

STRATEGY AND RESOURCES SCRUTINY COMMITTEE 22 January 2018
5.00 - 6.30 pm

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

Executive Councillors: Herbert and Robertson

Officers:

Chief Executive: Antoinette Jackson

Strategic Director: Fiona Bryant

Strategic Director: Suzanne McBride

Head of Legal: Tom Lewis

Head of Revenues and Benefits: Alison Cole

Benefits Manager: Naomi Armstrong

Head of Finance: Caroline Ryba

Head of Property Services: Dave Prinsep

Culture and Community Manager: Jane Wilson

Committee Manager: Emily Watts

FOR THE INFORMATION OF THE COUNCIL

18/1/SR Apologies for Absence

Apologies were received from Councillor Sarris. Councillor Abbott attended as an alternate.

Councillor Sinnott arrived after item 18/06/SR

18/2/SR Declarations of Interest

No declarations of interest were made.

18/3/SR Minutes of the Previous Meeting

The minutes of the meeting held on 9 October and 13 November 2017 were approved as a correct record and signed by the Chair.

18/4/SR Public Questions

There were no public questions.

18/5/SR S&T Portfolio Revenue and Capital Budget Proposals for 2018/19 to 2022/23**Matter for Decision**

The report outlined details of the budget proposals relating to this portfolio that were included in the Budget-Setting Report (BSR) 2018/19 which would be considered at the following meetings:

Date	Committee	Comments
22 January 2018	Strategy & Resources	Consider proposals / recommendations from all Scrutiny Committees in relation to their portfolios
25 January 2018	The Executive	Budget amendment may be presented
12 February 2018	Strategy & Resources	Consider any further amendments including opposition proposals
22 February 2018	Council	Approves General Fund Budget and sets Council Tax

Decision of Executive Councillor for Strategy and Transformation:**Review of Charges:**

- a) Approved the proposed charges for this portfolio's services and facilities, as shown in Appendix A to this report.

Revenue:

- b) Considered the revenue budget proposals as shown in Appendix B.

Capital:

- c) Considered the capital budget proposals as shown in Appendix C.
- d) Adjusted capital funding for item 2 (c).

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.

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

- i. Sought clarification regarding revenue proposal B4037, asked why the work was previously funded by the PCC.
- ii. Referred to revenue proposal B4040 and asked why the base level of the Cambridge Weighting budget didn't decrease as expected.
- iii. Referred to revenue proposal C4041 and raised concern over the amount of CCTV cameras that were beyond repair. Queried whether a number of the cameras had been replaced when the Shared Service with Huntingdonshire District Council was initiated.

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

- i. Referred to revenue proposal B4037 and confirmed that the funding was a composite of many different initiatives, one of which was PCC which was no longer available. Last year's funding was part of a 1 year bid pending a review of the service which had since been undertaken.
- ii. Referred to revenue proposal B4040 and confirmed that pay parity increased with inflation. If more posts were on pay band 1 and 2 the figure would increase. The figures would balance out in the future, we would also be required to move the pay scales.
- iii. Confirmed that a survey of CCTV cameras had been undertaken, some had issues and due to their age it was felt prudent to replace them all to ensure quality and reliability. The future approach would allow for a programme of maintenance.

The Committee resolved by 3 votes to 0 to endorse the recommendation.

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.

18/6/SR F&R Portfolio Revenue and Capital Budget Proposals for 2018/19 to 2022/23

Matter for Decision

The report detailed the budget proposals relating to this portfolio which were included in the Budget-Setting Report (BSR) 2018/19 which would be considered at the following meetings:

Date	Committee	Comments
22 January 2018	Strategy & Resources	Consider proposals / recommendations from all Scrutiny Committees in relation to their portfolios
25 January 2018	The Executive	Budget amendment may be presented
12 February 2018	Strategy & Resources	Consider any further amendments including opposition proposals
22 February 2018	Council	Approves General Fund Budget and sets Council Tax

Decision of Executive Councillor for Finance and Resources:

Review of Charges:

- a) Approved the proposed charges for this portfolio's services and facilities, as shown in Appendix A to this report.

Revenue:

- b) Considered the revenue budget proposals as shown in Appendix B.

Capital:

- c) Considered the capital budget proposals as shown in Appendix C.
- d) Adjusted capital funding for item 2 (c).

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.

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

- i. Asked Officers to expand on budget proposal C4117 with regard to timings and process of mooring allocation.

- ii. Referred to budget proposal B4068, asked how proportionality between the three Authorities works with regard to council contribution and digital output.

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

- i. Confirmed that 7 mooring spaces would be available at Riverside, the design was in the process of being developed in consultation with Cam Boaters. They were planning to go to tender in the spring with a view to begin the work in summer 2018.
- ii. Stated that proportionality between the three Authorities worked on the basis of how much resource each individual Authority put in initially. All three strategies were at different stages.

The Committee resolved by 3 votes to 0 to endorse the recommendation.

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.

18/7/SR Budget Setting Report (General Fund) 2018/19 to 2022/23

Matter for Decision

The Budget-Setting Report (BSR) included the detailed revenue bids and savings and capital proposals and set out the key parameters for the detailed recommendations and budget finalisation being considered. The report reflected recommendations that would be made to The Executive on 25 January 2018 and then to Council, for consideration at its meeting on 22 February 2018.

Decision of Executive Councillor for Finance and Resources to recommend to the Executive:

General Fund Revenue Budgets: [Section 5, page 31 refers]

- a) Agreed recommendations for submission to the Executive in respect of:
 - Revenue Pressures shown in Appendix C (a) and Saving shown in Appendix C (b).
 - Bids to be funded from External or Earmarked Funds as shown in Appendix C (c).
 - Non-Cash Limit items as shown in Appendix C (d).

- b) To recommend to Council formally confirming delegation to the Chief Financial Officer (Head of Finance) of the calculation and determination of the Council Tax taxbase (including submission of the National Non-Domestic Rates Forecast Form, NNDR1, for each financial year) which would be set out in Appendix A (a).
- c) To recommend to Council the level of Council Tax for 2018/19 as set out in Section 4 [page 28 refers].

Noted that the Cambridgeshire Police and Crime Panel would meet on 31 January 2018 to consider the precept proposed by the Police and Crime Commissioner, Cambridgeshire & Peterborough Fire Authority would meet on 8 February 2018 and Cambridgeshire County Council would meet on 9 February 2018 to consider the amounts in precepts to be issued to the City Council for the year 2018/19.

Other Revenue:

d) To recommended to Council delegation to the Head of Finance authority to finalise changes relating to any corporate and/or departmental restructuring and any reallocation of support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).

e) To recommended to Council the setting up an earmarked fund - the "GF development fund" [with the remit as page 27 refers]. The council would provide loans to Cambridge Investment Partnership (CIP), of which it was a member, to support the development of the former council depot on Mill Road. The proposals and resulting interest income were covered in more detail in Section 5. It was proposed to retain income from this and other CIP developments in an earmarked reserve reflecting uncertainty in both timings and quantum, and to provide a contingency fund reflecting the potential risks in this scheme and future schemes under development.

Capital: [Section 7, page 37 refers]

f) Recommend to Council the proposals outlined in Appendix E (a) for inclusion in the Capital Plan, including any additional use of revenue resources required.

g) Recommended to Council the revised Capital Plan for the General Fund as set out in Appendix E (d), the Funding as set out in Section 7, page 40 and note the Projects Under Development list set out in Appendix E (e).

General Fund Reserves:

h) Noted the impact of revenue and capital budget approvals and approve the resulting level of reserves to be used to support the budget proposals as set out in the table [Section 8, page 45 refers].

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee made not comments in response to the report from the Head of Finance.

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

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.

18/8/SR Treasury Management Strategy Statement Report 2018/19 to 2020/21

Matter for Decision

The Council is required by regulations issued under the Local Government Act 2003, to produce a Treasury Management, Investment and Capital Strategy.

CIPFA had recently consulted on changes to the Prudential Code and the Treasury Management Code. The most notable of these changes was the requirement to produce an annual Capital Strategy which was provided at Appendix A to the report.

The DCLG have also consulted on changes to the Investment Guidance and Minimum Revenue Provision Guidance and the consultation closed on 22 December. The revised guidance is expected to be issued early in 2018 and to apply for financial years commencing on or after 1 April 2018. The report therefore reflected the new requirements. The most notable change was the requirement to expand the Investment Strategy to non-financial assets such as investments in property.

Decision of Executive Councillor for Finance and Resources agreed:

- i. To recommend the report to Council including the estimated Prudential & Treasury Indicators for 2017/18 to 2020/21, inclusive, as set out in Appendix D.

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.

The Committee referred to the Non-Financial Asset Performance Indicators and asked whether the assets in the Cambridge Housing Company or Mill Road Depot were included.

The Head of Finance said the following in response to the question:

- i. Confirmed that the Cambridge City Housing Company Limited (CCHC) was not encompassed within the Non-Financial Asset Performance Indicators but the current loan given to the CCHC by the council was included in it. The loan needed for the development phase of Mill Road Depot development was also included within it but has not yet been transferred.

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.

18/9/SR Council Tax Reduction Scheme 2018-2019**Matter for Decision**

From April 2013, local authorities across England were given the power to devise their own systems of Council Tax Support for working-age adults. It replaced the national system of the Council Tax Benefit which ensured that the poorest households received help to pay Council Tax.

The current local scheme met the Council's commitment to protect as many people as possible from any decrease in the level of Council Tax Reduction support.

The purpose of the report was to undertake the annual review of the Council Tax Reduction Scheme and to decide whether the Scheme should be revised, replaced or continued for the financial year 2018-2019.

Decision of Executive Councillor for Finance and Resources:

- i. Agreed to continue the current Council Tax Reduction Scheme framework with changes in applicable amounts and premiums as defined within the local scheme which supported low-paid workers already struggling to cope with stagnant wages, rising living costs and on-going Welfare Reforms that impacted on tax credits and other in-work support.
- ii. Agreed to a significant review of the current scheme during spring 2018 to reflect the rollout of Universal Credit Full Service, to include a review of Local Council Tax Discounts and Premiums.

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 Revenues and Benefits.

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

- i. Sought clarification regarding how the scheme would work with the introduction of Universal Credit.
- ii. Asked if Department of Work and Pensions (DWP) had given any indication of when the funding for Universal Credit was likely to be received.

The Head of Revenues and Benefits and Benefit Manager said the following in response to Members' questions:

- i. They were mindful of the roll out of Universal Credit, however the date to introduce Universal Credit had already moved once which could happen again. This highlighted the difficulty of rolling out a complex project against others which have fluid deadlines.
- ii. Confirmed that DWP had not given any indication about funding, they had planned to monitor the progress of other authorities first. DWP had agreed to inform software suppliers 6 months in advance of the start date so that would be some form of indicator.
- iii. Any changes to the scheme would require consultation first.

The Committee unanimously resolved to endorse the recommendations.

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.

The Chair called a short break at 17:40

The Committee resumed at 17:45

18/10/SR Review Of Use Of The Regulation Of Investigatory Powers Act

Matter for Decision

A Code of Practice introduced in April 2010 recommended that Councillors should review their authority's use of the Regulation of Investigatory Powers Act 2000 (RIPA) and set its general surveillance policy at least once a year. The Leader and Executive Councillor for Strategy and Transformation and Strategy and Resources Scrutiny Committee last considered these matters on the 23rd January 2017.

The City Council had not used surveillance or other investigatory powers regulated by RIPA since February 2010. This report set out the Council's use of RIPA and the present surveillance policy.

Decision of Executive Councillor for Strategy and Transformation:

- i. Reviewed the Council's use of RIPA set out in paragraph 3.5 of this report.
- ii. Noted and endorsed the steps described in paragraph 3.7 and in Appendix 1 to ensure that surveillance was only authorised in accordance with RIPA.
- iii. Approved the general surveillance policy in Appendix 1 of the report.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee made no comments in response to the report from the Head of Legal.

The Committee unanimously resolved to endorse the recommendations.

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.

18/11/SR Combined Authority Update**Matter for Decision**

The report provided an update on the activities of the Cambridgeshire and Peterborough Combined Authority (CPCA) since the 9 October meeting of Strategy and Resources Scrutiny Committee.

Decision of Executive Councillor for Strategy and Transformation:

- i. To provide an update on issues considered at the meetings of the Combined Authority held on 25 October, 29 November and 20 December 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 Chief Executive.

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

- i. Referred to the Rapid Transport paper, it was due to be scrutinised the following week but the Combined Authority Overview and Scrutiny Committee had still not yet received it. Asked whether it should be in the public domain.
- ii. Made reference to section 4.3 of the report, asked whether the Mayor's position on the Business Board would be as an observer or would have voting rights.
- iii. Section 4.5 of the report detailed the make-up of the Business Board, asked how small the business would be and could it include shops.
- iv. Section 4.6 of the report referred to the LEP, asked about the current status of the LEP.
- v. Expressed support for an independent business board but raised concern over the process of appointing members with fears of a lack of transparency.
- vi. Referred to the Chair of the LEP/Business Board and asked what their voting rights would be on the Combined Authority (CA).
- vii. Queried why the Business Board had voting rights if they had no budget.
- viii. Made reference to associate membership and asked how the difference in footprint between the LEP and CA would impact its relationship.
- ix. Sought clarification on whether another mayoral election would need to be held if there was a desire to widen the footprint of the CA.
- x. Asked if the £100 million housing funding grant was targeted at providing housing in high cost areas across the geography.

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

- i. Affirmed support for scrutiny and transparency of CA decisions. Referred to the Rapid Transport paper, speculated that the original plan was for it to come to the CA and Greater Cambridge Partnership Board meeting at end of January.
- ii. Stated that without the Terms of Reference to hand they could not confirm the voting status of the Mayor on the Business Board but they recalled that he would be able to vote.
- iii. Stated that shops were likely to meet the criteria of being a small Business but no decision about Board membership had been made yet.

- iv. The LEP would now become the Business Board. Support was still there for an independent business voice but there was scepticism surrounding the way the two had been merged.
- v. The Business Board could be representative and independent; ultimately if it was not, it would be subservient and would fail.
- vi. Confirmed that the Chair of the Business Board would have prescribed voting rights on the Combined Authority Board.
- vii. Highlighted that although the Business Board did not have a budget, it would have some powers and would be set up as a company. It could also receive funding from the CA.
- viii. The devolution agreement and constitution of the CA allowed members to veto the introduction of any neighbouring authorities to join the CA. If there was a desire to expand, a governance review would have to be undertaken and this would involve a fresh mayoral election. Consent may need to be given by the Secretary of State.
- ix. There was support for surrounding authorities to contribute to discussion on strategic plans but not to have a vote.
- x. The Leader stated that he was not aware of any formal criteria regarding the geographical location of housing built with the devolution funding. So far the allocation had been based upon which area could achieve the most with the money. South Cambridgeshire had received over 40% of the allocation in the first phase.

The Committee noted the update.

18/12/SR Cambridge Junction Capital Project

Matter for Decision

The report outlined that a decision was needed to allow the Cambridge Junction capital project to move to the next stage.

A Joint Project Board had been formed between the Council and Cambridge Junction to facilitate agreement of project drivers and outcomes. The report considered a high level feasibility and detailed options assessment carried out by external consultants. As the Council owned the freehold of the site, officers also considered the wider property issues and opportunities provided by any redevelopment scheme. An arts and cultural infrastructure audit had been commissioned in order to provide an evidence base of existing and future needs for professional cultural infrastructure, and to provide underpinning evidence for an options assessment.

The options assessment looked specifically at Cambridge Junction assessed a range of options from 'do nothing' through to 'complete redevelopment of the site'.

Decision of Executive Councillor for Strategy and Transformation:

- i. Noted the findings from the Arts and Cultural Infrastructure Audit.
- ii. Noted the findings of the options assessment work.
- iii. Approved progression to a detailed study on Option 3 – a partial redevelopment - as the preferred recommendation for redevelopment of Cambridge Junction.
- iv. The detailed study on option 3 would be considered within a framework of an outline site wide masterplan to ensure that:
 - a) The full impacts of the phase 1 study on the wider freehold site were taken into account.
 - b) Alternative options were considered at this stage should option 3 be undeliverable.
 - c) The Council was able to ensure best value optimisation of its assets on the site.
 - d) The work would support a potential first stage capital bid to Arts Council England including completion of more detailed work up to RIBA stage 1.

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 Culture and Community Manager.

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

- i. Asked what financial consideration had been given to the Junction in terms of bridging the gap caused by redevelopment.
- ii. Welcomed the opportunity of redevelopment. Referred to section 3.6 of the report and asked if the audit had been subject to analysis.

The Culture and Community Manager and Head of Property Services said the following in response to Members' questions:

- i. Confirmed that the Junction had stable finances, they had been working closely with the Arts Council who were their biggest funder so they were

confident that the redevelopment would make a positive and sustainable impact on their finances.

- ii. Stated that the proposal wasn't just to increase performance capacity, there was high demand for rehearsal/education space and start up facilities.

The Executive Councillor for Strategy and Transformation confirmed that discussions had been ongoing for 18 months; this was a positive opportunity which could lead to further development in Junction 1 in the future.

The Committee unanimously resolved to endorse the recommendations.

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

The meeting ended at 6.30 pm

CHAIR