

CIVIC AFFAIRS

19 September 2013

6.00pm - 8.36 pm

Present: Councillors Rosenstiel (Chair), Benstead, Boyce, Herbert, Johnson and Pitt

Officers present:

Chief Executive: Antoinette Jackson

Director of Resources: David Horspool

Director of Environment: Simon Payne

Head of Accounting Services: Julia Minns

Head of Human Resources: Deborah Simpson

Head of Internal Audit: Steve Crabtree

Head of Legal Services: Simon Pugh

Head of Strategic Housing: Alan Carter

Democratic Services Manager: Gary Clift

Customer Service Business Manager: Chris Bolton

Committee Manager: Glenn Burgess

Director of Ernst & Young (External Auditors) – Mark Hodgson

FOR THE INFORMATION OF THE COUNCIL

13/45/CIV Apologies for absence

Apologies were received from Councillor Cantrill (Vice Chair).

13/46/CIV Minutes of previous meeting

The minutes of the meeting held on 26 June 2013 were signed as a correct record by the Chair.

13/47/CIV Declarations of Interest

Councillor	Item	Interest
Rosenstiel	13/51/CIV	Personal: Report refers to MP Julian Huppert and wife works as his Case Officer.

Pitt	13/50/CIV	Personal: As the Executive Councillor for Community Development referred to in the Annual Complaints Report.
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13/48/CIV Public Questions

Mr Wisbey addressed the committee regarding the nuisance caused by the use of the Guest House at 70 Green End Road and raised the following points:

- i. The nature of the nuisance, persistent over many years, had caused unacceptable levels of stress to him and his wife.
- ii. The Housing Department were at fault for placing people at the Guest House in breach of the lawful planning use.
- iii. Problems started in 2005 and escalated when the number of people housed at the Guest House increased.
- iv. Concerns had been raised with the Council about the nuisance as far back as 2005. Compensation payments should therefore be dated from this date and not 2007 as recommended by the Independent Complaints Investigator (ICI).
- v. The problems had resulted in 7 years of hell and had affected their lives both mentally and financially.
- vi. Without the outside help of Mrs Blair this problem would not have been addressed by the Council.

Mrs Blair also addressed the committee regarding the nuisance caused by the use of the Guest House at 70 Green End Road and raised the following points:

- i. She had first met Mr and Mrs Wisbey in 2010, and by 2012 they were clearly at the end their tether.
- ii. If a specific challenge had not been raised on their behalf regarding breach of planning conditions the Council would still not have addressed the issue.
- iii. Highlighted the failure by the Housing Department to ensure effective management of the Guest House.
- iv. Emphasised that, as the initial problems had started in 2005, the compensation payments should reflect this.
- v. Asked that the Council review all premises being used for the temporary accommodation of vulnerable people.

- vi. Thanked the Anti-Social Behaviour (ASB) Officer, the Head of Planning Services and the Director of Environment for their assistance in addressing this issue.

13/49/CIV Ernst and Young External Audit conclusions and approval of Statement of Accounts

The committee received a report from the Director of Resources seeking approval of the 2012/13 Statement of Accounts. The report included the Audit Results Report from the Council's external auditors, Ernst and Young (EY), setting out details of their work, findings and conclusions regarding the 2012/13 Accounts

In response to a question from Councillor Herbert, Mark Hodgson, the Council's external auditor, confirmed that the value for money aspects of the audit had been undertaken in accordance with the Code of Audit Practice, having regard for the following two criteria (as published by the Audit Commission in November 2012):

- The authority has proper arrangements for securing financial resilience.
- The authority has proper arrangements for challenging how it secures economy efficiency and effectiveness.

However, there was an obligation for auditors to take into account previous Audit Commission criteria around good governance. The report therefore reported an exception in respect of significant weaknesses in the Council's arrangements for ensuring appropriate internal controls in the preparation of the 2013/14 budget.

In response to questions from Councillor Herbert, Mr Hodgson confirmed the following:

- i. Whilst EY had been notified of a breach in the Council's systems of internal control, it was not the role of external audit to monitor the figures on a day to day basis.
- ii. The initial overstatement by the Council in the valuation of property assets of £6.065m related to the classification of certain social housing properties designated for redevelopment - which resulted in a need for those properties to be valued on a different basis.

In response to a question from Councillor Pitt regarding the audit fees, Mr Hodgson confirmed that £18,000 of the proposed final audit fee related to the Phase 1 work in identifying the issues, and £21,000 related to the additional work as requested by the Council.

In response to a further question from Councillor Pitt it was noted that the external auditors were comfortable with the City Council's Action Plan to address the issues, but had not yet revisited the implementation of the Plan.

Resolved (by 3 votes to 0) to:

- i. Approve the Statement of Accounts for the year ending 31 March 2013.
- ii. Authorise the Chair of the meeting to sign the Letter of Representation and audited Statement of Accounts for the financial year ending 31 March 2013 on behalf of the Council.

Re-ordering of the agenda

Under paragraph 4.2.1 of the Council Procedure Rules, the Chair used his discretion to alter the order of the agenda to take agenda item 7 next (Minute Item 13/51/CIV). However, for ease of the reader, these minutes will follow the order of the published agenda.

13/50/CIV Annual Complaints Report 2012/13

The committee received a report from the Customer Service Business Manager regarding the Annual Complaints Report for 2012/13.

In response to a question from the Chair the Customer Service Business Manager confirmed that the increase in the number of complaints was partly due to the recent introduction of a central complaints repository which meant that issues were being reported more consistently. The Council had also provided specific training for officers in identifying and dealing with complaints.

To put the figures into context, the Chief Executive confirmed that the City Council provided services to over 50,000 households and had received a total of 498 complaints. It was also noted that, as the Council experienced different challenges from year to year (such as the re-routing on refuse vehicles and the changes to the benefit system) it was difficult to compare short term trends.

Councillor Herbert emphasised the need for the Council to learn and improve as a result of complaints, and requested further information on the cases investigated and up-held by the Independent Complaints Investigator.

The Chief Executive agreed that further details would be added to the Annual Complaints Report prior to it being published on the Council's website.

In response to a question from Councillor Johnson regarding complaint response times (table 3 of the Officer's report) the Chief Executive confirmed that response times varied dependent on the complexity of complaints received by each department. For example a missed recycling bin could be dealt with much quicker than a complex planning issue.

Resolved (by 3 votes to 0) to:

- i. Approve publication of the draft Annual Complaints Report for 2012-13 to the Council's website.

13/51/CIV Complaint Concerning Nuisance Caused by the Use of the Guest House at 70 Green End Road

The committee received a report from the Director of Environment regarding a complaint concerning nuisance caused by the use of the Guest House at 70 Green End Road. A typographical error was highlight on page 18 of the Officer's report. The first telephone call from the complainants should have been listed as 17th *April* 2007 – not 17th September 2007 as noted in the report.

It was noted that a joint internal investigation had been undertaken by the Director of Environment and the Director of Customer and Community Services which had highlighted the importance of an appropriate escalation procedure and the need for joined up working across teams and departments (a 'One Council' approach). A new Principal Planning Officer with specific responsibility for enforcement had been appointed and additional training for officers in the Planning Department had been arranged.

The Director of Environment reiterated his unreserved apology on behalf of the City Council for the mistakes that were made in seeking to stop the nuisances. It remained open for Mr and Mrs Wisbey to make a complaint to the Local Government Ombudsman (LGO) if they were dissatisfied with any aspect of the Council's response, including the level of compensation offered.

In response to concerns raised by the Chair regarding the recording of complaints by the Environmental Health Department, the Director of Environment confirmed that all complaints were logged and acted upon, and he felt that an effective complaints process was in place.

In response to a question by Councillor Pitt regarding the level of compensation offered the Head of Legal Services confirmed that it was within the remit of the committee to amend the proposed start date. The Chief Executive confirmed that the LGO would look at when the Council should have *acted* upon the issue, not necessarily when the nuisance started. It was therefore based upon a judgement of the LGO, but the committee could ultimately disagree with this.

The committee emphasised that, as the Council should have acted in 2005 when the issue was first brought to their attention, the compensation payment should start from this date. The failure of joined up working across teams and departments was also highlighted as a concern.

In response to a question from Councillor Pitt regarding checks on previous complaints concerning temporary accommodation sites, the Head of Strategic Housing responded that, whilst checks were made on the planning status, they were not made on any previous noise or ASB issues. It was acknowledged however that this could be a useful check to include. It was also noted that the Council currently only use 1 establishment in Cambridge and 3 outside of the City. Long term the aim of the Council was to not use Bed and Breakfasts or Guest Houses for temporary accommodation.

In response to a follow up question the Head of Strategic Housing confirmed that, whilst the Council were unable to monitor placements by other Local Authorities, they would react to any issues arising as a result. Officers worked closely with colleagues in neighbouring authorities on the use of Bed and Breakfast and other forms of emergency accommodation to encourage that appropriate placements were made

In relation to the actions identified to address the complaint (page 5 and 6 of the Officer's report) the Director of Environment confirmed that an Action Plan, with identified lead Officers and specific deadlines, had been developed.

At the request of Councillor Herbert, and with the support of the committee, it was agreed that a report on the implementation of the Action Plan would be brought back to a future meeting. Councillor Herbert also emphasised the need for more support and leverage for the Environmental Health Department where the Council had an interest in a property.

The Chief Executive emphasised that, whilst it was important to ensure correct processes were in place, there was a need for the 'One Council' approach to be imbedded into all departments.

The committee endorsed this approach.

The committee thanked officers for their hard work in addressing the issue.

The committee reiterated their apologies to Mr and Mrs Wisbey for the mistakes made by the Council and thanked them for attending the meeting.

Resolved (unanimously):

- i. To endorse the actions taken in relation to a complaint concerning nuisance caused by the use of the Guest House at 70 Green End Road.
- ii. In acceptance that the Council should have first acted in 2005, to award a compensation payment of £2000 per year for seven years, totalling £14,000 (+ £250 for time and trouble).
- iii. To endorse the need for a 'One Council' approach across all departments of the Council.
- iv. To request that Officers bring a report back to this committee on implementation of the Action Plan, including updates on the issues raised during the debate.

13/52/CIV Update Report on the Budget Setting Process

The committee received a report from the Chief Executive regarding proposals for the 2014 budget setting timetable.

In response to a question from the Chair regarding the procurement of an alternative financial modelling system (4.8 of the Officer's report), the Director of Resources confirmed that this would cost £80,000 (with £14,000 on costs) and would not offer material improvement on the current system. The advice of the external auditors was that the current system was fit for purpose.

While greater scrutiny of the budget was welcomed, Councillor Herbert did raise concern about the amount of meetings scheduled for January 2014. The Chief Executive acknowledged the concern but emphasised the importance of allowing individual Scrutiny Committees to have an input into the budget debate. The schedule also reflected the current requirements of the constitution.

Councillor Herbert raised concern also that the Housing Revenue Account (HRA) appeared to follow a different scrutiny path. He felt that, with a budget of £50m, the HRA should be scrutinised by the Strategy and Resources Scrutiny Committee. The Chief Executive confirmed that the process reflected the current constitutional arrangements and, whilst it was too late for any change to the 2013/14 process, it could be looked at in future years.

In response to Councillor Herbert's points the Chair highlighted that both the Strategy and Resources Scrutiny Committee and Full Council had an opportunity to debate the housing capital programme.

Resolved (unanimously) to:

- i. Recommend to Council the timetable (attached to the Officer's report) for the Council's budget setting process for 2014 and the changes to the Council's Budget and Policy Framework Procedure Rules in Appendix B of the Officer's report to reflect these.
- ii. Note the feedback on the progress made on other actions.

13/53/CIV Review of Polling Districts, Polling Places and Polling Stations

The committee received a report from the Democratic Services Manager regarding the review of polling districts, polling places and polling stations.

The committee made the following comments:

- i. An extension of the polling place for Newnham (IA), ahead of the formal consultation, to include additional polling station venues could be an option.
- ii. The Federation of Cambridge Resident's Associations (FECRA) should be added to the list of consultees.
- iii. Re-drawing some of the polling districts could be beneficial.
- iv. The growth in the Southern Fringe could need to be factored into the review.
- v. Councillors should be encouraged to feed into the review.

Resolved (unanimously):

- i. To consider the arrangements for designating polling districts, places and stations for the purpose of parliamentary and local government elections.
- ii. That the starting point for public consultation be the current polling arrangements (see copy of the notice of consultation attached at Appendix B of the Officer's report).
- iii. That the recommendations arising from the public consultation be reported to the committee at its meeting on 29 January 2014, to consider and approve any changes to polling districts and places.
- iv. That such amendments be implemented with effect from the date of the next publication of the revised Register of Electors on 17 February 2014.

13/54/CIV Consideration of Measures to Discourage Tax Avoidance

The committee received a report from the Head of Human Resources regarding consideration of measures to discourage tax avoidance.

Councillor Herbert thanked officers for their hard work and asked that Officers consider that the guidance refer to arrangements lasting more than *3 months*, not 6 months as indicated in the Officer's report.

This comment was noted.

Resolved (unanimously) to:

- i. Approve that the Director of Resources, Head of Legal Services, Support Services Manager and Head of Human Resources develop contract clauses and guidance for use by Cambridge City Council managers when employing consultants through companies, in line with the suggested models and guidance set out in the Officer's report.

13/55/CIV Implementation of national pay award

The committee received a report from the Head of Human Resources regarding implementation of the national pay award.

In response to a question from Councillor Herbert the Head of Human Resources confirmed that a proposal had been that the national pay award be weighted for those on lower incomes. However the City Council started at Pay Point 9 only a small number of employees would have been affected.

In response to a question from Councillor Johnson regarding the timing of future pay awards the Head of Human Resources confirmed that Unison was currently consulting its members.

Councillor Rosenstiel asked that Members be briefed at the same time as staff are informed of a pay award.

Resolved (unanimously) to:

- i. Note the implementation of the national pay award in accordance with national pay agreements for staff on City Pay Bands 1-9, with effect from 1 April 2013.
- ii. Recommend to Council a change in the scheme of delegation to remove the requirement for any action taken in pursuance of this delegation to the Director of Resources to be reported to the Civic Affairs Committee at its next meeting, and that instead Members be advised by the Director of Resources when such action has been taken, and a record of that advice be made available to the public.

The meeting ended at 8.36 pm

CHAIR