

STRATEGY AND RESOURCES SCRUTINY COMMITTEE 14 October 2013
5.00pm - 8.32 pm

Present: Councillors Pitt (Chair), Cantrill (Vice-Chair), Ashton, Benstead, Boyce, Herbert, O'Reilly and Rosenstiel

Leader of the Council: Councillor Bick
Executive Councillor for Customer Services & Resources: Councillor Smith
Executive Councillor for Housing

Officers Present:

Director of Resources: David Horspool
Director of Customer and Community Services: Liz Bisset
Head of Legal Services: Simon Pugh
Head of ICT: James Nightingale
Head of Customer Services: Jonathan James
Head of Revenues and Benefits: Alison Cole
Head of Human Resources: Deborah Simpson
Safer Communities Section Manager: Lynda Kilkelly
Committee Manager: Glenn Burgess

FOR THE INFORMATION OF THE COUNCIL

13/61/SR Apologies for absence

There were no apologies from members of the committee.

Apologies were noted from the Chief Executive and the Director of Environment.

13/62/SR Declarations of interest

Councillor	Item	Interest
Cantrill	13/65/SR	Personal: Trustee of Winter Comfort

13/63/SR Minutes of the previous meeting8 July 2013

The minutes of the meeting held on 8 July 2013 were approved and signed as a correct record.

30 September 2013

Councillor Herbert proposed the following amendment to minute item 13/58/SR on page 6 (additional text in **bold**):

Councillor Herbert expressed concern that, in a time of financial pressure, £300,000 was being committed to the 'Keep Cambridge Moving' Fund without any member scrutiny, **and with uncertainty on the detailed proposals it will be allocated to.** In response the Leader reiterated that the issue had been discussed at the Environment Scrutiny Committee. He also stated that the Fund was a more effective way of addressing issues around the A14 improvements, whilst retaining the City Councils control over its own contribution

The committee agreed the amendment.

It was agreed that the Chair would sign the minutes at the next meeting.

13/64/SR Public Questions

None were received.

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 move items 5,6,14 and 15 to the end of the meeting. However, for ease of the reader, these minutes will follow the order of the published agenda.

13/65/SR Mid-Year Financial Review (MFR) - Treasury Management Strategy Report 2013/14 to 2016/17**Matter for Decision**

The Council is required by regulations issued under the Local Government Act 2003, to produce an annual strategy treasury report reviewing treasury management activities.

Decision of the Leader of the Council

Resolved to:

- i. Recommend to Council changes to counterparty limits as set out below (detailed in section 6 and Appendix A of the Officer's report):
 - a) Increase current single counterparty limits from £10m to £15m
 - b) Increase the counterparty group limit from £15m to £22.5m (1.5 times single counterparty limit)
 - c) Increase HSBC Deposit Account limit by £4m to £20m
 - d) Apply a single counterparty Certificates of Deposit limit of £10m; and
 - e) Apply a Money Market Fund limit of £10m per fund
- ii. Recommend to Council changes to the estimated Prudential & Treasury Indicators for 2013/14 to 2016/17, inclusive, as set out in Appendix E of the Officer's report.

Reasons 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 Director of Resources regarding the Treasury Management Strategy Report 2013/14 to 2016/17.

In response to member's questions the Director of Resources confirmed the following:

- i. In the current financial climate it was important for the Council to take a cautious approach to treasury management.
- ii. Explained the difference between Certificates of Deposits and Money Market Funds.
- iii. Agreed to provide further detail to members regarding Appendix C of the Officer's report and where claims against LBI would feature.
- iv. The Council moved their funds effectively between banks in order to ensure the best rates.
- v. A standardised credit rating system across all local authorities ensured a robust approach to identifying risk.
- vi. Whilst increased levels of deposits would ensure greater flexibility for the Council, the instruments had only been used between £8m and £10m in the last financial year.

As the instruments had not been used, and they wouldn't have been used above the £10m limit even if they were available, the Chair proposed the following amendments to recommendation d) and e) of the Officer's report (replacement underlined and original ~~struck through~~):

- e) Apply a single counterparty Certificates of Deposit limit of £10m ~~£15m~~ and
- f) Apply a Money Market Fund limit of £10m ~~£15m~~ per fund

The committee resolved by 4 votes to 0 to agree the amendments.

The Committee resolved unanimously to endorse the amended recommendations.

The Leader of the Council approved the amended recommendations.

Conflicts of Interest Declared by the Leader of the Council (and any Dispensations Granted)

Not applicable.

13/66/SR Review of street based anti-social behaviour**Matter for Decision**

The Executive Councillor agreed that a biennial review of street life issues should be taken to the Strategy and Resources Scrutiny Committee. Following the first review presented to the Committee in October 2012 a series of workshops took place in early 2013 with City Councillors, representatives from statutory organisations and support agencies, to consider the management of individuals and trends associated with street based anti-social behaviour (ASB).

Decision of the Leader of the Council

Resolved to:

Note the attached report at Appendix 1 of the Officer's report and supporting documents.

- i. Develop and provide a programme of intensive tenancy support, for individuals moving in to general housing stock following homelessness or living in temporary accommodation.
- ii. Incorporate the provision of tenancy starter packs within the support programme. Consider using donations to the Alternative Giving Campaign to fund these packs.
- iii. Refresh the Task and Target Group to develop an inter-agency approach that offers intensive support to those who choose to engage and takes prompt enforcement measures towards unacceptable behaviour.
- iv. Develop different management models for each of the 3 main identified groups, to best serve the needs of the individual, in line with the Integrated Offender Management and Together for Families initiatives.
- v. Develop a communication programme for the public, to give information on: reporting street based ASB, the kind of behaviour that is unacceptable, and the actions that can realistically be taken against street based ASB. And that one or more workshops are organised on the implementation of the report - including the agencies involved, local Councillors, other key stakeholders and resident's representatives - for the areas most affected.

- vi. Enhance the multi-agency group to take a strategic overview of street life issues, monitor patterns and take forward the work on the recommendations from this report.
- vii. Maintain a watching brief with regard to wet centres and review the current approach if more compelling evidence of their success arises in the future.

Reasons 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 Director of Customer and Community Services and the Safer Communities Section Manager regarding street based anti-social behaviour.

The Leader welcomed the report and expressed thanks to those that had attended the workshops. The City Council had both a preventative and housing based role in tackling the problem. Its role also extended to leading and galvanising the approach of many different partners and promoting shared standards.

The Leader thanked Officers for their hard work and proposed community budgeting as a future option for tackling the problem.

Councillor Herbert thanked Officers for the detailed report but suggested that a separation between night-time economy issues and street life issues would have been useful. The need to ensure that residents of Cambridge received adequate support from the service was also emphasised.

The Safer Communities Section Manager responded that, whilst efforts had been made to separate night-time economy issues from street life issues, the way that anti-social behaviour was recorded made it difficult.

Councillor Herbert acknowledged that some discussions had taken place at Area Committees, but suggested that a follow up event with greater involvement from local resident's representatives would be beneficial.

The Safer Communities Section Manager responded that, whilst Officers had promoted the workshops through letter drops, flyers and websites, they had found it difficult to generate interest from local residents.

The Leader highlighted his disappointment that more people had not been able to attend the workshops and suggested that further discussion could take place through the 'Safer Neighbourhoods' section of Area Committee meetings. Councillor Herbert felt that a city wide approach, with better engagement with local residents, was needed and reiterated his desire for a follow up event.

The Executive Councillor for Housing and Councillor Cantrill confirmed that Jimmy's Night Shelter and Winter Comfort engaged heavily with local residents to identify and address any issues.

The Executive Councillor for Housing emphasised the importance of the Council's Reconnections Policy. The Single Homelessness Services was also highlighted as an important tool in tackling the issue and ensuring that people did not easily drift from a 'low need' to a 'moderate need' position.

Councillor Cantrill emphasised the importance of a wide range of support services including housing and employment, and felt that early intervention could prevent people becoming institutionalised in the street life community.

Members discussed the merits and concerns regarding 'wet centres' (section 9 of Appendix 1 of the Officer's report), and previous experience of housing one of these in the City.

In reference to recommendation 6 of the Officer's report regarding the multi-agency group, Councillor Boyce emphasised the importance of identifying any gaps and avoiding duplication.

This comment was noted by Officers.

Councillor Boyce proposed the following amendment to recommendation 6 of the Officer's report (replacement underlined and original ~~struck through~~):

- Enhance the set-up a multi-agency group to take a strategic overview of street life issues, monitor patterns and take forward the work on the recommendations from this report.

The committee resolved unanimously to agree this amendment.

Councillor Herbert proposed the following amendment to recommendation 5 of the Officer's report (additional text in **bold**):

- Develop a communication programme for the public, to give information on: reporting street based ASB, the kind of behaviour that is unacceptable, and the actions that can realistically be taken against street based ASB. **And that one or more workshops are organised on the implementation of the report - including the agencies involved, local Councillors, other key stakeholders and resident's representatives - for the areas most affected.**

The committee resolved unanimously to agree this amendment.

The Committee resolved unanimously to endorse the amended recommendations.

The Leader of the Council approved the amended recommendations.

Conflicts of Interest Declared by the Leader of the Council (and any Dispensations Granted)

Not applicable.

13/67/SR Update on Discretionary Housing Payment

Matter for Decision

Update on the use of Discretionary Housing Payment (DHP), current DHP funding and new additional funding to help with the housing needs of those affected by housing benefit reforms.

Decision of the Executive Councillor for Customer Services and Resources

Resolved to:

- i. Acknowledge the impact of the welfare reforms and the support given to tenants affected by the changes.
- ii. Note the current levels of spend and continue to monitor this, with reports brought forward to the Strategy and Resources Scrutiny Committee as required.

- iii. Approve the use of the additional transitional funding as set out in 3.12 of the Officer's report.
- iv. Welcome the continuing work of Officers to identify those in need of support.

Reasons 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 regarding Discretionary Housing Payment (DHP) and Welfare Reform Transitional Funding.

In response to members' questions the Head of Revenues and Benefits and the Director of Customer and Community Services confirmed the following:

- i. Stressed that, at this point in time, it was not possible to draw any final conclusions regarding the call on DHP funding for the remainder of the financial year.
- ii. 500 tenants were affected by the spare room subsidy changes yet only 137 had received DHP for this reason.
- iii. It was anticipated that claims for DHP would increase in future years.
- iv. As of 28 August 2013, there had been 290 claims for DHP, of which 233 were successful.
- v. Officers had been proactive in raising awareness of DHP and encouraging residents to apply.
- vi. As reflected in the recent report to the Housing Management Board, 75% of those affected by the changes were making arrangements to pay.
- vii. The current level of rent arrears was approximately £22,000.
- viii. For this financial year it was expected that extra funding provided by the government would be sufficient to ease the transition of the housing benefit changes. It was not yet clear if this would be the case in future years.

Members and Officers discussed the need for further reports to be brought to this committee.

The Chair proposed the following amendment to recommendation 2 of the Officer's report (additional text in **bold**):

- Note the current levels of spend and continue to monitor this, **with reports brought forward to the Strategy and Resources Scrutiny Committee as required.**

The committee resolved unanimously to agree this amendment.

The Chair also proposed the following additional recommendation:

- Welcome the continuing work of Officers to identify those in need of support.

The committee resolved unanimously to agree this additional recommendation.

The Committee resolved unanimously to endorse the amended recommendations.

The Executive Councillor approved the amended recommendations.

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

Not applicable.

13/68/SR Making Assets Count (MAC) - Strategic Asset Management

Matter for Decision

Authority to progress work towards the creation of a publicly-owned Joint Venture to deliver the Making Assets Count Programme.

Decision of the Executive Councillor for Customer Services and Resources

Resolved:

- To agree in principle to the proposal to create a publicly-owned Joint Venture (MAC Public Property Partnership), in which the City Council would be a key partner, to manage public sector property assets across Cambridgeshire.

- ii. That work is undertaken to develop the detail of the proposal and that this work be reported back to members for further decision.

Reasons 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 Director of Resources regarding strategic asset management.

In response to member's questions the Director of Resources confirmed the following:

- i. Acknowledged concerns regarding the apparent complexity of the structure and the Officer time involved, but reassured members that the new process would offer greater flexibility and ensure quicker decision making. It was also noted that the programme would be managed within existing officer resource.

The Chair proposed the following amendment to recommendation 2 of the Officer's report (additional text in **bold**):

- That work is undertaken to develop the detail of the proposal and that this work be reported back to members **for further decision**.

The committee resolved unanimously to agree this amendment.

The Committee resolved by 4 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)

Not applicable.

13/69/SR Wide Area Network**Matter for Decision**

Purchase and commission a new Wide Area Network to provide a modern data communications infrastructure for the Council.

Decision of the Executive Councillor for Customer Services and Resources

Resolved to:

Financial recommendations

- i. Recommend this scheme (which is not included in the Council's Capital & Revenue Project Plan) for approval by Council, subject to resources being available to fund the capital and revenue costs.
 - The total cost of the project is £142,000, financed from repairs and renewals funding.
 - The ongoing additional revenue costs of the project are £14,000 per annum, funded from existing revenue budget provisions.
- ii Delegate authority for the placing of further orders within this contract to the Director of Resources (or successor post) in consultation with the Executive Councillor, Chair and Spokes of the Strategy and Resources Scrutiny Committee, provided available funding sources are in place and up to a maximum limit of £300,000 capital and £190,000 revenue.

Procurement recommendations

- ii. Approve the carrying out and completion of the procurement of a Wide Area Network (WAN) utilising the Cambridgeshire Public Sector Network (CPSN) framework contract.

Subject to:

- The permission of the Director of Resources being sought prior to proceeding if the quotation or tender sum exceeds the estimated contract.
- The permission from the Executive Councillor being sought before proceeding if the value exceeds the estimated contract by more than 15%.

Reasons 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 ICT regarding wide area network.

In response to member's question the Head of ICT confirmed the following:

- i. The project would improve the Council's throughput and connect to the Virgin Media Cloud.
- ii. Whilst the project would not generate any savings, it would enable more to be done within the same resource.

The Committee resolved unanimously to endorse the recommendations.

The Executive Councillor approved the recommendations.

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

Not applicable.

13/70/SR E-Mail, File and Storage System and Server Upgrades**Matter for Decision**

To change the Council's e-mail system from Northgate GroupWise to Microsoft Exchange / Outlook, replace current file storage software with Microsoft products and upgrade supporting hardware.

Decision of the Executive Councillor for Customer Services and Resources

Resolved to:

Financial recommendations

- i. Approve the commencement of this scheme, which is already included in the Council's Capital & Revenue Project Plan (PR020).
 - The total cost of the project is £333,930, funded from the IT Infrastructure repairs and renewals fund and the Technology Investment Fund.
 - There are no ongoing revenue cost implications arising from the project.

Procurement recommendations

- ii. Approve the carrying out and completion of the procurement of hardware, software and labour to support the upgrades.

Subject to:

- The permission of the Director of Resources being sought prior to proceeding if the quotation or tender sum exceeds the estimated contract.
- The permission from the Executive Councillor being sought before proceeding if the value exceeds the estimated contract by more than 15%.

Reasons 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 ICT regarding email, file and storage system and server upgrades.

Councillor Herbert welcomed the work done by officers on this project. It was hoped that an improvement to the system would enable all Councillors to use a generic email address and lead to enhanced calendar functionality.

Councillor Rosenstiel supported these comments and felt that it would be beneficial for the public if all Councillors used their generic email addresses.

The Committee resolved unanimously to endorse the recommendations.

The Executive Councillor approved the recommendations.

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

Not applicable.

13/71/SR Customer Service Telephone and Online Payments upgrades

Matter for Decision

The purchase and installation of the Capita call secure and online payments content management system.

Decision of the Executive Councillor for Customer Services and Resources

Resolved to:

Financial recommendations

- i. Recommend this scheme (which is not included in the Council's Capital & Revenue Project Plan) for approval by Council, subject to resources being available to fund the capital and revenue costs.
- The total capital cost of the project is £27,000. £12,000 is to be funded from the Corporate Marketing Web Development budget and £15,000 is to be funded from the Cashiers repairs and renewals fund.
- The on-going revenue costs are £8,300 per annum (£41,500 for 5 years), funded from the Cashiers revenue budget provision.

Procurement recommendations

- ii. Approve the carrying out and completion of the procurement of a telephone payments upgrade and an online payments CMS system.

Subject to:

- The permission of the Director of Resources being sought prior to proceeding if the quotation or tender sum exceeds the estimated contract.
- The permission from the Executive Councillor being sought before proceeding if the value exceeds the estimated contract by more than 15%.

Reasons for the Decision

As set out in the Officer's report

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

There was no debate of this item as pre-scrutiny had not been requested.

The Executive Councillor approved the recommendations.

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

Not applicable.

13/72/SR Re-Tendering Options for Debit & Credit Card Contract

Matter for Decision

Decision to re-tender or extend the Council's contract for the provision of Chip and PIN terminals and authorisation of debit & credit card transactions.

Decision of the Executive Councillor for Customer Services and Resources

Resolved to:

- i. Delegate authority to the Council's section 151 officer to award the Merchant Acquirer contract to the contractor that is able to provide the best value, whether, following analysis by officers, that means extending the current contract or placing a new contract from January 2014.

Reasons for the Decision

As set out in the Officer's report

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

There was no debate of this item as pre-scrutiny had not been requested.

The Executive Councillor approved the recommendations.

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

Not applicable.

13/73/SR Procurement for services for the placement of Recruitment Advertising and Public and Statutory Notice

Matter for Decision

Request to use an ESPO Framework to procure services for Recruitment Advertising and Public and Statutory Notices.

Decision of the Executive Councillor for Customer Services and Resources

Resolved:

- i. To approve the use of the ESPO framework, '3(A) Recruitment Advertising and Placing of Public and Statutory Notices', for the procurement of services for recruitment advertising and public notices.
- ii. To delegate authority to the Director of Resources to award the contract following consultation with the Executive Councillor.
- iii. That the term of the contract be for up to 3 years.

Reasons for the Decision

As set out in the Officer's report

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

There was no debate of this item as pre-scrutiny had not been requested.

The Executive Councillor approved the recommendations.

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

Not applicable.

13/74/SR Record of Urgent Decisions taken by the Leader of the Council

14a Special Urgency Decision: Claims in the administration of LBI

The special urgency decision was noted.

13/75/SR Update on claims in the administration of LBI

The Head of Legal Services introduced the item.

Cambridge City Council was one of 96 local authorities' owed money by LBI hf (formerly Landsbanki Island hf, the failed Icelandic bank). The Council had been approached by Bevan Brittan (legal advisors appointed by the Local Government Association in matters relating to Icelandic bank claims) seeking formal authority to explore on behalf of the City Council the possible sale of its priority creditor claims against LBI.

The Council now had to make a decision on whether to agree to partake in an auction process for selling their claim, and if so, agree a price at which they would be willing to sell.

In response to member's questions the Director of Resources confirmed the following:

- i. Cambridge City Council was better placed than many local authorities as there was no immediate financial need for the claim to be settled.
- ii. Selling the claim would allow the Council flexibility to replace external borrowing with internal borrowing.
- iii. For claims not sold, the cost of pursuing the debt would be split between the remaining local authorities. This would therefore increase the legal costs for those authorities.

The Leader of the Council acknowledged that, whilst it was a frustrating process, it was in the best interest of Cambridge residents that legal advice was adhered to and that the detail not be discussed in public.

Exclusion of the press and public

The Committee resolved to exclude members of the press and 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 paragraphs 3 and 5 of Part 1 of Schedule 12A of the Local Government Act 1972.

13/76/SR Update on claims in the administration of LBI

Matter for Decision

Decision on whether to partake in an auction process for the sale of its priority creditor claims against LBI, and if so, at what price.

Decision of the Leader of the Council

Resolved to:

- Agree in principle to participate in the competitive auction of priority claims against the insolvent estate of LBI, subject to further financial analysis to set a reserve price, to be set by the Leader in consultation with the Chair and Labour spokesperson.

Reasons for the Decision

As set out in the Officer's confidential report

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

Members discussed the options and recommended that the Council should agree in principle to participate in the competitive auction of priority claims against the insolvent estate of LBI, subject to further financial analysis to set a reserve price.

The Leader of the Council approved the recommendations.

**Conflicts of Interest Declared by the Leader of the Council (and any
Dispensations Granted)**

Not applicable.

The meeting ended at 8.32 pm

CHAIR