this recommendation at its meeting held on 14 April. One outcome of that decision is that the Council now needs to designate a new Monitoring Officer.
- 1.3 The Local Government and Housing Act 1989 (as amended by the Local Government Act 2000) sets out the requirement for the Council to have a Monitoring Officer. The decision to designate a Monitoring Officer is one for the Council to take.

2. Current Position

- 2.1 The current Monitoring Officer, Mr Pugh, leaves the Council on 31 July 2016. It is proposed that the new designated Monitoring Officer will be Tom Lewis, the new Head of the (Shared) Legal Practice. Mr Lewis joins the Council on 22 August 2016 as the Head of Legal Practice.
- 2.2 Interim arrangements will be necessary to cover the period from 1 August 2016 to 21 August 2016. It is proposed that Maria Memoli, the Interim Head of Shared Legal Practice, is designated as the Council's Monitoring Officer for that period.

3. Recommendation

3.1 That Full Council approves the designation of Maria Memoli as the Council's Monitoring Officer for the period 1 August to 21 August and that Tom Lewis is designated the Council's Monitoring Officer from 22 August 2016.

4. Implications

- (a) **Financial Implications** - None
- (b) **Staffing Implications** - None
- (c) **Equality and Poverty Implications** - None
- (d) **Environmental Implications** - None
- (e) **Procurement** - None
- (f) **Consultation and communication** - Details of the Monitoring Officer will be placed on the Council's website.
- (g) **Community Safety** - None

5. Background papers

Report to Employment (Senior Officer) Committee on 22 March 2016
Minutes of Full Council - 14 April 2016

6. Inspection of papers

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

Author's Name: Ray Ward
Author's Phone Number: 01223 - 457325
Author's Email: ray.ward@cambridge.gov.uk

CIVIC AFFAIRS COMMITTEE

29 June 2016
6.00 - 7.40 pm

Present:

Committee Members: Councillors McPherson (Chair), Benstead (Vice-Chair), Cantrill, Gawthrop, Holt, Robertson

RECOMMENDATION TO COUNCIL

Assurance Framework, Draft Annual Governance Statement and Draft Code of Corporate Governance 2015/16

The committee received a report from the Head of Legal Services and Monitoring Officer and the Head of Internal Audit regarding the Assurance Framework, Draft Annual Governance Statement and the Draft Code of Corporate Governance 2015/16.

Resolved (unanimously):

- i. Recommend to Council to approve the Code of Corporate Governance (Appendix B) on the 14 July 2016.

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CAMBRIDGE CITY COUNCIL

REPORT OF: Director of Business Transformation

TO: Civic Affairs Committee

29/06/16

WARDS: All

ASSURANCE FRAMEWORK, DRAFT ANNUAL GOVERNANCE STATEMENT AND DRAFT CODE OF CORPORATE GOVERNANCE 2015/16

1 INTRODUCTION

- 1.1 The preparation of an Annual Governance Statement (AGS) is necessary to meet the statutory requirements as set out in Regulation 4(3) of the Accounts and Audit (England) Regulations 2015. The AGS covers the Council's governance arrangements for the 2015/16 reporting year and is published as part of the Statement of Accounts.
- 1.2 This report includes the draft AGS and incorporated AGS action plan (presented in **Appendix A**) for the Members of Civic Affairs Committee to review, challenge and advise the Leader and Chief Executive upon accordingly.
- 1.3 This report also identifies progress with the 2014/15 AGS action plan and presents the necessary recommendations for Member approval that will allow the Council as a whole to ensure that the AGS is produced in accordance with CIPFA guidance and therefore meet External Audit requirements.
- 1.4 The Council's Code of Corporate Governance summarises the ways in which the authority directs and controls its functions and relates to its communities. It is reviewed annually.

2 RECOMMENDATIONS

- 2.1 Members of Civic Affairs Committee are required to:
 - note the arrangements for compiling, reporting on and signing the AGS.
 - critically review the draft AGS and incorporated action plan (**Appendix A**) having regard to the Head of Internal Audit Annual Opinion (earlier on this agenda); and

- advise the Leader of the Council and Chief Executive on any issues arising from the draft AGS and action plan.
- 2.2 That the Council approves the Code of Corporate Governance (**Appendix B**) at Full Council on 14th July 2016.

3 BACKGROUND TO THE AGS

Scope of the AGS

- 3.1 Internal control and risk management are recognised as important elements of good corporate governance. The scope of governance, as covered in the AGS, spans the whole range of the Council's activities and includes those designed to ensure that:
- The Council's policies are implemented in practice;
 - High quality services are delivered efficiently and effectively;
 - The Council's values and ethical standards are met;
 - Laws and regulations are complied with;
 - Required processes are adhered to;
 - Its financial statements and other published information are accurate and reliable; and
 - Human, financial and other resources are managed efficiently and effectively.

Arrangements for Compiling the AGS

- 3.2 CIPFA, in conjunction with SOLACE, have produced a framework for delivering good governance in local government. This framework is used as a guide in compiling the AGS for the City Council.
- 3.3 Arrangements for compiling the AGS for 2015/16 have been undertaken by the Head of Legal Services (the Council's Monitoring Officer) in conjunction with the Head of Corporate Strategy, Head of Finance (the Council's s151 Officer) and the Principal Auditor.
- 3.4 Assurances from the work of the Internal Audit team relating to 2015/16 have been reviewed and have been used to inform the AGS and its associated action plan.
- 3.5 One of the key messages coming out of the CIPFA/SOLACE guidance is that good governance relates to the organisation as a whole and there should be corporate ownership of the AGS and governance arrangements.

Arrangements for reporting on and signing off the AGS

- 3.6 The draft AGS and Action Plan is being presented to the Members of this Committee for them to review and advise the Leader and Chief Executive upon, prior to it being signed off by the Leader and the Chief Executive.
- 3.7 Members are asked to consider the Head of Internal Audit's Annual Opinion, which is presented earlier on this agenda, in their review of the AGS.

4. Progress with the 2014-15 AGS Action Plan

- 4.1 All of the actions included in last year's AGS Action plan have either been completed in full or are in progress, as follows:
- ***Delivery of Savings Targets*** – The follow-up audit to the 2014/15 audit report on 'Achievement of Income and Savings Targets' is underway. All actions agreed as part of the original audit have been marked as implemented on the risk register. The follow-up audit will confirm evidence of implementation.
 - ***Business Transformation*** – Appropriate governance arrangements have been implemented for the three new shared service arrangements (ICT, Legal Services and Building Control).
 - ***Review of the Council's Whistleblowing Policy*** - Amendments to the Council's Whistleblowing Policy have been drafted and are currently with the Head of HR for final review.
 - ***People Strategy*** – A revised draft of the strategy has been circulated to Directors, Heads of Service and trade unions for comment. The strategy is currently being updated to take account of feedback received.
 - ***Information Security*** - Complete. A number of actions have been taken to manage and reduce the risks of data security incidents, both in individual service areas and corporately. Among controls added, a major training push has been underway which should see all staff who use the Council's computer network trained on Data Protection by the end of June 2016. A further action on Information Security is included in this year's AGS Action Plan, as this remains a key risk to the Council and it is important that it is effectively managed.
 - ***Homelessness*** – A second follow-up audit of Homelessness commenced in May 2016. All actions agreed as part of the original audit have now been marked as implemented on the risk register. The follow up audit will confirm evidence of implementation.
 - ***Counter-Fraud Arrangements*** – A Counter-Fraud Strategy and Action Plan have been drafted and are being considered at this meeting of Civic Affairs for approval.

- **Business Planning and Performance Measurement** - The review of the business planning process led to the move from seven separate portfolio plans to a single corporate plan. This is intended to achieve greater coherence and visibility to the Council's key business planning document.

The Corporate Plan was agreed by the Leader at Strategy & Resources Committee in January 2016 and progress is expected to be reported back there in summer 2017. Meanwhile the annual report on the 2015/16 portfolio plans goes to Civic Affairs with the Statement of Accounts in June 2016. Progress reports against a basket of key performance indicators has been reported to the Strategic Leadership Team on a quarterly basis for some years. These will now be reported to the Senior Management Team that comprises SLT and Heads of Service, alongside regular financial performance reporting and risk management reports, to ensure a streamlined approach to governance of operational delivery.

- 4.2 **Appendix A** to this report details the action plan to address significant governance issues during 2016/17.

5. BACKGROUND TO THE CODE OF CORPORATE GOVERNANCE

- 5.1 The Council adopted a Code of Corporate Governance on 25 April 2002 and it has been reviewed annually since then.
- 5.2 There are no significant changes to the Code this year. The Code has been revised to ensure that references to supporting plans, policies and procedures are up to date. A copy of the Code is given in **Appendix B**.

6. CONSULTATIONS

- 6.1 Key officers have been consulted in compiling the 2015/16 AGS and Action Plan. The draft AGS and Action Plan have been shared with the Council's External Auditors.

7. CONCLUSION

- 7.1 The draft AGS and draft Code of Corporate Governance set out the governance framework for the City Council for 2015/16 and identify a number of issues where action is planned to improve the level of governance.

8. IMPLICATIONS

- (a) **Financial Implications**
None
- (b) **Staffing Implications**
None

- (c) **Equality and Poverty Implications**
None
- (d) **Environmental Implications**
None
- (e) **Procurement**
None
- (f) **Consultation and communication**
None
- (e) **Community Safety Implications**
None

BACKGROUND PAPERS: The following background papers were used in the preparation of this report:

- Delivering Good Governance in Local Government – The Framework and Guidance Note for English Authorities – CIPFA/SOLACE plus Addendum (December 2012)
- The Annual Governance Statement: Meeting the Requirements of the Accounts and Audit Regulations 2003, Incorporating Accounts and Audit (Amendment) (England) Regulations 2006
- The CIPFA Finance Advisory Network – A Rough Guide for Practitioners 2007/08.
- Application Note to Delivering Good Governance in Local Government – a Framework – CIPFA/SOLACE – March 2010
- Accounts and Audit (England) Regulations 2011
- Statement on the Role of the Head of Internal Audit in Local Government – CIPFA – December 2010
- Statement on Role of the Chief Financial Officer – CIPFA

To inspect these documents contact Bridget Bishop on extension 8182.

The authors and contact officers for queries on the report are:

Simon Pugh, Head of Legal Services and Monitoring Officer, on (01223) 457401 or email simon.pugh@cambridge.gov.uk; and

Steve Crabtree, Head of Internal Audit, on (01223) 458181 or e-mail steve.crabtree@cambridge.gov.uk

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Annual Governance Statement

Scope of Responsibility

Cambridge City Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Cambridge City Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, Cambridge City Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

Cambridge City Council has approved and adopted a Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the Code is on our website at www.cambridge.gov.uk or can be obtained from the Chief Executive, The Guildhall, Cambridge. This statement explains how Cambridge City Council has complied with the Code and also meets the requirements of the Accounts and Audit (England) Regulations 2015 regulation 4(3), which requires all relevant bodies to prepare an Annual Governance Statement.

The Purpose of the Governance Framework

The governance framework comprises the systems and processes, culture and values by which Cambridge City Council is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Cambridge City Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Cambridge City Council for the year ended 31 March 2016 and up to the date of approval of the statement of accounts.

The Governance Framework

The key elements of the systems and processes that comprise the authority's governance arrangements include:

- The Council's Objectives, which focus the Council's efforts in achieving the vision for Cambridge.
- The Annual Statement, which reiterates the vision and sets out a range of activities the Council will undertake in the year ahead to achieve the vision, and its core underpinning values.
- The Annual Report, which contains information on financial performance and achievement of business objectives as articulated in the portfolio plans.
- The annual budget and service planning process which translates the Council's Objectives into actions at portfolio¹ and operational level.
- The Council's Mid-Year Financial Review, which identifies how the Council will resource its aspirations and plans for any financial risks.
- The Budget Setting Report, which sets out the Council's overall spending plans for both revenue and capital expenditure.
- The Treasury Management Strategy and an Annual Treasury Report which reviews treasury management activities during the year and complies with the requirements of the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities.
- The arrangements for regular budget monitoring and reporting of significant variances to senior management.

- An independent Internal Audit function with a risk-based audit plan.
- An annual opinion of the Head of Internal Audit on the authority's internal control environment and risk management framework.

- The Council's Constitution, which sets out the decision-making process, the terms of reference for each committee and the roles and responsibilities of Members and officers.
- The Member/Officer protocol, which aids effective communication between officers and Members and clarifies their respective roles and responsibilities.
- Codes of Conduct for Members and officers, which have been formally approved and are reviewed regularly and available to all Members and staff.
- The Council's Civic Affairs Committee, which promotes and maintains high standards of conduct by Members and which has overall responsibility for the Council's compliance with laws and regulations.
- The role of the Council's Civic Affairs Committee, which fulfils the core functions of an Audit Committee as identified in CIPFA's 'Audit Committees – Practical Guidance for Local Authorities'.
- The Council's Prevention of Fraud and Corruption Policy which is in place and reviewed regularly by the Council's Civic Affairs Committee.
- A Register of Interests, which is maintained and reviewed regularly.
- Financial Regulations and Financial Procedure Rules which provide a framework for managing the Council's financial affairs and set out the financial accountabilities and responsibilities for Members and officers.

¹ Portfolio Plans replaced by single Corporate Plan for 2016/17 onwards

- A corporate Risk Management Framework, which includes a Risk Management Strategy approved by Members and a comprehensive risk register identifying the key controls and actions required to manage the Council's principal risks.
- The Procurement Policy and Strategy and the Council's Contract Procedure Rules, which set out how the Council will promote effective procurement across the Council.
- The Chief Executive is the Council's Head of Paid Service and the Head of Legal Services is the Council's Monitoring Officer. Their roles and responsibilities are set out in the Council's Articles of the Constitution.
- A 'Whistleblowing' Policy, which is in place and available on the Council's intranet.
- The Council's Complaints Procedure, which is available on the Council's website and the Independent Complaints Investigator who can investigate how the Council has dealt with its complaints.
- The annual complaints report to Civic Affairs Committee, which analyses trends in complaints against the Council and what has been done to address them.
- Member Induction training and a guide for new Members, together with ongoing training for Members on key skills and more in-depth explanations of issues concerning the Council.
- The Council's Performance Review process which is undertaken annually across the Council for all staff.
- The Council's Competency Framework, which is in place for all staff and managers.
- The Council's People Strategy, which sets out how the Council will recruit, reward and develop its staff to reach their full potential.
- The Media Protocol, which sets out the processes for drafting and clearing news releases and engaging with the media.
- The Programme Office, which commissions and monitors projects to implement change and transformation.
- The Council's consultations and surveys, including the budget consultation, which are undertaken periodically to gauge the public's perception of Council services, our spending priorities, communication with us and feelings of safety.
- The Code of Corporate Governance, which sets out the ways in which the Council ensures that its business is conducted in accordance with law and proper standards and that public money is safeguarded and properly accounted for.
- A framework to guide the Council's engagement with external partnerships that will ensure the Council's partnerships are accountable and effective.
- Governance arrangements for shared services are documented in shared service collaboration agreements.
- The corporate website, residents' magazine and social media channels, which along with other publications and communications provide for informing and engaging residents and other stakeholders in service delivery and policy formulation.

- A Code of Best Practice on Consultation and Community Engagement, adopted by the Council which sets out the Council's approach to consultation.
 - Internal quarterly performance reporting against key performance indicators for each service prepared for and presented to the strategic leadership team to consider necessary remedial action.
-

CIPFA's Statement on the Role of the Chief Financial Officer in Local Government (2010) sets out some principles regarding the status of the Chief Financial Officer (also referred to as the "section 151 officer".) The statement says:

"Local authorities are required to have a suitably qualified CFO with certain defined responsibilities and powers. The governance requirements in the Statement are that the CFO should be professionally qualified, report directly to the Chief Executive and be a member of the Leadership Team, with a status at least equivalent to other members. The Statement requires that if different organisational arrangements are adopted the reasons should be explained publicly in the authority's Annual Governance Report , together with how these deliver the same impact."

The Head of Finance is the Council's Chief Financial Officer and fulfils the role of the s151 officer, reporting to the Director of Business Transformation. Although this is not a director level appointment, and not a direct report to the Chief Executive, organisational arrangements are in place to ensure that the outcomes of the CIPFA governance requirements are met. Whilst line management responsibility rests with the Director of Business Transformation, the Head of Finance is a full member of the Council's Strategic Leadership Team and reports directly to the Chief Executive on financial matters.

Review of Effectiveness

Cambridge City Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Directors and Heads of Service within Cambridge City Council who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual opinion, and also by comments made by the external auditors and other review agencies and inspectorates.

The Council's Constitution details Directors' responsibilities for the maintenance of controls within their departments. The system of internal control is subject to regular review by Internal Audit. The work of the service is informed by the Council's risk register, with the allocation of audit resources controlled through an annual risk-based operational plan, which is agreed, annually, by the Council's Civic Affairs Committee.

Individual Internal Audit reports are issued directly to the Chief Executive, the relevant Director, the Director of Business Transformation, the Council's Monitoring Officer, the Head of Finance (s151 Officer), the Leader of the Council and the relevant Executive Councillor. Each audit report contains an independent assurance opinion on the adequacy and effectiveness of the internal controls in place to mitigate risks. Management actions agreed in Internal Audit reports are entered into the Council's Risk Register and progress on their implementation is reported to and monitored by the Chief Executive and the Strategic Leadership Team. Implementation rates of agreed actions are also reported to Civic Affairs.

In addition to these arrangements the Council receives and responds to reports from other review and assurance mechanisms.

The Head of Finance is the Authority's Chief Financial Officer and is therefore responsible for the proper administration of the authority's financial affairs. The Head of Finance is line managed by the Director of Business Transformation but reports directly to the Chief Executive on financial matters and is a full member of the Strategic Leadership Team.

The Council's Civic Affairs Committee is responsible for advising on and monitoring the Members Code of Conduct and for advising the Council on the ethical aspects of the corporate governance framework. This arrangement replaces the previous responsibilities of the Council's Standards Committee, which was disbanded in July 2012.

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by Civic Affairs Committee and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those specifically addressed with new actions planned are outlined below.

Action Plan to Address Significant Governance Issues during 2016-17

	Issue	Action	Target Date	Officer Responsible
1	<p>New Service Delivery Arrangements</p> <p>Different services delivery arrangements have been introduced across a range of Council services, including shared service arrangements with South Cambs District Council and Huntingdonshire District Council for the delivery of Building Control, ICT and Legal Services and a Housing Development Agency and Cambridge City Housing Company.</p> <p>Governance Arrangements have been established for these new service delivery arrangements, but it is important for the Council to understand whether these are working effectively and delivering expectations to our stakeholders with no undue risks.</p>	<p>Review the effectiveness of governance arrangements established for shared services and other service delivery arrangements to ensure they are working effectively.</p> <p>Identify any lessons learnt from the establishment of shared services and ensure these are communicated across the Council.</p> <p>An audit is included on the 2016/17 audit plan to undertake such a review.</p>	31 March 2017	Head of Internal Audit

	Issue	Action	Target Date	Officer Responsible
2	<p>Financial Management System</p> <p>The Council is in the process of replacing its current financial management system, Oracle, with a new system. The Financial Management System is a key corporate system that underpins the whole of the Council's financial control arrangements and it is therefore imperative that there is a robust process for implementing the new system, incorporating key controls into all processes.</p>	<p>Ensure a robust process is established for the migration of data to the new financial management system and that interfaces with other key systems are thoroughly tested as part of the implementation plan.</p> <p>Internal Audit to undertake additional testing to ensure the robustness of the above processes. (This is included as part of the 2016/17 audit plan).</p>	<p>31 March 2017</p> <p>31 March 2017</p>	<p>Head of Finance</p> <p>Head of Internal Audit</p>
3	<p>Budget Management</p> <p>A number of issues concerned with cost centre management arrangements have been highlighted following a recent audit of Project Delivery Arrangements within Streets and Open Spaces.</p> <p>Financial management and budgetary control are key elements of the Council's governance framework and it is important therefore that these are properly controlled.</p>	<p>Conduct audit of Budgetary control arrangements, which is included as a corporate audit in the 2016-17 audit plan.</p>	<p>31 March 2017</p>	<p>Head of Internal Audit</p>

	Issue	Action	Target Date	Officer Responsible
4	<p>Capital Variance Reporting Arrangements</p> <p>A number of issues regarding capital variance reporting arrangements have been highlighted by the audit identified in 3 above and also by the Finance Team and Capital Programme Board.</p> <p>The arrangements for budget monitoring and reporting of significant variances are again key elements of the Council's governance arrangements and it is therefore important that these processes are robust and reliable.</p> <p>A review of capital variance reporting arrangements by the Finance Team is now underway and a number of improvements to the process have been identified.</p>	<p>Complete the review of Capital Variance Reporting arrangements and roll out agreed actions across the organisation.</p>	31 March 2017	Head of Finance

	Issue	Action	Target Date	Officer Responsible
5	<p>Information Security</p> <p>Information Security remains a key risk to the Council and work is ongoing to implement appropriate controls and raise awareness of data security across the authority. A more structured approach to data incident reporting and responding has been developed and a recent audit of Data Security and Data Sharing Arrangements was given a significant assurance rating. This audit made a number of recommendations to ensure the Council has a complete record of what data it shares with other organisations and to mitigate the risk of future data breaches.</p> <p>There have been a relatively small number of minor data security breaches during 2015/16, all of which have been addressed appropriately or are being addressed.</p> <p>It is important that the Council continues to keep data security high on the agenda to ensure that it is effectively managed, particularly with the introduction of new service delivery arrangements for ICT and information management.</p>	<p>Ensure implementation of agreed actions arising from recent audit review.</p> <p>The Information Security Group (ISG) to continue to raise awareness of data security issues and respond to data security breaches as appropriate.</p>	<p>30 September 2017</p> <p>31 March 2017</p>	<p>Head of Corporate Strategy (as Chair of ISG)</p>

	Issue	Action	Target Date	Officer Responsible
6	<p>Constitution/Financial Regulations</p> <p>In addition to the introduction of shared services across a number of key service areas, a new senior management structure has also recently been implemented across the Council.</p> <p>Both of the above will have implications for key roles and responsibilities as set out in the Council's Constitution and Financial Regulations.</p>	<p>Review and update the Council's Constitution and Financial Regulations/ Financial Procedures Rules to reflect the changes in the Council's new senior management structure and new shared service arrangements for Legal, ICT and Building Control.</p> <p>Consider the merits of removing Financial Regulations from the Constitution and maintaining them as a separate 'Technical Guide'.</p>	31 March 2017	Monitoring Officer/ Head of Finance (S151 Officer)
7	<p>Cambridge Live</p> <p>In April 2015 'Cambridge Live' was established as a charitable trust to take over the running of the Corn Exchange and the Folk Festival, plus a range of outdoor events on behalf of the Council. The Council continues to support Cambridge Live. It is now timely to review the arrangements between the Council and the trust to ensure the Trust is delivering to expectations.</p>	<p>Review the arrangements between the Council and the trust to ensure the Trust is delivering to expectations.</p> <p>A review of this area is included on the 2016/17 audit plan.</p>	31 March 2017	Head of Internal Audit

	Issue	Action	Target Date	Officer Responsible
8	<p>HSE Investigation</p> <p>A serious incident occurred at the Bonfire Night event in November 2015, in which a member of the public was seriously injured. An HSE investigation is still ongoing.</p> <p>The Council has conducted a review of its approach to managing events on its open spaces, based on advice received from the Health and Safety Executive (HSE), and continues to work with Cambridge Live to address issues arising from this incident.</p>	<p>Ensure that the lessons learnt from the outcomes of the above incident are effectively and appropriately shared with other services across the Council and put into practice to improve controls.</p>	31 March 2017	Strategic Director

	Issue	Action	Target Date	Officer Responsible
9	<p>Loss of Key Staff</p> <p>One of the key effects of the significant changes being implemented across the Council, as described in 6 above, is the considerable loss of knowledge and experience as staff, and in particular key staff, leave the organisation in a short space of time.</p> <p>This could have an impact on service delivery not only for the services concerned (i.e. ICT, Legal Services and Building Control) but also for the services that they support. This currently represents a significant risk to the Council.</p>	<p>Identify lessons that could be learned from experiences to date (particularly in relation to ICT) to help the organisation manage such transitions more effectively in future.</p> <p>Implement more robust arrangements for succession planning to ensure that where key staff are leaving the organisation, adequate preparation is made for this. This should include identification of their key roles and responsibilities, so that these continue to be fulfilled, and an appropriate handover plan, including handover notes and discussions. Where key roles and responsibilities are being transferred, it should be ensured that there is sufficient resource in place and that officers have the right level of skills and knowledge to undertake any new roles. Any changes in responsibility should be communicated across the Council.</p>	31 March 2017	Strategic Leadership Team

Appendix B - Cambridge City Council - Code of Corporate Governance 2016-17

Review Date: 29 June 2016

A Council's Code of Corporate Governance is:

“The system by which local authorities direct and control their functions and relate to their communities”

Guidance from CIPFA and SOLACE suggests each local authority should have a Code of Corporate Governance based on 6 principles:

- 1 Focusing on the purposes of the authority; on outcomes for the community; and creating and implementing a vision for the local area.
2. Members and Officers working together to achieve common purposes with clearly defined functions and roles.
3. Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.
4. Taking informed and transparent decisions which are subject to effective scrutiny and risk management.
5. Developing the capacity and capability of Members and Officers to be effective.
6. Engaging with local people and other stakeholders to ensure robust public accountability.

The Council adopted a Code of Corporate Governance on 25 April 2002. It has been reviewed annually since then. This is the 2016 review. The Council's Civic Affairs Committee will be asked to consider the revised Code and to recommend it to full Council for adoption.

This Code takes each of the principles of good governance in turn and sets out the systems, processes and principles the Council has put in place to ensure good corporate governance.

The Code will be reviewed annually through the Annual Governance statement process, which will identify the actions to be taken to enhance the code or address any limitations with in it.

Simon Pugh
Head of Legal Services and Monitoring Officer

June 2016

1 Focusing on the purpose of the authority; on outcomes for the community; creating and implementing a vision for the local area

		Supporting Evidence
1.1	<p>The Council will have a clear vision for the City and set objectives to guide the Council's activities.</p> <p>It will review those objectives each year, through the Annual Statement agreed at the Annual Council meeting.</p>	<p>Vision</p> <p>Annual Statement</p>
1.2	<p>The Council will agree with partners a business plan for the Local Enterprise Partnership, and contribute to the agreement of priorities for the Health & Wellbeing Board and other relevant countywide partnerships.</p>	<p>Local Enterprise Partnership Business Plan</p> <p>Health and Wellbeing Strategy</p>
1.3	<p>The Council will have a Mid-Year Financial Review to resource the Council's aspirations and to assess and plan for any financial risks. The strategy will be reviewed annually.</p>	<p>Mid-Year Financial Review</p>
1.4	<p>The Council will put service to the public first. The annual business planning process will be used to agree the priorities for the Council. The Plan expresses the strategic objectives for the Council over the financial year 2016/17 and beyond.</p>	<p>Corporate Plan</p> <p>Agenda for S&R</p> <p>Scrutiny Committee</p> <p>January 2016/17 cycle</p>

	<p>Alongside each of the objectives are detailed the particular outcomes to be achieved and performance measures that will provide evidence that the outcomes have been achieved.</p> <p>This information will enable members and the services contributing to the delivery of the plan to be clear about the priorities for the Council and will assist in decisions about where resources should be focussed.</p> <p>Heads of individual service areas prepare operational plans indicating how they will meet objectives set in the corporate plan and setting out their priorities and work programmes for the year ahead.</p>	Operational Plans
1.5	<p>Each year the Council will publish an Annual Report and Statement of Accounts giving information on the authority's vision, strategy, performance, future plans and financial statements.</p>	Annual Report and Statement of Accounts
1.6	<p>The Council will seek to provide value for money to local people.</p> <p>It will work to maximise its resources by delivering services as efficiently as possible, working in partnership with others and using other providers where these are the best options.</p> <p>It will have a clear Procurement Strategy designed to meet the Council's wider objectives and Contract Procedures Rules designed to deliver robust and fair procurement processes.</p>	Procurement Strategy

2 Members and Officers working together to achieve common purposes with clearly defined functions and roles

		Supporting Evidence
2.1	<p>The Council will set out a clear statement of the roles and responsibilities of Executive Members, other Members and Council Officers in its Constitution.</p> <p>The scheme of delegation within the Constitution will make clear what matters are reserved for collective decision-making by full Council.</p>	Constitution
2.2	<p>A Member/Officer protocol will be used to aid effective communication between Officers and Members and to clarify their respective roles and appropriate ways of working.</p>	Member/Officer Protocol
2.3	<p>The Council's Chief Executive is its Head of Paid Service responsible and accountable to the authority for its operational management.</p> <p>The Head of Finance is the Council's Chief Financial Officer and S151 Officer, responsible to the authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.</p> <p>The Head of Legal Services is the Council's Monitoring Officer, responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.</p>	<p>Constitution</p> <p>Job Descriptions for the Chief Executive, Head of Finance and Monitoring Officer</p> <p>Schedule on the Role of the Chief Financial Officer</p>

2.4	The Council will ensure that these Statutory Officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the Council.	Corporate Plan Performance Reviews Professional Qualifications and training
2.5	The Council's Civic Affairs Committee will be responsible for constitutional issues and will ensure that the constitution is monitored and updated when required.	Terms of Reference of Civic Affairs Committee
2.6	<p>The Council will use an Independent Remuneration Panel to give advice on payments for Members and consider their advice when setting the Members' Allowance Scheme.</p> <p>The Panel will operate in an open and transparent manner, making their agendas, reports and minutes available to the public.</p> <p>The Members' Allowance Scheme will also be made available to the public and on the Council's website and the scheme will be reviewed annually.</p>	Independent Remuneration Panel Terms of Reference Independent Remuneration Panel agendas, reports and minutes Members' Allowance Scheme Pay Policy Statement
2.7	When working in partnerships the Council will ensure that Members are clear about their roles and responsibilities, both individually and collectively, in relation to the partnerships and to the Council.	Partnership Terms of Reference Principles of Partnership Working

It will also ensure that there is clarity about the legal status of each partnership and that all representatives in the partnership have clarity about their powers to bind their own organisation to partnership decisions.

The Council will operate in accordance with principles of partnership working agreed with our key partner organisations.

3 Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

		Supporting Evidence
3.1	<p>The Council will expect the authority's leadership – both Members and Officers - to create a climate of openness, support and respect and to uphold the Council's values as expressed in the Council's Mid-Year Financial Review document.</p> <p>The standards of conduct and personal behaviour expected of Members and staff will be set out in the Officer Code of Conduct, the Member Code of Conduct and in the Member/ Officer protocol. An up-to-date register of Member and Officer Senior Officer Interests will be maintained.</p>	<p>Constitution</p> <p>Whistleblowing Policy</p> <p>Annual Complaints Report</p> <p>Prevention of Fraud and Corruption Policy</p> <p>Register of Interests</p> <p>Officer Code of Conduct</p>
3.2	<p>The Council has adopted a Code of Conduct for Councillors and has put in place procedures for considering complaints. The Council has appointed two “independent persons” to support this, in accordance with the requirements of the Localism Act, 2011.</p> <p>It will maintain a Whistleblowing policy to enable confidential reporting of suspected breaches of the Officer Code of Conduct or unethical behaviour and will report on how the policy is used through the Annual Review of the Prevention of Fraud and Corruption Policy.</p>	<p>Code of Conduct for Councillors</p> <p>Terms of reference for Independent Persons</p> <p>Annual Complaints Report</p> <p>Whistleblowing Policy</p>

	<p>It will also maintain a Prevention of Fraud and Corruption Policy and both policies will be reviewed regularly by the Civic Affairs Committee.</p> <p>The terms of reference of the Civic Affairs committee includes responsibility for advising on the Council's ethical framework and the promotion of openness, accountability and probity to ensure the highest standards of conduct.</p>	<p>Prevention of Fraud and Corruption Policy</p> <p>Terms of reference for Civic Affairs Committee</p>
3.3	<p>The behaviour expected of staff and managers will be set out in the Council's competency framework and this will be used as the basis for staff performance appraisal.</p>	<p>Competency Framework</p> <p>Grievance and Disciplinary Procedures</p>
3.4	<p>The Council's standing orders and financial regulations will put in place processes designed to ensure that Members and employees of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders.</p>	<p>Constitution</p>
3.5	<p>The Council will ensure all partnerships with which it is engaged have a set of values or criteria against which decision-making and actions can be judged. It will work with those partnerships to ensure they are open and accountable and have clear governance structures in place.</p>	<p>Partnership Terms of Reference</p> <p>Principles of Partnership Working</p>
3.6	<p>Shared services arrangements with other local authorities or partners will document their governance arrangements, which shall be clear, open and accountable.</p>	<p>Shared Service Collaboration Agreements</p>

4. Taking informed and transparent decisions which are subject to effective scrutiny and risk management.

		Supporting Evidence
4.1	The Council will operate within the legal framework for local councils complying with its statutory duties and making the most of its powers to meet the needs of the City and its residents.	Core Competencies for managers Managers' Job Descriptions Role of Monitoring Officer
4.2	The Council will hold its meetings, and those of its committees and working groups, in public unless there are good reasons for confidentiality. The public will be allowed to ask questions at all Council and committee meetings.	Committee Agendas Constitution Committee Forward Plan

4.3	<p>The Council will make sure members of the public have access to information about the workings of the Council. It will make clear what information is routinely published through its Freedom of Information Publication scheme and will respond promptly to requests for information. The Council will publish on its website all responses to Freedom of Information requests.</p>	<p>Publication Scheme Freedom of Information requests monitoring reports Council Website Open data</p>
4.4	<p>The Council will respect the personal data of its citizens, employees, suppliers and others the Council may communicate with in line with the principles of the Data Protection legislation and will make this clear in its own Data Protection Policy. The Council will respect the privacy of members of the public when carrying out investigations and will ensure that privacy is only interfered with when the law permits and there is clear public interest justification.</p>	<p>Data Protection Policy Regulation of Investigatory Powers Act 2000 – Procedure guidance</p>
4.5	<p>The Council will record the deliberation of scrutiny committees and the reasons for Executive and Regulatory decisions and make agenda papers and minutes available on the Council’s website. The Council will also record and publish on the website written questions asked at Council meetings and their answers, and oral questions and answers where these are available.</p>	<p>Agendas and Minutes of Committees Council website</p>

4.6	Officers will use standard report templates for committee and executive reports to help ensure that readers are provided with information that is accurate, complete and unbiased. Reports will make clear the options available so that the implications of all decisions and strategic risks can be assessed before those decisions are made.	Standard committee report templates
4.7	The Council will actively consider the environmental impact of the Council's decisions before those decisions are made.	Environmental Assessment Tool for Council Policies Plans and Projects Environmental Policy Statement Committee reports
4.8	The Council will develop and maintain an effective Scrutiny process to encourage constructive challenge and enhance the Council's performance. It will also have clear protocols about Members' access to information and officer advice to enable them to perform their roles.	Terms of Reference of Scrutiny Committees Protocol
4.9	The Council will have a network of Area Committees to ensure neighbourhood issues are considered in the Council's decision-making processes.	Area Committee terms of reference

4.10	The Council will have a Joint Development Control Committee with the County Council and South Cambridgeshire District Council for decisions affecting growth sites bordering the City and South Cambridgeshire.	Terms of reference of Joint Development Control Committee
4.11	The Council will have a clear and publicised complaints system, including the appointment of an independent complaints investigator, so that members of the public can express dissatisfaction with Council services and their concerns can be monitored and addressed. It will publish an Annual Complaints report analysing trends in complaints against the Council and what has been done to address them.	Complaints leaflet On-line complaints form Annual Complaints report
4.12	The Council's Civic Affairs Committee will fulfil the core functions of an Audit Committee.	Terms of Reference of the Committee
4.13	The Council will maintain an independent Internal Audit function, with a risk-based annual audit plan, designed to test regularly that the Council's policies and processes operate in practice and that the Council complies with legislation and good practice. The Head of Internal Audit will produce an annual opinion on the Council's internal control environment to meet the requirements of the Public Sector Internal Audit Standards.	Annual Audit Plan Head of Internal Audit Opinion Annual Governance Statement

	The Head of Internal Audit Opinion will be used to inform an Annual Governance Statement and this will be signed off by the Chief Executive and Leader of the Council.	
4.14	The Council will also agree an annual work plan with its External Auditors to test the Council's response to major legislation and the soundness of its financial and governance processes. Recommendations arising from internal and external audit and inspection processes will be used to inform future decision-making.	Terms of Reference of Civic Affairs Committee Risk Register Annual Audit letter
4.15	The Council will ensure that risk management is embedded into the culture of the authority, with managers at all levels recognising that risk management is part of their job. It will have a Risk Management Strategy, supplemented by procedures and guidance.	Risk Management Strategy Procedures and guidance on the Council's Intranet
4.16	The Council will undertake systematic risk assessments in all areas of Council activity, including those covered by Health and Safety legislation. It will maintain a corporate risk register detailing the Council's strategic and service risks and review this regularly.	Risk Assessments Risk Register
4.17	The Council will ensure that risk assessment is incorporated into the Council's decision making and Members are advised of the Council's risk profile at key stages.	Risk Management Strategy and Guidance

5. Developing the capacity and capability of Members and Officers to be effective

		Supporting Evidence
5.1	The Council will seek to maintain its Investors in People accreditation.	IIP Accreditation
5.2	<p>The Council's People Strategy will set out how the Council will recruit, reward and develop its staff to reach their full potential.</p> <p>Staff joining the Council will be offered an induction programme and their training and development needs will be reviewed regularly through the Council's annual performance review process, which applies to all staff.</p>	<p>People Strategy</p> <p>Council Induction Programme</p> <p>Performance Review process</p>
5.3	<p>The Council will have up-to-date job descriptions. It will set and monitor clear objectives for Officers through the annual performance review process.</p> <p>It will agree appropriate remuneration for officers based on an agreed framework of national and local agreements which include job evaluation.</p>	<p>Job Descriptions</p> <p>Performance Review process</p> <p>Competency Framework</p>

5.4	<p>The Council will offer all new Members an induction programme and the opportunity to develop, with a briefing and development programme to meet their needs. The Council will also provide resources for training, attending conferences/seminars and briefings in-house for all elected Members. It will keep a register of the training received by Members and will involve members in reviewing training needs and the resources available during the year.</p>	Member Induction Programme
5.5	<p>The Council will encourage and facilitate Members to have appropriate training or briefing before performing certain roles (e.g. dealing with staff recruitment or disciplinary issues, being a member of the Planning or Licensing Committees).</p>	
5.6	<p>The Council will seek expertise from outside the authority when it does not have the necessary skills in-house, making use of peer reviews and other mechanisms for ensuring challenge of Council services.</p>	
5.7	<p>The Council will seek to encourage engagement in its work through a variety of means including through area committees, public representatives on the Equalities Panel, Tenant Representatives on the Housing Scrutiny Committee and involvement of appointed “Independent Persons” in the work of the Civic Affairs Committee.</p> <p>It will also put resources into outreach work through its community development services and support to tenant and leaseholder representatives.</p>	<p>Membership and Terms of Reference of these bodies</p> <p>Public Questions and petitions</p>

6. Engaging with local people and other stakeholders to ensure robust public accountability

		Supporting Evidence
6.1	<p>The Council will ensure that the authority as a whole is open and accessible to the community, service users and its staff.</p> <p>It will promote the role of Councillors and make the public know who the Councillors are, what roles they have on the Council and how to contact them.</p> <p>It will treat everyone fairly and strive to treat all as rational people able to make up their own minds.</p> <p>It will also strive to provide services on the basis of need rather than ability to pay.</p>	<p>Survey results</p> <p>Public Question Time and Petition procedures</p> <p>Council Website</p> <p>Cambridge Matters</p> <p>Annual Statement</p> <p>Charging policies for services</p>
6.2	<p>The Council will make clear through its website and other Council publications the services that it is responsible for, how people can contact the Council and the service standards they can expect.</p>	<p>Council website</p> <p>Council Tax Leaflet</p> <p>Annual Report</p> <p>Open Door</p> <p>Cambridge Matters</p>
6.3	<p>The Council will undertake surveys of residents to ensure that it has up to date information about their priorities and levels of satisfaction with the Council and its services.</p>	<p>Budget Consultation</p>

6.4	<p>The Council's consultation programme will ensure that the Council proactively seeks the views of a wide range of people and engages with all sections of the community effectively.</p> <p>This will be achieved through a mix of corporate consultation initiatives with more targeted consultation on service specific issues led by relevant departments.</p>	<p>Consultation reports Statement of Community Involvement Code of Best Practice on Consultation and Community Engagement</p>
6.5	<p>The Council will seek to ensure all views are actively considered when making decisions, recognising that it is not always possible to reconcile conflicting viewpoints.</p> <p>The Council will ensure it makes feedback available to consultees on the outcomes of consultation, what has changed as a result and explaining why it has made the decisions it has.</p>	<p>Consultation pages on website Council Publications Code of Best Practice on Consultation and Community Engagement</p>
6.6	<p>The Council will undertake Equality Impact Assessments of all major Council decisions and take action to implement changes required, to ensure that council services and policies consider the diverse needs of its service users and citizens.</p> <p>It has a Single Equalities Scheme covering race, disability, gender age, sexual orientation and religion or belief and an Action Plan will be reviewed annually.</p> <p>It will also use "Mapping Poverty" research data, or other relevant data, to inform decisions about relative deprivation in the City.</p>	<p>Examples of Equality Impact Assessments Annual Review of Equalities Single Equality Scheme Comprehensive Equalities Action Plan Mapping Poverty report</p>

6.7	The Council's Equalities Panel (which has staff, member and public representatives) will help the Council evaluate its success in promoting diversity and meeting a broad range of needs.	Terms of Reference and agendas of meetings
6.8	The Council will enter into compacts with Tenants and the Voluntary Sector agreeing ways of working with these two stakeholder groups. The Compacts will be reviewed on a regular basis.	Compact documents
6.9	The Council will set out in its collective agreements, employment policies and procedures, and terms of reference for forums and meetings involving trade unions, and how it will consult with staff and Trade Unions.	Collective Agreements Employment policies and procedures Trade Union Facilities Agreement
6.10	Members will meet with the Trade Unions in a Joint Staff/ Employer Forum. Each Strategic Director will have staff forums and there will be Joint Trade Unions Group meetings.	Joints Staff /Employer Forum Terms of Reference and Agendas/Joint Trade Unions Group Agendas and Minutes Trade Union Facilities Agreement

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Present:

Committee Members: Councillors McPherson (Chair), Benstead (Vice-Chair), Cantrill, Gawthrop, Holt, Robertson

RECOMMENDATION TO COUNCIL

Review of Members' Allowances

The committee received a report from the Independent Remuneration Panel which contained recommendations following a review of the current Members' Allowances Scheme. The committee noted the total figure in the table in paragraph 4.3 of the officer report should read £41,913

Councillor Robertson made the following points which also proposed some amendments to the Independent Panel's recommendations:

- a) In recognition of the onerous and time consuming nature of their work the extra responsibility paid to members of the Licensing Committee should not be scrapped.
- b) The council already support councillors by providing new laptops when requested. This should continue to be the case but the automatic issue of laptops or tablets is not agreed.
- c) Claimable allowance such as for travel, subsistence and carer are felt to be adequate but carers should be paid at least the Living Wage.
- d) The suggested provision of a meal at the break at main Council meetings is not supported.

He also recommended to the Panel that the Oxford City Council scheme sets a basic allowance and then adds Special Responsibility Allowances as multiples of that. The Panel is requested to consider for the second stage of their work that sort of scheme as one possibility. The Committee agreed and the Panel acknowledged this request.

The committee noted that by accepting not to scrap the Licensing Committee special responsibility allowance the savings would be reduced by £5,004 and the total would be £46,917.

Resolved to recommend to Council:

To adopt the amended interim recommendations of the Independent Remuneration Panel:

Basic Allowance

- i. The Area Committee Allowance be removed and the sum consolidated into the Basic Allowance.
- ii. (By 4 votes to 2) The Basic Allowance be re-aligned to the National Living Wage and thereafter be indexed in line with National Living Wage increases in order to rectify the anomalous situation which has arisen through failing to index link Councillors' Allowances. By 1st April 2016 the national minimum wage will have increased by 25.6% from £5.73 per hour in 2008, (when current Allowance payments were last set) to £7.20 per hour. The Basic Allowance should be increased by the same percentage to £4,300 with effect from the 2016/17 municipal year.
- iii. (By 4 votes to 2) This increase be applied immediately, in full, since it will only bring the Basic Allowance closer to, rather than on a par with, that paid to Members of comparable Councils.

Special Responsibility Allowances (SRAs)

- iv. As an interim measure, pending the outcome of a more comprehensive review of SRA payments, that the Planning Committee Chair's SRA be increased by £1,000 to £3,226 pa to bring the allowance payment for this role closer to that paid by comparable authorities. That other allowances for the Planning Committee (ie for Vice-chair and Members) remain the same.
- v. As an interim measure, that SRAs be removed from Vice Chairs of all committees other than that of the Planning Committee and that the SRAs to all members of committees (with the exception of the Licensing, Planning and Joint Development Control Committees) be discontinued. This saving could be reallocated to part fund the recommended

changes to the Basic Allowance, the Planning Committee Chair's allowance or expenses.

- vi. With the exceptions outlined above, other SRAs remain as they are for the present, and a further detailed review of SRAs be conducted within 6 months when the impact of current developments in Councillor roles and responsibilities is clearer. The objective of this review will be to produce an internally consistent scheme for Basic and Special Responsibility Allowances which will be appropriate to current Councillor roles and responsibilities.

IT/Expenses

- vii. As part of the move to increase efficiency and reduce waste, IT support be enhanced for councillors. (The Panel understand that there are IT support issues within the Council which should be resolved). This will produce efficiencies in the longer term. The council already support councillors by providing new laptops when requested. This should continue to be the case but the automatic issue of laptops or tablets is not agreed.
 - viii. As the stationery expense is so out of date the claim for stationery expense be removed and a gross amount of £75 per councillor per annum be allowed in addition to the Basic Allowance. This is to cover stationery, mobile phone and other communication expenses.
 - ix. Apart from the changes outlined above travel, subsistence and carers' allowances remain the same but carers should be paid at least the Living Wage.
 - x. That the next full review of the Members' Allowances Scheme should take place not more than two years from the date of the Panel's report.
- 2.2 That Council approves the budgetary requirement for 2016/17 up to £46,917 from Reserves.

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CAMBRIDGE CITY COUNCIL

REPORT OF: Democratic Services Manager

TO: Civic Affairs Committee

29/6/2016

WARDS: None directly affected

INTERIM REVIEW OF MEMBERS' ALLOWANCES

1 INTRODUCTION

- 1.1 The Independent Remuneration Panel (the Panel) has made interim recommendations for the Committee (and Council to approve) following a review of the current Members Allowances Scheme.

2. RECOMMENDATIONS

- 2.1 The Committee is asked to agree, or amend, the interim recommendations of the Independent Remuneration Panel, copied below from its report appended, and to report to Council an Allowances Scheme for adoption:

Basic Allowance

- i) The Area Committee Allowance be removed and the sum consolidated into the Basic Allowance.
- ii) The Basic Allowance be re-aligned to the National Living Wage and thereafter be indexed in line with National Living Wage increases in order to rectify the anomalous situation which has arisen through failing to index link Councillors' Allowances. By 1st April 2016 the national minimum wage will have increased by 25.6% from £5.73 per hour in 2008, (when current Allowance payments were last set) to £7.20 per hour. We therefore recommend that the Basic Allowance be increased by the same percentage to £4,300 with effect from the 2016/17 municipal year.

- iii) This increase be applied immediately, in full, since it will only bring the Basic Allowance closer to, rather than on a par with, that paid to Members of comparable Councils. If the Council decides that this increase should be phased we recommend that it be front-loaded to provide an immediate uplift in basic allowance.

Special Responsibility Allowances (SRAs)

- iv) As an interim measure, pending the outcome of a more comprehensive review of SRA payments, that the Planning Committee Chair's SRA be increased by £1,000 to £3,226 pa to bring the allowance payment for this role closer to that paid by comparable authorities. That other allowances for the Planning Committee (ie for Vice-chair and Members) remain the same.
- v) As an interim measure, that SRAs be removed from Vice Chairs of all committees other than that of the Planning Committee and that the SRAs to all members of committees (with the exception of the Planning and Joint Development Control Committees) be discontinued. This saving could be reallocated to part fund the recommended changes to the Basic Allowance, the Planning Committee Chair's allowance or expenses.
- vi) With the exceptions outlined above, other SRAs remain as they are for the present, and a further detailed review of SRAs be conducted within 6 months when the impact of current developments in Councillor roles and responsibilities is clearer. The objective of this review will be to produce an internally consistent scheme for Basic and Special Responsibility Allowances which will be appropriate to current Councillor roles and responsibilities.

IT/Expenses

- vii) As part of the move to increase efficiency and reduce waste, we recommend that IT support be enhanced for councillors. This will produce efficiencies in the longer term. Other councils provide laptops/tablets to all councillors. We understand that there are IT support issues within the Council which should be resolved.

- viii) That the basic allowance be top-sliced by an appropriate amount in order to provide refreshments at full council meetings which extend into the late evenings.
- ix) As the stationery expense is so out of date we recommend that the claim for stationery expense be removed and a nominal amount of £75 per councillor per annum be allowed in addition to the Basic Allowance. This is to cover stationery, mobile phone and other communication expenses.
- x) Apart from the changes outlined above we recommend that travel, subsistence and carers' allowances remain the same.
- xi) That the next full review of the Members' Allowances Scheme should take place not more than two years from the date of this report.

2.2 That the Council approves any budgetary requirement up to £42,191 from Reserves.

3. **BACKGROUND**

3.1 The Committee at its meeting on 26 June 2015 agreed the process for establishing an Independent Remuneration Panel and its terms of reference. The Panel was recruited to and met, taking evidence between October and December then reviewed all the evidence and completed its report in February which is attached.

3.2 The provision of allowances to members is covered by the Local Authorities (Members Allowances) (England) Regulations 2003. It is for each local authority to decide its allowances scheme and the amounts to be paid under that scheme. An Independent Remuneration Panel provides the authority with advice on its allowances scheme and the amounts to be paid. The local authority must have regard to this advice.

3.3 Basic allowances have been at the same level since 2005/06, executive councillor and other special responsibility allowances have been at the same level since 2006/07. In 2007/08 all councillors received an SRA of £417 for area committee membership – this meant in effect that all members received the basic allowance of £2,782 plus £417 totalling £3,199. In the Independent Panel's report it refers to the current scheme being adopted in 2008/09. For clarification, this means that this was the

last time a substantive change was made (the inclusion of a special responsibility allowance for Joint Development Control Committee members).

4. THE PANEL'S REPORT

4.1 The evidence gathered by the Panel has been comprehensive. In its report it refers to the County Council allowances on a couple of occasions. The Panel was aware that a district council allowance scheme cannot be compared with a County Council scheme as they are not like for like and the Statutory Guidance is quite clear on this. However, it was clear from the interviews with councillors and the evidence gathered of the close working relationships that exist across the councils in the Cambridge area, and that it couldn't be totally ignored.

4.2 The Panel refer in its recommendations to Members IT support and IT issues, which should be resolved. Officers have already set up a group led by the Strategic Director which includes the Interim Head of the shared ICT service (3C ICT) in response to the Panel's report. The Group are, amongst other things, looking at the best ways to engage with Members in a productive and sustainable way to identify the service provision requirements going forward. To this end it is reviewing the way that ICT is currently provided to, and accessed by, Members across the three district councils covered by 3C ICT, with the aim of identifying best practice from them and from elsewhere as appropriate. Members may appreciate that the governance arrangements for 3C ICT as a shared service ensure the scrutiny of the delivery of its services to the three councils via the Strategy and Resources Scrutiny Committee. The Group will be undertaking work over the summer and will report to members in the autumn with proposals.

4.3 The Panel's recommendations have the following cost implications:

Basic allowance increase (42 Cllrs)	£ 46,242
SRA Planning Cttee Chair (1 Cllr)	£1,000
Stationery (42 Cllrs)	£3,150
SRA savings	(£8,201)
Total	£42,191

4.4 The Head of Finance reports that any additional funding for the Members Allowances in 2016/17 would need to come from the Council's

Reserves. This will be noted in the Mid Year Review reported to Council in the Autumn and budgetary provision for future years will need to be made in the Budget Report to Council in February 2017.

5. CONSULTATIONS

Liz Bisset formerly Director of Customer and Community Services was the senior officer with oversight of this project. The Chief Executive has been consulted on this report.

6. OPTIONS

Councillors must take into account the Panel's recommendations when agreeing a new scheme of Allowances-but they are not bound by it. The statutory guidance states "...that the amounts payable to members is one for local determination. In this way, councils can take full account of their particular circumstances and be directly accountable to the electorate. This accountability is sharpened through each council being advised on its own scheme by a local panel whose members are required to be independent."

7. IMPLICATIONS

(a) Financial Implications

These are described in 4.3.

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

None

(c) Equal Opportunities Implications

The Panel considered the equalities issues set in its terms of reference and covered in its report and recommendations. In terms of any Tax and Benefit implications of any changes, these are a matter for individual councillors although the Council's Finance Support Services Manager can be contacted for any initial advice.

(d) Environmental Implications

None

(e) Procurement

None

(f) Consultation and communication

The agreed allowances scheme and the Panel's recommended are required to be published in a local newspaper (in addition to the Council's website).

(g) Community Safety

None

BACKGROUND PAPERS: The following are the background papers that were used in the preparation of this report:

None. See the Panel's report for background papers.

The author and contact officer for queries on the report is Gary Clift 01223 457011.

Report file: Date originated: 30 June 2016

Date of last revision: 30 June 2016

Summary

Cambridge is a rapidly growing city of national importance and international renown. It needs to recruit and retain City Councillors of the highest calibre. The Members' Allowance Scheme does not provide pay for Councillors but gives some recompense in recognition of the time spent and responsibility undertaken by councillors. The City Council scheme has not been updated since 2008 and is not index linked. The work of the City Council has changed since that time and continues to change. Consequently the Scheme no longer adequately reflects current practice either here or elsewhere in the country.

In October 2015 and in accordance with Statutory Guidance, an Independent Remuneration Panel was appointed to review the Scheme. It used benchmarking data from comparable councils, an on-line survey and interviews with councillors. It also considered national guidance and internal documentation.

Broadly, its findings are:

for Basic Allowance:

- Cambridge City Council has fallen behind all benchmarked councils both locally and nationally
- there is some evidence that this is having a detrimental effect
- the link between the Basic Allowance and the statutory national minimum wage should be restored and maintained by indexing to changes in the national minimum wage.

for Special Responsibility Allowances, because of the changing nature of the ways in which the Council works:

- there are two anomalies which need to be rectified immediately
- further work will need to be undertaken to ensure that SRAs match new responsibilities and that the level and distribution of Allowance payments is consistent.

for out-of-pocket expenses:

- most Councillors under-claim for legitimate expenses and some never claim
- the areas covered by stationery expenses are completely out of date
- some change in the mechanism for providing expenses is needed.

The IRP has made 10 recommendations for changes to the Allowance scheme including a recommendation that a detailed review of Special Responsibility Allowances is undertaken within six months and a further review of the MAS is undertaken within two years.

1. Background

1.1. Cambridge is a dynamic and rapidly growing city with a national and international reputation to uphold. It forms a vital part of the nation's economy. It is in the interests of Cambridge citizens for the City Council to continue to recruit and retain City Councillors of the highest calibre who can represent the quality and diversity of the city. The role of City Councillors is rapidly evolving with oversight of shared services and initiatives such as the City Deal taking an increasing amount of time and resources. Being a City Councillor is a voluntary activity for which an allowance is paid in order to ensure that diversity is encouraged and no-one is debarred from taking an active part in the democratic process.

1.2. The current Members' Allowance Scheme (MAS) was adopted in 2008 with the Basic Allowance being based on the national Minimum Wage at that time of £5.73 per hour. The Scheme was reviewed in 2010 when the then Council decided not to accept all of the recommendations of the then Independent Remuneration Panel (IRP). Consequently Councillors' Allowance payments have remained at the level adopted in 2008. (Ref: Appendix A, Members' Allowances Scheme). Because the scheme was not index linked in any way, the allowances paid to Cambridge City Councillors have fallen far below those of all other comparable Councils. In 2012 the Taxpayers' Alliance ranked Cambridge City 9th lowest in the country for its basic allowance and in 2016 it is the lowest in the East of England. The Basic Allowance for Cambridge City Councillors is now about two-thirds of the average level of that paid by Councils comparable either in terms of their composition (eg Oxford City Council) or geographical location (egs South Cambridgeshire DC or Cambridgeshire CC).

1.3. In June 2015 the Council decided to review its Members Allowance Scheme and, in line with Statutory Guidance, an Independent Remuneration Panel (IRP) was appointed by senior officers of the council to undertake this review. Ref: Appendix B Terms of reference of this panel and biographical details of its members.

2. Methodology

Between October and February 2015 the IRP undertook a review of the City Council MAS. It used a combination of benchmarking against the Schemes of comparable councils, opinion survey and interviews with serving councillors and reviewing other relevant documentation provided by Council officers.

The panel recognised that this is a time of austerity. We kept this in mind while considering the possible consequences for the City Council of either no change or of updating allowances.

2.1. Benchmarking; we compared the City Council with non-metropolitan district councils on the CIPFA website based on all indicators (Oxford being closest in composition to Cambridge and the next closest being Exeter). Of the 15 best matches we sought information about allowances and received up-to-date information from five, Oxford, Crawley, Exeter, Cheltenham and Welwyn Hatfield. We also sought information from neighbouring councils.

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These councils are already part of joint working with the City Council or there is the possibility of joint working in the future. These are East Cambs DC, South Cambs DC, Fenland DC, Huntingdon DC and Cambridgeshire County Council. Ref: Appx C Benchmarking data

2.2. Evidence from serving councillors; we conducted an on-line survey open to all Councillors. From a full Council of 42 members we had 25 fully completed responses with another 6 incomplete.

We conducted individual interviews with 14 Councillors and Councillors were also invited to a drop-in session which was attended by 5 more. The individual interviews covered all political parties represented on the Council, Executive Councillors, Chairs of Committees, Leaders of all three Council groups, newly elected Councillors and those not standing for re-election. In order to encourage frankness, individual responses to the survey and interview were considered as confidential to the Panel. Ref: Appx D, list of survey questions.

2.3. Briefings from Council Officers; we received written documentation, verbal briefings and administrative support from Democratic Services staff and we are grateful for their assistance in enabling us to complete this review.

3. Findings

3.1. Basic Allowance. It is clear from the benchmarking exercise with comparable councils that the basic allowance for Cambridge City Councillors is significantly lower than those of all comparator authorities in the benchmarking group. Ref: Appendix C, Benchmarking Data

All Cambridge City Councillors currently receive a combined allowance payment of £3199 pa, (a Basic Allowance payment of £2782 pa and an Area Allowance of £417 pa).

By comparison:

- all Councillors in Oxford and South Cambridgeshire receive a Basic Allowance payment which is 50% higher than that of Cambridge
- the Basic Allowance paid to East Cambridgeshire, Huntingdon and Fenland Councillors is 30% to 40% higher than the Cambridge allowance
- the Basic Allowance paid to Cambridgeshire County Councillors representing Cambridge constituencies is 140% higher than that paid to Cambridge City Councillors.

There is evidence already from councillors that the low level of Basic Allowance is causing some recruitment problems and deterring prospective candidates from some sections of the community. More generally, there is the possibility of emerging retention problems in the near future with some Councillors considering whether to continue to serve because of both time and financial pressures. There is a need for continuity on the Council which will be disrupted if retention of Councillors becomes an issue. There is also anecdotal evidence that potential City Councillors who are eligible to sit on another local council with higher allowances are taking that option.

3.2 Special Responsibility Allowances (SRAs)

Statutory Guidance states that SRAs may be paid where members have significant additional responsibilities (their emphasis). Benchmarking against comparable councils shows significant disparities and little consistency in the level of SRAs paid to post holders in apparently comparable roles. Ref: Appendix C.

In such a rapidly changing environment, (eg city growth and the impact of potential changes to constituency boundaries, devolution of powers to local authorities, increased working in joint committees with other councils and joint committees such as the City Deal Executive Board and Assembly), we have not found it possible at present to gather sufficient information in order to make firm recommendations about updating all SRAs.

We have recommended some interim changes in order to remove anomalies and better align Cambridge City Council with statutory guidance and practice in comparator councils. There will need to be a further review when the impact of developments in the roles of Cambridge City councillors become more evident. This will allow SRAs to be appropriately aligned to the changing scope and importance of the responsibilities of City Councillors.

3.3. Expenses: it became obvious during the course of our data gathering that most Councillors do not claim all the out-of-pocket expenses to which they are entitled and many never claim at all. Also, with the universal move towards electronic communication it became clear that the section of the MAS dealing with stationery and ancillary expenses is seriously out of date. In an effort to increase cost-efficiency and reduce bureaucracy we recommend a change in the manner in which this expense is allocated.

3.4. Several councillors commented that the refreshments that had been available for full council meetings had been withdrawn. This was in order to fit with HMRC guidance. Those councillors in full or part-time employment often come straight from work and have no time to provide their own food before such meetings. It was also brought to our attention that this was the only time that all councillors, regardless of Party affiliation, mingled.

4. Recommendations

Basic Allowance

4.1. The Area Allowance be removed and the sum consolidated into the Basic Allowance.

4.2. The Basic allowance be re-aligned to the National Living Wage and thereafter be indexed in line with National Living Wage increases in order to rectify the anomalous situation which has arisen through failing to index link Councillors' Allowances. By 1st April 2016 the national minimum wage will have increased by 25.6% from £5.73 per hour in 2008, (when current Allowance payments were last set) to £7.20 per hour. We therefore recommend that the Basic Allowance be increased by the same percentage to £4300 with effect from the 2016/17 municipal year.

4.3. We recommend that this increase be applied immediately, in full, since it will only bring the Basic Allowance closer to, rather than on a par with, that paid to Members of comparable Councils. If the Council decides that this increase should be phased we recommend that it be front-loaded to provide an immediate uplift in basic allowance.

Special Responsibility Allowances

4.4. As an interim measure, pending the outcome of a more comprehensive review of SRA payments, we recommend that the Planning Committee Chair's SRA be increased by £1000 to £3226 pa to bring the allowance payment for this role closer to that paid by comparable authorities. We recommend that other allowances for the Planning Committee (ie for Vice-chair and Members) remain the same.

4.5. As an interim measure, we recommend that SRAs be removed from Vice Chairs of all committees other than that of the Planning Committee and that the SRAs to all members of committees (with the exception of the Planning and Joint Development Control Committees) be discontinued. This saving could be reallocated to part fund the recommended changes to the Basic Allowance, the Planning Committee Chair's allowance or expenses.

4.6. With the exceptions outlined above, we recommend that other SRAs remain as they are for the present, and recommend that a further detailed review of SRAs be conducted within 6 months when the impact of current developments in Councillor roles and responsibilities is clearer. The objective of this review will be to produce an internally consistent scheme for Basic and Special Responsibility Allowances which will be appropriate to current Councillor roles and responsibilities.

4.7. As part of the move to increase efficiency and reduce waste, we recommend that IT support be enhanced for councillors. This will produce efficiencies in the longer term. Other councils provide laptops/tablets to all councillors. We understand that there are IT support issues within the Council which should be resolved.

Expenses

4.8. We recommend that the basic allowance be top-sliced by an appropriate amount in order to provide refreshments at full council meetings which extend into the late evenings.

4.9. As the stationery expense is so out of date we recommend that the claim for stationery expense be removed and a nominal amount of £75 per councillor per annum be allowed in addition to the Basic Allowance. This is to cover stationery, mobile phone and other communication expenses. Apart from the changes outlined above we recommend that travel, subsistence and carers' allowances remain the same.

4.10. In addition to recommendation 4.6, we recommend that the next full review of the MAS should take place not more than 2 years from the date of this report.

February 2016

Appendices

Appx A City Council Members Allowance Scheme
Appx B IRP Terms of Reference and Biographies of IRP members
Appx C Benchmarking Spreadsheet
Appx D Survey questions
Appx E Additional documents seen by the Panel

Appendix A

Members' Allowances Scheme 2015 to 2016

Councillors are not paid a salary. However, they do get allowances to cover some of the costs of being a Councillor. The Basic Allowance, the Special Responsibility Allowance, childcare and carer's allowance, and travelling costs are set by the Council having noted recommendations put to it by the Independent Remuneration Panel.

1. Basic Allowance, and Special Responsibility Allowance (taxable)

Basic allowance: This is an annual flat rate payment to all Councillors, intended to recognise the time devoted by Councillors to work in their wards and political groups, recognising the level of out-of-pocket expenses Councillors incur in carrying out their functions (eg stationery, telephone costs, and computer consumables.) It also recognises that Councillors undertake their Council work for the sake of public service and not for private gain. Each Councillor will receive an annual allowance of £2,782.

In addition, all forty-two Members of the Council receive £417 in an Area Committee allowance. Therefore, the total allowance for a City Councillor before adding any other special responsibilities listed below is £3,199.

Special Responsibility Allowance: This is paid to Councillors who have a higher than average workload, and/or hold particular positions of responsibility within the Council:

Leader	£10,433
Executive Councillor	£8,346
Scrutiny Committees - Chair	£1,113
Scrutiny Committees - Vice-Chair	£278
Scrutiny Committees - Minority Spokes (LD)	£1,391
Scrutiny Committees - Minority Spokes (Minorities Group)	£556
Planning - Chair	£2,226
Planning - Vice-Chair	£139
Planning - Member (8)	£556
Planning - Minority Spokes (LD)	£1,550
Planning - Minority Spokes (Minorities Group)	£835
Licensing - Chair	£696
Licensing - Vice-Chair	£139
Licensing - Minority Spokes (LD)	£696
Licensing - Minority Spokes (Minorities Group)	£139
Licensing - Member (12)	£417

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Joint Development Control (Chair / City spokes)	£2,226
Joint Development Control - Member (6)	£556
Civic Affairs - Chair	£1,113
Civic Affairs - Vice-Chair	£278
Civic Affairs - Minority Spokes (LD)	£556
Employment Appeals Sub - Members (10)	£139
Leader of the Opposition Group – Lib Dem	£2,394
Leader of the Opposition Group – Minorities Group	£1,431

Special responsibility allowances for Opposition Group Leaders are calculated by allocating an amount equivalent to one fifth of the Basic Allowance (£640) to a notional 'group of one', which is then multiplied by the square root of the number of members that each group has in order to arrive at individual figures.

Area Committees - Chair (4)	£835
Area Committees - Vice-Chair (4)	£139

2. Travel and Subsistence Allowances

Councillors are paid at the same rates as Officers.

Mileage allowances are:

Casual User Mileage (up to 10,000 miles):	45 pence per mile
Casual User Mileage (after 10,000 miles):	25 pence per mile

Bicycle rate is based on the HMRC advised rates, which is now 20 pence per mile.

The motorcycle rate is 24 pence per mile.

Travel and subsistence allowances are payable for those duties prescribed in Regulations; that is:

- 1: A meeting of the executive;
- 2: A meeting of a committee of the executive;
- 3: A meeting of the authority;
- 4: A meeting of a committee or sub-committee of the authority;
- 5: A meeting of some other body to which the authority make appointments or nominations;

6: A meeting of a committee or sub-committee of a body to which the authority make appointments or nominations;

7: A meeting which has both been authorised by the authority, a committee, or sub-committee of the authority or a joint committee of the authority and one or more other authorities, or a sub-committee of a joint committee and to which representatives of more than one political group have been invited (if the authority is divided into several political groups) or to which two or more councillors have been invited (if the authority is not divided into political groups);

8: A meeting of a local authority association of which the authority is a member;

9: Duties undertaken on behalf of the authority in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises;

10: Duties undertaken on behalf of the authority in connection with arrangements made by the authority for the attendance of pupils at a school approved for the purposes of Section 342 of the Education Act 1996; and

11: Any other duty approved by the authority in connection with discharging the duties of the authority or its committees or sub-committees.

Reimbursement of public transport fares can also be made when attending approved council duties. For journeys by train, please ask for a **travel warrant** in advance of the journey from the Members' Services office.

VAT - Please let the staff in Members' Services make your hotel and flight bookings, as the Council can then reclaim the VAT.

You can only claim travel costs **from outside** Cambridge if your absence from Cambridge was unavoidable or if a meeting is called at short notice, and you have to make a journey which you would not otherwise have made. The exception to this rule is attending Planning or Licensing Committee meetings, as these take place more frequently than other meetings.

You cannot claim subsistence allowance for duties carried out within three miles of your home or if meals are provided.

Subsistence: can only be claimed where meals/accommodation are not provided.

Breakfast Allowance: (More than 4 hours away from normal place of residence or where the authority permits, a lesser period, before 11 am.)	£6.72.
Lunch Allowance: (More than 4 hours away from normal place of residence or where the authority permits, a lesser period, including the lunchtime between 12 noon and 2pm.)	£9.28.
Tea Allowance: (More than 4 hours away from normal place of residence or where the authority permits, a lesser period, including the period 3 pm to 6 pm.)	£3.67.
Evening Meal Allowance: (More than 4 hours away from normal place of residence or where the authority permits, a lesser period, ending after 7 pm.)	£11.49.
Overnight Subsistence.	
Absence overnight from the usual place of residence:	£79.82
In London, or attending an approved conferences:	£91.04

3. Members' Childcare and Carer's Allowance

A Childcare/Dependent Carer Allowance is payable for actual expenditure incurred whilst undertaking approved council duties. No cap shall be put on the overall budget for this Allowance, or on that which is paid to an individual member of the Council in any given year. This allowance is set by the Council having had regard to the recommendations annually of the Independent Remuneration Panel. The Panel considered allowances for childcare and dependent relatives and concluded that it was appropriate for actual expenditure to be reimbursed. The allowance should be subject to receipts being submitted. The member must provide care for a person who normally lives with the member as part of his/her family and who is:

- 1: A child below school age during school hours;
- 2: A child under 14 outside of school hours; and
- 3: An elderly, sick, or disabled dependent requiring constant care.

A Carer will be any responsible mature person who does not normally live with the member as part of the member's family.

Payments made under this scheme will be open to public inspection.

Travel, subsistence and care allowances is payable for any invitations (except social events) from any official bodies. The Scheme is set so that payment of care, travel and subsistence

allowances would be such that unexpected circumstances or new responsibilities or activities were covered by default, i.e. that rather than having a prescribed list of activities that ARE covered, have a list of proscribed activities (that are not covered).

4. Expenses

All Members are able to claim out of pocket expenses. The Council pays for:

1: Council letter-headed paper;

2: Plain paper;

3: Postage on the letters the Business Support team prepares for dispatch;

4: Ink cartridges (providing signature is received confirming that it is used predominantly for Council work);

5: Travelling expenses for:

A: Meetings that are approved Council duties (including site visits*);

B: Meetings instigated by an officer, which are (or had the potential to be) cross party;

C: Training and development for councillors organised by the Council
Attendance at conferences and seminars that have been booked by officers;

D: Briefings to Councillors that are cross party and organised by the Council;

E: Council Working Parties; and

F: Meetings of outside bodies attended as a Council representative
Civic duties in capacity as a Bailiff;

6: Hanging files and folders for Council-supplied filing cabinets;

7: Phone calls made from the Council offices;

8: Hiring of accommodation for Group Away Days; and

9: Personalised business cards and compliments slips.

The Councillor pays for:

- 1: Ink cartridges when used mainly for private work;
- 2: Pens, pencils, notepads, post-its and other ancillary stationery;
- 3: Travelling expenses relating to:
 - A: Meetings within the Ward(s);
 - B: Visits to constituents;
 - C: Attendance at civic functions (unless a Bailiff); and
 - D: Single party meetings/briefings.
- 4: Postage on letters typed and despatched by councillors;
- 5: Envelopes;
- 6: Phone calls made from home or mobile phones; and
- 7: Any party political affiliation fees or expenses.

5. Changes

Entitlements will be payable on a part-year basis in any given year where:

- 1: The scheme is amended;
- 2: A Councillor either is elected to or leaves the Council; or
- 3: A Councillor takes on, or gives up, a position for which a special responsibility allowance is payable.

6. Co-optee's Allowance

A co-optee's allowance of the minimum wage for hours served, plus out of pocket expenses, is available.

7. Back-dating

There is no backdating to the beginning of the financial year of the allowances scheme in the event of the scheme being amended.

8. Adjustment

There is no annual adjustment of allowance levels by reference to an index.

9. Pension Entitlement

There is no entitlement to a pension for any member under its Allowances Scheme.

10. Advice

Members may receive advice on the impact of receiving allowances and expenses on their tax and benefit position by contacting Karl Tattam in the Council's Finance Department (458161).

11. Timeliness

Please make all claims **within two months** on the Council's official claim form. Claims which are received no later than 5 p. m. on the fifth calendar day of each month will be paid on the twenty-fourth day of that month.

12. Foregoing

Finally, any member of the Council may, by notice in writing given to the Democratic Services Manager elect to forego any part of his/her entitlement to any Allowance under this scheme.

Biographical information on members of the Independent Remuneration Panel

Sean Brady

Sean Brady (now retired) was an underwriter and senior manager with a multi-national insurance group, and is a Life Member and Fellow of the Chartered Insurance Institute and a Chartered Insurer. His work took him to nine different countries and included undertaking training and programmes for staff. After returning to the UK in 1988, Sean was chairman of numerous voluntary/charitable organisations and, for 10 years, of Uttlesford District Council's Standards Committee. Presently he is an Independent Person for Cambridge City Council and Cambridgeshire County Council as well as for the joint Fire Service. He lives in Saffron Walden.

Jane Phillips

Jane Phillips has worked as a teacher and a business psychologist. She has also been a school governor for over thirty years, working with five different schools in Hertfordshire and Cambridgeshire. During this time, she has been the Chair of Governors and the Chair of Personnel and has drawn up policies on governor expenses and a code of conduct for the governing body. From 1992-1995 she was the Chair of Hertfordshire Governors' Association and from 2000-2003 she was the Chair of the National Association of School Governors. She is now the Chair of Birdwood Area Residents' Association in Cambridge. In her spare time she is undertaking an MA in Crime Writing. She lives in Cambridge.

Graham Jagger

Graham Jagger is a Cambridge graduate and professional HR manager and consultant with wide public and private sector experience. During the last 20 years he has worked in the NHS at Trust, regional and national levels including as Director of Corporate Development at Papworth Hospital NHS Foundation Trust and as Agenda for Change Director for Papworth, Addenbrookes and the East of England. He was appointed to the independent NHS Pay Review Body by the Secretary of State for Health in 2009, responsible for reviewing and making recommendations to government on changes to the pay and conditions of NHS staff. He is currently Lead Governor, Papworth Hospital NHSFT, a member of the East of England Advisory Committee on Consultant Clinical Excellence Awards and a Non-Executive Director of Healthwatch Cambridgeshire. He has six years' experience of reviewing a members' allowance scheme as member and then chair of the Independent Remuneration Panel at South Cambridgeshire District Council. He lives in Cambridge.

Terms of Reference for the Panel

To recommend a scheme or schemes to the Council which

- i. recognises that councillors undertake council work for the sake of public service and not private gain
- ii. recognises in both basic and special responsibility allowances the varying demands placed upon councillors, dependent upon their roles and responsibilities
- iii. fairly and equitably compensates councillors, so far as the Panel thinks appropriate, for the time and effort they can reasonably be expected to devote to their work as a councillor
- iv. is economic, efficient to administer and effective
- v. is easy to understand and explain
- vi. recognises the level of out of pocket expenses councillors incur
- vii. has flexibility to reflect changes of responsibilities of councillors during the course of the year
- viii. ensures that a benchmarking exercise is undertaken with other comparable Councils.
- ix. ensures that equality and diversity implications are considered so that a diverse range of Councillors can be attracted.

APPENDIX C: MEMBER ALLOWANCE SCHEMES of COMPARATOR COUNCILS

1. The IRP benchmarked Cambridge City Council's Member Allowance Scheme against the Schemes both of the non metropolitan district councils closest in composition to Cambridge and those of neighbouring councils. Benchmarking data on comparative Schemes is summarised in the attached spreadsheet.
 - Information was obtained from the 15 councils closest in composition to Cambridge based on CIPFA's statistical indicators; current data on allowances and expenses has been summarised on the 5 best matches to Cambridge; Oxford, Crawley, Exeter, Cheltenham and Welwyn Hatfield.
 - The neighbouring councils chosen for benchmarking are those where there is already joint working with Cambridge or where there is the possibility of joint working in the future; East Cambs, South Cambs, Huntingdon and Fenland District Councils and Cambridgeshire County Council

2. All Cambridge City Councillors receive an allowance payment of £3199 comprising £2782 Basic Allowance and £414 Area Allowance. Comparison of benchmarking shows that:
 - Cambridge's Basic Allowance,(£2782) is 58% that of the Basic Allowance payment in Oxford and South Cambridgeshire; the Basic Allowance paid to Councillors in Oxford, South Cambs and other neighbouring Councils is 30% to 50% more than the £3199 combined allowance of a Cambridge City Councillor.
 - The combined allowance of a Cambridge City Councillor is 42% of the Basic Allowance paid to a County Councillor representing a Cambridge constituency.

3. Comparison of benchmarking data on Special Responsibility Allowances(SRAs) shows little consistency between Councils in the level of SRAs paid to post holders in apparently comparable roles, but that:
 - Cambridge is the only Council in the benchmark group to pay SRAs to Spokes and Members of regulatory committees, (other than Huntingdon which pays an SRA to Planning Committee members). Most other Councils follow national good practice guidance in limiting SRAs to a maximum of 2 per councillor.
 - Cambridge City leader's SRA is comparable to that paid to the leader of South Cambridgeshire, but is at least 40% less than that paid to most other Council leaders in the benchmark group.
 - The SRAs paid to the Chairs and Vice Chairs of Cambridge Planning and Scrutiny committees are less than half that paid to counterparts in most other comparable Councils including Oxford, South Cambs, Fenland and Huntingdon.

4. Cambridge's travel, subsistence and carers allowance expense provisions are comparable to those of other Councils some of which have subsumed some claimable incidental expenses into Basic Allowance payments

APPENDIX E - Independent Remuneration Panel 2015/16
Additional Documents Seen
Unless stated, the document is from Cambridge City Council.
The number of pages, if more than 1 is stated in [].

1. About the City and the Council - Current information sheets. [6]
2. Annual Attendance of Councillors 2014/15.
3. Census of Local Councillors 2013 by the Local Government Association. [67]
4. Census Profile 2011 by City Ward.
5. City Pay Bands from 1 January 2015.
6. Civic Affairs Committee Minutes of the Meeting on 26 June 2015. [8]
7. Committee Meetings - Number annually since 2009/10.
8. Committee Memberships - Extract from Minutes of Council Meeting, 28 May 2015. [6]
9. Councillors' age, ethnicity and employment data.
10. Demographic data for Cambridge.
11. MEL Budget Survey Findings dated November 2014. [28]
12. Members' Allowances Scheme 2015 to 2016. [6]
13. Minimum Wage Increases 2003 to 2015.
14. Pay Policy Statement 2015/16. [7]
15. Review of Councillors' Responses to Survey.
16. Review of Members' Allowances - Report of Democratic Services Manager to Civic Affairs Committee dated 26 June 2015. [4]
17. Special Responsibility Allowances 2015/2016.

18. Other comparative councils' allowances by office and committee.
19. Cheltenham Borough Council Independent Remuneration Panel Report dated March 2012. [11]
20. Cheltenham Borough Council Independent Remuneration Panel Report dated July 2012. [3]
21. Crawley Borough Council Independent Remuneration Panel Report 2012/13 to 2015/16. [9]
22. East Cambs. Independent Remuneration Panel Report dated December 2012. [10]
23. Exeter City Council Independent Remuneration Panel Report dated 9 January 2014. [5]
24. Huntingdon District Council 7th Report by the Independent Remuneration Panel dated May 2015. [24]
25. Lincoln City Council Independent Remuneration Panel Report dated 27 January 2014. [3]
26. Oxford City Council Independent Remuneration Panel Report dated November 2014. [12]
27. South Cambs. DC Members' Allowances Survey dated 11 April 2012. [3]
28. South Cambs. Independent Remuneration Panel Report dated 28 February 2013. [3]
28. South Cambs. Independent Remuneration Panel Report dated 23 January 2014.
30. St. Albans Independent Remuneration Panel Report.
31. Welwyn Hatfield Borough Council Independent Remuneration Panel Report of the CEO dated 10 February 2015. [3]

32. Councillors' Guide 2015/16 issued by the Local Government Association in April 2015. [78]
33. Government Response to Communities & Local Government Select Committee. - Councillors on the frontline dated March 2013. [13]
34. HMRC/ Statutory Guidance on Consolidated Regulations for Local Authority Allowances. [35]

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Independent Remuneration Panel Survey 2015

This is to provide up-to-date information about your workload which will help us to determine fair and reasonable allowances for councillors.

All data is individually confidential but anonymised information will be included in our public report.

Please submit this form before Wednesday 11th November.

1. Your name:

2. Your gender:

3. Your age group:

18-30

31-45

45-60

61-75

75+

4. Employment status:

Full-time

Part-time

Self-employed

Retired

Not in paid employment

Other (please specify)

5. Your Ethnic Group

6. Do you have a disability?

Yes

No

7. If you answered yes to question five, does this impact on your council activities?

8. Basic Allowance time spent

The basic allowance is intended to recognise the time commitment of all councillors, including such inevitable calls on their time as: meetings with officers, meetings with constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the use of their homes.

With that in mind, please recall as best you can the total number of hours spent on the above (note not special responsibilities which is in the next question).

W/C 21st September	<input type="text"/>
W/C 28th September	<input type="text"/>
W/C 5th October	<input type="text"/>
W/C 12th October	<input type="text"/>
W/C 19th October	<input type="text"/>

9. Special Responsibility time spent (if you do not receive any special responsibility allowance please move onto the next question).

Special responsibility allowance is for councillors who have significant responsibilities.

With that in mind, please give as best as you can recall the total number of hours spent on your special responsibilities.

W/C 21 st September	<input type="text"/>
W/C 28 th September	<input type="text"/>
W/C 5 th October	<input type="text"/>
W/C 12 th October	<input type="text"/>
W/C 19 th October	<input type="text"/>

10. Do you think the current allowance scheme provides a fair distribution of allowances?

11. If not, how would you revise this?

12. Do you think the special responsibilities allowances are set at the correct level?

13. If not, how would you revise this?

14. Do you think the travel and subsistence allowances are set at the correct level?

15. If not, how would you revise this?

16. Do you think the childcare and carers allowances are set at the correct level?

17. If not, how would you revise these?

18. Do you think expenses cover the correct areas?

19. If not, how would you revise this?

20. Does your allowance level impact on the number of hours you work on council business?

21. If not, how would you revise this?

22. Is there anything else you would like to add?

PURCHASE OF MOT BAYS FLEET SERVICE WATERBEACH
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Decision of:	Councillor Robertson , Executive Councillor for	
Reference:	16/URGENCY/SR/07	
Date of decision:	17.6.16	Recorded on: 28.6.16
Decision Type:	Non Key Decision	
Matter for Decision:	To approve the capital budget of £46,000 to purchase the MOT plant for the fleet service which will be funded from DRF.	
Why the decision had to be made (and any alternative options):	As specified under Part 4C 6.1.1 and 6.1.2 of the Councils Constitution, It was not deemed practical to convene a quorate meeting of Council to take these decisions.	
The Executive Councillor's decision(s):	Approved the capital budget of £46,000 to purchase the MOT plant for the fleet service which will be funded from DRF.	
Reasons for the decision:	<p>The original business case anticipated the cost of MOT bays would be paid for by the landlord and converted to a rental sum within the lease. This is no longer an option</p> <p>As stated in Part 4C section 6.1 of the Councils Constitution, individual members of the Executive 'may take a decision which is contrary or not wholly in accordance with the budget approved by the full Council if the decision is a matter of urgency'.</p> <p>The next available Full Council meeting is the 14 July 2016 therefore due to the time critical need to purchase and install the MOT bays to enable the garage to transfer operations to Waterbeach it was deemed not practical to convene a quorate meeting of Council to take these decisions.</p>	
Scrutiny consideration:	<p>The Chair and Spokesperson of the Strategy and Resources Scrutiny Committee were consulted prior to the action being authorised.</p> <p>The Chair of the Strategy and Resources Scrutiny Committee agreed the decision was a matter of urgency</p>	

as required under paragraph 6, Part 4C Budget and Policy Framework Procedure Rules.

Report: A report detailing the background and financial considerations is attached.

Conflicts of interest: No conflicts of interest were declared by the Executive Councillor.

This urgent decision will be reported to the next Full Council meeting on the 14 July 2016.

Comments: None

CAMBRIDGE CITY COUNCIL

Record of Executive Decision

Disposal of Site K1 Orchard Park, Cambridge

Decision of: Councillor Robertson, Executive Councillor for Finance and Resources

Reference: 16/URGENCY/SR/06

Date of decision: 20.6.16 **Recorded on:** 30.6.16

Decision Type: Not a Key Decision

Matter for Decision: Stamp Duty Land Tax on Land Transfer for Site K1 Orchard Park, Cambridge

Why the decision had to be made (and any alternative options): As specified under Part 4C 6.1.1 and 6.1.2 of the Councils Constitution, It was not deemed practical to convene a quorate meeting of Council to take these decisions.

The Executive Councillor's decision(s): Approved a capital budget of £160,000 to cover SDLT

Reasons for the decision: As stated in Part 4C section 6.1 of the Councils Constitution, individual members of the Executive 'may take a decision which is contrary or not wholly in accordance with the budget approved by the full Council if the decision is a matter of urgency'.

The next available Full Council meeting is the 14 July 2016 and due to this issue delaying the exchange of contracts on the sale of Site K1 it was deemed not practical to convene a quorate meeting of Council to take these decisions.

Scrutiny consideration: The Chair and Spokesperson of the Strategy and Resources Scrutiny Committee were consulted prior to the action being authorised.

The Chair of the Strategy and Resources Scrutiny Committee agreed the decision was a matter of urgency as required under paragraph 6, Part 4C Budget and Policy Framework Procedure Rules.

Report: A report detailing the background and financial considerations is not attached as this is confidential by virtue of Schedule 12A Part 3. (Information relating to the financial or business affairs of any particular person (including the authority holding that information))

of the Local Government Act 1972.

Conflicts of interest:

No conflicts of interest were declared by the Executive Councillor.

This urgent decision will be reported to the next Full Council meeting on the 14 July 2016.

Comments:

None