

STRATEGY AND RESOURCES SCRUTINY COMMITTEE 9 October 2017
5.00 - 9.00 pm

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

Executive Councillors:for Finance and Resources: Robertson and Strategy and Transformation: Herbert

Officers:

Chief Executive: Antoinette Jackson

Strategic Director: Fiona Bryant

Head of Legal: Tom Lewis

Head of Community Services: Debbie Kaye

Head of Finance: Caroline Ryba

Head of Property Services: Dave Prinsep

Environmental Health Manager – Commercial: Yvonne O'Donnell

Strategy and Partnerships Manager: David Kidston

Safer Communities Section Manager: Lynda Kilkelly

Strategic Procurement Officer: Heidi Parker

Project Manager: Cath Conlon

Committee Manager: Emily Watts

FOR THE INFORMATION OF THE COUNCIL

17/33/SR Apologies for Absence

No apologies were received.

17/34/SR Declarations of Interest

Name	Item	Interest
Councillor Sarris	17/42/SR	Personal-A fellow of Trinity College which operates its own punting scheme. He did not take part in the discussion or vote.

17/35/SR Minutes of the Previous Meeting

The minutes of the meeting held on 3 July were approved as a correct record and signed by the Chair.

17/36/SR Public Questions

Members of the public asked a number of questions, as set out below.

1. (Reference item 17/46/SR) John Preston raised the following points:
 - i. What was the justification for the permanent loss of publicly-owned assets to the private sector through the Cambridge Investment Partnership (CIP)?
 - ii. How would the CIP meet the City's housing needs if it failed to provide housing for social rent?
 - iii. Why was it not possible to provide 100% social housing on the Mill Road Depot site?
 - iv. The CIP's Mill Road Depot site exhibition proposals had not mentioned major challenges such as the library and land contamination. What consideration had been given to these issues, and how could they be resolved?
 - v. What consideration had been given to other potential mechanisms for delivering housing aside from the CIP?
 - vi. What efforts had the Council made to secure flexibility in Government requirements and timescales which imposed constraints on delivery of the 500 new homes?
 - vii. Raised concern about access to the site and queried whether the surrounding area could cope with the increase in capacity?
 - viii. Asked for assurances that a planning application for the site would not be submitted before the exhibition took place.

The Strategic Director responded:

- i. Housing Revenue Account (HRA) sites could form part of the portfolio of land being developed by the CIP. The report also outlined that alternative options would be considered, not just the CIP.
- ii. Confirmed there would not be a permanent loss of public land to private sector, the affordable homes would be transferred back to the council once completed.
- iii. Affirmed that the Strategy and Resources Scrutiny Committee would be meeting again on the 13 November to discuss the Mill Road Depot site specifically so more detailed answers could be provided then.

- iv. Having 100% social housing on the Mill Road site would not be financially viable. A mix of housing would be provided to ensure the affordability and inclusivity of the area.
- v. A public consultation meeting was being planned for 2 November to discuss how to conserve the character of the area on the Mill Road Depot site.

Executive Councillor for Strategy and Transformation responded:

- i. Stated that the Mill Road Depot site was not the only project site available for affordable housing, other Council land would be assessed for its suitability.
- ii. Working with Hill Residential would allow the Council to deliver projects that they could not deliver independently.
- iii. Outlined that the objectives within the CIP were clear, there were strict requirements that each side had to adhere to and processes to follow.
- iv. Affirmed that if possible the library building would be included in the project. Plans for it had not been in the early plans for the site but would be thoughtfully considered in the later stages.
- v. Saw value in providing updates to committee on the progress of CIP developments. The format was undecided but biannual feedback could potentially be given.
- vi. Confirmed that the Council would not submit a planning application before the exhibition took place and comments had been received from the public.
- vii. Effective access to the Mill Road Depot site was a high priority.

Councillor Cantrill queried what meeting was due to take place on 2nd November.

Executive Councillor for Finance and Resources confirmed that they planned to hold a public exhibition in the Old Library on the Mill Road depot site on 2 November from 3-9pm. It had not been publicised yet.

- 2. (Reference item 17/46/SR) Jannie Brightman raised the following points:
 - i. Asked for assurances that the Women's Resource Centre would not be closed or moved during the Mill Road Depot development.
 - ii. The Centre was a key community facility which was needed in Petersfield.
 - iii. Queried the amount of social housing planned for the Mill Road Depot site, asked if there could be more?
 - iv. Wanted clarification on housing terms. Asked what the difference was between social, affordable and market housing?

Executive Councillor for Strategy and Transformation responded:

- i. Agreed that the Women's Resource Centre provided an essential service. Assured that it is referenced in the main report coming to committee on the 13 November, clearer proposals would be seen then.
 - ii. Clarified that social rent charged between 40-65% of market rent.
3. (Reference item 17/46/SR) Stephen Hewitt raised the following points:
- i. Queried the wording for recommendation 5 of the Officer's report. Asked for clarification whether this meant land transfers would be delegated? Stated that the wording implied that the decision would also be delegated.
 - ii. Asked what the definition of a major site was?

The Strategic Director confirmed that decisions would be scrutinised by the relevant committee and signed off by an Executive Councillor.

Executive Councillor for Strategy and Transformation responded:

- i. A major site is considered to be an area which was previously used for a different purpose other than housing, for example a car park.
- ii. Housing Revenue Account (HRA) land refers to small pockets of space, for example where a few garages used to be.

17/37/SR Record of Urgent Decisions taken by the Leader of the Council and the Executive Councillor for Finance and Resources

5a Disposal of Warkworth Lodge, Warkworth Terrace, Cambridge

The decision was noted.

Councillor Cantrill stated on record that he was opposed to the decision to sell the property.

5b Discretionary Business Rate Relief Schemes Following Revaluation.

The decision was noted.

17/38/SR Treasury Management Half Yearly Update Report 2017/18

Matter for Decision

The Council had adopted The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (Revised 2011).

The Code required as a minimum receipt by full Council of an Annual Treasury Management Strategy Statement – including the Annual Investment Strategy and Minimum Revenue Provision Policy – for the year ahead, a half-year review report and an Annual Report (stewardship report) covering activities in the previous year.

The Committee were advised that Appendix A on page 61 included a typographical error:

Average ~~annual~~ weekly housing rent- Shown in £'s

Decision of Executive Councillor for Finance and Resources

- i. Recommended the report to Council, which included the Council's estimated Prudential and Treasury Indicators 2017/18 to 2020/21.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Head of Finance.

Councillor Cantrill referred to the government's possible restrictions on Local Authorities investing in commercial property with Public Works Loan Board funding. He also sought clarification on the Council's geographical strategy.

Executive Councillor for Finance and Resources confirmed that there was £3 million left of the £20m of internal borrowing allocated for commercial. It had been difficult to find properties to spend the money on due to the high price of property in the city. The Council may decide to use it to develop existing assets in the city.

The Committee resolved by 4 votes to 0 to endorse the recommendation.

The Executive Councillor approved the recommendation.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

17/39/SR General Fund Medium Term Financial Strategy

Matter for Decision

The report presented and recommended the budget strategy for the 2018/19 budget cycle and specific implications, as outlined in the Medium-Term Financial Strategy (MTFS) October 2017 document.

The report also recommended the approval of new capital items and funding proposals for the Council's Capital Plan, the results of which are shown in the MTFS.

The recommended budget strategy was based on the outcome of the review undertaken together with financial modelling and projections of the Council's expenditure and resources, in the light of local policies and priorities, national policy and economic context. Service managers identified financial and budget issues and pressures and this information had been used to inform the MTFS.

The Committee were advised of an update to page 94:

2017/18 pre-planning development costs for Silver Street toilets: ~~£70,000~~
£48,000.

Decision of Executive Councillor for Finance and Resources recommended to Council:

General Fund Revenue

- i. Agreed the budget strategy and timetable as outlined in Section 1 [pages 1 to 2 refer] of the MTFS document.
- ii. Agreed the incorporation of the budget savings and pressures identified in Section 4 [pages 13 to 16 refer] including an additional £100k contribution to Sharing Prosperity Fund. This provided an indication of the net savings requirements, by year for the next 5 years, and revised General Fund revenue, funding and reserves projections as shown in Section 5 [page 17 refers] of the MTFS document.

Capital

- i. Noted the changes to the Capital Plan as set out in Section 6 [pages 18 to 23 refer] and Appendix A [pages 32 to 40 refer] of the MTFS document and agreed the new proposals:

Ref.	Description	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	Total £000
	Proposals							-
SC648	Local Centres Improvements Programme - Arbury Court	59	141	-	-	-	-	200
SC653	Replacement heating system at the Waterbeach garage	39	-	-	-	-	-	39
SC652	Modification to in-ground lift in Waterbeach ¹	18	-	-	-	-	-	18
SC645	Electric vehicle charge points – use of additional funding received	205	145	151	25	-	-	526
	Sub-total	321	286	151	25	-	-	783
Misc.	Section 106 miscellaneous	833	14	-	-	-	-	847
	Total Proposals	1,154	300	151	25	-	-	1,630

¹ - £8k requested for funding, £10k funded from service revenue resources.

Reserves

- i. Agreed changes to General Fund Reserve levels, with the Prudent Minimum Balance being set at £5.35m and the target level at £6.42m as detailed in Section 7 [pages 24 to 27 refer] and Appendix B [pages 41 to 42 refer].

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Head of Finance.

Opposition Councillors made the following comments in response to the report:

- i. Asked what guidance had been received on the 1% cap on pay inflation?
- ii. Queried the savings recorded as related to employee turnover, this had not been explained in the report but there had been a £400,000 saving recorded?

- iii. Sought clarification on investment interest rate of 1%?
- iv. Referred to the additional spending, projection and contribution to the Sharing Prosperity Fund. Queried the effectiveness of this fund and the lack of supporting evidence available. Asked if the level of delegation could be changed to allow more scrutiny of its spending.
- v. Queried the use of resources during a time of significant change from factors such as Universal Credit. Asked why long term funding had been moved into a short term pot and to what extent was this amount was incremental?
- vi. Referenced the £4.8million material increase put into reserves, asked why this was so large and whether the Council had missed capital expenditure in previous years?
- vii. Referred to the £8 million Invest for Income reserve, asked how it had been built up and whether a project was in place for this to be spent on?
- viii. Asked whether the Council would consider changing the percentage of return from 5% of the £8million?

The Head of Finance said the following in response to Members' questions:

- i. There was no guidance for the rate of inflation being capped at 1% just an awareness of the trend. The Council thought it prudent to increase the allowance but this was still an assumption.
- ii. Referred to employee turnover, over the last 2 to 3 years there had been considerable underspending on staffing costs and the budget assumptions had been changed to bring them closer to the expected outturn. Many staff had undergone incremental progression which impacted the underlying data; more staff were now at the top end which made less allowance for progression. The other assumption of underspending was due to posts being vacant between appointments of staff had not been applied consistently across departments but this was now being done.
- iii. Outlined that a substantial amount of the £4.8million figure came from the capital carry forward and re-phasing, it balanced the capital from previous years and reflected the contribution of reserves.
- iv. The Invest for Income fund had built up to £8 million over 5 years; nothing had come forward for appraisal yet.

Executive Councillor for Finance and Resources responded:

- i. Agreed that some of the Sharing Prosperity Fund initiatives had not been effective but most had. Community Service Scrutiny Committee had reviewed it in full and felt content with the current process.

- ii. Referred to the Invest for Income fund and highlighted that one option for its use was to use it so that the General Fund could invest in housing.
- iii. Highlighted that the Council had a target of a 5% return on investment which ensured a surplus, there were no plans to change this policy presently.

Councillor Sinnott highlighted the value of the work being undertaken by the Sharing Prosperity Fund, asserting that the success and subjective outcomes of many of initiatives were not quantifiable.

The Committee resolved by 4 votes to 0 to endorse the recommendations.

The Executive Councillor approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

17/40/SR Climate Change Strategy Annual Progress Report

Public Question

A member of the public asked a question as set out below.

1. **A member of the public raised the following points:**
 - i. **Suggested that the 0% emission aspiration for 2050 was not sensible because it was too far away.**
 - ii. **Making significant change needed to take a more inclusive approach through activities such as: public education campaigns, reducing meat consumption and using roof space to generate solar energy.**
 - iii. **The urgency of the situation needed to be recognised.**

The Strategy and Partnerships Manager responded:

- i. The Council had tried to raise awareness through education campaigns, articles in Cambridge Matters, working with Cambridge Sustainable Food.
- ii. Plans were in place to put solar panels on the roof on the Guildhall.

Matter for Decision

The report provided an update on progress during 2016/17 on

actions taken to deliver the five objectives of the City Council's Climate Change Strategy, which covered a five year period from 2016/17 to 2020/2021. As part of this, the report included an update on progress in implementing the Council's Carbon Management Plan. The Plan sat under the Strategy and played a key role in achieving its first strategic objective, which was to reduce carbon emissions from the City Council's estate and operations.

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

Decision of Executive Councillor for Finance and Resources

- i. Noted the progress achieved during 2016/17 in implementing the Climate Change Strategy and the Carbon Management Plan.
- ii. Noted the Climate Change Fund Expenditure Status Report.
- iii. Agreed to add to future annual reports the Council's actions and their impact on the energy efficiency performance of its commercial property portfolio.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Councillor Bick formally proposed to add the following recommendation to the Officer's report:

- Agreed to add to future annual reports the Council's actions and their impact on the energy efficiency performance of its commercial property portfolio

Strategy and Resources Scrutiny Committee resolved to agree the additional recommendation *nem con*

Scrutiny Considerations

The Committee received a report from the Strategy and Partnerships Manager.

Opposition Councillors made the following comments in response to the report:

- i. Welcomed the report and the success of the Strategy so far.
- ii. Referred to the transport section of priorities and queried why carpark prices had been reduced in the city centre?
- iii. Raised concern over the absence of any reference to the commercial property portfolio? In doing this £120million had been excluded from the

definition of the Council's estate so had not been considered under the Strategy.

- iv. Sought clarification of the decision process when determining which funding source would be used between the Climate Change Fund and the budget.
- v. Stated that the report lacked a large scale scheme. Building passive housing would raise the standard for new developments.
- vi. Suggested restricting the use of cars on new sites such as the Mill Road Depot and encouraging public transport to reduce congestion.

Councillor Sinnott stated that it would be difficult to police a car free site at the Mill Road Depot; making restriction would just displace the problem and push it onto surrounding streets.

Councillor Gillespie attended the committee with the prior approval of the Chair and made the following comments:

- i. Raised concern that the report stated only an 'aspiration' to reduce emissions by 20% by 2020/21, the wording suggested a lack of commitment to achieving this goal.
- ii. Queried why outdated figures were being used, referring to total carbon emissions per capita figures dating from 2005.
- iii. Stated that good work was being undertaken but more opportunities needed to be explored urgently. Pressure could be applied to the Mayor of the Combined Authority to reduce carbon emissions when negotiating the next devolution deal.
- iv. Made the following suggestions:
 - Investing in sustainable energy sources.
 - Only selling sustainably sourced food in council cafeterias.
 - Work toward a sustainable city food gold or silver standard.
 - Include a community impact section on all council reports so that climate change impact and carbon efficiency would always be considered and taken seriously.
 - Introduce a city car share club.
- v. Highlighted that at the Climate Change Leaders' meeting it was agreed that a follow up email would be circulated, this had still not happened.

The Executive Councillor for Finance and Resources responded:

- i. The reduction is carpark fares on a Monday and Tuesday aimed to encourage customers because it was underused on these days.
- ii. The commercial property portfolio had undergone extensive expenditure on improving the energy efficiency of council buildings.

- iii. Stated that the Climate Change Fund was a major funding opportunity and would continue to be used more into the future.
- iv. Welcomed ideas and suggestions of new environmentally friendly ways to work.
- v. The Cambridge sustainable housing guide which was used in all new development in the city was equivalent to energy performance level 4.
- vi. Explained that restricting the use of cars on the Mill Road Depot development was difficult, residents needed to be considered too.

The Strategy and Partnerships Manager said the following in response to Members' questions:

- i. The aspiration of 0% carbon emissions by 2050 was set in March 2016. This was a phased aspiration because district councils had limited control over all services.
- ii. Stated that the Climate Change Leaders Group had brought together a number of different groups in an attempt to join up and work collectively. There had been a delay getting the follow up email circulated but it had now been sent.
- iii. Highlighted that the figures used from 2005-2015 were from a national government data set, it took two years to compile the set so it would always be two years out of date.
- iv. The City Council had reduced its emission by 10% since 2014/15 so it was set to reach its target of 15% by 2021.
- v. Exploratory work for finding new ways to generate energy was ongoing.
- vi. Confirmed that a section relating to climate change impact would be included in future committee report templates.

The Committee unanimously resolved to endorse the recommendations.

The Executive Councillor approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

17/41/SR Procurement of Corporate Frameworks

Matter for Decision

As proposed by the New Contract Procedure Rules (CPR), the Council was seeking to establish a number of corporate arrangements for purchasing goods, services and works. These arrangements had been identified as being

necessary based on the requirements being purchased across the Council and the aggregated spend, (by supplier and category) over the past 3 years. Some of them had been identified as contributing to the remaining savings commitments of the Support Services Review.

The proposed contracts Frameworks & or Dynamic Purchasing Systems, covered:

- Construction Consultants
- Construction Works (individual orders under £1,000,000)
Civils, Landscaping & Play equipment Framework (Individual orders under £500,000)
- General Consultants
- Construction Trades
- Staff Training (professional bodies & general requirement)
- Fleet Maintenance (vehicle parts, consumables, tools & external servicing)

Decision of Executive Councillor for Finance and Resources:

- A. Framework: Agreed to the publication of an advert, to invite suppliers to submit a tender. Following evaluation and completion of a tender report, delegated authority to the relevant Director, to appoint the successful suppliers onto the framework (subject to compliance with the CPR)
- B. Dynamic Purchasing Systems (DPS): Agreed the publication of an advert, to invite suppliers to complete a Standard Selection Questionnaire from which they will be added to the 'approved list'
- C. Agreed a staggered advertisement of the contracts to facilitate resourcing and re-procurement
- D. Agreed awards of any requirements let through the corporate contracts to be approved (and contracts signed) in accordance with the CPR.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Strategic Procurement Officer.

Councillor Cantrill made the following comments in response to the report:

- i. Asked whether the Council held a profile of its 1780 suppliers, their size and geographical location?

- ii. Understood the need to make savings but wanted to avoid eliminating the small local businesses which the Council held existing relationships with.

The Strategic Procurement Officer said the following in response:

- i. Confirmed that an exact profile was not held. The old system was limited so only basic information could be retained. Small and Medium size Enterprises (SMEs) had less than 50 employees and a turnover of less than £5million and only the head office could be located. The new Due North system would be able to collect far more information.
- ii. The purpose of the new system was to consolidate suppliers to be more streamlined. Efforts would be made to retain existing relationships and to encourage small local businesses.

The Committee resolved by 4 votes to 0 to endorse the recommendations.

The Executive Councillor approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

The Chair called a 15 minute comfort break

17/42/SR PSPO (Touting) 2016: Review

17/34/SR Councillor Sarris did not take part in the discussion or vote on this item.

Matter for Decision

The report reviewed the impact of the Public Spaces Protection Order (PSPO) (Touting) 2016 since its implementation in September last year. It considered the successful enforcement outcomes and also the challenges and perceptions encountered in enforcing the order. It also looked at the complaints and observations received from the public and the public perception of what the order could achieve to address the issues of punt touting. The report examined the way forward to address the public concerns over touting. It also looked at the enforcement of the PSPO and makes recommendations on the options for the future.

Decision of Executive Councillor for Strategy and Transformation:

- i. Agreed to continue with the PSPO as it is, and;
- ii. Agreed to increase and improve the levels of enforcement;
- iii. Agreed to improve the communications to the public around successful prosecutions and further raise awareness around the purpose and intent of the PSPO,
- iv. Agreed to look at the potential to amend and expand the restricted area,
- v. Agreed to review in full the impact of the increased enforcement next October.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Safer Communities Section Manager.

Opposition councillors made the following comments in response to the report:

- i. Highlighted that the PSPO had not worked, the behaviour of creating a nuisance was now more prevalent.
- ii. The injunction sounded promising, asked whether there was time estimation for the outcome of it?
- iii. Sought clarification about the problem on the corner near John Lewis referred to in the report.
- iv. Stated that the policy was only as good as the enforcement. Asked how many officers were responsible for enforcing the PSPO?
- v. Highlighted the importance of simplicity of any order. Making a policy specifically applicable to a certain group in a certain place just meant the problem moves around and was not tackled.
- vi. Asked what the best way to communicate the issue to the public would be?
- vii. Highlighted that the Council needed to think beyond the injunction. The punting companies involved were nimble and had so far outmanoeuvred the Council so they would probably try a different approach to carry out their business even if the injunction was successful.

The Safer Communities Section Manager and Head of Community Services said the following in response to Members' questions:

- i. Clarified that the path next to John Lewis and Metro Bank was private so the touts stand there, this caused an issue for enforcement.
- ii. The punting companies had found ways around the enforcement by purposefully employing young people to tout, many were too young to receive a fixed penalty fine.
- iii. Confirmed that there were 7 Enforcement Officers, 6 of which could enforce PSPO's.
- iv. Discussion with Environmental Services had been undertaken to increase enforcement.
- v. Highlighted that the complexity of the existing agreement works well with the companies who adhered to it.
- vi. Outlined that in order for the PSPO to be enforced, when the public complained they needed to make the distinction that the person was verbally touting rather than just being a nuisance.

The Head of Property Services confirmed that the hearing was supposed to be on the 3 October but had been cancelled. They were waiting for a new date from the High Court. The full hearing would take place a few months after the direction hearing.

The Executive Councillor for Strategy and Transformation said the following in response to Members' questions:

- i. The touts had shown no respect for authority, by flaunting the PSPO.
- ii. The City Council had prepared the ground for the injunction and as the land owner of Garret Lane Hostel they could set their own terms to cover the land.
- iii. The number of Enforcement Officers had doubled but the touts recognise and avoid them. The Council was committed to stopping the antisocial behaviour but had to judge resource against impact. If the injunction was successful it would need to be heavily resourced.

The Committee unanimously resolved to endorse the recommendations.

The Executive Councillor approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

17/43/SR Re-Ordering of the Agenda

Under paragraph 4.2.1 of the Council Procedure Rules, the Chair used her discretion to alter the order of the agenda items. However, for ease of the reader, these minutes will follow the order of the agenda.

17/44/SR Combined Authority Update

Matter for Decision

The report provided an update on the activities of the Combined Authority since the last meeting of Strategy and Resources Scrutiny Committee.

An information report, no decision was required. The Executive Councillor for Strategy and Transformation

- i. Reported the contents of this report to the scrutiny committee
- ii. Provided a verbal update at the meeting on issues considered at the September meeting of the Combined Authority

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received an update from the Executive Councillor for Strategy and Transformation.

- i. Highlighted the opportunities created by devolution, for example it could unlock sites such as Cambridge North Fringe East.
- ii. He led on spatial planning. Confirmed that the Mayor supported land value capture.
- iii. Reinforced the dialogue on Cambridge with the Department for Transport in relation to the Cambridge South proposals.
- iv. Highlighted how much had been achieved during the last 5 months.

Opposition Councillors made the following comments in response to the report:

- i. Welcomed comments on the LEP and whether a member should still be on the Combined Authority Board whilst Audit Office enquiries were ongoing with the LEP?
- ii. Sought clarification regarding the Mayor's approach to sharing papers amongst the committee. Reports had suggested it had been a problem.
- iii. Referred to the £100million and asked what Cambridge had been allocated?

- iv. As holder of the planning portfolio, would the Leader agree to submit a non-statutory Spatial Plan to Development Plan Scrutiny Sub Committee (DPSSC)?

The Strategy and Transformation said the following in response to Members' questions:

- i. He believed that stopping funding was not the answer, the LEP needed to be the voice and support for businesses but also need to sort the issues with the Audit Office. A report on the LEP governance would be available between October and November.
- ii. Governance for the Combined Authority had improved, he asserted the importance of working closely with the Chief Executives.
- iii. Confirmed that Cambridge could not compete with the relative value of housing that other areas could achieve with the £100million funding. Assistance had been given to secure money for South Cambridgeshire (Southern Fringe) ensuring housing for commuters travelling into Cambridge to work.
- iv. Highlighted the need for dialogue with other areas before advancing the new Local Plan. Confirmed that he would be happy to take a report to DPSSC, information would be ready by early 2018. Asserted the importance of community involvement in order to ensure inclusive growth.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

17/45/SR Review of Corporate Enforcement Policy 2014

Matter for Decision

In 2014 the new enforcement policy was adopted. The Policy included a provision for it to be reviewed after three years. This report reviewed the policy and allowed for amendments to be completed taking into account operational and legislative changes. It has also accounted for feedback that the Council had received.

The review resulted in the policy remaining broadly unchanged but with minor amendments and additions to wording and clarity around enforcement activity, principles of enforcement and other considerations.

The Service Standards for each of the different functions that were appendices to the main enforcement policy may from time to time be subject to change,

these, unless significantly changed would not need committee approval and could be agreed by the relevant head of service.

Decision of Executive Councillor for Strategy and Transformation

- i. Considered the proposed changes and adopted the revised Corporate Enforcement Policy 2017.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Environmental Health Manager.

The Committee had no questions in relation to the report.

The Committee unanimously resolved to endorse the recommendation.

The Executive Councillor approved the recommendation.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

17/46/SR Arrangements for Disposal of Council Land and Payment for Social Housing to the Cambridge Investment Partnership

Matter for Decision

In July 2016 Strategy and Resources approved the setting up of the Cambridge Investment Partnership (CIP) which was subsequently established in January 2017.

Structured in sections, the report set out the considerations, options and recommendations for land disposals between the Council and the CIP for General Fund land and Housing Revenue Account (HRA) land. The Council's decision making process was also set out.

The reasons for the Council's decision to explore the establishment of an Investment Partnership and the process by which Hill Investment Partnership Ltd (HIP) was selected as the investment partner were set out in section 3.

This section also provided an explanation of the benefits the Council would derive from utilising an Investment Partnership route as the mechanism for land development; and an outline of the processes, procedures and governance framework within which the business of the CIP would be conducted.

The Committee were advised that section 10.4 on page 13 (separate agenda item 13 document) and Appendix 1 page 16 included typographical errors:

The route through the Council's decision making processes up to the point of any land transfer to the CIP, where the Council has 50:50 representation on the board, are set out in ~~Appendices 2 and 3~~ **Appendix 1**.

Report to Strategy & Resources ~~and~~ **or** Housing Scrutiny Committee

Decision of Executive Councillor for Strategy and Transformation

- i. Approved the use of the preferred land disposal routes from the Council to CIP as set out in section 5.
- ii. Noted the considerations relating to the approach to the transfer of land between the General Fund and the Housing Revenue Account as set out in sub section 4.3
- iii. Noted the considerations arising from the Stamp Duty Land Tax (SDLT) and VAT obligations in section 7.
- iv. Approved the approach for the payment by the HRA to CIP for social rented housing as set out in 8.
- v. Delegated a decision to the Executive Councillor for Finance and Resources, Executive Councillor for Housing or Strategy and Transformation (as appropriate) in conjunction with the relevant Strategic Director for the final approval of a Strategic Development Brief and Proposed Land Transfer / Disposal Model to CIP for individual sites. Major sites would be reviewed at a Scrutiny Committee prior to the Executive Councillor decision to transfer the land to CIP.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Strategic Director.

Opposition Councillors made the following comments in response to the report:

- i. Queried whether the material, financial and social risks associated with entering into an investment partnership had been thoroughly thought through. Would the relationship mean that the Council would be buying back the houses at a premium?
- ii. Stated that the complex structure could lead to difficult outcomes, Hill Residential's focus was on economic/financial capital and therefore their priorities would be different to ours.
- iii. Asked if the ruling group would be willing to meet to share thoughts?
- iv. Queried why the Council could not work independently on HRA sites like the development in Anstey Way, the houses would be built independently and rented out without the need for a third party.
- v. Raised concern about the lack of transparency and opportunity to scrutinise decisions made. Asked whether we would use the CIP frequently?

The Strategic Director said the following in response to Members' questions:

- i. Stated that there were benefits to selling back to the HRA, the Council would benefit through the overall uplift from the surplus which it wouldn't have normally.
- ii. Affirmed that delays and less accurate delivery would not be accepted. The overall priorities of the two partners would align.
- iii. Highlighted how each site would have a detailed inventory to assess if the CIP should be involved, other options would always be considered.

The Chief Executive highlighted that the CIP was created to introduce skill and capacity to deliver the City Council's housing vision at speed which it could not achieve on its own.

The Executive Councillor for Strategy and Transformation said the following in response to Members' questions:

- i. The contract with Hill Residential looked complicated but had been thoroughly thought through. The deadlock partnership meant that either partner could veto a scheme which did not adhere to its interests, so one side could not be benefiting more than the other.
- ii. The incentive for Hill Residential to successfully deliver on projects meant that it would guarantee more collaboration on complex capital projects in the future.
- iii. Stated that 6 monthly updates could be arranged to answer any questions and report progress back to committee.

- iv. Confirmed that he and the Executive Councillor for Finance and Resources would be happy to meet with Councillor Cantrill to share thoughts on the CIP and development queries.

The Committee resolved by 4 votes to 0 to endorse the recommendations.

The Executive Councillor approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

The meeting ended at 9.00 pm

CHAIR