

**THE EXECUTIVE**

19 January 2012

6.00 - 6.56 pm

**Present:** Councillors Reid (Chair), Smart (Vice-Chair), Bick, Cantrill, McGovern, Swanson and Ward

**Officers Present**

Chief Executive – Antoinette Jackson  
Director of Resources – David Horspool  
Director of Environment – Simon Payne  
Committee Manager – Glenn Burgess

**Councillors in attendance**

Councillor Herbert

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| <b>FOR THE INFORMATION OF THE COUNCIL</b> |
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**12/1/EX Apologies**

None.

**12/2/EX Declarations of Interest**

None.

**12/3/EX Minutes**

The minutes of the meeting held on 12 September 2011 were approved and signed as a correct record.

**12/4/EX Revenue and Capital Budgets - 2011/12 (Revised), 2012/13 (Proposed) AND 2013/14 (Forecast)**

The Executive received a report from the Director of Resources regarding the Revenue and Capital Budgets – 2011/12 (Revised), 2012/13 (Proposed) and 2013/14 (Forecast).

The Director of Resources outlined the role of the meeting within the wider budget-setting context and summarised the content of the report. Minor drafting amendments regarding Climate Change Fund investments, as agreed at the Strategy and Resources Scrutiny Committee on 16 January 2012, were noted.

In response to questions the Director of Resources confirmed that details of the Housing Revenue Account (HRA) would be presented to the Council meeting on 23 February 2012. This would be in the form of three separate documents; the Business Plan, the Asset Management Plan and the Budget Setting Report (BSR).

The Executive and officers received questions from the representative of the Labour Group:

- i. Councillor Herbert asked the Director of Resources for an update on how the self-financing debt would be managed. The Director of Resources responded that, whilst officers were looking at a number of options including internal borrowing, ring-fencing legislation would need to be taken into account. Interest rate projections were being monitored and officers were mindful of the need to balance the needs of both the General Fund and the HRA.
- ii. Councillor Herbert asked the Executive Councillor for Housing if there was an additional option of borrowing against the 'headroom'. The Executive Councillor responded that, whilst there was an option to borrow against the 'headroom', it would not be at the reduced single day rate. The City Council would therefore only commit to this additional borrowing if specific plans were in place to allocate the funds.
- iii. Councillor Herbert asked the Executive Councillor for Housing if any housing priorities had been identified. The Executive Councillor confirmed that options such as management and maintenance of existing housing stock, new builds and increased energy reduction and insulation measures were being looked at but no firm decisions had been taken.
- iv. Noting the Motion agreed by Council in July 2011, Councillor Herbert emphasised the need for appropriate rates of pay and parity of salaries for all staff working with new contractors. The Executive Councillor for Customer Services and Resources responded that terms and conditions for council staff moving to external contractors would be protected by law under Transfer of Undertakings (Protection of Employment) (TUPE) arrangements.

- v. In light of more decisions being delegated to Area Committees, Councillor Herbert asked the Executive Councillor for Arts, Sport and Public Places what additional support would be provided to help them with the increased workload. The Executive Councillor responded that it was important for decisions to be made at a community and local level, and for those decisions to be as open and transparent as possible. Whilst he acknowledged that each Area Committee operated slightly differently it was hoped that good practice learnt through the North Area Pilot could help inform new ways of working. Neighbourhood Plans and the allocation of developer contributions would give more structure to the process and help the public be fully involved in decisions directly affecting their area. For Area Committees with a higher number of planning applications the option of more frequent meetings was being looked into. The Leader and the Executive Councillor for Community Development and Health confirmed that funding for a new Community Engagement Officer post had been allocated in the budget. The new post would provide expertise to help support the Council's approach to the Localism agenda and neighbourhood working. It was also noted that, as the role of the Area Committee Chairs would become more important, senior officer support would be put in place to assist with the increased workload and responsibility.
- vi. Councillor Herbert asked the Executive Councillor for Arts, Sport and Public Places what the process would be for the local allocation of developer contributions and how this would be monitored and scrutinised. The Executive Councillor responded that under the new system allocation would be driven by the Neighbourhood Plans and local priorities, and would therefore be a more open and transparent process.
- vii. Councillor Herbert asked the Executive Councillor for Community Development and Health if additional funds would again be allocated to the Citizens Advice Bureau (CAB) to help support people through the changes in welfare reform. The Executive Councillor responded that, whilst the CAB case load figures had not increased this year as expected, a sum over and above core funding had been allocated to help support them. The Executive Councillor for Customer Services and Resources also noted that two additional desks and an interview room would be installed at the Customer Service Centre, and five additional information kiosks would be installed across the City to help support people through the changes.
- viii. Councillor Herbert asked the Executive Councillor for Environmental and Waste Services if the current recycling contract would be renegotiated to include plastic containers. The Executive Councillor responded that, due to the slump in the market for plastic recycling, the current contractors

were at present unwilling to renegotiate the contract. However negotiations would continue and it was hoped that the contract could be renegotiated if the market picked up.

- ix. Councillor Herbert asked the Executive Councillor for Planning and Sustainable Transport if pressure was being put on the County Council to help contribute to the citywide 20mph scheme. The Executive Councillor responded that he would be meeting with County Council Cabinet Members on Monday 23 January 2012 to further discuss the issue.

## Record of Decision

The Executive resolved unanimously (6 votes to 0) to recommend to Council to:

### **Please note:**

All page references relate to the BSR which can be found at:

#### **Link 1:**

<http://www.cambridge.gov.uk/democracy/mgConvert2PDF.aspx?ID=8599>

The circulated amendments to the (BSR – Revenue and Capital Budgets 2011/12 (Revised), 2012/13 (Budget) and 2013/14 (Forecast) can be found at:

#### **Link 2:**

<http://www.cambridge.gov.uk/democracy/mgConvert2Pdf.aspx?ID=3371&T=9>

## **General Fund Revenue Budgets and Cash Limit / Savings Target: [Section 4, page 30 of the BSR refers]**

### **Budget 2011/12:**

- a) Approve, with any amendments, the revised budget items shown in Appendix D (page 75 of the BSR) - as amended for the attached replacement page 79 in Appendix D (see Link 2 above).
- b) Approve, with any amendments, the overall revised budget for 2011/12, as shown in Section 4 (page 30 of the BSR) and Appendix G(a) (page 109 of the BSR) for General Fund Services.

**Budget 2012/13:**

- c) Agree any recommendations for submission to the Executive in respect of:
- Bids to be funded from External or Earmarked Funds [Appendix H, page 112 of the BSR, refers] – as amended for the attached replacement page 113 in Appendix H (see Link 2 above).
  - Non Cash Limit items [Appendix E, page 86 of the BSR refers]
  - Revenue Savings and Bids [Appendix F, page 87 of the BSR refers]
  - Priority Policy Fund (PPF) Bids [Appendix I(a), page 116 of the BSR refers] – based on the position as outlined in Section 4 (page 37 of the BSR refers).
- d) Recommend to Council the Council Tax base, as set out in Appendix C (a) (page 74 of the BSR), and the level of Council Tax for 2012/13, based on a 99% collection rate [Section 3, page 27 of the BSR refers].
- e) Recommend to Council to approve:
- (i) the Prudential Indicators as set out in Appendix T(a) (page 193 of the BSR refers) and to confirm that the “Authorised Limit” determined for 2012/13 will be the statutory limit determined under section 3 of the Local Government Act 2003.
  - (ii) to delegate to the Director of Resources, within the borrowing totals for any financial year within (i) above, to effect movement between the separately agreed figures for ‘borrowing’ and ‘other long term liabilities’.
  - (iii) the Treasury Management Annual Borrowing and Investment Strategies set out in Appendices T(b) (page 199 of the BSR refers) and T(c) (page 201 of the BSR refers), particularly:
    - to increase the maximum sum that can be invested with HSBC Bank Plc from £12m to £16m.

- to amend the limit for a single named institution from £6m to £10m; (retaining the existing maximum sum which may be invested with counterparties belonging to the same company group at 1.5 times the level for a single named institution); and
  - to have the flexibility to use other financial means available to the Council, such as bank call accounts, notice accounts, money market funds, treasury bills and gilts. However, use of such financial instruments would be subject to an assessment in conjunction with the Council's treasury management advisors (Sector) to ensure that it would not prejudice the council's deposit priorities.
- (iv) amendments to the Council's Approved Lending (Revised Counterparty) List, shown in Appendix T(c), Annex 3 (page 210 of the BSR refers)
- f) Delegate to the Director of Resources authority to finalise changes relating to the corporate and departmental restructuring and any reallocation of support service and central costs, in accordance with the CIPFA Best Value Accounting Code of Practice and the Service Reporting Code of Practice for Local Authorities (SeRCOP).

**Capital: [Section 6, page 47 of the BSR refers]**

*Capital & Revenue Projects Plan: [section 6, page 50 of the BSR]*

- g) Approve the following project appraisals, that have been referred by Executive Councillors:

**From the Executive Councillor for Arts, Sport and Public Spaces:**

- (i) Cherry Hinton Hall Grounds improvements
- (ii) Coleridge Recreation Ground improvements

**From the Executive Councillor for Community Development & Health:**

- (i) Centre at St Paul's –Redevelopment of the main hall
- (ii) Clay Farm Community Centre  
(separate Report on CD&H agenda)

**From the Executive Councillor for Housing:**

- (i) Energy Efficiency Grant
- (ii) Landlord Accreditation Grant

**From the Executive Councillor for Environmental & Waste Services:**

- (i) Vehicle replacements 2012/13

**From the Executive Councillor for Customer Services and Resources:**

- (i) Content Management System Replacement
- (ii) Introduction of a metered electricity supply on Cambridge Market
- (iii) Electronic Market Management System

h) Agree any recommendations to the Executive in respect of the bids outlined in Appendix O(a) (page 159 of the BSR) – as amended for the attached (see Link 2 above).

**From the Executive Councillor for Planning and Sustainable Transport:**

Approve the removal of H28 – Park Street Car Park, as identified in Appendix P (page 182 of the BSR refers, from the Council's Hold List, for submission to the Executive.

i) Agree the Capital & Revenue Projects Plan, as shown in Appendix M (page 141 of the BSR) for the General Fund (which will be updated to incorporate rephrasing, new bids and the above recommendations) and Appendix S (*to be included in Version 3 of the BSR – see Note*) for the Housing Capital Investment Programme.

Note that revised Housing Capital Investment Plan for 2011/12 to 2016/17, will be presented to the special joint Housing Management Board and Community Services on 8<sup>th</sup> February 2012, to include the impact of in year savings in capital budgets, re-allocation of budgets for decent homes works, rephrasing of existing projects and schemes and incorporation of capital bids (as detailed in Appendix O(b), page 177 of the BSR refers).

j) Note the impact of revenue and capital budget approvals and approve the resulting level of reserves to be used to:

- (i) support the 2011/12 budget
- (ii) support the 2012/13 and future years budgets.  
(Appendix G(c), page 111 of the BSR refers)

**Recommendation k) - NEW:**

Approve contribution to Climate Change Fund in 2012/13 of £129,050. (This was previously included in page 109 of **Appendix G(a) of the BSR** under the line for "Use GF reserves above £5m".

**Recommendation l) - NEW:**

To agree inclusion in the Capital & Revenue Projects Plan of new items identified below, to note additional funding for revised schemes approved by Executive Councillors namely:

- PR018 - Bus Shelters
- SC517 - Fuel Tanks Relining
- SC518 - Corn Exchange Lighting Improvement
- SC519 - Wulfstan Way Art Project
- SC520 - Community Olympic Public Art Commission

**Also attached are updated tables [Page 51 of the BSR refers] and Appendix Q [page 183 of the BSR] in the BSR reflecting the above changes (see Link 2 above).**

**Housing Revenue Account [Part 5, page 41 of the BSR refers]**

- Whilst there are no changes at this stage, Council will consider the recommendations of the special Housing Management Board and Community Services Scrutiny Committee regarding Housing Self Financing at the meeting on 23rd February 2012.

The meeting ended at 6.56 pm

**CHAIR**