

STRATEGY AND RESOURCES SCRUTINY COMMITTEE

7 October 2019
5.00 - 7.30 pm

Present: Councillors Davey (Chair), Todd-Jones (Vice-Chair), Bick, Dalzell and Davies

Executive Councillors: Herbert (Executive Councillor for Strategy and External Partnerships) and Robertson (Executive Councillor for Finance and Resources)

Officers:

Chief Executive: Antoinette Jackson

Strategic Director: Fiona Bryant

Benefits Manager: Naomi Armstrong

Development Manager: Alistair Wilson

Head of Finance: Caroline Ryba

Head of Housing Maintenance and Assets: Lynn Thomas

Corporate Health and Safety and Emergency Planner: Renier Barnard

Head of Human Resources: Deborah Simpson

Head of Property Services: Dave Prinsep

Strategic Project Manager: Allison Conder

Committee Manager: Sarah Steed

FOR THE INFORMATION OF THE COUNCIL

19/44/SR Apologies for Absence

Apologies were received from Councillor Green. Councillor Davies was present as the alternate.

19/45/SR Declarations of Interest

No declarations were made.

19/46/SR Minutes

The minutes of the meeting held on 1 July 2019 were agreed and signed as a correct record.

19/47/SR Public Questions

There were no public questions.

19/48/SR To Note Record of Urgent Decision Taken by the Executive Councillor for Finance and Resources

5a Acquisition of long leasehold interest in Units 1-10, Nuffield Close, Nuffield Road Industrial Estate, Cambridge, CB4

The decision was noted.

5b Kings Parade

Councillor Bick made the following comments:

- i. Commented at Cambridge Joint Area Committee (CJAC) Councillors were encouraged to play an active role in the scheme.
- ii. Questioned why Ward Councillors were not consulted following the decision at CJAC.
- iii. Raised concerns regarding the impact on cyclists and unattractive design of the barrier.
- iv. Commented that the barrier was only temporary and questioned why a permanent solution couldn't have been pursued.

The Executive Councillor said the following:

- i. The Kings Parade barrier had come to CJAC earlier in the year and a clear decision had been made on 5 March 2019.
- ii. He understood that West Central Area Committee had debated the issue but not until September.
- iii. Longer preparation time resulted from the desire to ensure that adequate replacement disabled parking would be relocated on Kings Parade and effective extra parking had since been added.
- iv. Officers had recommended adopting a temporary barrier as the first stage.
- v. It had been made clear earlier to CJAC members that the planned permanent barrier would benefit from any learning from that temporary facility.
- vi. He acknowledged that the width of the road did not permit a gap both sides of the barrier for cyclists but this was inescapable given the narrowness of the road and the need for strong barriers.

The decision was noted.

19/49/SR Combined Authority Update

Matter for Decision

The Officer's report provided an update on the activities of the Cambridgeshire and Peterborough Combined Authority since the 1 July Strategy and Resources Scrutiny Committee.

Decision of Executive Councillor for Strategy and External Partnerships

- i. Noted the update provided on issues considered at the meetings of the Combined Authority held on the 31 July and 25 September 2019.

Following the meeting the Executive Councillor confirmed the following appointments to the Combined Authority Committees:

- Skills Committee – Cllr Davey, (Cllr Sergeant Substitute)
- Housing Committee – Cllr Sergeant (Cllr Davey Substitute)
- Transport Committee – Cllr Massey (Cllr Sergeant Substitute)
- Confirmed a change to the Labour substitute member for the Overview and Scrutiny committee from Cllr Davey to Cllr McQueen.

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. Questioned how well the constituent Councils in the Combined Authority worked together.
- ii. The Combined Authority's economic review referred to 3 discreet economic sub-regions, which did not coincide with local authority boundaries. For example the Greater Cambridgeshire economic review would include areas which fell under East Cambridgeshire District Council's local authority area.

The Executive Councillor said the following in response to Members' questions:

- i. The Combined Authority could work better with the constituent Councils.
- ii. There needed to be greater strategic focus on the southern part of Cambridgeshire as a defined economic zone, both to our benefit as a city and to maximise benefits for the wider adjacent area. Work under the Local Enterprise Partnership didn't take Greater Cambridgeshire seriously enough in the past. The Combined Authority Local Industrial Strategy was a big step forward and looked at planning, sustainability, jobs, housing etc. East Cambridgeshire District Council had been originally invited to play a greater part in the Greater Cambridge Partnership (previously City Deal) but declined to do so at the time.

The Chief Executive commented that the Combined Authority had taken a pragmatic approach when creating the economic sub-regions.

The Committee unanimously resolved to note the recommendations.

The Executive Councillor noted the recommendations.

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

No conflicts of interest were declared by the Executive Councillor.

19/50/SR Shared Services Joint Scrutiny

The Executive Councillor said the following in response to Members' questions:

- i. It was his view that Scrutiny needed to be retained at each respective Council; the Councils would continue to work closely and jointly with each other in relation to shared services.
- ii. There were various sizes of shared services, there were medium size shared services for example Building Control and Legal services and then there were larger shared services for example Planning, Waste and Recycling and ICT and governance should be appropriate to the needs of that particular service.
- iii. Noted there was a Joint Local Planning Advisory Group (JLPAG) for the new shared Local Plan with South Cambridgeshire District Council reflecting that joint arrangements worked well where joint assessment decisions were needed.
- iv. Several shared services were still evolving, for example there was a large development workload coming up regarding ICT and Councillor Robertson would be working with officers and counterparts at the other two Councils regarding the Council's priorities for transformation.

- v. Executive Councillors were responsible for shared services which fell within their portfolio. The Strategy and Resources Scrutiny Committee and other relevant Scrutiny Committees would continue to be updated on the progress of shared services and committee members would scrutinise the shared services through the presentation of the annual business plans and annual performance reports.
- vi. Noted that there was no longer a plan to share Finance and Housing Management services at this time.
- vii. The City Council focussed on pre-scrutiny, the other council's operated different scrutiny arrangements.
- viii. Acknowledged work was continuing to build the Planning Service as a joint service.

19/51/SR Corporate Fire Risk Management Strategy & Policy

Matter for Decision

The Fire Risk Management Strategy (FRMS) set out how Cambridge City Council would implement its Fire Safety Policy. The strategy aimed to reduce the risks posed by fire through a risk based approach, supported by fire safety management processes and procedures to reduce the risk as far as reasonably practicable.

Decision of Executive Councillor for Finance and Resources

- i. Approved the Fire Risk Management Strategy subject to the minor amendments tabled at the committee meeting.

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 Housing Maintenance and Assets. A short list of amendments to the wording within the appendices was tabled which set out the fire prevention and protection measures to achieve the fire safety aim of the Fire Risk Management Strategy (additional wording underlined).

As stated in item 1.2 (page 67) 2.2 (Page 70) 3.2.1 (page 72) 3.3.1(page 75) 3.4.1 (page 77) 3.5.1 (page 81)

“.....a carbon monoxide alarm where gas installations are present” should be read as “.....a carbon monoxide alarm where open flued gas or solid fuel installations are present”

As stated in item 1.2 (page 68) “BS 5839:6 2013 recommends an LD3 Grade D system in existing houses and an LD2 Grade D system in new houses.” should be read as: “BS 5839:6 2013 recommends an LD3 Grade D system in existing houses and an LD2 Grade D system in new houses or when materially altered.”

As stated in item 3.2.1 (page 72) “BS 5839:6 2013 recommends an LD3 Grade D system in existing flats.” should be read as: “BS 5839:6 2013 recommends an LD3 Grade D system in existing flats and an LD2 Grade D when materially altered.”

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

- i. Asked if the Fire Service had seen the strategy.
- ii. Questioned the compartmentalisation (stay put) strategy.
- iii. Referred to the Council’s Zero Tolerance Policy on p73 of the agenda, which dealt with means of escape and asked whether the Council would impose a blanket ban of items being placed in shared areas which were means of escape.
- iv. Questioned how tenants could be convinced to follow a ‘stay put’ policy following the Grenfell tragedy.
- v. Commented that the Zero Tolerance Policy had been fully debated at Housing Scrutiny Committee and alternative measures could be put in place for residents. Gave an example in Arbury where residents used to keep bicycles in shared areas and extra bike rack provision had been provided so that bicycles did not need to be stored in shared accessible areas.

The Head of Housing Maintenance and Assets and the Corporate Health and Safety and Emergency Planner and said the following in response to Members’ questions:

- i. Confirmed the Fire Service had been consulted in developing the strategy.
- ii. The compartmentalisation strategy complied with the British Standard. There was an assumption that a building complied with the Fire Strategy unless there was evidence to the contrary.
- iii. Confirmed the Council owned 8 semi-detached properties which had been converted into flats.

- iv. A zero tolerance report was brought to the Housing Scrutiny Committee in August, certain concessions had been made but the council were trying to address safety concerns and means of escape out of buildings. Understood that personal space was at a premium in a shared building but this should not be at the expense of the safety to other residents in a shared building.
- v. Work was being undertaken with the Home Ownership Team and information was being put in the publication 'Open Door' to advise tenants about the 'stay put' policy. Commented that if members had any further ideas, officers would be happy to explore these.

The Executive Councillor referred to paragraph 3.8 of the officer's report and confirmed that all Council buildings had been checked to ensure that they did not contain materials which were present in the Grenfell accommodation.

The Committee unanimously resolved to endorse the recommendation subject to the officer's tabled amendments.

The Executive Councillor approved the recommendation subject to the officer's tabled amendments.

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

No conflicts of interest were declared by the Executive Councillor.

19/52/SR Temporary Agency Worker Provision from December 2019

Matter for Decision

The Council uses a national framework contract created specifically to enable ease of procurement of agency workers. Under this contract one provider takes responsibility for delivering services on behalf of the Council, as an alternative to the Council managing a framework of contracts with individual agencies. The framework contract is designed to deliver cost savings on agency rates and time and cost savings on administration through online systems. The framework provides clarity of terms and assurances for the Council on financial stability, track record, experience and professional ability.

Decision of Executive Councillor for Finance and Resources

- i. Delegated authority to the Head of Human Resources, following agreement by the Strategic Director, in consultation with the Executive Councillor for Finance and Resources, to procure a Managed Service

Provider for the provision of temporary agency workers through the national Managed Services for Temporary Agency Resources (MSTAR3) framework, with effect from 20 December 2019.

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 Human Resources.

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

- i. There had been an increase in demand on the existing framework for agency workers following the Cambridge Live services coming back in-house.
- ii. The recruitment of Planning Officers fell to South Cambridgeshire District Council as the lead authority for the Shared Planning Service.
- iii. 90% of Council posts were filled following the first round of recruitment.
96% of posts were filled on the second round of recruitment.

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.

19/53/SR Local Government Ombudsman Case ID 18005464 Decision**Matter for Decision**

The LGO upheld a complaint relating to the application of the Council's Moorings Policy.

Decision of Executive Councillor for Finance and Resources

- i. Noted that LGO had upheld a complaint relating to an unauthorised mooring;
- ii. Noted that the Head of Legal Services as the Council's Monitoring Officer had an obligation to report the findings to the Council

- iii. Noted that the Committee was satisfied with the action that had been taken (detailed in section 6 of the officer's report)

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Development Manager.

In response to the report Councillors queried what the council had failed to do.

The Development Manager said the following in response to Members' questions:

- i. There were delays in the consideration of this case due to the complexity of the issues involved. The Local Government Ombudsman felt the Council did not consider the individual's circumstances in a timely way.

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.

19/54/SR Review of Council Tax Reduction Scheme**Matter for Decision**

The review of the Council Tax Reduction Scheme sought to deliver three primary objectives:

- Move towards a scheme that was more adaptable to Universal Credit regulations.
- Provide clarity to Universal Credit claimants as to what their entitlement to Council Tax Reduction would be.
- Mitigate against expected reduction in Government administration grants for processing Council Tax Reduction claims.

Decision of Executive Councillor for Finance and Resources

- i. Approved the proposed localised Council Tax Reduction schemes (as set out in the officers report) subject to the requirement for the Head of Revenues and Benefits to bring a report back to Committee if there were any changes to the core schemes in the officers report, or to the universal credit timeline (2023).

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 Benefits Manager.

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

- i. Queried the proposal that the Annual Review of the Council Tax Reduction Scheme should be delegated to the Head of Revenues and Benefits as commented that he would be keen to see the reports coming back to the committee.

The Benefits Manager said the following in response to Members' questions:

- i. The Scheme would be uprated in accordance with CPI.
- ii. It was difficult to predict universal credit migration, the City Council had 900 people on universal credit and South Cambridgeshire District Council had 500 people on universal credit.

Following concerns raised regarding the delegation of the annual review of the Council Tax Reduction Scheme to the Head of Revenues and Benefits. The Executive Councillor suggested the following amendment to the summary of key recommendations from April 2020 (additional text underlined):

- i. To adopt earnings based banded local Council Tax Reduction scheme for Universal Credit claimants and to have fixed non-dependant deductions for these claims.
- ii. To continue with the current Council Tax Reduction scheme (to include annual uprating) for working age claimants who are not in receipt of Universal Credit.
- iii. To agree uprating equal to September CPI for income bands, amounts to pay and non-dependant bands and deductions.
- iv. To approve delegation of the Council Tax Reduction schemes annual review to the Head of Revenues and Benefits, and subject to the above

- recommendations being adopted, that these schemes continue (subject to uprating) until March 2023. Any changes to the core schemes in the officer's report, or to the universal credit timeline 2023 will be brought back to Committee.
- v. To provide transitional protection for households transferring to the banded scheme on 1 April 2020.

The Committee unanimously resolved to endorse the amended recommendations.

The Executive Councillor approved the amended recommendations.

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

No conflicts of interest were declared by the Executive Councillor.

19/55/SR General Fund Medium Term Financial Strategy 2019

Matter for Decision

This report presented and recommended the budget strategy for the 2020/21 budget cycle and specific implications, as outlined in the Medium-Term Financial Strategy (MTFS) October 2019 document, which was attached and to be agreed.

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

At this stage in the 2020/21 budget process showed the range of assumptions on which the Budget-Setting Report (BSR) published in February 2019 was based need to be reviewed, in light of the latest information available, to determine whether any aspects of the strategy need to be revised. This then provides the basis for updating budgets for 2020/21 to 2024/25. All references in the recommendations to Appendices, pages and sections relate to the MTFS Version 3.0.

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 had identified financial and budget issues and pressures and this information had been used to inform the MTFS.

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

- i. Agree the budget strategy and timetable as outlined in Section 1 [pages 5 to 7 refer] of the MTFS document.
- ii. Agree the incorporation of changed assumptions and indicative net unavoidable budget pressures identified in Section 4 [pages 20 to 22 refer]. This provides an indication of the net savings requirement, by year for the next five years, and revised projections for General Fund (GF) revenue and funding as shown in Section 5 [page 23 refer] and reserves [section 7 pages 30 to 33 refer] of the MTFS document.
- iii. Note the changes to the capital plan as set out in Section 6 [pages 24 to 29 refer] and Appendix A [pages 37 to 41 refer] of the MTFS document and agree the new proposals.

Ref	Description/ £'000s	19/20	20/21	21/22	22/23	23/24	24/25	Total
SC646	Redevelopment of Cambridge Junction	250						250
SC658	CCTV infrastructure – additional cost	75						75
SC691	HR and payroll – new system	20	150					170
SC699	Corn Exchange fire doors	37						37
SC672	Mill Road redevelopment – development loan to CIP		1,142					1,142
SC695	Cromwell Road redevelopment – equity contribution		329	333				662
SC696	Cromwell Road redevelopment loan to CIP	2,376	5,481	1,000				8,857
SC701	Dales Brewery	24						24

	– replacement fire alarm system							
	Total Proposals	2,782	7,102	1,333				11,217

- iv. Agree changes to General Fund reserve levels, the prudent minimum balance being set at £5.51m and the target level at £6.61m as detailed in section 7 [pages 30 to 33 refer] and Appendix B [pages 42 and 43 refer] of the MTFS document.

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. Noted an ambitious capital programme and questioned whether there were adequate staffing levels to deliver the services.
- ii. Questioned if the Executive Councillor had a view on the increase in the amount of the Council's reserves.
- iii. Referred to p171 of the agenda and noted that this was the second time that savings from shared services would not be realised. Asked about the progress of shared services.
- iv. Referred to savings requirements on p183 of the agenda and asked if the figures were abstract estimates or based on factors from the current situation.
- v. Referred to page 177 of the agenda and queried if the New Homes Bonus was being used to fund officers supporting growth eg: within the Planning Service.

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

- i. There had been an increase in reserves through underspending and growth in the business rates revenue. Reserves were seen as contingency funds. There was a high level of uncertainty with the local government funding settlement, reserves would provide some flexibility for funding.

- ii. Referred to comments raised in relating to savings targets on p183 of the agenda, these were realistic targets of unavoidable pressures based on an average officers believed to be realistic.
- iii. Commented that it was likely that the New Homes Bonus was likely to disappear in the next 4-5 years and funding would be distributed in another way.

The Executive Councillor said the following in response to Members' questions:

- i. Referred to p198-201 of the committee agenda and commented that there were too many specific projects. He acknowledged there had been some delays finalising some projects. Noted that there was some s106 funding which needed to be spent otherwise there was a requirement to return the funding back to developers. Noted there were items where the council was waiting to obtain funding from external agencies. Commented that the Council had staff who were capable of delivering projects but that sometimes there were issues beyond the Council's control which prevented projects going ahead.
- ii. Savings had been achieved for Shared Services through management restructures. Shared Services overheads needed to be looked at.

The Committee resolved by 3 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.

19/56/SR Cambridge Junction Redevelopment RIBA Stage 1 Works

Matter for Decision

The Officer's report set out a proposal regarding Cambridge Junction Redevelopment RIBA Stage 1 works.

Decision of Executive Councillor for Finance and Resources

- i. Approved Officer's recommendation

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Scrutiny Committee resolved by 3 votes to 0 to exclude members of the public from the meeting on the grounds that, if they were present, there would be disclosure to them of information defined as exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972

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.

19/57/SR Park Street Car Park Redevelopment Update on Final Scheme**Matter for Decision**

The Officer's report set out an update on the Park Street Car Park Redevelopment Final Scheme.

Decision of Executive Councillor for Finance and Resources

- i. Approved Officer's recommendation

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Scrutiny Committee resolved to exclude members of the public from the meeting on the grounds that, if they were present, there would be disclosure to them of information defined as exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972

Following the debate members suggested amendments to the officer recommendations.

The Committee resolved by 3 votes to 0 to endorse the amended recommendations.

The Executive Councillor approved the amended recommendations.

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

No conflicts of interest were declared by the Executive Councillor.

19/58/SR Treasury Management Half Yearly Update Report 2019/20

Matter for Decision

The Council had adopted The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (Revised 2017).

The Code required as a minimum receipt by full Council of an Annual Treasury Management Strategy Statement which includes 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 half-year report had been prepared in accordance with CIPFA's Code of Practice on Treasury Management and covers the following:-

- The Council's capital expenditure (prudential indicators);
- A review of compliance with Treasury and Prudential Limits for 2019/20;
- A review of the Council's borrowing strategy for 2019/20;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- A review of the Council's investment portfolio for 2019/20; and;
- An update on interest rate forecasts following economic news in the first half of the 2019/20 financial year.

In line with the Code of Practice, all treasury management reports have been presented to both Strategy & Resources Scrutiny Committee and to full Council.

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

- i. Approve the report which included the Council's estimated Prudential and Treasury Indicators 2019/20 to 2022/23.

- ii. Approve an increase in the Authorised Limit for External Debt from £300m to £400m (paragraph 5.3 of the officer's report).
- iii. Note the inclusion of loans to the Cambridge City Housing Company and Cambridge Investment Partnership on the Current Counterparty list shown in Appendix B of the officer's report.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Head of Finance.

The Committee resolved by 3 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 7.30 pm

CHAIR